Succession Planning for CAAs

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What is Succession Planning?

A **systematic process** for ensuring leadership availability, **continuity**, and **appropriate development** of an organization’s leadership talent.
Agenda

• Questions to answer
• Overview of resources
• Succession planning
• Executive transition management
CSBG Organizational Standards

• While Succession Planning is good management and governance practice, it is included in the Organizational Standards submitted to OCS in July, 2013

• Makes certain tasks core to meeting the proposed standards
  – Emergency Succession Plan
  – Succession Policy and Process
Proposed CSBG Organizational Standards

Organizational Leadership

• **Standard 4.4 • private**
  The Organization has a written succession plan in place for the CEO/ED, approved by the governing board, which contains procedures for covering an emergency/unplanned, short-term absence of 3 months or less, as well as outlines the process for filling a permanent vacancy.

• **Standard 4.4 • public**
  The Department adheres to its local government’s policies and procedures around interim appointments and processes for filling a permanent vacancy.
Three Tools Built Around Executive Succession

1. Organizational Sustainability Planning

2. Succession Planning

3. Executive Transition Management
Community Action Resources

- Preparing for Your Community Action Agency’s Future: Sustainability, Succession & Transition
  - Part 1: Organizational Sustainability Planning
  - Part 2: Executive Succession Planning Guide
  - Part 3: Executive Transition Management Guide
  - Developed by Community Action Partnership and Transition Guides
  - PDF available online, print copies available
  - Webinar recording posted
- www.communityactionpartnership.com
  - Resources/Toolkits and Webinars
  - National Training Center/Toolkits and Webinars
- www.csbgutta.org
  - Resource Bank

These publications were created by the National Association of Community Action Agencies – Community Action Partnership, in the performance of the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Community Services Grant Number 90ET0428 and 90EQ0231. Any opinion, findings, and conclusions, or recommendations expressed in this material are those of the author(s) and do not necessarily reflect the views of the U.S. Department of Health and Human Services, Administration for Children and Families.
Three Complementary Ways to Build Agency Leadership

1. Executive Succession Planning

2. Building Leadership Within the Agency

3. Giving Staff the Chance to Develop Skills

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Other Resources

Nonprofit Executive Succession-Planning Toolkit

Federal Reserve Bank of Kansas City
Denver • Oklahoma City • Omaha

Building Leaderful Organizations
Succession Planning For Nonprofits

The Annie E. Casey Foundation
Broader Sustainability Resource

  - Jeanne Bell, Jan Masaoka, Steve Zimmerman
  - Fiscal Oversight combined with programmatic oversight
  - [www.josseybass.com](http://www.josseybass.com)
Why Plan for Succession?

• Gets us beyond an uncomfortable truth that we avoid:
  – *All careers lead to a transition, eventually...just a matter of when, how and how well managed*

• Helps ensure organizational sustainability

• Increases likelihood of successful transitions

• Helps mitigate risk
Two Tracks - Transition Readiness

Executive

Organizational
Executive Readiness Factors

- **Timing**
- **Professional**
  - Prepared the organization
  - Minimal unfinished business
  - Exit/departure plan
- **Personal**
  - Moving on: Something to move to
  - Emotional - ready to let go
  - Financial
  - Family/significant other’s alignment
  - Support network in place

*Source: Preparing for Your Community Action Agency’s Future: Sustainability, Succession & Transition, Transition Guides and Community Action Partnership*
Organizational Readiness Factors

- **Organizational**
  - Critical sustainability factors addressed
  - Succession policy or transition plan
  - Ideally, some financial cushion

- **Board**:
  - Transition/succession competency
  - Good leadership to lead the transition

- **Staff**:
  - Right skills on the team
  - Team structured for the future
  - Transition/succession competency

Source: Preparing for Your Community Action Agency’s Future: Sustainability, Succession & Transition, Transition Guides and Community Action Partnership
Overview: Leadership Sustainability and Executive Transition Management

Source: Preparing for Your Community Action Agency’s Future: Sustainability, Succession & Transition, Transition Guides and Community Action Partnership
Succession Planning

• Two Philosophical Frames:
  – Replacement – Filling a position after a departure
  – Developmental – Developing a pipeline of leaders

