



## **Boomer's Exit Facilitates Millennials**

Generartion Y to shift building practices into a more affordable gear with attention to sustainability and mixed-use living situations.

*By Alan Greenwald*

*August 2013*

There are multiple tectonic shifts taking place in the community development business. As recruiters in the business, we not only see these shifts reflected in the people side of the business, but we also see another far-reaching change with overlapping and additional impact: Our long term leaders, indeed the founders of many of our organizations, are aging Baby Boomers.

The Baby Boom generation of leaders is retiring. Many were the creators of their organizations, while others are the successors who have helped take their organizations to new heights. In either case, many leaders have been long seated and have become synonymous with their organizations. Most came from the activism of the 1960's and it drove their perspective and methods.

The tenure of leaders in affordable housing and community development groups, as well as in CDFIs, is generally far longer than in the for-profit corporate world. NeighborWorks shared statistics with us on the tenure of the

234 Executive Directors in its network. The average tenure is 13.8 years, with 66 percent of the EDs having over ten years in the chair. Further, 31percent, have been in the position for over 20 years! This contrasts to an average of 8.4 years in corporate America and only 6.2 years among the top REITs.

NeighborWorks COO, Chuck Wehrwein, observes this level of change but feels that the industry is prepared. He says, "there is an inevitability of change. But with leadership training through venues such as the Neighbor Works Training Institute, the Achieving Excellence program at Harvard, and a willingness to seek leaders from nontraditional sectors, we are building up the bench strength for the sector and expanding the base from which Boards can choose leaders."

Of course, the leadership baton has already been passed in many organizations. Succession has already occurred at organizations like Enterprise, Community Builders, REACH, and BRIDGE Housing, to name a few. There is more to come. Many organizations have talented number-twos ready to step up, but many will need to bring in new talent. Much of the talent coming in will be post-Boomers.

We have built organizations that increasingly aspire to world class operating platforms and technologies. Organizations in affordable housing are generally still behind the for-profit sector in terms of their operating platforms – the strength of the back office, the use of technology, the organizational infrastructure – is still climbing. The emphasis on measurable results and sophistication of platform are the result of both the maturation of our industry and a response to shrinking financial resources, the second generational shift, then, is all about creating more sophisticated, impactful and resilient organizations and our clients will be seeking the leadership talent to accomplish this.

Finally, with the generational shift from the Boomers, we also see a change of mindset and values. The Boomer leaders came into the community development business with a 60's and 70's mentality about neighborhoods, poverty, and their place in the world, and building housing (not neighborhoods) was a primary goal. These issues have changed. Sustainability now matters in all instances and many cities have become vibrant centers instead of dead zones. Our country has become hugely diverse. Housing is increasingly viewed as a key component of an overall community strategy, rather than a solution in itself. Community development, now more than ever, is about creating general opportunity for residents of underserved communities and, as Bart Mitchell, the CEO of the Community Builders observes, "it is a time of incredible opportunity for talented individuals who have the perseverance and creativity to make real change in building and sustaining strong communities."

So, where does this take us? The affordable housing and community development sectors share a common heritage and are attacking common problems. The retirement of the Boomers in the industry is coming and will have deep effect. As per Nancy Andrews, CEO of the Low Income Investment Fund, "the community development field in the U.S. is unique in the world for its scale, professionalism, and capacity to deliver in every major city and state. We are

built to last and thus, are an attractive prospect for the next generation of leadership talent." Well said.

We are in the midst of a generational change at the top in this industry. At the end, we see a stronger sector, more able to address the interrelated problems of poverty, and to better utilize the scarce resources of the coming years.

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