

EXECUTIVE TRANSITIONS

Using Exit Interviews to Learn from the Past
and Prepare for the Future

“In today’s knowledge economy, skilled employees are the asset that drives organizational success. Thus, companies must learn from them—why they stay, why they leave, and how the organization needs to change. A thoughtful exit-interview process can create a constant flow of feedback on all three fronts.”

Everett Spain and Boris Groysberg, Harvard Business Review

Exit interviews are an important way to help nonprofit boards understand how to attract, support, and retain successful and talented leaders. It is important to conduct exit interviews at all levels of an organization (including at the board level), but it is particularly important and useful for board members to conduct formal exit interviews with outgoing CEOs or executive directors (chief executives). The chief executive knows the organization intimately — its strengths, weaknesses, and opportunities to improve its performance — and it’s important to capture that information.

An exit interview allows the board to learn about its own performance and its role as the partner to the organization’s leader. By asking questions related to how it supported the outgoing chief executive, the board will learn what resources or tools the chief executive had — or didn’t have — to successfully lead the organization, and then be able to use that knowledge to address any identified gaps going forward.



The chief executive has strategic and comprehensive knowledge of the organization, has close relationships with the nonprofit’s internal team members and external stakeholders, and oversees the organization’s day-to-day operations and management. It’s the board’s responsibility to be focused on its role as fiduciaries and leaders of the organization’s mission, not to be hands-on when it comes to managing the organization.

GETTING PREPARED FOR THE EXIT INTERVIEW

It's important when crafting the chief executive's exit interview questions that board members develop a general framework to ensure that they receive the most important information for the organization and its incoming leader. While the framing will vary depending on a nonprofit's current environment, most boards want to ensure that its exit interview questions address these big-picture issues:

- ▶ What will the next chief executive need to understand about the organization's strategy and current priorities?
- ▶ What are the biggest challenges facing our organization? And what might we currently not know about?
- ▶ Are there any immediate accomplishments that will be expected in the first 30, 60, and 90 days?
- ▶ Are there any resource challenges — human or financial?

GUIDANCE FOR SUCCESSFUL CHIEF EXECUTIVE EXIT INTERVIEWS

Choose the Best Interviewer to Set the Right Tone and Create a Safe Space

It's critical to have the right person conduct the exit interview. In many cases the interviewer will be the board chair, but this decision shouldn't be made by default. Other possible interviewers are the governance committee chair, the board vice chair, or a small panel of board members. Do not ask a staff member, such as the head of human resources, to conduct the interview. The chief executive reports to the board.

It's key to choose someone who can set the right tone for the interview so that the outgoing chief executive feels safe and comfortable sharing his or her reflections, insights, and concerns. One way to set a positive tone is to frame the conversation as a chance for the chief executive to share his or her legacy and to aid in the transition process. This tone can be helpful when executive transitions are happening under strain, whether due to poor performance or other reasons. Board members need to remember that regardless of the situation, this is an opportunity to help the board and organization understand how to not repeat past mistakes, or how to continue their good work.

Ask the Right Questions

Each organization should determine which questions are the most crucial for its current needs. Because some outgoing chief executives may not have time to verbally answer all of the questions the board wants responses to, some organizations choose to have the chief executive complete a written questionnaire in advance of the in-person interview with the questions that are less nuanced. This leaves time for more in-depth questions during the interview.

To get the most out of an exit interview, collect information and insights in these key areas: overall job satisfaction, reason or reasons for leaving, the board's performance and its partnership with the chief executive, compensation and benefits package, job expectations and responsibilities, the organization's current and future opportunities and challenges, and anything else the board needs to know to choose; prepare; and support the incoming chief executive and the organization.



TIP Whether it is a positive or negative transition, try to assure the chief executive that the board is conducting the exit interview to improve its own performance and that of the organization. This is the outgoing chief executive's chance to help the organization grow after he or she leaves.

Communicating the Insights

Communicating insights from the interview to the right people allows the organization to learn how to better attract, retain, and support the future chief executive.

For an exit interview to be an effective tool for transitioning from one leader to another, the information and notes collected from the interview should be thoroughly reviewed and used as a means to educate not only the board but to orient the incoming chief executive. The exit interview should be analyzed to uncover any potential underlying themes, challenges, or successes the board and senior leadership teams may not have been previously aware of. This type of feedback can be translated into an executive summary and shared with the full board. The collective board can then decide what it may wish to change about its own performance or processes to best support the incoming chief executive.



