

Marshall Chapin and Envision Schools: Reflections on Hiring a Bridger

Position: Chief Operating Officer and Chief Financial Officer, Envision Schools

Dates of Employment: 2003-2006

Education: BA, Philosophy, Kenyon College; MBA, Johnson Graduate School of Management, Cornell University

Previous For-Profit Experience: Corporate business development, Genuity Solutions, Inc. (now Level 3 Communications, Inc.); Vice President of Marketing and Sales, Bradley Company; Municipal Bond Trader, PaineWebber (now UBS)

Previous Nonprofit Experience: none

Organization Information: Charter school management organization; founded in 2002; headquartered in San Francisco, Calif., 130 employees; \$10.8 million budget

When Envision Schools hired Marshall Chapin as its chief operating officer (COO) and chief financial officer (CFO), the organization had been operating for a year and was about to open its first school. Envision is a charter school management organization based in the San Francisco Bay Area that creates and runs small high schools with an arts, technology, and leadership focus.

Chapin was Envision's third employee—the first after the two founders, Daniel McLaughlin, president and chief executive officer (CEO), and Robert Lenz, chief education officer. McLaughlin had a mix of business and education experience, including various roles at both Bank of America and WestEd, and some experience as a political consultant. Lenz had a background in education reform.

Chapin came to the organization with a background in financial services and high technology. After graduating from Kenyon College, he became a municipal bond trader. He then played professional soccer in England, but an injury forced him into an early retirement. Back in the United States, he worked in sales and marketing at a small software company before attending business school at Cornell. After business school, he spent four years doing business development for Genuity Solutions, which later became Level 3 Communications, Inc. In 2003, he bridged into the nonprofit sector, taking on the COO/CFO role at Envision.

Bridgestar interviewed both Chapin and McLaughlin about their perspectives on Envision's experience hiring Chapin and what it takes to bridge from business to the nonprofit sector.

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Bridgestar: Marshall, what attracted you to the nonprofit sector and Envision in particular?

Marshall Chapin: My reason for making the transition is probably the same as everyone else's: I wanted to do something more personally meaningful and feel more connected to my work. I had strong connections to education and education reform. I also considered the possibility of becoming an athletic director at a university. I ended up going with charter schools and finding Envision Schools in San Francisco. I joined a month before we opened up our first school. In the three-plus years I was there, we grew to 90 employees and opened four high schools. That was a great experience.

Daniel, how would you describe Envision's overall experience hiring bridgers?

Daniel McLaughlin: We don't see there being any issues in moving back and forth. In our support office, we have 15 people on staff, and I think all but three have some for-profit experience. On our operations and finance side of the house, we don't have anyone from the nonprofit sector. Everybody is a bridger. That will give you a sense that we don't see any challenges to that.

In the schools, it's harder to say, because there are very few people applying for education positions who haven't worked in a nonprofit, a school. Even if there is someone who has had a career in the for-profit sector, they have then gone back and gotten a degree in education and most likely have already taught. So on the education side, we don't get a lot of people who are coming exclusively from the for-profit sector. I would have concerns about someone who wanted to go directly from the for-profit sector into teaching, but it wouldn't be because they couldn't handle the transition between sectors; it would be because they didn't have education experience.

For us, it's just not about coming from the for-profit sector. It's about, "Do you have the passion?" and "Do you have the relevant experience?" and "Are you going to fit in with our culture?"

Whether people can handle ambiguity and risk is more of a distinguishing characteristic when we're hiring people—what we really want to know is: "Are they ready to work in a startup?"

What challenges might bridgers encounter in making the transition between sectors?

