**Magic Bus: Important leadership lessons for a Not-for-Profit (NFP) organisation:** by Sophie Beauvais

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Introduction

In recent years, I have come across a remarkable individual. Someone who exemplifies, in broad daylight, an authentic, humble and deeply felt expression of leadership. What started as an observation of a great leader went on to become deeper research of board leadership and succession planning. I felt compelled to share widely the exceptional leadership succession story of Magic Bus, which took place over the period 2009-2014.

Mission and Purpose

Magic Bus will give millions of children living in poverty the opportunity to control the way they view the world, the freedom to choose the role they will play in it, and the power to define their own destiny.

Magic Bus is committed to developing local community mentors to take children living in poverty on the journey from childhood to livelihood.

The Magic Bus Approach: One child/youth/person at a time

Magic Bus steers children towards a better life in a three-step approach: learning, leading and earning. Magic Bus’ *Activity Based Curriculum* (ABC) led by volunteer mentors is a unique model that uses games to empower, educate and make a young person one day successfully employable. In 40 sessions per year children learn about education, gender, health, and key issues affecting them. The games the children play excel in building physical, social, and personal skills.

Local youth volunteers are trained to be mentors and role models to other children, making the ABC scalable and more sustainable. ABCsessions allow youth leaders and children to act as catalysts for community change. The children and youth grow up becoming confident, respected, responsible, and job ready. Magic Bus leverages on existing NGO and Government services, to optimise its impact and, to create pathways to employment opportunities.

Board Composition

Matthew Spacie, MBE and founder of Magic Bus, is Executive Chairman of Magic Bus India’s board. The board is made up of non-executive directors and two staff, the Chief Executive Officer (CEO) and the Chief Operational Officer (COO). Magic Bus India Board affiliates are Magic Bus UK, Magic Bus USA, Magic Bus Germany, and Magic Bus Centre for Learning.

History

In the late 1990s, Matthew Spacie was transferred from United Kingdom to India to run [Cox and Kings](http://www.coxandkings.com.au/) – one of the world's largest travel companies. To relax from a highly demanding role, Spacie played rugby. What Spacie saw on the side of the field – children being deprived of opportunities to play – just felt wrong to him. Empowered by this injustice, Spacie, with the help of friends, organised a bus to take children from the slums to a safe place to play sport and learn life skills, such as personal hygiene and teamwork. The Power of Play[[1]](#footnote-1) allowed children, if only for a brief moment, to be children. That moment gave birth to Magic Bus, a “movement”[[2]](#footnote-2) that has reached out to more than a quarter million children across 22 Indian states, and beyond in the 16 years.

Matthew Spacie — an Authentic Leader.

Founder-directors of Non-Government Organisations (NGO)s are by and large not ordinary people. They ooze energy and passion. They want to make a difference in this world. Spacie is all of that yet his apparent absence of an ego, his vulnerability and his ability to let go, set him apart. Spacie sees himself as the conduit of something[[3]](#footnote-3). To Spacie, being vulnerable is not a contrived, fearful expression of the self, rather it is the ability to absorb someone else's wisdom. Spacie does not "believe in democracy", he believes in "collective wisdom".

A deep love of humanity, and exceptional trust in people, provides the entire Magic Bus "ecosystem***[[4]](#footnote-4)***", the inter-dependent collective of individuals (boards, staff, volunteers, program participants and their families) with the freedom to create and innovate. Trust empowers individuals to believe in their power: to define their own destiny. With courage comes creativity. Courage is the fuel to a strong sense of purpose: "Not being afraid to dream and asking (yourself) why not?" explains Spacie. “The poor don’t have a voice”. Children being denied of their right to play***[[5]](#footnote-5)*** … “is quite wrong”, claims Spacie. This has propelled Spacie: "To be truthful enough to challenge and brave enough to be". Henceforth, out of the Magic Bus collective wisdom, a concept that empowers children through mentoring, sports and activity based learning, was born.

The thread linking Spacie’s vision to the Magic Bus “ecosystem” is a leadership that is open, aware, present and authentic. Yet this heartfelt expression of leadership is not a substitute for business acumen. In the early days, Spacie invited a quorum of skilled individuals to form a board that practiced insight and foresight.

The Magic Bus Board: practitioner of insight and foresight

There comes a day when a founder of an organisation finds their business at a crossroad. To keep the business enmeshed to their image, or to let go of its culture so to grow, flourish and renew. For leaders who have founded an organisation, especially an NFP, this can be extremely difficult. It is akin to letting a much loved child leave home to become an adult, and watch that child make their own decisions. Sometime the founder culture is such that no one (including the board) can imagine the organisation flourishing and delivering on its mission without the founder’s benevolent and parental wisdom.[[6]](#footnote-6)

After a decade at the helm of Magic Bus, Spacie realised that he had to pass on the baton as continuing would be to the detriment of his health. The boards (UK and India) played a crucial role in guiding and supporting Spacie's decision to step down from everyday operations.