• Three Components:
  – Leader Development – Proactive talent management
  – Departure-Defined – Organizational prep for sustainability and executive prep for transition
  – Succession Essentials – Emergency backup plan and board-adopted succession policy
Succession Essentials

The “Essentials”

Board Adopted Succession Policy and Executive Backup Plan(s)

Ensure Continuity
Process Overview for Implementing Succession Essentials

Preparing for Your Community Action Agency’s Future

- Organize Task Force
- Orient/Organize Project
- Gather Documents
- Update Job Descriptions
- Develop Emergency Backup Plan
- Develop Succession Policy
- Review/Reflect with Task Force
- Review/Reflect with Board
- Finalize & Implement

Source: Transition Guides/Community Action Partnership Succession Planning Toolkit
Step One: Organize a Small Task Group

- 3-5 members
- CEO/ED + senior management team members (typically includes representative from HR)
- Board members (typically includes board chair)
Step Two: Orient the Task Group

- Review the Executive Succession Planning Guide
- Define roles
Step Three: Gather Supporting Documents

• Job descriptions
• Staff organizational chart
• Strategic plan
Step Four: Update Job Descriptions

- Review current job descriptions
- Discuss how position responsibilities might evolve
Step Five: Develop Emergency Backup Plan(s)

Covers short and long-term absences. Contains three parts:

• Body of the plan (includes definitions and an overview)
• Current job description
• Emergency backup plan detail
Emergency Backup Plan

1. Rationale: Purpose of the plan
2. Priority functions: Mission-critical responsibilities
3. Business as usual: 3-6 leadership activities critical for the position
4. Plan implementation: Who is responsible and role of the board
5. Definitions: Short and long term, etc
Emergency Backup Plan

6. Plan details
- Who may appoint
- First and second backup
- Cross-training of backups
- Authority and restrictions
- Compensation
- Oversight and support
- Communications plan
Emergency Backup Plan

7. Longer term, unplanned absence (more than two or three months)
8. Permanent unplanned absence
9. Approvals and maintenance of record (annual board update)
Community Action Template

Appendix 1 – Emergency Backup Succession Plan Template

[CAA]
CEO

Guideline for the Appointment of an Acting CEO in the Event of an Unplanned Absence of the Incumbent

Rationale

The CEO position in a nonprofit organization is a central element in the organization’s success. Therefore, ensuring that the functions of the CEO are well-understood and shared among the executive team and senior staff is important to ensure organizational stability and leadership continuity in the event of unplanned and unexpected change. This kind of risk management is equally helpful in facilitating a smooth leadership transition even when it is predictable and planned.

The purpose of this plan is to ensure the continuous coverage of duties critical to the ongoing successful operations of [CAA]. The board of directors is adopting policies and procedures for the temporary appointment of an acting CEO in the event of an unplanned and extended absence of the CEO. The board chair, or board vice-[president/chair] in the absence of the board chair, may
# Community Action Template

Appendix 1 – Attachment 2 – Emergency Backup Plan Detail

## Emergency Backup Plan Detail

<table>
<thead>
<tr>
<th>Name:</th>
<th>[insert name and title]</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Backup:</td>
<td>[insert name and title of first backup]</td>
</tr>
<tr>
<td>Second Backup(s):</td>
<td>[insert name and title of second backup]</td>
</tr>
</tbody>
</table>

## Communications Plan

<table>
<thead>
<tr>
<th>Who’s being contacted?</th>
<th>Who’s contacting them?</th>
<th>How will they be contacted?</th>
<th>By when will they be contacted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name, [Title]</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For Longer Term Staffing: For longer term staffing, would the staffing strategy remain the same or would it need to be reconsidered?

