

# **San Juan Rural Philanthropy Days**

## *Strategies for the Nimble Nonprofit: Succession Planning*

February 12 & 13, 2020

Montrose & Gunnison, CO

Presented by:



## Preparing for the Inevitable: A Succession Readiness Checklist

*When the following conditions are in place, an agency can expect a relatively smooth transition to new leadership whenever it might occur. An agency might determine which elements below are lacking in its current operations and then create a “succession plan” or “capacity building plan” that prescribes activities and timelines for filling the gaps. The agency is then ready for leadership transitions, foreseen or unforeseen.*

- A strategic plan is in place with goals and objectives for the near term (up to three years), including objectives for leadership talent development.
- The board evaluates the executive director annually on general performance and achievement of strategic goals.
- The board, based on its annual self-evaluation, is satisfactorily performing its major governance jobs—financial oversight, executive support and oversight, policy development and strategic planning.
- The executive’s direct reports, based on annual evaluations, are judged as solidly skilled for their positions.
- The top management cohort, as a high performing team:
  - Has a solid team culture in place in which members support one another and can reach decisions as a group efficiently and harmoniously;
  - Shares leadership of the organization with the executive in having significant input to all major agency decisions;
  - Can lead the organization in the absence of the executive; and
  - Has authority to make and carry out decisions within their respective areas of responsibility.
- Another staff person or board member shares important external relationships (major donors, funders, community leaders) maintained by the executive.
- A financial reserve is in place with a minimum of three months’ operating capital.
- Financial systems meet industry standards. Financial reports are up to date and provide the data needed by the board and senior managers responsible for the agency’s financial strength and viability.
- Operational manuals exist for key administrative systems and are easily accessible and up to date.
- Top program staff have documented their key activities in writing and have identified another staff person who can carry their duties in an emergency.

## EXECUTIVE TRANSITION PREPARATION QUESTIONS

1. If the executive is suddenly unable to serve, is it clear to everyone who the Acting Executive will be? Who will speak to the press, donors, and other stakeholders? Who will serve as the organization's main contact?
2. Will the organization lose institutional knowledge and contacts if the executive director were to suddenly leave?
3. Is the executive director's job doable—that is, could the job be done by a regular human being?
4. Is the salary of the current executive director much lower than what you should pay a new executive?
5. Will the organization be able to survive a decline in income or fundraising activities without an executive director?
6. What action do we need to take to ensure that current funders do not get nervous about the executive director's departure?
7. Does the Board of Directors have the right mix of members for hiring the new executive?
  - During board recruitment ask, Will this person be a good addition to a hiring process?
  - Executive directors should ask, "Do I want this person on the board that hires my replacement?"
8. When was the last time succession planning was on the board meeting agenda?
9. What are we really looking for in a new executive? Should we consider new requirements from those possessed by the departing leader?
10. Do we fill the executive director position from the outside or promote from within—i.e., the "unofficial successor" who has worked alongside the executive during the past several years?
11. How do we address concerns by the current staff who may be nervous about a new executive joining the organization?
12. How long should we plan for the transition process to take?
13. What do we do in the interim? Do we need an interim director? If so, what does that look like in terms of compensation, authority and decision-making responsibilities?

*Note: Executive Leadership Services considers it a best practice for nonprofit agencies to have in place an emergency succession plan to cover the sudden and unexpected absences of their executive directors. Provided here is a sample plan modeled on one actually adopted by a San Francisco agency. In this model, special emphasis is given to identifying the key leadership functions carried by the executive, identifying the agency managers best qualified to step into the executive role in an emergency, and prescribing the cross-training necessary to prepare the back-up managers to cover the leadership functions. One major side benefit to implementing this plan is a management team with enhanced leadership skills.*

*CompassPoint Executive Leadership Services works with many clients to implement short and long term succession plans ensuring the ongoing success of our clients. If your organization would like help preparing for an executive departure please contact us at [els@compasspoint.org](mailto:els@compasspoint.org) or call (415) 541-9000 x352.*

## **EMERGENCY SUCCESSION PLAN**

**(Agency Name)**

### **Procedure for the Appointment of an Acting Executive Director in the Event of an Unplanned Absence of the Executive Director**

#### 1. Rationale

In order to ensure the continuous coverage of executive duties critical to the ongoing operations of **(Agency Name)** and its services to clients, the Board of Directors is adopting policies and procedures for the temporary appointment of an Acting Executive Director in the event of an *unplanned and extended absence* of the Executive Director.

