

CASE STUDY

STABILIZATION ENGINEERING

EMBEDDED LEADERSHIP

Lead the present. Build what comes next.

Embedded leadership in motion: how a founder-led creative education organization moved from founder dependency to distributed ownership.

Bobbi Oxendine · October 2026 · 10 min read

THE DECISION

1⁶

external hire instead of six.

70%→15%

Founder time on operations

\$13K-\$37K

estimated annual staffing cost avoided

CLIENT

Founder-led creative education organization

INDUSTRY

Creative education, youth enrichment, mission-driven services

PEC SERVICE

Stabilization Engineering · Embedded Leadership →

ENGAGEMENT

Interim COO, with delegated executive operating authority

POSSIBILITY QUESTION

What happens when growth has outpaced an organization's leadership capacity and operating infrastructure?

CASE IN BRIEF

Growth had outpaced the leadership structure and operating systems required to support it.

Possibility Engineering Consulting was engaged to stabilize a **growing, founder-dependent organization whose operating infrastructure had not kept pace with its complexity**. The goal was to move the organization from reactive, highly centralized operations toward greater organizational and financial stability. PEC clarified ownership and decision rights, redesigned the operating structure, replaced a proposed staffing expansion with a more targeted talent strategy, strengthened critical operating processes, and developed the internal leadership capability required to distribute responsibility more effectively across the organization.

That diagnosis shaped an integrated strategy across leadership, organization design, talent strategy, and capability transfer.

The result is an organization with clearer ownership, stronger internal leadership, a more disciplined staffing model, and substantially less dependence on the Founder for day-to-day operations.

01 THE CHALLENGE

Everything ran through the Founder.

- Problems escalated upward. Responsibilities shifted depending on who was available.
- Responsibilities for critical functions were unclear or informally distributed, and recurring problems depended heavily on individual knowledge and intervention.
- Recurring processes such as enrollment required substantial intervention each cycle, while strategic priorities competed with immediate operating demands.

The Founder's time reflected the extent of that concentration:

70% on operations

20% on artistic leadership and direction

10% on community relationships, development, fundraising, and partnerships

0% on strategic planning

THE FOUNDER'S PROPOSAL

6 new support positions

The Founder's proposed solution was to build a six-position support staff to distribute responsibilities that had accumulated around her.

PEC'S CHALLENGE

PEC challenged that assumption.

Adding people before clarifying the operating model could increase cost without resolving the underlying problems.

THE REAL QUESTIONS

- 1 What needs to be owned?
- 2 Where should decision authority sit?
- 3 What capability already exists inside?
- 4 What capability needs to be developed?
- 5 Where is more capacity genuinely needed?

The engagement



PEC was engaged in an **Interim Chief Operating Officer** capacity, with delegated executive operating authority across the agreed engagement mandate.

The Founder remained the business owner and retained ownership and governance authority. Within the operating mandate, PEC held authority for day-to-day organizational priorities, operating decisions, sequencing, and accountability.

PEC led the Founder and team through live business conditions with executive decision-making authority: addressing operating priorities, examining recurring problems, testing new ownership structures, coaching leaders as responsibilities changed, and adjusting systems based on operating evidence.

The engagement combined two responsibilities

- Lead the organization through immediate operating needs.
- Build the capability required for the permanent organization to carry more of that leadership itself.

RESEARCH SIGNAL

Interim leaders can leave capability behind.

A multiple-case study of six interim management assignments found that an interim leader's position as partly insider, partly outsider can transfer knowledge and build new practices that remain after the assignment. That is why PEC led with executive authority while building the team's ability to carry the work.

Viktorina Rubin, *The Learning Organization*, 2025

PEC is committed to building capability through each engagement. The mandate was:

Lead the present. Build what comes next.

02 THE STRATEGY

Four concurrent strategic priorities, mapped as one strategy.

PEC assessed current and future capability requirements, existing internal talent, decision patterns, role ownership, recurring friction, and financial constraints before deciding anything about headcount.

PEC STRATEGIC ROADMAP



EXECUTING THE STRATEGY

Inside the day-to-day operation.

PEC executed the strategy inside the day-to-day operation of the organization. Immediate priorities were stabilized while recurring issues were examined for the structural conditions underneath them. PEC then clarified ownership and decision rights, redesigned roles and operating processes, built practical management tools and rhythms, and aligned talent to the capabilities the organization actually needed. These changes were **tested in live business conditions**, adjusted as new information emerged, and **progressively transferred to permanent role owners** as their judgment and leadership capacity developed.

EXECUTION IN PRACTICE

Enrollment, rebuilt as a process

From a recurring source of strain to one accountable owner, a mapped cycle, clear handoffs, tracking, and documented support responsibilities.

EXECUTION IN PRACTICE

Quarterly planning, across the organization

The first quarterly session put operating, financial, talent, program, employee, and client priorities in one conversation.

