



LEADING EDGE

Alliance for Excellence in Jewish Leadership

CEO SUCCESSION

Case Study of Excellence from
the Jewish Nonprofit Sector



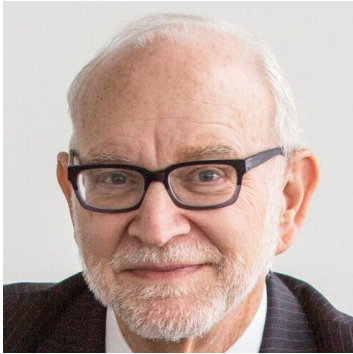
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Institute for Jewish Learning and Leadership

CASE STUDY

SPERTUS
INSTITUTE
FOR JEWISH
LEARNING AND
LEADERSHIP



Hal Lewis
CEO
2008–2018



Dean Bell
CEO
2018–Present

Dean Bell was 26 years old when he joined the Spertus Institute for Jewish Learning and Leadership in Chicago as an assistant registrar in 1994. His job primarily involved hammering out transcripts on a mechanical typewriter in a poorly heated hallway. Bell is now Spertus' president and CEO. If one of the indications of a high-performing organization is its ability to identify, develop, and promote talent from within, then Spertus certainly did something right with Bell. Apart from a two-year stint at DePaul University early in his career, Bell has spent his entire professional life at Spertus, gradually building his skills as an academic, an administrator, and most recently, a leader. In 1995, he became director of distance education; in 1998, associate dean; in 2001, dean and chief academic officer; in 2015, vice president and provost; and then finally, president and CEO in July 2018.

Bell's journey to the top is particularly extraordinary because it wasn't born out of ambition, or some grand plan to climb the organizational ladder. In 1994, he was a talented Ph.D. candidate wishing to make his way in the world. He didn't go knocking down doors at Spertus—he stepped through open ones. "What I really wanted when I first joined Spertus was to be an academic," Bell says, explaining how Spertus gave him the space and support to grow and change over time. "Until recently I never would have imagined myself as a CEO."

In a 2007 article in *Harvard Business Review*, Joseph Bower, a professor at Harvard Business School, argued that a critical difference between organizations that manage CEO successions well and those that don't is an understanding that succession is a process, not an event. The process actually begins years before the event. Bell can point to many organizational policies that helped his ascent over the years. Spertus' belief that administrators should carve out time to sustain their teaching and research helped keep his job fresh

and spurred his creativity. Indeed, long before Google made famous a policy of encouraging employees to dedicate 20% of their free time to side projects, Spertus gave Bell Friday afternoons off to focus on his own interests (Bell has written or edited 10 books throughout his tenure at the organization). He was steadily promoted and stretched—but never to a point of frustration or burnout. “One of the things I love about Spertus is that it is a culture of learning,” Bell says. “I feel like I haven’t stopped growing. If I did, I probably wouldn’t still be here.”

Bell’s long tenure and steady ascent at Spertus are outliers in an era of job-hopping and high employee turnover. But they are not responsible for turning him into a CEO. Indeed, identifying talented employees and promoting them through the ranks of management are, relatively speaking, the easy part of the CEO succession process. The final step of an executive’s ascension to the corner office is always the steepest. The CEO role is unique. When management guru Peter Drucker was asked what is the role of the chief executive, he replied, “The CEO is the link between the inside that is ‘the organization,’ and the outside of society, economy, technology, markets, and customers.” To Drucker, no other role performs that function; everybody else in the organization is more narrowly focused. What’s more, the CEO is the only one held accountable for the performance and results of the entire organization.

Because the CEO’s job is distinct, it is difficult to prepare for.

So how did Bell make the leap? For that, he has Hal Lewis, his predecessor, to thank. Lewis was uniquely prepared to engineer a successful transfer of power to Bell. Lewis had spent the bulk of his career thinking about how leadership differs from management, and what CEOs can do to prepare successors. He is the author of two books on Jewish leadership, “From Sanctuary to Boardroom: A Jewish Approach to Leadership” and “Models and Meanings in the History of Jewish Leadership;” he teaches a course at Spertus on leadership; and after stepping down as president and CEO of Spertus, he formed a leadership consultancy.

