

SUCCESSION

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THE IMPORTANCE OF SUCCESSION PLANNING

The topic of Succession Planning has come to the forefront of leadership thought and conversation.

Today's organizations realize the importance of stewarding a succession planning process that builds on their history, honors its aging leaders, and prepares for the future.

Defining the Five Conversations of Succession Planning

SUCCESSION

PLANNING

AS...

1

Protecting Organizational Continuity

More and more leaders are recognizing the need to start the succession planning conversation earlier. They have seen or experienced the negative impact of poor transition planning and want to invest in a process to help them avoid similar mistakes. These conversations tend to focus on making sure the organization, as a whole, is prepared to navigate a season of transition.

2

Emergency Transition Management

Emergency Transition Management is a formalized process of making key decisions before an unplanned transition presents itself. We estimate that 80% of the decisions that need to be made in the wake of an unforeseen transition can be decided ahead of time with the right tools in place.



Proactive Exit Planning

In a nonprofit context, exit planning for key employees tends to revolve around two specific areas: funding deferred compensation and determining the role they play in their next season. Not having a clear plan for either area is a primary reason departing leaders artificially delay succession planning conversations.



New Leader Hiring

Efforts here focus on developing a profile that meet the needs of the future organization, marketing the position, vetting candidates, and negotiating the offer. Some organizations will engage in a professional search firm while others manage the process on their own.



Leadership Pipeline Development

Leadership development in a nonprofit context is generally weighted towards equipping managers to lead various aspects of program implementation. Increasingly, nonprofits are focusing on building a leadership culture that equips leaders at all levels of the organization to develop into their full potential.

