

Succession Planning & Executive Transitions

Helping your nonprofit organization thrive

*Co-sponsored by Hartford Public Library and
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For Today's Webinar

- ▶ Please keep your camera on if possible!
- ▶ Mute your screen unless speaking
- ▶ Ask questions in the chat (or raise a hand)
- ▶ Share your perspectives and wisdom
- ▶ Respect confidentiality

Our Goals for this Session

► Today we'll explore:

- How a succession plan can strengthen your Nonprofit
- The three types of succession planning
- What you need to have a great Executive Transition

What Makes a Strong Nonprofit?

The background features abstract, overlapping geometric shapes in various shades of teal and blue, primarily concentrated on the right side of the frame. The shapes include triangles and polygons of different sizes and opacities, creating a layered, modern aesthetic.


A Strong Nonprofit

- ▶ Knows its current capacity
- ▶ Works to ensure resilience
- ▶ Has effective leadership in place
- ▶ Values its employees' needs
- ▶ Ensures a good partnership between Board & Executive Director

Effective Leadership is Essential

- ▶ As a first step, please take five minutes to consider:
 - ▶ **Who fills the most critical leadership positions in your organization?**

Can anyone Share their list with us?

- 
- ▶ As a second step, please take five minutes to think about:
 - ▶ **What are the risks of a lapse or vacancy in those critical leadership positions?**

Bench Strength

- **What does it mean to have Bench Strength?**
- **Do you have reasonable Bench Strength?**
- **If not, how do you get Bench Strength?**

Think About a Team Sport

- ▶ It's half-time...
- ▶ The strongest players on the field are exhausted, winded, sweaty, tired of pushing themselves so hard...
- ▶ The coach brings in players from the sidelines. They're strong, energetic, and very ready to move into action.
- ▶ That's Bench Strength.

Steps to Leadership Development

- ▶ In a nonprofit organization, Bench Strength is called Leadership Development
- ▶ Result? An organization with a shared leadership model

How do you develop leaders in your organization?

- ▶ Identify the key positions in your organization
- ▶ Identify individuals who can assume these positions in a time of need
- ▶ Be sure they are knowledgeable and are prepared (or can be) to take over
- ▶ Make sure everyone in the organization knows about the plan
- ▶ This allows time for a search if necessary

What are some Obstacles to Leadership Development?

- Having a very small staff
- A budget that limits professional development
- Board members who don't recognize its value
- An ED who finds it threatening

Are these problems familiar?

- ▶ Let's hear from anyone in the Zoom room who's experienced one of them:
- ▶ How did you handle it?
- ▶ Or, how might you handle it if it were to happen to you?

Succession Planning and Executive Transitions: Are they connected?

▶ Succession:

- ▶ The order or conditions under which one person after another succeeds to a position of leadership or responsibility.

▶ Executive Transition:

- ▶ A planned or unplanned change in organizational leadership usually brought about by the resignation, retirement, or sudden departure of a senior executive.
- ▶ When you have a plan for leadership succession, you reduce the uncertainty.

Preparing for an Executive Transition

- ▶ *Your organization's succession planning efforts – AND its “bench strength” – pave the way for a successful Executive Transition, whether planned or unplanned.*

Most Nonprofits are Hierarchical (*top-down*)

- ED is responsible for organization's success
- Senior staff are stretched thin - but may be *underutilized*
- Most nonprofits value community empowerment
- Empowering *staff as shared leaders* aligns with their social justice values
- *An organization can move from being authoritarian to being inclusive*

How is Succession Planning Related to an Executive Transition?

- ▶ *Five Minute Exercise:*
- ▶ *If your Executive Director suddenly left, how would the staff feel or react?*
- ▶ *How might the Board react?*
- ▶ *List 3-4 likely results for the organization*

Three Phases of Succession Planning

- I. Strategic Leader Development
- II. Emergency Succession Planning
- III. **Departure-defined Succession Planning**

I. Strategic Leader Development

- ▶ To align staff talent with a strategic vision, ask:
 - How do you see your organization's best future?
 - What skills and experience are needed to get there?
 - Identify staff with the potential to develop these skills
 - The answers can help you create a plan that develops shared leadership

