

## Transcript – Episode 85 – [The Leadership Wake-Up Call with Jeb Banner](#)

**Dolph Goldenburg:** Welcome to the Successful Nonprofits™ Podcast. I'm your host Dolph Goldenburg, getting ready for a conversation with Jed Banner that will help your nonprofit thrive in a competitive environment. We'll be chatting about *The Wakeup Call*, a report about the coming leadership crisis in the nonprofit sector, and specifically, we're going to talk about why this crisis is happening, what's going to actually occur, and what your nonprofit can do to prepare. In the second half of the show, I'm hoping that we're going to actually talk about what each of you as a listener can do to professionally prepare yourself to take advantage of this nonprofit leadership crisis. I am so excited to be able to bring Jeb onto the show today for so many reasons. He is, even though he may not know this, a mentor to me and a serial entrepreneur. I've started two businesses in my life. He has started two businesses *and* two nonprofits. He has obviously deep roots in the nonprofit sector. He currently is the CEO of a very innovative, newer company called [Boardable](#), and at the end of the show I'm going to talk a little bit about [Boardable](#), but he also is the founder and CEO of [Smallbox](#), a creative agency, and almost all of the work that they do is human-centered.

Hey, Jeb. Thanks for joining us on the podcast.

**Jeb Banner:** Great to be here. Thanks for having me.

**Dolph Goldenburg:** So, in a blog post on your website, [www.boardable.com](http://www.boardable.com), I read a blog post that talked about a *slow-motion train wreck*. Tell me about this train wreck and why it's crawling at two or three miles per hour.

**Jeb Banner:** Primarily, we're looking at the aging-out to the generation that really builds and lead the current nonprofit sector both on a leadership level in the organization and on a board level. As these leaders and employees begin to retire, the next generation is going to have to step up in a pretty big way. We've identified through the study a real gap in urgency in terms of this generation really seeing the need to have that next generation step up, as well as in planning. There's just not a lot of planning being done right now, by current organizations to prepare themselves for this transition. There's a lot of opportunities here, but we think that people are just sort of slowly creeping their way towards what could be a traumatic period of time where a lot of senior leadership, a lot of executive directors and board members retire and step down without replacements in place.

**Dolph Goldenburg:** In the cities that I work in, Atlanta, New York and Florida, I see this a lot where there are long-tenured executive directors, people who have been there 10, 15, 20 years, who really are a part of the DNA of the organization. They announce they're gonna retire in six months, and the organization is just not prepared for it.

**Jeb Banner:** Yeah, absolutely. I think that's typical. I serve on a board here in town with a great group of people, but many of them are in their sixties and seventies. Some of the Millennials and Xers out there like myself are looking for a different kind of engagement than the Boomer

generation had. This is a big change for nonprofit organizations to create a meaningful experience as these new generations coming into organizations.

**Dolph Goldenburg:** I just have to do a quick aside because you mentioned Xers. You and I are in the same generation. I think we're only a couple of years apart in age based on our college graduation date. It has been so long since I've heard people refer to Generation X. It's probably been 15 or 20 years. So, my heart jumped a little bit when I heard that. I know one of the things in this study is that more than three out of four respondents to the survey indicated that their organization has absolutely no formal succession plan.

**Jeb Banner:** I think something like 60 percent plus are looking to move on or retire in the coming years. So, you've got two pretty big factors here that are going to be pushing us towards a crisis moment if organizations don't wake up and start to do succession planning. I think a lot of it is they're uncomfortable having this conversation. I've been on a lot of boards, and it's uncomfortable to talk about what happens when that executive director leaves. They're often more in a reactive posture, but the same thing's happening on the board level. What happens when all these CEO's and executives that have been so engaged in your organization roll off and are no longer available to help fund and connect and advise. The organizations that I've been seeing around town rely on a surprising amount of help from these older individuals that are reaching the end of their careers.