FOUR COSTS TO THE LEADER

Failure to thrive, personally

Collapse of trust, relationally

Lack of equipping, strategically

Forfeit of legacy, permanently

THREE COSTS TO THE ORGANIZATION

Loss of momentum, organizationally

Drain of enthusiasm, silently

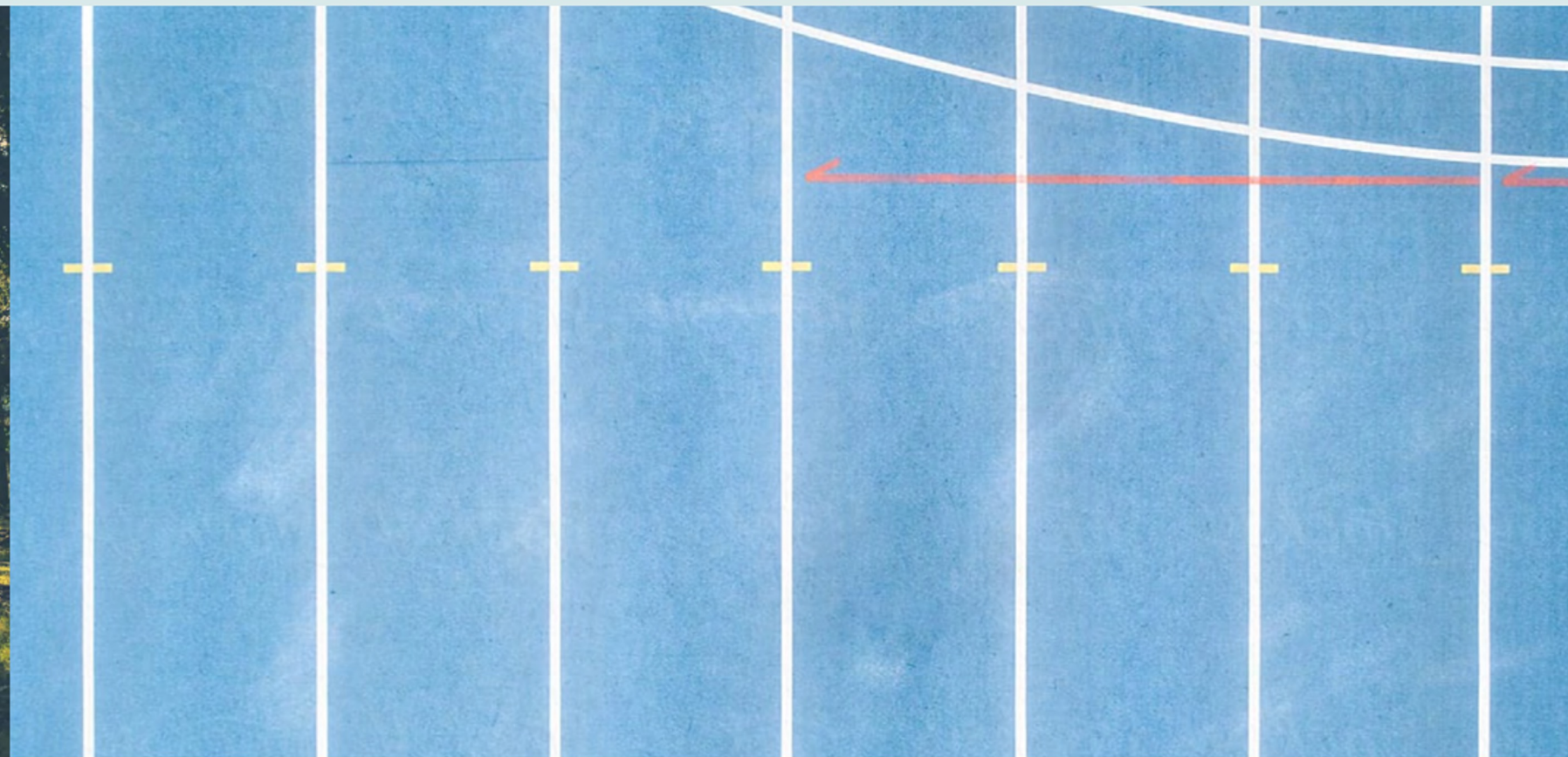
Fumbling of influence, culturally

Two Metaphors for Leadership Transitions



ECOSYSTEM MANAGEMENT

Careful consideration of
the environment in which
transitions take place



RELAY RACE

Strategic approach to the
way leaders relate to one
another in transition

PART ONE

FOUR CONTINUITY FACTORS

PART ONE

Organizational Stability Evaluation

- | | |
|---|---|
| 1. We operate according to our bylaws. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 2. Our by-laws provide a clear process for navigating seasons of executive transition. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 3. We have a history of effectively navigating seasons of transition. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 4. We will need to consider major expenditures in the next 5-10 years. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 5. We have a clear plan for how to use existing and/or future facilities as a tool to accomplish the mission of the organization. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 6. Our most recent 5-year financial trends demonstrate a culture of generosity. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 7. We are confident our donors will maintain their current level of giving through transition. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 8. We have a clearly defined and articulated budgeting philosophy. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 9. We evaluate the effectiveness of our programs with clearly defined goals & objectives. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 10. We have identified “sacred cows” in our structure that need to be addressed. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 11. We have immediate staffing needs to fill. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 12. We are expecting other managers and staff to voluntarily leave as a result of this transition process. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |
| 13. We will need to make difficult staffing adjustments as part of the transition process. | <input type="radio"/> Y <input type="radio"/> N <input type="radio"/> ? |



Governance

bylaws
policy
precedent

Operations

reno/relo

Finances

trends
philosophy
culture

Programming

keep
kill
scale/incubate

Staff

structure
problems
holes



DEFINE OUR...

1 MISSION

2 VALUES

3 STRATEGY

4 MEASURES

5 VISION

- Have we developed clear language?
- Are people using this language?



- Do we have conviction
about where God is taking
us?



- Do we have a clear
strategy on how to get there?

Four Continuity Factors—Summary

STABILITY



We are organizationally prepared to navigate a season of transition.

IDENTITY



We have clearly articulated and communicated who we are.

DIRECTION



We have conviction about where God is taking us.

MOVEMENT



We have a clear strategy for how to get there.

BREAK - Q's to Consider

- 1) Locate yourself and your school...where are you within the topic of succession?
- 2) What feels most sticky right now?

