

[Organization Name]

Executive Director 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 Executive Director 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 [Organization Name] is adopting this succession policy for purposes of:

- Focusing Board attention on leadership team development through annual communications between the Executive Director 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 Executive Director.

Guiding Principles

- [Organization Name] is open to and will consider both internal and external candidates when filling the Executive Director 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 [Organization Name], the Executive Director's position is often shaped by the incumbent's talents and areas of specialized interest. That person's departure might necessitate other organizational changes including the creation of new positions and/or realignment of current positions.
- The preeminent goal of a transition to a new Executive Director is maintaining continuity of [Organization Name]' 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 Executive Director is the responsibility of the Board.
2. The current Executive Director 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 Executive Director has the responsibility to plan for the orderly transition of all senior managers.

Emergency Backup Plan

1. Related to the position of Executive Director: 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 Executive Director. 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 Executive Director position.
2. Related to Management Team Positions: To be prepared at all times for a senior management transition, the Executive Director 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 Executive Director 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 Executive Director 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 who fits well with the organization's mission, vision, values, culture, goals, and objectives, and who has the necessary skills to lead the organization.
2. Option of appointing an Acting or Interim Executive Director: To assure the organization's operations are not interrupted while the Board assesses the leadership needs and recruits a new Executive Director, the Board may appoint an Acting Executive Director from among senior executive staff or hire an Interim Executive Director from outside the organization.
3. Duties of the Acting/Interim Executive Director: Among such duties will be to ensure that the organization continues to operate without disruption and that all organizational commitments previously made are appropriately executed, including but not limited to, speaking engagements, grant and contract obligations, reports, licenses, certifications, membership renewals, and other obligations to funders and other stakeholders.
4. Simultaneous transitions for the Executive Director and Senior Management Positions: After appointing an Acting or Interim Executive Director from within, the Board may make

other temporary senior management appointments from among other senior management staff, external hires, or whatever combination of those options best assures continuity in leadership and program success through the transition period and afterwards.

Preparation Time Frame for Replacement of the Executive Director

1. The optimal period for the Executive Director 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 Executive Director in Planned Transitions

The departing Executive Director, 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 Executive Director. The departing Executive Director's role during the transition and after the new Executive Director 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. See Attached Guide: Transition Committee Roles and Activities
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 Executive Director position.

Adopted by the Board of Directors on the ____ day of _____, 2008.

[First Name] [Last Name], [Title]

Guide to Transition Committee Role and Activities

The transition committee is an ad hoc committee whose purpose is to plan and oversee the entire executive transition process. Typically, the duration of the committee's appointment is from the beginning of the transition through the successful completion of the installation of the new executive and completion of his/her six month performance review.

Composition

The committee is typically composed of five members, but usually no more than seven if it is also serving the role of the search committee. Ideally the committee will include past, current and prospective future board leaders, such as the past board chair, a current officer and an emerging board leader. In most cases the committee is chaired by the board chair or another officer. Many organizations include a senior member of the staff on the committee, but this person should not be a prospective candidate for the executive director position. In these instances, the staff member participates in Phase 1 (Preparation) and 3 (Posthire), and may be involved in the search outreach and early stage of the selection process, but is usually not involved in the interviews.

Structure

In most cases, it is advisable for the transition committee to also serve as the search committee. In cases where the transition is complex and the transition committee faces a complicated set of duties, a larger transition committee might be advisable and a subset may be designated as the search committee. Similarly, some organizations parcel out the work to various subcommittees (search, interviews, etc.) in order to provide broader involvement of the board. Increased inclusiveness is a worthy goal, but more complex structures usually require more effort to coordinate and facilitate effective communication. In most cases, a good rule of thumb is that a simpler structure is usually better.

Staff Involvement

One of the early tasks of the board is to determine how to appropriately include staff in the transition process. Staff perspective and appropriate involvement can be extremely helpful in planning and carrying out the transition. This involvement increases communication, reduces anxiety and is generally quite valuable for key transition activities, for example, involvement in the Strategic Review and Leadership Planning session, working with the transition committee to prepare the organization to receive the new executive, and assisting in the new executive's orientation and announcement to the community.

Typical Duties

Typical duties of the transition committee across the three phases of the transition include the following:

Phase 1 - Prepare

1. Oversee the search and transition planning process.
2. Assure healthy closure with the departing executive—plan appropriate acknowledgement and farewell activities.
3. Provide appropriate board attention and assurance for the staff. Help them come to terms with the transition and enlist their support and appropriate level of involvement in the transition.
4. Ensure that appropriate leadership is in place for the interim period if needed—define the role of the departing executive or assist the board in the appointment of an acting director or interim executive.
5. Provide guidance for organizational self-assessment process, review results and advise on follow-up activities with board and staff.
6. Ensure that the planning for the search and transition is based on the board having reviewed the organization's strengths and challenges and conducted a fresh appraisal of the organization's vision and strategic direction, typically through a special board meeting or retreat.
7. Develop and oversee action plans to address agreed upon transition issues.

