

Nonprofit Executive Leadership and Transition Survey 2007: Central Texas

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Commissioned by Greenlights for NonProfit Success
in partnership with RGK Center at The University of Texas and United Way Capital Area.
2005 Comparison data from Transition Guides and the Annie E. Casey
Foundation

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TABLE OF CONTENTS

Preface	1
Executive Summary	2
Background	3
Response Rate	4
Detailed Findings	5
Describing the Current Executive	5
Executive Director Career Paths	7
Executive Director Transitions: Past and Future	8
Depth of Management Capacity of Organizations	10
Organization Information	10
Organization Experience with Transition and Succession Plans	11
Conclusions and Preliminary Recommendations	12
Appendix A: Regional and Local Break-outs	A1
Appendix B: Survey Method	B1

PREFACE

Greenlights for NonProfit Success commissioned this survey of Central Texas nonprofits in partnership with RGK Center at The University of Texas, and United Way Capital Area. (Central Texas refers to the area around Austin including Travis, Williamson, Hays, Bastrop, and Caldwell counties.) This survey aims to better understand characteristics and career path of executives, how leadership transitions will impact organizations, and to inform the further development of strategies to address the pending generational shift in leaders. The results from this survey are compared to national data collected in 2004 which provides a broader perspective on what is happening in Central Texas.

The 2004 data represents the first national study of leadership transition in the nonprofit sector. The data was released in 2005 as the national report, *Nonprofit Executive Leadership and Transition Survey: 2004*. Regional and local breakouts from the national study covering a combined total of 2,200 respondents are included in Appendix A.

EXECUTIVE SUMMARY

Nonprofit executives in Central Texas are similar in age, race and job tenure to executives nationally. The average executive in Central Texas is a White female in her 50s with about four years of experience as an executive, 11 to 15 years of experience in the sector, and has a Bachelors or Masters degree.

While this is similar to leadership across the nation, Central Texas executives are younger, less experienced, and more likely to be a White or Latino female than nationally.

	Central Texas	Nationally
executives are over 40	80.5%	84%
Under 40	20%	15%
White	88%	84%
Latino	6%	4%
Female	67%	58%
Tenure in position less than 4 years	53%	43%
Tenure in position over 10 years	22%	28%

Leaders of nonprofits in Central Texas are more likely to be Latino than are executives nationally; however, there is still significant room for increasing the number of people of color who are in leadership positions in Central Texas. Eight-eight percent of executives in Central Texas are white, 4% are African American and 6% are Latino. For comparison, according to the 2000 Census, 65% of Austin’s population is White, 10% in African American and 31% is Latino.

A majority of Central Texas executive are first-time executives with significant experience in the nonprofit sector. However, they have less sector experience than do executives nationally.

- 59% of executives in Central Texas are in executive positions for the first-time.
- 64% have over 10 years of experience working in the nonprofit sector compared to 73% nationally.
- 21% have over 25 years in the sector compared to 32% nationally.

Most executives worked in other nonprofits prior to taking their executive position and have additional experience in other sectors (i.e. government or for-profit business).

- 54% worked for a nonprofit immediately before becoming the executive director.
- The next highest percentage, 15%, came from a position in for-profit business/corporate sector.

Forty-nine percent have worked for a for-profit company at some point in their careers, 32% have worked in education, 24% worked in government, 38% were self-employed, and 10% have been consultants.

This demonstrates the breadth of experience that nonprofit executives often have. Further, this diverse career path suggests that as the sector prepares for an increasing number of transitions it needs to look to other sectors both for strategies and talent. It may also be important to seek creative ways to keep current experienced executives engaged as a resource to the sector even as they are leaving their executive positions. Central Texas may also benefit from baby-boomers relocating to Texas from other areas of the country.

Central Texas executive salaries are low compared to national figures.

- 18% of executives earn more than \$100,000 compared to 25% nationally.
- 12% earn under \$25,000 compared to 5% nationally.

The relative level of salaries and benefits regionally and nationally becomes important as regions begin to compete for new executive talent.

Many nonprofits in Central Texas have some middle management, which may serve as a training ground for executives. Only 1/3rd have deputy directors. The deputy directors are significantly younger and slightly more diverse than executives. They may be a source of increasing the diversity of top leadership.

Central Texas area nonprofits will experience an increasing number of executive transitions over the next 10 years. Nonprofits are likely to face twice as many transitions in the next five years as they have in the past 5 years.

- 57% of organizations have had an executive transition in the past 10 years; roughly 29% experienced a transition in the last 5 years and
- 67% expect a transition in the next five years.

The rate of transition in Central Texas is similar to what is expected nationwide in the next 10 years.

Survey results also show that executive directors of small Central Texas nonprofits are planning to leave sooner than executives of larger organizations. While this not unexpected, it does suggest that outreach and transition support should explicitly be available to small organizations.

Only 23% of executives in Central Texas plan to take another executive director job when they leave their current position. Thirty-six percent plan to retire or semi-retire. Another 13% expect to obtain a position in consulting companies or to do some consulting.

Transitions over the next 10 to 15 years will happen in two waves—one from now to about 2012 and the second from about 2012 to 2020. Central Texas nonprofits appear to have already entered the upward trend of the first wave of transitions. In the first wave of transition,

- 66% of the older baby-boomers in nonprofit executive director positions will leave their current positions by 2012; most plan to retire or semi-retire.
- In addition, younger baby-boomer executives plan to leave their positions in order to “try something new” before they retire.

The second wave of transitions will extend from about 2012 to 2020 and will occur as remaining baby-boomer executives reach age 62, the age when work force participation drops precipitously. Even if baby-boomers continue working past age 62 they are likely to significantly reduce work hours. If recent transition patterns hold, most of these transitions will occur by 2020, when all but the youngest baby-boomers will have reached 62.

BACKGROUND

Effective leadership is a critical element of successful organizations. Not surprisingly, the period of executive leadership transition—the departure of a current, and the hiring of a new executive director or chief staff officer—is fraught with risk. Further, research has shown that an “era” of transition is looming as baby-boomers¹ (which head over 70% of our successful nonprofits) are reaching retirement age. There are approximately 77 million baby-boomers who make up over half of the current work force. In comparison, there are about half as many Generation Xers². This drastic reduction in the number of people with significant work

¹ Baby-boomers born from 1946 to 1964, they were generally part of the post WW II “baby boom”.

