Leadership Succession Planning: Implications for Nonprofit Human Service Organizations

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Informed by the existing literature on executive exit in the for-profit, public, and nonprofit sectors, this analysis identifies the key elements of succession planning with implications for nonprofit human service organizations. It focuses on self-leadership, executive-board relations, and comprehensive succession management, and concludes with the importance of aligning succession-based efforts and strategic planning.

Keywords: leadership, nonprofit, succession planning

INTRODUCTION

As record numbers of nonprofit founders and executives near retirement age, further investigation into the complex nature of executive exit is critical to the future health of the non-profit sector. Executive exit and the process of leadership succession presents organizations with unique challenges and opportunities, including risk, a limited applicant pool, and inevitable organizational change (Gilmore, 1988; Khurana, 2001). In addition, executive exit requires psychological and task-oriented adjustment for the departing executive, as well as those staying in the agency through the course of the transition (Austin & Gilmore, 1993). It involves considerable self-reflection and assessment by the outgoing executive and the board. Exiting executives are often faced with difficult and soul-searching questions: Am I emotionally and financially ready to make this decision? Is this the best time to leave the organization and its unmet needs? "Do I have the necessary support systems in place . . .?" (Adams, 2005, p. 11). Exit often requires a "proactive letting go" and an engagement in activities that help prepare the way for the transition (Adams, 2005, p. 12). This period of immense change requires the "capacity to reflect on what might have been . . . to disengage from satisfying relationships, and to come to terms with one's accomplishments and disappointments" (Austin & Gilmore, 1993, p. 48).

Executive exit can be planned or unexpected and, though it can be difficult to discuss, it is an organization's responsibility to be prepared for either. The exit process can be launched by retirement,

termination, promotion, merger, sale, acquisition, internal transition, death, disability, unexpected resignation, investigation, or indictment (Austin & Salkowitz, 2009; Cingoranelli, 2009; Dalton & Dalton, 2007a; Kesner & Sebora, 1994). Though organizations are increasingly acknowledging the critical role of succession planning prior to executive exit, few[1] have plans in place to guide them through the process (Austin & Salkowitz, 2009; Bell, Moyers, & Wolfred, 2006; Garman & Glawe, 2004; Santora, 2004; Santora, Caro, & Sarros, 2007). This analysis builds on the literature that identifies types of succession and the need to plan and manage succession, developing a conceptual framework and elaborating on promising practices.

The Role of Self-Leadership in Executive Exit

The concept of self-leadership is defined as self-directed strategies that can influence behavior, internal systems of reward, conceptions of effectiveness, performance standards, and outcomes (Hardy, 2005). Manz and Henry Sims (as cited in Hardy, 2005) note that, in order to become an effective leader, one must first learn to be an effective *self-leader*. Many current nonprofit executives have used self-leadership to help them advance to the positions they are in today. In a similar way, an executive's personal clarity about her own departure, particularly related to timing and role, is critical to the success of her exit (Adams, 2005; Austin & Gilmore, 1993). The use of self-leadership strategies can help exiting executives develop an organizational climate of trust that enables others to more successfully and openly navigate difficult conversations about organizational and leadership change (Hardy, 2005; Austin & Gilmore, 1993).

Initiating Sensitive Conversations

The topic of leadership succession can stir up considerable emotion, fear, stress, conflict, and questions, and thereby create potential discomfort between boards and executives. In addition, the executive-board relationship is often affected by differences in ideology, social class, and ways of identifying with the agency (Kramer, 1965). These differences can exacerbate power struggles, misunderstandings, and conflicts that make both the personal (as well as the professional) aspects of succession that much harder to discuss openly in a board meeting (Kramer, 1965). Effective and purposeful collaboration between executives and their boards is critical, however, for the success of the transition (Axelrod, 2002). Kramer (1965) identifies the following mitigating factors: 1) board members respond according to their view of community interest as opposed to their own personal gain; 2) the potential for shifts in attitudes based on new learning about the operation of nonprofits; 3) external factors (e.g., financial crisis, desire to maintain critical relationships, etc.) may prevail over ideology when making agency-related decisions; and 4) ideological differences may enhance succession planning where opposing view points can contribute to a more comprehensive assessment and analysis.

