Diagnosing Founder’s Syndrome

Bob was known as a creative, compassionate, and entrepreneurial spirit. His friends weren’t surprised when he decided to start a nonprofit organization to help people in need.

To get started, Bob used a spare bedroom in his house to set up his new organization – ABC Helpers. As a young retiree, he had time, lots of energy, and plenty of strong community connections.

Bob’s friends and former coworkers seemed to like the idea, and most were more than willing to help out by serving on ABC Helpers’ first board of directors (though not one of them had ever been on a board before).

Through the years, ABC Helpers went through typical developmental phases. There were times when they unsure if they could raise enough money to keep the doors open. And there were times of rapid growth and expansion.

As the organization matured, it gained financial stability and a reputation as a much-needed provider of assistance to those in need. With expansion and notoriety, the board was able to attract high profile, experienced members who brought a greater level of expertise and influence to the organization.

As ABC Helpers reached its 20-year anniversary, the organization faced a new reality. The man who founded this organization when others are ready to move on can cause great harm and upheaval. The syndrome can traumatize people and literally destroy organizations.

There are three classic symptoms of a leader with Founder’s Syndrome: dominance, denial, and short-sightedness.

**Dominance** – In the beginning, the CEO was the only employee, so he made all the decisions. As the organization grew, systems expanded and it became necessary to involve more people in the decision-making process. But insecure leaders want to be at the center of all decision making. They make decisions without input from others, because in their minds, no one knows as much as they do. If these leaders delegate tasks, they frequently override the decisions of those under them.

Another aspect of dominance relates to board recruitment. A leader with Founder’s Syndrome hand selects board members. He picks his friends rather than allowing the board to make a collective decision. This keeps him in charge, ensuring a “rubber stamp” board, one that would never dare challenge his decisions. Loyalty to the leader (not the cause) is a top priority.

**Denial** – Freud described denial as a state of “knowing-but-not-knowing.” Some leaders know there is a need for change, but they refuse to act upon it. They believe the organization must embrace tradition at all costs—even if it drives them into oblivion.

When leaders are in denial, they refuse to acknowledge the fact that all organizations, regardless of size or scope, experience a metamorphosis that requires occasional fine-tuning. The tune-up may involve adjusting or eliminating programs that are no longer needed or have become ineffective.

**Short-sightedness** – Short-sightedness, or myopia, is a very common eye condition that causes distant objects to appear blurred, while close objects are seen clearly.

A leader with Founder’s Syndrome is unable to see the big picture. He is focused on right now rather than on the future. On the flip side, effective leaders are visionaries, always aspiring to reach new heights.

Myopic leaders focus on short-term rather than on long-term impact. They want good numbers today, even if that number is not a real indicator of long-term success for people helped or the community.

Myopic leaders operate without considering other people or groups in the community. Yet effective nonprofit organizations do not operate in a vacuum. Instead, they are well connected, collaborating and sharing referrals and resources.

These leaders realize the power of interconnectedness, always locking arms with others to achieve the greater good.

If your organization suffers from a leader with Founder’s Syndrome, take action.

Always focus on the mission and vision. If any person, regardless of rank or tenure, is behaving in a manner that is harmful to the organization, the board must protect the mission and act quickly—even if that person is the founder.

Be cautious when addressing the problem. In some cases, the issue is a symptom of the board’s failure more than a weakness of the leader. Or it could be both.

In the case of ABC Helpers, removal of the leader brought new life to the organization and helped establish a strong, sustainable program.

From the alcoholic who swears he’s just a social drinker to the nonprofit leader who declares “mission accomplished” when it isn’t, living in denial nearly always leads to discord and collapse.

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