

# In Support of Those Who Take the Leap

## Lessons on Leadership Transitions from the Open Society Foundations' New Executives Fund

In 2019, with the help of organizational strengthening consultants Martha Farmelo and Victoria Wigodzyk, the Open Society Foundations' New Executives Fund launched an internal learning project to explore the deep knowledge and experience that has accumulated within its community of executive leaders. This project resulted in a report entitled *In Support of Those Who Take the Leap: Lessons on Leadership Transitions from the Open Society Foundations' New Executives Fund*. The following excerpts are taken from that report.<sup>1</sup>

## Messages to the Donor Community on Leadership Transitions and Beyond

### Important Introduction: When Context is Critical

At a November 2019 New Executives Fund grantee convening in Barcelona, Spain, the report authors facilitated a participatory session to gather the expectations and concerns around this learning initiative from the approximately 44 Executive Directors present. Additionally, with the New Executives Fund staff having left the room (as previously agreed upon), the Executive Directors were asked to express in writing and out loud the most pressing messages about leadership transitions that they would like to share with the donor community.

Many important things happened during that exercise, including a sense of catharsis, above and beyond the session's initial focus on discussing leadership transitions. Executive Directors were invited to form a circle in which individuals took turns stepping into the middle to voice their most pressing message. The other Executive Directors were asked to move toward the person in the center to the degree with which they identified or agreed with what was being said. Some participants distanced from the exercise (which makes it difficult to know differing levels of conformity with the various messages). Also, in the process, without naming any names, some serious examples of donor misconduct were mentioned.

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<sup>1</sup> The sections excerpted here from Part Two: Messages for the Donor Community Around Leadership Transitions and Annex 4: Additional Messages for the Donor Community Beyond Leadership Transitions. The full report and related materials will be made available at the [Publications](#) section of the Open Society Foundations website. To contact the New Executives Fund, email [nef@opensocietyfoundations.org](mailto:nef@opensocietyfoundations.org).

Toward the end, the group recognized that the combination of the need to release frustration and the lack of time led to a disproportionate expression of negative messages, which paints an incomplete picture of their relationship to their funder and the donor community. Participants noticed that much of what was said was framed through a U.S. lens. They also requested that this context be made explicit in this report.

What follows is a summary of the messages that were written down by Executive Directors and shared in the group.<sup>2</sup> The first part focuses on leadership transitions; the second part includes additional messages not specific to leadership transitions. Some are reflections and others express grantee preferences, while others are categorical requests. Participants expressed hope that this report could serve as a call to action to philanthropy more broadly about the seriousness of the issues that were named in the space. Some asked donors to take immediate action to assess their strategies and activate change.

If you are a donor, you are invited to ask yourself, if you are 100 percent honest about what might apply to you or your organization: what learnings, reflections, questions, and concerns do you take away? What points made you say, “How great that this is included!” and which gave you pause and/or caused you to disagree? What actions, large or small, might you consider taking as a result of this reflection?

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<sup>2</sup> Most of the comments are paraphrased. Quotation marks indicate direct quotes.

## Messages for the Donor Community Around Leadership Transitions

### *How to Be in a Supportive Relationship with New Executive Directors*

**Initial timing.** Study participants offered different messages on how to handle the initial contact with new Executive Directors. On the one hand, they suggested that donors invite the Executive Director to come and share their vision and discuss how you can support them, in person, as soon as possible, at a minimum, scheduling a call. At the same time, Executive Directors need time to articulate a new vision that incorporates inherited issues and allows for inclusive internal processes to align Executive Directors with the organization's strategy.

“Please don't call me in the first month and ask what my new vision is, how I am going to implement it, and how far I have come. Limit your requests. We have a lot to figure out, and funding will be our top concern.” The lesson here may be to contact each new Executive Director early on to ask when would be the best time for them to share their vision and discuss how you might support them.

Executive Directors added to please remember that reassurance goes both ways: it is not only the new Executive Director's job to reassure you; it is also your job to reassure the new Executive Director. Provide honest (perhaps confidential) feedback to the incoming Executive Director about the work and the organization (and do so early!),

but be mindful of the fact that the incoming leader is under a great deal of pressure. Clarify your funding priorities, intentions, budget plans, processes, and decision-making processes for the new Executive Director; onboard the Executive Director regarding how you work.