**Dolph Goldenburg:** I think a lot of organizations are going to have a surprise if they've not done planning. They might be surprised to find out that their current executive director who's about to retire is underpaid. If they took the job back in 2000 and at that time that job paid \$50,000, maybe now they're making \$75k or \$80k, an ED for an organization of that size would make \$120k or \$150k. I do think that that's going to be part of the real pain that organizations feel when they realize they cannot afford to replace their executive director. It's kind of like not saving for a new car. 10 years later you knew cars completely worn out, and you don't have the money to get a new car.

**Jeb Banner:** We called it a Wakeup Call for a reason as to say, "Hey look, this is underway. This is happening." You've got to start looking at what's happening in the market, what's happening in your team. I certainly agree that on the salary side of things, you have a lot of people in nonprofits that are working there because they care about the mission of the organization. That purpose and meaning are traded for a lower salary. The reality is you're not necessarily going to be able to do that repeatedly to get that top talent to steal them from the private sector if you will. You're going to have to be more competitive. That means you need to be thinking differently about your compensation, which then plays into a lot of other factors in terms of how much of your funds are you spending on overhead versus delivery of service.

I think people are beginning to get beyond that stigma of overhead being a bad word or being a bad thing. It's important that we have quality talent. It gets the board's thinking differently about budgeting and thinking differently about compensation, but there still is a mentality of the nonprofits that we're sacrificing ourselves for this cause. In doing so, I think often the important

people that run those nonprofits are really left behind and underserved because they're not being taken care of themselves. They burn out. That's a big part of what we saw in this study is that leadership is burning out. That burnout has all kinds of subtle and explicit impacts on organizations. I think that the lack of investment in particular in leadership, in terms of leadership development, mentorship and with professional development, the number one professional development that nonprofits do is sending people to conferences, which is not a bad thing in itself. But it's not really professional development for many people. It's more networking and education. There's a real gap here, and I think it needs to be a shift in thinking.

**Dolph Goldenburg:** What are some more of those things that organizations can do to professionally develop their staff, their rising stars?

**Jeb Banner:** They need to look at their board as a great resource for mentorship. I think this is particularly with what's going on with the generational change here with the boomers aging out. They have a wealth of knowledge and experience they can hand down from working in nonprofits, working in businesses. There needs to be a more aggressive pairing between board members and employees specifically with next-generation potential leaders. I think that's one really simple thing you can do is you can create an informal or formal system to pair board members with employees and say, "Okay, you're going to talk to Bob here, you're gonna talk to Angela, and you're going to meet with them once a month. You're going to connect them in terms of their local community. You're going to guide them through their career." I think that's one important thing. Another thing that I think we could do better in nonprofits is to have those career conversations early on.

One thing that we've done a [Smallbox](#) is we have 10-year career path conversations. We ask, "Where do you want to be in 10 years? Do you want to be running your own business? Do you want to be working here? Do you want to be on an island? How can we help you get there?" Go at it that way. If you're trying to trap and enslave people to your organization, whether it's a nonprofit or for-profit business, you're going to have diminishing returns as that employee goes forward. Just sort of saying, we're not gonna try to entrap and slave you. If you think about employment in general, historically it's been very similar to a prison system, clocking in, clocking out, really controlling the hours of the person's time.

That came out of the military side of things. I mean, that's a whole other conversation. We need to just move beyond that and say, "Look, these are creative individuals that have great passion and care for the mission of our organization, but we know we're probably not going to keep them for the rest of their lives." And frankly, we probably don't want that. Let's talk about that now. Let's start talking about where they want to go, and then let's align opportunities in this organization and the mentorship piece and in different professional development opportunities to begin developing those skillsets that they want to grow.