In an interview with the Author Bernard Horn, UK board member, offers some observations on when he first joined as a board member back in 2008. His first observation was that Spacie was "very stretched", yet Spacie wanted to grow the business and there were very few people around him to support him. Secondly, there was no succession plan in place; no one could step in Spacie's shoes. The organisation was incredibly vulnerable.

Initially, the board was apprehensive when Spacie shared his intention to cede his founder-director’s role, recalls Horn. The board woke up to concerns around Spacie's well being. Horn explains; "[It was] obvious, the board had to shift the paradigm." Furthermore, Horn adds: "This is a founder led organisation. The board is there to help the founder to achieve on what he sets out to do. It acts as a counsellor." The board's job is to show the way and help to build the "bench strength", affirms Horn. In his view, it was imperative that Magic Bus "... grow the gene pool” of competent people ready to fill critical leadership positions so Spacie could be "extracted from the day-to-day operations", and to avoid a "potential [organisational] crisis".

Before it became too late, and to leave enough energy for Spacie to pursue other roles, a management transition plan was mapped out and executed with precision. The plan bridged the corporate and the human value creation sides of the business. Bring in "the competence in getting the funding" and continue to pursue the mission of reaching out to more children in more locations to be empowered to act as agents of their lives.

Together the boards and Spacie looked at a number of organisations and came to appreciate that to be successful an organisation ought not to be personality led. Spacie offers "vulnerability is measuring risks against ability". Knowing that it was time to let go was an act of humility. “Letting go was the most natural thing in the world”, says Spacie.

The Execution of a Leadership Succession Plan

The boards saw the leadership succession as an opportunity to strengthen the organisation's capacity. Bernard Horn also stated: "Bring in the people ... preferably, from outside the system, ... who will take [the business] to the next level". Professionals who have the wisdom ... to cultivate the founder's ethos"... and [who] can [also] do business plans, [and] work with governments" and other critical stakeholders.

The management transition was a deliberate policy explains Horn. Firstly, it was to find the three C’s (CEO, CFO and COO[[7]](#footnote-7)) torun an expanding business, starting with a new CEO. Instead of a ready-made CEO, and because of the complexity of the business, the boards felt it was best to search for an emerging talent***[[8]](#footnote-8)***.

In 2009, Pratik Kumar, became Magic Bus' CEO. Board members wanted to know Kumar on a one-on-one basis and assist with refining Kumar’s leadership style. The boards provided Kumar with access to coaching, external mentors, and other forms of support. Most importantly, both boards wanted Kumar to succeed in his new role.

The next step in the execution of the succession plan was to create diversity, harmony and a balanced staff made-up of complementing talents. That was Kumar's job. Kumar undertook to build a balanced work force, as he refers to, of “circles” and of “squares”. The “circles” are the emotionally driven individuals: the enablers of transformational change, the people who implement the programs. The “squares” are the systems people (managers, fundraisers, and controllers) needed to achieve business growth.

The staff saw the transition coming. Spacie communicated that he was taking an ambassadorial role and would focus on fundraising; and, that change was imminent and necessary to grow and stay entrepreneurial. It was not a smooth journey on all accounts. Some “circles” had to be let go. It was heartbreaking for Spacie seeing people, who had been by his side all along, departing.

The board (India) stood firm. It had the foresight to back Kumar and allow Kumar to form his own team, including recruiting the COO and CFO. Horn remembers that the board laid out some “basic hygiene” measures. The board asked Spacie to take some time out to allow the transition to unfold and to mitigate undue interference in Kumar’s business.

Kumar succeeded in his first leadership challenge of building the team. Kumar remembers: “There was a buzz in the corridors. People wanted to be part of the new team.

Initially, Kumar was not convinced about taking on the role. Coming from the UN system and government sector, Kumar had never heard of Magic Bus. Kumar had been told: "It is too small for you". Kumar admits that he was smitten by Spacie's charisma – " a non-Indian doing so much for the country".***[[9]](#footnote-9)*** An engineer by training and pragmatic by nature, Kumar claims that he chose the space – not his boss [Spacie – the Executive Chairman]. Magic Bus’ product offering – sport and activity-based learning – is what won him over.

Conclusion

Matthew Spacie, in establishing Magic Bus, created extraordinary social benefits for the communities where it operates and Spacie’s passion helps address unmet community needs. Spacie’s humbleness and authenticity build confidence in others. The children, staff and volunteers who experience Magic Bus go on to become leaders. They feel empowered to engage with their fellow community members and by that process are better able to influence community values that inhibit a child’s emancipation and fulfilment. Magic Bus “… brings dignity in the lives of people, who otherwise would not be treated with dignity” claims Horn.