## Short-Term Staffing of Key Functions

<table>
<thead>
<tr>
<th>Key functions</th>
<th>Short term staffing strategies (Under 5 months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Name], [Title]</td>
<td></td>
</tr>
</tbody>
</table>

## Cross-training Plan

<table>
<thead>
<tr>
<th>Cross-training Area</th>
<th>Staff to be cross-trained this area</th>
<th>Trainer</th>
<th>Plan/timeline for training</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Name], [Title]</td>
<td>[Name], [Title]</td>
<td>[Name], [Title]</td>
<td>[Describe the training and duration]</td>
</tr>
<tr>
<td>[Name], [Title]</td>
<td>[Name], [Title]</td>
<td>[Name], [Title]</td>
<td>[Describe the training and duration]</td>
</tr>
<tr>
<td>[Name], [Title]</td>
<td>[Name], [Title]</td>
<td>[Name], [Title]</td>
<td>[Describe the training and duration]</td>
</tr>
<tr>
<td>[Name], [Title]</td>
<td>[Name], [Title]</td>
<td>[Name], [Title]</td>
<td>[Describe the training and duration]</td>
</tr>
</tbody>
</table>
# Community Action Template

## Critical Relationships

<table>
<thead>
<tr>
<th>Critical relationship that must be maintained</th>
<th>Who’s accountable for maintaining?</th>
<th>Contact information (Contact information location)</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Name], [Title] and [Name], [Title]</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Critical Information and Contact Inventory

- Last updated: ____________
- Employer Identification Number (EIN) #: _______________________

## Corporate Records

<table>
<thead>
<tr>
<th>Onsite Location</th>
<th>Offsite Location</th>
<th>Online URL</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRS Determination Letter</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IRS Form 1023</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bylaws</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board Minutes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Seal</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Annual Key Events/Milestones Calendar

<table>
<thead>
<tr>
<th>Month</th>
<th>Key Events/Milestones (Only those that directly involve CEO)</th>
<th>Key Associated Activities/Responsibilities (CEO’s accountability or involvement)</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February</td>
<td></td>
<td></td>
</tr>
<tr>
<td>March</td>
<td></td>
<td></td>
</tr>
<tr>
<td>April</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Financial

<table>
<thead>
<tr>
<th>Onsite Location</th>
<th>Offsite Location</th>
<th>Online URL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current and previous Form 990s</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current and previous audited financial statements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Statements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State or District Sales Tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exemption Certificate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blank Checks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer passwords</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donor Records</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Client Records</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vendor Records</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volunteer Records</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Community Action Template

Auditor
Name: ________________________________
Company: ________________________________

Insurance Information

Directors and Officers
Company Name & Policy Number: ________________________________
Contact Name: ________________________________
Phone: ________________________________
Email: ________________________________

General Liability
Company Name & Policy Number: ________________________________
Contact Name: ________________________________
Phone: ________________________________
Email: ________________________________

Other
Company Name & Policy Number: ________________________________
Contact Name: ________________________________
Phone: ________________________________
Email: ________________________________

Appendix 1 – Attachment 2 – Emergency Backup Plan Detail
Phone Number: ________________________________
Email: ________________________________

Bank
Name(s): ________________________________
Account Numbers: ________________________________
Branch Representative(s): ________________________________
Phone: ________________________________
Fax: ________________________________
Email: ________________________________

Investments
Financial Planner / Broker Company: ________________________________
Representative Name: ________________________________
Phone: ________________________________
Step Six: Develop Succession Policy

• Only needed for CEO – but strongly recommended for other positions
Succession Policy

1. Guiding principles: Hire from within, competitive search, experience with the Network
2. Lines of authority: Board selects CEO/ED and CEO/ED selects staff
3. Emergency backup plan
4. Board action in the event of a vacancy in the CEO/ED position (if no immediate replacement)
5. Preparation timeframe for replacement
6. Role of outgoing CEO/ED
7. Initial implementation of transition plan
8. Commitment regarding diverse candidates
Appendix 2 – CEO Succession Policy Template

[CAA]
CEO

Succession Policy

Introduction

A change in executive leadership is inevitable for all organizations. It is a time of both risk and opportunity. It is a period in an organization’s history when the board president must increase his/her level of engagement. It is also a time when some may seek assurance of the organization’s viability and long-term sustainability.

A succession policy for the CEO position is a routine risk management and sustainability planning tool. The policy ensures organizational sustainability by providing a proactive, orderly plan for executive leadership transitions.

