

The Forbes Funds Presents:

# A Roadmap for Succession Planning

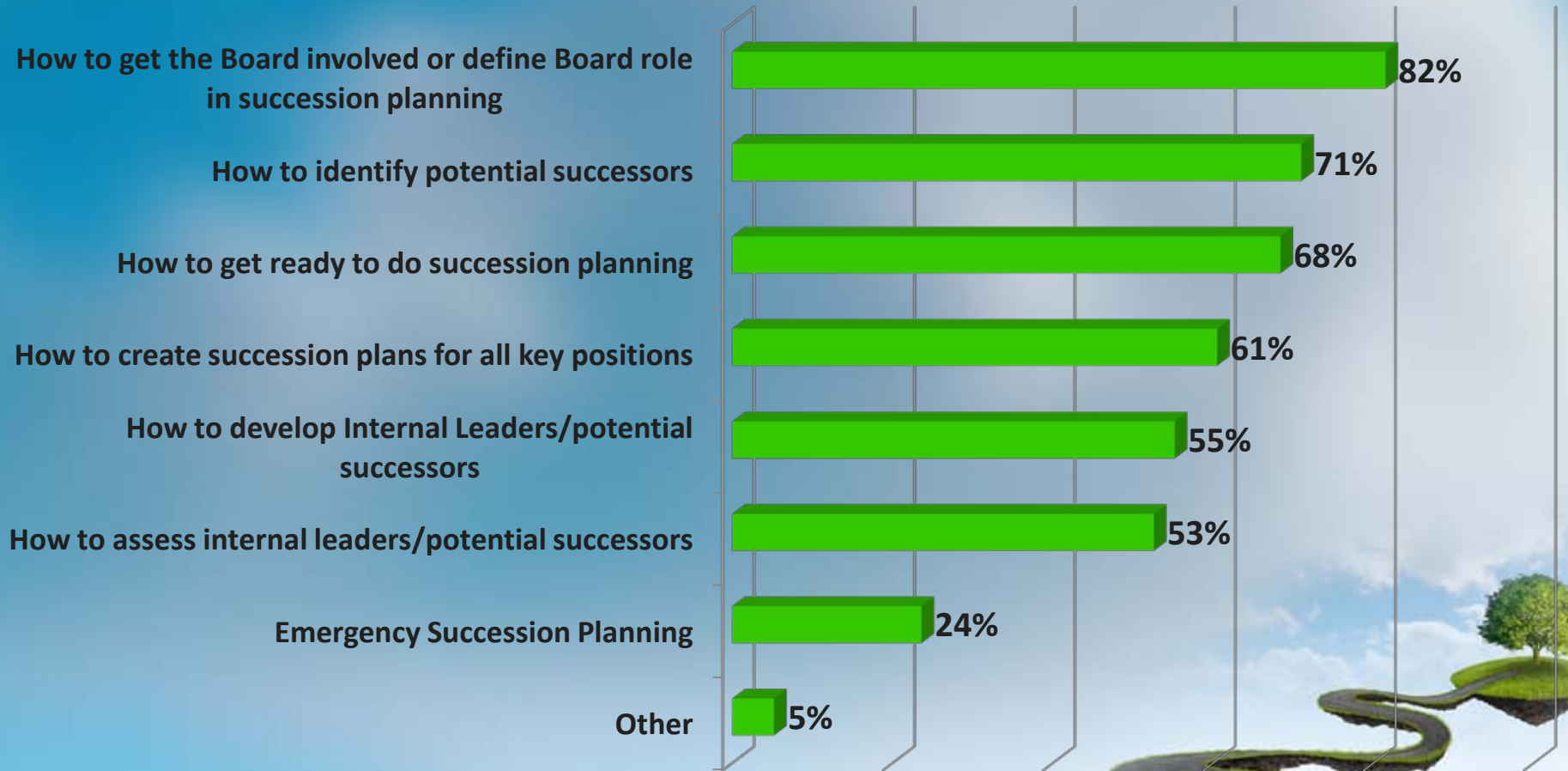


**BONNER CONSULTING**

Growing organizations, teams, and leaders <sup>sm</sup>



# What aspects of succession planning and leadership development are you interested in learning about?



# Succession planning...

Is NOT

IS

Just for when the ED  
is leaving

Only for the CEO  
level

A leadership development  
strategy

A best practice for  
sustainability

A risk management best  
practice

Crucial for Knowledge  
Transfer



# 3 Types of Succession Planning





# 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

Compass Point

# Succession Planning Readiness Checklist

- ✓ **Financially sustainable organization**
  - ✓ **Strategic Plan or Priorities in place**
  - ✓ **Board is involved and supportive**
  - ✓ **CEO/ED is involved and supportive**
- + Performance Evaluation system in place for CEO and staff**