² Generation X born 1965 to 1978.

experience will be a major influence on leadership in the workforce over the next 10 years. The larger number of Generation Yers (baby boomers kids)³ will be a source of labor, but they are younger and generally lack experience.

Research conducted by TransitionGuides, CompassPoint, Maryland Nonprofits, and the Annie E. Casey Foundation highlights the risks of failed or unsuccessful transitions, noting that poorly managed executive transitions incur high costs to organizations and communities. For example, too frequently there is repeat executive turnover and extended periods of under-performance. In extreme circumstances organizations go out of business, leaving a wake of broken commitments and financial entanglements.

On the other hand, executive transition offers a powerful opportunity to build the capacity of our nonprofit organizations. With change in leadership comes an unparalleled opportunity to revisit the strategic direction of the organization and find a leader who will match the needs of the organization as it moves forward. Board members must step up their engagement with the organization during a transition and so there are opportunities to build board leadership and ensure that the new executive director and board leadership have an effective partnership.

Understanding the executive transition trends in a region can help support organizations plan for and provide services that accentuate the opportunities and mitigate the challenges.

RESPONSE RATE

Greenlights commissioned this survey to gauge how these national trends are going to impact Central Texas nonprofits. There were 233 unique respondents to the Central Texas survey; the vast majority are from Austin (205), other areas represented included: Round Rock, San Marcos, Bastrop, Leander, and Manor. It appears the survey results are skewed slightly toward large and medium organizations⁴. Further, the responses to the survey are more likely to be representative of organizations in Greenlights' network. Despite these slight skews, the response rate is sufficient for the data in this survey to accurately describe what is happening in Central Texas nonprofits. Information in this report describes the answers from responding executives and national nonprofit leaders.

For more information about the methodology used for this survey, please see Appendix B.

³ Generation Y born during a baby bulge that demographers locate between 1979 and 1994. Generally the children of the baby boomers.

⁴ In this survey small organizations have budgets of under \$500,000 or fewer than 6 staff people; medium organizations have budgets of \$500,000 to \$2 million or between 6 and 20 staff people; and large organizations have budgets over \$2 million or more than 20 staff people.

DETAILED FINDINGS

Describing the Current Executive

The average executive in Central Texas is

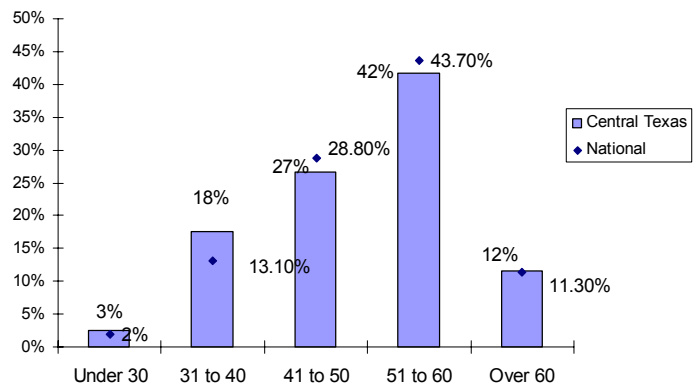
- a white female in her 50s
- with about four years of experience as an executive,
- 11 to 15 years of experience in the sector, and
- has a Bachelors or Masters degree.

Most Central Texas nonprofit leadership are baby-boomers.

A large majority, 81%, of executives in Central Texas are over 40 years old, and 54% are over 50 years old.

- 81% Central Texas executives are over 40 compared to 84% nationally,
- 54% are over 50, similar to national figure of 55%.

Executive Director Age
N(Texas)=233, N(national)= 2221



Most of the Central Texas area nonprofit leadership is made up of younger baby-boomers in their fifties. Baby-boomers in their fifties are often interested in exploring other careers; it is possible that nonprofits in the Central Texas area will see significant numbers of executives exploring retirement or semi-retirement from nonprofits as they reach their fifties and sixties in order to pursue other interests or build retirement savings.

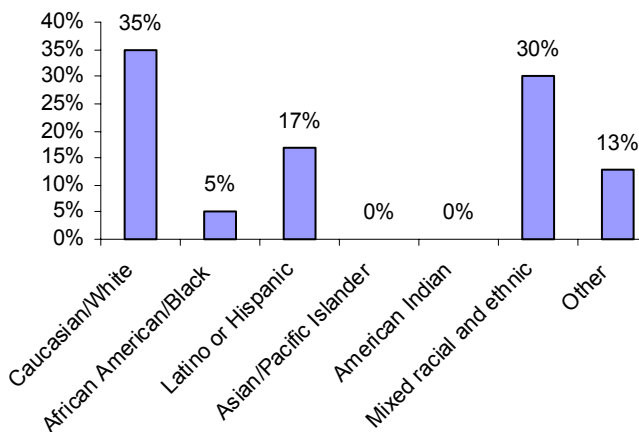
Central Texas has a higher percentage of executives under age 40 than nationally.

Respondents report 21% of the executives are under 40 years old. This is slightly higher than national figures.

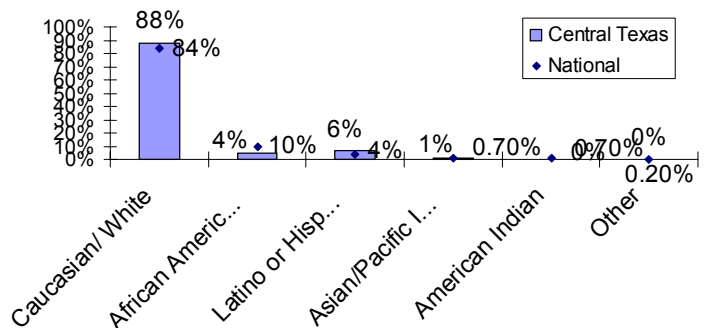
Central Texas executives are more likely to be White and female and 50% more likely to be Latino than executives nationally.

- 88% of executives are white compared to 84% nationally.
- 4% are African American; 6% are Latino.
- 67% of executives were female compared to 58% nationally.

