

**Sample Succession Planning Policy, Plan, and Process**

***Note:*** This model document provides a sample policy and plans for nonprofit Executive Director or President/CEO succession. It covers three types of succession:

* **Emergency/unplanned** (Executive Director becomes temporarily or permanently unavailable due to illness, death, or unexpected termination).
* **Short-notice** (Executive Director resigns, giving limited notice).
* **Planned-departure** (Executive Director announces plans to resign/retire at a specified future time, giving significant notice).

It addresses immediate action to put in place an acting or interim leader, and longer-term tasks to manage the transition and hire a new Executive Director. It also includes a policy and process for preparing current staff for promotion, permitting the organization to hire from within.

Originally developed for moderate-sized nonprofit ($1-$5 million), the model can be adapted for a smaller or larger organization, and used in whole or in part.

**Purpose**

This policy, plan, and process document describes how \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ manages the planned or unplanned permanent transition or temporary unavailability of the Executive Director, in order to ensure organizational continuity in programs and services, management, resource development, and internal and external relationships.

**Policy**

It is the policy of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ’s Board of Directors to be prepared for both scheduled and unplanned/emergency Executive Director transitions, to continuously build internal “bench strength” so that it can hire from within where possible, and to manage an appropriate search when necessary. The Board of Directors guides executive transitions, while consulting with staff and keeping its stakeholders and community informed. The plans and processes detailed here will be reviewed and updated annually by the \_\_\_\_\_\_\_\_\_\_\_ Committee.

**Building Bench Strength**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is committed to providing ongoing, planned leadership and professional development for its staff members, including its senior managers. These efforts are intended to accomplish multiple positive results:

* Ensuring that the organization always has at least one – and preferably two or more – senior staff member with the skills, experience, relationships, institutional knowledge, and commitment to serve successfully as Acting Executive Director in case of the planned or unplanned, temporary or permanent departure or unavailability of the current Executive Director.
* Maximizing the probability that the most qualified candidate for Executive Director in case of a transition will be a current staff member.
* Enhancing the cumulative leadership and management capacity within \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, including the ability to support and assist an internal Acting or external Interim Executive Director,[[1]](#footnote-1) and ultimately the new Executive Director.

Hiring the Executive Director is the responsibility of \_\_\_\_\_\_\_\_\_\_\_\_\_\_’s Board of Directors. There will be times when \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is best served by hiring an Executive Director from outside the organization. However, under most conditions, the Board of Directors prefers to hire from within when a highly qualified, well-prepared candidate is already a member of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_’s management team. Developing and hiring leadership from within the organization is likely to facilitate a smooth transition, reducing internal disruption and maintaining external relationships and confidence.

**Ongoing Leadership/Professional Development**

To ensure a continuing pipeline to prepare management staff for more demanding leadership positions, including the possibility of becoming Executive Director in the future, the organization will establish and maintain the following process as the responsibility of the current Executive Director:

* Identification of senior and mid-level managers who, with additional preparation, could fill key executive roles, including that of Executive Director.
* Assessment of the qualifications, strengths, and areas for growth of each identified individual, as well as that staff member’s interest in a more senior management role.
* Development of a time-phased personalized plan for leadership and management development of each individual, which may include course work, formal training, mentoring, special assignments, and/or other mechanisms for growth.
* Implementation of these plans, with documentation of each completed step.
* Review of progress with the individual at least twice a year.
* Annual report to the Board on the status and progress of this process, including identification of individuals who are ready for additional responsibilities, including serving as the next Executive Director.

**Management of** **Transitions**

The Board of Directors is responsible for managing executive transitions. The Board must be prepared to take timely action to address at least three different types of temporary or permanent Presidential transitions, as described below.

***Types of Executive Transitions:*** The organization will be prepared for several different possible types of leadership transitions.