**Dolph Goldenburg:** It's interesting when you talk about that mentorship piece. Early on in my career I was with a medium-sized organization, and one of the things that they did was they had different committees within the organization, and a board member would chair the committee,

but then there would be a staff liaison. I was a staff liaison for a committee, and that's essentially where the mentorship would happen. Part of what I find interesting is as I think about that now up to this point, I'd never thought about that as mentorship. Once you said, "pairing staff members and board members," that was immediately what I thought of, and I gained so much by working with that committee chair. At some level, I started to learn how to work with a board, which I would do when I was an executive director.

**Jeb Banner:** Absolutely, and I think that's critical. They begin to have a deeper connection to the organization. They began to have that sense of belonging. It's almost familial. That person can really help guide them if they hit some rough spots. That outside advocate is so critical with any employment situation who can say, "Here's another way to look at what's happening with you and your manager, or here's what to look at, the current work you're doing." It helps keep people around, and it also helps the wrong people move on. That's just as important. We got to get past this idea of and trapping and enslaving people. Turnover can be good. The right turnover is healthy, but if you also think about this through the lens of a professional development, which is kind of the third piece of that, you've got mentorship, career path planning and mapping.

The professional development piece can kind of come in and fill all that in. Get beyond conferences, get beyond sending people off to mostly social events. Those are valuable, but how can you start to bring in training experiences? One thing that Smallbox we offered and still offer as my wife's running that business now is Design Thinker Training, helping them to think like a designer, giving them new problem-solving toolkits that they can then put it into their business. We've seen such transformative impacts when we do that with groups of people. We bring in 30 people and do this a lot with United Way here in town. Almost everybody in that organization has been through the training now. They have a really good tool kit and framework to take back into the business, and we've heard back from them later than that it's been transformative for many of these organizations we work with. Those kinds of training experiences are much more powerful and relevant to their work than a conference. I'd love to see people shift more to training in a way from conferences.

**Dolph Goldenburg:** Back when I was a permanent executive director, I kind of came into a team that had some real challenges around time management. What I ended up doing with the management team was I bought everybody a copy of the *Seven Habits of Highly Successful People*, and every week we would go to lunch and discuss the next chapter. The expectation was everybody read it, and I didn't care if they read it on work time or if they read it at home. Everybody read the chapter, and then we'd talk about it. Last year as an interim somewhere, and what we did was we identified some podcasts, none of them were mine because you know, I never want people to feel like I'm selling, but like one of them was the [Radical Candor Podcast](#) and it's like we had identified some specific episodes, and we'd ask everybody to listen to it and you know. Then we would just kind of have a group meeting and talk about what we learned from it. What are some of the inexpensive training techniques that you've seen be successful?

**Jeb Banner:** We did facilitation training. If you think about the modern business experience, you're facilitating all the time, either leading a meeting or jumping into a situation, and learning how to facilitate is pretty critical. Another training that I've done a couple times and had a number of my employees through the use of is crucial conversations training. I highly recommend that. I do the audio series on that. It's something that's like seven CDs, and that's been really transformational to me both professionally and personally, learning how to have those really hard conversations in a way that stays human and doesn't put people on the defense. In business, I often say, "My job as a CEO is to have hard conversations." You're going through your day, and a) you gotta be able to have them. You can't run away from them, and b) you got to do them in a way that's productive and effective and designed towards the better the greater good of the organization.

It can't be ego-driven. It's got to be like, let's find the best outcome here, not just ramming my outcome through business and my desired outcome. I think a [\*Five Dysfunctions of a Team\*](#) is a great training framework to go through to identify by Patrick Lencioni. I think every organization should have some point read that book and have that conversation.

**Dolph Goldenburg:** Tell me about that resource.

**Jeb Banner:** Patrick Lencioni is an Organizational Health Consultant, and he has a group called the [\*Table Group\*](#) that has done a lot of research and study within all kinds of businesses and nonprofits. He's written a number of business fables. I highly recommend these books, the most probably famous one is that *Five Dysfunctions of a Team*, which is actually a story of a software company that has a new leader and working through some of their internal dysfunctions. There are five levels to these, and I'll try to remember them all. The first one is **trust**, and trust is foundational.

