

WHITE PAPER

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SUCCESSION PLANNING TOOLKIT



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THE CASE FOR SUCCESSION PLANNING

First things first, let's rid ourselves of the idea that succession planning is something to be afraid of.

At its core, succession planning is one piece of strategic planning for your organization. It's also a recruitment, retention, and professional development tool. Positioned correctly, and utilized wisely, succession plans can eliminate (or at least mitigate) a lot of anxiety down the road. It's all about sustainability and doing what's possible to future-proof the organization.



If you work with nonprofits long enough, you're bound to work with an organization that is trying to manage through the unexpected departure of its CEO or another critical staff member. Suddenly nobody knows what should be in the job description, and the last version anyone can find is so old that everyone questions its validity. Key relationships with donors or partner organizations begin to languish, because they were managed solely by that now-departed staff member. And who is going to develop the budget for the new fiscal year? Should that be the Director of Finance, or the Board Treasurer, and do they have access to all the information they might need? And by the way, who will sign the paychecks?

Succession planning is really all about having ready answers to those questions, and more. It's about being prepared for both the inevitable (people retire or take new jobs!) and the unexpected (the proverbial hit by a bus scenario). It's also about being able to make staff transitions as smooth as possible while maintaining the continuity of programs, services, and strategic plans.

Beyond planning for someone's departure from an organization, it can also be a great way to help develop staff. When you start to look at the critical responsibilities that need to be covered if someone leaves (even if that leave is temporary, such as medical leave), you also begin to look at who might have the skill sets – or the potential – to step into those roles. From there, you can begin to address what training might be needed, or what opportunities could be provided, for others to develop the skills they might need to either step into a higher-level role permanently, or to help provide coverage while someone new is recruited.

Developing a succession plan will require a real time investment when it's initiated but can – and should – be maintained as part of your organization's annual review process. An annual evaluation process often addresses many of the questions that would go into a succession plan, so it's a good idea to review and refresh, along with staff job descriptions, at the same time. More often than not, the documents will only require minor tweaks year-to-year, but keeping up with them can prevent the need for a major overhaul down the road.

In the case of leadership roles, having a solid succession plan in place can offer a holistic view of the existing talent in your organization, and can potentially answer whether a position can be filled with an internal promotion, or if someone from outside will need to be recruited.



WHAT POSITIONS SHOULD HAVE A SUCCESSION PLAN?

Ideally, every position in an organization should have a basic emergency succession plan that outlines who can cover critical responsibilities in the case of an unexpected absence. At a minimum, the Chief Executive Officer should have a succession plan in place, and ideally, the senior leadership positions that report to the CEO should have succession plans as well. To be thorough, it is best practice that anyone in a management position, or overseeing a critical function of the organization, should have at least an emergency plan in place.

A list of key positions that should create and maintain a succession plan includes:



Depending on the complexity of your organization, there may be other layers beyond the chiefs or heads of divisions that would benefit from having succession plans in place as well.

PLANNED VS EMERGENCY / SHORT-TERM SUCCESSION

Generally speaking, there are two types of succession: (1) planned transitions, and (2) emergency or short-term transitions. It can be good practice to start with developing emergency succession plans, which can often be used to support a planned transition.

PLANNED SUCCESSION

A planned succession is one that is anticipated, and for which there is an abundance of advance notice. The most common instance would be a leader who is planning to retire at the end of the year. The focus of a planned succession is to identify someone to permanently take on the position being vacated.

In a situation such as retirement, a person may have a time frame set a few years in advance. This can allow ample time to identify someone internal to the organization who

may be a successor for their position. Or, if there isn't a potential successor internally, there is plenty of time to conduct a search for someone external.

If there is an internal successor, you can use the time before the planned departure to train and prepare that person for their new role. Invite them to shadow the person leaving, attend meetings and take on additional responsibilities alongside the departing person. It can also be important to introduce the incumbent to other leaders or stakeholders that they will work with closely, such as Board members, key volunteers, donors, or other senior leaders within the organization.