EXECUTION IN PRACTICE

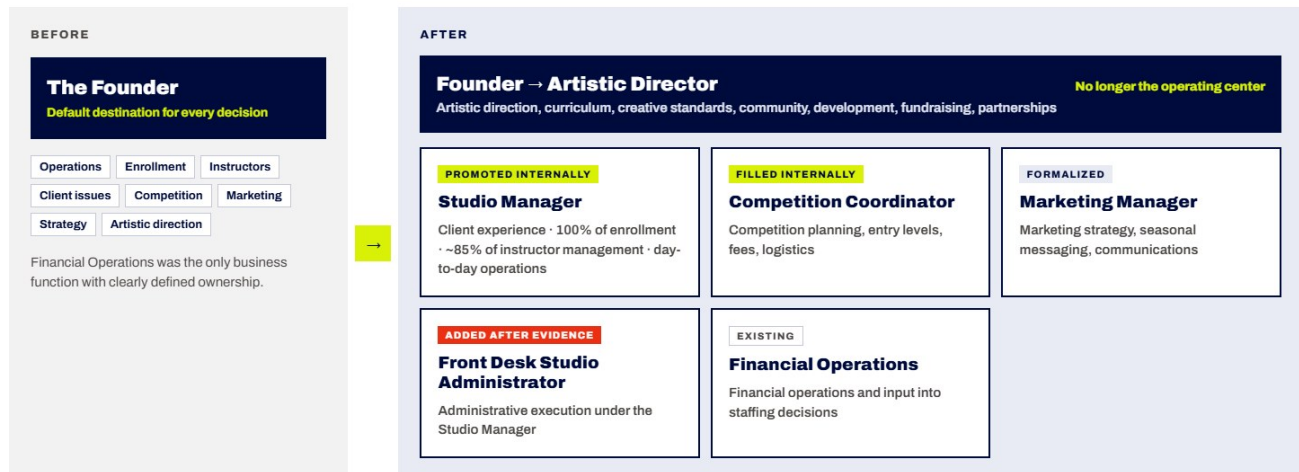
AI for administrative capacity

AI tools for intake, task translation, job descriptions, interview guides, and playbooks, with no personal data and human owners making every decision.

03 THE STRUCTURE

Clear places for responsibility, authority, and ownership to live.

THE OPERATING STRUCTURE: BEFORE AND AFTER



RESEARCH SIGNAL

Unclear roles lower performance.

A meta-analysis found that greater role ambiguity was associated with lower job performance. That is why every critical responsibility here got one named owner.

Tubre & Collins, Journal of Management, 2000

RESEARCH SIGNAL

Decisions closer to the work move faster.

Research on decision rights links decentralized authority to faster sensing and response. That is why authority moved with responsibility, away from the Founder.

MIT Center for Information Systems Research

Who owns what



As the organization had grown, several instructors had taken on administrative responsibilities in addition to their primary roles. Two instructors held formal administrative roles. Financial Operations was the only established business function with clearly defined ownership.

The design question became:

Who owns the task and the outcome?

PEC identified the major responsibilities requiring clear ownership, defined the outcome attached to each, assigned a primary owner, established corresponding decision authority, clarified cross-functional dependencies, defined escalation paths, and connected ownership to performance expectations.

The headcount review

Future headcount decisions are reviewed by the Interim COO, Artistic Director, Studio Manager, and Financial Operations. The review asks:

- What capability or capacity is missing?
- Can an existing role absorb the responsibility?
- Can responsibilities be redistributed?
- Can someone be developed internally?
- Is the need temporary or continuing?
- Does the operating model genuinely require another employee?
- Can the organization financially sustain the position?

Key role decisions

The Studio Manager is being developed toward the Executive Director responsibility PEC currently holds.

Where responsibilities cross functions, role owners work in partnership. Agreement is preferred. When agreement cannot be reached, the person accountable for the area retains the decision.

The structure was designed for the organization's current scale and anticipated needs over the next 6 to 12 months, with review points as conditions change.

Two leaders. Different developmental shifts.

Organization design established where leadership needed to live. Executive coaching helped leaders become capable of carrying it.

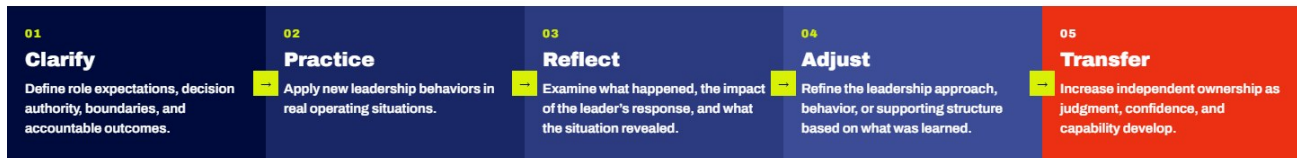
ROLE-EMBEDDED EXECUTIVE COACHING

Coaching inside the work, not beside it.

PEC integrated executive coaching directly into the transformation rather than treating leadership development as a separate activity. Coaching was grounded in the decisions, relationships, responsibilities, and operating challenges leaders were navigating in real time.

The approach combined systemic, behavioral, and experiential coaching principles. Leaders examined how their decisions and behaviors affected the broader organization, tested different responses in live situations, reflected on outcomes, adjusted their approach, and assumed progressively greater ownership as capability developed.