Sensitive conversations can move beyond the personal to the organizational. The exit of an executive provides the board with an opportunity to reposition the organization by taking into account its history, its present needs for leadership, and its future in the community. For example, some boards have found that the search for a new executive director proved to be more difficult than expected, causing a major reassessment of the agency's future that opened the door to considering merger with another agency in the same field of practice (Benton & Austin, 2010). While such a reassessment

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[1]Garman & Glawe's (2004) review of existing literature found that only an estimated 40%–65% of organizations have formal succession planning processes in place. The validity of the findings is limited due to a lack of firsthand sources and the use of convenience samples. A 2006 survey of 1,932 nonprofit executives reported that 75% of EDs plan to leave their jobs in the next five years and only 29% of the executives surveyed have discussed a succession plan with their boards; of those leaving within 1 year, only 47% have discussed a plan with their boards (Bell, Moyers, & Wolfred, 2006).

could or should take place before launching an executive search process, it is clear that a leadership change provides the board with an opportunity to make decisions that would serve the best interests of the clients and staff of the organization (Gilmore, 1988).

The Executive Director's Role in Educating the Board

The consensus in the literature is that leadership succession planning is ultimately the board's responsibility, yet boards often rely on their executive director (ED) to initiate the planning processes (Bell, Moyers, & Wolfred, 2006; Dalton & Dalton, 2007a; Liteman, 2003; Santorin, 2004, as cited in Khumalo & Harris, 2008). This delegation is due, in part, to the desires of board members to be sensitive to the needs and autonomy of the ED, resulting all too often in the avoidance of the conversation all together (Gandossy & Verma, 2006). The reluctance to discuss leadership succession planning is further exacerbated when the exiting director is also the founding director of the organization (McLaughlin & Backlund, 2008).

Although succession planning is a critical element in the role of the board, agencies can benefit if the ED offers support and guidance to the board's process (Bell, Moyers, & Wolfred, 2006). The ED can facilitate opportunities for the board to gain exposure to high-level talent inside the agency (Dalton & Dalton, 2007a) and can guide the board in identifying the ideal competencies for a successor related to the organization's future direction and goals (Adams, 2006). Boards need to examine their own composition in the succession planning process, as board diversity can affect both the selection and success of the new ED (Adams, 2006; Bell, Moyers, & Wolfred, 2006).

In addition to working with the board, the exiting ED is also responsible for helping the organization prepare for succession by allowing adequate time for planning, updating organizational documents, managing the transition of internal and external relationships, delegating partially completed projects, and attending to staff needs throughout the transition process (Adams, 2006; Austin & Gilmore, 1993). Exiting executives can help to ensure organizational momentum by identifying an advocate for each key issue on the organization's agenda (Austin & Gilmore, 1993).

Using Exit Discussions to Develop Leadership Succession Policies

Formal succession planning can increase enthusiasm for work, reduce anxiety, and guard against selection bias during hiring processes (Greer & Virick, 2008). It can also help organizations assure continuity, engage senior leadership in a review of the agency's talent, give more attention to diversity, encourage the re-examination of organizational systems and structure, and align various units within an organization (Gersick, Stone, Desjardins, Muson, & Grady, 2000; Leibman, Bruer, & Maki, 1996). While conversations aimed at formalized planning may seem premature or awkward to initiate, post-succession challenges are often magnified without the presence of a formal succession plan (Gandossy & Verma, 2006). A common pitfall among nonprofit executives is the practice of beginning to groom potential successors without board knowledge or approval, often leading to problems once the official executive search begins (Adams, 2006). In the absence of existing succession policies and plans, nonprofit executives are encouraged to open conversations with their boards (Wolfred, 2008).

Defining Types of Succession

This section summarizes the pros and cons of the various types of succession, which include:

- *Relay succession* involves identifying a member of senior management in an organization as heir apparent well in advance of the actual transition, providing a period of overlap for the outgoing executive to transfer knowledge and power to the successor (Vancil, 1987).

- *Non-relay inside succession* occurs when the successor is promoted from inside the organization, but through a competitive process involving several key internal candidates (Friedman & Olk, 1995).
- An *outside succession* is one in which the successor is hired from outside the organization (Zhang & Rajagopalan, 2006).
- A *coup d'etat* occurs when stakeholders other than the incumbent organize to make swift succession decisions (Friedman & Olk, 1995).
- Bringing back a director from a previous era is known throughout the for-profit literature as a *boomerang* (Dalton & Dalton, 2007b).

Though studies have sought to compare the succession models, debate continues over whether internal or external hires are more successful (Bower, 2007, as cited in Khumalo & Harris, 2008; Gandossy & Verma, 2006; Garman & Glawe, 2004; Giambatista, Rowe & Riaz, 2005; Kesler & Sebora, 1994; Khumalo & Harris, 2008; Santora, 2004; Santora, et al., 2007; Zhang & Rajagopalan, 2006). Outside succession has been found to produce stronger results than internal non-relay succession when overall instability in the sector is high (Zhang & Rajagopalan, 2004). In contrast, Gandossy & Verma (200) report that internally groomed CEOs brought in higher shareholder returns (1.9%/year) than externally hired CEOs. Bower (2007) argues for hiring an "internal outsider," someone who has a deep understanding of the company's history and its key stakeholders, yet is not overly attached to the status quo and possesses the skills and desire to lead the organization through a change process (as cited in Khumalo & Harris, 2008).