If your organization doesn't have an internal successor and needs to do an external search, this can be a good



time to consider whether any updates need to be made to the job description or profile for the role. Ask the outgoing person how the role has changed during their tenure, and how they think it should change going forward (if at all). Have a similar conversation with the organization's leadership, such as the CEO, Board members, or other senior staff, if appropriate.

If the position is senior enough, the organization may want to consider retaining a search firm to recruit the new person, especially if the internal human resources team doesn't have the bandwidth to conduct outreach. If enough notice is given, it may be possible to identify a new person for the position before the departing person leaves. It can often be beneficial as a final step in the search process for the selected candidate to have a conversation, or even briefly overlap, with the outgoing person.

things to keep in mind for this are whether job descriptions are up to date, and what parts of that job description have to be done during a vacancy. We all have aspects of our jobs that would negatively impact our organization if they weren't done. But we also probably have things that are part of our job that aren't quite as time-sensitive.

For an emergency succession plan, focus on the critical activities, and give thought to who else might be able to take those tasks on if you aren't there. If there isn't anyone currently who can take them on, who could be cross-trained to learn those activities? Is there an opportunity to train a junior staff member in certain areas as part of their professional development? Or are certain responsibilities more confidential, requiring a senior member of the team (think your peer or manager) to take them on in your absence?



EMERGENCY OR SHORT-TERM SUCCESSION

Emergency or short-term succession plans operate a little differently. Think of this as preparing for the unexpected. Commonly, this is for when a staff member needs to take medical or family leave, or when someone leaves for a new job with minimal notice.

For an emergency or short-term succession plan, the focus is more on who can step in to cover certain critical tasks (or an entire additional job) for a brief period while someone is on leave, or while a new person is being recruited. The key

The added bonus of emergency succession planning is that it can make a planned succession more efficient. An emergency plan can be the basis of a permanent transition plan. If critical tasks are reviewed regularly, the organization should be current in the key criteria for a job description. Cross-training can also help in identifying permanent internal successors for senior-level positions.



SUCCESSION PLANNING AS A STAFF RETENTION TOOL



As executive search consultants, one of the most common reasons we hear why people change jobs is because they felt there wasn't room to continue growing and advancing in their careers if they stayed with their organization. When recruiting for positions that are not in the C-suite, one of the most common questions asked is "What does the career path for this position look like?" Or, "What opportunities exist for ongoing professional development?"

As mentioned before, creating a comprehensive succession plan involves addressing who could step in to cover key responsibilities in case of a prolonged absence or departure. The flip side of that involves considering who has the interest to grow in the areas of those responsibilities. In most typical annual performance reviews, the topic of "where do you want to see your career grow" will be addressed. By aligning those opportunities with succession opportunities, your organization can create a pathway for professional development and career growth, and perhaps even find a hidden successor hiding in your midst.

This is an opportunity to also get creative and think about

cross-training. Don't just look at the same department, but consider others where there may be overlapping skill sets, or staff members with interests that stretch beyond their current role. For example, if your nonprofit is creating a succession plan for the head of annual giving, the marketing team may have someone with the skill sets and interest to serve as a back-up or interim. If your COO is leaving, it's possible that someone within the finance or human resources teams could step in to cover certain critical areas.

The best result of offering these growth opportunities is that it fosters loyalty among staff. When your staff members feel engaged and supported and able to continue growing their careers with your organization, they are less likely to leave for somewhere else. Yes, people will still leave and that is only natural. But broadly speaking, tenures will likely be longer and employee engagement will be higher. As an added bonus, you may even find you have an internal successor if and when someone does leave – which will save on the time and expense involved in recruiting someone new.



ALIGNING SUCCESSION PLANNING AND DEIA INITIATIVES

Most nonprofit organizations have a diversity, equity, inclusion, and access (DEIA) initiative. While diversity may mean something different to everyone, there is great value in making sure that it is embedded in your organization’s strategic plans and communications, including any succession plans you create.

There is some assumption that succession planning – and the concept of “promoting from within” – is counter to creating a more diverse, equitable, and inclusive organization. On the surface, that could be true if everyone in your organization looks the same, or comes from the same type of background, with similar abilities and skillsets. But few organizations are really that homogenous. Part of succession planning is about identifying where there is potential for progression in an organization, or where you may need to look externally.

