

REDF  
Succession Planning  
Workshop #3

# Seven Steps to a Successful Succession

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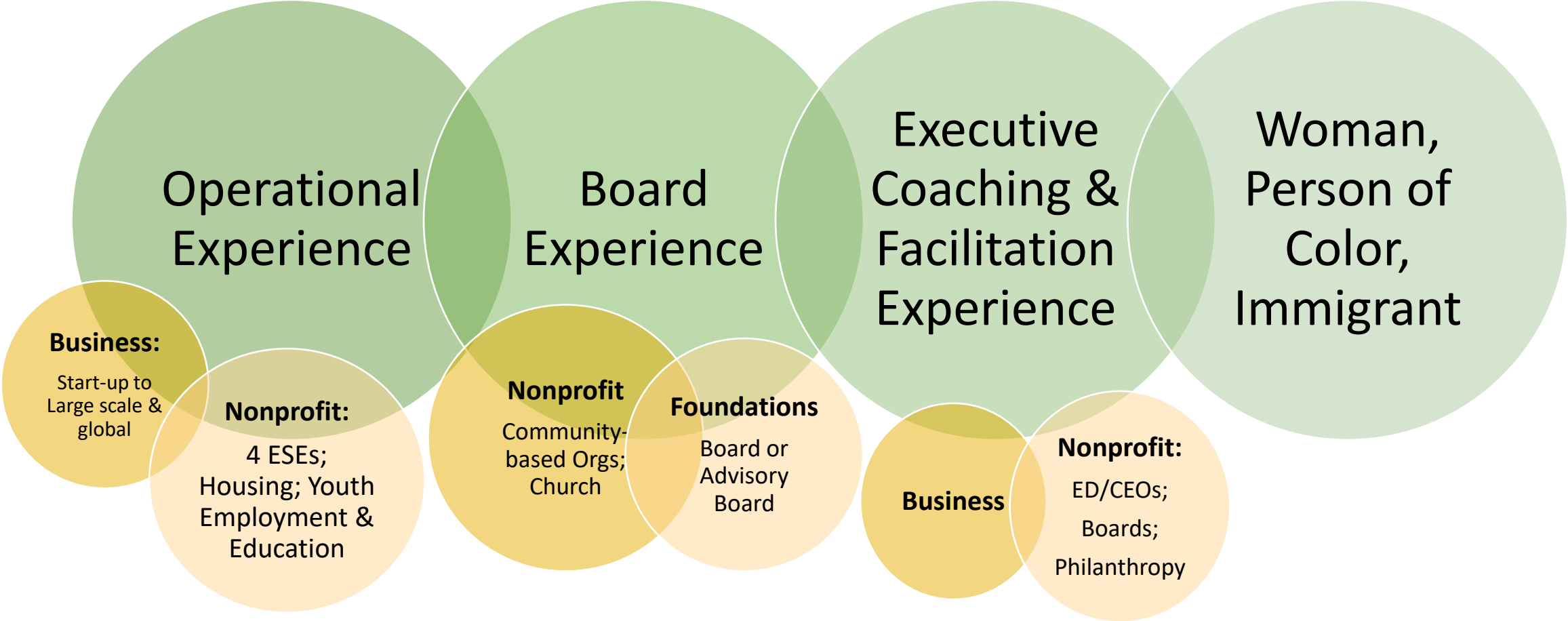
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# REDF Succession Planning Workshops

## **#1: Intro to Succession Planning and Organizational Sustainability**

## **#2: The Emergency Succession Plan (Oct. 26)**

- What Constitutes a Leadership Emergency?
- Elements of an Emergency Succession Plan
- Developing your Leadership Pipeline with an Equity Lens
- Personal Readiness – continued work