To that end, the Board of [CAA] is adopting this succession policy for purposes of:

- Focusing board attention on leadership team development through annual communications between the CEO and board about the depth of staffing and succession plans for management team positions
- Establishing principles, role clarity and procedures to support positive leadership transitions that foster good endings and beginnings with departing and arriving leaders, and build organizational capacity when a planned or unplanned executive leadership change occurs.

The board president shall be responsible for implementing this policy and its related procedures, and for annually reviewing and updating the policy as needed.

In the event of a planned or unplanned leadership transition, the board shall immediately appoint a transition committee which shall plan and manage the transition, including the search for a new CEO.

- [CAA] is open to and will consider both internal and external candidates when filling the CEO position. A national search will be conducted unless the board concludes that a current staff member is appropriate and available for the job.
- In organizations such as [CAA], the CEO’s position is often shaped by the incumbent’s talents and areas of specialized interest. That person’s departure might necessitate organizational changes including the creation of new positions and/or realignment of current positions.
- The preeminent goal of a transition to a new CEO is maintaining continuity of [CAA]’s mission-related work. A transition also presents an opportunity for the organization to continue to grow and develop.

Lines of Authority

1. The selection of the CEO is the responsibility of the board.
2. The current CEO has the responsibility to continuously identify, encourage, and help to develop senior managers within the organization who are qualified to meet future leadership needs, whether that be on a temporary or permanent basis.
3. The current CEO has the responsibility to plan for the orderly transition of all senior managers.

Emergency Backup Plan

1. Related to the position of CEO: To be prepared at all times for a leadership transition, the organization shall maintain an up-to-date Emergency Backup Plan with guidelines for the planned or unplanned short-term and long-term absence of the CEO. This plan is approved by the board and should be reviewed annually. The plan can also serve as the transition plan when there is a vacancy in the CEO position.
2. Related to management team positions: To be prepared at all times for a senior management transition, the CEO shall maintain an up-to-date Emergency Backup Plan with guidelines for the planned or unplanned short-term and long-term absence of members of the management team. Those plans shall be provided to the board president and made available to the board.

Board Action in the Event of Vacancy in the CEO Position

1. Organizational Assessment: The board or transition committee shall take time to assess the leadership needs of the organization before the search for a new CEO is conducted. The assessment shall include a review and update (if needed) of the organization’s strategic plan. The assessment will be designed to help assure the selection of a qualified and capable leader.
Community Action Template

Preparation Time Frame for Replacement of the CEO

1. The optimal period for the CEO to announce his/her departure from that role—or proposed commencement of a new role in the organization—is at least six to twelve months before the date of departure.
2. The organization’s board understands that the time required for successfully completing a planned leadership transition is approximately eight to twelve months.

Role of the Outgoing CEO in Planned Transitions

The departing CEO, unless otherwise directed by the transition committee, will be involved in some transition activities such as: fundraising, communicating with funders and other stakeholders, and briefing the incoming CEO. The departing CEO’s role during the transition and after the new CEO starts shall be developed in consultation with the board president and/or transition committee and communicated to the board.

Initial Implementation of the Transition Plan

1. Within fifteen (15) days of the announcement of a planned departure, the board president shall appoint a transition committee. This committee shall be comprised of at least three members of the board. Other external stakeholders and/or staff may be recruited to advise or assist the committee at the discretion of the board president and transition committee.
2. The transition committee will develop a transition plan that addresses: the appropriate preparation prior to launching the search, the conduct of the search and selection process, and the post hire follow-through to ensure the successful onboarding of the new CEO.
3. The transition committee shall be responsible for implementing this transition plan and further developing the plan as needed. At its first meeting, the transition committee shall determine its role, including responsibilities related to conducting the search process. (The transition committee may recommend that the board president appoint a separate search committee, while the transition committee manages the overall transition process for the organization.) The committee shall also discuss and decide on how the senior staff will be substantively involved in the transition planning process and consulted in the selection process.
4. The transition committee shall also determine the need for consulting assistance (i.e., transition management consultant and/or executive search firm) based on the circumstances.
5. As needed, the board president shall authorize an organizational assessment and schedule a board retreat to review and refresh the organization’s strategic plan.