Many organizations have more success hiring and retaining diverse staff at junior and mid-levels, so from that perspective, succession planning has potential for supporting a more diverse staff overall in the long term. Professional development and retention are significant components of succession planning. If you’re using it as a tool to identify who in your organization has the potential and interest in learning new skills or responsibilities, it can support lower-level, and more diverse, staff to grow into senior-level positions. It’s not a quick fix, but it may be a more sustainable one, especially if your organization is one with a history of long-tenured staff and home-grown leadership.

As your organization looks to identify who has potential for promotion or to fill in during an absence or departure, make sure that you are considering the full spectrum of your staff. Don’t just look at the person who went to your alma mater, lives in your neighborhood, or speaks up the most in staff meetings. Remember, you don’t have to

limit yourself to the same department – someone on the marketing team could be great in a corporate relations role in the development department, for example. Make sure that professional development is available and encouraged for all staff, regardless of their department or level within the organization.

For managers, part of their performance review process should be to assess how they perform in hiring, retaining, and developing staff – do they advance team members with a variety of backgrounds, or is everyone they mentor and promote similar to them? Creating accountability for being an inclusive leader will create a more diverse organization.

If you do find yourself in the position of hiring externally for a role, make sure that your diversity initiatives are integrated with that process, as well. For example, if it’s important to recruit a person of color for a certain role, try to make sure the interview team isn’t entirely comprised of white people; if you need more women represented in your organization, try not to have the interview team be all men or vice versa. Be authentic in how you discuss DEIA with candidates – no organization is perfect, and the journey is never complete. Ensure that the language in job descriptions is inclusive and not overly restrictive (consider years of experience and education credentials in particular).

Whether you’re looking at internal promotion or external recruitment, be transparent and equitable with compensation policies. Set clear expectations for staff in their roles and help them to understand what the path to promotion might look like. In performance reviews, discuss with staff how they would like to see their role develop with time, and work to find ways to offer those opportunities.



TIPS & TRICKS FOR SUCCESSION PLANNING



Leading an organization through succession planning or a significant transition can be tricky. It's only natural that there will be anxiety around a transition. If succession planning is new to your organization, it's also possible that staff may be nervous about what this could mean for them – whether a restructuring is coming, or if leadership wants to eliminate staff. Here are some tips and tricks for how to make this process go smoothly:

- Foster **open communication** with staff about why you are creating succession plans. If your organization is in a leadership transition, share information about the recruiting or promotion process, and the anticipated timing.
- **Be patient**. There will be a learning curve with any transition, whether permanent or temporary.
- Expect **growing pains** and bumps along the way. No transition is seamless, even one that is planned. Make sure there is a support system from the Board and staff as needed so that the new person is positioned for success.
- If possible, allow space for some **overlap between the outgoing and incoming leaders**. This can be helpful in transferring knowledge and institutional history, particularly in the case of a long-time leader departing the organization. If overlap isn't possible, provide as much documentation as possible about how to access critical information, any insight about key relationships (community leaders, major donors, partner organizations, etc.), or any management issues that may be on the horizon.
- If there is overlap between the outgoing and incoming leader, ensure their roles are **clearly delineated and adhered to**. Remember, this is also a transition for those that report to or work closely with the person in the role. Respect the boundaries you've set and reinforce them with others as needed. Also, set a realistic limit on the amount of time for overlap; the longer the overlap goes on, the more potential there is for boundaries to be crossed.
- Incoming leaders should be **empowered** to make decisions and any changes that they deem necessary. They should also be encouraged to communicate if an overlap period with their predecessor isn't working. If there is tension, the incumbent's success should be prioritized over the departing leader.