“I’ve been devoted to the issue of CEO succession planning for a very long time,” Lewis explains. “It just seemed like it would be the height of irony if I were to ignore all my learning and teaching in my own transition.”

In June 2015, when Lewis had been in the CEO role for seven years, the executive committee approached him about a routine, three-year contract extension. Lewis had one caveat. He wanted the extension to be his last; he wanted to focus his final term on the identification and grooming of potential successors within Spertus; and he wanted to institute a pay freeze on his compensation so that he could free up resources to develop candidates to replace him.

WHAT THE RESEARCH SAYS: INTERNAL CEOs

Research generally shows that internal CEOs perform better than outsider CEOs in a corporate context.

For example, a 2010 study by Booz & Co. found that internal CEOs delivered superior market-adjusted shareholder returns in seven out of the preceding 10 years. The authors also found that internal CEOs remain in the CEO position longer and are less likely to leave due to forced termination.

However, this research is subject to important limitations. Companies that recruit external CEOs tend to be in worse financial condition. For this reason, writes Stanford's David Larcker, "it is difficult to conclude whether internal or external candidates are systematically better operators."

Lewis was focused on finding an internal candidate because he had been influenced by research from the for-profit world that shows—all things being equal—insider candidates outperform external CEOs. Indeed, Lewis had come to believe that nonprofit organizations—and Jewish nonprofits, in particular—do a poor job of developing insiders. "The hiring of outsiders is often simply the result of a failure to prepare insiders," he says.

So Lewis and Spertus' executive committee made a deal. Over a three-year period, Lewis would take Bell under his wing; identify areas where Bell needed to develop; and give him opportunities to "practice leadership" by ceding control of key meetings,

stakeholder relationships, and decisions. "I told the executive committee that in three years I would step down, and by that time, I would present to the board a camera-ready successor," Lewis says. It would then be up to the successor and the board as to whether they wanted to make a deal happen—or whether the board should pursue an external search. "My goal was to train someone I thought was capable of being a new leader," Lewis says, explaining that he felt committed to making sure his leadership succession was done very much by the book.

Recognizing the Time to Go

Lewis and Bell had an unusual professional relationship at Spertus.

Bell hired Lewis in 2001 to work under him as dean of continuing education. But when Spertus found itself in a succession crisis in 2008, Lewis was offered the CEO position, not Bell. At the time, Lewis had experience as a chief executive (he had been CEO of the Columbus Jewish Federation from 1999-2002). Bell did not, and at the time had no ambitions for the top role. What could have been an awkward leapfrog on the management ladder felt natural to the two men. While the pair are not friends outside of work, they both speak of a relationship of respect and collegiality. “We’ve never had a supervisor-supervisee relationship,” Bell explains. “We always communicate in a spirit of exchange and nurturing on both sides, so it’s been easy to flip-flop in our careers. When we had a conversation before [Lewis] accepted [the CEO role in 2008], I remember saying ‘I think it’s great they offered you the position and I think you’d be great at it.’”

This was no faint praise by Bell; Lewis was about to walk into an organizational maelstrom. In 2007, under the leadership of then CEO Howard Sulkin, Spertus had moved its headquarters to a new building on Michigan Avenue in downtown Chicago designed for Spertus by the prestigious architecture firm Krueck + Sexton. At this exact moment, the credit crunch hit.

“We moved into the building just as the economy crashes,” recalls Donna Barrows, Spertus’ board chair at the time. “We had not finished raising the money

for it. That created a dramatic problem. Sulkin had done remarkable work raising as much money as he had, but at that point it was almost an impossible situation. Funding everywhere dried up. We were really in a pickle.”

