

THE WINDS OF CHANGE

Leadership Transition In A Jewish Family Agency

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This two-part article describes the leadership transition process in a medium-sized Jewish family agency from the perspective of the interim executive director and the executive director who succeeded her. It illustrates the importance of sensitivity to tradition and the family atmosphere of the agency, as well as an awareness of the effects of change. The substance and style of the new director's interventions must be matched to the agency's capacity to absorb those efforts or the transition will fail.

Editor's Note: When the leadership of a medium-sized agency with a strong family atmosphere changes hands, how can the winds of change — propelled by strong emotional forces - best be harnessed to the service of productive change? This two-part article, written in the first person by the interim director and the executive who succeeded her, presents an unusually candid analysis of such a situation.

Since July of 1989, Jewish Family Service of Cincinnati has been in the process of an historical change. At that time, Morton Startz, for 25 years the executive director of the agency, announced his retirement, to be effective at year's end. Not one member of the staff and only a few of the board members had known the agency without Startz as executive. Although his retirement was not unexpected, it clearly portended change for all the staff and board members. Even though Startz eschewed designation as a father figure, the staff had seen itself as "family" in all its ramifications of closeness, sibling rivalry, warmth, and support and with him as parent.

Jewish Family Service of Cincinnati is a medium-sized, 140-year old multifunction agency employing a staff of 38. Founded in 1850 as the Hebrew General Relief Society, it employed its first professional director, Miriam Dettelbach, in 1943, and she served in that capacity until her death in 1964. Morton Startz, then associate director, became the executive at that time, and during his tenure, the agency continued its growth in programming and training. Now,

25 years later, a third executive would be chosen to lead the agency.

I. THE INTERIM EXECUTIVE DIRECTOR—MIRIAM O. SMITH

In August, 1989, I was a member of the JFS board, having retired from the agency staff a few years earlier. I was also maintaining a private practice 2 days a week. I had just had open heart surgery a month before, but as a member of the search committee for the new executive, I was active and invested in the process. When the agency president asked me to serve as interim executive director for 3 months, I was flattered and intrigued with the challenge. Projected was a part-time, 3-day-a-week position that would enable me to continue my private practice commitments.

I joined the agency staff in 1964, shortly before Miriam Dettelbach's death and Morton Startz became its director. I served as coordinator of Adoption Services and Early Child Development and was in private practice.

I met with Morton Startz several times

before he left in December, 1989. By then the search committee had narrowed its choices to three candidates from a very promising roster of applicants. I thought a great deal about the months ahead for the agency, feeling that three major tasks needed to be accomplished: (1) to continue without interruption Startz's legacy of commitment to those we serve; (2) to serve as a bridge from the beloved and familiar past to the unknown and promising future; and (3) to provide on one side of the bridge space for the grieving process that the loss of the beloved and familiar would surely entail and to make ready, with some positive expectations, for the unknowns on the other side. To these tasks I was bringing my faith in group and "family" process as a potent resource for mourning and healing and the use of metaphor (in this case "the bridge") for mutual goal setting. Even though these were much used as treatment modalities with clients, they were not usual interstaff agency processes.

I also realized that Startz's long familiarity with every nuance of agency life meant that he could afford to hold the reins very lightly. In contrast, I needed to gather in the reins so that they would be available to pass to the hands of the new administrator. I determined that at this especially sensitive time I would make every effort to keep the staff informed of agency doings, by regular full staff meetings supplemented by memo. By the second month the staff were calling them "M & M's" (Miriam memos).

I felt especially responsible for financial matters, the more so because I was not familiar with agency budgets and funding. Early on I discovered that signing piles of checks helped me understand administrative costs, as well as the particulars of the Russian Resettlement expenditures in a way that a spreadsheet did not. Of major importance was my recognition of the centrality of the work of administration, support staff, and business management to the delivery of service. In the past I had sensed these departments as competitive with the clinical

services, and now my open appreciation of both their importance and expertise began a process of mending among the staff.