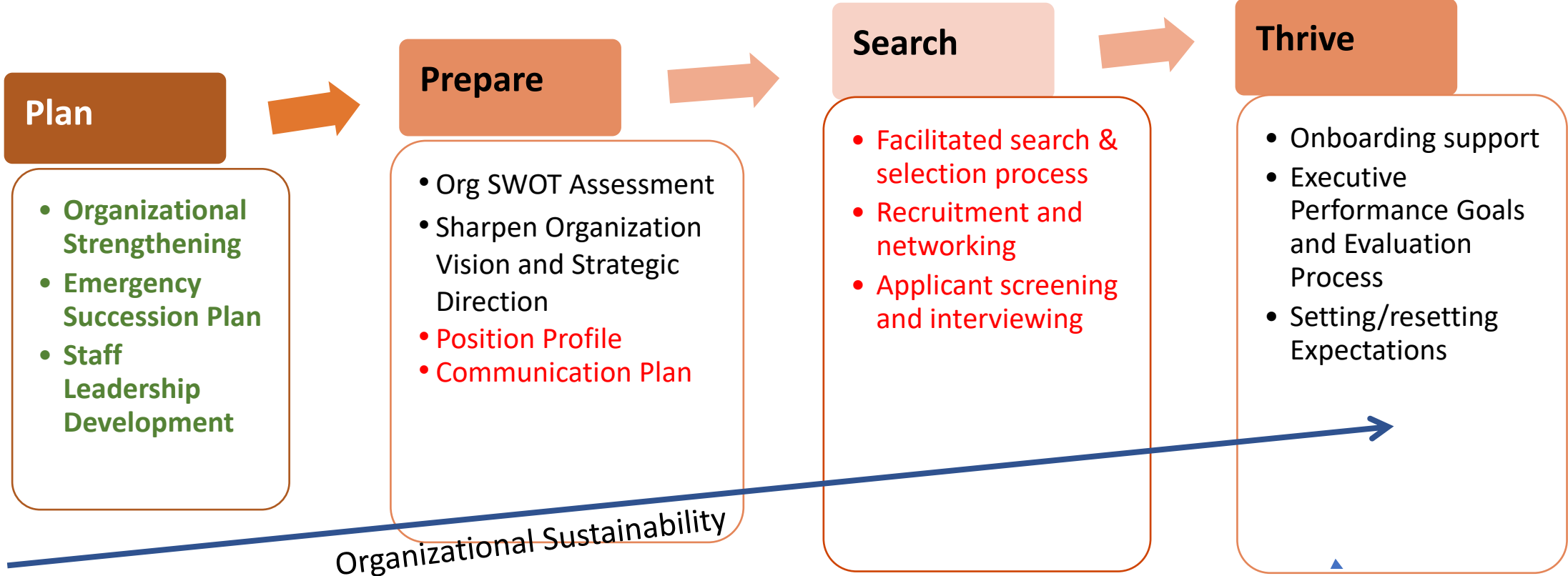
## **#3: A “Planned” Succession Plan (Jan. 2023)**

- Pre-departure planning: personal and organizational (transition plan)
- Transition Plan
- Communications Plan and more

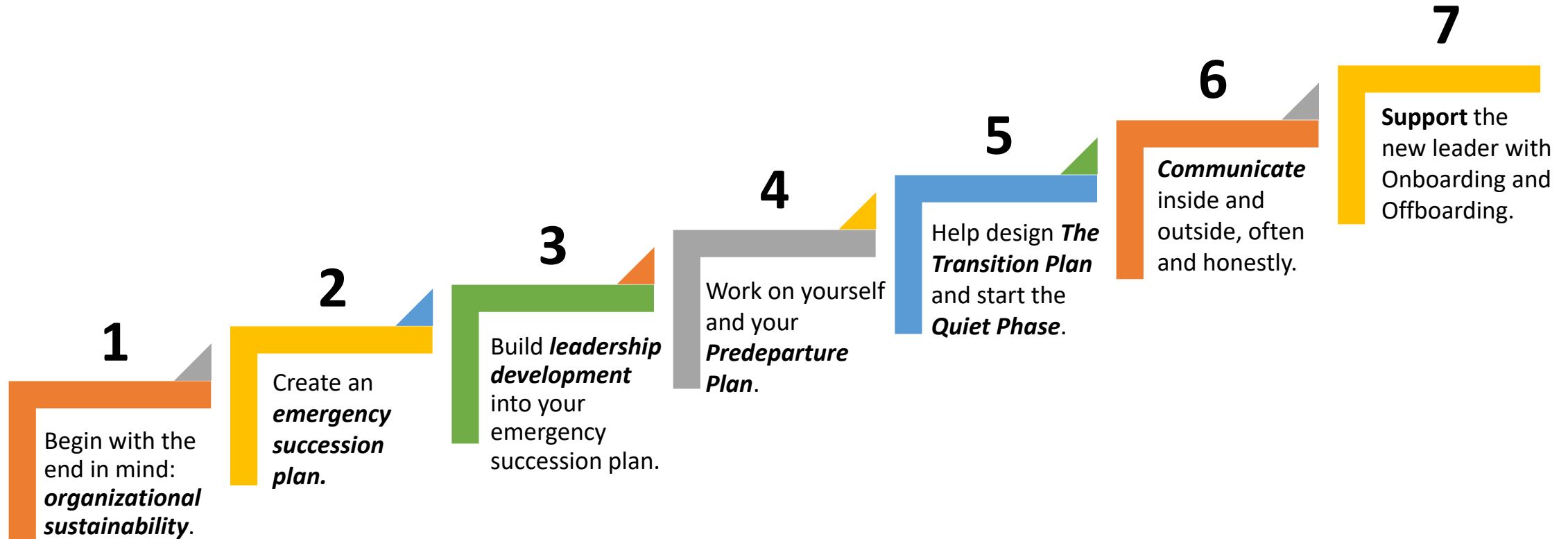
## **#4: Bringing it Home – Co-Leadership, Interims, and more (March 2023)**