[Organization Name] Commitment Regarding Diverse Candidates and Staff Leader Development

1. In order to provide career advancement for staff, the organization shall encourage the professional development of current employees.
2. In order to support the board’s due diligence and ensure that the best possible candidate is hired, the organization shall implement a search and selection process that is open to internal and external candidates.
3. In order to develop a finalist pool that is reflective of the community, the organization shall work proactively to develop a diverse pool of candidates for the CEO position.

Adopted by the Board of Directors on the ___ day of ___________ 2014.

______________________________
[First Name] [Last Name], [Title]
Step Seven: Review and Reflect with Task Group

- What have we learned about bench depth and organizational sustainability?
- Beyond the two documents, what are recommendations to improve organizational sustainability and leadership development?
- Does the process just defined reflect organizational values and capabilities?
- Is there enough detail?
Step Eight: Review and Reflect with the Board

• Send documents in advance
• Discuss questions (and other keys issues) covered in step seven
• Get board approval
Step Nine: Finalize and Put on Calendar for Review

• Set annual review of documents
• Follow-up discussions with staff and leadership team
What is an Executive Transition?

• **Executive Transition**
  – Begins: Executive’s decision to depart (or Board’s decision to terminate)
  – Extends: Through the recruitment and hiring
  – Concludes: Completion of the first full budget cycle with new executive

• **Executive Transition Management (ETM)**
  – A three-phase approach
    1) Planning & Preparation
    2) Recruitment/Selection & Platform Building
    3) Post-Hire Installation & Support
  – Holistic management of entire departure-recruitment-onboarding process
# Community Action Template

## Appendix 1 - Sample Transition Timeline

<table>
<thead>
<tr>
<th>Activity</th>
<th>Responsibility</th>
<th>Target Date(s)</th>
<th>Estimated Time Needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct Transition Committee Project Launch Meeting</td>
<td>Task Committee</td>
<td>Week 1</td>
<td>1 hour</td>
</tr>
<tr>
<td>Conduct Board/Staff Interviews &amp; Report Development</td>
<td>Task Committee</td>
<td>Week 1-2</td>
<td>-</td>
</tr>
<tr>
<td>Conduct Planning Session w/ Sr. Staff</td>
<td>Task Committee</td>
<td>Week 2</td>
<td>-</td>
</tr>
<tr>
<td>Draft Transition Plan</td>
<td>Task</td>
<td>Week 2</td>
<td>-</td>
</tr>
<tr>
<td>Review Org. Review &amp; Position Profile</td>
<td>Task Committee</td>
<td>Week 2-3</td>
<td>-</td>
</tr>
<tr>
<td>Conduct Strategy &amp; Leadership Bonus Session</td>
<td>Task</td>
<td>Week 3</td>
<td>1.5 to 3 hours</td>
</tr>
<tr>
<td>Review &amp; Finalize Profile &amp; Search Plan (Meeting or Call)</td>
<td>Task Committee</td>
<td>Week 3</td>
<td>1.5 hours</td>
</tr>
<tr>
<td>Launch Phase</td>
<td>Task</td>
<td>Week 3</td>
<td>-</td>
</tr>
<tr>
<td>Conduct Organizational Analysis</td>
<td>Task</td>
<td>Week 3-4</td>
<td>-</td>
</tr>
<tr>
<td>Review Resume, Vet Transition Candidates, etc.</td>
<td>Task</td>
<td>Week 4-6</td>
<td>-</td>
</tr>
<tr>
<td>Provide Periodic Search Updates (1 week)</td>
<td>Task</td>
<td>Week 4-6</td>
<td>-</td>
</tr>
<tr>
<td>Search Committee Meeting (or Call)</td>
<td>Task Committee</td>
<td>Week 5</td>
<td>1.5 hours</td>
</tr>
<tr>
<td>Round 1 Interviews</td>
<td>Task Committee</td>
<td>Week 7-8</td>
<td>3 hours</td>
</tr>
<tr>
<td>Conduct Site Visit, Coaching Session w/ Sr. Staff</td>
<td>Task</td>
<td>Week 9</td>
<td>-</td>
</tr>
<tr>
<td>Site/Office Visit &amp; Meet with Departing Exec. &amp; Sr. Staff</td>
<td>Task</td>
<td>Week 9-10</td>
<td>-</td>
</tr>
<tr>
<td>Conduct Final Reference Check</td>
<td>Task</td>
<td>Week 10</td>
<td>-</td>
</tr>
<tr>
<td>Round 2 Interviews</td>
<td>Task Committee</td>
<td>Week 11</td>
<td>3.5 hours</td>
</tr>
<tr>
<td>Meeting to Ready Selection</td>
<td>Task</td>
<td>Week 12</td>
<td>-</td>
</tr>
<tr>
<td>Interviews</td>
<td>Task</td>
<td>Week 12-13</td>
<td>-</td>
</tr>
<tr>
<td>Notify CEO of Expected Candidate(s)</td>
<td>Task Committee</td>
<td>Week 13</td>
<td>-</td>
</tr>
<tr>
<td>Plan Onboarding Process</td>
<td>Task Committee</td>
<td>Week 17</td>
<td>1 hour</td>
</tr>
<tr>
<td>Conduct Onboarding Transition Call/Meeting</td>
<td>Task Committee</td>
<td>Week 18</td>
<td>-</td>
</tr>
<tr>
<td>Support Exec. To Develop a 90-Day Entry Plan</td>
<td>New Chief Executive</td>
<td>Week 18</td>
<td>-</td>
</tr>
<tr>
<td>Conduct Exit Interview</td>
<td>New Chief Executive</td>
<td>Week 19</td>
<td>-</td>
</tr>
<tr>
<td>Implement Orientation Plan</td>
<td>New Chief Executive</td>
<td>Week 20</td>
<td>-</td>
</tr>
<tr>
<td>Conduct Performance Check-Ins</td>
<td>New Executive</td>
<td>30 days post-join</td>
<td>30 min</td>
</tr>
<tr>
<td>Conduct Financial/Audit/Expenditure/Performance Measures Disclosures</td>
<td>New Chief Executive</td>
<td>60 days post-join</td>
<td>2-4 hours</td>
</tr>
<tr>
<td>Conduct Performance Check-Ins</td>
<td>New Executive</td>
<td>90 days post-join</td>
<td>30 min</td>
</tr>
</tbody>
</table>
Process Overview:
Executive Transition Management