# Board's Role

**Key responsibility of the Board: hire, evaluate and manage the CEO/ED**

- Board Owns and Leads Succession Plan - especially when it is a defined departure or emergency
- Make succession planning a strategic goal
- Conduct a search for a replacement CEO (usually both internal and external)
- Board ensures a smooth Executive Transition by orienting and supporting new ED

# Leadership Development

1

Identify future goals and challenges (strategic plan)

2

Create model of needs, competencies, skills, experience

3

Identify potential successors and assess individual and organizational gaps to determine developmental needs

4

Create individual and organizational development plans

5

Measure frequently and revisit models and plans as environment and priorities shift

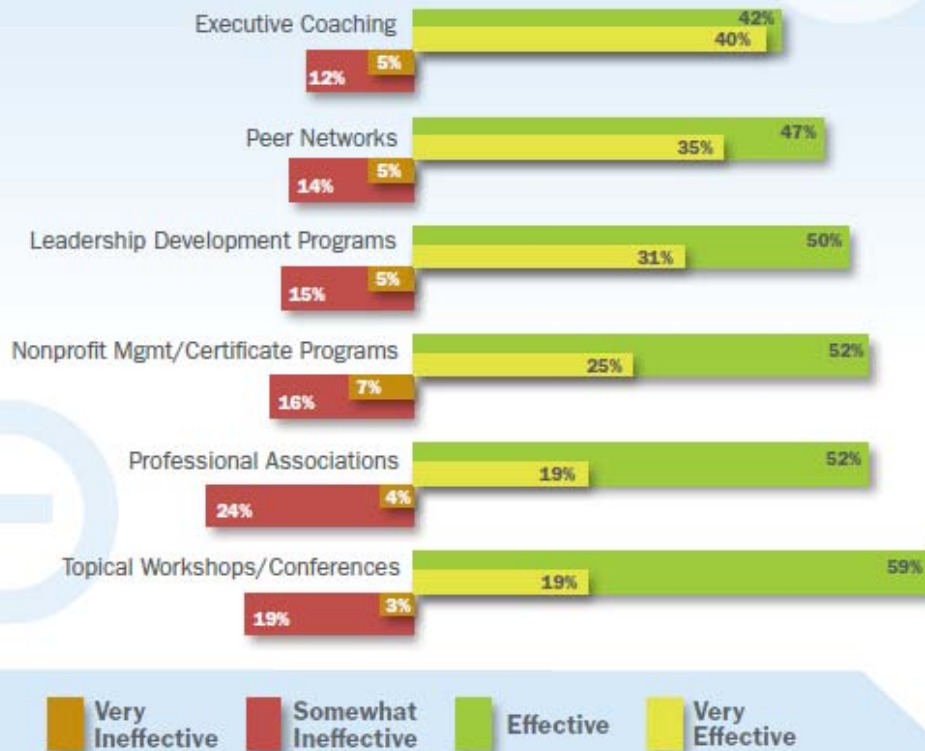




# How Leaders Develop

## Effectiveness Ratings of Professional Development Activities Utilized

Daring to Lead 2011



- Learning on the job:
  - Assignments and projects
  - Challenges and hardships
- Coaches, mentors, and bosses
- Peer groups
- Professional associations
- Formal training

[Nonprofit Leadership Development: A model for identifying and growing leaders.](#)

Bonner & Obergas





# Emergency Succession Planning

1. Identify critical executive functions and responsibilities
2. Name and train a backup for each function
3. Ensure that key relationships and contacts are documented
4. Create and update a binder or digital file that includes key documents such as strategic /operational plans, annual and monthly calendars of organizational activities, etc..
5. Create a board approved policy and procedure for Emergency Succession



# Defined Departure Issues

## What are our vulnerabilities with departure of our ED?

Unique skills of the ED... Can they be replaced?  
“Doability” of the ED job?/Compensation  
Management Team strength? Internal successor ready now?

