

Succession Planning: What You Don't Anticipate Can Hurt You

Change is inevitable. Changes within the management of a nonprofit organization don't have to be chaotic or devastating to the organization.

While the loss of key leaders probably will be challenging no matter how much you prepare for it, a succession plan can mean the difference between an orderly transition and organizational chaos.

Transition Is Inevitable

According to *Change Ahead: The 2004 Nonprofit Executive Leadership and Transitions Survey* conducted by the Annie E. Casey Foundation, only one-third of association executives polled planned to stay in their position for more than five years. Some of these leaders may be contemplating a move to another organization, but many may simply be thinking of retirement. According to the National Institute on Aging, the number of people living in the U.S. who are age 65 or older will double in the next 25 years.

Your succession plan should be a joint venture between your organization's leaders and your board and address every position that's critical to your group's operation. Keep in mind that the board is responsible for ensuring that succession plans are in place, not doing all of the work.

For smaller nonprofits, the plan may cover only the executive director position. Consider including anyone in your plan whose extended absence would disrupt your operations. For example, your plan might include steps for replacing your finance director, the volunteer coordinator, or highly active board members.

It's essential to give your organization plenty of time.

If you're anticipating a key leader's future retirement, a three- to five-year time-frame might be advisable to allow you to identify, develop and transition to a new leader.

Emergency Transition Checklist

Generally, a well-defined succession plan spans years, but some situations require immediate action. Your organization should also prepare an emergency transition plan in case a key leader departs with little or no warning; whether he or she has accepted a position elsewhere or due to serious illness or death. The plan should include details about:

Key duties. Inventory critical tasks key leaders perform to help ensure you won't be scrambling to determine what needs to be done.

Chain of command. Identify the two or three positions within your organization that would be most capable of assuming the interim leader role if necessary.

Job descriptions. Take time to evaluate and update the job description and look at what the previous person brought to the position - both positive and challenging, and think about what the job will now require.

Communications. Determine how you would communicate the transition to key audiences, including board members, staff, volunteers, major donors, the media and others who regularly interact with your leaders.

While creating your succession plan, consider the future needs of your organization. Assess what is or isn't working, and plan for how a leadership shift might change that. Your assessment should also attempt to predict how programs and key audiences are likely to change. Anticipating what skills and abilities might be required in the near future and in coming decades is essential to defining the attributes and responsibilities of your future leaders.

Identify and Nurture Talent

Once you know the kind of people you're looking for, you can begin to identify the strongest candidates and groom them for new roles. Remember that candidates don't need to be fully qualified immediately. They should demonstrate the potential to grow into leadership positions.

Look within your organization for motivated, dedicated employees or volunteers who can be nurtured and mentored as future leaders. Promoting from within flattens the learning curve when bringing new employees on board. Compared to outsiders, internal candidates already have a deep understanding of your organization's mission, challenges and culture. Internal promotion also can motivate employees by showing that there's a career path in your organization.



Hiring from outside, however, might make sense if your organization has a significant expertise gap. For example, your programming might be strong, but your fund raising might be weaker. In this case, finding an outside candidate who's capable in both areas could be a sound investment in your organization's future.

Making a Successful Transition

Whether future leaders come from inside or outside your organization, they need training, mentoring and the support of your board. Future leaders should be encouraged to take courses and attend seminars on the skills that will provide them with the knowledge they may lack currently.

It's also important — particularly with internal candidates — to create opportunities for them to exercise their leadership skills. You might, for example, assign them the lead on high-profile projects. You should allow them to interact with board members so that they can gain an understanding of the board/staff relationship and get to know members of this group.

Chaos Isn't Inevitable

Changes at the top of your organization are inevitable, but chaos doesn't need to be. By anticipating the departure of leaders and mentoring their future replacements, you can help ensure that your nonprofit remains strong, even in times of transition.



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