**Prepare**
- Organize & Tailor the Process
- Gather Information
- Engage the Board
- Develop Profile & Search Plan

**Search**
- Launch the Search
  - Recruit
  - Screen
  - Select
  - Hire

**Onboard**
- Onboard
- Relate
- Evaluate
- Support

Board clarity and alignment about the four factors critical to the search and transition.

An exceptional executive selected – who fits the current and future leadership needs of the organization

Board-executive alignment on priorities, roles and performance measures.

OUTCOME: Increased capacity to deliver organization’s mission under new leadership.

*Source: Preparing for Your Community Action Agency’s Future: Sustainability, Succession & Transition, Transition Guides and Community Action Partnership*
1. Preparation

• Ensure the organization is ready to search/hire:
  – Organization is stable – financially, politically, emotionally
  – Smart, committed & available chair & committee
  – Take the time - understand the current & future leadership needs
  • Requires assessment, reflection & planning
  – Board is clear about the Four Big Questions driving the search:
    • Who do you want to hire? What’s the profile?
    • Why? Why that profile? Link to future direction?
    • What do you want new executive to do? Priorities?
    • What do you need to do to get ready?
1. Preparation

• Address the organizational barriers to executive readiness:
  – Lack of an obvious successor
  – Unfinished business
  – Waiting for the perfect time
  – Board and staff resistance to change

• Others:
  – Make the CEO job more doable
  – Deal with system issues: what needs fixing & areas over-reliant on CEO
  – Bring the CEO salary and benefits up to “market rate”
Tips for Preparation

• Clear about handling internal candidates
• Clear about commitment to diversity
• Resist the temptation to hire too quickly
• Strive for a good ending with the current executive
• Consideration of bringing on an Interim ED/CEO
2. Search & Selection