During my tenure as interim executive director, I made two important errors of judgment. The first was a failure to read the politics of the position I was filling. I decided not to attend an 8:00 a.m. federation meeting since I was conserving strength for an evening meeting at the agency. My absence was noted critically, even by those who knew my recent medical history, for I had failed to inform the president of the federation.

Woodward and Buchholz (1987, p. 63), writing about "endings, transitions and beginnings" in *Aftershock*, comment that one of the things that people experiencing organizational change usually get but do not want is "rah rah" behavior — It is highly resented as a means of transition." My second error of judgment was to repeatedly express my enthusiasm for the choice of new executive, whose appointment was confirmed in late January. I now see that people do best when they make such discoveries for themselves.

I was committed to connecting the old with the new and to focusing "on new beginnings" (Woodward & Buchholz, 1987, p. 62) and, in my "Inaugural Address" on the first working day of the New Year, described my role in terms of empathizing, centralizing, and communicating. I asked that new people on the staff set up a time for us to get to know each other individually. (How quickly I learned the power of the boss's suggestion. As therapist or parent I cannot ever remember such universal compliance.)

Gilmore (1988, p. 95), in *Making a Leadership Change*, writes that people are oriented to the departure of a leader after his or her resignation date is known but "feel thrust into another limbo" when facing an acting leadership situation. He adds,

If the organization is relatively stable, the acting . . . leadership can take a predomi-

nantly caretaking stance, preventing regression and maintaining the existing course during a strategic search that might raise directional shifts over the horizon. Interim leaders must strike a balance between authentically leading and acknowledging that their successors are critical stakeholders in their actions (Gilmore, 1988, p. 100).

As the new executive's arrival date approached, I was increasingly aware of the responsibility for how my decisions would affect him.

During my time at the agency's helm, the staff slowly came to recognize that Morton Startz was indeed gone. This recognition may have been heightened by the fact that he totally absented himself from the agency and because I as a woman was perceived to have a different role in the family system. This perception changed when the new executive came because, even though he was a man, he was clearly not Startz. This acceptance of the new authority paralleled stages of loss and change: the lost father is not here for me; I am alone, I am bereft. Then, comes the new "father" who is not like the old; he does things differently, and he cannot understand how I feel.

Woodward and Buchholz (1987, p. 66) observe that "when loss occurs, the people who remain have to go through some basic stages — denial, anger, bargaining, depression — to finally achieve acceptance." If not dealt with, those feelings can be carried over as "excess emotional baggage" and interfere with transitions and beginnings.

I felt it was important to give all the staff, as family members, the opportunity to work on agency issues involving crisis and loss and the uncertainties of new beginnings. I was aware that old angers and personal insecurities would color attitudes toward the new leader. In addition, although each person needed to work on those feelings individually, projection of some of them would inevitably be directed to me, especially as I envisioned the agency's future

so optimistically. To get the usually quiet staff talking together as a group, instead of in pockets of rumor, I chose a projective technique that had interesting and productive results.

At one of the first staff meetings, all the staff were asked to express their feelings about the agency through the medium of drawing. Each person was given crayons and an outline drawing of the agency building and asked to express their feelings about the transition. The Russian Department workers were vocal and spirited as they drew; others were quieter but there was a lot of laughter and high energy in the room. There had just been an earthquake in California, and several made reference to the Richter Scale in their drawings. Rather typical were storm clouds and the sun breaking through in the same drawing. The new director was seen as skiing in from Denver (actually he drove), being delivered by a stork or coming with a medical bag. In a go-around, workers talked about what they had drawn.

For the next staff meeting I asked our child therapist to point out themes in the drawings. Now divided into small groups, some staff members expressed their "skepticism" about the exercise, but felt "people had fun and got a lot from it, as discussion brought awareness of how others were feeling." The groups discussed what they saw as priorities for the New Era and how, at this time of change, we could best help ourselves, each other, and the new director. Suddenly, unexpectedly, in one group this discussion of the winds of change developed into the eye of the storm, as the feelings of loss and uneasiness about what was going to happen became conscious. I experienced that group's unhappiness as directed at me. Should I not be the "good mother" who took all uneasiness away instead of expecting them to deal with it? (The always profound question: can one be the good mother and the therapist simultaneously or, in this case, the good mother and administrator?)