At the same time, the organization stumbled into a PR crisis that threatened its relationship with its donors. Along with its graduate school and college, Spertus runs a museum and a library. In 2008, the museum held an exhibit of antique maps. Some of the maps were of the Holy Land, and a label for one used the Arabic word for the founding of Israel, which, translated into English, roughly means “catastrophe.” The exhibit caused a rift between Spertus and many in the Jewish community. After multiple conversations with the Jewish United Fund of Metropolitan Chicago (the Jewish Federation of Chicago), which is Spertus’ largest funder, Spertus closed the exhibit early. Sulkin had approved the exhibit, and found much of the ire aimed at him; he stood down to take on a role as chancellor.

“I think at that moment, the board felt—and the CEO felt—it was time for a transition. We needed to have a clean slate,” Barrows recalls. As Sulkin stepped down, the Chicago business press started speculating about Spertus being forced into bankruptcy, and several of Spertus’ volunteer board members resigned, unwilling to put in the time and effort required to oversee

a turnaround. When Lewis was offered the job, Barrows recalls, the mood was grim. “The board had the attitude of ‘you do what you can, we’ll do what we can, and we’re going to work together. The organization is worth saving.’”

Lewis embraced the role of turnaround CEO, giving an interview with the Chicago Tribune in which he borrowed from Rahm Emanuel, then the White House chief of staff, pledging “not to let a good crisis go to waste” (“Can this man rescue Spertus?,” read the headline of the interview). Over a seven-year period, removing what Lewis describes as the “existential threat” that hung over the organization became his focus. With assistance from the board and the Jewish Federation of Metropolitan Chicago, Lewis renegotiated loans with lenders and refinanced the building. In consultations with senior colleagues, he stripped out costs from the organization, reducing benefits and cutting staff positions; the organization would eventually lay off more than half of its work force. At the same time, he expanded Spertus’ pioneering work in adult learning and in the training and development of communal leaders, both volunteer and professional. Lewis felt like he was locked in a battle for survival and, even as Spertus’ finances began recovering, he developed a paranoia captured by a saying that he would repeat often as president and CEO: “We need to make sure the light at the end of the tunnel is not going to be an oncoming train.”

Bell watched Lewis’ tenure unfold from his perch as chief academic officer. Despite seeing so many colleagues laid off, Bell says his loyalty to Spertus only grew during this period. “I was impressed by how Lewis and the board handled it,” Bell explains. “They were open with staff. They explained why the cuts were necessary. There were no backroom machinations. That really instilled trust and good will.”

By 2015, Lewis began to feel confident that Spertus had turned a corner—a realization that turned his thoughts to whether he would be best-placed to lead Spertus in the next phase of its recovery. “I began to realize that the skillsets and energies that were important to effectuate a turnaround were not going to move the institution forward. You can’t survive always working at a fever pitch, trying to battle a crisis. So as it became clear that the crisis was going to end, and that Spertus was going to survive, I realized that the skills I was able to bring to the table were no longer going to be the skills that we needed going forward.”

Lewis’ tenure had been focused on financial stability; now he felt the organization needed to transition from “a crisis mentality to a growth mindset.” Committed to avoiding Louis XIV’s famous conception of power, “L’etat, c’est moi,” Lewis decided that he had to focus on what was in Spertus’ interest, even if it meant stepping aside from a leadership position that he loved. “The

POWER CORRUPTS

Dacher Keltner, a psychology professor at Berkeley, has documented in lab settings numerous ways in which power leads to anti-social behavior.