# The Organization's Executive Transition Process

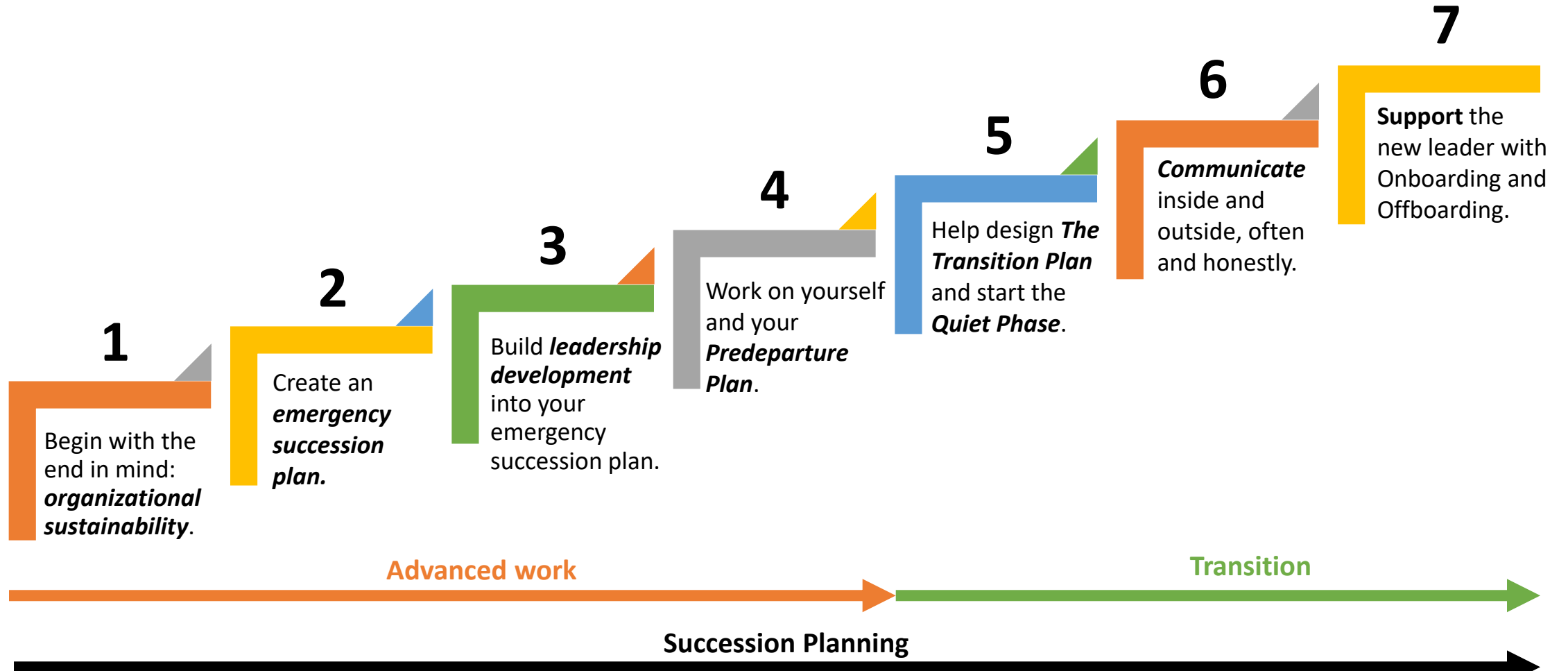
Source: Third Sector New England



# Seven Steps to a Successful Succession™



# Seven Steps to a Successful Succession™



# 1. Begin with the end in mind: *organizational sustainability*.

- Workshop one: four pillars of organizational sustainability
  - Board effectiveness
  - Economic model and financial health
  - Strategy and implementation
  - Talent and Culture
- Every ED/CEO should work on organizational sustainability today – regardless of when they think they will leave the organization.
  - An ongoing journey of learning and improvement

## 2. Create an *emergency succession plan*.

- Workshop 2: Do not wait for an emergency!
- Everyone wins when there's an Emergency Succession Plan in place.
  - Your staff
  - Your Board
  - The people you serve
  - Donors and funders
  - Your customers and partners...
  - and you!



### 3. Build *leadership development* into your emergency succession plan.

- Your emergency succession plan (ESP) is an opportunity to build leadership development into people operations.
- Recap from Workshop 2:
  - Identify key positions
  - Identify potential successors for yourself and the key positions.
  - Note when there are none ready now, ready in 1-2 years or ready in 3+ years
  - Design a 70-20-10 leadership development plan for each potential successor, and eventually for all staff.
  - Review and refine annually.