Racial Profile of Primary Clientele
(N=229)



Ethnicity of Executive Directors
N(Texas)=229, N(national)= 2221



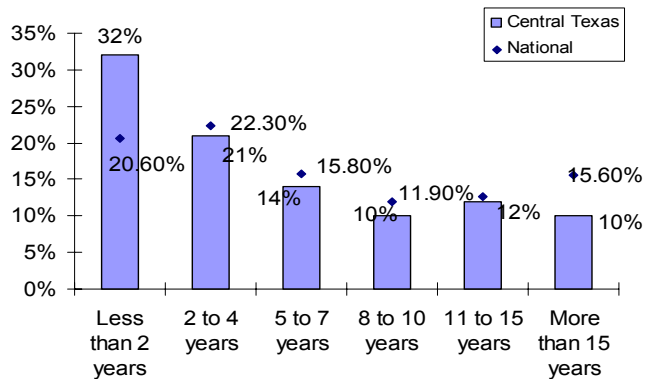
In comparison, 35% of the organizations serve primarily white communities; 5% serve predominately African American communities; 17% serve Latino communities; and 30% serve mixed communities.

Central Texas executives have less job tenure than do executives nationally.

- 53% Central Texas executives have been in their current positions for four years or less compared to 43% nationally;
- 22% have been in their jobs for over 10 years compared to 28% nationally.

This distribution demonstrates that new leadership has come to nonprofits into Central Texas nonprofits recently, and may indicate that the generational transition of leadership has already begun.

Executive Tenure
N(Texas)=233, N(national)=2215



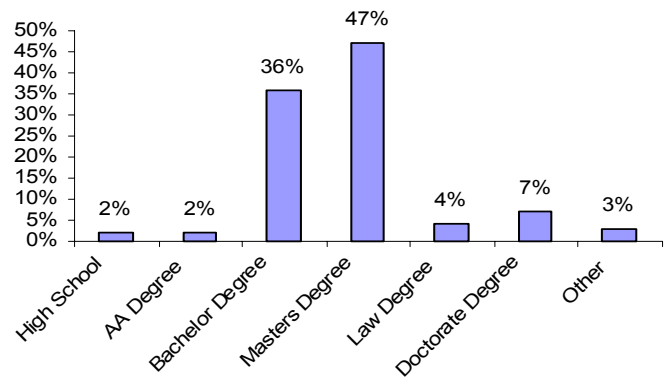
Central Texas has more founding executives than do nonprofits nationally.

Twenty-five percent of executives indicate they helped found the organization. This is about 1/3rd higher than the national percentage of 19%.

Over 95% of all Central Texas executives have a Bachelors Degree or higher.

- 36% have a Bachelor Degree and no further education,
- 47% have a Masters Degree and no further education, and,
- another 11% had either Law Degrees or Doctorates.

Executive Level of Education
(N=233)

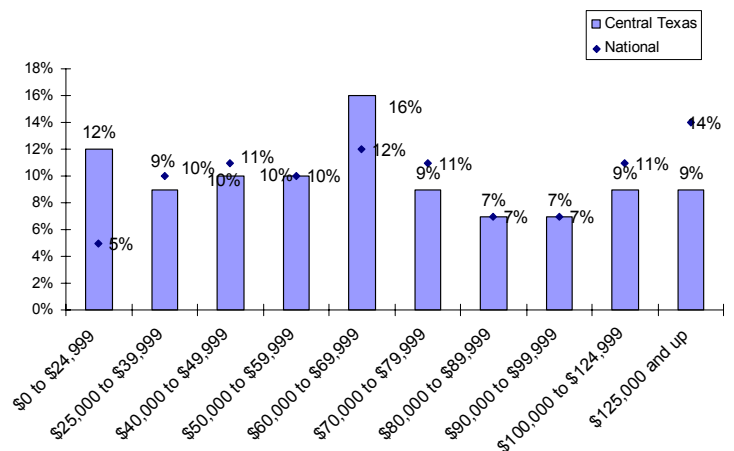


Central Texas executive salaries are low compared to national figures.

- 18% of executives earn more than \$100,000 compared to 25% nationally.
- 12% earn under \$25,000 compared to 5% nationally.

Even comparing Austin to another southern city, Jacksonville, FL, Austin salaries are lower. In Jacksonville, 3% earn under \$25,000; 17% earn under \$50,000. In Austin, 31% earn under \$50,000.

Executive Director Salary
N(Texas)=233, N(national)= 2221



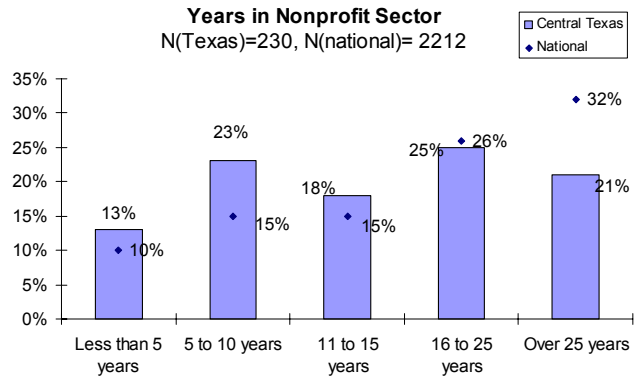
The largest proportion of executives earn between \$60,000 and \$69,999. Thirty-nine percent earn between \$60,000 and \$99,999. In terms of benefits,

a majority of organizations offer retirement and health benefits to executives. Specifically, 42% of nonprofits in the Central Texas offer retirement plans to which the organization contributes for the executive; 66% offer employer paid health insurance; and 51% offer retirement benefits to staff as well as executives. On the other hand, 25% of executives received no benefits.

Executive Director Career Paths

A majority of Central Texas executives are first-time executives with significant experience in the sector. However, they have less experience than do executives nationally.

- 59% of executives in Central Texas report being in executive positions for the first-time.
- 64% have over 10 years of experience working in the nonprofit sector compared to 73% nationally.
- 21% have over 25 years in the sector compared to 32% nationally.



Forty percent of executives in Central Texas have had the experience of being an executive director before their current position. Twenty-two percent have had one other executive position and 18% have had more than one other executive position. This is a large and seasoned group of executives. As they retire it will be important to have developed the competencies of young potential leaders to take their place.

Most executives came from a job at another nonprofit, but have experience in other sectors.