- Remember to keep the **organization's best interest** above any one individual's interests. At its core, succession planning is about ensuring the stability and health of the organization. It's forecasting for the future from a human resources perspective, in the same way that healthy organizations plan for their financial future.
- Encourage **mentorship** within your organization through formal and informal programs. Offering mentoring opportunities helps increase staff retention, provides professional development opportunities, and can also be a great resource for identifying potential successors within your organization.
- Make sure that succession planning is an **ongoing process**. Revisiting succession plans as part of a performance review process can ensure that plans are kept up-to-date and relevant for current staff.
- If you identify an emerging leader on your staff, **communicate** with them. Let that person know that you recognize their potential for growth in the organization, and make sure that the potential you see aligns with their goals for themselves. Work with them to support their growth and provide meaningful opportunities to learn and expand their experience. Finally, make sure their potential doesn't exist in a vacuum; communicate with other leaders (whether department heads or the Board) that you've identified a possible successor so that they can also support that person's development and be able to name them to a leadership role when the time comes.
- Build a **culture of trust** within your organization. This is healthy, overall of course, but it will also support leaders who may be planning to transition out (think retirement) so that they are comfortable giving ample notice for the organization to prepare for their departure and to identify their successor.

In the case of a CEO, it will also be important to consider what the process needs to be in recruiting a successor – whether that successor is internal or external to the organization. Having an established plan and awareness of the process required by your organization's bylaws (or even just best practices) can be key to a smooth transition. Some questions to consider are:

- Do we have someone who can serve as an interim if we aren't able to identify a successor before the outgoing CEO leaves? An interim could be another senior staff member, a Board member, or another stakeholder close to the organization. Another option would be to hire a consultant to serve as an interim leader on a contract basis.
- Who would be willing and able to serve on a search committee, and how large should that committee be?
- Does the Board have the capacity to do this search themselves, or should we hire a search firm?
- What, if anything, do our bylaws say about making a recommendation to the full Board?
- Are there regulatory considerations we need to take into account, either in crafting the job description or during the vetting and approval process?
- If diversity is important in filling this role, are we able to represent that in our search committee, Board, and staff?
- What role, if any, should staff play in the recruitment process?
- Are there key dates or deadlines that we need to try to meet in the search process?
- Who will be responsible for onboarding this new CEO?
- How much support is the Board willing and able to give to onboarding and/or coaching a new CEO?



THE DON'TS OF SUCCESSION PLANNING

Being mindful of what not to do in succession planning can be as important as what you should do. The key to doing this well is to have an open dialogue with staff and board members when needed, so that succession is an open conversation, not something that's whispered about behind closed doors. The goal is to make transitions easier and less stressful. With that in mind, here are some things to avoid:

- Don't presume that the person you have in mind for an interim role will be willing and able to take it on. Make sure to discuss it with them first and check in regularly during their interim term.
- Don't assume that one person can take over an entire second job. If a vacancy occurs, the critical tasks of that job may need to be divided up among more than one staff person while recruiting a permanent successor.
- Don't forget about your organization's diversity, equity, and inclusion initiatives. Succession can be a great opportunity to develop skills and provide opportunities for promotion.
- Don't have tunnel vision. When considering potential successors, whether permanent or temporary, think about other teams. Look comprehensively at your staff to identify potential, not just those that look like you or that you personally click with. Be inclusive, think about skillsets, the interests of staff at all levels, and how that can support other roles.
- Don't assume that the biggest personality or "rockstar" staff member is always the best fit for an elevated role. Consider the skillsets of your staff, the ways in which they thrive, and what they've expressed as their own goals for their career. Just because someone excels at their own job doesn't mean they would excel in their manager's role. A good example is when a high-level major gift officer is promoted to chief development officer because they consistently generate significant revenue for the organization. The ability to make major gift asks is a great skillset for a CDO, but many people who love raising major gifts feel stifled when elevated to a role that focuses more on the administrative aspects of leading a team.
- Don't expect someone being promoted or serving as an interim to immediately know all there is to know about their new responsibilities. Be mindful of the training needs of staff. As with onboarding a new staff member, there will be a learning curve.
- Don't allow all the key relationships for your organization to be tied to one person. It's not uncommon to hear during a CEO transition that all the organization's key donor and partner relationships are held by the outgoing leader, particularly with smaller nonprofits. It's an easy situation to fall into, especially with a founder or long-tenured leader. Be mindful that these relationships will need to transition, as well, or the organization may risk losing funding or access. It's important that donors and other partners are connected to the mission of the organization, not just a dynamic leader, and that they have interactions with more than one person on the staff or board.
- Don't keep succession planning a secret. Doing this successfully requires open communication and trust. Talk about why your organization is doing this. Share appropriate updates about the recruiting process when there is a transition. And if you identify leaders in your organization, speak with them, and others, about what their career path may look like.