TIP If your organization has an interim chief executive and is in the midst of searching for a new permanent leader, the board may wish to share some of the information learned with the executive search committee or outside search firm.

SAMPLE EXIT INTERVIEW QUESTIONS

Accomplishments, responsibilities, and job satisfaction

- ▶ What accomplishments are you most proud of during your time as the chief executive?
- ▶ What legacy do you feel you are leaving the organization?
- ▶ What led you to originally accept the position of chief executive at the organization?
- ▶ What, if anything, do you wish you would have known before you took the job as chief executive?
- ▶ Were your job responsibilities accurately described during the interview process and onboarding?
- ▶ What did you like most, and least, about being the chief executive of this organization?
- ▶ What do you suggest we do or stop doing to make our organization a better place to work?
- ▶ If you could change anything about the job or the organization, what would it be and why?



Depending on the circumstances of the executive transition, timing of the interview can be tricky. If possible, it's best to give the outgoing chief executive a few days to get his or her thoughts together about the most important information to share to set up the board and new chief executive for success. For many reasons, the incoming chief executive may not yet be hired when the departing executive gives an exit interview. When this is the case, it's even more important to capture his or her insights so they can be shared with the new chief executive, board members, and others when appropriate.

Onboarding, expectations, and compensation

- ▶ Did you have clear goals, objectives, and expectations that well equipped you to do your job?
- ▶ Did you receive the training or professional development needed to excel at your job?
- ▶ Did you receive constructive feedback from the board and senior leadership through a formal performance review process? If not, how might this have had a positive impact on your responsibilities?
- ▶ Were you happy with your relationship with the board, and, specifically, the board chair? What can the board do to improve its role as a strategic partner to the chief executive?
- ▶ Do you have any recommendations regarding compensation, benefits, and other reward or recognition efforts?

Board performance and partnerships

- ▶ How does the current board add value to the organization?
- ▶ What areas of governance or board operations are in need of attention or improvement to set the next chief executive up for success?
- ▶ What can the board do to create a strong working relationship with the next chief executive?

Organization's strategies and internal operations

- ▶ What does the incoming chief executive most need to understand about our mission and those we support and serve?
- ▶ What are the core values, beliefs, or assumptions about how the organization operates that will be important for the incoming chief executive to understand?
- ▶ What are the big issues facing the organization that will likely consume the time of the incoming chief executive?
- ▶ What are the key drivers of change in the external and internal environment that the board should expect the next chief executive to help it tackle?
- ▶ What are the organization's greatest human resources challenges?
- ▶ What should the incoming chief executive do to build trust, high performance, and accountability among the organization's senior leadership?
- ▶ Who are the key stakeholders that the incoming chief executive should reach out to first?
- ▶ What expectations should the board have of the next chief executive in terms of generating new revenue and creating greater financial stability?
- ▶ What skills or expertise do you think the incoming chief executive will need to be successful in this position?
- ▶ What additional advice would you want to share with the incoming chief executive?

Closing questions *(in support of a conversation that can be less formal, but potentially more insightful)*

- ▶ Why have you decided to leave the organization?
- ▶ What does your new organization and position offer that led you to accept the position?
- ▶ What, if anything, could've been done to prevent your departure?
- ▶ Is there any other information you want to share that has not been asked?

Sources

[*Chief Executive Succession Planning: Essential Guidance for Boards and Chief Executives*](#) by Nancy R. Axelrod.

[*Making Exit Interviews Count*](#) by Everett Spain and Boris Groysberg, Harvard Business Review, April 2016.

[*Making Exit Interviews Work*](#) by Martha Frase-Blunt, HR Magazine, August 1, 2004.



Exploring Greater Impact
through Strategic Partnerships

As you think about the future of your organization and its leadership, you have an opportunity to both build on current strengths and disrupt current challenges.

A strategic alliance or restructuring might create powerful new opportunities to expand your impact. Before you hire a new chief executive into your current operating reality, consider whether a strategic partnership or restructuring might make sense for the organization. An honest assessment of the organization's strengths and challenges will inform discussions about hiring a new chief executive, and may lead a board to decide that it doesn't make sense to move forward with one.

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