# Step 4. Work on yourself and your Predeparture Plan



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- ✓ Use Personal Reflection worksheet from Workshop #1

# 4. Predeparture – Personal Considerations

- Am I still the right person for this job?
- Am I ready to leave...
  - Financially?
    - Is there a retirement plan?
    - Clarify payout of bonuses, unused vacation time, “gray” areas of compensation
  - Socially and emotionally?
  - Career-wise?
- What do I want next? If I don’t know, what I can do to gain clarity?
  - Get a life coach or career coach?
  - Consider: Books, articles, retreats, workshops
- What do I long for? If I could create an audacious-but-realistic sketch of my next 5 years, what would it look like?
- What am I afraid of?
- Who can support me as I contemplate my Predeparture Plan?

## 4. Predeparture – Organizational Considerations

- Would I be leaving the organization in less than good shape?
- How will the Board react? Is the Board up to managing a leadership transition?
- Would the staff resist my decision to leave? Might they feel angry or abandoned?
- Is the management team able to run the organization for a significant period of time without me? Are there managers who are dependent on my close guidance?
- Are there funders and major donors whose support might be dependent on my leadership and presence?
- Are there key relationships held by me alone?

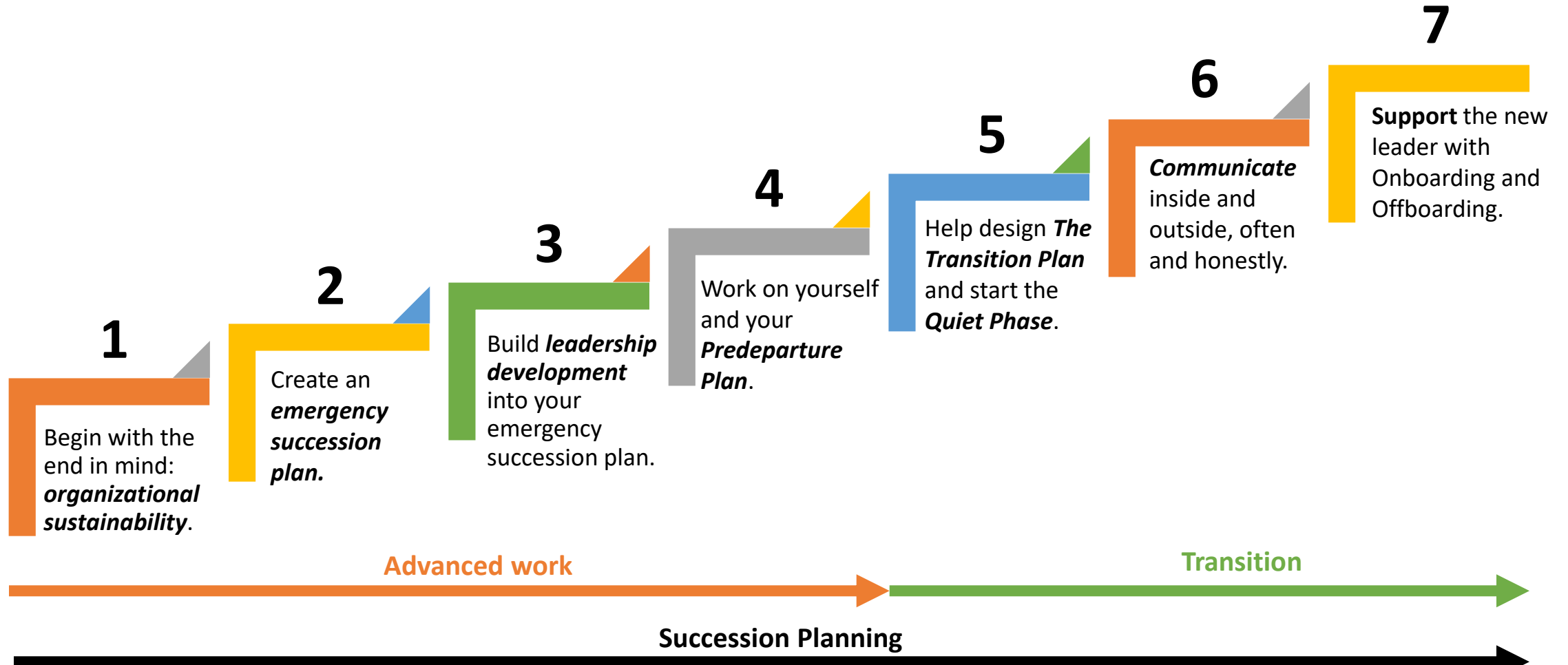
## 4. Predeparture – Continuing to Succeed While Pondering Leaving

- What level of excitement do I feel most mornings before I start work?
    - What or who can keep my excitement and energy up till I leave?
  - In what ways will my org continue to change over the next five years?
    - Do I have the skills and energy to lead those changes?
    - Am I still eager to learn new skills or better ways to do my job?
  - Do I continue to be effective in building the leadership and management skills of my direct reports? What new responsibilities have they taken on in the past 1-2 years?
- ✓ A challenging polarity that you *must* hold.