FREQUENTLY ASKED QUESTIONS

Q If my manager/board initiates a succession planning process, does it mean they want me to leave?

No. It simply means that the organization is planning for the future and trying to ensure that any potential staff transitions can happen as smoothly as possible. It can also mean that the leadership is looking to identify staff with the potential to grow into leadership roles with time so that they can support that development.

Q When should we consider working with a search firm?

Your organization should consider working with a search firm when a senior leadership transition happens, typically a department head or executive-level position, and especially with a CEO. If there is not an internal successor, your organization may need to recruit from outside to fill the role. Several things can factor into this decision:

- Does the HR staff or Board (in the case of a CEO departure) have the capacity to do the search?
- Is there consensus around an internal successor?
- Even if there is a potential internal successor, does the organization feel the need to validate that decision by considering other candidates?
- Is the position at a senior level and a salary point that would justify the expense of hiring a search firm?

Q What if we don't have a large enough staff to identify successors or effectively cross-train staff without overburdening them?

Many organizations are in this position. In this situation, it's important to consider your Board or other significant volunteers and stakeholders. This is one more reason to ensure that your Board is comprised of members with various backgrounds and professional experiences. If your Director of Finance leaves, would the Board Treasurer be able to oversee that function during the recruitment process? Or perhaps other volunteers or former Board members can step in to fill a short-term vacancy.

Especially for a C-suite position, hiring a consultant or contractor to serve in an interim capacity may be an option. Many consultants are well-positioned to take on these roles and can help maintain your organization during transition.

Q Will succession planning and the idea of promoting from within undermine our diversity, equity, and inclusion efforts?

This likely depends on your organization, what diversity means to you, and what backgrounds may be lacking. Many organizations report having more diverse representation among junior or mid-level staff¹ while struggling to achieve the same representation at more senior levels. This may be a challenge in organizations with a history of long-tenured staff who have grown up through the organization. In this case, promoting from within might be the right strategy because it is already a part of your culture, and it can help retain staff from diverse backgrounds and support their development into more senior roles.

For organizations that struggle to achieve their DEI goals at all levels, recruiting externally may be more prudent when staff transitions. But that doesn't mean that succession planning isn't necessary. If tied to your performance review process, it will still help to identify the critical skills for each role, any gaps that a new staff member could potentially fill, or if a position could be reframed in a way to better support recruiting candidates from diverse backgrounds. Furthermore, a comprehensive succession planning process also supports ongoing professional development of staff at all levels, which should lead to higher retention rates.

1. Building Movement Project, "Obstacles and Opportunities in Addressing the Nonprofit Racial Leadership Gap," accessed on June 28, 2023, https://buildingmovement.org/wp-content/uploads/2020/07/RTL_Revisited_National-Report_Final.pdf



SAMPLE TEMPLATE

PURPOSE

All senior staff should develop a plan to back up critical responsibilities, identify potential successors, and document resources needed to fulfill these tasks to ensure a smooth transition in the event of a short- or long-term, planned or unplanned, departure. This is an opportunity to evaluate the current workload and staffing approach. While it might be tempting to replace the outgoing employee with someone of the same skill level and job responsibilities, take time to evaluate whether a change in job structure or skills might be beneficial.

SUCCESSION PLAN

Critical Responsibilities: Using the chart below, list the highest-priority responsibilities required for your position. When identifying mission-critical skills, also consider new or changing skills needed to meet future demands. For each responsibility, identify the person who currently backs-up the process or who might be able to. Then list the approaches necessary for the back-up person to take over that area of responsibility, and where they are in their progress and timeline to be able to seamlessly step in.