Chapin: It depends on where the nonprofit is in its life cycle. There would be very little culture shock if I went to a big foundation with a ton of resources. But many nonprofits are cash constrained and cash flow is everything. They have to watch expenditures very carefully and cut corners where they can. I think the culture shock comes in many forms. For example, stuff isn't always clean and doesn't always work. When your computer breaks, there isn't necessarily a huge help desk IT [information technology] group to call, and you do a little bit of everything. But you quickly realize that everyone does a little bit of everything

because that's just how life has to be and no one is above doing the dirty work. That wasn't culture shock for me because I sort of welcomed it and knew it was coming, but it's definitely a mark of the shift.

[The pay cut in moving to Envision] wasn't too bad. They were very up-front about it. And also it wasn't enormous; it wasn't falling off a cliff the way it sometimes is. I wasn't bringing in such a huge salary before I came to them. So, I don't think that they were particularly worried about it. But they were very good about communicating and saying, "Look, we want to make sure that you're comfortable and happy out here and that this is the right fit." They were really smart about how they approached it.

McLaughlin: The people I've hired from the for-profit sector haven't run into any particular challenges working here. And I didn't have any major issues when I made the transition myself.

What does Envision look for in bridger candidates?

McLaughlin: We look for the same basic qualifications in bridgers that we would look for in anyone. The only criterion that we layer on that perhaps could be more relevant in thinking about bridgers is that we require our employees to be very, very passionate. I'm not saying people in the for-profit sector aren't, but I think we are looking for a different level of commitment than you would find in a typical for-profit sector employee. But all of our bridgers have that, so it hasn't stopped us.

We look for passion mostly in the interview and application phase. If someone doesn't proactively talk about the mission and why they would choose us, that almost automatically knocks them out of the process. Our assessments for the passion piece are very personal and intuitive and conversational. We don't have a battery of tests. But it hasn't been hard to figure out. If we don't see something about it on the resume, we're pretty skeptical. It can be anything having to do with any kind of altruistic activity. But if someone has been a takeover artist and doing LBOs [leveraged buyouts], and they say, "You know what? I woke up on Thursday and realized this is what I want," then they'd have to do some serious convincing.

To give you a sense of it, we hired a CFO who had really no nonprofit work in his background, but he took a year and a half off to be in seminary and figure out what he wanted to do with his life. And he then pursued us very aggressively. So we almost pushed him away to see if he would come back. This may sound very non-quantitative and difficult to measure, but it just seems to burble out of people when they have it. I wouldn't say it's prohibitive not to have it on your resume, but you're going to have to do some really convincing talking.

Chapin: I think that Envision may have reservations about hiring bridgers for education roles. I don't think that they did for this role, because this role was to set up all of their operations and all of their financials. So I think they felt they needed someone who had for-profit experience specific to finance. They may have had reservations about the fact that I didn't also have some education experience. I think what bridged that for them is that my father was a high school English teacher who grew increasingly frustrated over the course of his career with the bureaucracy of traditional public schools and not being able to try new things. He was frustrated with the lack of education reform, and this was a job about education reform. So they understood that I deeply believed in the core mission and I was passionate about change. That was the biggest concern about my being a for-profit guy. But I had also done lots of nonprofit work. I was the president of the New England regional association for Kenyon College, my undergraduate institution. I was a big brother in Big Brothers Big Sisters in Boston. So they knew I wasn't just a pure for-profit guy.

Postscript

After three years at Envision, Chapin moved back into the for-profit sector, taking a position as senior director of marketing at EnerNOC, a clean-energy services company. He describes the company as “a for-profit that has something of a nonprofit mission and business model—helping ensure the stability of the electric grid and lowering energy usage during times of peak demand.” Chapin said he left the nonprofit sector for both family and economic reasons. After the birth of their first child, he and his wife wanted to be closer to their families in New England. He said he considered nonprofit positions in New England, but couldn't find the right fit. At EnerNOC, he found a great professional opportunity with compensation that made it possible to buy a house. Chapin did not rule out an eventual return to the nonprofit sector, saying, “Making a career as a CEO in the nonprofit world is wonderful; I think that would be great, and maybe someday I'll have the chance to do it.”

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