# 4. Work on... your Predeparture Plan

- Create a Predeparture Plan for your own transition
  - *When* you want to leave
  - *What you want to say* about your departure and your legacy
  - *What you want to be most involved with* during the transition
    - Assure your support for a successful transition
    - Openness to serve as Advisor or Board member in the future
  - Your exit details (from your perspective)
    - Timing, including which dates are paid fulltime versus part-time (during overlap)
    - Other compensation details, e.g. vacation payout, retirement and bonus (if any)
    - Benefits coverage during above timeline (healthcare, life insurance, etc.)
    - Final expense reports
    - Exit checklist: Bank accounts, legal docs, 501c3 registration, property to return, passwords, key deadlines, etc.
  - *How you'd like to be honored*
    - What parting gifts might be meaningful to you
    - What kind of goodbyes you want
- Board approval is needed, since the Board manages the ED/CEO and their compensation

# Seven Steps to a Successful Succession™



# Step 5. Help design *The* Transition Plan...

- The Transition Plan is mostly *about the organization and how to make the new leader successful*.
  - Your predeparture plan will be part of it – but not the main focus.
- The Transition Plan begins when you submit your resignation to the Board and usually ends soon after the new leader is hired -- or whenever the Board decides.
  - The Board ultimately owns the Transition Plan.
  - Includes the Search process, but isn't just about the Search.
- Yes, there's a risk of being marginalized at this stage – and there's also a risk of your “checking out” mentally/emotionally.



# Three Phases of a Transition Plan

## a. **The Quiet Phase** - “Putting the wheels in motion”

- Between telling the Board you’re leaving and the public announcement
- Includes planning and execution of key confidential communications
- Should be a brief period with the fewest people involved

## b. **The Search Phase** – should be Board-led

- Public announcement
- Search for new leader (details follow)

## c. **Onboarding and Offboarding Phase**

- Planning this phase is part of Step 5
- Implementation is in Step 7

✓ **Communications** – runs throughout the transition period; See step 6.

## 5. Help design the Transition Plan & *start the Quiet Phase.*

- Starting the Quiet phase is starting the Transition!
- You tell the Board you're leaving, stating highlights from your Predeparture Plan.
  - Get an exit agreement approved in writing, if possible, and soon.
- The Board plans and organizes itself to lead the transition.
  - Create a manageable structure where workload is doable
  - Set timeline with roles and responsibilities, and staff liaisons.
- Co-create the Communications Plan for the Transition.
  - Identify internal and external audiences by name. Organize contact info.
  - Key Messages – overall, plus some customized by audience.
  - Confidential Communication to key audiences – starts in Quiet Phase

# Transition Plan – Sample Timeline (high-level)

What	Who Leads	How long	When
CEO announcement to the Board	Current CEO	1 day or 1 week	1st week of January
<b>Phase 1: Quiet Period</b> 1a. Board Planning 1b. Key Confidential Communications	Board Board & CEO	4-6 weeks 4 weeks	Mid-Jan to end-March
<b>Phase 2: Search Period</b> 2a. Public Announcement of Transition 2b. Public Search	Board's Search Committee	6-9 months	April to Sept.-Oct.
<b>Phase 4: Onboarding New CEO</b>	Board Chair	2-4 weeks	Oct.-Nov.
<b>Phase 5: Past CEO's Transition to Advisor Role*</b> * if/as mutually agreed upon	New CEO	1-6 months*	TBD

# Sample Board Structure for Transition Period

## Search Committee

- Search firm – interview, select, manage. (Or: Board conducts the search by itself.)
- Discovery – stakeholder interviews, landscape analysis, etc.
- Job Profile for new leader – roles/responsibilities, key competencies, top priorities
- Interviews, References, Offer - internal & external candidates, Interim ED if needed
- Onboarding plan and initial goals for new leader - set with the full Board

## Transitions Team

- Current CEO's exit terms and offboarding
- Staff care and retention
- Transfer of intellectual and real property, legal and financial authority, etc.
- Onboarding Plan, Goals for New Leader – jointly developed with Search Committee

## Communications

- Communication planning and implementation
- Key messages, including Asks
- Internal and external audiences
- Could be part of Transitions Team, or separate

✓ Pick the right Board member for the assignment. Recruit past Board members if needed.