**Regarding the past leadership.** Be open to investing in establishing a fresh relationship with the new Executive Director if there were problems under the previous Executive Director. Give the new Executive Director the benefit of the doubt; they are not their predecessor, their board, etc. Do not hold new leadership hostage for funding shortfalls that occurred under old leadership. “I understand you had a personal relationship with my predecessor. Please don't make me feel that your support is contingent on my creating a personal relationship with you.” And, “Don't exploit my newness and pull the wool over my eyes about things my predecessor said ‘no’ to.”

**“Please trust us.”** “Trust how we are going to spend the money. When I buy an iPhone, I don't ask how much of my money goes to production, overhead, or administration. I trust that the money will go to making a good phone. The same applies to us. Please have patience with technical problems or

hiccups in the first few months, such as late reporting. Transitions are risky for you and for us. They are not business as usual. If a transition disrupts your programs and schedules, please live with that and give us some space. Don't freak out if we let people go."

**Have awareness of your bias.** "If you think I am too young, the wrong color, or from the wrong background or professional experience, please trust that others have considered this and it's OK. Be careful to check your bias, be it age, color, race, or anything else."

## *Financial Support for Transitions*

*"Invest in the transition in ways that don't add pressure. Offer flexible, generous, general operating, multiyear support to the incoming leader so they are set up for success."*

Organizations need core, flexible, multiyear funds, not project-based grants; otherwise it is very hard for the new leadership to implement the transition in mission and vision. This is especially true in regions where core funding is limited. If you cannot or choose not to provide unrestricted funding, please allow line items not related to program work, or otherwise provide support for the transition itself. This could include:

- Coaching or other professional development
- Strategic planning support
- Support for new Executive Directors writing proposals<sup>3</sup>

- Sharing a list of experienced organizational development consultants, organizations, external resources
- Convening/networking for Executive Director
- Re-branding
- Expanding the staff
- Addressing inherited problems/budget shortfalls

Also, support for the Executive Director alone is insufficient as the whole executive team needs to be considered, especially the existing managers. Investment that supports the rest of the staff is important, too, including resources for staff development and team-building initiatives (retreats, trainings, etc.).

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3 "When a new Executive Director writes about how we plan to transform the organization, initially, we are probably making it up. One funder supported us to learn how to pitch. The [U.S.-based] [The Evelyn and Walter Haas, Jr. Fund](#) has a flexible leadership award that includes a consultant who writes proposals, reports, etc. That is an easy way to address this. This stress is bigger in smaller organizations," commented one Executive Director. Another added in an interview, "I'd urge donors to invest in business training and mentorship through a global [executive coaching] organization like [Vistage](#). It's inexpensive and will have a profound impact on the leader and organizational growth. I know because I did it for five years."

## *Level of Support*

*“An investment in new leadership because of new leadership, even if one-time only, is vital to the success of the leader and the organization. Consider a time-bound commitment of support at the current level (or higher) while the changes embed and can reach some level of fruition.”*

*“Funders are reluctant to make real medium-term commitments; they retain the flexibility.”*

Do not write off an organization or reduce or stop funding when a leadership transition takes place, and do not decrease unrestricted funding. It is incredibly demoralizing to face a budget gap. A new Executive Director needs to manage a huge number of urgent, competing priorities. Do not add additional financial issues. On the contrary, invest in the organization's transition period. We have huge ambitions and we want you to increase your support because we can do more. That vote of confidence builds momentum around the changes we are seeking to make. To the largest donor: you need to stay in as a signal to the community and to other funders that we are going to have continuity.

Commitment to support new leadership requires focus on existing organizational challenges and leadership structures and support. Often funding has to go to emergency organizational needs and leadership best practices have to be sacrificed, so funding may require a longer-term or deeper commitment than anticipated.

At times, donor expectations are disproportionate to the level of support. Donors should refrain from asking for three- to five-year outcomes if the grant is not multiyear, and from asking how this money will transform my leadership “unless they add another zero (at the end).”