1. **Emergency leadership succession, due to an unplanned or unforeseen event causing the temporary unavailability or permanent departure of the Executive Director.** Such a transition arises without notice, and might occur through the sudden injury, death, illness, or disability of the Executive Director or an immediate family member, or through some other emergency. It might also occur when the Board of Directors takes emergency action to terminate the employment of the Executive Director due to serious misconduct.

In an unplanned or unforeseen situation, the Executive Director’s absence may be temporary or permanent, and if temporary, duration is often uncertain.

*Immediate action:* Such a situation requires immediate action over a period of 24 to 48 hours to inform stakeholders and then the broader community. Communications convey the clear message that \_\_\_\_\_\_\_\_\_\_\_\_\_\_ is calmly and systematically addressing the situation, that the organization is in capable hands, and that it will maintain its activities and honor its commitments. An Acting Executive Director, usually a staff member or, if there is no appropriate staff member, a Board member, is named and works with the Executive Committee to agree on any temporary changes in the responsibilities of other senior staff to assume some of the ongoing responsibilities of the Acting Executive Director, to enable that person to focus on leading and managing the organization during at least the immediate transition period. If it appears that the absence will be longer than a few months, the Board decides whether an external Interim Director should be hired.

*Longer-term action:* If it appears after six months that the Executive Director is unlikely to return or if the timing of such return is uncertain, the Executive Committee will explore options and recommend appropriate action to the full Board. This may involve extending the internal Acting or external Interim Executive Director’s responsibilities for an additional period, planning for permanent transition, and/or other action.

1. **Short-notice leadership transition, which involves less than three months of warning.** If the current Executive Director resigns with 1-3 months’ notice, to accept another position or for other reasons, the Board will take action to ensure that the Executive Director’s remaining time on staff is used effectively to support a successful transition and a search for a new Executive Director begins quickly. If it appears that an internal/external search is required, the Executive Committee arranges for an internal Acting Executive Director or external Interim Director to be an active part of the transition and to serve after the Executive Director departs and before the search for a new Executive Director is complete.

*Immediate action:* Over a period of 1-5 business days the Executive Committee informs first all Board members and staff (within 24 hours), and then other stakeholders, as well as the broader community, of the pending transition. If the Executive Director has accepted another position, \_\_\_\_\_\_\_\_\_\_\_\_\_\_’s external communications about the transition are coordinated with the new employer where feasible, so that the network, funders, and other key stakeholders hear from \_\_\_\_\_\_\_\_\_\_\_\_\_\_ before or at the same time there is a public announcement by the new employer. Communications convey the clear message that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ has a plan for an orderly transition and will implement it calmly and systematically, and that it will emerge from the succession an even stronger organization. The Executive Committee meets with the outgoing Executive Director and plans how best to use that individual’s time until departure.

*Longer-term action:* The internal Acting or external Interim Executive Director and outgoing Executive Director work together and with other staff to prepare for a transition of responsibility. The Search Committee does its work. The outgoing Executive Director is appropriately thanked and honored both privately and publicly, and the Acting or Interim Executive Director serves until a new Executive Director begins work.

1. **Planned-departure leadership succession, with at least three months of warning – and ideally at least a year.** This type of transition involves a decision by the Executive Director to leave the organization on an announced date to pursue other career options or retire. Depending upon the lead time given, succession planning may need to be quick or may occur over many months.

*Immediate action required:* The Executive Committee consults with the outgoing Executive Director and agreement is reached on a transition plan and a schedule. The full Board of Directors and the staff are informed. Coordinated announcements are made to the network, funders, partners, allies, and then the community, usually immediately after the transition plan is in place and the date of the Executive Director’s departure has been determined. The communications convey that the transition is planned, the organization will remain in capable hands, and a smooth transition is projected, with the full support of the outgoing Executive Director. The Search Committee is appointed.