Personal Top 4 Areas of Focus

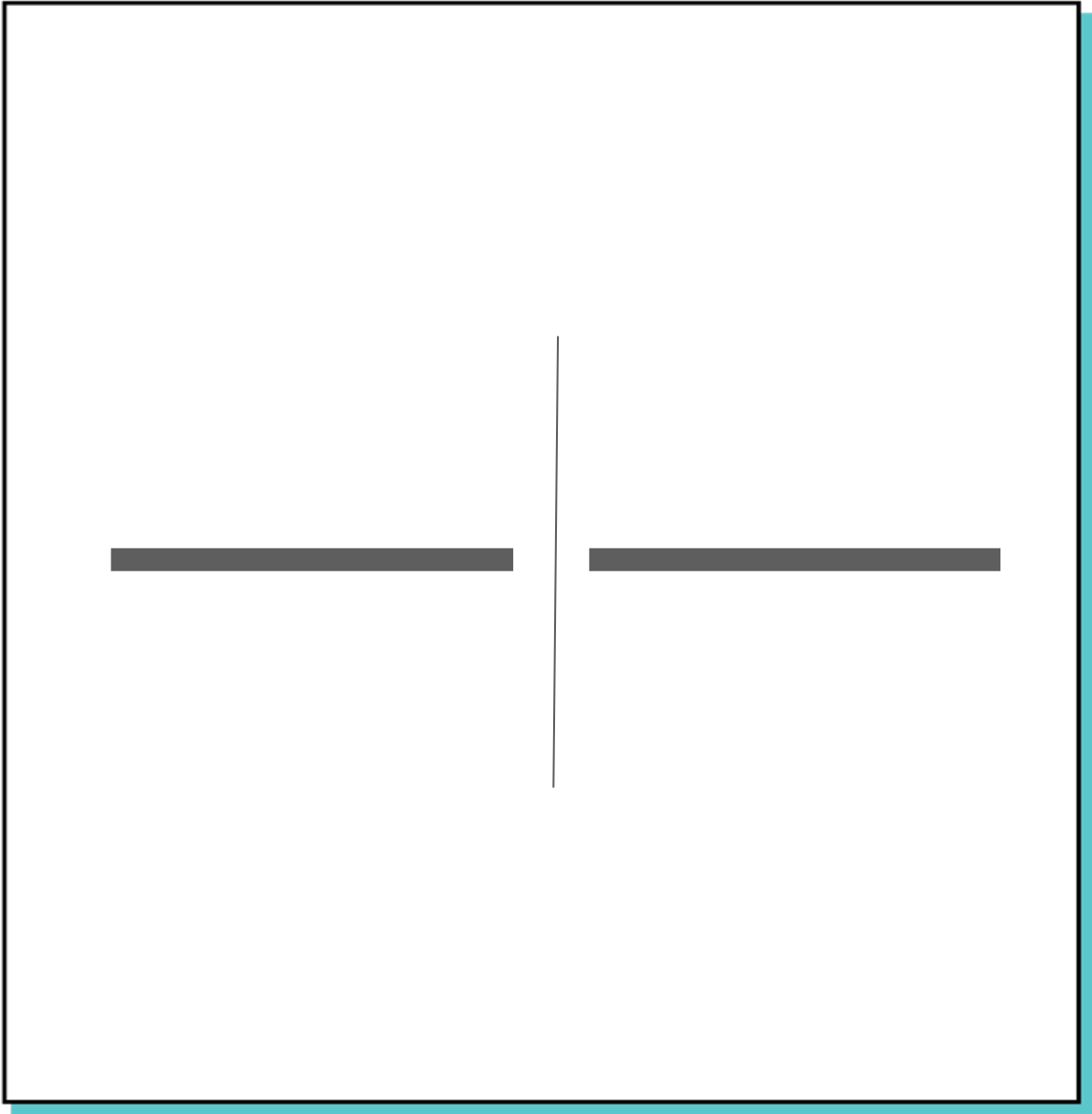
- 1.
- 2.
- 3.
- 4.

Organization's Top 4 Areas of Focus

- 1.
- 2.
- 3.
- 4.