Relay succession was found to improve performance when compared to outside succession or internal non-relay succession, especially when pre-succession organizational performance was low, as well as when post-succession instability in the industry or sector was high (Zhang & Rajagopalan, 2004, 2006). Despite these findings, some researchers are cautious about relay succession because of the resulting loss of flexibility, the risks associated with losing the candidate, the potential to select the wrong candidate, or the prospect of igniting internal power struggles (Dalton & Dalton, 2007b; Groves, 2006; Santora, et al., 2007; Wolfred, 2008). Shen and Canella (2003) found that stakeholders react negatively to the departure of an internally groomed candidate, but positively to successful promotion of such a candidate through relay succession (as cited in Giambatista, et al., 2005). If relay succession is to be used, the organization needs to allow time for selecting, training, assessing, grooming, and creating a transition timetable (Santorin, 2004 and Korn, 2007, as cited in Khumalo & Harris, 2008).

While extensive grooming can produce the best results in the for-profit sector (Santora, 2004; Zhang & Rajagopalan, 2004, 2005), the nonprofit literature notes that too much overlap in the transition can diminish an incoming executive's authority (Adams, 2005; Austin & Gilmore, 1993; Wolfred, 2008). Adams (2005) suggests that when a founding ED transitions out of the organization, an "on-call" approach for the outgoing executive tends to work best, as opposed to a more "hands-on" or "hands-off" approach (p. 19). If it is projected that the staff and various stakeholders in a nonprofit will experience significant challenges related to the "letting go" of the exiting ED (common when founders depart), the organization may want to consider hiring an interim ED before selecting a long-term replacement (Adams, 2005; Wolfred, 2008). Dalton and Dalton (2007b) note, however, that there are risks in an interim approach if the interim is also a candidate for the long-term position.

From Succession Planning to Succession Management

For decades, the focus of succession planning (also known as replacement planning) has been the search for a well-qualified replacement for a particular position in an organization (Metz, 1998). Traditional succession planning featured selection from an internal pool of successors, with the

announcement of replacements well in advance based on specified skills or experience and the performance appraisals of superiors (Leibman, Bruer, & Maki, 1996). While this approach to succession planning worked well in an era with lower rates of turnover and fewer leadership transitions, it does not provide the flexibility needed for rapidly changing environments facing organizations today (Leibman, Burer, & Maki, 1996; Metz, 1998). Changes in organizational structures and cultures also demand a more comprehensive model for leadership succession, including: 1) the rise of self-career management and external recruiting, 2) increased diversity issues, 3) the prevalence of mergers and acquisitions, 4) new technologies, 4) downsizing of middle management, and 5) the overall flattening of organizations (Beeson, 1998; Metz, 1998).

The current literature calls for a fundamental shift from traditional replacement-succession planning toward a more comprehensive succession management approach (Gandossy & Verma, 2006). Succession management is defined as "formal, ongoing . . . holistic and strategic . . . systematic, consistent . . . [and] aims to build a reliable supply of talent" throughout an organization (Gandossy & Verma, 2006, p. 39). Succession management includes the search for talent from both internal and external talent pools, linking selection criteria to a candidate's specific competencies and embeddedness within inter- and intra-organizational networks, and developing leaders whose strengths and experiences fit the organization's mission and values (Cao, Maruping, Takeuchi, 2006; Leibman, Bruer, & Maki, 1996). Collins and Porras found that a "culture of succession management" existed in many of the companies that prospered throughout the 20th century (as cited in Gandossy & Verma, 2006, p. 38)

Promising Frameworks for Practice

The literature provides several useful frameworks to guide succession planning and management, reflecting promising practices in multiple sectors: for-profit, nonprofit, public, private, and public health (see Appendix A). The following practices are consistently cited as key elements for effective succession management across sectors: 1) leadership development and retention, 2) organizational assessment, 3) clarification of agency direction, and 4) alignment between strategy and goals (Adams, 2005, 2006; Axelrod, 2002; Collins & Collins, 2007; Gandossy & Verma, 2009; Gersick, et al., 2000; Greer, 2008; Herrera, 2002; Jones, 2007; Lynn, 2001; Wolfred, 2008). The nonprofit literature emphasizes acute emergency planning, as well as developing overall organizational stability and alignment in order to guide pre-planned departures (Wolfred, 2008; Jones, 2007; Adams, 2005, 2006; Axelrod, 2002).