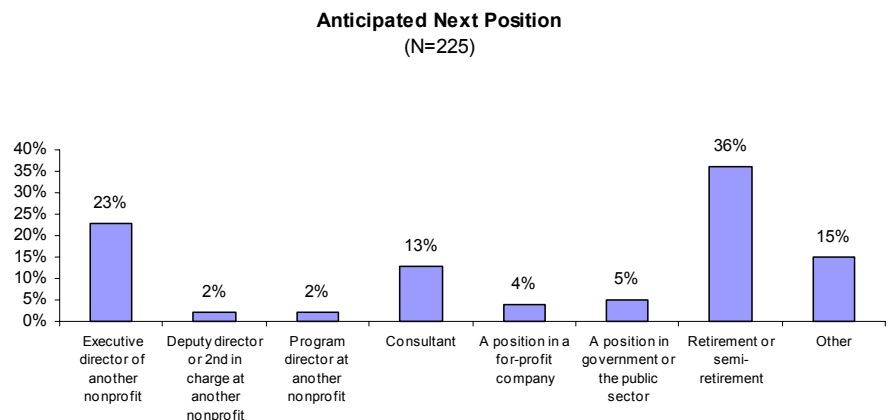
Fifty-four percent worked for a nonprofit immediately before taking their current executive director position. The next highest percentage, 15%, came from a position in the for-profit business/corporate sector.

In terms of other experience, 49% worked for a for-profit company at some point in their careers, 38% were previously self-employed, 32% previously worked in education, 24% previously worked in government, and 10% had been consultants.

Less than a quarter of executives plan to take another executive director position. Over 1/3rd plan to retire and about 1/3rd plan to take positions in other sectors.

Nonprofits in the Central Texas region are unlikely to lose significant numbers of executives to other sectors, but will lose many to retirement.

- 23% plan to take another executive director position in the non-profit sector
- 36% are planning to retire or semi-retire
- 13% anticipate becoming a consultant, and
- 5% indicate an interest in government or the public sector.



These are similar to national figures.

Executive Director Transitions: Past and Future

A majority of nonprofits in Central Texas have had relatively stable staff leadership over the past 10 years:

- 70% of Central Texas nonprofits have had only one or two executives in last 10 years.

However, when you compare the relative stability of the last 10 years to the next 10 years, a different picture emerges.

An increasing number of transitions over the next 5 to 10 years

Central Texas nonprofits are experiencing an increasing number of executive transitions. Specifically, nonprofits are likely to face double the number of transitions in the next five years as they have in the past 5 years.

- Roughly 29% of Central Texas nonprofits experienced a transition in the last 5 years;
- 67% expect a transition in the next five years;
- This is similar to national transition figures.

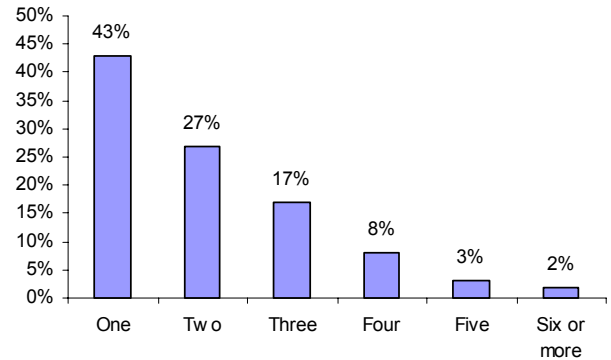
Other studies indicate that there is currently a 10% rate of transition in metropolitan areas per year⁵. This survey confirms that transition rate and suggests that it will increase. The rate of transition in Central Texas is similar to what is expected nationwide in the next 10 years.

Anticipated Executive Transitions: 25% within 2 years and 67% within 5 years

Twenty-eight percent of executives plan to leave their current positions in the next two years, by 2009, and 67% are planning to leave within five years by 2012. When asked about primary factors in the decision to leave, the following were mentioned: (number of times each was mentioned is in parentheses)

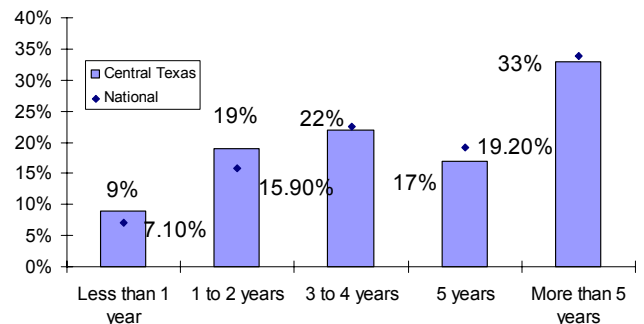
1. Retirement/More Free Time/Health of Self or Family Members (33)
2. Seeking New Opportunities or Challenges (15)
3. Lack Salary/Benefits (14)
4. Stress/Exhaustion (12)
5. Belief that Executive Position Should turn over Periodically or Organization Needs New Skills (6)
6. Fundraising (5)

Number of Executives in the Last 10 Years
(N=233)



Anticipated Number of Years Remaining in Executive Position

N(Texas)=233, N(national)= 2210



⁵ Study of 990 data in 5 metropolitan areas in 2001.

7. Board Conflict (6)

Small Organizations More Likely to Face Transitions than Larger Organizations

Survey results also show that executive directors of small Central Texas nonprofits are planning to leave sooner than executives of larger organizations. While this not unexpected, it does suggest that outreach and transition support should explicitly be available to small organizations and that small organizations should proactively engage in transition planning.

Executives of small organizations (which have fewer than five staff members and/or operating budgets of under \$500,000) indicate they are likely to leave their current positions within 4 years.

Two Waves of Transitions Over the Next 10 Years

The increasing rate of transitions is not surprising given the national aging of the labor force. The pool of executive directors in Central Texas is heavily weighted toward those over 40 years old.

- 81% of executives are over 40 and
- 54% are over 50 years old

This survey and other surveys nationwide indicate that baby-boomers ⁶(who are the executives of most of nonprofits nationally and in Central Texas and are currently in their 40s and 50s) will retire from the nonprofit sector in two waves. Texas area nonprofits have entered the first wave. In the first wave of transitions,

- 66% of the older baby-boomers (those in their 50s) in nonprofit executive director positions will leave their current positions by 2012,
- most of these plan to retire or semi-retire;
- also in this early wave are younger baby-boomer executives that plan to leave their positions in order to “try something new” before they retire.