PART TWO

THREE PROCESS PATHWAYS

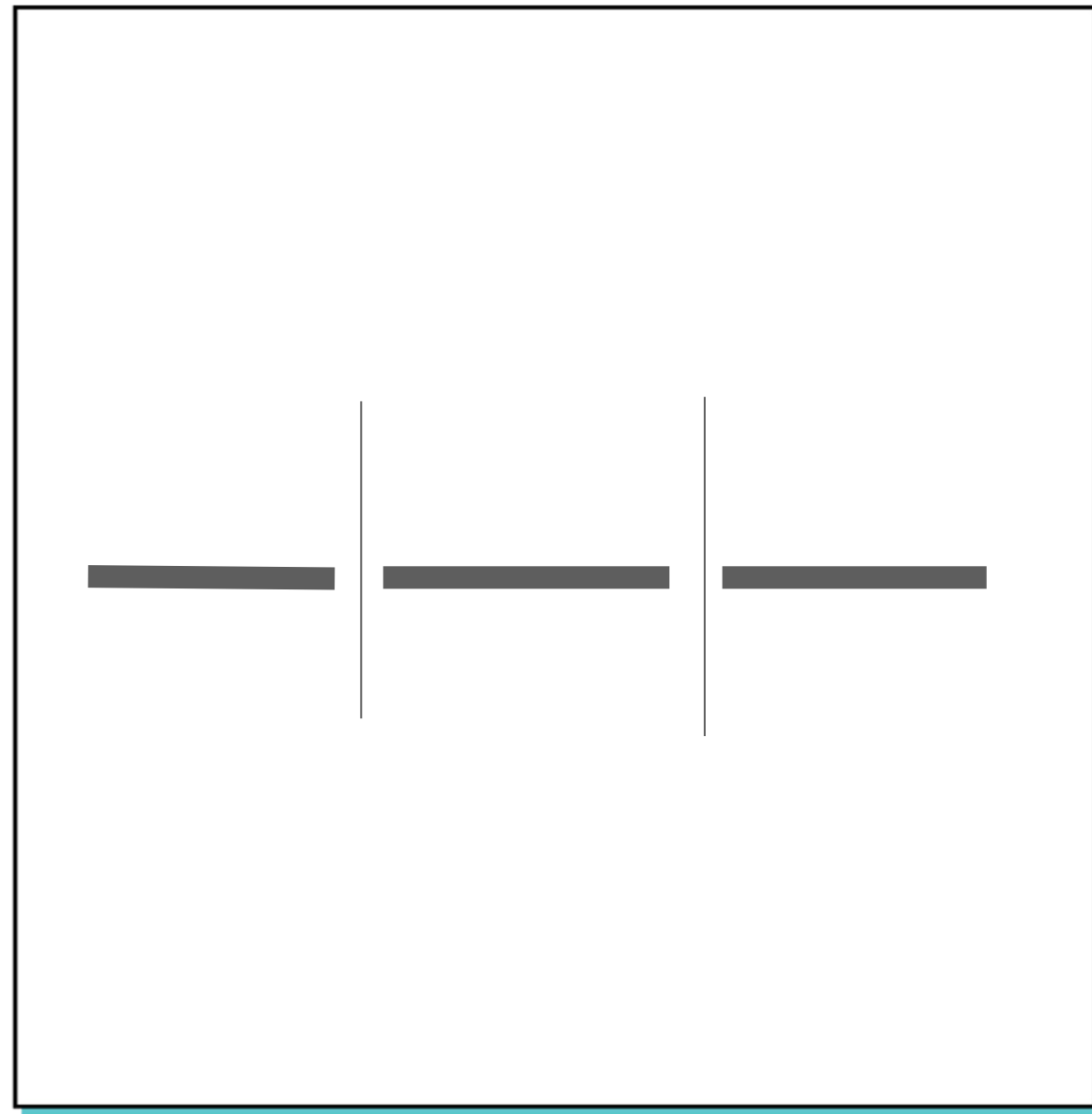


REASONING

- Financial Realities
- Observations From Work
- Lessons from Other Organizations
- History

TRAPS TO AVOID

- Unaware of Options
- Misinterpret Bylaws
- Hiring Mismatch
- No Onboarding Process