Phase 2 - Pivot

8. Create a profile of skills and characteristics needed in next the ED.
9. Plan and execute the executive search.
10. Ensure that appropriate advertising, outreach and other recruitment activities are conducted that result in a diverse pool of suitable ED candidates.
11. Screen candidates, conduct interviews, check references and forward finalist(s) to the board for selection.
12. Negotiate terms of employment with selected candidate.

Phase 3 - Thrive

13. Plan the announcement of the new executive to internal and external stakeholders.
14. Provide guidance to planning of overlap period between departing and new executive and ongoing role of departing executive, if any.
15. Ensure that the new ED receives an appropriate orientation to the organization's history, programs, key stakeholders and systems.
16. Plan for a proactive board-executive relationship-building process that results in clarification of 12- to 18-month priorities, delineation of roles and establishment of a performance monitoring and review mechanism.

Key Activities of the Transition Committee (including search)

Generally, the activities of the transition committee are organized around periodic (every 4-6 weeks) meetings and a block of time devoted to reviewing the resumes. Additional meetings may be required of the committee or a subset to address key transition issues and/or monitor progress toward achievement of the transition goals outlined in the transition plan.

1. Organizing Meeting/Call – A face-to-face meeting or conference call, usually 45-60 minutes in duration, held as early as possible in the process. Typical actions at this meeting include:
 - a. Review the preliminary timeline and overall plan for the search and transition.
 - b. Discuss the handling of the organization's management during the search and transition, role of the departing executive, need for an interim executive, appointment of an acting director, etc.
 - c. Discuss closure activities pertaining to departing executive.
 - d. Develop recommendations on the role of staff in the transition process.
 - e. Review plans for the organizational assessment and the Strategic Review and Leadership Planning Session with the board.
 - f. Discuss how internal candidates will be handled.
2. Preparing the Organization and Addressing the Transition Issues – Various actions throughout the transition to prepare the board and staff to work effectively with the new executive. Typical activities include:
 - a. Transition consultant (ideally along with the board chair or transition committee chair) meet with the staff early in the process to address fears/concerns and brief them on the transition process and timeline.
 - b. As the search draws to a close, transition consultant (ideally along with the board chair or transition committee chair) meet with staff to brief them on next steps in process and staff involvement in the orientation and launch of the new executive.
 - c. Oversee the actions to address the transition issues (issues that might distract the new executive or blunt his/her initial performance) that are identified in the planning stage. This may include improvements to problematic systems, change in staffing, clarification the board's role, etc.
3. Search & Transition Plan Review Meeting/Call – Typically a 1-1/2- to 2-hour meeting held after the Strategic Review and Leadership Planning session with the board in which the committee ensures that the organization is ready to move into Phase 2 of the search and transition. Typical actions include:
 - a. Review and approve the search plan. Finalize the position profile and position announcement. (May require additional signoff by the executive committee or board depending on the transition committee's charge.)
 - b. Discuss the transition issues identified at the Strategic Review and Leadership Planning session and review/develop a plan to address.
 - c. Agree on how internal candidates will be handled.

- d. Discuss the board's and staff role in helping to develop a deep, diverse pool of candidate and helping to prepare the organization to work effectively with the new executive once he/she is hired.
4. Reading the Top Tier Resumes – The transition consultant will screen the resumes and forward the top-scoring resumes to the committee along with a list of all who have applied. In preparation for the resume review meeting committee members read the resumes and select those that they would like to explore as potential candidates.
5. One or More Resume Review and Check-in Meetings/Calls – Typically 30- to 90-minute meeting or conference call to discuss resumes and select candidates for further exploration either through candidate questionnaire and/or phone vetting by the transition consultant. The duration for this meeting(s) depends on the number of resumes being considered.
6. Interviewee Selection Meeting/Call – Generally a 45- to 90-minute meeting or conference call to review the vetting/questionnaire results and select a panel of five to six candidates to be interviewed.
7. Round 1 Interviews – Conduct the initial round of interviews and select two or three qualified semi-finalists who are called back for a second interview. Usually we request that the committee set aside a full day or several ½-days for face-to-face-interviews.
8. Round 2 Interviews – A second round of interviews with two or three top candidates conducted by the transition committee or executive committee from which a finalist is identified for presentation to the full board. Depending on the number of candidates interviewed, the second interview can require ½ to ¾ of a day.
9. Employment Negotiations – Pre-employment negotiations usually conducted by the transition consultant in consultation with the transition committee chair. The product is an agreement in principle with the preferred candidate to join the organization subject to board approval.
10. Final Interview/Board Ratification Vote – The committee presents their recommendation to the full board. The board conducts a final interview and votes to ratify the candidate.
11. Secure signed engagement letter/contract – Finalize the employment agreement by securing a signed letter of engagement or employment contract. Typically this is handled by the transition consultant in consultation with the transition committee chair.
12. Post-Hire Planning Meeting(s) – After the handoff of the semi-finalists, the transition committee can turn attention to planning the post-hire activities, including:
 - a. A solid briefing and orientation process for the new executive.
 - b. An appropriate announcement of the executive to the community and introduction to key stakeholders.
 - c. A “social contracting” process between the board and executive that clarifies, priorities, roles, expectations and the process for monitoring performance.