In one of Keltner's more innovative experiments, known as "the cookie monster" study, Keltner brought people into a lab in groups of three, randomly assigned one to a position of leadership, and then gave them a group writing task. A half hour into their work, Keltner placed a plate of freshly baked cookies—one for each team member, plus an extra—in front of everyone. In all groups each person took one and, out of politeness, left the extra cookie. Who would take a second treat? It was nearly always the person who'd been named the leader. In addition, the leaders were more likely to eat with their mouths open, lips smacking, and crumbs falling onto their clothes. Keltner says power's corrupting influence is unconscious, but leaders can avoid it by actively practicing leadership styles that encourage humility and respect, such as the concept articulated by Robert Greenleaf of "Servant Leadership."

first thing it should say in the CEO's owner manual is 'it's not about you,'" Lewis says, referring to the tendency of charismatic CEOs to overstay their usefulness. "You can't be a hanger-on. You have to be clear-eyed about when it's time for you to move on. And then you have to be decisive."

Barrows remembers Lewis' arguments about the need for his own obsolescence to be persuasive. "He came to us and said, 'You shouldn't have the same CEO forever. I came here to do a job and I can see the finish line.' We respected

his candor." Barrows recalls the board pausing, as they were happy with Lewis' performance, "but in the end, nobody for a minute thought that they were going to talk him out of it."

When Lewis scanned the top management ranks for a successor, Dean Bell stood out as the only one with the unique combination of academic training, administrative skills, and institutional context. Some leadership experts believe it is best practice to involve the board in the identification of possible insider successors—but,

in practice, most boards do not have access to or knowledge of management ranks below the C-suite. In Spertus' case, Lewis says he would have taken more than one candidate under his wing if the opportunity had been there. "We are too small an organization to have multiple logical candidates," Lewis explains. "No one else had the breadth of institutional knowledge and administrative skillsets, and who also was qualified as an academic."

Lewis had a few discreet conversations with the executive committee about his hopes for Bell, but he didn't immediately identify Bell as his preferred insider candidate to all of Spertus' trustees. The delay was strategic. "I had no interest in becoming a lame duck," Lewis explains. "I was the one that still had critical relationships with the banks and the lawyers and the philanthropists, so we didn't want to risk those." What's more, Bell and Lewis had preparatory work to do together first to make sure Bell was "camera ready" to be presented to the board as a potential successor.

The Education of a Leader

In a 2007 article in Harvard Business Review, Joseph Bower, a professor at Harvard Business School, shared research that showed outsiders who join the company three to four years before they become CEOs seem to do just as well as insiders with much longer tenures—a crossover category that he termed the "the inside-outside" leader. "My research suggests that as a

rule the best leaders are...people from inside the company who have somehow maintained enough detachment from the local traditions, ideology, and shibboleths to maintain the objectivity of an outsider," Bower wrote.

When Bell looks back at his career at Spertus, he believes it was the two years he spent outside of the institution (as a senior advisor and associate director of a graduate program at DePaul University) that set him on a course to become CEO. First, he continued his research and teaching and gained new administrative experience in a larger higher education setting, so when he returned to Spertus, he was viewed as a more substantial professional. When he left Spertus, he was the director of distance learning; when he returned, it was to head up all of Jewish studies and teach courses as an associate professor.

More importantly, the time away changed Bell's perspective and mindset: "DePaul is a totally different institution," Bell explains. "They have 25,000 students. Spertus has a few hundred graduate students and several thousand adult learners who participate in public programs and arts and culture offerings. The experience made me aware of other approaches and ideas. You learn a lot by being in a different type of place."

Even though he spent many years of his career at Spertus, Bell worked to maintain "fresh eyes" by serving on a regional accrediting body, which took him on various appraisal trips to other

higher-learning organizations. “You get different ideas for improvement but also appreciation for what you do well,” Bell explains.

His experience as a reviewer gave Bell deep knowledge of administrative best practices in higher education. Still, Bell was unsure how to react when Lewis first shared his plan of grooming him to be his successor. In his heart, he felt that he might always be an academic first, and an administrator second. And he worried that he lacked many of the skills he would need to take over from Lewis.

Lewis reassured him. “He was very thoughtful in terms of how he framed it,” Bell recalls. “He understood that there were areas where I would need to develop to feel ready, and he explained that he had a plan to help me.”