REASONING

Address Problems

Time to Heal

Complexity/Scope/Uniqueness

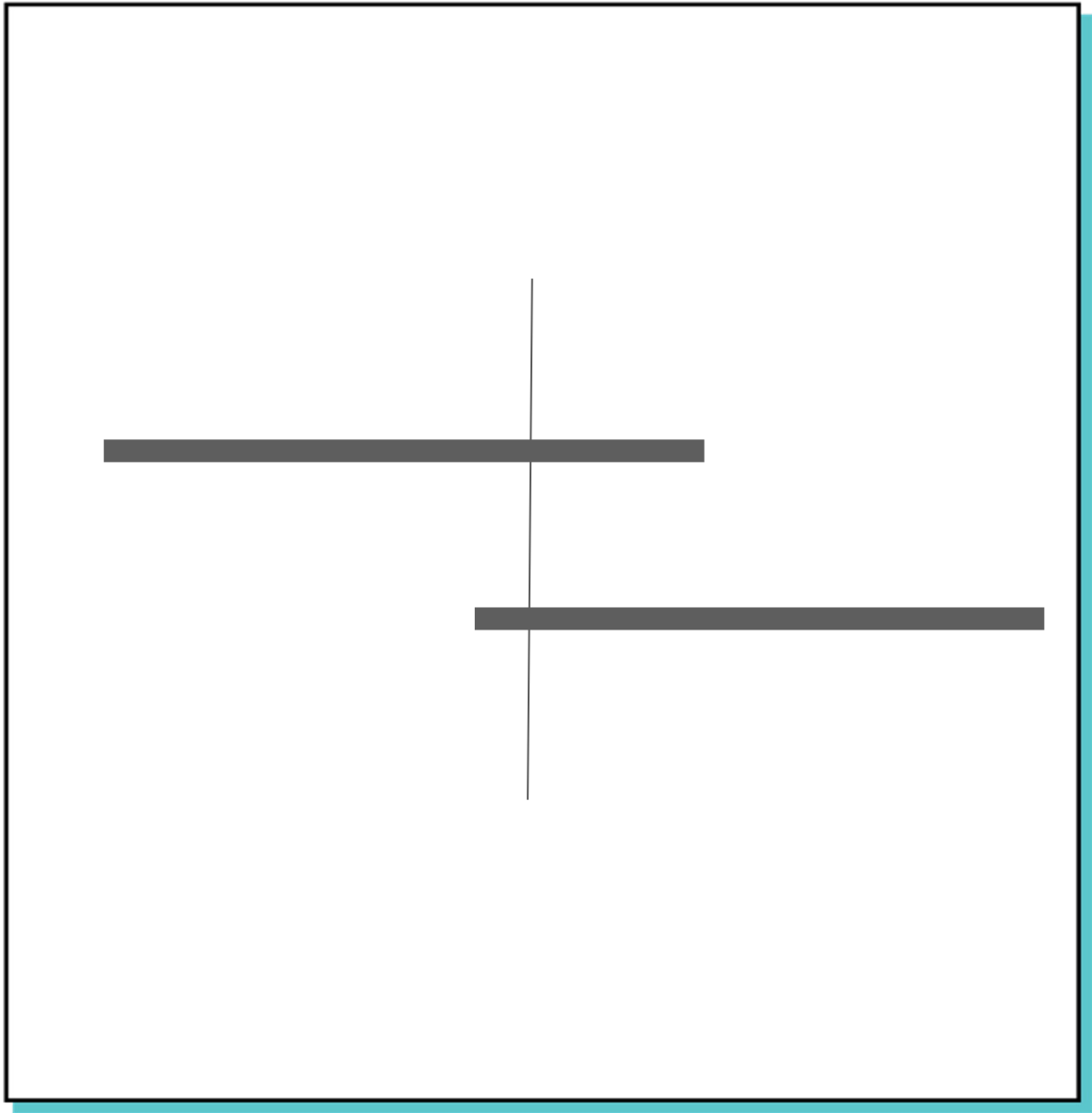
TRAPS TO AVOID

Save the “Lambs”

No Clear Goals

No Clear Timeline

Hidden/Unstated Agenda

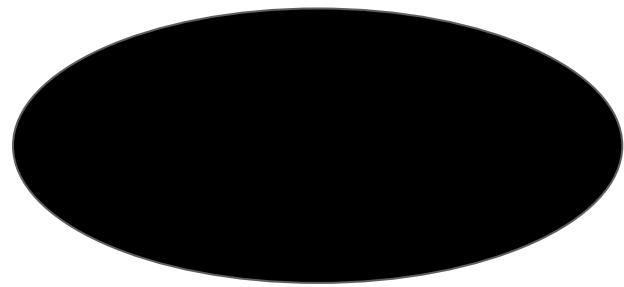


REASONING

- Financial Ability
- Mentoring Culture
- Complexity/Scope Uniqueness

TRAPS TO AVOID

- Weak Leadership
- Lack of Continuity
- Delayed Retirement
- No Clear Exit Plan



THE “BLINDSIDE”

Death
Illness
Moral Failure
New Opportunity



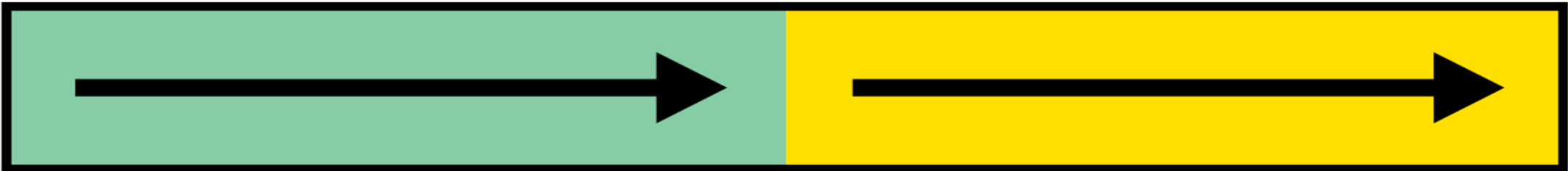
THE “UN-INTENTIONAL INTERIM”