Figure 1 captures the major themes that emerged from an analysis of these frameworks. At the center of the figure is the development and updating of the organization's strategic plan based on an organizational self-assessment and the ongoing monitoring of community needs. The agency's strategic plan informs the overall approach to leadership development and succession planning and management (Axelrod, 2002; Collins & Collins, 2007; Gersick, et al., 2000; Herrera, 2002; Ip, 2009; Lynn, 2001; Wolfred, 2008). Clear communication between executives and their boards can help to facilitate the development of shared expectations related to departure. Role transparency is critical for accurate planning.

One aspect of succession management is emergency succession planning for all key staff and board members, in the event of unexpected departure (Adams, 2005, 2006; Bell, Moyers, & Wolfred, 2006; Jones, 2007; Wolfred, 2008). This plan anticipates unplanned departures by identifying action steps that lead to the search and selection period of succession. In small organizations, volunteers or board members often implement the emergency succession plan (Wolfred, 2008). Specifying current job roles and lines of authority based on up-to-date and accessible information is needed to determine priority areas and workload shifts needed during emergency periods (Wolfred, 2008). Planning for clear and thoughtful intra- and inter-agency communication is essential (Wolfred, 2008). Boards need to have a clear understanding of the organization and anticipate its future needs in order to define and guide the search and selection process.
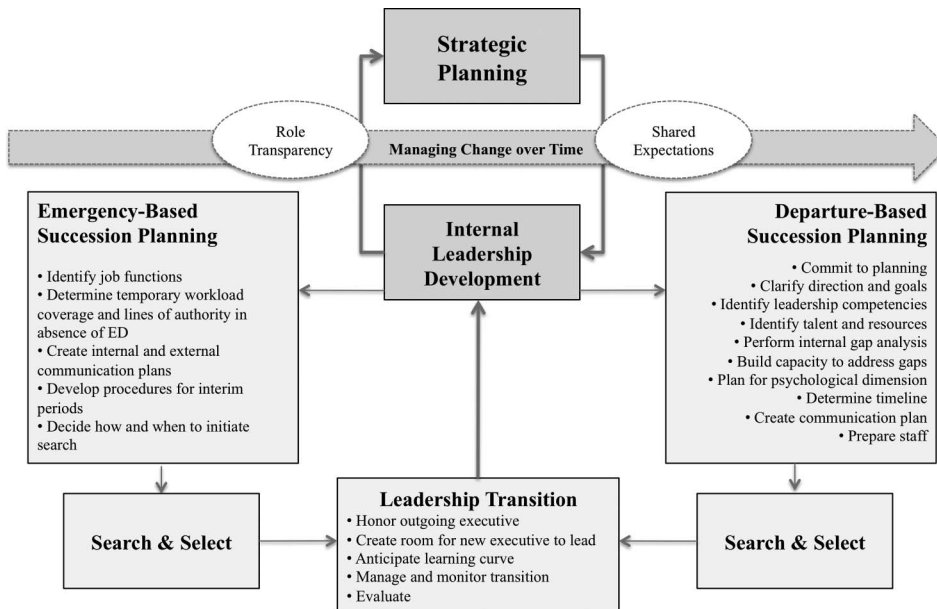
FIGURE 1 Toward Succession Management.

Pre-planned departure-based succession planning occurs when departing executives are fairly certain about when they plan to leave an organization, allowing a more gradual and purposeful process and timeline to drive the succession process. The effectiveness of this approach relies on a commitment to the process from organizational leaders (Gandossy & Verma, 2009). Careful analysis of the agency's goals and strategic plan can inform executives and their boards, as together they define the specific leadership competencies that are necessary to bring their organization's goals to fruition, as well as identify targeted areas for internal capacity building (Adams, 2005, 2006; Herrera, 2002; Wolfred, 2008). As with emergency succession, planned and deliberate communication is critical, in addition to creating a climate that assists staff in managing the various components of the transition (Wolfred, 2008; Axelrod, 2002).

