

David Williams: Reflections on the COO Position

Position: President and Chief Executive Officer, Make-A-Wish Foundation of America; former Executive Vice President and Chief Operating Officer, Habitat for Humanity International

Start Date: January, 2005

Education: BBA, Bloomsburg University; MBA, University of Houston

Previous For-Profit Experience: Shell Oil Company

Previous Nonprofit Experience: Executive Director, Houston Food Bank; volunteer, various organizations

Organization Information—Make-A-Wish Foundation of America: national organization that grants the wishes of children with life-threatening medical conditions; based in Phoenix, AZ; national office: 80 employees, \$40 million budget; overall organization: 800 employees, \$180 million budget

Organization Information—Habitat for Humanity: nonprofit, ecumenical Christian housing ministry seeking to eliminate poverty housing and homelessness from the world; based in Americus, GA; headquarters: 600 employees, \$200 million budget; overall organization: 5,000 employees, \$1 billion budget

David Williams grew up in Pennsylvania and after graduating from college moved to Houston, Texas, to work for Shell Oil Company. It was the early 1980s, and according to Williams, “The rest of the country was in the doldrums, but things were flying in Houston. Oil was at \$50 a barrel, and we thought it was going to \$100.” He was in the management training program at Shell, but he was also very interested in mission-focused work. He had started doing volunteer work in college, and while at Shell had been involved with a number of nonprofit organizations, including Big Brothers Big Sisters and Bread for the World. After two years with Shell, he decided to focus on nonprofit-sector work fulltime.

At the time that he was considering a career shift, the Houston Food Bank was just getting started. It was off to a rocky beginning. Williams explains, “The Food Bank had been shut down by the health department and kicked out of the national association of food banks, and it was out of money and food. It needed help. Within four months I went from being a member of the fundraising committee to a board member to executive director [ED]. I was young, but the expectations were pretty low; they had had three EDs in a year. There was nowhere to go but up.”

After a year, the Food Bank was out of trouble, but Williams stayed 10 more years, during which time the organization went from what Williams calls “a small, mom-and-pop disaster” to one of largest food banks

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in the country. He says, “It was an incredible experience—very entrepreneurial. In some ways being ED of a local nonprofit is one of the best jobs you can have because you get to do a little of everything.”

While at the Food Bank, Williams got involved as a volunteer with the local chapter of Habitat for Humanity. When he heard they had an opening for the head of resource development, he applied for the job. In the meantime, the chief operating officer (COO) had resigned. Says Williams, “While I was interviewing for the resource development job, [Habitat’s Chief Executive Officer and Founder] Millard Fuller had this other one in mind for me.”

The Habitat board decided to divide the COO position into two senior-vice-president (SVP) positions: the SVP of administration and the SVP of programs. Fuller hired Williams as SVP of administration, but for the three and a half

years it took to fill the other role, Williams effectively functioned as both. After they filled the second SVP position, they added a third, SVP of communications and development.

Williams describes how the structure worked among the SVPs: “The arrangement was that I was the first among equals. It worked, but it was difficult. Millard traveled 85 to 90 percent of the time. His focus was speaking publicly, raising money, writing books, doing interviews, seeing the programs, and inspiring people. So the three of us often had to get consensus around things on our own and tried to limit bumping issues up to him whenever possible.

“When Millard wanted to add a fourth SVP, separating the SVP of communications and development into two positions, the board said, ‘You have to have a COO.’ Initially he resisted, but when the idea came up of promoting me into the position, he was more comfortable with it.” In 2000, Williams became executive vice president and COO. In that position, he ran the internal side of the organization for five years. Williams reported to Fuller, and the rest of the organization reported to Williams. His direct reports included SVPs for development, communications, field operations, program, and administration; the head of strategic planning; the general counsel; the head of the DC office; and the head of Habitat for Humanity University.

Regarding the ED-COO relationship, Williams reflects, “That relationship is really important; it has to work. You have to make sure to have clarity of roles, lots of communication, and an ED who will support the COO and who will make sure the COO is seen as one of two key people leading the organization. Another challenge is to answer the question, ‘Is the COO someone you are grooming to be CEO?’ Is it

'definitely not,' 'definitely yes,' or 'it depends on how they do?' You have to spell that out, and that helps dictate what those roles should be."

Williams adds that the fact that clarifying the division of responsibilities can be challenging should not be an excuse not to "sit down and really drill down into" questions such as what decision-making powers the COO has. "There are just too many opportunities to get in each other's way, and that's not good. It has reverberations throughout the organization. The couple of times when Millard and I had issues, the two of us got over it, but it trickles down, and it can become a bigger deal elsewhere in the organization that the top two people aren't connecting. By the same token, when things are working well between the ED and the COO, that sends out a great signal to others."

After spending over 10 years at Habitat for Humanity, Williams became president and CEO of the Make-A-Wish Foundation. He notes that he was specifically looking for a chief-executive role: "I don't want to say the COO role is thankless because it's not. Both are hard, and it depends on what is going on with the organization. But I was ready for a change."

For Williams, the transition in roles was fairly smooth. He had spent many years at Habitat running a bigger and perhaps more complex organization, though as second in command. In addition, he had 11 years of experience as director of the food bank in Houston.

Williams says the thing that he appreciates most about his current role that he didn't have as a COO is the opportunity to set the overall tone for the organization: "It's about how people are going to treat each other, what the priorities will be, and how you'll determine those priorities. An ED can't delegate tone setting and shouldn't delegate setting priorities. I receive great enjoyment from setting the tone for the organization: that we will work collaboratively, enjoy what we do, go after our goals energetically but are very selective about what we take on, do it as well as we can, work methodically, and take the organization to the next level. I enjoy that aspect of the job very much."

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