

# Current Thoughts on Founder's Syndrome

08.29.23 | Linda J. Rosenthal, JD



"If you're in the nonprofit world, chances are you've been affected by founder's syndrome, even if you didn't know the name for it." See [\*Ten Steps to Overcome Nonprofit Founder's Syndrome\*](#) (January 24, 2023) *Funding for Good*. "Founder's syndrome is one of the thorniest—and most common—challenges in the nonprofit sector."

In [\*Dismantling founder's syndrome\*](#) (February 22, 2022) *The Philanthropist's Journal*, Dr. Susanna Kislenco, who holds a Ph.D. in organizational behaviour "with a focus on founder leadership" zeroes in on the problem: "Founder's syndrome is widely whispered about in the non-profit sector but rarely analyzed or dismantled."

Dr. Kislenco, who has been studying this phenomenon for years, emphasizes that "[w]hat we have known about the problem until now has been only the surface-level description associated with a founder wanting to maintain control. It is that, but it is also much deeper."

So here we are in the middle of 2023, with many questions but few answers about a confounding thicket of leadership dysfunction in more than just a few of the nation's 501(c)(3) organizations.

## ***The Irony of the Problem***

Joan Garry is a seasoned nonprofit executive coach who has seen founder's syndrome up close across an alarmingly broad swath of the nonprofit sector. Recently, she has shared her observations and thoughts on this prevalent but hard-to-define issue. See [\*Strong Boards: An Antidote to Founder Syndrome\*](#) (August 10, 2023), *Stanford Social Innovation Review*.

Of particular poignancy is the inescapable irony: At the same time that we laud founders as heroes who have "...identified a needs gap in their communities and are propelled to launch a formal effort to address that need by founding a 501(c)(3)," we also "... brand them, Hester Prynne-like, with a chronic illness we call founder syndrome."

A founder's zeal and attention can sometimes tip over dangerously into behavior that wreaks havoc, sometimes fatal, to the organization. Too many otherwise worthwhile – and possibly survivable – charitable programs and missions are unnecessarily destroyed from the inside out. And – of course – the hallmark of 501(c)(3) tax-exempt status is that the organization in question is not the personal property or fiefdom of the creator: Control and oversight must be shared among a wider circle and on behalf of the general public.

While founder's syndrome is most commonly associated with new organizations that start out small and remain so even after many years, that's not the *only* situation in which it appears. It can also take root and fester in medium-sized or larger 501(c)(3)s that “are going through the motions of appearing to the outside world” as “healthy, growing, and thriving” entities. But to insiders, that is a ruse; it's a dark environment “of stress and dysfunction” emanating from the overbearing founder.

Dr. Susanna Kislenko laments: “To date, even when the [founder's syndrome] problem is identified in an individual, the conversation generally does not extend beyond flagging it and maybe telling a few colleagues or other people in the sector.”

### ***The New Organization***

Joan Garry, in her recent *SSIR* article, relates a story she hears from many board members: “I was originally recruited to the board,” they say, “to support the leadership of the organization.” That can happen, Ms. Garry explains, if a funder indicates interest, but requires seeing the 501(c)(3) determination letter before opening the money spigot. Often, “the grant application includes a requirement of three board members minimum.” With “... time of the essence, the founder turns to friends and colleagues who want the founder to be successful. They agree to be named on the application to support the leadership of this new organization.”

In this “common path for the creation of a founding board,” lay the breeding ground for a problematic “mindset issue.” Ms. Garry calls it the “Make Way for Ducklings” board, after Robert McCloskey's well-known children's book. “The founder leads and the duckling board members follow right in line as the founder marches into the Boston Commons.”

It's “at this moment that the seeds are planted” for founder's syndrome, “not because of the founder but because of the relatively thoughtless structure built around” that person. “Organizations can continue on for decades, adding more ducklings all along the way, often hand selected by the lead duck (founder).”

Joan Garry emphasizes that it's “absolutely vital that boards of founder-led nonprofits understand this dynamic, as the long-term sustainability of the organization rests in their hands.”

But that's much easier said than done, as so many of us who have been tapped for such “do me a favor” board service can attest. The new board members selected for convenience may feel unqualified and – in any event – disinclined to push back against the vision and decisions of the founder.

### ***The More Established Organization***

Symptoms of founder's syndrome can, but don't always, include: "autocratic decision-making, lack of receptivity to new ideas, and leadership rooted in personal ego." Joan Garry has "... seen these traits in many of the founders she has worked with as a consultant; she has also noticed them "in many of the CEOs ... who have followed those founders..."

The team at Funding for Good, writing in their January 24, 2023, article titled *Ten Steps to Overcome Nonprofit Founder's Syndrome*, make a similar point. "Contrary to popular belief, founder's syndrome doesn't only afflict a single founder. The condition can manifest itself in an individual or group of charter board members, a particularly dominant board officer, a CEO, or even a long-time staff member. In many cases, the afflicted leader or leaders does not realize what is happening."

In *How To Survive Nonprofit Founder's Syndrome*, Rachel Muir of Bloomerang agrees: "While it's most often found among founders, the disease can also manifest itself in non-founders who have been in a leadership role for 7 or more years with an organization or clusters of board members who identify themselves as founding board members, founders, or co-founders."

Similarly, in *How To Tell if You Have Nonprofit Founder's Syndrome: Signs, Symptoms, and Cures*, the consultants from Springly note that "... Founder's Syndrome is most common among the founder(s) of an organization. However, any staff member who has a decision-making role and has been around since the organization's founding can suffer from it."

And in *How To Diagnose & Conquer Nonprofit Founder's Syndrome* (August 3, 2022), the experts at The Charity CFO acknowledge that it's "natural that [a] hand-picked board of directors and the first few staff members come to rely on the vision of the founder....But when the founder's personality or personal story gets confused with the organization's mission, the organization can face a cascade of issues...called founder's syndrome. And it can be damaging, or even fatal, to an organization's long-term goals."]

### ***Control and Information***

In her 2022 article, *Dismantling founder's syndrome*, Dr. Susanna Kislenko notes that while "[n]ot every founder" has founder's syndrome, it is nevertheless – widespread. Typically, it afflicts leaders who are driven by a "desire to control, particularly of the narrative about their image and organization. These people always want to be viewed more as a founder than a leader, and they have a preconceived view of how a founder should look, speak, and behave. Their very identity depends on it, and they are usually willing to do anything to maintain their idealized image in the public eye."

She explains that "this often results in a conflict between activities that keep the founder's image at the forefront and those that would actually deliver on mission. One of the ways these people maintain control is with the kind of information they allow to be shared, both internally and externally." More to the point, they tend to rigidly control and limit the flow of information.

To illustrate what a raging case of founder syndrome can look like, Dr. Kislenko offers a hypothetical composite of a "long-time leader of a well-known charity – who also happens to be its founder." She has just delivered a "well-received speech to a room full of both individual and institutional funders."

Although she appeared “put-together onstage, the operations of the charity she heads are anything but. Everything is delayed and bottlenecked until [she] has given the green light, even something as simple as a few lines of email text. No one in the organization, regardless of title, has the autonomy to decide anything, and board members are provided with only the specific information that [she] wants them to see.” There is “no succession plan” and her hints that other people are being “trained to step up, ... like so many other things in the organization, is a ruse.”

### ***Conclusion***

The conundrum for those caught up in these toxic situations, but desiring to save their organizations, is that any meaningful solution involves difficult, unpleasant, and perhaps futile action against those who control the strings of power and the all-critical flow of information.

This issue needs to be moved out of the shadows and into the sunlight of a productive conversation across the nonprofit sector.

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