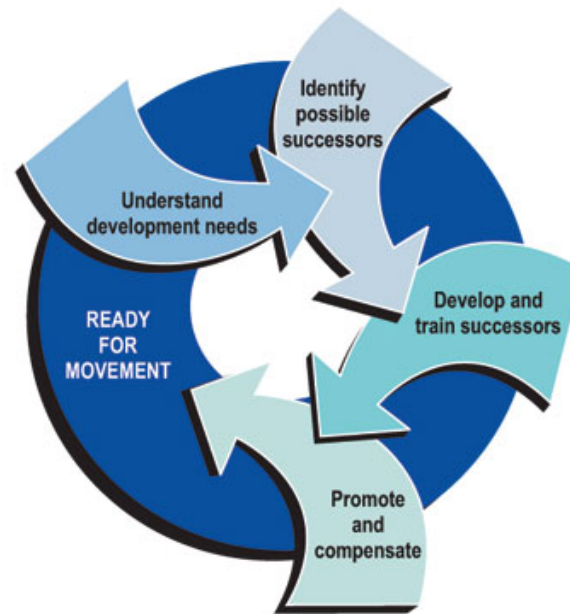




Community Foundation of North Central Washington  
Nonprofit Practices Institute  
April 29, 2019

# SUCCESSION PLANNING

# Succession Planning – What is it?



## Background – lessons learned

Thoughtful succession planning prepares an organization for leadership transitions, ***expected or unexpected***

## Background – lessons learned

Lack of succession planning can result in a post-transition ***meltdown***

## Background – lessons learned

With a ***long-term executive***, a successful leadership transition requires a lot more up-front preparation than the months required for search and screening

## Benefits of succession planning

Aligns staff development with strategic vision

Builds leadership capacity of staff

Makes the top position more “doable”

Engages and reassures the board

Gives confidence to funders

## Small group discussion

- Briefly, what's the status of succession planning at your organization?
- What questions about succession planning do you have?
- Choose **THREE QUESTIONS** for report out from your table

## **Succession planning – org and board**

**Org – three types:**

- **Strategic Leader Development**
- **Emergency Succession Planning**
- **Departure Defined Succession Planning**



## Succession planning – org and board

### **Board:**

- **Define Role**
- **Define a Development Process for Future Board Leadership**
- **Define a Process of Succession**

# Strategic Leader Development

**Definition:** *Creating a culture of continuous learning, talent development and accountability*

- Aligning talent with strategic vision
- Pushing leadership up and down

# Strategic Leader Development: The Key Cultural Elements

- Current Strategic Plan
- Performance goals tied to strategic goals
- Professional development goals
- Professional development budget
- Annual evaluations – board and staff
- Shared leadership & delegation

# Strategic Leader Development

## ***Starts with STRATEGIC PLANNING***

***Vision:*** What are the organization's strategic goals—for next year & five years out?

***Skills:*** What competencies do you need to get there?

# Strategic Leader Development

## **Assess current competencies & identify gaps in skills needed**

Performance reviews

“Strengths Finder” “Strengths Finder 2.0”, Tom Rath, Gallup Press, 2007

## **Fill in the gaps**

Training

Recruiting

# Strategic Leader Development

## Build the Team for “shared leadership”

Delegation of duties & authority

Shared decision making

Shared accountability

# Emergency Succession Planning

## Definition:

- **Preparing for an *unplanned* leadership departure**

A risk-management best practice

Creates a more “leaderful” agency

## Emergency Succession Planning: Five First Steps

1. Identify critical executive functions
2. Name a backup for each function
3. Develop a **cross-training plan** for backups
4. Name who would become Acting Executive
5. Specify board's monitoring & support role for Acting ED



## Departure-Defined Succession Planning

Attention to the *personal and professional issues* of the departing executive director

Thoughtful planning and activities to ensure *organizational sustainability*

A special *opportunity for reflection* on where you've been, where you want to go, and what it will take to get there

## **DDSP: Five Key Steps**

**Healthy closure with departing executive**

**Strategic Vision update**

Strategic Review

Leadership Agenda

Candidate Profile

**Candidate recruitment**

**Screening & hiring**

**Launching the new executive**

## **Executive Readiness**

**Organizational barriers to letting go:**

**No obvious successor**

**“No one else can do this job”**

**Unfinished organizational business**

# Executive Departure Path

**Resources for getting ready**

**A personal coach**

**Peer networks**

**Career planning**

**Negotiating a departure package**

**Workshops on “Next Steps”**



# Creating a DD Succession Plan

**Engage the Board**

**Engage the senior managers**

**Set up a planning committee**

**Acquire the needed resources**

**Funding**

**Consultants**

# Creating a DD Succession Plan

**Conduct a “strategic review” to identify vulnerabilities & opportunities**

## **Sources of input**

Executive Director

Managers & Staff

Board

Funders & peer agencies

**Tools: Surveys & interviews**

# Creating a DD Succession Plan

**The review questions: What are our vulnerabilities with departure of our ED?**

**Resource connections**

**Unique skills of the ED**

**“Doability” of the ED job**

**Management TEAM strength**

**Board leadership / independence**

**What are our opportunities to build our community impact?**

**What are our organizational constraints?**

# Creating a DD Succession Plan

## Draft the Succession Plan

- **Set strategies to remedy the vulnerabilities & organizational constraints**
- **Delineate the ED's transition tasks**
- **Update the strategic vision for greater community impact**
- **Update the ED job description and profile of skills needed to pursue the vision**
- **Draft the timeline and plan to recruit a successor who has those skills**