## *Other Types of Support*

Do reach out proactively to support organizational transformations through other means besides funds:

- **Open donor networks to new Executive Directors:** Please use your position and power to introduce Executive Directors to **potential new donors**, or invite them to spaces where they might meet them. Highlight their work whenever you can. Send a welcome note throughout your networks. Give the new leader all the new introductions to funding, but not program advice—unless asked.
- Help us connect with **other organizations, leaders and donors who have had successful experiences with leadership transitions.**
- Please introduce us to **other grantees** working in the same space.
- Offer additional **non-monetary resources**, including tools for leadership transitions.

Also, please keep in mind that, often, the outgoing Executive Director must be assisted to transition out. Do speak with the outgoing Executive Director and board about the transition process.

## *Summary of Key Learnings on Leadership Transitions for the Donor Community*

Study participants expressed loudly and clearly that the New Executives Fund has a major opportunity to use Open Society's convening power with other funders to spark groundbreaking conversations on the importance of leadership transitions, what Executive Directors and organizations need, the role of philanthropy in supporting them, learnings on how best to do that, and the costs of not doing so. This implies talking to people at different decision-making levels in various donor organizations, including donor trustees.

As mentioned, one key message is the **need for unrestricted funding** during leadership transitions. Another is the awareness and understanding of **organizational health and effectiveness**. Both imply moving away from project support "to invest in organizations themselves, so that we can do better project work." Several New Executives Fund grantees have been trying to convey this message to their funders. "The biggest expectation for this study is to plant that seed in other donors," said one. This is about **changing the culture of philanthropy** to sustain accountability and be

more trusting of grantees, focusing on organizations' overall health, the demands of volatile political contexts, and the strain produced by reliance on project funding.

Throughout the study, participants reiterated repeatedly the importance of **centering the experiences of “historic firsts,”** and, in general, that of Executive Directors (and organizations) who represent groups and communities that have been **historically marginalized** from power and access to resources.

As developed below, Executive Directors want other donors to know that if they do not offer a program similar to New Executives Fund nor simply provide unrestricted funding, at the very least they should not keep organizations undergoing leadership transitions waiting on promised funds or cut their funding, but, rather, **give new Executive Directors the benefit of the doubt.** And, if there is a major concern with the organization, Executive Directors would like **clear and timely messages** from donors in this regard.

## Additional Messages for the Donor Community Beyond Leadership Transitions

These messages emerged in the facilitated session at the November 2019 grantee convening, as described in the introduction above. For further context, see Annexes 3 and 4 in the full report.

*“Sustainability is meant to be a problem for both of us. Let’s work it out together.”*

*“Don’t dance around the hard questions and concerns.”*

### *Ethical Concerns*

These concerns reflect experiences that Executive Directors have had. Many are extremely serious:<sup>4</sup>

- Allow Executive Directors to tell you “no” and understand refusal as an act of relationship. Treat your financial support as collaborative, not dictatorial. Please see me as a collaborator and not as a servant or a contractor.
- Donors using my organization’s name and writing a grant document without my consent.
- Supporting 0.1 percent of the work and taking 100 percent of the credit.
- Inviting me to bid for a project you are quite certain you are going to give to someone else.
- Expecting me to hear your complaints or make you feel good about your job instead of speaking about the work.
- Pushing us against our personal morals and values and shifting our missions.
- Asking about staff demographics and staff equity, but refraining to do the same for your organization.
- Asking me to speak about equity and then not fund me.
- Funding us to do what you are supposed to be doing.
- Expecting me to spy on other Black-led organizations, which is racist.
- Cherry-picking people who are photogenic, speak English, and whom you want to sleep with.