If you don't have trust, you can't do anything else. The second one is **conflict**, and then that builds on trust so you can go into a conflict. Then after that comes **commitment**. Oops, I'm missing one. The last one is **results**. There's one in the middle there. Sorry, it's been a little while, but you go through these five steps from **trust** to **results**. The point: a lot of CEOs and leadership focus on results. They say, I want results. I want results, but there are all these things below it that drive those results. Unless you can engage in that healthy conflict and unless you can come to those commitments, you're not going to get results. **Accountability** is the fifth one. After commitment, accountability, the results,

**Dolph Goldenburg:** We're going to link all of those resources in the show notes. If anyone's listening in the car, on the subway or whatever, they'll just be able to go to [www.successfulnonprofits.com](http://www.successfulnonprofits.com), and get that information.

We're going to take a short break, and when we come back, Jeb, I am hoping that we're going to talk about what nonprofit professionals can do now to position themselves to take advantage of this upcoming leadership crisis.

**Jeb Banner:** Great.

**Dolph Goldenburg:** The Successful Nonprofits™ podcast is produced by the [Goldenberg Group](#) as part of our mission to provide board development, strategic planning, and interim leadership to help nonprofits thrive in a competitive environment.

Now, as you've been listening to this episode as we talked a little bit about board leadership, you undoubtedly know that your board will be front and center in preparing for this crisis. But what was your reaction when I said that? Did you sigh and say, "My board sits on the sidelines and instead of being front and center?" If you did sigh and think, "No, my board's not going to really be at the forefront of making sure we're ready for the crisis," you should get my book [Successful Nonprofits Build Supercharged Boards](#). You know, I talk about the book, Gosh, probably every third or fourth episode, but it's a 10-step system for reenergizing and reengaging your board of directors and includes tools and techniques that you can use to manage your board and to really help your board perform at a higher level. Of course, like any book, you can buy it at Amazon. You can buy it at Barnes and Noble, but my two favorite ways for you to buy the book: walk into your local bookstore and ask them to order it OR... go down to your local library, get a library card if you don't already have one and check out this book. So, you may be thinking, do I get rich on this book? And the sad news is almost no one gets rich on a book. In fact, what we do with the sales of this book is we put it all into this podcast for the production costs. So, we don't sell mattresses. We don't sell underwear. We don't sell meat of the month club or wine of the month club. The only way really we support the production costs is through the sale of this book. So, build your boards capacity to manage the pending leadership crisis while supporting your favorite podcast.

We're back with Jeb Banner, CEO of Boardable. So, Jeb, I've always had the philosophy, and this is true in my personal life and in my professional life, that within a crisis there are always opportunities. What are some of the opportunities that people might have as part of this leadership crisis?

**Jeb Banner:** Fundamentally, it's an opportunity for organizations to rethink their approach to how they engage and recruit for their board. I think that they need to start recruiting at a much earlier age, and you're seeing this begin with YP Boards, Young Professional boards. I think that almost every organization of any sort of size needs to have a YP board. You need to engage that next generation. Start to get them involved with your cause and nurture them into full-fledged board roles. I think that's a really good move. I think that on the internal side of things with the employees, you have a lot of opportunities here to begin working with employees on, as we said earlier, their career in general and how it overlaps with the organization, but also with your existing leadership to have those conversations as soon as possible about what they see in that three- to five-year window.

I think that's a good window to look at because that's where we're seeing a lot of them say that, "Hey, we're looking to move on in these next three to five years," and have those conversations so that you can have them actively mentor and build up employees that they've identified in the

organization that they think have potential to take over either their role or aspects of their role. The study really showed that that 40 percent had identified potential leaders. That's really scary. What happens when you do that is you get into this mode where you're scrambling when either a leader passes away or leaves the organization abruptly, and then you're putting somebody in that role that's either not the right person or the wrong fit. Having those current leaders really actively mentor and nurture this next generation is really critical. I think those are two of the bigger opportunities here, but it's going to take a bit of a mind shift to get people to think differently about their leadership and their board to do this.