II. Emergency Succession Planning

- ▶ What if you have an unplanned ED departure?
- ▶ *By anticipating this, you can:*
 - ▶ *Identify immediate needs*
 - ▶ *Decide who will manage them, and*
 - ▶ *Create a more “leaderful” organization in the process.*

Important Areas in an Emergency Transition Plan

- ▶ *If your Executive Director resigned abruptly, became ill, or was unable to lead, the staff and Board would need to maintain stability and continue daily tasks.*
- ▶ ***Ten Minute Exercise:***
- ▶ *List the four areas or functions of greatest importance to maintaining your organization's stability*

III. Departure defined Succession Planning

- ▶ *When you know an ED will be leaving you can plan ahead to ensure the organization's sustainability.*
- ✓ Prepare and engage stakeholders
- ✓ Address areas of vulnerability
- ✓ Recruit and support a successor who meets future needs

Steps to Prepare for an Executive Search

- Questions to ask:
 - Who will be Acting or Interim ED?
 - Who will keep staff well informed?
 - Who will the Board empower as a Search Committee?

An Executive Transition can take 4 to 9 months!

What's an Executive Transition Like?

- A pivotal, vulnerable time
- Can be traumatic but gives Board & staff opportunity for introspection and growth
- If well managed - helps organization to thrive
- If *mismanaged* - can weaken the organization

Three Phases of an Executive Transition

- **Prepare**
- **Search**
- **Thrive**

The Prepare Phase

- ▶ **A perfect time for soul-searching!**
- Should you hire an outside interim leader?
- Do you need an organizational review/assessment?
- Does your position profile name key strengths needed in your next ED?
- What are the search parameters? How will you let the world know about the position?

The Search Phase

- ❖ Search Committee is selected
- ❖ Outreach Plan: how you'll attract best candidate pool
- ❖ Ensure focus on DEI, anti-bias hiring process
- ❖ Search Committee screens/interviews candidates, selects finalists
- ❖ Departing ED, staff, and board interview finalists
- ❖ Reference checking conducted for finalists
- ❖ Offer is extended to top candidate

The Thrive Phase

- ▶ How can one best help a new ED succeed?
- ▶ ***Five Minute Exercise:***
- ▶ ***Come up with 3 or 4 ways an organization can support a new ED in their first 1-2 months on the job.***

How Can Things go Wrong?

- Candidate pool is weak
- First choice finalist takes another offer
- Salary is unacceptable to 1st choice candidate
- Board & Search Committee favor different finalists
- New ED begins work but finds it's not a good match

How do we prevent or handle These Obstacles?

- Weak candidate pool
- Finalist takes another offer
- Salary is unacceptable to finalist
- Board and Search Committee prefer different finalists
- New ED begins work but not a good match

Where from Here?

- ▶ Who are the best advocates for Succession Planning in your organization?
- ▶ Who can introduce the ideas of **bench strength** and **shared leadership**?
- ▶ When strategic planning or annual planning takes place, who might incorporate succession planning?
- ▶ Consider a staff/board retreat to share these ideas across the organization

How to Create an Emergency Succession Plan

1. **Board and ED:** evaluate internal competencies (communications, financial management, executive search)
2. **Executive Director:** (or Communications Director) creates Emergency Communications plan; decides who will implement it
3. **Board and ED:** identify internal functions that need skilled oversight - and the staff or Board members who can fill those roles (Fundraising, HR, Development, etc.)
4. **Board:** considers outside interim leader if needed
5. **If Executive Search is needed,** Board interviews outside search consultants

Additional Resources

- ▶ **These articles offer more perspectives on Succession Planning:**

- ▶ <https://blog.boardsource.org/blog/proactive-planning-succeeding-with-succession>

- ▶ <https://blog.boardsource.org/blog/2013/09/24/succession-planning-sustainability/>

- ▶ <https://blueavocado.org/leadership-and-management/succession-planning-for-nonprofits-of-all-sizes/>

- ▶ <https://nonprofitquarterly.org/doing-more-with-more-putting-shared-leadership-into-practice/>

- ▶ <https://www.kansascityfed.org/documents/82/nonprofit-resources-NONPROFIT-TOOLKIT.pdf>

Questions?

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