

Make Succession Planning a Priority

08.06.19 | Linda J. Rosenthal, JD



When [BoardSource](#) recently announced its newest “Leading with Intent Survey Questionnaire” to collect data for a 2020 National Index of Nonprofit Board Practices, it touted the critical information collected and analyzed last time for [the 2017 Index](#).

Among the most important – but discouraging – data reviewed was “alarming data about CEO turnover and retirement coupled with a [lack of planning for a succession](#).”

More specifically, the responses received by the executives and board chairs in that questionnaire showed that “almost a quarter of responding chief executive officers plan to leave in the next three years (i.e., by 2020) and only 46 percent of respondents reported being “extremely satisfied” with their jobs. But only 27 percent of participating nonprofits have “a written plan for the CEO succession.”

BoardSource makes [good use of the this type of data](#) that “signals ... a need for [additional focus or prioritized action](#)” and points to ideas for new programs and initiatives. As a result of the apparent lack of preparation across the sector for inevitable changes in leadership, BoardSource then “partnered with the Community Foundation of Greater Atlanta (which had found through its own survey that Atlanta nonprofits were similarly unprepared) to create a ‘cohort program’ called ‘[Embrace the Future: Succession Planning for Nonprofit Organizations](#).’” The purpose of the new project was to “provide research-based instruction and guidance to its leaders.”

The results were strong: “[100 percent of participating organizations developed](#) a succession plan policy, an emergency succession plan, and departure-defined succession plan.”

Succession: Not It, But When



To illustrate the importance of succession planning, consider two examples. First: An extreme weather event is a *possibility* anywhere in the nation that – (if it happens) – can cause severe damage to an organization. But it doesn’t mean there is a 100% chance that each and every group in a tornado-prone area will definitely sustain a direct, catastrophic hit in the next year, or in five years, or ten or ever. Second: The current executive director of any particular organization *will leave* – one way or another – sooner or later. It’s a sure thing that a change in executive leadership is going to happen at some time; it’s not just one of several possibilities that may or may not occur. All prudent nonprofits should plan for this eventuality.

Resources for Help

BoardSource is hardly the only group of experts hammering this message. For instance, the National Council of Nonprofits (NCP) has an excellent section of its website called “Resource Center” with the topic: “**Succession Planning for Nonprofits** – Managing Leadership Transitions.”

NCP refers specifically to the BoardSource **research** and data about the inadequacy of preparation sector-wide, and explains that “nonprofits that are serious about their own sustainability will also be serious about planning for smooth and thoughtful transitions of leadership – as well as making sure their nonprofit is prepared for unexpected departures.”

The NCP’s online resources include links and tips including – just to name a few:

- **Transition planning timeline; Exit planning for retiring nonprofit CEOs; Communicating a planned transition; What to Do – and Not Do – When Your Chief Executive Leaves** (BoardSource)
- **Long list of succession planning tips/ideas** (Wild Apricot)
- **Mission-Driven Executive Transitions Toolkit** (Maine Assn. of Nonprofits)
- **Graceful Exit : Succession planning** (Leap of Reason Ambassadors Community)
- **Six Strategies for Nonprofit Leadership Transition** (SSIR)
- **Founder Transitions: Creating Good Endings and New Beginnings** (Annie E Casey Foundation)

Conclusion

It’s been **more than ten years** since Tom Tierney, chairman and co-founder of the Bridgespan Group “predicted a **nonprofit leadership deficit** due to sector growth and baby boomer retirements.”

CEO succession is “an often-dreaded process” that “many organizations aren’t prepared to address.” But “with **reflection, planning, communication, and time,**” a leadership change can be made much easier. Happily, there’s a lot of introductory help and advice available with the click of a mouse.