Spacie’s business acumen prompted him to be guided by assiduous and discerning board members. The Magic Bus boards (India and UK) played a critical role in the transformational and successful leadership change of Magic Bus. Board members took their jobs seriously and invested a significant amount of energy in understanding the NFP business sector. The boards’ involvement was context dependent, and as such the boards had the foresight to operationalise the Magic Bus Mission. The boards orchestrated a large scale, disruptive and radical change. They influenced the organisation’s culture through the appointment and backing of the new CEO. The board had the insight to create the space to inform and promote creative dialogues. Pratik Kumar, as a new CEO, was entrusted with the development of the strategic narratives, provided it fitted the Mission. Kumar let the realisation of the true nature of the Mission; take a different process to what Spacie had imagined. The boards safeguarded the founder by allowing Spacie to leave before he no longer had the energy to lead, thus avoiding the trauma of a hastened management transition and the dwindling of the organisation.

Sixteen years on, Magic Bus continues to evolve. Magic Bus makes the necessary corrections along its journey to stay on target of reaching one million of children. Organisations always face challenges, and Magic Bus is no exception. Its current challenges[[10]](#footnote-10) are:

1. keep rejuvenating and renewing the business;
2. continue to grow without being lost in processes;
3. export the concept beyond India, including to first world countries; and,
4. establish a governance structure that provides more autonomy to boards and that moves away from the founder structure.

Magic Bus is recognised internationally for its positive impact on the lives of thousands of marginalised children. The [Magic Bus](http://www.magicbus.org/) journey has been extraordinary, reaching new heights and accumulating accolades, including in March 2014, the coveted Laureus Sport for Good Award for Sport for Social Development.

The Annie E. Casey Foundation stresses: “…it is important to celebrate [the founders’] work and invest in successful transitions that protect their legacies[[11]](#footnote-11). Spacie is a rare leader: he is not afraid to dream; to let someone step in, to let go, and most importantly, to trust. This case study is an attempt at capturing a chapter (2009-2014) in the exceptional Magic Bus succession story. This case study is a vignette about a truly inspiring and humble leader, Mr. Matthew Spacie, MBE.

The Magic Bus story continues to unfold; it makes constant corrections to it flight path. Revisiting the Magic Bus leadership evolution in a few years will be worthwhile and revealing.

You can find out more about Magic Bus, the children and Matthew Spacie at:

* [The Magic Bus story in Matthew Spacie's own words:](http://www.youtube.com/watch?v=ONP0rJJAu1g) https://www.youtube.com/watch?v=ONP0rJJAu1g
* [Its My Time](http://www.youtube.com/watch?v=iixaQy-viDI): <https://www.youtube.com/watch?v=xJXdbYi5vsE>

# Magic Bus project wins Laureus Sport for Good Award: http://www.laureus.com/news/magic-bus-project-wins-laureus-sport-good-award

To donate, you can do so online at: https://donate.magicbus.org/

Thank you

I would like to thank Bernard Horn, Matthew Spacie and Pratik Kumar for their candid and generous insights in retelling the Magic Bus executive succession story.

Resources

Australian Institute of Company Directors resources accessed at: http://www.companydirectors.com.au

Beauvais, Sophie: Telephonic interviews and questionnaires (email) with Matthew Spacie, Bernard Horn, Pratik Kumar, May-July 2014.

Brown Brené: Resources accessed at http://brenebrown.com/category/daring-interview-series/

Founder Transitions: Creating Good Endings and New Beginnings: The Annie E. Casey Foundation, (volume 3), 2005.

Sylverman, L. And Taliento, L.; "What you don't know about managing Nonprofits and why it Matters: McKinsey Company, March 2005

1. Power of Play is a term often used in psychology and education. It refers to the importance of play in early childhood development as well as in developing crucial social and learning skills. [↑](#footnote-ref-1)
2. Bernard Horn, board member explains: Magic Bus is a movement because the empowerment of individuals permeates through their families and communities. Individuals who feel empower tend to lead themselves and make decisions that positively impact their future. [↑](#footnote-ref-2)
3. Notes interview with Matthew Spacie [↑](#footnote-ref-3)
4. Notes interview with Pratik Kumar [↑](#footnote-ref-4)
5. Article 31 (Leisure, play and culture) Children have the right to relax and play, and to join in a wide range of cultural, artistic and other recreational activities <http://www.unicef.org/crc/files/Rights_overview.pdf> [↑](#footnote-ref-5)
6. Founder Transitions: Creating Good Endings and New Beginnings: The Annie E. Casey Foundation, (volume 3), 2005, p. 9. [↑](#footnote-ref-6)
7. CEO- Chief Executive Officer, CFO- Chief Financial Officer and COO- Chief Operating Officer. [↑](#footnote-ref-7)
8. Notes Interview with Bernard Horn [↑](#footnote-ref-8)
9. Notes Interview with Pratik Kumar [↑](#footnote-ref-9)
10. Notes Interview Matthew Spacie. [↑](#footnote-ref-10)
11. Founder transitions: creating good endings and new beginnings: The Annie E. Casey Foundation, (volume 3), 2005. P4. [↑](#footnote-ref-11)