Bell understood that he was not a shoe-in for the role, but that an endorsement from Lewis would make him a strong candidate. What’s more, the development work he would undertake with Lewis would be useful to his professional life no matter the outcome. With Bell committed to the plan, Lewis promoted Bell from chief academic officer to vice president and provost, which allowed him to increase his portfolio of responsibilities (as well as his compensation). The pair then performed a joint appraisal of areas where Bell needed training and development. “I offered my observations, and he added a few of his own, and we went to work on them,” Lewis recalls. Bell and Lewis set up a standing “coaching”

meeting each week for three hours, with additional “huddles” in between; they would go through Bell’s development areas methodically.

First, the pair decided, Bell needed to become more familiar with financials; while he had a reputation for being a responsible steward of departmental budgets, he did not have any experience taking care of global financials. “It never occurred to me to think about things like facilities, rentals, and catering, for example, or investment incomes or the financing of endowments and restricted gifts,” Bell explains. “I had administrative experience, but all of a sudden, I had to think with a broader, institutional perspective. Lewis put Bell in charge of Spertus’ finance committee, and spent time with him explaining both the organization’s annual budget and its more complicated funding arrangements.

The pair also agreed that Bell needed experience interacting with donors. “Bell is a very compelling person,” Lewis says. “But we are talking about high-end, sophisticated, major-gifts fundraising, the kind you associate with universities. If you’ve never asked somebody for a million dollars, you have to practice that.” Lewis invited Bell to join in meetings with major funders—including Spertus’ largest, the Jewish United Fund of Metropolitan Chicago (the Jewish Federation of Chicago)—and asked Bell to lead many of the conversations. As provost, Bell’s presence wasn’t out of the ordinary, and Lewis did not tell the

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DEAN BELL

donors that Bell was participating as part of his grooming process.

Lewis also wanted to make sure that Bell increased his exposure to the board. At the time, Spertus was redoing its bylaws. Lewis asked Bell to be the lead professional on the effort, something the CEO would normally have done. “Believe me, I was fully informed and operating in the wings,” Lewis explains. “It was important for the board not just to see him in conjunction with his academic work, but with the business side and the fundraising and administrative and programming sides of the organization.”

Bell’s public speaking also came under scrutiny; his approach to presenting to the board was a particular area for

development. Lewis and Bell agreed that Bell’s style was too academic for the issues that rise to the level of governance. “We would go through presentations to boards—literally all of it, from the construction of the slides to the presentation style,” Bell recalls. “I learned not to bury the lead, to be more direct, to tell stories as well as report numbers.”

While the pair discussed in abstract how Bell could improve on the targeted areas, Lewis also devolved many of his own responsibilities so Bell could put learning into action. In Lewis’ course on leadership, he explains to students the importance of finding the chance to practice leadership. “If you are number two and you’re never given the chance to practice leadership that a CEO would use, then you’re just going to be a well-rehearsed number two,” Lewis explains. “So we created opportunities for Dean to practice the leadership that is typically associated with a chief executive of a nonprofit organization. And that became part of the transition. Slow at first, we increased the intensity and the frequency, and so by the end, there wasn’t anything about the organization that I knew that Dean didn’t know.”


Lewis learned an important lesson during this period of delegation. While a more controlling CEO might have felt threatened by Bell’s increased involvement with the donors, the board, and other important stakeholders, Lewis came to realize that “one’s leadership does not diminish when you put

someone else in the limelight,” he says. “In my teaching I liken the dynamic to lighting a candle with another candle. My leadership doesn’t diminish when I provide opportunity for others. Nobody thought, ‘oh Hal isn’t working hard because Dean is presenting this report.’ We were spreading leadership out.”