*Longer-term action:* The Search Committee carries out its work. The Executive Director works with staff, especially the senior management team, to prepare for departure, following the plan agreed upon with the Executive Committee. This includes having other senior staff members participate in various important meetings and other activities to ensure that at least one person other than the Executive Director is fully aware of key issues, relationships, and activities. The Search Committee consults with the current Executive Director for an assessment of the readiness of probable internal candidates. The Executive Director may or may not have a further role in the search process, as determined by the Search Committee. If the search process is completed before the outgoing Executive Director’s departure, the outgoing Executive Director meets with the incoming Executive Director to discuss key issues and facilitate the transition. If it appears that the search process will not be complete when the Executive Director leaves the organization, an internal Acting or external Interim Executive Director is appointed and involved in meetings and decisions during at least the last month of the Executive Director’s tenure.

***Planning for All Types of Transitions:***To prepare for any type of transition, the Board will ensure that the following information is in place and is updated at least annually:

* **Information checklists** of vital organizational information, from legal documents to banking data, insurance policies and contacts, and leases or deeds, as well as relevant passwords. Focus will be on information under the control of the current Executive Director.
* **Contact lists** of key stakeholders that should be notified about the transition, with names, telephone numbers, and emails, in order of priority/importance.

***Responsibilities:***

* The **Executive Committee,** on behalf of the full Board of Director, is responsible for managing Executive Director transitions, temporary and permanent, including the immediate response, communications with stakeholders, appointment of an internal Acting Executive Director or hiring of an external Interim Executive Director where required, and development and implementation of a specific transition plan appropriate for the situation and consistent with this policy. In the case of a permanent transition, the Executive Committee will also engage with the full Board to discuss whether the transition should become an opportunity for a refinement in \_\_\_\_\_\_\_\_\_\_\_\_’s direction, programs, or strategies.
* The **Acting or Interim Executive Director** has full day-to-day responsibility for \_\_\_\_\_\_\_\_\_\_\_\_\_\_ management and leadership in situations where the current Executive Director becomes temporarily unavailable or leaves the organization. The Acting Executive Director is a senior staff member, usually the [specify position of the most senior manager under the Executive Director] \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. Ideally, \_\_\_\_\_\_\_\_\_\_\_\_\_\_ will have an individual on staff who has been recommended by the Executive Director and designated by the Board as the person who will be asked to serve as Acting Executive Director if needed. If there is no current staff member who can play this role, a Board member may be identified to play this role if an individual is available with the knowledge, experience, and time required. If none is available, an Interim Executive Director will be hired, full- or part-time, to play this role.
* The **Board Chair** – or a designee approved by the Executive Committee – serves as the primary liaison to and supervisor of the Acting or Interim Executive Director.
* For permanent transitions:
* The **Executive Committee,** with the Board’s acceptance, appoints a **Search Committee** of 3-5 current Board members. One or two non-Board members may be asked to serve on the Search Committee if additional expertise is needed and the Board can identify individuals with a deep knowledge or and commitment to the organization who are willing to serve. The Search Committee: (1) reviews \_\_\_\_\_\_\_\_\_\_\_\_\_\_’s mission, goals, and strategies and identifies any needed changes; (2) reviews and refines the current job description and qualifications of the Executive Director consistent with \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_’s needs; (3) assesses the readiness of any current senior manager to become Executive Director; (4) recommends either an internal or external/internal search process, (5) works with Development staff to obtain a special transition grant from a current funder to help support the search process, (6) hires a consultant or search firm if needed; and (7) implements the search, through which it identifies and recommends to the full Board a single individual or several finalists.
* The full **Board of Directors** selects the new Executive Director.

***Required Action:***All Executive Directorial transitions require certain short-term responses, although the immediacy of the response is greater when the transition is unplanned and unforeseen. These actions include:

* **Informing stakeholders,** beginning with all Board members and all staff, then \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_’s volunteers, funders, partner organizations, public officials, media contacts, clients, and the broader community.
* **Acting to maintain \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_’s current activities, relationships, and credibility** throughout the temporary or permanent transition period.