The second wave will extend from about 2012 to 2020 and will be formed by remaining baby-boomer executives as they reach age 62, the age when work force participation drops precipitously. Even if baby-boomers remaining working past age 62 they are likely to significantly reduce work hours.⁷ If recent transition patterns hold, most of these transitions will occur by 2020, when all but the youngest baby-boomers will have reached 62.

While not studied in this survey, Central Texas may benefit from baby-boomers from other parts of the country who semi-retire and move to the area and who may be available for leadership positions in nonprofits.

⁶& ⁸Dohm, Arlene. “Gauging the labor force effects of retiring baby-boomers.” In Monthly Labor Review July 2000. Washington, DC: Bureau of Labor Statistics.

Depth of Management Capacity of Organizations

Many nonprofits in Central Texas have some middle management, which may serve as a training ground for executives. Almost 2/3rds have some type of middle manager, only 1/3rd have deputy directors.

Below are the percentages of organizations with the most common types of middle management.

- 33% have deputy directors;
- 40% have fundraising personnel;
- 65% have program directors; and
- 48% have a finance director.

These layers of management allow individuals to build skills and experience, and potentially move into executive leadership positions in the future.

The deputy directors are significantly younger and slightly more diverse than executives.

- 40% of deputies are under 40 compared to 21% of executives.
- 77% of deputies are white compared to 88% of executives;
- 11% are African American compared to 4% of executives;
- 9% are Latino compared to 6% of executives.

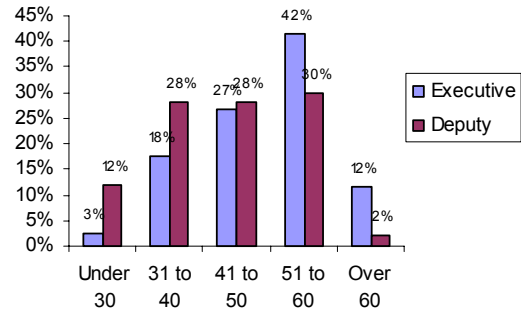
Only thirteen percent of organizations have identified a potential successor among the staff of the organization.

Organization Information

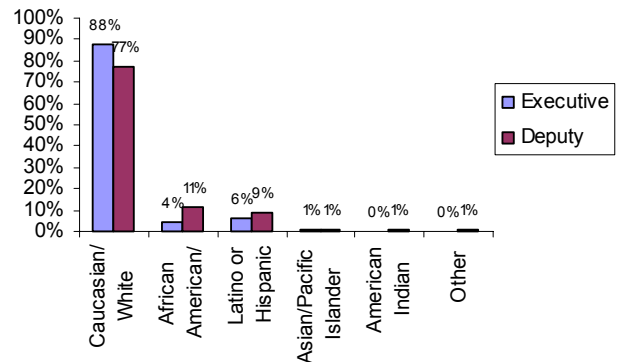
A slight majority of respondents are from medium or large organizations.⁸

- 54% have more than 6 staff members and 39% having operating budgets over one million.

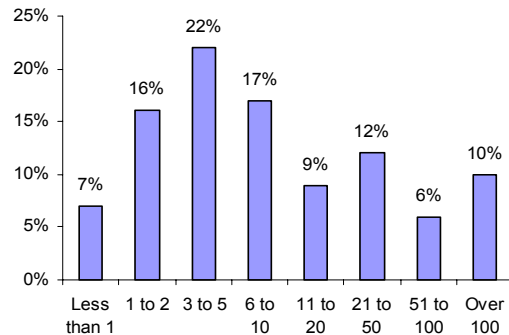
Executive and Deputy Ages
(NExecutive = 233; NDeputy = 103)



Executive and Deputy Races
(NExecutive = 233; NDeputy = 102)



Number of Paid Staff
(N=233)



⁸ In this survey small organizations have budgets of under \$500,000 or fewer than 6 staff people; medium organizations have budgets of \$500,000 to \$2 million or between 6 and 20 staff people; and large organizations have budgets over \$2 million or more than 20 staff people.

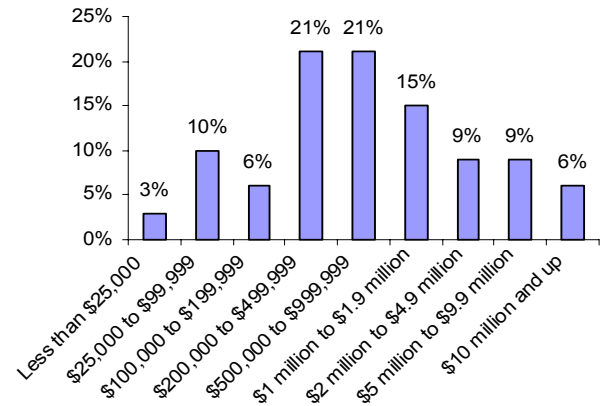
- 10% have over 100 staff members and
- 6% have a budget of more than \$10 million

The highest percentage of organizations operates in the broad domain of human services.

The percentage of organizations operating in each primary category of work is show below.

- Youth development-4%
- Environment and Animal Welfare-3%
- Research and Advocacy-5%
- Arts, Culture, Recreation-5%
- Community Development-housing, economic, workforce-9%
- Education-16%
- Health/mental health-16%
- Human services (non-health)- 23%

Current Operating Budget
(N=233)



Organization Experience with Transition and Succession Plans

Less than ¼ of organizations used any external assistance during their last transition.

Few organizations used external assistance when they hired their current executives; only 23% used any kind of external help.