Adams (2005) notes that the activities of pre-planned departure-based succession planning for founders can depend on the amount of time that remains prior to departure: 1) departure planned for two to three years away allows time for substantial strategic planning initiatives; 2) departure planned for one to two years away calls for a more focused organizational assessment and the use of existing strategic plans to inform planning; and 3) departure planned for less than a year away calls for expedited planning and decision making related to the structure of and approach to the transition. When EDs are also founding directors or have been in their positions for 10 years or more, Wolfred (2008) recommends beginning to plan 2–3 years prior to the executive's departure. Adams (2005) identifies two critical factors that should influence the timing of the departure: 1) the founder's engagement and ability to make a positive contribution to the transition (taking into account burnout and/or the board's level of trust in the executive), and 2) the level of succession planning and training in which the organization has engaged prior to the departure announcement. Wolfred (2008) notes that, when resources allow, EDs can take a leave of absence (1–3 months) well in advance of a departure date as a way of testing the management team's skills and succession readiness (see Appendix B for a case example).

Managing the transition is a critical component of succession, regardless of whether the change in leadership was planned or a result of emergency-based succession. The incoming executive, the

outgoing executive, the staff, the board, and other stakeholders all experience the transition in different ways. Planning to honor the outgoing executive and her legacy in specific and tangible ways is an important element of this transition, providing an opportunity for closure, signifying a new beginning, and simultaneously promoting continuity (Adams, 2005; Austin & Gilmore, 1993). Once the new ED steps into the role, it is important to help stakeholders begin to embrace the new leader (Austin & Gilmore, 1993; Wolfred, 2008). Organizations need to plan for an incoming executive's learning curve, regardless of whether the hire was an internal or external candidate (Giambatista et al., 2005). If the hire is external, Marshall (2007) emphasizes the importance of orientation sessions for the new executive to acquire an understanding of the organization's culture and history (as cited in Khumalo & Harris, 2008).

Organizations engaged in leadership succession often find themselves confronted by process issues (e.g., unclear roles and responsibilities) or people issues (e.g., resistance to process and conflicting expectations for change) (Gandossy & Verma, 2006). Organizations can address these issues during succession planning by taking opportunities for organizational introspection, selecting search committees carefully, allowing the process to be dynamic, developing internal buy-in to the overall succession process, and evaluating the process and outcome to inform subsequent transitions (Beeson, 1998; Khurana, 2001; Leibman, Bruer, Maki, 1996).

Developing Leaders

Recognizing and developing internal leadership potential is consistently cited as a critical component of succession management (Dalton & Dalton 2007a; Gandossy & Verma, 2009; Greer, 2008; Groves, 2007; Jones, 2007; Lynn 2001). According to Jones (2007), when organizations do not consciously and continually develop leaders, they experience both short- and long-term consequences. For example, when the health care industry lost several potential leaders, the causes were related to inadequate resources, improper mentoring, and a lack of developmental opportunities (Doody, 2002, as cited in Groves, 2006). While Dalton and Dalton (2007a) argue that effective leadership development may increase an organization's turnover due to higher employability, boards need to support this level of preparedness.

As illustrated in Figure 2, organizations can create the conditions for successful development and retention by: 1) aligning the organization's mission and goals with the overall leadership development strategy; 2) creating a supportive organizational culture that stresses learning and a healthy work-life balance; 3) providing training opportunities that align with the agency's current needs and future directions; and 4) evaluating the development strategy's processes and outcomes (Austin & Salkowitz; Cingoranelli, 2009; Groves, 2007; Jones, 2007). Strong and consistent communication with internal and external stakeholders can increase an overall commitment to a leadership development strategy (Beeson, 1998; Jones, 2007).