# 5. Transition Plan

## Quiet Phase: Key *Confidential* Communications

Target Audience and Why	Who	How long	When
<b>Current Board</b> <ul style="list-style-type: none"> <li>- Start with Board Chair and/or Chair of HR Committee (if there's one)</li> <li>- <b>Tell</b> other Board members one by one or as a group; do it quickly</li> </ul>	CEO	1 – 5 days	Date you set
<b>Key former board members</b> <ul style="list-style-type: none"> <li>- <b>Ask</b> to join one of the transition committees?</li> </ul>	CEO & Board Chair	1 week	1 <sup>st</sup> month
<b>Key Staff Leaders Group A – very small group!</b> <ul style="list-style-type: none"> <li>- Senior staff (identify by name, not just by title)</li> <li>- Key in leadership succession plan; culture drivers</li> <li>- <b>Ask</b> for input and support with Transition planning &amp; communications</li> </ul>	CEO with Search Committee member	1-2 weeks	2 <sup>nd</sup> month
<b>Key top funders &amp; donors – no more than 20</b> <ul style="list-style-type: none"> <li>- <b>Ask</b> for financial support and referrals to search firms</li> </ul>	CEO, Board Chair	4-6 weeks	3 <sup>rd</sup> month
<b>Total Duration</b>		<b>2-3 months</b>	

# 5. Transition Plan – Search Phase (Public)

- Public phase of the transition plan
- Begins with public announcement of the transition
- Official start of the search
  - Search firm selected and named (if using one)
  - Usually begins with a Discovery & Learning process
    - Interviews with full board and key staff
    - Landscape interviews (key partners, funders, influencers)
  - Key output = Job Profile for the new leader
  - Timeline and process for the search is defined
- Other considerations – to be discussed in Workshop 4
  - How to consider internal candidates
  - Should the Board hire an Interim ED/CEO?
  - Should the organization consider a Co-Leadership model?

# 5. Transition Plan – Search Phase (Public)

Target Audience and Why	Who	How long	When
Roll out Communications Plan (written and face-to-face) <ul style="list-style-type: none"> <li>- Staff</li> <li>- Key Constituents</li> <li>- General Public</li> </ul>	As noted in Comms Plan	As long as it takes	From announcement date through onboarding period
<b>Conduct stakeholder interviews</b> to define organization’s key vulnerabilities, opportunities and priorities. <ul style="list-style-type: none"> <li>- Engage Leadership Team as meeting sponsors, as appropriate.</li> </ul>	Search Committee and Search Firm	2-4 weeks	3 <sup>rd</sup> month
<b>Board finalizes Job Profile and search criteria</b>	Search Committee reco’s to Full Board	~4 weeks	3 <sup>rd</sup> month
<b>Search Period (see next slide)</b>	Search Committee, with or without a Search firm	6-7 months	Starts usually in month 3 of our timeline
<b>Total Duration</b>		<b>6-9 months</b>	

➤ See also: Step 6: Communications

# Typical Search Timeline

What	Who	How long
<b>Stakeholder interviews and discovery process</b>	Search firm	4-6 weeks
<b>Candidate research and outreach</b>	Search firm	4-6 weeks, then ongoing
Present first round candidates (evaluate; complete interviews and references as appropriate)	Search-Com & Search Firm	2 months
Second round candidates, if needed	Search-Com & Search Firm	2 months
<b>Offer and close</b>	Search-Com & Search Firm	4 weeks
<b>Announce new CEO</b>	Board Chair	
<b>Total duration</b>		<b>6 - 7 mos.</b>



# 5. Transition Plan – Planning Onboarding & Offboarding

- Will there be an overlap between the two leaders?
  - If yes, formally define who's CEO during what period
  - Recommendation:
    - Board appoints new leader as CEO effective date of hire; title carries legal standing.
    - Board defines role of "Past CEO" for a specific period with clear roles and responsibilities.
- Past CEO's role with onboarding the new leader
  - Depends on the Board and the new CEO
  - Will likely take less time than you think
- Staying on as an Advisor
  - You can offer, and propose specific roles
  - Ultimately it will depend on the new CEO's preferences
- Staying as a Board member
  - Generally not recommended for at least one year

# Transition Plan – Your Role in Transition

## Some Recommendations

- Help the Board take responsibility for their leadership of the transition
  - Continue to partner with the Board on their governance and support roles
  - Continue to support productive Board meetings
- Continue to build a “leaderful organization”
  - At the staff and Board levels
- Ask for adequate salary and benefits for yourself and your successor
  - Supported by research and compensation studies
- Pursue leadership development funding
- Engage in your own career planning
- Ask for help and support

From “Daring to Lead 2006: A National Study of Nonprofit Executive Leadership” – sub-bullets are Tess’s