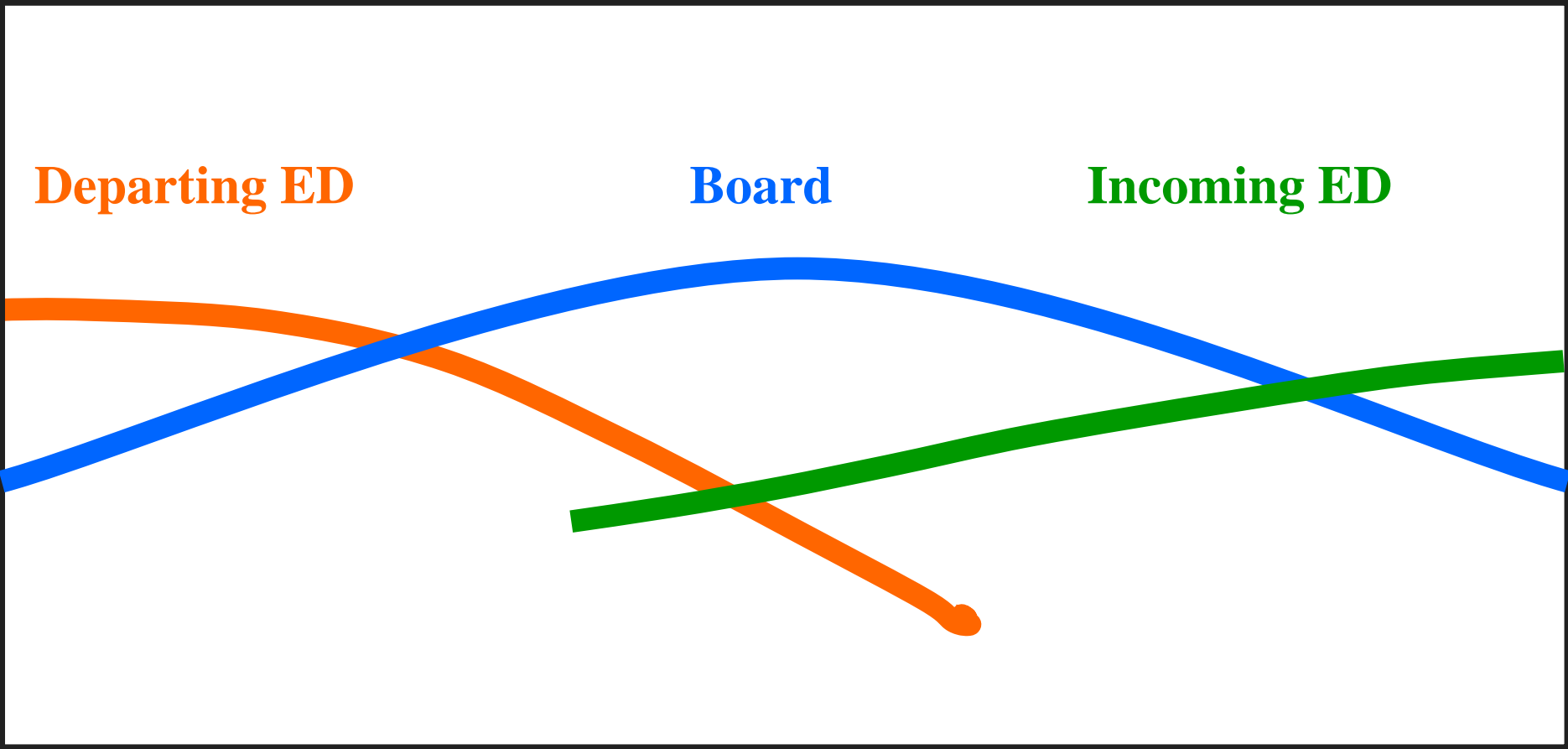
## Consider Merger or Restructuring?

### Board Steps Up

Puts a committee in charge  
Attends to its own succession planning  
Supports the departing executive = Healthy closure  
Addresses agency vulnerabilities and Sets future directions  
Recruits & supports a successor who fits the future

# Board Leadership in Executive Transition

(Compass Point)





# Where To Start

1. **Identify what roles to plan for Succession**
2. **Evaluate readiness for succession planning and leadership development**
3. **Engage board and senior leaders and get buy-in and commitment. Ensure accountability.**
4. **Create an Emergency Succession Plan**
5. **Understand Future needs, skills, and competencies**
6. **Identify and assess potential successors**
7. **Create Development Plans to close gaps.**
8. **Hire leaders externally with an eye on future needs and potential successors**
9. **Periodically assess effectiveness of leadership development and succession planning – adjust as needed.**

# Contact Us for More Information



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# Selected Resources

## Succession Planning Templates and Tools

- [Building Leaderful Organizations: Succession Planning for Nonprofits](#) - Annie E. Casey Foundation
- [Nonprofit Succession Planning Toolkit](#) – Federal Reserve Bank of Kansas City
- A [Succession Readiness Checklist](#) – CompassPoint
- A [self-reflection tool](#) for executives who are questioning whether or not it's time to leave their positions
- [Succession Planning for Nonprofits of All Sizes](#) - Blue Avocado
- [Succession Planning: Creating Sustainable Leadership in Nonprofits](#)
- [Stepping Up, Staying Engaged: Succession Planning and Executive Transition Management for Nonprofit Boards of Directors](#) - Annie E. Casey Foundation

## Strategic Leadership Development

- [Nonprofit Leadership Development: A model for identifying and growing leaders](#). Bonner & Obergas
- [Three Steps to Understanding Your Nonprofit's Future Leadership Needs](#) - BridgeSpan
- [Plan A: How Successful Nonprofits Develop Their Future Leaders](#) - BridgeSpan
- [Start Finding Tomorrow's Leaders Now](#) - Gallup

## Emergency Succession

- A [sample template](#) to provide guidance on writing an **Emergency Succession Plan**
- [Emergency Succession Planning Template](#)

## Other

[Bonner Consulting's Blog](#), contains several recent articles on Succession Planning and Leadership Development  
[Daring To lead 2011](#)