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CASE STUDY

Camille's WorldSafe Conundrum: What Should Be Done About Karen Bush?

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EXCELLENCE IN LEADERSHIP CASE STUDY

Camille's WorldSafe Conundrum: What Should Be Done About Karen Bush?

You are consultant Camille Conundrum. You advise nonprofit organizations on ways to improve themselves, including human resources, executive search, process improvement, and many other areas where organizations can benefit from the point of view of an outside expert. You have been hired by WorldSafe for a one-month consulting assignment.

WorldSafe is a huge humanitarian organization. It supports peace initiatives, human rights causes, and the like. The Chair of the Board of Directors and CEO is Karen Bush. In this double role, she has been leading WorldSafe for two decades. She won the Nobel Peace Prize 30 years ago for her work at the United Nations. She is loved and highly respected on a worldwide basis (think of a mixture of Nelson Mandela and Mother Teresa), and her face has become the face of WorldSafe. Bush is a citizen of Norway, but she lives in San Francisco, where WorldSafe is based.



Karen Bush in Sweden accepting the Nobel Peace Prize.



Ms. Bush in her early years with WorldSafe.

Because of the giant reputation of Karen Bush, WorldSafe has had no difficulty raising money. The WorldSafe bank account is in very good condition, and the organization also has an endowment that can produce plenty of income in case annual fund raising efforts drop off.

When Karen Bush took the reins 20 years ago, her title was Chairwoman and Chief Executive Officer. But she actually took on three roles:

- (1) As Chairwoman of the Board of Directors, she is the board member who is responsible to organize board meetings, run the board meetings, and make sure that board committees complete their responsibilities.
- (2) She is Chief Executive Officer, a person who is the outward “face” of the organization (e.g., working as a board member for other organizations like Doctors Without Borders, making speeches in places like the UN, courting major donors).
- (3) Although not mentioned among her titles, she also is supposed to function as chief operating officer, an “inward facing” manager who oversees staff on a day-to-day basis.



Ms. Bush relishes her role as founder of WorldSafe.

During her early years at WorldSafe, Karen had enormous vitality, and she was effective in all three roles. Staff morale was high. Many worthwhile projects were executed in Afghanistan, Somalia, Banda Ace, and elsewhere. She hired good people, and they enjoyed working for her.

But now we are 20 years down the line. Karen Bush is 85 years old. She is surprisingly vital for someone her age, but she has clearly slowed down, especially during the past ten years. She simply does not have enough energy to do all the things that she did 20 years ago, things that a board chair is supposed to do, things that a CEO is supposed to do, or things that a chief operating officer is supposed to do. Here are some examples.



Ms. Bush pictured in a rare personal moment away from her WorldSafe work environment.

There are issues at the board of directors level. The board of directors is supposed to include 15 people. Each director is supposed to serve a three-year term, then rotate off. Using a system of staggered terms, each year the board is supposed to elect five new board members. According to the ByLaws, the Chairwoman of the Board is Chair of the Nominating Committee. That means she is supposed to monitor board membership, identify people who are going to rotate off the board, and lead the Nominating Committee in the process of selecting new board members. During 2015, WorldSafe had only ten board members, because the Nominating Committee never met during 2014 to identify five new board members. The Nominating Committee did not meet during 2015 either; thus, for the second year in a row, there are no new people joining the board. In June, 2016, five

board members will rotate off the board, leaving WorldSafe with only five sitting board members. The ByLaws indicate that the Board of Directors needs to have nine members present to constitute a quorum. That means that, in June 2016, WorldSafe's board will not have a quorum, so they will not be able to conduct votes or make decisions during board meetings.



Ms. Bush's interest in and ability to fundraise has been a major component of the WorldSafe success story.

When staff people approach Karen Bush about their concerns related to the board, she responds in a puzzling way: "Our board has always been an effective organization. The board has always exercised excellent policy oversight for WorldSafe. I will defend the board if unfair criticism is launched against it." Staff people are not sure how to respond to statements like that.

There are issues at the staff level. As chief operating officer, Karen is supposed to manage all staff people on a day-to-day basis. Yet she has quietly (and perhaps unknowingly) phased out of a day-to-day management role without grooming a replacement. This means the internal organization sometimes feels like a rudderless ship, with no one at the top to make day-to-day decisions and approve policies. A year ago the organization received a warning letter from the US Internal Revenue Service which indicated that some of WorldSafe's practices needed to be updated to comply with revised tax regulations. The organization's General Counsel, Helen Harris, spent a week drafting a new set of policies and procedures that, if adopted, would put the organization into compliance. She



Ms. Bush has earned the unofficial title: 'World Class Fundraiser.'

"The IRS is not going to take action against an organization that is led by a Nobel Prize winner."

- Karen Bush

gave them to Karen to sign, but Karen did not sign them. Unless Karen signs the new policies, they are not "official" and WorldSafe will continue to be out of compliance with federal law. When Karen was asked about this, she responded, "The IRS is not going to take action against an organization that is led by a Nobel Prize winner." Staff people are not sure how to respond to statements like that.

There are issues at the project level where WorldSafe does its most important work. Traditionally, when trouble breaks out in a third world country (say, a civil war or an outbreak of ethnic cleansing), the CEO issues a declaration that WorldSafe will take it on as a "project." This declaration makes the project "official," and that means staff people can take

action (e.g., fly in with relief supplies, spend money). Karen Bush has not issued any project declarations in the past six months. There have been a couple of flare-ups where WorldSafe would normally have gotten involved, but she refused to issue declarations. For example, three months ago there was a famine caused by a drought in Namibia. Staff people asked Karen to issue a project declaration. Staff people thought her response was strange: “We should not send troops into Namibia. We should solve the Namibian civil war problem with negotiations and diplomacy.” Staff people are not sure how to respond to statements like that.



Ms. Bush serves in multiple roles as Chairwoman of the Board of Directors, Chief Executive Officer, and Chief Operating Officer.

Staff people love Karen Bush. They respect her and admire the great work she has done during her career. However, things at the San Francisco office are at a standstill. It has



Ms. Bush still going strong at age 75.

been so long since there was a real chief operating officer providing day-to-day direction that staff people don't know what they should be doing with their workday. Morale is poor. A couple of excellent people retired early last month. One of them, Sarah Miles, went through an exit interview process. She said, “I am a professional humanitarian. That means I want to be doing something, every day, to help people. WorldSafe seems to have become a becalmed sailing ship. I don't want to wait any longer to see WorldSafe get the wind into its sails. The Gulf Coordinating Council has offered me a humanitarian position in Dubai, and I have decided to accept the offer. It will give me an opportunity to do relief work in Namibia and elsewhere.”

There could be some image issues if the organization were to fire Karen Bush. It could appear very heavy-handed if this widely loved humanitarian were fired. That would be very bad for fundraising.

Camille, it is time for you to earn your money as a consultant. What things should the organization do to solve the Karen Bush issues? You need to write a paper of recommendations.

- What should be done with Karen's Chairwoman position?
- What should be done with Karen's CEO position?
- What should be done with Karen's chief operating officer position?
- What should be done at the board level?
- What should be done at the staff level?
- What should be done at the project level?
- What should WorldSafe do?

Fortunately, you are a graduate of Saint Leo's Master's Degree program in Human Services Management. You took the course on Working on Human Services Administration.

In your opinion, what should WorldSafe do?



At 85 years of age, Ms. Bush is still the head of WorldSafe – but there may be changes in the future.