## **The BOARD steps up**

**Puts a committee in charge**

**Attends to its own succession planning**

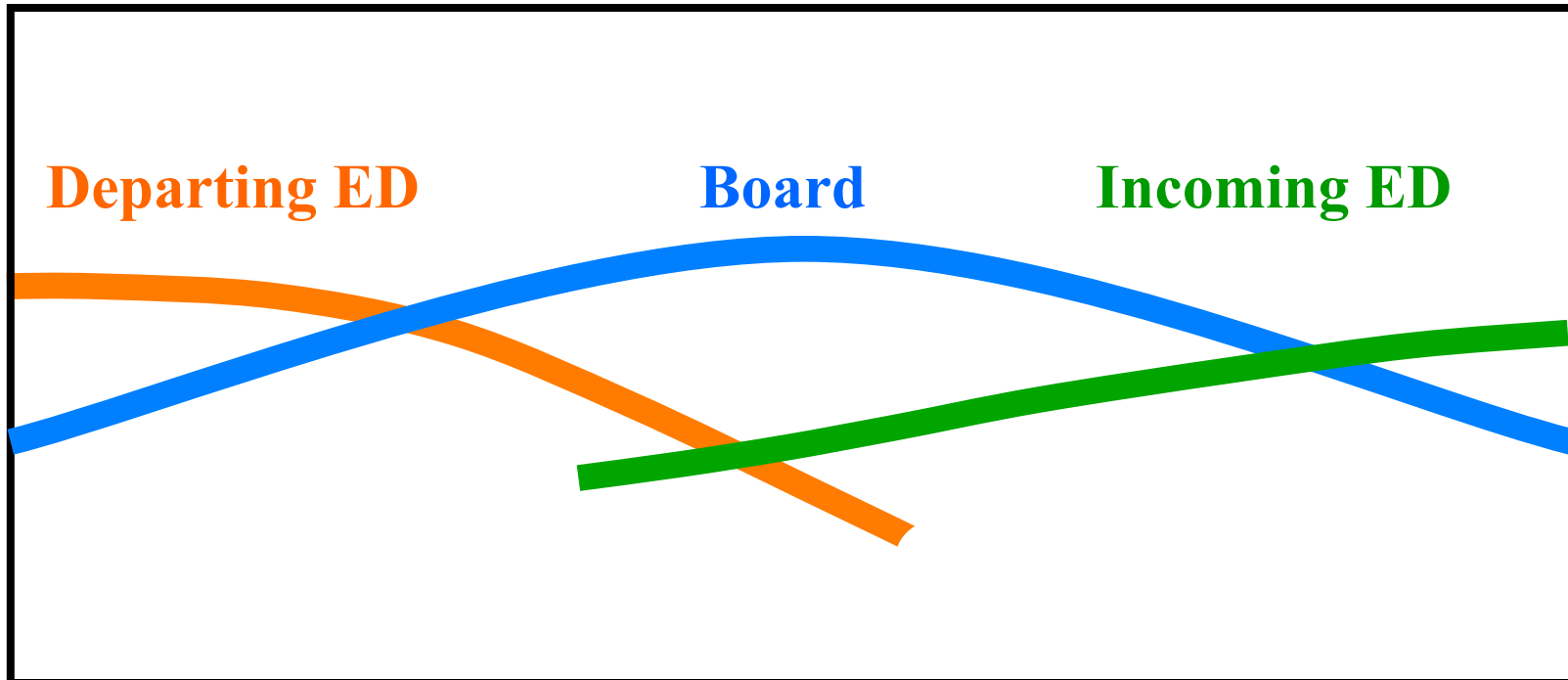
**Supports the departing executive**

**Addresses agency vulnerabilities**

**Sets future directions**

**Recruits & supports a successor who fits the future**

## Board Leadership during DDSP



## **DDSP: Five Things Not to Miss**

- 1. Board ownership & leadership**
- 2. Attention to closure with the exiting executive**
- 3. Manager inclusion in future planning**
- 4. Openness to organizational truths**
- 5. Excitement for the future**

# Board Succession Planning

*Define the role.*

- Where are you at in *your* nonprofit's life cycle?
- Important to define, as this will drive conversation as to key roles on the board.

## Board Succession Planning

*Define a Development Process for Future Board Leadership.*

- Align actual qualifications and talent with organizational needs.
- Build credentials, confidence, interest, and knowledge.

# Board Succession Planning

*Define a Process of Succession.*

- When was the last time you **looked** at your by-laws?
- When was the last time you **amended** your by-laws?

## Small Group Discussion

- What are the top two or three items that your organization needs to attend to for succession readiness?
- Choose the top **THREE** that emerge at your table.

# Succession Planning Tools

[www.compasspoint.org/et](http://www.compasspoint.org/et)

## Tools

Emergency plan template

Sabbatical planning checklist

Succession readiness checklist

Self-reflection tool for executives





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