While the Board acknowledges that such an absence is highly improbable and certainly undesirable, it also believes that due diligence in exercising its governance functions requires that it have an emergency executive succession plan in place. It is expected that this plan will ensure continuity in external relationships and in staff functioning.

#### 2. Priority functions of the Executive Director position at **(Agency Name)**

The full Executive Director position description is attached.

Among the duties listed in the position description, the following are the key functions of the Executive Director to be covered by an acting director:

- a. Serve as the organization's principal leader, representative, and spokesperson to the greater community

- b. Support the Board of Directors
  - ensure integrity and strength of Board leadership and address issues around clarity of role, governance, bylaws/policies, corporate structure, and membership
  - assist with recruitment and orientation of new Board members
  - prepare Executive reports to Board of Directors and Executive Committee and attend various Committee meetings
- c. Convene and lead the Management Team
- d. Participate in recruitment, interview, selection and evaluation process for directly supervised staff and other key executive level positions
- e. Strategize organizations' short-range and long-range program and project goals, particularly in Organizing and Planning:
  - identify overall resource development goals and fund raising plan
  - establish , maintain and cultivate relations with donors, foundations and other resources to support organizational programs and activities
  - maintain accountability for current year operating budget and for financial performance of portfolio

3. Succession plan in event of a **temporary, unplanned absence -- SHORT-TERM**

- a. Definitions
  - A temporary absence is one in which it is expected that the Executive Director will return to his position once the events precipitating the absence are resolved.
  - An unplanned absence is one that arises unexpectedly, in contrast to a planned leave, such as a vacation or a sabbatical.
  - A short-term absence is 3 months or less.
- b. Who may appoint the Acting Executive Director
  - The Board of Directors authorizes the Executive Committee to implement the terms of this emergency plan in the event of the unplanned absence of the Executive Director.
  - In the event of an unplanned absence of the Executive Director, the Deputy Director shall immediately inform the Chair of the Executive Committee of the absence.
  - As soon as is feasible, the Chair shall convene a meeting of the Executive Committee to affirm the procedures prescribed in this plan or to make modifications the Committee deems appropriate.

c. Standing appointee to the position of Acting Executive Director

The position description of the Deputy Director specifies that she shall serve as Acting Executive Director in the absence of the Executive Director.

d. First and second back-ups for the position of Acting Executive Director

Should the Deputy Director be unable to as Acting Executive Director, the first back-up appointee will be the Program Director. The second back-up appointee will be Chief Financial Officer.

In the event the standing appointee, the Deputy Director, is new to the deputy position and fairly inexperienced with (*Agency Name*), the Executive Committee

may decide to appoint one of the back-up appointees to the acting executive position. The Executive Committee may also consider the option of splitting executive duties among the designated appointees.

e. Cross-training plan for appointees

The Executive Director, with assistance from the Deputy Director, shall develop a plan for training the three potential appointees in each the priority functions of the Executive Director which are listed above (section 2). The training plan will be attached to this document when the plan is completed. The director of human resources shall have the responsibility of handling the logistics of the plan's implementation.

f. Authority and restrictions of the appointee

The person appointed as Acting Executive Director shall have the full authority for decision making and independent action as the regular Executive Director .

g. Compensation

The Acting Executive Director shall receive a temporary salary increase to the entry level salary of the executive director position or to 5% above his/her current salary, whichever is greater.

h. Board committee responsible for oversight and support to the Acting Executive Director

As with an Executive Director, the Executive Committee of the Board will have responsibility for monitoring the work of the Acting Executive Director. The Executive Committee will also be alert to the special support needs that of the executive in this temporary leadership role.