Lack of Continuity
Poor Planning
Attachment Issues
Hiring Mismatch

PART TWO

Process Pathway: Ranking

Stop and Go



Intentional Interim



Overlap



Personal Ranking	Team Ranking
_____	_____
_____	_____
_____	_____
_____	_____

PART THREE

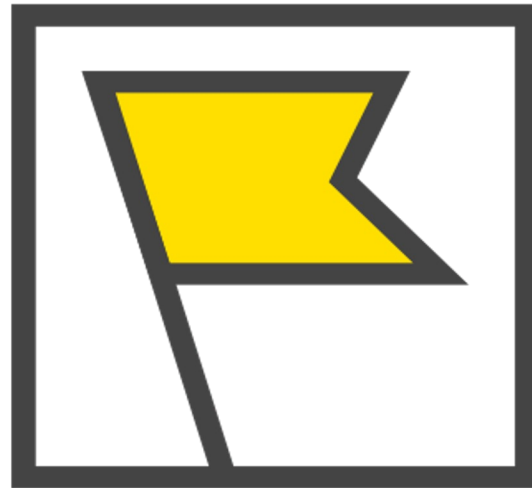
FIVE ESSENTIAL SIGNPOSTS

PART THREE

Five Essential Signposts



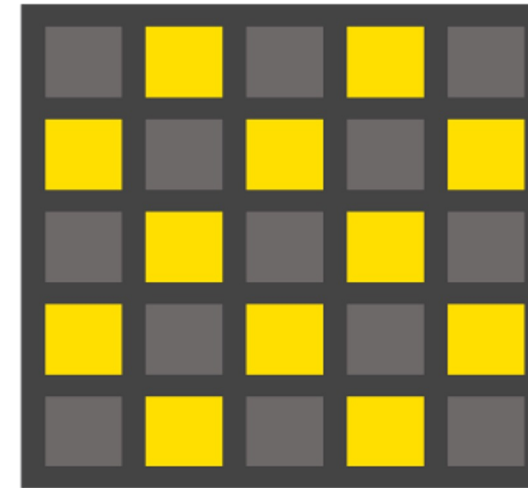
Pisgah



Teams



Search



Onboarding



Ceremony



PISGAH

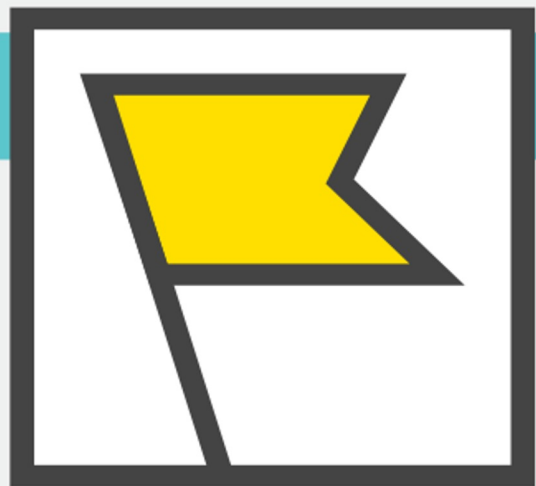
Pisgah represents a shift, not an end.
(Numbers 8:23–26)

The road to Pisgah is emotional.
(Deuteronomy 3:23–26)

Pisgah forces the leader to consider the people.
(Numbers 27:16–17)

Pisgah forces the leader to consider the successor.
(Deuteronomy 3:28)

BIG IDEA: A leader's legacy is established
by how they walk away from Pisgah.



TEAMS

Formal Team	
Identified in	governance
Develops the	strategy/process
Supports	continuity
Provides	clarity

Informal Team	
Identified in	influence
Develops the	feedback
Supports	unity
Provides	participation