It is now clearer to me that transference

issues make it hard to be an administrator altogether. Paula Bernstein (1985), in *Family Ties, Corporate Bonds*, writes about the concept of organizations as family and notes the inevitable projections of each person's own family history onto peers and authority figures. She suggests that the projections are based on both the family we had and the one we "longed for" (Bernstein, 1985, p. 158). She also speaks to "the mother role (in the workplace) as the most diffused and idiosyncratic" and notes that "throughout our lifetime our relationship with our mother is (often) ambivalent."

Now several years later, there remain many memories of Morton Startz's tenure and even of my brief 3 months as interim director. In fact, I walked in the agency recently and was hailed with "Hi Boss!" The daily crises during my tenure, both major and minor, were resolved with the always ready support of the agency president and the help of the energetic, invested, and skilled staff who had brought a fine agency into the present and stood ready to undertake a challenging future. The bridge had proved sturdy and our new administrator was in place. We were ready to begin the new era.

II. THE NEW EXECUTIVE—MELVIN MOSCHEL

Background, Philosophy, and Style

Taking on the directorship of an agency that had only two ongoing executives in its 47-year history, both of whom had achieved considerable stature and recognition, was a formidable, though exciting prospect. My own background included direct service in geriatrics for both Jewish and nonsectarian agencies, including a nursing home, some public assistance work, a few years in the Jewish human relations field, teaching, and several years most recently as assistant executive director of a Jewish family agency. My social work training and general interests ultimately led toward a strong prefer-

ence for Jewish communal work combined with administration. Thus, becoming the chief executive officer of the Jewish Family Service of Cincinnati was a logical move, well suited to my professional interests and values.

This move occurred during a period in which the entire nonprofit service field, under the pressures of reduced government funding and increased competition with for-profit ventures, was striving for better efficiency and accountability. In a fully justified effort to promote sound business practices by borrowing the best teachings of private industry, many agencies adopted the corporate model of management, some, unfortunately, to the point of intoxication with the bottom line while losing sight of their original missions. Hence, the recent spate of strategic planning in nonprofit agencies, beginning with a redefinition of our missions.

My basic philosophy is that there should be a critical balance between service to people and fiscal prudence, with special emphasis on the service component. Thus, rather than considering ourselves a business that happens to provide social services to customers, my view is that a family agency is primarily a human service organization that must be run in a business-like fashion. The benefit of the doubt, however, should always go to the consumer, e.g., client. For example, a sliding scale fee representing our price for a particular service can, and indeed must, be changed in extenuating circumstances. The agency's overall budget, however, must be carefully planned and implemented.

Moving from background and philosophy to style, I would characterize my personal approach as somewhat "laid back," but at the same time I tend to be involved in all aspects of agency operations through frequent consultation with middle management, which acts as a cabinet for a mutual exchange of ideas. I also engage in close collaboration with the board and maintain a high profile in the community.

The Situation

Cincinnati often quip that their community has all the problems of the rest of the country — but 10 years later. It is a politically and culturally conservative town with strong family values, a general sense of well-being, and a good quality of life. The Jewish community has a long history of responsible, service-oriented leadership and is among the most generous in the country in its support for the federation and its constituent agencies. Jewish Family Service has developed a tradition of high-quality programs and a progressive outlook and is well regarded in the community.

When I arrived I found an experienced, highly competent staff consisting almost entirely of women, mostly in their forties to early sixties, many of whom had been with the agency for several years. My own executive secretary topped the seniority list with 23 years of service. Although there were the expected intra-agency rivalries, there was still a strong sense of the agency as a “family,” dedicated first and foremost to service to clients, as well as caring and concern for each other as colleagues. This sense of family was most certainly strengthened by the longevity of the previous executive director, Morton Startz, who had developed an outstanding board and staff, maintained fiscal stability, promoted staff development, and created a model family life education program. His orientation toward clinical work influenced his style of hands-on service and delegation of certain administrative problems to subordinates, some of whom enjoyed considerable autonomy.