- Clear position profile that’s not a dusted off old job description
- Smart, strategic search plan to market the position
- Robust outreach to build the pool
- Diverse finalist pool; to achieve begins with strategic outreach
- Multi-stage vetting & interviewing process that nets a deep understanding of candidates
- Engage the staff in the process, but not in committee interviews
- Identify & address legacy issues and/or make them known to finalists - transparency
3. Post Hire/Onboarding

- Appropriate announcement plan and actions
- Provide a solid orientation for the new executive
  - Strive for a great launch
- New executive develops 90-100 day entry plan, ideally before “day one”
- Pay special attention to relationships – handoffs; new executive builds them early
- Pay attention to the board-executive social contract
  - Agree on 12-18 month priorities
  - Clarify roles, responsibilities & expectations
  - Phases and challenges of taking charge
  - Establish performance monitoring & evaluation process
Succession Planning, when coupled with a comprehensive Leadership Development program, can prepare an agency for any unexpected departure of key staff, while also increasing the capacity of the organization to adapt to change and meet the challenges of the future.
Why Develop Internal Leadership?

• Build agency capacity
• Strengthen human resources
• Tap the intellectual capital in the organization
• Help employees realize their career plans within the organization
• Improve employee morale by giving them a way to better themselves and be challenged
• Allow the organization to respond to changing environmental demands
• If downsizing is required, it provides information to cope with the effects of downsizing by knowing where organizational strengths are, and which positions are most critical to the sustainability of the agency
Building Leadership Within the Agency
Leadership Development Checklist

• Obtain a commitment to a leadership development program
• Assess the agency’s present work and people needs
• Assess the agency’s future work and people needs
• Establish a succession planning program
• Identify and develop individual talent
• Evaluate individuals and the program
Assess Bench Strength By Organization

Batter Up! Developing Your Leadership Bench
Personal Planning

Knowing When It’s Time To Leave

• Are you personally prepared to move on?
  – Employability/retirement; have something to move to
  – Financially prepared
  – Emotionally prepared

• Are you still the right leader?
  – Do you fit the current and future leadership needs/opportunities?
Personal Planning

Early Stage Planning

• Private musings: vacation/sabbatical/real change
• Clarify readiness to declare – with whom & when
• Stealth or overt planning
  – Depends on trust, culture and timing
  – Stealth: external confidants, coach, trusted chair or past chair
  – Overt: a broader circle of internal confidants – exec. committee
• Have communications plan in place before going public
• Don’t underestimate reaction – think empathy & assurance
Personal Planning

Early Stage Planning

• Take necessary actions to get personal clarity

• Invest energy into creating the next phase of your life – create or identify something exciting

• Pick a date... and stick to it

• Avoid being pressured into speculating on plans before you want to or ready to

• Address any sticking points that make you feel like you are being held hostage or limit you choices

• Identify and deal with your personal barriers to readiness
Community Action Resources

- **Preparing for Your Community Action Agency’s Future: Sustainability, Succession & Transition**
  - Part 1: Organizational Sustainability Planning
  - Part 2: Executive Succession Planning Guide
  - Part 3: Executive Transition Management Guide
  - Developed by Community Action Partnership and Transition Guides
  - PDF available online, print copies available
  - Webinar recording posted
- [www.communityactionpartnership.com](http://www.communityactionpartnership.com)
  - Resources/Toolkits and Webinars
  - National Training Center/Toolkits and Webinars
- [www.csbgutta.org](http://www.csbgutta.org)
  - Resource Bank

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Tools Included

Preparing for Your Community Action Agency’s Future

- Organizational Sustainability Mini-Assessment
- Emergency Backup Succession Plan Template
- Emergency Backup Plan Detail
- CEO Succession Policy Template
- Sample Transition Timeline
- Interim Chief Executive Sample Agreement & Work Plan
- Chief Executive’s Position Profile & Job Announcement Templates
- Nonprofit Job Posting Web Sites
Tools Included

Preparing for Your Community Action Agency’s Future

- Sample Resume Scoring Sheet
- Sample Phone Screening Questions
- Sample Interview Agenda & Questions
- Sample Interviewee Rating Criteria
- Sample Reference Checking Questions
- Sample Employment Offer Letter
- Sample Regrets Letters to Candidates
- Sample Chief Executive 90-Day Entry Plan
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