Developing and retaining organizational leadership requires a commitment from all levels of the organization, as well as buy-in and support from external stakeholders in the community. A national study of nonprofit leadership calls on executives to seek funding for leadership development, noting that funders are increasingly viewing leadership development efforts as worthwhile investments for long-term organizational success (Bell, Moyers, & Wolfred, 2006). Boards need to be exposed to up-and-coming talent in order to prevent succession discussions from being the first occasion at which they gain exposure to potential successors (Dalton & Dalton, 2007a; Greer & Virick, 2008). Existing leadership can identify employees with high potential and help develop them through coaching (one-on-one practical learning), mentoring (developmental advisory role), providing effective supervision, and managing change to avoid the turnover of high potential employees (Austin & Salkowitz, 2009; Beeson, 1998; Cingoranellí, 2009; Groves, 2007; Greer & Virick, 2008; Herrera, 2002; Jones, 2007). Peer support and feedback is critical for professional development and on-the-job learning (Austin & Salkowitz, 2009). Developing formal mechanisms to integrate staff feedback into the
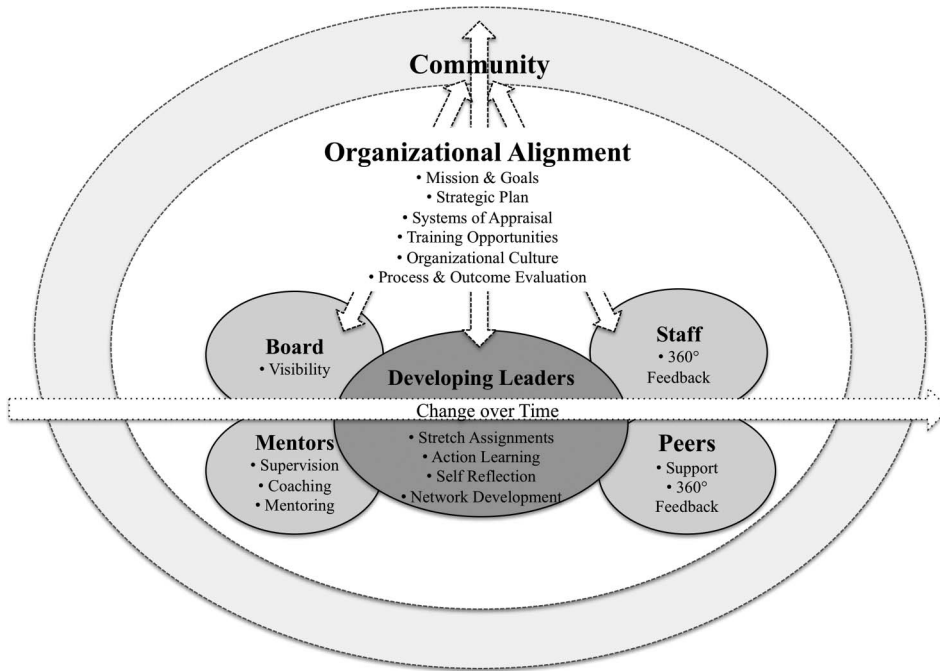
FIGURE 2 Developing and Retaining Leaders.

appraisal of those in supervisory roles has been identified as a best practice for effective leadership development (Groves, 2007). Rising leaders are encouraged to engage in active self-reflection while working with mentors to seek out opportunities for stretch assignments, on the job learning, network development, and feedback from a variety of sources (Groves, 2007; Hill, 2003).

It is important to evaluate the effectiveness of internal leadership development strategies, using measures such as: 1) the organization's capacity to fill vacant positions with internal candidates, 2) the average number of qualified internal candidates per open position, 3) the ethnic and gender diversity among those who are promoted, 4) the percentage of employees who complete and implement their development plans, and 5) staff and management retention rates (Gandossy & Verma, 2006). Some organizations may need to modify aspects of their organizational culture in order to create an environment that facilitates leadership retention, healthy succession planning, and transition, for example: 1) adjust work/life balance and compensation rates (i.e., curbing the practice of typically low salaries for nonprofit executives); 2) invest in and nurture younger leaders and more leaders of color; 3) hold leadership accountable to policies and procedures around leadership development; 4) examine the fit between organizational structure, values, goals, and technologies and make adjustments as necessary; and 5) foster promotion based on leadership skill and specific competencies as opposed to simply seniority (Austin & Salkowitz, 2009; Bell, Moyers, & Wolfred, 2006; Cingoranelli, 2009; Greer & Virick, 2008; Kunreuther, 2005; Wolfred, 2008).

CONCLUSION

This review of the literature, drawing heavily from the for-profit sector, suggests that there is no single best approach to succession planning and implementation. Recent research does,

however, call for a broad shift from a traditional replacement-planning model to a more comprehensive succession management approach. The first conceptual model proposed above for promoting succession management in the human services distinguishes between emergency-based and departure-based succession planning that is linked to strategic planning and leadership development. The second conceptual model illustrates the key concepts needed to build an internal pool of leadership talent. Together, these models provide a framework for understanding the key practice principles underlying effective leadership succession policy and planning in nonprofit human service organizations.

Executive transition requires organizations, groups, and individuals to remain focused on the mission and strategic plan of an organization while managing change and the emotions associated with a change in leadership. A succession plan can help guide participants through the challenges that arise during the process. Though effective succession planning requires a commitment from all levels of an organization, executives and their boards need to initiate and lead the process. Executives are called to navigate a highly public event while leading a process that is deeply personal. Executives must manage their own personal exit process, as well as the transitions occurring in the organization, by balancing preparation with the process of letting go, and managing change while providing continuity. Succession planning calls for boards to engage in sensitive conversations while respecting the executive's role. Ultimately, the board needs to facilitate a smooth transition and a healthy post-succession organization by planning based on an understanding of the organization's direction, as well as the emerging talent in the organization.