SEARCH

Internal Candidates

Affirmed by

leaders

Intentional

process

Moses

▶

Joshua

Deut. 3:28

External Candidates

necessity

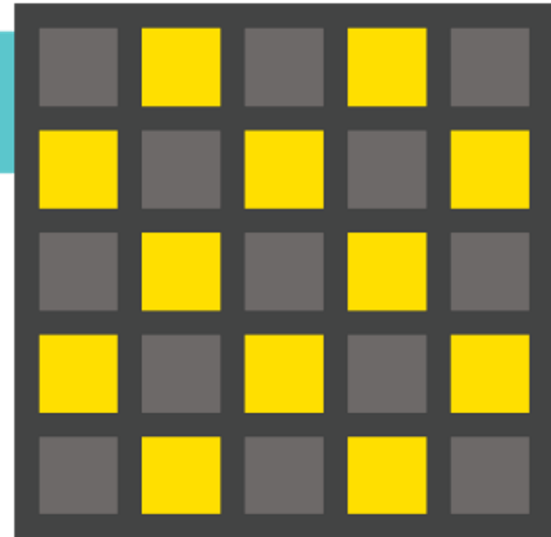
protocol

Elijah

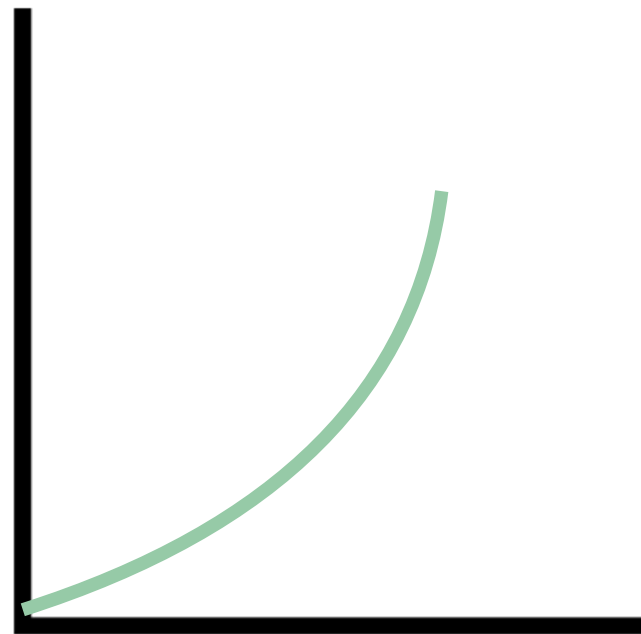
▶

Elisha

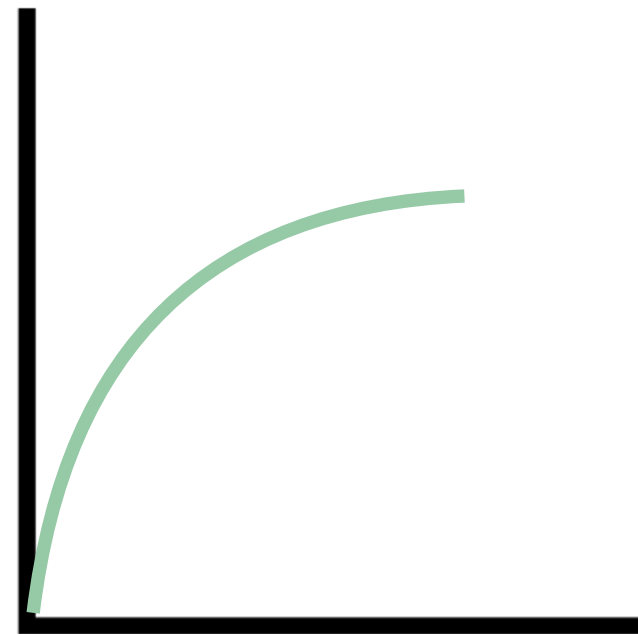
2 Kings 2:13-17



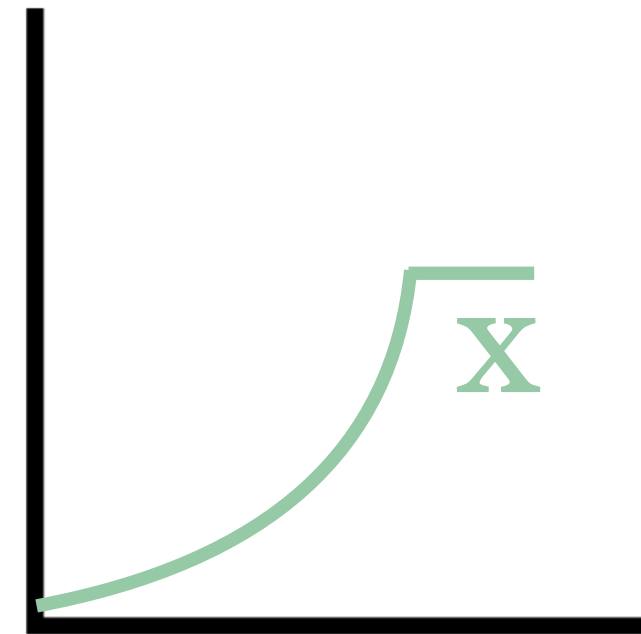
ONBOARDING



deliberate/planned



too much/too soon



incomplete

Transitioning _____ responsibility _____ and _____ influence _____
are not the same thing.



CEREMONY

Set the _____ date _____

Focus the _____ calendar _____

Celebrate in different _____ contexts _____

Involve _____ insiders _____ and _____ outsiders _____

Allow people time to _____ mourn _____

Affirm and launch the _____ successor _____

- 1) Process Pathways
- 2) Signposts
- 3) Leadership + Legacy Audit

P 120-121 in Board Workbook

PISGAH

TEAMS

SEARCH

ONBOARDING

CEREMONY

Personal Priority Ranking

1.

2.

3.

4.

5.

Group Priority Ranking

1.

2.

3.

4.

5.

