

# When the Executive Director Leaves

Just when you think your co-op is functioning smoothly – surprise! The executive director resigns. This is not unusual. Often times an initial executive director has an entrepreneurial personality. A true entrepreneur thrives on the excitement (and chaos) of starting a new organization. But once all the organizational details are worked out, tasks become routine. So do not be surprised if the founding executive director leaves after two years in search of the next start-up challenge.

Unfortunately, sometimes an executive director isn't a good match for your co-op. Not everyone has the flexibility necessary to collaborate with a board and with caregivers. There may be performance problems. Sometimes for the good of the business, the board has to fire the executive director.

So if your co-op is faced with a resignation or sudden departure of your executive director, please keep the following four steps in mind.

## 1) Take a deep breath!

Don't panic. Don't feel rushed into a decision. Yes, the departing executive director may have only given two weeks or two months notice. It never feels like enough time.

## 2) Name an interim executive director

Ask someone familiar with the co-op to temporarily manage operations. Be sure to pay this person for her time, either with an hourly wage or a temporary salary. People who could fill the void include:

- *The board president or another board member*
- *An administrative staff person*
- *An external consultant* – ask people who have been supporters of your co-op for suggestions of capable individuals.

## 3) Revisit your structure

This is an opportunity to restructure the administration and management of your co-op. Perhaps some functions could be filled by caregivers. Perhaps some tasks could be outsourced (i.e. payroll). Perhaps some duties could be shifted among current staff.

A co-op could establish departments or functional areas. The departments could be coordinated and staffed by caregivers who would care for their clients in the early mornings and evenings and perform their part-time administrative duties in the late mornings or afternoons. Examples of departments include:

- *Client services* – new client assessments, scheduling, quality assurance, liaison to families and social services
- *Caregiver services* – hiring, firing, training, evaluations, orientation of new caregivers into the co-op culture (in preparation for membership)
- *Financial services* – payroll, billing, accounts payable, contract oversight
- *Marketing* – bringing in new business, maintaining existing relationships

Don't automatically assume the co-op needs to be managed by a single, high salaried "professional." The co-op culture is unique. Not everyone is cut out to work in a collaborative environment. Not every business needs a single "the buck stops here" manager. Management duties could be divided among department coordinators, as long as responsibilities are clearly delineated.

#### **4) Conduct a thorough candidate search**

If, after analyzing your administrative structure, the board and members decide to hire an executive director, proceed with the following steps:

- Update the previous executive director position description.
- Advertise the position (on the internet, through publicly sponsored websites, in newspapers, via your contacts).
- Designate a contact person. Ask someone to initially screen applications. Enter candidate names into web browser search engines (i.e. Google) to learn more about potential candidates.
- Name an interview team. The team may include co-op members, board members, current staff, and co-op advisors/supporters. Help team members understand what questions they may legally ask. Make sure team members can participate in all interviews (because of schedules, this may limit the team size to 3-5 individuals).
- Write the interview questions.
- Contact candidates to set up an interview schedule. Plan on roughly a third to half of applicants declining to interview. (Lots of people apply for jobs, but then decide they aren't really serious about following through.)
- Conduct the first round of team interviews.
- If you are not satisfied with the caliber of the candidates, extend the application date and re-advertise the position.
- Conduct second interviews with your top 2-3 candidates. Include the entire board and interested members. During this interview, be prepared to negotiate salary, benefits, and starting date.
- Perform a criminal background check. Check on references (both those listed on the application and via people who previously worked with the person).
- Decide who will make the best executive director.
- Call by phone to make an offer and to negotiate terms. Follow up with a written letter of intent stating the agreed upon terms of employment.
- Welcome your new executive director. Introduce the individual to all members and to key stakeholders.

The departure and hiring of an executive director is a time of transition. The change can feel unsettling. But the transition can also be an opportunity for the cooperative to come together to re-visit who they are as an organization and who they would like to become.

So... take a deep breath, name an interim director, re-visit your structure, and conduct a thorough candidate search. And remember to keep communicating with one another.

Best of luck,

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