i. Communications plan

As soon as possible after the Acting Executive Director has begun covering an unplanned absence, Board members and the Acting ED shall communicate the temporary leadership structure to the following key supporters external to (*Agency Name*):

- Government contract officers
- Foundation program officers
- Civic leaders
- Major donors

4. Succession plan in event of a **temporary, unplanned absence -- LONG-TERM.**

a. Definition

- A long term absence is one that is expected to last more than 3 months

b. Procedures

- The procedures and conditions to be followed shall be the same as for a short-term absence with one addition:

> The Executive Committee will give immediate consideration, in consultation with the Acting Executive Director, to temporarily back-filling the management position left vacant by the Acting Executive Director. This is in recognition of the fact that, for a term of more than 3 months, it may not be reasonable to expect the Acting Executive Director to carry the duties of both positions. The position description of a temporary manager would focus on covering the priority areas in which the Acting Executive Director needs assistance.

5. Succession plan in event of a **PERMANENT unplanned absence**.

a. Definition

- A permanent absence is one in which it is firmly determined that the Executive Director will not be returning to the position.

b. Procedures

- The procedures and conditions shall be the same as for a long-term temporary absence with one addition:

>The Board of Directors shall appoint a Transition and Search Committee to plan and carry out a transition to a new permanent executive director.

6. Approvals and maintenance of record

a. Succession plan approval

- This succession plan will be approved by the Executive Committee and forwarded to the full Board of Directors for its vote and approval.

b. Signatories

- This plan shall be signed by the Board President, the Executive Director, the human resources administrator, and the appointees designated in this plan.

c. Maintenance of record

- Copies of this plan shall be maintained by the Board President, the Executive Director, the Deputy Director, the two back-up appointees, the human resources department, and the (*Agency Name*) corporate attorney.

*Revised by (Agency Name) Executive Committee  
date*

*Proposed by Tim Wolfred  
CompassPoint Nonprofit Services  
date*

# Sample Succession Plan Policy

## Policy statement:

A change in executive leadership is inevitable for all organizations and can be a very challenging time. Therefore, it is the policy of the [ORGANIZATION] to be prepared for an eventual permanent change in leadership – either planned or unplanned – to insure the stability and accountability of the organization until such time as new permanent leadership is identified. The board of directors shall be responsible for implementing this policy and its related procedures.

It is also the policy of the board to assess the permanent leadership needs of the organization to help ensure the selection of a qualified and capable leader who is representative of the community; a good fit for the organization’s mission, vision, values, goals, and objectives; and who has the necessary skills for the organization. To ensure that the organization’s operations are not interrupted while the board of directors assesses the leadership needs and recruits a permanent executive director, the board will appoint interim executive leadership as described below. The interim executive director shall ensure that the organization continues to operate without disruption and that all organizational commitments previously made are adequately executed, including but not limited to, loans approved, reports due, contracts, licenses, certifications, memberships, obligations to lenders or investors of the [ORGANIZATION], and others.

It is also the policy of the [ORGANIZATION] to develop a diverse pool of candidates and consider at least three finalist candidates for its permanent executive director position. The [ORGANIZATION] shall implement an external recruitment and selection process, while at the same time encouraging the professional development and advancement of current employees. The interim executive director and any other interested internal candidates are encouraged to submit their qualifications for review and consideration by the search committee according to the guidelines established for the search and recruitment process.

## Procedures for succession:

For a temporary change in executive leadership (i.e., illness or leave of absence) refer to the organization’s personnel handbook. In the event the executive director of the [ORGANIZATION] is no longer able to serve in this position (i.e., leaves the position permanently), the executive committee of the board of directors shall do the following:

Within five (5) business days appoint an interim executive director according to the following line of succession:

- Deputy Director of [ORGANIZATION]
- Associate Director of [ORGANIZATION]
- External consultant (with experience as an interim executive director)

Within fifteen (15) business days appoint an executive transition committee, in the event that a permanent change in leadership is required. This committee shall be comprised of at least one member of the executive committee and two members of the board of directors. It shall be the responsibility of this committee to implement the following preliminary transition plan:

- Communicate with key stakeholders regarding actions taken by the board in naming an interim successor, appointing a transition committee, and implementing the succession policy. The organization shall maintain a current list of key stakeholders who must be contacted, such as lenders and investors of the [ORGANIZATION], foundations, government agencies, etc.
- Consider the need for consulting assistance (i.e., transition management or executive search consultant) based on the circumstances of the transition.
- Review the organization's business plan and conduct a brief assessment of organizational strengths, weaknesses, opportunities, and threats to identify priority issues that may need to be addressed during the transition process and to identify attributes and characteristics that are important to consider in the selection of the next permanent leader.
- Establish a time frame and plan for the recruitment and selection process.
- Refer to the Executive Director Hiring Policy and Procedures in the personnel handbook for additional procedures.
- The board should use similar procedures in case of an executive transition that simultaneously involves the executive director and other key management. In such an instance, the board may also consider temporarily subcontracting some of the organizational functions from a trained consultant or other organizations.

# Am I still the leader this agency needs? { *questions for self-reflection* }

## **1 - My On-Going Effectiveness**

In what ways will this agency be changing over the next five years? What skills will it take to lead those changes? Do I have them?

Are there new things I suspect this agency should be doing for its constituents that I just don't have the energy or interest in taking on?

What level of excitement do I feel most mornings on my way to the office?

What new skills or better ways of doing my job have I developed over the past couple of years? Am I eager to learn and improve my skills?

Do I continue to be effective in building the leadership and management skills of my direct reports? What new duties or responsibilities have they taken on in the past two years?

## **2 - Personal Barriers to Leaving: If it became clear to me that I should consider leaving my job, what personal barriers would I encounter?**

Can I conceive of a career move that would potentially excite and re-energize me? Or do I assume I'll be bored and without meaning in my life?

Do I fear I could not get another job because of my age? Do I have the skills for a different kind of job?

Am I financially constrained? Do I not yet have enough set aside to retire or to work fewer hours and at a lower salary?

Are the professional identity and status I have in this job so critically important to me that I don't want to give them up?

Am I concerned about leaving some things undone in the agency?

Do I believe there is no one out there who can do this job as well as I can or could do it even adequately? Would the agency go into decline without my leadership?

## **3 - Organizational Barriers to Leaving**

Would staff and board resist my decision to leave? Might they even feel angry or abandoned?

Would I be leaving the agency in less than good shape?

Are some key managers under-skilled and dependent on my close guidance?

Is the management team unable to run the agency for a significant period of time without me?

Is the board up to managing a leadership transition?

Are there funders and major donors whose support I assume is dependent on my presence?

Are there key relationships held by me alone?



# Departure-Defined Succession Planning Tools

FEDERAL RESERVE BANK *of* KANSAS CITY  
DENVER • OKLAHOMA CITY • OMAHA



## Departure-Defined Succession-Planning Timeline

The future planned departure of the current executive may create anxiety and a fear of the future if the process is not properly handled. To help alleviate anxiety and create a shared understanding of the process among all those involved, the following timeline is recommended to help organizations prepare for the departure-defined planning process. It should be used to complement and drive the completion of the departure-defined succession-planning template on the following page.

### *Week 1:*

1. Current executive meets with board chair to discuss their intent for a future departure.

### *Week 2:*

1. Review and discuss the *succession-planning readiness questions*.
2. Review and complete the *Case Study: Why Succession Planning?*
3. Current executive and board executive committee meet to discuss departure-defined succession planning process and assign roles and responsibilities.

### *Week 3:*

1. Current executive reviews and completes the *self-reflection questions*.
2. Address personal and professional barriers for the departing executive.

### *Week 4 - 5:*

1. Identify the top three to five strategic objectives that fall under the executive's core responsibilities.
2. Identify leadership skills desired and leadership traits not desired for new executive.

3. Update job description for successor.

### *Week 6 - 7:*

1. Identify the key spokesperson for the organization until the new executive is hired.
2. Define internal and external communication plan.

### *Week 8 - 9:*

1. Form a succession planning committee and define roles and responsibilities, including departing executive.
2. Develop a timeline for the executive search strategy.