Even as the pair worked together on Bell’s developmental areas, Lewis made sure Bell understood that no leader has a complete skillset—and that, as a result, they must surround themselves with capable senior leaders who complement their skillsets. One of Lewis’ favorite articles in Harvard Business Review is titled “In Praise of the Incomplete Leader,” in which the authors argue that no single leader can do it all and so must surround him or herself with the right group of colleagues and advisors. “This is nuanced, of course,” Lewis says. “Leaders will not succeed if they insist upon resting on their laurels. I cannot

say, ‘this is what I’m good at, so I have no need to get better at other things.’ But the leader who leads with an eye towards collaboration and power sharing will go further than the one who insists, ‘I alone can do it all.’”

A year into Hal Lewis’ final contract at Spertus, Peter Bensinger, Jr., a partner at a law firm in Chicago, took over as board chair. Bensinger had not served on the executive committee, so he did not know about Lewis’ plan to groom Bell. He responded favorably when informed. Bensinger had been a student of both Lewis and Bell’s as part of Spertus’ continuing education program, and knew both men well. He did not assume that Bell would be chosen as CEO—indeed he was agnostic about whether he would end up being the best choice—but he understood the value in trying to groom Bell and in helping him prepare as a potential successor. Leadership experts point out that, even if they never ascend



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HAL LEWIS

to the top role, a strong number two allows a board chair to sleep better at night knowing that, if the CEO decided to leave abruptly, became incapacitated, or was forced to resign, an acting head could be appointed immediately. Bensinger became a trusted adviser and advocate for Lewis' professional development plan for Bell.

At the first executive committee meeting under Bensinger in August 2016, Lewis and the immediate past chairman, Mark Mehlman, revisited the prior discussions around the need for CEO succession planning, as Lewis had previously indicated his intention to step down at the end of his contract in June 2018. The following executive committee meeting was devoted to succession planning. At that meeting, Lewis presented a proposal and recommendation for a succession plan, including the pros and cons of a national search. He explained the intricacies of engaging with an external search firm and various other methods for sourcing candidates. He presented academic research from the for-profit world that suggests insider CEOs tend to outperform outsider appointments. He laid out the cost and time involved in a national search.

Given his background, all indications seemed to point to Bell as the best internal option for the committee, but Lewis insists he was not advocating either way. He had his preferred insider candidate, but he was clear with the committee that picking the CEO was

the responsibility of lay leadership. "In Bell, I could present a qualified internal candidate," Lewis explains. "That was my job as CEO. What they did from there was the board's job. Hiring a CEO is the board's most important job. I made sure to always respect the principles of good governance."

After deliberation, the executive committee decided to proceed to interview Bell and reserve judgment on whether to recommend to the Spertus board that it conduct an open search for a successor. The group identified desired criteria for the next CEO and specific questions to ask Bell. At his interview with the executive committee, Bell presented his vision for Spertus and also answered questions. He then asked for a follow-up session at which he would ask questions and engage the committee in a robust discussion. This follow-up session occurred a few weeks later. After the two meetings, the executive committee was unanimous that Spertus should forego a national search and that it should proceed to recommend to the board that Spertus hire Bell to become Spertus president effective July 1, 2018. This is in fact what happened at the April 2017 board meeting.

Barrows says that, by 2017, the executive committee members were predisposed to Bell; Bensinger agrees: "It was his job to lose," he remembers. The challenges and costs of an external search influenced their thinking—but that was only a small part of the picture. More importantly,

the increased exposure to Bell that had been orchestrated by Lewis allowed the executive committee and members of the board “to get to know Dean in a new light,” Barrows recalls. “It meant we had a very significant body of information about him that was more than just a resume. And we liked what we had seen.”

Over the previous two years, Bell had led conversations at board meetings. He had chaired an effort to reform the organization’s bylaws. He had led important financial presentations. Still, the executive committee did not want to hand the appointment to Bell without a formal interview. “He had been providing reports to the board with increasing frequency, but we hadn’t really had the opportunity to let him loose to talk about his vision,” Barrows recalls.

