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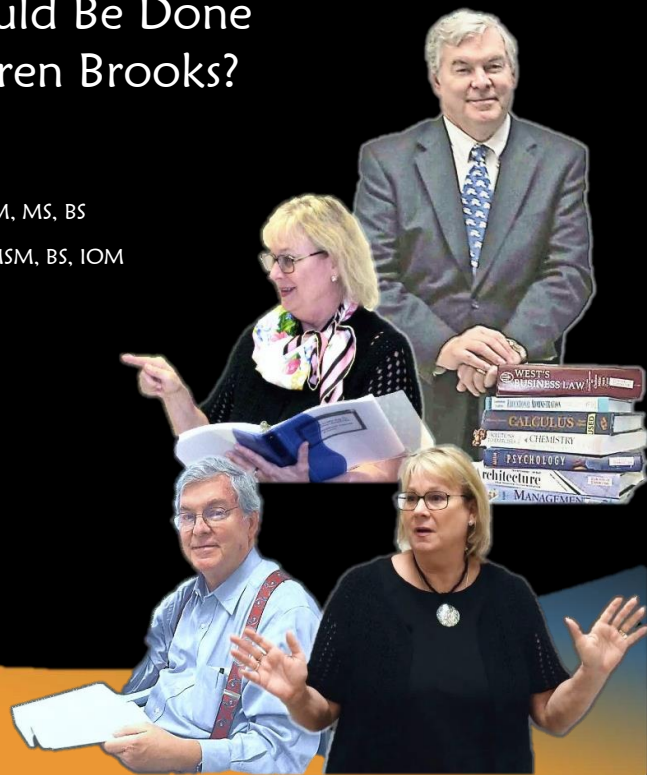
Camille's WorldSafe Conundrum:
What Should Be Done
About Karen Brooks?

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CASE STUDY

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

This case study is part of The Excellence In Leadership series that addresses leadership, human resources, and other timely topics authored by M. Louise Walters, PhDC and William R. Griffin, JD of The Leadership Center. Titles include:

- Camille's WorldSafe Conundrum: What Should Be Done About Karen Brooks?
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These case studies are published by The Leadership Center (www.theleadershipcenter.com). Louise Walters and Bill Griffin are available to give live presentations and training on these and many other topics.

ABSTRACT

This is a case study that examines problems that have arisen at the top of a world-renowned humanitarian organization. The Chairwoman and Chief Executive Officer, because of her advanced age, is having difficulty handling her organizational responsibilities. Camille Curtis, a management consultant, has been hired to assess the situation. What recommendations should Camille make?

Keywords: comingling responsibilities, succession plan, dual roles, dereliction of duty

INTRODUCTION

You are consultant Camille Curtis. You advise nonprofit organizations on ways to improve themselves. Your scope of services includes human resources, executive search, process improvement, trouble shooting, 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.

BACKGROUND

WorldSafe is a huge humanitarian organization. Incorporated in the United States, it is a 501(c)(3) nonprofit that supports peace initiatives, human rights causes, and the like.

The chair of the board of directors and chief executive officer is Karen Brooks. In this dual capacity,



Karen Brooks, CEO of WorldSafe, accepting the Nobel Peace Prize at Rådhuset in Oslo, Norway fifteen years ago.

she has been leading World Safe for two decades. She was awarded the Nobel Peace Prize fifteen years ago for her international work at the United Nations. She is loved and highly respected on a worldwide basis (think of a combination of Nelson Mandela and Mother Teresa), and her face has become the icon of WorldSafe.

Although a citizen of Norway, Karen Brooks lives in San Francisco, CA which is also the international headquarters of WorldSafe.

WorldSafe has had no difficulty raising money because of the giant reputation of Ms. Brooks. Contributors include many of the top 100

wealthiest corporations and individuals in the world, along with celebrities and other well-known philanthropists. Consequently, the WorldSafe bank accounts are in stellar condition. The organization also has an endowment that can produce plenty of income in case annual fundraising efforts drop off.



The Nobel Peace Prize Medallion (above) is awarded for “...having done the most or the best work for fraternity between nations, for the abolition or reduction of standing armies and for the holding and promotion of peace congresses.”

**- Alfred Nobel, Founder
Last Will & Testament
1895**

CAMILLE'S CONUNDRUM

When Karen Brooks founded and became the leader of WorldSafe twenty 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. As **chief executive officer (CEO)**, Ms. Brooks is the 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 United Nations, courting major donors, etc.).



Ms. Brooks in her early years with WorldSafe.

3. Although not mentioned among her titles, she also is supposed to function as **chief operating officer (COO)**, an “inward

facing” manager who oversees staff and organization operations on a day-to-day basis.

But now, twenty years down the line, Karen Brooks is 85 years old. She is surprisingly fit for someone her age, but her memory isn't the best and she has clearly slowed down, especially over the past ten years. She simply does not have enough energy to do all the things that she did twenty years ago, things that a board chair is supposed to do, things that a CEO is supposed to do, or things that a COO is supposed to do.

Here are some examples:

BOARD OF DIRECTORS

There are issues at the board of directors' level. The board is supposed to number fifteen people. Each director is supposed to serve one 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 also chair of the nominating committee. That means Ms. Brooks 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.



Ms. Brooks relishes her role as founder of WorldSafe.

Last year, WorldSafe had just ten board members because the nominating committee did not meet to identify five new board members.

In fact, the nominating committee has not met for almost three years. Thus, for the second year in a row, there are no new people joining the board. In fact, at the end of June, five board members will rotate off the board, leaving WorldSafe with only five sitting board members.

The organization's bylaws state that the board of directors needs to have nine members present to constitute a quorum at all meetings.

That means that, beginning in June, WorldSafe's board will not have a quorum, so the remaining board members will not be able to conduct business, vote, or make decisions during board meetings. When staff people approach Karen about their concerns related to

the board, she responds in a puzzling way: “Our board has always been an effective group. The



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

board has always exercised excellent policy oversight for WorldSafe. I will defend the board if unfair criticism is launched against it.” Staff members are not sure how to respond to statements like that.

STAFF

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.

THE IRS

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 IRS is not going to take action against a world-renowned organization that is led by a Nobel Prize winner.”

*- Karen Brooks
Founder & CEO
WorldSafe*

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 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 a world-renowned organization that is led by a Nobel Prize winner.” Staff people are not sure how to respond to statements like that.



Ms. Brooks has earned the unofficial title: ‘World Class Fundraiser.’

PROJECTS

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 Brooks 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



Ten years ago, at age 75, Ms. Brooks was still going strong.

involved, but Karen 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 members thought her response was strange: “We should not send troops into Namibia. We should solve the Namibian civil war problem with negotiations and diplomacy.”



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

Staff people are not sure how to respond to statements like that. Staff people love Karen Brooks. They respect her and admire the great work she has done during her career.

However, things at the San Francisco headquarters are at a standstill.

It has 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. Staff morale is worse than poor.

A couple excellent staffers 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,” she said.

“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



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

decided to accept the offer. It will give me an opportunity to do relief work in Namibia and elsewhere” she concluded.

What should be done?

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



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

WHAT SHOULD BE DONE ABOUT KAREN BROOKS?

Okay, Camille, it is time for you to earn your money as a consultant. What things should the organization do to solve the Karen Brooks issues?

- What should be done with the chairwoman of the board position currently held by Karen?
- What should be done with the CEO position currently held by Karen?
- What should be done with the COO position currently held by Karen?
- 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?

In your opinion, what should Camille recommend? What should be done about Karen Brooks?