### *Week 10 - 16*

1. Define internal and external communication plan to be used during the recruiting, hiring and transition process.
2. Conduct sustainability audit of the organization and develop strategies to address organizational and leadership vulnerabilities.

### *Week 17 - TBD:*

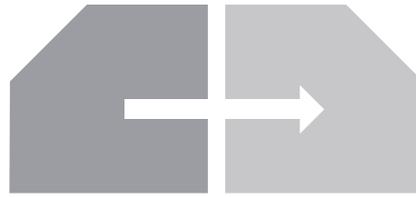
1. Conduct executive search for the successor.
2. Provide regular updates to the board and staff about the selection and hiring process.
3. Identify successor and officially hire them.

### *Upon Hiring Successor:*

1. Search committee drafts and board implements the successor development and transition plans.
2. Successor is officially placed in executive role and works with the board to implement the 90-day transition period.
3. Board chair works with departing executive to make sure they understand the emeritus role, as agreed upon.

Note: The sequence of steps above is more important than the estimated time frames, which depend on the length of time before the departure and length of the search process.

# Departure-Defined Succession-Planning Template



*Organization Name:*

---

*Purpose:*

The purpose of this departure-defined succession plan is to ensure continuous coverage of executive duties, critical to the ongoing operations and organization's sustainability, when a long-term executive or founder plan a future retirement or departure date. The objective for this process is to share the expertise of the departing executive with the successor while simultaneously preparing the organization, and departing executive, to fully support the successor.

Ideally the departing executive's input, along with involvement from the board and successor, will make this an effective plan to ensure continuity in external relationships and with staff, while promoting an environment of operational effectiveness under new leadership.

*Steps to develop a departure-defined succession plan:*

1. *Address the personal and professional barriers for the departing executive.* The departing executive should review and consider the *self-reflection questions*.
  - a. *Facilitate personal planning for departing executive* by providing *self-reflection questions* and/or access to a life coach.
  - b. *Understand and address founder syndrome, if applicable.* Communicate to the board and staff the potential

challenges associated with the founder's departure. Increasing the key stakeholder's awareness of their role in addressing the challenges in a founder transition is very helpful. William Bridges, in *Managing Transitions*, says that for a group to fully embrace the style and ways of a new leader they must first let go of the old.

- c. *Agree on parameters of the executive's emeritus role.* In collaboration with the founder, the board should identify strategies and boundaries to facilitate a successful transition. If there is an essential need for the outgoing founder to remain directly involved in the organization, then clearly define his/her role in supporting the successor's decision/direction even if different than the founder's. The founder's prior mentor role should change to a resource role.
2. *Update job description to ensure executive responsibilities and hiring requirements promote the organization's sustainability.* Matching organizational needs with leadership competencies desired in the next executive is one of the most important features of the executive search phase. This planning process provides a unique opportunity to update the executive requirements and responsibilities.
  - a. Attach current executive position description. Position should be updated as needed, preferably during the organization's strategic-planning sessions and should consider numerous questions.

*Continued on next page*

## Departure-Defined Succession-Planning Template *Continued*

b. What are the top three to five objectives and/or challenges outlined in the strategic plan that fall under the executive's core responsibilities?

(1) \_\_\_\_\_

(2) \_\_\_\_\_

(3) \_\_\_\_\_

(4) \_\_\_\_\_

(5) \_\_\_\_\_

c. Based on these objectives and/or challenges, is there an impact on the executive's job description?

(1) Key competencies (e.g., skills—core leadership and management, strategic thinking, board oversight, staff management, agility skills, etc.)

a. \_\_\_\_\_

b. \_\_\_\_\_

c. \_\_\_\_\_

d. \_\_\_\_\_

(2) Expertise and experience (e.g., fundraising, financial, building new facilities, etc.)

a. \_\_\_\_\_

b. \_\_\_\_\_

c. \_\_\_\_\_

d. \_\_\_\_\_

(3) Required leadership style (e.g., high control or participatory?).

a. \_\_\_\_\_

b. \_\_\_\_\_

c. \_\_\_\_\_

d. \_\_\_\_\_

(4) Leadership traits not desired (e.g., poor relationship building, poor board management, etc. These are common derailers in nonprofit organizations).