THE COACHING FRAMEWORK



FOUNDER

Moving from the organization's default operating decision-maker toward leading through others.

DEVELOPMENT CENTERED ON

- Delegation
- Expectation setting
- Accountability
- Coaching others
- Decision boundaries
- Performance conversations
- Knowing when to intervene
- Letting another leader own the outcome

LEADERSHIP SHIFT
 From **carrying the organization** → toward **creating the conditions for others to carry more of it**

STUDIO MANAGER

Developing the judgment and leadership range to become the organization's primary operating leader.

DEVELOPMENT CENTERED ON

- Operating decisions
- Meeting leadership
- Client issues
- Instructor management
- Difficult conversations
- Planning and prioritization
- Performance expectations
- Greater decision authority

LEADERSHIP SHIFT
 From **administrative execution** → toward **operating leadership and broader executive responsibility**

RESEARCH SIGNAL

Leaders grow fastest on the real job.

Leadership development improves behavior and organizational results, especially when practiced in real responsibilities. That is why the Studio Manager developed through live operating decisions, not a separate program.

Lacerenza et al., Journal of Applied Psychology, 2017 ↗

WHY IT MATTERED

The redesigned operating model required more than new roles and processes. It required leaders who could exercise judgment, make decisions, manage people, hold accountability, and operate with greater independence.

This is also where PEC's Generative Leadership perspective informs the engagement: expanding the organization's capacity for other people to think, judge, adapt, decide, and lead.

THE LEADERSHIP PRACTICE BEHIND BOTH SHIFTS

Accountability Out Loud

Roles documented, expectations discussed directly, missed expectations addressed, and escalation reserved for what truly needs higher authority. Accountability stopped depending on assumption or informal knowledge.

05 THE RESULTS

The organization needed to depend on the Founder differently.

15%

Founder time on operations, down from 70%

35%

Founder time on strategic planning, up from 0%

2

significant roles filled with internal talent

1

external hire, instead of six

FINANCIAL DISCIPLINE

\$13K–\$37K

estimated annualized staffing cost avoided, compared with the original staffing approach

Financial discipline through organization design

The redesigned operating model also changed the economics of the original staffing plan.

Rather than filling the proposed positions as initially envisioned, PEC clarified ownership, assessed existing capability, expanded selected internal roles, formalized available external capability, and added new headcount only where operating evidence demonstrated a true capacity gap.

The financial value came from designing the organization before adding headcount.

The organization increased operating ownership, reduced Founder dependence, and built greater internal capability while making a more disciplined investment in talent.

Why It Matters

For the Founder

As operating responsibility moves into defined roles, the Founder has greater capacity to concentrate on contributions that are strategically important and difficult to reproduce elsewhere: artistic vision, curriculum and program direction, creative standards, community relationships, development, fundraising, partnerships, and strategic planning.

Leadership shift: From administrative execution toward operating leadership and broader executive responsibility.

Capability transfer in motion

PEC's role is designed to decrease as internal capability increases. The organization is therefore not only being assessed on whether the redesigned structure works while PEC is present.

It is being assessed on whether that capability increasingly remains when PEC steps back.

Transfer questions include:

- | | |
|--|---|
| ■ Which decisions still require PEC? | ■ Which decisions are leaders making independently? |
| ■ Where is the Founder still being pulled into operations? | ■ Which processes continue without PEC prompting? |
| ■ Where do leaders solve issues before escalating? | ■ Which responsibilities can move next? |
| ■ Where does performance weaken as PEC steps back? | ■ What still depends on individual knowledge? |

The rest of instructor management is moving to the Studio Manager, and future enrollment cycles will test whether the redesign holds under pressure.

Readiness for the Executive Director role requires demonstrated capability in judgment, operating leadership, and people management.

HOW WE MEASURE SUCCESS

Better able to execute, operate, lead, and sustain change.

That is how PEC defines success. For this engagement, the strongest indicators are becoming visible across five areas:

01 Execution

More operating decisions have clear owners and do not automatically return to the Founder.

02 Systems + Structure

Roles, decision rights, operating processes, management rhythms, and talent practices are more clearly defined.

03 Leadership Behavior

The Studio Manager is carrying greater responsibility while the Founder increasingly leads through others.

04 Capability

Internal talent has moved into roles with greater organizational responsibility and is developing inside those responsibilities.

05 Sustainability

Decisions, operating knowledge, and responsibilities are progressively moving from PEC into the permanent organization.

Leadership for what's needed now.
Capability for what comes next.

PRESENT. BUILD WHAT COMES NEXT.

What happens when growth has outpaced the organization's leadership capacity and operating infrastructure?



Growth creates complexity. Structure transforms it into possibility.



Working with Possibility Engineering is changing how I lead, make decisions, and develop my team. We are transforming ideas into structured programs, creating greater accountability, and making business decisions that support both our mission and financial sustainability.

FOUNDER, CULTURAL ARTS & EDUCATION GROUP

Leadership for what's needed now.
Capability for what comes next.

[SEE EMBEDDED LEADERSHIP -->](#)