**Dolph Goldenburg:** I also think it's incumbent on the individuals, not just the organization. If a listener is in an organization, and that organization is not approaching them and saying, "Hey, let's help you develop a three to five-year career plan/let's help you develop a tenure career plan," then they need to take it on themselves and they need to sit down and say, "What do I want to be doing in five years? What do I want to be doing in 10 years?" and start to kind of draft their own career plan. There are bonus points if you then take that to your supervisor and you say, "Hey, here's what I'm thinking my five-year career plan is, and I'd love your input and your feedback on it."

**Jeb Banner:** Absolutely, and I think that to do that, they need to feel safe. They need to feel safe to come to their leadership and their board and say, "Hey, I'm not feeling fed by the role currently/I feel like I need to develop in this way." I think that creating that safety is really critical for leaders, especially in this sort of fragile transition time between the current generation and the next generation. People get nervous about this but be able to sit down and say they are thinking about leaving in three to five years because they're concerned if they say that, the conversation is going to be like... you need to see the door.

**Dolph Goldenburg:** I also think if someone does not feel safe having that conversation with their supervisor, it is even more important that they develop their own three to five-year career plan. Maybe they don't disclose it to the organization, but they figure out what they need to do, not which conferences they need to attend but what tools they need in their toolbox so that they will achieve their own career goals. I agree with you. If you don't feel safe, don't talk to your supervisor about it, but then it's even more important that you put your plan together.

**Jeb Banner:** I agree. My wife actually has worked for quite a while as a coach, a business coach, working with individuals within the organization by being someone outside of that organization coming in. I've seen how impactful that is to have someone who can walk them through that process of thinking about their career of learning how to manage up as well as down. As you look at the study, I think it was the number one thing that was identified was leadership training followed by leadership, coaching and mentoring. That training, that coaching piece there is a huge, huge gap, so this is a huge opportunity to think differently about how you work with your employees. You're right at the individual employee has to take responsibility for their career. You can go outside the organization and find a good coach can work with you via Skype and help you think things through for a few hundred bucks a month for six months, and that could be transformative to your career.

**Dolph Goldenburg:** Jeb, we're running out of time, and I want to make sure we can do the Off-the-Map question. I sounded like I was from 1968 earlier before we started recording because I said last night, I flew in on a Delta jet. I think that's probably all Delta has now, and I did not get home till 11:30 PM. I was not 100 percent certain what the Off-the-Map question will be when we got started, but then it hit me.

As I mentioned in the intro, you are a serial entrepreneur. You have started two for-profit businesses that have been successful, and you have started two nonprofit organizations that have been successful. Out of starting those four organizations, what have you learned that has helped you personally?

**Jeb Banner:** I think that on a personal level, I've learned that it's not about me. You can sometimes get so wrapped up in your business or in your idea that you start to think that it's all about you. You got to remember that it's all about the idea. It's all about the customer, and in many cases, it's all about the employees, too. The thing that I continue to learn is how to let go of the idea, let go of the business or the nonprofit and to let it be, grow and thrive without my hand in every little piece of it. I've been fortunate to be involved with some really neat projects through the years. The nonprofit [Speakeasy](#) and [Musical Family Tree](#) that I have found it or co-founded, I'm off the board of both of those now, and it's really neat to see them thrive and grow and just see new people come in and take ownership of that. But to do that, I had to die a little death inside and let go of it. That's been almost a spiritual experience for me to be able to walk away from something that was like a child to me.

**Dolph Goldenburg:** I think that's especially difficult for those of us that are in leadership positions because as a leader it benefits you to have the sense of ownership. Then there's a point at which, you're right, you've got to let go. It's emotionally very difficult.