a. \_\_\_\_\_

b. \_\_\_\_\_

c. \_\_\_\_\_

d. \_\_\_\_\_

3. *Form a succession-planning committee with clear roles and accountability.* The committee will be accountable for developing, seeking commitment and implementing the departure-defined succession management plan. The committee will facilitate, manage and obtain board and executive approval of this critical leadership transition. The key difference for this committee from a standard executive search committee is the focus and time commitment to developing the successor and preparing the organization for a successful transition. The committee should consist primarily of board members and a few staff members; community volunteers, funders and other stakeholders can serve as ad hoc resources. The committee will also oversee the following steps:

a. *Determine the executive search strategy.* The committee should decide whether to use an executive recruiter or to conduct the search using board members, staff and other resources, such as social media tools and community contacts.

*Continued on next page*

## Departure-Defined Succession- Planning Template *Continued*

b. *Update job description.* Matching organizational needs with leadership competencies desired in the next executive is one of the most important features of the executive search phase. This planning process provides a unique opportunity to update the executive requirements and responsibilities. It is critical to distinguish any job differences between the departing executive and the replacement executive and to clearly communicate the rationale for any differences. Refer to *sample job description*.

c. *Create and implement the successor development plan.* An effective plan will link the successor's development to key initiatives in the strategic plan, build effective relationships with stakeholders, and ensure an understanding of how the organization achieves its operational objectives and remains financially sustainable. A detailed development plan with stated outcomes can help measure the successor's development and avoid having him or her become the departing executive's aid. The successor will be better prepared to step into the leadership role. A plan left solely to the departing executive's discretion and oversight may inhibit the successor's opportunity to build credible relationships with stakeholders and to understand and address important operational initiatives and challenges.

4. *Define internal and external communication plan.* Conversation is a key function of a healthy organization and is integral to the success of a transition. The communication plan for departure-defined succession planning can span several years as the successor is identified, hired and developed to assume the departing executive's role. It may help

alleviate concerns about the organization's future direction and sustainability, particularly when the departing executive is a founder.

a. The plan should address communication with stakeholders, including but not limited to staff, funders, government contract officers, foundation program officers, civic leaders, major donors, key volunteers, past board members, and the community at large. The communication should be a coordinated process.

b. A well-prepared plan is helpful in a successful transition from a departing long-term executive to a successor. The plan should include: rationale for change, steps to achieve success and commitment to the successor, and a plan for the organization's continued future success. Communicate detailed information about the departure and transition to key stakeholders, including information such as strategic direction of the organization; why the executive is leaving; why the successor was selected; the successor's grooming process; and, how board, staff and other stakeholders are supporting the transition. Implementing a communication plan, which outlines contacts, during the transition helps avoid confusion and promote trust and credibility with the successor.

*Continued on next page*

## Departure-Defined Succession- Planning Template *Continued*

- c. The communication plan should also outline procedures that promote two-way communication. Creating an environment that allows for input from stakeholders, particularly staff, can help identify transition issues, as well as comment on successes. An ideal time to solicit stakeholder input regarding the successor's progress is during the mid-year performance review. Input provides an opportunity for feedback and adjustments to the development plan.
5. *Position the organization for future success by conducting a sustainability audit.* This is an ideal time to assess the organization's alignment with the strategic plan, operating performance, and capacity to meet future client needs to ensure sustainability. Conduct a sustainability audit by completing the following steps:
- a. Gather input electronically or by phone from stakeholders such as the departing executive, board members, key staff, funders and volunteers. Use good survey practices to ensure confidentiality and trust for those who provide data. Soliciting feedback is valuable in determining organization performance and recommending adjustments. Standard questions that may help you gauge your current performance include:
- (1) As you look at the organization's mission what are the organization's greatest strengths and areas for improvement?
  - (2) What major upcoming issues may impact the organization's ability to successfully provide services?
  - (3) What changes might be needed to address those issues?
- b. Additional items to explore during the sustainability audit process will help you gather data about effectiveness, financial position, community engagement and leadership.
- (1) Operational effectiveness of administrative and program functions: How effective are the human resources and financial functions? Are there organization programs/services that are not fully utilized by clients?
  - (2) Resource relationships: Are the key external relationships held by more than one key staff member? How well does the organization collaborate with other agencies in the community?
  - (3) Financial oversight: The organization's finances should be extensively reviewed with a goal to ensure a strong financial position prior to a leadership transition. Does the organization have financial reserves (unrestricted funding, if possible) sufficient to cover at least six months' worth of operating expenses? Has multi-year program funding been secured?
  - (4) Leadership and staff effectiveness: Is there an opportunity to share leadership responsibilities throughout the organization and reduce dependency (and workload) on the executive? Where are the opportunities to develop future leaders?