**Internal/External and External Searches**

In any permanent leadership transition, the Search Committee recommends to the full Board whether \_\_\_\_\_\_\_\_\_\_\_\_\_\_ would be best served by hiring internally without considering external candidates, considering both internal and external candidates, or considering only external candidates. If a decision is made that an internal/external or external search is required, the Search Committee will follow a process that enables \_\_\_\_\_\_\_\_\_\_\_\_\_\_ to identify highly qualified candidates with input from selected outside stakeholders, while maintaining Search Committee responsibility for assessing candidates and recommending 1-3 finalists to the full Board for a final hiring decision.

The **Search Committee** will:

1. Agree on the plan for the search and the roles of committee members; includes agreement from all members to keep information about the search process confidential, not to be shared with anyone outside the process, and to discourage external contacts with individual Committee members by referring everyone to the Committee Chair or consultant.
2. Obtain input regarding possible refinements in the current position description and the most important qualifications from the Executive Committee, the outgoing Executive Director if available and in good standing, senior managers who are not candidates, and 1-2 trusted allies. Staff input is particularly important if the past Executive Director is not available.
3. Employ a consultant to assist with the search, and obtain that consultant’s advice and assistance in all steps of the hiring process. If only an internal search is required, the Board may decide that a consultant is not necessary. In general, as a Latino organization, \_\_\_\_\_\_\_\_\_\_\_\_\_ prefers to hire an individual consultant who is familiar with its work or has experience with organizations of similar size and focus, rather than a search firm.
4. Identify a small number of invested external stakeholders to consult for their recommendations regarding the most important qualifications for the new Executive Director and individuals they feel should be considered for the position.
5. Finalize the position announcement for the incoming Executive Director, with assistance from the consultant.
6. Identify a larger number of external stakeholders to consult in identifying candidates for the position.
7. Decide whether to advertise the position locally and perhaps more broadly in selected online or other venues, not advertise publicly but have the consultant look beyond \_\_\_\_\_\_\_\_\_\_\_\_\_\_’s members and other stakeholders for candidates, or look only within \_\_\_\_\_\_\_\_\_\_\_\_\_\_’s circle of stakeholders in identifying candidates. [*Note:* If the Executive Director’s salary is paid partly through public grant or contract funds, it is possible that the grant or contract may require the position to be posted with the State Department of Employment or similar venue.]
8. Have the consultant implement a search for candidates that includes contacts with the invested stakeholders and with additional stakeholders.
9. If this is to be an internal/external search, provide the consultant with the names and contact information for current senior managers who should be considered for the position.
10. Review candidates at several stages in the process to narrow the applicant pool, based on consultant recommendations and summary information obtained through the consultant’s review of resumes and related materials, results of initial interviews, usually conducted by telephone, and recommendations from stakeholders.
11. Receive from the consultant a listing of semi-finalists that reflects additional information gathering, including more extensive interviews by the consultant, assessments solicited from invested stakeholders, and online searches, and agree on a small number of candidates to interview – usually at least two and not more than five.
12. Agree with the consultant on any additional vetting to be done on the candidates still under consideration, including online searches and telephone calls with references provided by the candidates – with agreement that the consultant will inform the Search Committee if references lead to concerns about any candidate. The Committee may direct the consultant to do targeted vetting – for example, contact selected partner organizations for their assessment of a candidate who is known to them, or obtain the perspectives of key appointed or elected officials.
13. At the same time, plan Search Committee interviews with the semi-finalists, including both the questions to be asked of all candidates and the issues to be further explored with individual candidates, and agree on timing for the interviews. The consultant will review legal and ethical issues related to the interview process. If desired, the outgoing Executive Director may be asked to assess these candidates.
14. Conduct interviews with the semi-finalists, debriefing after each interview, with the consultant taking notes and summarizing the discussions. If any candidates are internal, consider the pros and cons of this factor.
15. Based on those interviews, agree on a small number of finalists (usually 1-3) to send to the full Board with the Search Committee’s recommendations – whether that is to hire a particular candidate or to consider all finalists.
16. Arrange a full Board interview with each finalist, with consultant coordination and support.
17. Once a candidate is selected, have the Committee Chair negotiate the terms of employment with the selected candidate and then prepare a Letter of Employment or an Employment Contract with the involvement of Legal Counsel.
18. Working with the Board Chair, prepare and disseminate an announcement of the new Executive Director, including any needed pre-public communications with invested stakeholders. This process will require a press release, communications with key funders, elected officials, and other individuals already identified as part of the succession process, and emails to mailing list.
19. Work with the consultant to inform unsuccessful candidates, taking particular care that valued internal candidates understand that the Board wants them to remain with the organization.
20. Debrief as a Committee, identifying strengths and weaknesses of the process and revising it for the future if necessary.