Barrows says the executive committee found Bell’s presentation of his vision inspiring—his work with Lewis honing his presentation skills had obviously paid off. During the first of the two sessions, Bell went through what he felt were Spertus’ strengths and weaknesses. He assured the committee that his approach to Spertus’ financials would be influenced by the 2008 crisis; he pledged to be a responsible steward, and grow the organization in a sustainable way. Bell remembers the theme of his presentation being, “Spertus has stabilized; now how do we grow so we don’t remain static but we don’t expose ourselves to another crisis?”

Once identified as a weak spot, Bell’s financial acumen was a shining part of

his presentation, Bensinger recalls. “We had been through so much instability after the 2008 crash, so we valued the stability he offered,” he says. “You now had someone who had worked very hard and who understood our books, who understood our accounting; it’s obviously a great boon to a board chair to have a collaborator with those skills.”

During the second session, Bell not only answered questions, but also posed a list of his own questions for the committee. The trustees felt this tactic reflected Bell’s commitment to remain both a teacher and a learner, even in an executive role. Whatever doubts some of the board had about handing the CEO position to Bell without a national search dissipated. “We were prepared to do a search if the assessment left us with doubts,” Barrows says. “But once we had spoken with him, we sort of looked at each other and the sentiment was, ‘Why would we look any further?’ We knew he could do the job.”

Passing the Baton

The promotion of a senior executive into a CEO role is perhaps the most difficult transition in organizational life; Michael Watkins, a professor of management at IMD and author of the book “The First 90 Days,” calls it the “corner office crucible.” To ensure even the most promising internal hire ultimately succeeds as CEO, the board’s and outgoing CEO’s responsibilities for ensuring a successful transition cannot end when the deal is inked.

DELIVERING A POWERFUL PRESENTATION

In a 2013 article for *Harvard Business Review*, Chris Anderson, the curator of TED, offered TED's secrets for helping speakers prepare for a killer presentation:

- **Frame the talk as a journey**
Figure out where you will begin and end; don't cover too much ground.
- **Plan your delivery**
It's fine to memorize prepared text, but don't read off a sheet or screen.
- **Develop stage presence**
The biggest mistake is moving your body too much; make eye contact.
- **Use multimedia if possible**
If using PowerPoint, never recite bullet points on the slide; it is better to avoid text and use data visualizations, photographs, or illustrations.

To be sure, Bell's transition was made easier by the prep work he had done with Lewis, his familiarity of his surroundings, and the strength of existing relationships with staff. But he still required support. Lewis' first act of assistance was to step away. He took a six-week vacation to Israel after Bell took over—Peter Bensinger equates this act to the concept in Judaism of “tsimtsum,” or God stepping back to make space for other leaders. Lewis accepted a teaching role at Spertus upon his return to supplement his work as a leadership consultant, which allowed him to be close by if Bell needed advice. The board paid for Bell to attend a seminar

for new college presidents at Harvard University, and let Bell know there would be further funds for his professional development if needed.

Bell's relationship with Bensinger would prove particularly crucial during this period. In a survey of nonprofit leaders by the consultancy Bridgespan, only 50% of CEOs said their boards were clear about how they would work together in the first few months on the job. Bell and Bensinger found a unique way to avoid this hazard. During their first meetings after Bell's appointment, Bensinger suggested that the duo should write up a “ketubah” together—traditionally a marriage contract signed

by witnesses and a rabbi, but in this case, a document that would set forth principles governing their relationship and interactions. Bell loved the idea, so the duo drew up a formal contract for how they would behave toward each other. Their ketubah included precepts such as “first seek to understand and then to be understood;” “avoid surprises;” “ask powerful questions of each other;” “always name the pink elephant that we’d rather not discuss;” and “ask each other ritually what is important, so the routine doesn’t trump the important.” Both men keep a copy of the contract in their desks and produce it during one-on-one meetings.

CEO ONBOARDING

CEO onboarding remains a weakness in for-profit and nonprofit organizations.