*Continued on next page*

## Departure-Defined Succession- Planning Template *Continued*

- (5) Board effectiveness: Is the current board role still appropriate for the senior executive that is taking over? Does the board membership need to be modified to better compliment the new executive's skills and competencies? This is particularly critical when a long-term executive is departing and the board was built to reflect their strengths and preferences. Complete the *Board Membership Matrix* to identify the current board composition and determine if changes should be adopted.
- c. Design and implement strategies to address organizational and leadership vulnerabilities. It is important that the sustainability audit results be communicated, developed into an action plan and addressed. Gaining commitment and following through on implementing the plans are critical.
- d. The results from the sustainability audit can also be translated into a desired set of personal and professional competencies that match the organization's core needs. This list can also be used to update the senior executive's job description for their developmental purposes.
6. *Promote successful transition of new executive.* The board president and successor should agree on and implement a transition plan. Although the successor has been working with the organization for a period of time and has completed a development plan, the first 90 days in the new executive role brings challenges. An effective 90-day transition plan includes:
- a. The board's written goals and expectations of the successor for the first 90 days and 12 months.
- b. Participation in a formal orientation program as well as meetings with board members, staff, funders and volunteers.
- c. A structured feedback mechanism with pre-identified key stakeholders to assess progress and potential barriers to a successful transition.

*Continued on next page*

*An organization had completed a thorough sustainability audit and identified a plan of action but never implemented the action plan. Three years later, the founder departed and the "developed" successor took over the leadership reins. The successor failed and was removed. Some of the key issues that contributed to the successor's failure were identified in the audit but never addressed. An example was the reluctance of the founder to focus the organization's efforts on key programs. Instead the organization continued to be "all things to all people" finally resulting in a critical financial shortage that was, in part, blamed on the successor when he tried to narrow the scope of services.*

## Departure-Defined Succession- Planning Template *Continued*

- d. Access to development resources for the new executive, such as reading materials and/or leadership training programs to help them better understand the challenges of leading a prior peer group and succeeding as long-term executive.
- e. Depending on the complexity of the challenges, a transition coach may be retained to facilitate a successful executive transition and help manage obstacles.

7. *Approval of Departure-Defined Succession Plan.* This succession plan will be approved by the executive committee and presented to the full board of directors for review and approval.

Signatures AND copies kept of this document by:

- Board President \_\_\_\_\_  
Date: \_\_\_\_\_
- Executive \_\_\_\_\_  
Date: \_\_\_\_\_
- Human Resources \_\_\_\_\_  
Date: \_\_\_\_\_

NOTE: Corporate attorney has copy but signature not required.

## SUSTAINABILITY AUDIT: ANONYMOUS STAFF SURVEY

In CompassPoint’s experience, one of the most powerful tools for identifying both high priority organizational challenges and the skills needed in the next executive has been the staff questionnaire presented here. The survey and follow-up interviews let staff know that the board values staff viewpoints. They also reduce the anxiety staff experience when a leadership change is underway by engaging them in the process.