**Involvement of the Outgoing Executive Director**

If available and in good standing, the Executive Committee and Search Committee may consult the current Executive Director at multiple stages of the transition process. The Search Committee will decide how and to what extent the Executive Director will be involved in its work, and what information will be shared during the process. Involvement might include any or all of the following:

* Recommending refinements in the existing position description and qualifications for the Executive Director;
* Providing an assessment of the readiness of internal candidates to serve as Executive Director, including their strengths and weaknesses and a recommendation if desired;
* Identifying potential external candidates;
* Receiving periodic updates on the progress of the search;
* Providing an assessment of the qualifications of identified candidates; and
* If the Search Committee considers this useful, individually interviewing finalists for the position and providing an assessment of each finalist to the Search Committee prior to its interviews with these candidates, including any suggested areas for special attention in the Search Committee interviews.

The Search Committee may ask the outgoing Executive Director to meet with the incoming Executive Director once negotiations are complete, to support the transition.

The Executive Committee will also consider what, if any, ongoing relationship should exist between the outgoing Executive Director and the organization. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ recognizes that continued involvement of the former Executive Director as a consultant may benefit the organization. Any such arrangement will be approved by the full Board. The new Executive Director will be asked for input, and any agreement will require the concurrence of the new Executive Director, and will ensure the full authority of the new Executive Director.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ does not consider it desirable for an outgoing Executive Director to serve on the Board of Directors.

**Ensuring a Successful Transition**

The Board of Directors recognizes that leadership transition continues well beyond the hiring of a new Executive Director. The Board will facilitate a successful leadership transition through the following actions under the direction of the Executive Committee:

* Arranging for a few days or overlap between the outgoing and incoming Executive Director, where feasible and appropriate.
* Working with appropriate staff to ensure a throughout “onboarding” process, scheduled meetings with all managers and each staff unit, as well as full access to documents and introductions to key funders, partners, and officials.
* Providing clear expectations for the new Executive Director, stated in a mutually agreed work plan that specifies priorities and objectives for the first three, six, and twelve months.
* Providing structured assessments of performance after three, six, and twelve months.
* Arranging for the Executive Director to obtain any needed formal training or coaching based on mutually identified needs.
* Holding regular telephone/video or in-person meetings between the Executive Director and Board Chair, with weekly or bi-weekly calls during the first three months and less frequent meetings over the remainder of the first year; at these meetings, the Executive Director will be encouraged to request needed assistance or advice and a mutually supportive relationship will be established.

1. This model policy differentiates between an Acting Executive Director, defined as a current staff member (or occasionally a current Board member) appointed to lead the organization either for a short period in a temporary unavailability or unplanned/emergency departure of the current Executive Director, and an Interim Executive Director, an individual hired from outside to manage the organization until the current Executive Director returns or a new one is hired. Often this is a professional who has played this role with multiple nonprofits. An Acting Executive Director usually is a candidate for the position, while an Interim Executive Director generally is not. [↑](#footnote-ref-1)