

# Succession Planning & Executive Transitions

*Helping your nonprofit organization thrive*

*Co-sponsored by Hartford Public Library and  
The Hartford Foundation for Public Giving  
Presenter: Cathy J. Cohen*

# Our Goals for this Session

- ▶ **By the end of this session, you will:**
  - Learn how a succession plan can strengthen a Nonprofit
  - Understand the three types of succession planning
  - Be able to initiate an Emergency Succession Plan
  - Know the three phases of a strong Executive Transition

# Questions or Comments?

- Please type your questions in the Chat Box for discussion just before the break or at the end of the session
- To minimize outside noise, please mute your screen until you want to speak

# Poll: What is your title or role in your organization?

- ▶ a) Executive Director or CEO
- ▶ b) Board member
- ▶ c) Staff member
- ▶ d) Other

# Preparing for an Executive Transition

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

# Bench Strength

- **What does it mean?**
- **How does it apply to a nonprofit organization?**
- **How robust is your organization's Bench Strength?**

# Most Nonprofits are Hierarchical (*top-down*)

- ED is responsible for organization's success
- Senior staff: stretched thin but often *underutilized*
- Most nonprofits are committed to *community empowerment*
- So, empowering *staff as shared leaders* aligns with their social justice values

# What are some Obstacles to Succession Planning?

- You may have a very small staff
- Budget constraints may limit professional development
- The Board may not recognize its importance
- The ED may see it as threatening

# How does Succession Planning Relate to an Executive Transition?

- ▶ *Exercise 1:*
- ▶ *If your Executive Director or CEO suddenly left, how do you think the staff would feel or react?*
- ▶ *How might the Board react?*
- ▶ *List three or four things you can imagine happening.*

# How does Shared Leadership Help an Organization?

▶ *Exercise 2:*

- ▶ *Please take ten minutes to list 3 or 4 ways you think shared leadership might help your 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 your strategic vision, you need to ask:
  - How do you see your organization's best future?
  - What skills and experience are needed to get there?
  - The answers can help you create a plan that develops shared leadership and shares responsibilities widely

## II. Emergency Succession Planning

- ▶ What if you have an unplanned ED departure?
- ▶ *As you anticipate this, you can:*
  - ▶ *Identify the 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, was fired, or was unable to lead, the staff and Board would need to maintain stability and continue daily tasks.*
- ▶ **Exercise 3:**
- ▶ *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

Questions?

★ Five Minute Break ★

# Steps to Prepare for an Executive Search

- 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?

- It's a pivotal, vulnerable time
- It can be traumatic but offers Board and staff opportunities 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!**
- **Do you need to hire an outside interim leader?**
- **An organizational assessment is helpful & timely**
- **Your position profile names key strengths needed in a new ED**
- **What are the search parameters? How will you let the world know about the position?**

# The Search Phase

- ❖ Outreach Plan attracts appropriate candidates
- ❖ Develops strong candidate pool
- ❖ Ensures a focus on DEI
- ❖ Search Committee screens and interviews candidates
- ❖ **The departing ED, staff, and board interview finalists**
- ❖ Conduct reference checking for finalists
- ❖ Extend offer to top candidate

# The Thrive Phase

- ▶ How can one best help a new ED succeed?
- ▶ ***Exercise 4:***
- ▶ ***Come up with 3 or 4 ways a consultant can support the new ED during their first few weeks on the job.***

# How Can Things go Wrong?

- Candidate pool may be weak
- The first choice finalist might take another offer
- The salary may be unacceptable to the finalist of choice
- The Board and Search Committee might prefer 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

# Basic Steps to Create an Emergency Succession plan

1. Board evaluates internal competencies for assuming key tasks: communications, financial, management, executive search
2. Executive Director (or Communications Director) creates an Emergency Communications plan and decides who will implement it
3. Board and ED identify internal functions requiring skilled oversight and identify staff or Board members to fill those roles (Fundraising, HR, Development, etc.)
4. Board considers outside interim leader if needed
5. If an Executive Search is needed, Board starts process or hires outside search consultant to do so

# 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?**