Example: Chief Development Officer

Critical Responsibilities	Potential Back-Up	Approach	Progress/Timeline
Compile, maintain, and distribute revenue reports demonstrating fundraising-to-date against annual goals	Chief Finance Officer/ Development Associate	A, E	Current
Prepare CEO for critical donor meetings	Director of Major Gifts	A, B, D	In progress/Q2
Steward major donors	Director of Major Gifts	A, B, D	In progress/Q2
Present quarterly fundraising report to Board of Directors; serve as liaison to Development Committee chair	CEO; Development Associate	A, D	Ongoing
Plan and manage development budget	Chief Finance Officer	A	Ongoing
Partner with program / division leadership to determine funding priorities	Director of Institutional Giving	A, D	In progress
Maintain donor database to ensure data accuracy and appropriate moves management	Development Associate	G	Current
Lead and mentor philanthropy team to ensure achievement of quarterly and annual goals	CEO/Chief Marketing Officer	A, F	In progress




Potential approaches: Based on the critical tasks, select possible approaches to address them.

Code	Approach Description
A	Create cross-training and/or shadowing opportunities for career development.
B	Prepare to recruit. Update job description. Understand critical skill sets, abilities, and attributes for role.
C	Plan for overlap between exiting employee and new employee to allow time for training.
D	Establish levels of relationships for smooth transition (ex. primary relationship manager, secondary, etc.).
E	Improve and/or automate processes to make them easier to document and train.
F	Use a contractor or consultant to cover key tasks.
G	Permanently delegate.
H	Other:


Thank you to the Grand Canyon Conservancy who shared their succession plan template with us, and from which this sample was adapted.

KEY DOCUMENTS AND INFORMATION

The following inventory should be used to locate key organizational information quickly in an emergency so that business can continue efficiently.

 **General Business Documentation — Contracts, Business Plans, etc.:** Include direct link(s) to where documents are saved.

- Board Information – Contact information, Committee Structure / Membership
- Event Information / Calendar
- Executive Team Contact Information
- Strategic Planning
- Succession Planning

 **Business Account Information (that you are the primary manager/contact for):** List the accounts, where to find any key documents, website, username/password, primary contact information, and who else may have co-management responsibility.

- Banking/Investment information
- Vendors/Suppliers/Service Providers
- Professional Memberships (organization memberships, not personal)
- Online Board Portal
- CRM/Database login
- Conference Call Service/Webinar Service Provider

 **Key Business Contacts:** Include name, relationship to ORGANIZATION, primary phone, and email.

- Board Member Contacts
- Organizational Partners
- Key Funders, especially foundation program officers



COLLEEN ROGERS

Vice President, Executive Search
Campbell & Company

“Finding the right person for an organization takes a significant amount of time and energy. I relieve pressure on my clients’ leadership and human resource staff—and help them reach a much larger pool of experienced, qualified individuals to ensure that they have the best candidates for consideration.”

ABOUT COLLEEN

Colleen Rogers understands that when a client engages Campbell & Company’s Executive Search team, that organization is entrusting the team with its future. She takes a candid approach to understanding client cultures and the positions at hand by listening to staff members and decision-makers, asking key questions, and getting to know everyone involved in the search process. Colleen helps clients take advantage of Campbell & Company’s networks and resources to reach the right candidate pools, ultimately placing candidates that clients might never have had access to.

Colleen is proud to be part of Campbell & Company’s Executive Search team, ranked one of the nation’s Top 10 search firms for women of color by Women of Color in Fundraising and Philanthropy (WOC)[®] two years in a row and one of the country’s best executive search firms for four years by Forbes Magazine. As a high-touch Executive Search consultant, Colleen enjoys opportunities in her work to:

- Meet talented professionals and learn about their work
- Work with clients to choose the best person for their organization
- Help to increase and maintain a candidate’s interest in a position
- Meet new clients and learn about the work they do (their enthusiasm can be contagious)
- Hear success stories from placed candidates and clients after a search has closed

Colleen received her Bachelor’s Degree in Photojournalism from Kent State University in Ohio and a Master of Science in Historic Preservation from the School of the Art Institute of Chicago.



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Underlying all our work is a culture driven by integrity, candor, rigor, partnership, inclusion, creativity, and our dedication to collaborating with nonprofits invested in inclusive philanthropy to change lives and move the nonprofit sector toward greater justice.

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