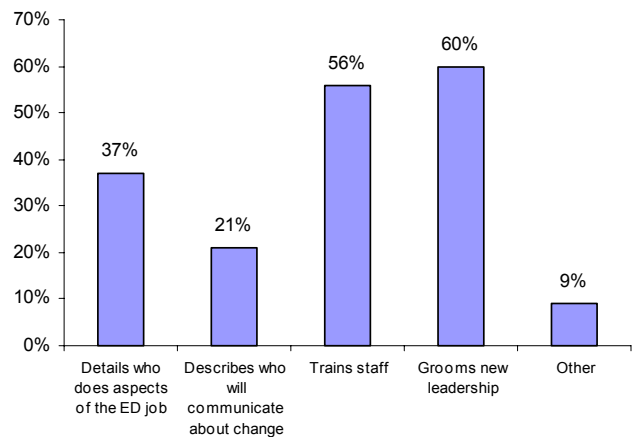
- The most commonly used resource was a consultant, used by 7% of organizations.
- Another 6% used a management support organization.
- The external human resources professional was least popular, with only 4% of organizations using them.

Most organizations appear to approach change in the executive director position from a search and hire framework as opposed to an organization development and transition management approach.

An organization development and transition management approach includes a more comprehensive organization assessment process than does a search and hire approach. Over ½ of organizations had a board committee to manage the search process, but less than ¼ used key parts of transition management.

- 55% formed a board committee to manage the search process,
- 21% examined strategic direction and 9% interviewed external stakeholders, two key parts of transition management.

Included in Succession Plan
(N=57)



In 27% of the cases, the board did not do an external search and hired an internal candidate.

Fewer than 1/2 of Central Texas nonprofits have a formal succession plan.

In order to understand how prepared nonprofits are for impending transitions, respondents were asked about their organization's succession plans defined as written guidance on what to do during a planned or unplanned departure of the current executive director. Seventy-six percent of Central Texas organizations do not have a succession plan. Of those organizations that do have succession plans, the most common characteristic is to groom new leadership, found in 60% of succession plans. Another 56% indicate their plans include training staff, and 37% of plans detail who would do which aspects of the executive director's job.

CONCLUSIONS AND PRELIMINARY RECOMMENDATIONS

Central Texas nonprofits will experience an increasing number of executive transitions over the next 10 to 12 years in two waves: one that likely began a year or so ago and will continue until 2012, and a second wave that will move from 2010/12 to 2020. Preparing for these transitions by using previous research, leaders' demographics, and leader career paths could help strengthen organizations' capacity during what would otherwise be a turbulent time.

Some of the characteristics to keep in mind in developing these services include:

- Current executives in Central Texas are similar in age, race and job tenure to executives nationally, but are younger, less experienced, more likely to be a White or Latino female than nationally. Eighty-eight percent of executives are White. One-third of organizations had deputy directors who were more likely to be persons of color than the executives. The deputies represent one opportunity to increase the representation of people of color in leadership positions during this time of transition.
- Central Texas executive salaries are low compared to national figures. The salaries may make it harder to compete for new talent; it may also make it more difficult to attract baby-boomers that are retiring from other sectors who may otherwise be interested in transitioning to nonprofits for the latter part of their careers.
- Central Texas has a slightly higher percentage of founding executives than is the case nationally; founder transitions are more difficult and more likely to require support than other transitions.

Survey results also show that executive directors of small Central Texas nonprofits are planning to leave sooner than executives of larger organizations. While this not unexpected, it does suggest that outreach and transition support should explicitly be available to small organizations.

A few possible strategies for preparing for transitions include—

- Offering workshops on executive transition management and consulting services to support organizations during a transition.
- Offer “safe spaces” where existing executives can explore their potential transitions, specifically targeting founders.
- Encourage salary and benefit reviews as a part of strategic planning process and begin to address these common barriers to hiring new talent before it becomes an issue during the transition.
- Provide workshops and consulting assistance on emergency succession planning which can be used to help introduce organizations to the idea of planning for change well before change is eminent.
- Since some long time and older executives are going to remain in their positions for the next several years and then retire, Central Texas might consider using their expertise to help train the next generation of leaders through shadowing or mentoring.

Executive leadership is one key factor in the success of nonprofit organizations. By taking the time to better understand— the demographic characteristics of existing leaders, how they came to their positions and how long they are likely to stay— support organizations and funders in Central Texas have taken a significant step in preparing for the coming waves of transition and the generational change in leadership.

APPENDIX A: REGIONAL AND LOCAL BREAK-OUTS

Summary of Executive Characteristics and Transition Information by Region

	Central Texas - 2007	National	Midwest Region	Cleveland	Milwaukee	NE area	DC	Greater NYC	Pittsburgh	Rocky Mountains and Southwest	SE area	Georgia	Jacksville	West Coast
% Organizations with 1 or 2 executives in last 10 years	70%	75%	75%	72%	77%	78%	77%	75%	76%	69%	77%	73%	75%	68%
% Executives transitioning in next 5 years	67%	64.7%	63%	65%	66%	69%	77%	70%	66%	66%	59%	42%	64%	70%
% Executives transitioning in next 2 years	28%	23%	26%	28%		25%	22%	30%	26%	22%	18%	11%	23%	17%
% Executives over 50 years old	54%	55%	54%	51%	55%	55%	53%	54%	50%	50%	61%	58%	64%	47%
% Executives in position for over 10 years	22%	28%	28%	27%	26%		21%	32%	25%	32%	27%	25%	17%	22%
% Executives that are founders	25%	19%	20%	18%	26%	23%	28%	24%	24%	16%	13%	13%	14%	15%
% Executives that are white	88%	84%	84%	74%	84%	83%	77%	77%	85%	77%	90%	85%	99%	79%
% Organizations serving primarily mixed communities or communities of color	52%	56%	46%	55%	46%	56%	55%	61%	38%	56%	54%	44%	52%	50%
% First-time executive directors	60%	60%	61%	60%	60%	63%	67%	66%	68%	47%	54%	51%	59%	55%
% Executives with over 10 years in nonprofit sector	64%	73%	73%	74%	69%	76%	68%	74%	70%	76%	64%	58%	60%	73%
% Executives planning to take another executive position	23%	21%	21%	18%	20%	22%	24%	19%	25%	27%	18%	12%	20%	23%
% Executives planning to retire	36%	38%	38%	37%	39%	35%	34%	33%	34%	39%	46%	44%	49%	34%
% Organizations with succession plans	24%	44%	39%	25%	12%	31%	22%	25%	31%	40%	38%	31%	37%	37%

The Midwest Region included Iowa, Illinois, Indiana, Kansas, Michigan, Minnesota, Missouri, Nebraska, Ohio, Oklahoma, South Dakota, and Wisconsin.