**Jeb Banner:** It sure is. I think that it gets easier in time because you get practice at it. I think of it as a George Harrison called it the [Art of Dying](#), letting go and letting those things that you love to pass onto someone else, which is practice for the big one. I definitely think about that a lot, and I always try to ask myself, is this about *it* or is it about *me*? If it's about me that I need to look at it pretty closely, and be very careful that I'm moving forward in the right way.

**Dolph Goldenburg:** That's a great mantra. I may have to use that mantra as well. Jeb, thank you so much for coming onto the podcast. I want to make sure that listeners know some of the things that they can get at your site [www.boardable.com](http://www.boardable.com). First of all, they can get a copy of the [Wake-Up Call](#). This is a fantastic document that you can share with your board members that you can share with your leadership staff. I want to say it's close to 50 pages, and when you look at the citations, it has five or six pages of citations researched. It is well documented, and it is based on a very valid survey of nonprofit leaders and nonprofit organizations. Make sure you go to [www.boardable.com](http://www.boardable.com) and get the *Wake-Up Call*. Number two, I would venture to guess the [www.boardable.com](http://www.boardable.com) has one of the best nonprofit blogs out there right now, and I don't just say that because I'm one of the folks that get to post on and occasionally, although I do, but you will see Linda Lysakowski on there.

You will see Sandy Reese's work on there. Both of them have been on the podcast. You will also see Cindy Grubin-Hoff and several other well-known nonprofit leaders that contribute to this blog. It's kind of the best writing from the best people. Jeb, as I was looking through the book blog the other day, I realized that I need to get some of those folks on the show. I also wanted to share with listeners how I came to learn about the Boardable App. It is essentially a board management and online board of management platform.

To be quite frank, I was thinking about providing a similar service, and I've been playing around with it in my head, and sometimes on flights when I was not feeling like responding to email or do another thing, I'd pull out a sheet of paper and just start to kind of diagram stuff out. Then someone from Boardable reached out to me, and they asked you if they could do a demo with me so that if I was interested, I would share with clients. To be quite frank, I'm like, "Hey, this is great research on my part since I've been thinking about doing something like it." I signed up for the demo; the demo did not take a long time, I want to say it was 30-minute demo or something like that.

And at the end of the demo, I said to myself, you know, someone else is already doing this so well that I will not contribute to the nonprofit sector by doing it myself. Instead, I was like, "Oh, here's how I want to partner with Boardable. I want to recommend it to my clients." Full disclosure, I get nothing out of that. When I recommended to people, I don't make any money, as I said before, to make money on this podcast. I don't make any money by recommending it. I want to recommend to my clients. Second of all, I want to find ways that I can partner with you all on your blog and your social media and that kind of thing. I think the world of Boardable, and again, I cannot imagine anybody having a better service out there right now. That's at <http://www.boardable.com/>. Again, you get the *Wake-Up Call* there, see the blog there, and you can probably sign up for a demo of your own to learn how to better manage your board using this online platform. Then finally check them out on twitter at <http://www.twitter.com/@boardableapp>. Jeb, thank you so much for being on the podcast today.

**Jeb Banner:** Thanks, Dolph. I really appreciate that. I had a great time.

**Dolph Goldenburg:** If you were just emailing your board chair a copy of the *Wake-Up Call* and wanted any of the other links that we mentioned today, visit [www.successfulnonprofits.com](http://www.successfulnonprofits.com). Of course, I've got a personal ask of you. While you're at [www.successfulnonprofits.com](http://www.successfulnonprofits.com), sign up for our email list. We only send one email a week. Let me be clear: One email a week. It typically comes out on Friday, and it shares the blog posts that we've produced that week, the podcast that we've produced, as well as the bonus break that we've produced. That is the Successful Nonprofits™ Podcast for this week. I hope you gained insight to help your nonprofit thrive in a competitive environment.

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