PART FOUR

Designing Your Intentional Leadership Transition

Four Continuity Factors



Stability



Identity



Direction



Movement

Three Process Pathways

Stop and Go



Intentional Interim



Overlap



Five Essential Signposts



Pisgah



Teams



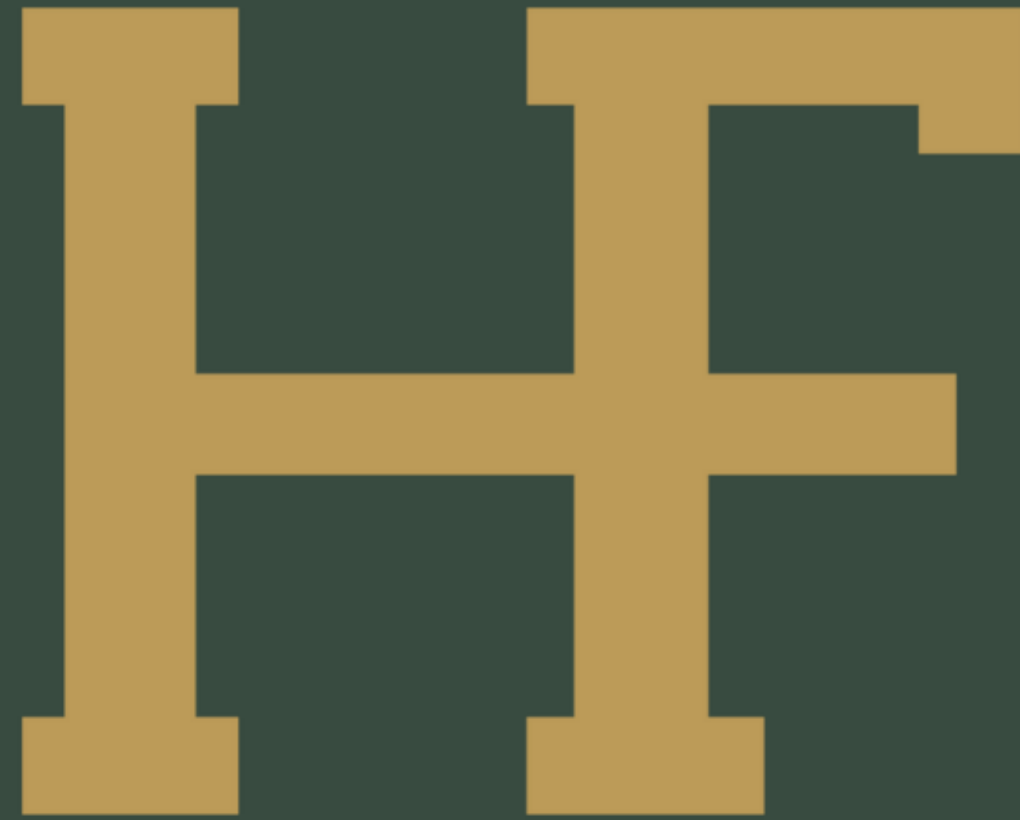
Search



Onboarding




Ceremony



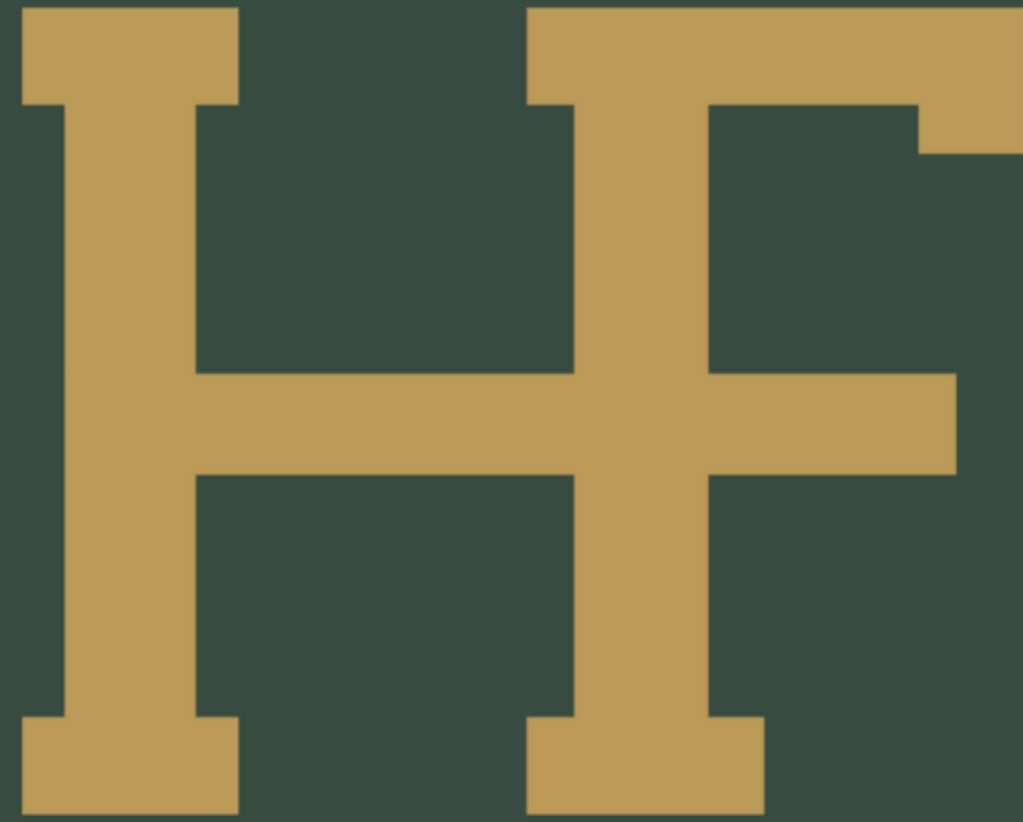
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