The Northeast Region included Connecticut, Washington, DC, Delaware, Massachusetts, Maryland, Maine, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

The Rocky Mountain/Southwest Region included Arizona, Colorado, Idaho, Montana, North Dakota, New Mexico, Nevada, Texas, Utah, and Wyoming.

The Southeast Region included Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

The West Coast Region included Alaska, California, Hawaii, Oregon, and Washington.

APPENDIX B: SURVEY METHOD

The nonprofit executive leadership surveys were conducted primarily through a web-based survey instrument. However, paper surveys were available upon request. Some respondents did request hard copies and completed the paper surveys. The survey was self-administered.

In Central Texas, the nonprofits that were invited to respond to the survey came from the City of Austin's database of Art organizations, a list from a previous capacity-building study conducted by the RGK Center at the University of Texas at Austin (the majority of which came from the UWCA database), and Greenlights' database.

A total of 1600 nonprofits were invited to respond to the survey. 233 unique organizations responded for a response rate of 15%. With this response rate, we are confident that the results in the survey are representative of the population of nonprofits that were invited to respond.

The national survey was promoted by a variety of partner organizations to their networks and to nonprofits in their communities. First, The Annie E. Casey Foundation reached out to its national partners in the Neighborhood Transformation/Family Development National Campaign and invited these partners to include their local members/affiliates in the survey. Collectively, the networks affiliated with the national partners represented a significant share of the nation's health and human services field. Eleven of the national organizations participated in the survey, some including all local executive directors in the sample, others targeting specific subgroups. In all, 932 leaders completed the survey, offering significant insight into the leadership transition issues affecting this community. Specifically, the following Annie E. Casey Foundation national partners encouraged their affiliates and networks to participate in the survey:

- Alliance for Children and Families
- Big Brothers Big Sisters of America
- Boys & Girls Clubs of America
- Camp Fire U.S.A.
- Family Support America
- Girls Inc.
- Goodwill Industries International
- Points of Light Foundation and Volunteer Center National Network
- United Way of America
- Volunteers of America

In addition, Annie E. Casey Foundation grant recipients from 2002, 2003, or 2004 were encouraged to participate.

The national survey was also promoted by the following other local partners:

- The Bayer Center for Nonprofit Management (Greater Pittsburgh area)
- Center for Nonprofit Advancement (Washington DC area)
- Georgia Center for Nonprofits (Atlanta and nonprofits across the state)
- Greater Milwaukee Foundation Donors Forum of Wisconsin and Helen Bader Institute for Nonprofit Management at the University of Wisconsin –Milwaukee (Greater Milwaukee)

- Nonprofit Center of Northeast Florida, in collaboration with the United Way of Northeast Florida, Community Foundation, the Jessie Ball duPont Fund, and the Jacksonville Children’s Commission (Greater Jacksonville)
- The Support Center for Nonprofit Management (Greater New York City)
- United Way Services of Greater Cleveland in collaboration with The Cleveland Foundation

Analysis Descriptions

In some cases, the percentages of the categories do not add up to 100%, because respondents did not answer the questions. All the graphs in the report are based on unique responses.

We did note an appreciable degree of differences among the small, medium, and large organizations in terms of past and impending stability of the organizations (Q11 and Q31). To test the statistical significance of the differences, a series of *t* tests were conducted. All results that were statistically significant at the 95% level are noted in the report.

Variable Descriptions

One hundred and one variables are identified in the survey questions. The following table shows the variable descriptions and response codes.

Questions	Responses and Coding
Please tell us what city your organization is located in	
How many paid staff members (FTE) are there in the organization?	1=over 100; 2=51to100; 3=21to50; 4=11to20; 5=6to10; 6=3to5; 7=1to2; 8=less than 1.
What is the organization's current operating budget?	1=10million and up; 2=5 million to 9.9 million; 3=2 million to 4.9 million; 4=1 million to 1.9million; 5=500,000 to 999,999; 6=200,000 to 499,999; 7=100,000 to 199,999; 8=25,000to 99,999; 9=less than 25,000.
Which of the following best describes the primary category of the organization's work?	1=other; 2=youth development; 3=research; 4=neighborhood revitalization; 5=human services; 6=health/mental health; 7=environment; 8=employment/job related; 9=education; 10=arts, culture, recreation; 11=affordable housing development or management; 12=advocacy
Please enter further details for the other item you entered above	
Please select the following that most accurately describes the organization's primary clientele (primary clientele = over 50% or a plurality).	1=other; 2=mixed racial and ethnic; 3=American Indian; 4=Asian/Pacific Islander; 5=Latino or Hispanic; 6=African American/Black; 7=Caucasian/White

Appendix

Questions	Responses and Coding
Please enter further details for the other item you entered above	
How many executive directors has the organization had in the post 10 years?	1=I don't know; 2=six or more; 3=five; 4=four; 5=three; 6=two; 7=one
When the current executive director was hired - executive search firm	0=no; 1=yes
When the current executive director was hired - management support organization	0=no; 1=yes
When the current executive director was hired - external human resources professional	0=no; 1=yes
When the current executive director was hired - consultant	0=no; 1=yes
When the current executive director was hired - other	0=no; 1=yes
Please enter further details for the other item you entered above	
Board formed a committee to manage finding a new executive director	0=no; 1=yes
Board engaged in some strategic planning before seeking a new executive or soon after the hire	0=no; 1=yes
Stakeholders were interviewed about their perception of the organization	0=no; 1=yes
Board convened, decided to forgo an external search and hired an internal candidate	0=no; 1=yes
Other	0=no; 1=yes
Organization doesn't have a succession plan	0=no; 1=yes
Details who will be responsible for each component of the executive director's job	0=no; 1=yes
Describes who will let other staff and stakeholders know about the change in executive leadership	0=no; 1=yes
Cross training of staff so they can take on management and leadership responsibilities	0=no; 1=yes
Grooms new leadership within the organization	0=no; 1=yes
Other	0=no; 1=yes
Has a successor to the current executive director been identified from among the staff of the organization?	1=no; 2=yes
Mark all of the following positions that are currently filled - executive director/CEO/President	0=no; 1=yes
Mark all of the following positions that are currently filled - Deputy director/COO/Associate Director	0=no; 1=yes
Mark all of the following positions that are currently filled - fundraising/development director	0=no; 1=yes
Mark all of the following positions that are currently filled - Program directors	0=no; 1=yes

