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What is Founders Syndrome?

Founder's Syndrome is a pattern of behavior on the part of the founder(s) of an organization that, over time, becomes maladaptive to the successful accomplishment of the organizational mission. It is particularly common where there has only been one person leading the organization or the board of directors since its inception.

An organization faces Founder's Syndrome as the scope of activities widen and number of stakeholders increase. Without an effective and inclusive decision making structure and process there is potential for conflict between newcomers, seeking effective involvement with the organizational development and the founder(s) who seek to dominate the decision making process. This can be very disruptive, both to the organization and to the individuals concerned and should be carefully and clearly diagnosed and addressed quickly and decisively.

There are a number of negative effects that may occur when an original founder CEO seeks to maintain disproportionate power and influence beyond the initial growth phase of an organization.

- **Exclusion of newcomers:** First, a founder's passion and charisma, initially essential to the successful establishment of an organization, becomes a limiting rather than a creative and productive force. As an organization matures, professionally-trained and talented people are normally engaged and the board is expanded. The founder's domination of the decision making process may frustrate effective and inclusive group decision-making.
- **Identity of the organization:** The organization may, over time, be overly identified with the person or personality of the founder and may experience diminished public trust. Typically there is little organizational infrastructure in place. There is no succession plan, and it would not be unusual to hear the words, "That's not how we've always done it."
- **Decision-making**: The founder is at the center of all decision-making. Decisions are frequently made quickly, with little input from others. Often, decisions are made in crisis mode, with little forward planning to prevent problems from reoccurring. As a whole, the organization becomes reactive, rather than proactive. Staff meetings are held generally to report crises, rally the troops, and get status reports on assignments. There is very little concept here of team strategy development and shared executive agreement on objectives. Limited or a complete lack of professional development for existing and budding leaders reinforces and solidifies the balance of power.

- **Nepotism/cronyism:** In its early development, the board is often selected by the founder and thus is often composed of friends and colleagues of the founder. The board's role may be relegated to "support" for the founder, rather than to lead the organization. They are often a rubber stamp board, having little understanding of the work the organization does. Their commitment isn't to the mission, but to the founder. They are unable to answer basic questions without checking first – such as the size of the budget, the major funding sources, the extent of the programs. This may limit the independent functioning of the board and deprive the organization of more diverse and representative views. Staff may also have been chosen due to their personal loyalty to the founder rather than skills, organizational fit, or experience. Founders tend to surround themselves with cheerleaders, rather than people with valuable insights and ideas.

Coping with Founder's Syndrome requires discussion of the problem, a plan of action, and interventions by the founder, the board and/or by others involved in the organization. The objective of the plan should be to allow the organization to make a successful transition to a mature organizational model without damage to either the organization itself or to the individuals concerned.

Characteristics of Founder's Syndrome	**What founders can do**	**What boards can do**
The founder is the organization and the organization is the founder. (People over-identify the organization with a single charismatic individual without whom the organization would not exist.)	Share the limelight. Encourage others to attend events, meetings, and media calls.	Become organizational ambassadors. Learn to articulate the organization's message and be willing to accompany the founder in public.
		Ensure a strong branding and marketing strategy for the organization based on mission rather than on the founder's personality.
The founder does all the work and gets resentful and controlling.	Delegate work to others and let them do it.	Establish strong working committees with skilled chairs.
		Make sure the founder is compensated fairly for their work, when possible takes regular vacations, and generally gets treated as an employee should.
		Celebrate and acknowledge the founder's accomplishments.

Information is stored predominantly in the founder's head.	Build systems based on the organization's way of doing things.	Insist on written policies and procedures, and work with the founder to create them.
	Prepare the board to think and act on its own, independent of the founder.	Make meetings matter: stated objectives, an agenda, formal minutes, and follow up items.
	Coach, teach and share information with board, staff, and volunteers.	Shape a board that works. Have a working board development or nominating committee that accepts nominations from everyone and encourages board members that fulfill organizational needs (don't bring people on just because of their relationship to the founder).
	Encourage the board to work as an independent team.	
The organization's vision is the founder's vision, and there is no accompanying strategy for getting there.	Develop a shared vision and strategy with others in the organization. Recognize that the organization is owned by the community, ***not by any one individual.***	Engage in strategic planning that involves all stakeholders: founder, board, staff, volunteers, donors, and community members. Use an outside facilitator to ensure good process and collaboration.
The founder resists necessary change.	Practice self-awareness and regulation. Ask for feedback, possibly from outside the organization (another executive director, a trusted colleague, paid counsel).	Stay aware of the environment in which the organization is operating. Does the outside environment demand change that is being resisted by the founder?
	Know when it is time to leave and create an exit strategy that includes succession planning to safeguard the organization and mission.	Engage in regular, professional evaluation of the executive director/founder. Provide honest feedback and engage the founder in dialogue about the pros and cons.
		Don't be afraid to engage the founder in discussions about thoughtful and timely succession planning.