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APPENDIX A

Frameworks for Leadership Succession Management by Sector

Nonprofit		
Author	**Title**	**Elements of Framework**
Wolfred, 2008	**Succession Planning for Non-Profits**	- Strategic Leader Development (define strategic vision and identify, recruit, and retain leadership) - Emergency Succession Planning (identify job functions, roles, lines of authority; develop of cross training plan, communications plan, and procedures) - Departure-Defined Succession Planning (identify goals; determine successor skill set; capacity building with board, managers, and systems)
Jones, 2007	**Greater Stability During Nonprofit Leadership Changes**	- Manage risk (create an emergency succession plan in the case of an unplanned leadership change) - Use a strategic approach to develop leadership throughout agency (staff and board) - Manage leadership transitions
Adams, 2005; 2006	**Executive Transition Management Approach (ETM)**	- Plan (emergency planning and ongoing strategic planning or pre-departure planning) - PREPARE: Transition and search planning (clarify direction, stabilize, outline capacity building efforts) - PIVOT: Search, select, prepare (outreach, prepare staff, strengthen infrastructure) - THRIVE: Post hire launch and support (define roles, responsibilities, and expectations)
Axelrod, 2002	**Ongoing Succession Planning**	- Perform institutional self-assessment - Define core leadership and management competencies - Create chief executive profile - Develop and implement communications plan - Search, select, appoint - Orient and coach new leader
Gersick et al., 2000	**Continuity Planning in Family Foundations**	- Select a planning leader and committee (diversity in age, gender, and family branch) - Decide who will participate - Complete the Foundation Continuity Survey and summarize results (survey is included in succession workbook with sections that assess mission and vision, organizational structure and leadership, developing successors, and family dynamics) - Plan a retreat - Facilitate retreat to discuss continuity planning and readiness, family structure, assumptions - Explore culture, history, and values
For-Profit		
Ip, 2009	**Modified Quality Function Deployment for Business Succession Planning**	- Assess competencies of business, incumbent, future business, and successor - Use matrix to systematically compare results - Specify and plan tasks

For-Profit continued		
Author	Title	Elements of Framework
Greer, 2008	**Diverse Succession Planning**	- Strategic Integration (align business strategy with diverse succession planning) - Leadership (develop buy-in) - Planning (communicate competencies, use valid performance measures, evaluate recruiting programs for diversity concerns) - Development (provide mentorship, training, visibility, and avoid tokenism) - Program Management (infuse into appraisal systems, monitor, evaluate)
Khurana, 2001	**Optimum CEO Succession**	- Establish goals and objectives of search - Select search committee - Define roles and responsibilities (of search firm and the search committee) - Define candidate pool broadly - Analyze factors affecting company performance - Choose candidates to fit goals and objectives
Public and Private		
Herrera, 2002	**Steps to Succession Planning**	- Envision the future organization - Inventory current resources - Define strategies to meet goals - Implement, monitor, and adjust plan
Gandossy & Verma, 2009	**Best in Class Succession**	- Align (leadership fits strategy) - Commit (hold managers accountable and invest financial resources in succession planning) - Assess (assess key positions and potential talent) - Develop (deepen the leadership bench and avoid one size fits all approach to leadership development) - Measure (include organizational and individual achievements)
Public and Public Health		
Collins & Collins, 2007	**Succession Planning Conceptual Framework**	- Evaluate organizational goals - Focus on essential positions - Analyze available candidates - Match organizational skills with candidates - Examine gaps - Identify the development process of proposed successor - Address transition issues - Attempt to retain talent - Evaluate and begin process again
Lynn, 2001	**Sequential Steps for Succession Management in the Public Sector**	- Systematically identify organizational needs - Discover a pool of high-potential candidates - Provide learning experiences to increase knowledge, skills, and abilities of potential leaders - Select leaders from pool

APPENDIX B: SABBATICAL AS PART OF LEADERSHIP SUCCESSION PLANNING – A CASE VIGNETTE

Family Support Services of the Bay Area (FSSBA) is a nonprofit organization whose mission is to support children, youth, families, and communities by providing services that make them stronger. Founded in 1989, FSSBA offers programs in respite/childcare, family preservation, kinship, and mentoring. Lou Fox is the executive director (ED) of FSSBA and attended a succession planning workshop in 2008, nearly 20 years after she and Judy Levin co-founded the organization.

The workshop suggested that long-term EDs use a planned sabbatical to test their organization's readiness for leadership succession. Citing funding constraints, practical agency management concerns, and an inability to ask her board for that type of leave, Fox originally dismissed the idea and returned to her day-to-day responsibilities running the agency.