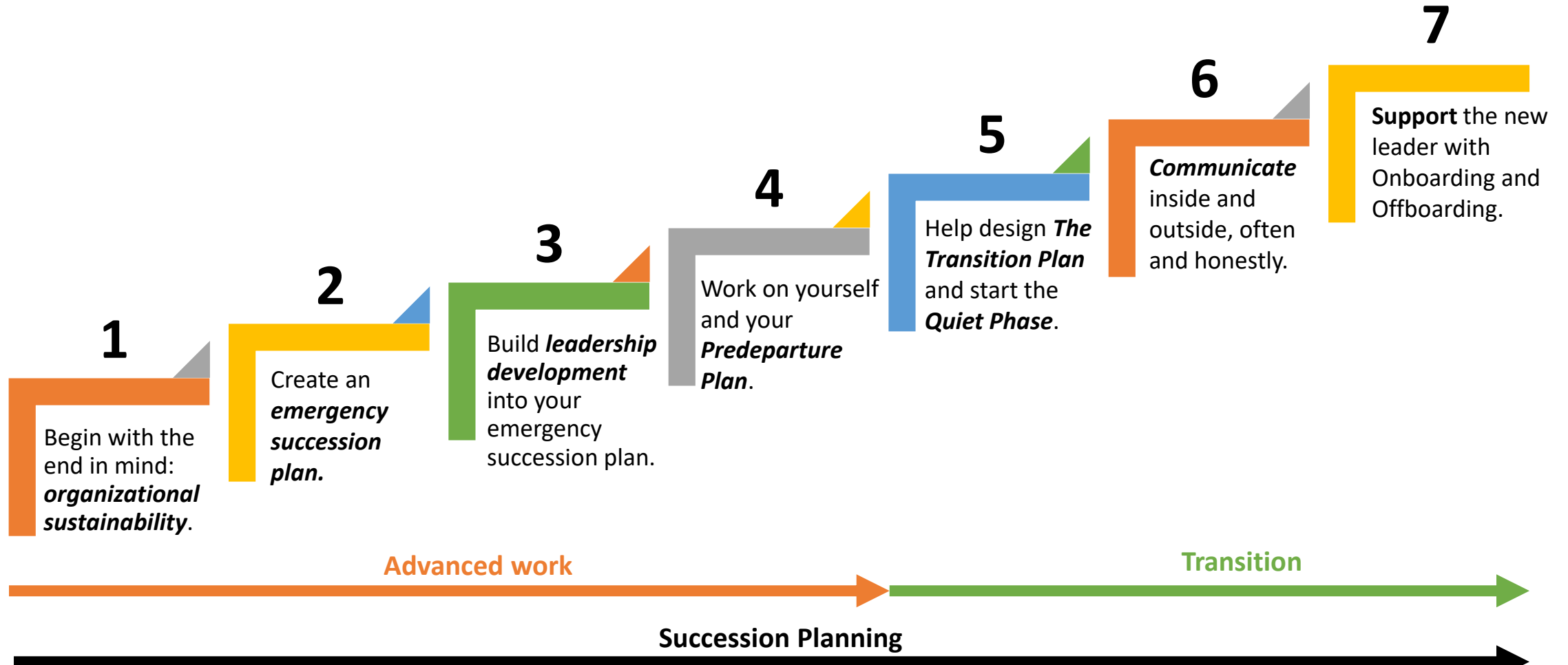
# Transition Plan – Your Role in Transition

## More Recommendations

- Ask every Board member and key staff to commit to staying through the transition and the new leader's first 3-6 months.
  - “Sell” the benefits to staying.
  - Retention incentives might be considered.
- Be available at the Board's request to share insights with search firm and finalist candidates about the organization's present condition and future needs.
- Be willing to speak with finalist candidates who wish to speak with the last occupant of the office.
- Be supportive of the Board and the search process – even if you'd do things differently.
- Discourage individual staff, board members and others from coming to you with individual gripes about the search process.
- When in doubt, ask: *“What role or response on my part would be in the best interests of the organization?”*

Excerpted from BoardSource

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## Step 6. *Communicate* inside and outside, often and honestly.

- Develop a detailed communication plan from day one of the transition
  - Led by you, with input from the Board or Search Committee
  - Refined with help of Development staff, at the appropriate time
- Key messages and most important talking points
  - Why you're leaving
  - Highlights of your term of service and key contributions
  - Strengths and future opportunities for the organization
- Target audiences, segmented and prioritized
  - Staff
  - Most important relationships: donors and funders, key partners, etc.
  - Next most important: Other donors/funders, other partners, volunteers, customers, vendors and service providers (consultants, auditors, IT providers, etc.)
- How and when each group will be communicated with (1:1? Group email?)