A Bridgespan survey of nonprofit CEOs found that nearly half (46%) got little or no onboarding help from their boards. As one executive told Bridgespan, “The board essentially said, ‘We’re glad you’re here. Here are the keys. We’re tired.’”

The last item on the agreement stipulated that the pair would meet for face-to-face meetings at least monthly, but in practice, during Bell’s first year, the pair has met every two weeks. “It’s like going into the ark two by two—the lay leader and the professional,” Bensinger says. “That partnership is essential if the organization is going to achieve its goals.”

One year into the job, Bell has already made some changes to stamp his own identity on the CEO role. He writes a weekly round-up of what has been on his calendar and shares it with all Spertus staff. He immediately changed the door to his office so it included a glass pane—a symbol of his commitment to transparency. And he’s led the drafting of a new strategic plan with the board, one focused on innovation and new programs.

These unique innovations please Lewis, who remains a confidant and close colleague through his teaching at the institute. Careful planning, hard work, and a commitment to learning were the keys to Spertus’ successful CEO transition. Asked what he felt was the most crucial component for ensuring Bell’s success, Lewis pauses. “I think it was making sure that Dean wasn’t going to step in on day one to a whole field of things that he wasn’t familiar with. And I have to say, last July, when I stepped down, he stepped up. I feel like it was as planful and smooth a transition as any textbook writer or teacher of leadership could want.”

APPENDIX: COVENANTAL KETUBAH

Covenantal Ketubah Between Spertus President/CEO and Chairman

Whereas Dean Bell is the new CEO of Spertus Institute for Jewish Learning and Leadership, serving under a five-year contract effective July 1, 2018; and

Whereas Peter B. Bensinger, Jr. is the Chairman of Spertus for a second two-year term effective July 1, 2018; and

Whereas the CEO - Chairman relationship is a covenantal one rooted in the mutually shared belief that vibrant Jewish communities are learning Jewish communities and that great Jewish communities need great leaders; and

Whereas the CEO and Chairman are committed to serve the Spertus mission to offer dynamic learning opportunities, rooted in Jewish wisdom and culture and open to all, designed to enable personal growth, train future leaders, and engage individuals in exploration of Jewish life; and

Whereas the CEO and Chairman mutually commit to exemplify in word and deed the leadership behaviors that Spertus upholds; and

Whereas the CEO and Chairman wish to establish a brit setting forth the premises of their covenantal relationship against which

they may measure their behavior annually before the Spertus annual meeting, as well as in regular ongoing meetings;

Now, therefore, the CEO and Chairman do mutually promise to seek to conform their conduct to the following guiding principles of relationship:

1. To first seek to understand, then to be understood
2. To provide support, counsel, and friendship to each other
3. To pay attention to what is going on with the other person
4. To tell each other the whole truth and avoid surprises
5. To identify and discuss "pink elephants," both internal and external
6. To ask each other powerful questions
7. To ritualize asking what's important so that the immediate does not trump the important
8. To be responsive in timely and respectful/collegial ways
9. To address with candor underperformance and/or challenges; to celebrate success with vigor
10. To stay in our respective lanes of management and governance, putting the best interests of the institute first and providing support to each other in accomplishing our mission
11. To cultivate our successors
12. To meet face to face at least monthly

AUTHOR

Eben Harrell is a senior editor at Harvard Business Review (HBR). Before joining HBR, Harrell worked as a foreign correspondent in the London bureau of TIME; as an associate at the Harvard Kennedy School; and as the head of thought leadership for L.E.K. Consulting, a strategy consultancy. An award-winning reporter, writer, and editor, Harrell has published articles in TIME, The Economist, The Washington Post, Sports Illustrated, and other major titles. In 2017, Harrell and UC Berkeley professor Dacher Keltner won the Warren Bennis Prize, which is awarded each year by the USC Marshall School of Business to the editor and author of the best article on leadership in Harvard Business Review. Harrell holds a master's degree from the University of St. Andrews and a bachelor of arts from Princeton University.



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