Consistent with the experiences of many other nonprofit EDs, Fox has found it challenging to carve out the time to develop a succession plan. Pressing matters often push succession planning to "tomorrow," yet as co-founder, she is deeply invested in making sure that the agency is in good hands when she decides to retire. Also common in the nonprofit sector, the FSSBA board recognizes that it is their responsibility to hire Fox's successor, but has waited for Fox to initiate conversations about her own departure. Both the FSSBA board and Fox would prefer a successor from inside the organization, but both of her top executives have said that they are not interested in the director position. Fox predicts that one of her two top leaders will be asked to step in as an interim ED when the board eventually conducts a search. She is committed to ensuring that there is adequate planning prior to and support during an interim period to enable a smooth transition and to provide the board the time it needs to find the right person.

Approximately 18 months after attending the workshop, Fox received an application from a statewide foundation inviting executive directors of 501(C)3 organizations providing health services who had been in their positions for the past six consecutive years to apply for a $35,000[2] grant to support a 3–6 month sabbatical. Meeting all eligibility criteria, Fox decided to seek board approval and apply. She was awarded the grant and she plans to take a four-month sabbatical from April to July, as those months are best for the agency's calendar.

It is the foundation's expectation that, while on leave, EDs will have no contact whatsoever with their agencies (i.e., no email, no meetings, no phone calls, no "being in the know," etc.). Fox notes that it is common for founders and long-time EDs to personally over-identify with their agencies and it can become extremely difficult to leave for any period of time, making it a real challenge to not touch base. Stressing the need for a complete break from the agency in order to get the rest needed for effective leadership, the foundation requires applicants to submit a detailed plan for their absence as part of the application.

In writing the application, Fox realized that she was not only putting together a sabbatical proposal, she was laying the groundwork for both an emergency succession plan and a departure-defined plan. Fox shared that her response to the application question: "What is your plan while you are away?" flowed easily and was the lengthiest of all of her answers. Citing the incredible competence of her executive team (i.e., the associate director, the director of finance and administration, and the director of program operations) and their deep internal experience (ranging 5–14 years with the organization), Fox was able to articulate with confidence the specific ways each member would step up to do additional tasks in her absence. For example, the associate director would become acting director. In addition to simply noting the temporary title change, Fox identified exactly what it would mean in day-to-day terms to work with the board, supervise staff, maintain external public relations, etc. In order to make room for these new tasks, senior leadership would shift the frequency of supervising their staff from every week to once every two weeks. Fox is confident with a temporary shift of this nature because of the staff's adeptness at keeping their supervisors informed and knowing when to seek assistance. Fox found herself going into great detail in her plan and cut some of it prior to submitting the application.

The application process also served to remind her of all the ways in which the organization has already established and depended on a culture of planning. After witnessing the ways in which planning, or a lack thereof, can significantly affect an organization's ability to deal with emergencies,

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[2]$30,000 is awarded to the organization to enable the directors to receive pay and benefits during their leave and the remaining $5,000 covers agency costs to assist in developing organizational capacity in the absence of the ED.

Fox began contingency planning early on in FSSBA's history. Calling it her "Mack Truck" theory (what if she was hit by a truck and was no longer able to serve as executive director), Fox has been committed over the years to preparing for emergencies and has ensured back-up and role transparency for every position within the agency. By including key staff members in external meetings, she has given her programmatic staff the exposure they need and ensured that she is not the sole person responsible for holding the organizational history and maintaining key stakeholder relationships. With almost 80% of the organization funded by Bay Area counties, Fox brings her associate director or her director of program operations to each county meeting she attends. When Fox is out of town, the county's relationship with these other key organizational leaders has enabled operations to continue smoothly. Fox has also increased the frequency with which her senior staff members attend board meetings in order to provide them with increased and consistent exposure to the board and vice-versa.

Fox notes that FSSBA's "planful" organizational culture has helped the agency prevent emergencies and ensure quality service delivery. For example, during the recent airport closures resulting from the volcanic ash cloud, one FSSBA key payroll staff was significantly delayed in making it back to the United States. This environmental emergency could have shut down payroll, but because of FSSBA's emphasis on cross training and back-up coverage, the organization did not miss a beat during the absence. A second example highlighting the ways in which careful planning has ensured quality services occurred when the program director of the Oakland Family Preservation Programs left for four-months on maternity leave. Prior to her leaving, the team went though every task and created a detailed plan to ensure smooth service delivery in her absence. Despite increased referrals during this period, planning enabled the program to maintain its high quality of services and staff continued to feel supported in their work.