# 6. Communications -- Milestones

- Quiet phase communications
  - Your telling the Board, starting with Board Chair and/or HR Committee
  - Telling the full Board
  - Telling key staff and engaging their help with transition planning
  - Telling key funders and donors
    - Some might help fund/support the transition.
- Full-staff announcement – bridges Quiet and Public communications
- Public communications are often triggered by certain milestones
  - Announce departure of current CEO. Include why and key accomplishments.
  - Announce Search Committee (and search firm, if applicable). Share timeline.
  - Widely circulate CEO Profile.
  - Follow-up communication(s) on search process and progress.
  - Announce new CEO
  - New CEO shares their initial observations and/or key initiatives.

# Step 7. Support the new leader.

## Onboarding and Off-boarding Phase of the Transition

- Participate in interviews if requested. Answer questions that the candidate(s) may not be able to ask the Board or other staff.
- Onboarding - Agree with the Board on your appropriate role here
  - Day one – You may not be the one to welcome the new leader.
    - Tour of the office(s)
    - Meet and greet staff
  - Onboarding topics that you're best suited for:
    - Board meetings and processes; Board partnership
    - Upcoming deadlines and key events
    - Your direct reports – their most recent reviews, how to help them succeed
    - Strategy and implementation – updates, open issues, next steps
    - Others...
- Introductions and welcome – most important!

# 7. Support the new leader – pass the baton well.

- Leave your office ready for the new CEO to occupy on day one.
- Be thoughtful about Staff introductions and welcome events
  - Make it about the new leader and the org's future – not about appreciating you
  - Convey your enthusiasm and support for the new leader
  - Highlight the strengths they bring, including lived experiences
  - Engage other staff in planning and hosting
- Introductions to donors, funders, key partners.
  - You ask for the meeting and say it's important to you
  - Convey your enthusiasm and support for the new leader
  - Convey your optimism about the organization's future
  - Create space for the two to get to know each other
  - Create space for the new leader to ask for support, if appropriate



# 7. Support the new leader – by the Board

- Transition does not end with the hire of the new leader.
- Board support of the new leader:
  - Set goals and priorities for the new CEO.
  - Establish evaluation milestones and frequent check-ins.
    - Frequently ask how you can help, but don't micromanage.
    - Don't wait one year to do an evaluation.
  - Listen to the new leader and support their new ideas. Don't expect them to act like the previous leader.
  - When they fail, help them fail quickly and learn quickly. Don't let it drag on.
  - Stay as an engaged Board member.
  - Celebrate new beginnings!

# 7. Support the new leader.

- The baton has been passed
  - Even if you've agreed to stay for an overlap period
  - You are now in a Support role
- There will be change
  - You might worry, you might cringe...
  - "Speak less, smile more." (from *Hamilton*)

## 7. Support *as needed*.

- If hiring the new CEO is delayed, the Board may ask you to stay longer
  - It is up to you to say yes or no.
- Provide support to help the new CEO (or interim CEO) succeed – and *only* the support needed/requested.
  - Many want to provide the support they believe they would have wanted.
  - In truth, the new CEO needs to lead and learn *their way*.
- Ultimately, the definition of what support is needed rests with the new CEO and the Board – not with you.

# More good “off-boarding”

- Prepare in advance for your official last day – no surprises!
  - Turn in all organization property (e.g. laptop, keys, impt. files and passwords)
  - Final paperwork and paycheck
  - Exit interview
- Be clear on when you will return for specific events
  - E.g. final Board meeting, farewell event, annual gala, etc.
  - Avoid unannounced social visits
- Create space for new leader to “bond” with staff.
  - Avoid backchannel communications with Board, staff or donors.
  - Delay joining the Board or informally mentoring staff for at least one year.
- Step aside. Don’t be “the ghost of Christmas past.”

# Recommended Reading

- ***Making Founder Successions Work***, SSIR Spring 2018
- [Building Movement reports on Leadership Transitions](#) include several worth reading:
  - **The Long Goodbye**
  - New Roles, Few Rules: Planning for Purpose Beyond Position
  - **The Leadership in Leaving**
  - The New Lifecycle of Work
  - Leadership Development and Leadership Change

# The Journey

A Poem by Mary Oliver

One day you finally knew  
what you had to do, and began,  
though the voices around you kept shouting  
their bad advice -- --  
though the whole house began to tremble  
and you felt the old tug  
at your ankles.  
'Mend my life!' each voice cried.  
But you didn't stop.

You knew what you had to do,  
though the wind pried, with its stiff fingers  
at the very foundations –  
though their melancholy  
was terrible. It was already late enough,  
and a wild night, and the road full of  
fallen branches and stones.

But little by little,  
as you left their voices behind,  
the stars began to burn  
through the sheets of clouds,  
and there was a new voice  
which you slowly  
recognized as your own,  
that kept you company  
as you strode deeper and deeper  
into the world,  
determined to do  
the only thing you could do –  
determined to save  
the only life you could save.