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4 A message from the New Executives Fund team: The New Executives Fund team was deeply disturbed to learn about grantee experiences of past donor misconduct that were shared anonymously during the closed-door dialogue in Barcelona, particularly those implicating Open Society policies prohibiting discrimination and harassment in the work environment (“Expecting me to spy on other Black-led organizations” and “making a pledge in a meeting and 20 minutes later asking me to see your hotel room”). In response to these developments, the New Executives Fund team directly engaged Open Society leadership to commence a process to determine whether the reported incidents involved an Open Society employee or board member, and/or if the reported incidents occurred at an Open Society-hosted convening. To protect the anonymity of those who reported these incidents, the Barcelona dialogue facilitators (and authors of this report) agreed to follow up with the relevant individuals without identifying them to the Open Society Foundations. These individuals then confirmed that the incidents did not involve any Open Society employee or board member, nor did they occur at an Open Society-hosted convening. While we are relieved that no Open Society personnel or programs were implicated in these disturbing incidents, we remain deeply troubled at the alleged behavior of our peers in philanthropy. We deeply regret that our grantees had to endure these experiences and we appreciate their bravery in bringing these issues to light. We hope this report will draw more attention to issues of discrimination and harassment in philanthropy and invite further dialogue on how to identify, prevent, and provide redress for them.



- Making a pledge in a meeting and 20 minutes later asking me to see your hotel room.

The naming of such serious issues led to a brief conversation about how the group might and should address them. As mentioned, one line of thought was the building of a community of Executive Directors to support each other around issues of harassment, including, ideally, those who do not get funding from the donor in question. A couple of people in the room volunteered to follow-up with the group about this after the convening.

**A few comments addressed the conditions under which many organizations are operating.** In the moment of catharsis during the meeting in Barcelona, they were expressed in these terms:

- When we are working in countries where staff are experiencing arson and other reprisals and threats, do not just say “that is hard, good luck.” Please do practical things. Supports exist and can be resourced in areas such as protection, digital security, etc.
- We are undertaking movement work for liberation and saving lives that may not be counted, so please provide the funding and get out of the way. We’re in crisis, continually facing discrimination, violence, and murder.
- You are talking to me from your office. I am out on the ground. Please cut the critical questions and let me get back to you.

**Other practices to refrain from:**

- On the day I submit a million dollar grant renewal application to your organization, please do not ask me to be somewhere else in three days.
- Questioning my senior staff’s remuneration when your junior staff gets paid more than me, and you fly business class.
- Talking about your concerns about shrinking civic space if you are cutting funding for those who are fighting the shrinking of that space.
- Pausing giving when conducting strategy reviews in times of crisis. Please increase giving while you figure things out.
- Saying you do not fund that type of work and funding organizations in opposition to what we are doing.
- Affirming that participation in an activity is voluntary when you know I actually have to do this.
- Making organizations’ leaders spend extensive time in activities, conversations, assessments, and other actions that support or benefit the foundation rather than the organization.
- Having me pick up the check at our pitch meeting.

## *We Challenge You to Increase Your Support!*

*“Just because we are a grassroots organization, don’t fund us at a fifth of national-level organizations; I challenge you to triple your support.”*

*“Double your contribution with flexible funds for institutional challenges like strategic planning, convenings, external help (organizational development consultants), re-branding, and expanding the staff.”*

Executive Directors mentioned several areas that merit **multiyear support**:

- Fund new initiatives for review, re-visioning, and fresh governance structures.
- Support innovations; provide flexibility; focus on skills.

## *Sharing Your Plans*

Some comments had to do with **transparency**:

- Please practice the transparency we are all advocating for in public institutions and let us know your long-term visions and plans, including plans for the next couple of years— and if you plan to stop funding us.
- Now that we have shown you ours, what is your theory of change?
- Commit to consultative processes and listen to your grantees when determining your priorities.
- On **funding decreases**, in addition to greater transparency:
  - If you are going to discontinue funding, please decrease gradually.
  - Check yourself when using language like “tying people off.” It could destroy our movement.
  - Do not abandon work you had incubated and helped position.
  - Donors have to be prepared to respond to crisis when grantee success harms other sources of funding (for example when a group was so impactful, a government source canceled core funding).

## *On More Operational Issues*

- To donors that do not accept unsolicited proposals: making us try to get your attention in other ways takes up even more of our mutual time, so please have an open door.
- If there is a date for disbursement of funds in the contract, please respect that date. Do not make us beg for the money.
- Do conduct or require financial health checks.
- Executive Directors requested that applications be made available in other languages; that funders work with their peers and colleagues to streamline and standardize grant applications and evaluations; and please stop using portals!
- Please read the grant report or eliminate the requirement entirely.