The board’s diversity in terms of age, occupation, and various other demographic categories was truly remarkable, and its philosophy of service above all, backed by active committee involvement, was a seemingly perfect match for me. The board was now ready to move on by hiring a new executive who would be asked to strengthen existing programs, tighten up the administrative structure to foster more accountability, and initiate new programming ideas in

a way that would not radically upset the family atmosphere in the agency.

As it proceeded to search for the new executive, however, the board, knowing that the process would not be completed until at least 3 months after the incumbent executive’s retirement, wisely decided to hire an interim executive director, rather than let the agency languish on automatic pilot. As suggested by the president, the board chose Miriam Smith as interim director. Though Smith had no upper-level management experience, her decades of work at Jewish Family Service, both as a staff and board member, and most of all the love and respect accorded her by staff, other colleagues, lay leadership and the community made her the obvious choice.

By this choice the board was maximizing the possibility of a successful transition, following management theorist William Bridges’ advice of paying close attention to the ending phase (the old executive’s retirement) and the transition itself (hiring the interim director) before jumping to the third stage — the new beginning (hiring the new executive). They recognized that “when change occurs, some things end. Immediately then, people want something else to begin. They want something to fill the void that the ending created. Unfortunately, this magic solution seldom occurs. Thus, a transition is needed, a way to bridge the gap from the ending to the new beginning” (Woodward & Buchholz, 1987, p. XVII). This bridge would not have been very sturdy had the board not also been careful to uphold the agency’s “family” value system in their selection of both the interim and the new executives. “A strong value system acts as a constant to support the movement from endings through transitions to new beginnings. The value system acts as a thread of purpose keeping the constantly changing forms in some kind of alignment” (Woodward & Buchholz, 1987, p. 101).

Thus, Miriam Smith had all the necessary credentials for the dual task at hand — to begin questioning old practices and, as

Gilmore (1988) suggests, to channel anxiety in productive ways by organizing the staff around preparing for the transition.

Initial Change Issues

Although several theorists have written about phases of planned organizational change and the tasks associated with each phase (for example, Brager & Holloway, 1978), I found out immediately that the technical aspects are far outweighed by the emotional effects of change, that "the most pressing issues surrounding change are the human issues" (Woodward & Buchholz, 1987, p. 14). The overall theme during my first year was how to balance tradition and continuity with new ideas and different methods of administration.

This theme was implemented in many forms. For example, some of the staff, although personally warm and welcoming, were understandably reserved and defensive when it came to new initiatives, fearing the unknown thoughts that might be lurking in the brain of their new boss. To make matters worse, the sense of family in the agency seemed threatened by my being physically sealed off in my corner second-floor office, not even joining staff during lunch break in the first-floor lounge. My administrative style, with its emphasis on lines of authority and the key role of department heads, seemed to be isolating me from the line staff. Although I made a strong effort to rectify this situation when I became aware of it, it certainly illustrated the importance of agency tradition in which staff were used to frequent contact with the executive, something I myself find very appealing as long as it falls short of forming personal friendships, which would lead to role confusion.

Another arena where the continuity versus change theme played itself out was internal administrative policies and procedures. The use of chain of command techniques mentioned earlier, combined with a tendency to codify important communications by written memorandum and a re-

quirement that all financial disbursements follow an orderly approval procedure, created a more formal atmosphere — and a less familial one — that stressed accountability more than personal relationships. Although both formal and informal roles had always been part of agency life, the balance now seemed to be shifting toward the former. The situation was further heightened by new interpretations of personnel policies that questioned the use of compensatory time and other long-established practices. Centralizing controls on granting references and making statements to the press tended to foster more feelings of loss of autonomy and fears that the "family" life of professional peers might be drawing to an end at the agency.

Finally, new programming initiatives receiving strong impetus from the executive seemed to threaten the comfort derived from continuity and business as usual. The reorganization and expansion of one of the departments and its impact on a closely related department were particularly threatening. So whether the issue was style, structure, procedures, or programs, the observation of Woodward and Buchholz (1987) that habit and inertia, fear of the unknown, powerful coalitions, and security based on the past are common obstacles to change certainly was relevant in this situation.