How it’s used by CompassPoint:

1. A draft of the survey is approved by the board’s Succession Planning Committee.
2. A member of the Committee and/or a consultant working with the Committee attends an all-staff meeting
  - To describe the Committee’s overall work plan and timeline,
  - To let the staff know how they’ll have input to the transition and search process, and
  - To tell them about the anonymous survey and encourage them to fill it out.
3. The survey is set up using surveymonkey.com or a similar tool. An email is sent to all staff with a link to the survey.
4. A Committee member, or a consultant working with the Committee, tabulates the survey and identifies the major staff themes.
5. The Committee member or consultant then meets with groups of staff to present the key outcomes and get more information on the leadership skills and capacity building needs identified.
6. The results of the staff survey and staff group interviews are combined with data gathered from other stakeholder groups—board members, foundation funders, peer agencies—to arrive at both the operational and programmatic issues that need to be addressed by agency management and the skills needed by the next executive director

### **E-mail message to staff**

*Dear Staff,*

*The Succession Planning Committee, which is conducting an organizational assessment before starting the search for our next executive director, seeks your help in deciding what skills we should look for in the next executive director. Your responses to this survey will be used for:*

- *setting future directions and capacity building priorities to be addressed with the new executive, and*
- *drafting the profile of skills and attributes the Board will use in recruiting candidates for executive director.*

*To complete the survey, please go to: (link to web-based survey)*

*Thank you for your help!*

-----

## Survey questions

A. What do you perceive as three of our Executive Director's greatest achievements during her tenure as our agency leader?

- 1.
- 2.
- 3.

B. What elements of her leadership style as executive director do you most appreciate and would like to see carried forward by her successor?

C. What are *your* top three on-the-job achievements over the past 12 months? (*Transition planning involves assessing capabilities throughout the organization, so we're interested in having individual staff members' views on their own recent successes.*)

- 1.
- 2.
- 3.

D. What three changes at the agency would most help you to be more effective *in your specific job*? (*Your responses are important to identifying agency improvements that would help us be more effective in serving our clients.*)

- 1.
- 2.
- 3.

E. What three changes the agency would help the agency to be more effective in pursuing its mission?

- 1.
- 2.
- 3.

F. What three skills or capabilities do you bring to your job that especially contribute to our meeting our goals?

- 1.

2.

3.

G. What are the top three skills that the next Executive Director will need to have in order to be successful?

1.

2.

3.

H. Additional comments:

Thank you for your help!

Name \_\_\_\_\_

## EXECUTIVE DIRECTOR LEGACY STATEMENT

### PART I

An important step in executive transition planning includes having the Executive Director reflect upon his/her role in achieving key organizational accomplishments or milestones.

**Reflecting on your tenure as Executive Director, list the three accomplishments you are most proud of and explain why:**

#### Write Them Down

- 
- 
- 
- 
- 

**How would you like to be remembered by organizational members and the community you serve?**

#### **Example:**

- A visionary leader, a coalition builder, a consensus builder, an innovator, someone who could effectively and genuinely engage everyone from politicians to low-income immigrant workers.

### PART II

The legacy statement represents your personal vision and aspiration for what you wish to accomplish **organizationally and personally** before your final exit as the leader of your organization. The legacy statement speaks to the “results” you desire to achieve.

The idea is to “begin with the end in mind.” Imagine that you have made the decision to resign as leader. You are at your farewell party. Staff, friends, family, colleagues, are all present for your “send off.” The Board Chair of your organization comes up to the podium and says, “I’d like to commend our leader for the outstanding results she/he has achieved during as our Executive Director. He/she has achieved the following and leaves this legacy behind..... Take a moment to reflect on the legacy of outstanding results you hope to leave as your move on.

**List Them**

- 
- 
- 
- 

**PART III**

**Legacy – Statement**

Once you have shaped and finalized your legacy, take a few moments to think on legacy actions/priorities. What can be done within the next \_\_\_\_\_ months to move you closer to achieving your legacy? For each legacy area, write three action steps that will move you closer to its realization.

1. Legacy area (results desired) \_\_\_\_\_  
A) Legacy actions in next \_\_\_\_-months to work toward achieving results.  
  
B)  
  
C)
2. \_\_\_\_\_  
A)  
  
B)  
  
C)
3. \_\_\_\_\_  
A)  
  
B)  
  
C)

Adapted from HF Leadership Development Project