Appendix

B-3

Questions	Responses and Coding
Mark all of the following positions that are currently filled - Finance director/CFO/Controller	0=no; 1=yes
Mark any of the following which the organization offers - retirement plan to which the organization contributes.	0=no; 1=yes
Mark any of the following which the organization offers - retirement plan to which the employee contributes.	0=no; 1=yes
Mark any of the following which the organization offers - health insurance which is partly paid for by the organization	0=no; 1=yes
Mark any of the following which the organization offers - health insurance which is paid for by the employees	0=no; 1=yes
None of the above	0=no; 1=yes
Does the organization offer retirement benefits to staff other than the executive	1=no; 2=yes
What is the age of the executive director?	1=over 60; 2=51 to 60; 3=41 to 50; 4=31 to 40; 5=under 30
What is the gender of the executive director?	1=female; 2=male
Please mark the following which most accurately describes the executive director's race or ethnicity.	1=other; 2=American Indian; 3=Asian/Pacific Islander; 4=Latino or Hispanic; 5=African American/Black; 6=Caucasian/White
Please mark the following that most accurately describes the executive director's current annual salary (excluding benefits and other non-monetary compensation).	1=125,000 and up; 2=100,000 to 124,999; 3=90,000 to 99,999; 4=80,000 to 89,999; 5=70,000 to 79,999; 6=60,000 to 69,999; 7=50,000 to 59,999; 8=40,000 to 49,999; 9=25,000 to 39,999; 10=0 to 24,999
What is the highest level of education that the executive director has completed?	1=other; 2=doctorate degree; 3=law degree; 4=master degree; 5=bachelor's degree; 6=AA degree; 7=high school
What is the age of the deputy director/COO/Associate director?	1=we don't have a 2nd in charge; 2=over 60; 3=51 to 60; 4=41 to 50; 5=31 to 40; 6=under 30
What is the gender of the deputy director/COO/Associate director?	1=we don't have a 2nd in charge; 2=female; 3=male
Please mark the following which most accurately describes the deputy director/COO/Associate director's race or ethnicity.	1=we don't have a 2nd in charge; 2=other; 3=American Indian; 4=Asian/Pacific Islander; 5=Latino or Hispanic; 6=African American/Black; 7=Caucasian/White

Appendix

B-4

Questions	Responses and Coding
Please mark the following that most accurately describes the deputy director/COO/Associate director's current annual salary (excluding benefits and other non-monetary compensation).	1=we don't have a and in charge; 2=125,000 and up; 3=100,000 to 124,999; 4=90,000 to 99,999; 5=80,000 to 89,999; 6=70,000 to 79,999; 7=60,000 to 69,999; 8=50,000 to 59,999; 9=40,000 to 49,999; 10=25,000 to 39,999; 11=0 to 24,999
How long have you been in your position as executive director?	1=more than 15 years; 2=11 to 15 years; 3=8 to 10 years; 4=5 to 7years; 5=2 to 4 years; 6=less than 2 years
Did you help found the organization?	1=no; 2=yes
Knowing that the future may be impossible to predict, how much longer do you imagine that you will stay in your current position as executive director?	1=more than 5 years; 2=5 years; 3=3 to 4 years; 4= 1 to 2 years; 5=less than 1 year
If you are planning to leave your position in the next few years, what are the primary factors for you in making the decision to leave?	
How many previous executive director positions have you held?	1=five or more; 2=four; 3=three; 4=two; 5=one; 6=none
How many years have you worked in the nonprofit sector?	1=over 25 years; 2=16 to 25years; 3=11 to 15 years; 4=5 to 10 years; 5=less than 5 years
Immediately prior to taking this executive director position, in which sector did you work?	1=other; 2=didn't work outside the home; 3=nonprofit organization; 4=government position; 5=in school; 6=other for=profit business/corporate sector; 7=consulting firm; 8=self=employed
Please select any of the following sector in which you have worked - self employed	0=no; 1=yes
Please select any of the following sector in which you have worked - consulting firm	0=no; 1=yes
Please select any of the following sector in which you have worked - other for-profit business/corporate sector	0=no; 1=yes
Please select any of the following sector in which you have worked - universities or public education	0=no; 1=yes
Please select any of the following sector in which you have worked - government positions	0=no; 1=yes
Please select any of the following sector in which you have worked - nonprofit organizations	0=no; 1=yes
Please select any of the following sector in which you have worked - other	0=no; 1=yes
What do you anticipate your next position being?	1=other; 2=retirement or semi=retirement; 3=a position in government or the public sector; 4=a position in a for=profit company ; 5=consultant; 6=director of finance at another nonprofit; 7=program

Appendix

Questions	Responses and Coding
	director at another nonprofit; 8=deputy director or 2nd in charge; 9=executive director of another nonprofit
What is your level of familiarity with the services provided by Greenlights for NonProfit Success?	1=Very familiar/regular user of services; 2=Good familiarity; 3=Some familiarity; 4=Little familiarity; 5=Unknown/No familiarity
How likely would you be to call upon Greenlights for skill-building workshops?	1=No opinion; 2=Very unlikely; 3=Somewhat unlikely; 4=Somewhat likely; 5=Likely; 5=Very likely
How likely would you be to call upon Greenlights for Annual Crossroads Nonprofit Conference?	1=No opinion; 2=Very unlikely; 3=Somewhat unlikely; 4=Somewhat likely; 5=Likely; 5=Very likely
How likely would you be to call upon Greenlights for customized consulting and training?	1=No opinion; 2=Very unlikely; 3=Somewhat unlikely; 4=Somewhat likely; 5=Likely; 5=Very likely
How likely would you be to call upon Greenlights for financial management/ "back office" services?	1=No opinion; 2=Very unlikely; 3=Somewhat unlikely; 4=Somewhat likely; 5=Likely; 5=Very likely
How likely would you be to call upon Greenlights for general nonprofit information and referral?	1=No opinion; 2=Very unlikely; 3=Somewhat unlikely; 4=Somewhat likely; 5=Likely; 5=Very likely
Name	
Organization	
Email Address	