Not all of the initial change issues were directly related to staff, but they nevertheless would ultimately affect everyone. For example, the board's new emphasis on long-range planning and board development at least implied that more change would be forthcoming. Relationships with the agency's funding bodies in an environment of flat allocations also had the potential to increase fears of the future.

The Executive's Response

Within several weeks of assuming my duties it became clear to me that if the winds of change were to be harnessed into a constructive, energizing force, they would first have to be contained and controlled by opt-

ing for change at a moderate, gradual pace. Doing so would minimize morale problems by encouraging the maintenance of positive traditions, including a family atmosphere, warm personal relationships, and other features that had always made the agency a fun place in which to work, all of which would be extremely difficult in an atmosphere of radically paced change. As Gilmore so aptly points out, there are many disadvantages both to moving too quickly or too slowly: "Managing organizational change is a psychological as well as a technical process. The timing of each change and the way it is introduced are as critical to its acceptance by staff and its ultimate success as the substance of the change itself" (Gilmore, 1988, pp. 229-230).

One of my first initiatives was to simply listen — to find out from the staff what had gone on before and what was good or bad about it. I also interviewed every staff member individually over a period of several weeks, not only for programmatic information but primarily to get to know who they were on a personal level. Both of these activities seem to make good sense in retrospect when one reads Gilmore's discussion about the new leader needing to connect with core staff and to take into consideration their positive accomplishments.

Nevertheless, I did encounter problems early on when, for example, in response to what I thought were relatively minor issues, I wrote memos on such subjects as the previously mentioned use of compensatory time and public statements by staff. The highly emotional response to what seemed like routine procedures bore out a basic truth — that first impressions made by a new leader can be powerful even when the actions are not particularly well thought through because they are made in response to immediately pressing matters, which may seem trivial at the time. These actions, however, serve as data for people's early theories about the new chief. Thus, my subsequent initiatives in other areas needing attention — tighter control of finances, clearer lines

of authority, more accountability, and program reorganization and expansion, to name a few — were approached much more deliberately.

Longer-Range Issues

One of the major risks faced by new executives is being diverted by crises and operating routines, with not enough time left for the thinking necessary to set new directions (Gilmore, 1988). This occurs almost unconsciously and may result in corollary problems of inefficient delegation, an imbalance of attention between external and internal issues, and a misinterpretation of well-meant staff concerns as "resistance" to new ideas or programs. As time went on I certainly did find that the demands on today's executive to be both a manager and a leader, when coupled with my attempt to balance tradition with change, made for a task that was nearly impossible without assistance. When I am buried in work there is less time for good communications with staff. Thus, we have a negative result of change, which in turn can become an obstacle to further change.

In December, 1992 the necessary resources were obtained to hire an associate executive. This has enabled the agency to devote more attention to new programs, more varied funding, more effective marketing, a thorough review of personnel policies, and effective supervision of middle managers.

Closing Thoughts

The most critical factor in determining the success or failure of a transition is often the new manager's working relationship with the staff by the end of his or her first year (Gilmore, 1988). This article has demonstrated that what transpires well before the new executive is even recruited is also of critical importance and that the interim leader, as well as the new one, must be sensitive to both tradition and the need for and effects of change.

It may be helpful, then, to view the agency as an organism in the sense of it being a living entity, which can respond to a systems approach to change. The organism confronts a situation (tradition combined with current developments) that is faced with change (a new executive). If the new leader ultimately matches the substance and style of his or her interventions with the agency's capacity to absorb these efforts, the result is homeostasis at a new level of vigorous activity that improves the quality of the agency and enhances its ability to accept additional changes. If not, the transition will fail, and the winds of change may become the equivalent of a tornado passing over a sleepy town.

It may still be too early to tell, but our hope is that the process described above, setbacks notwithstanding, is on the way to ultimately working not only for the benefit of our agency's staff and board, but most importantly, for the community that we

serve.

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