

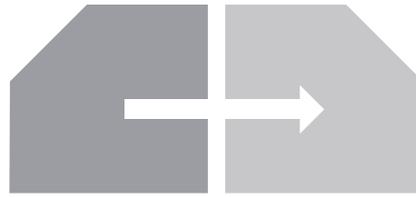


Emergency Succession Planning Tools

FEDERAL RESERVE BANK *of* KANSAS CITY
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Emergency Succession- Planning Timeline



Organizations that face the prospect of implementing and completing an emergency succession plan or use succession-planning may feel overwhelmed and may not be clear about where to begin the process, particularly if they are facing an immediate need. The following timeline is recommended to help organizations prepare for the emergency succession-planning process. It should be used to complement and drive the completion of the emergency succession-planning template on the following page.

Week 1:

1. Review and discuss the *succession planning readiness questions*.
2. Review and complete the *Case Study: Why Succession Planning?*
3. Current executive, board chair and selected staff meet to discuss succession-planning process and assign roles and responsibilities.

Week 2 – 6:

1. Update job description and identify the top three to five strategic objectives that fall under the executive's core responsibilities.
2. Select interim executive and recommend additional temporary compensation.
3. Define the interim executive's responsibilities, authority and decision making limitations.
4. Identify required board support and supervision process of the interim executive.
5. Determine backup appointees.
6. Establish development plan for backup appointees.

Week 6 – 7:

1. Identify the key spokesperson for the organization until the new executive is hired.
2. Define internal and external communication plan.

Week 8 – 9:

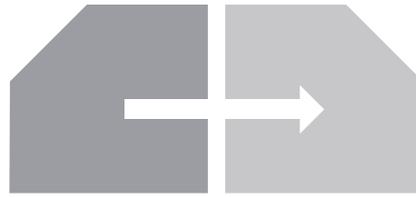
1. Outline process to recruit and select permanent new executive.
2. Appoint executive search task force committee.
3. Develop transition plan for new executive.

Week 10 – 12:

1. Current executive shares completed succession-planning template with board executive committee.
2. Board executive committee submits completed emergency succession-planning template to complete board for approval.

Note: The planning process can be expedited depending on the organization's immediate needs and meeting frequency.

Emergency Succession- Planning Template



Organization Name:

Purpose:

The purpose of this emergency succession plan is to ensure continuous coverage of executive duties, critical to the ongoing operations and organization's sustainability, in the event of an emergency departure of the executive.

Ideally the senior executive's input along with board involvement will make this an effective plan to ensure continuity in external relationships and operational effectiveness.

This plan addresses issues related to both permanent (executive will not return) and temporary (executive will return after unplanned absence such as illness, etc.) replacement. Issues specific to temporary absence are denoted in the plan.

Steps to Develop Emergency Succession Plan:

1. Update job description to ensure executive responsibilities and hiring requirements promote the organization's sustainability. Matching organizational needs with leadership competencies desired in the next executive is one of the most important features of the executive search phase. This planning process provides a unique opportunity to update the executive requirements and responsibilities.

- a. Attach current executive position description. Position should be updated as needed, preferably during the organization's strategic planning sessions and should consider numerous questions.

- b. What are the top three to five objectives and/or challenges outlined in the strategic plan that fall under the executive's core responsibilities?

(1) _____

(2) _____

(3) _____

(4) _____

(5) _____

- c. Based on these objectives and/or challenges, is there an impact on the executive's job description?

- (1) Key competencies (e.g., skills—core leadership and management, strategic thinking, board oversight, staff management, agility skills, etc.)

a. _____

b. _____

c. _____

d. _____

- (2) Expertise and experience (e.g., fundraising, financial, building new facilities, etc.)

a. _____

b. _____

c. _____

d. _____

Continued on next page

Emergency Succession- Planning Template *Continued*

- (3) Required leadership style (e.g., high control or participatory?).
- a. _____
 - b. _____
 - c. _____
 - d. _____
- (4) Leadership traits not desired (e.g., poor relationship building, poor board management, etc. These are common derailers in nonprofit organizations).
- a. _____
 - b. _____
 - c. _____
 - d. _____
2. Define interim executive key responsibilities. The interim executive is a staff or board member who is appointed by the board to fulfill executive duties until the position is filled or until the executive returns, if the vacancy is temporary.
- a. Outline the key interim responsibilities below. Examples of key activities are outlined. You can edit, update or add responsibilities as necessary.
- (1) Serve, with integrity and strength, as the organization's primary leader, representative and spokesperson to the greater community.
 - (2) Support the board of directors, including preparing executive reports and attending board committee meetings.
 - (3) Lead the management team.
 - (4) Participate in the recruitment and selection for directly supervised staff.
 - (5) Manage initiatives related to organizational capacity, sustainability and strategic plan.
 - (a) Maintain accountability for current year operating budget and financial performance.
 - (b) Establish, maintain and cultivate relations with donors, foundations and other stakeholders/volunteers.
 - (c) Execute resource development goals and fund-raising plan.
 - (6) _____
 - (7) _____
 - (8) _____
- b. Outline authority and restrictions of appointed interim executive. The person appointed as interim executive shall have the full authority for decision making and independent action outlined above, except for the following which must be approved by the board:
- (1) All financial decisions over (\$X).
 - (2) Termination of staff.
 - (3) Issues that may negatively impact the organization's reputation in community.
 - (4) _____
 - (5) _____
- c. Compensation for the interim executive. Interim shall receive a temporary salary increase to the entry level salary of the executive position or up to (X%) above their current salary, whichever is greater.

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Emergency Succession- Planning Template *Continued*

3. Define internal and external communication plan. Communication is a key function of a healthy organization and is integral to the success of a transition. Conversations between staff and board members can significantly impact, negatively or positively, the interim executive and transition's success. It also helps alleviate concerns about the organization's direction and sustainability, particularly with key funders. Donors have a vested interest in the organization's ability to continue to serve its clients and should be kept informed about the transition process.

a. Immediately upon departure, the board should communicate the following internal information:

- (1) Effective departure date (or pending departure date);
- (2) Implementation of the approved succession plan and process to address transition and replacement issues;
- (3) Temporary leadership structure and any changes in key contact points—including appointment of key spokesperson during the transition period.

(4) _____

(5) _____

(6) _____

b. External communication with stakeholders, including but not limited to funders, government contract officers, foundation program officers, civic leaders, major donors, volunteers, past board members and the community at large should be a coordinated process. The interim spokesperson to address external communication during the transition shall be (insert name and job title). A detailed and current key stakeholder contact list is

maintained by (insert name and job title). (Hint: Fund development function often has the best updated contact list.)

4. Process to appoint interim executive. In the event of an unplanned departure or long-term absence of the executive, the board of directors authorizes the executive committee to implement the terms of this emergency succession plan. As quickly as possible the board president shall meet with the executive committee to confirm the procedures outlined in this document and/or to make any modifications the executive committee deems appropriate.

The appointed interim executive will assume responsibilities outlined above in step two. Should the interim assignment be longer than three months or if extenuating circumstances exist, it may be necessary to identify a secondary backup for the interim executive position. This will allow the focus to be on fulfilling the interim responsibilities. The executive committee (or designated approver) may also consider the option of splitting executive duties among the designated appointees.

a. Approved appointee to the position of interim executive
(Insert name and job title)

b. Approved appointee as the primary backup for the interim executive: *(Insert name and job title)*

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Emergency Succession- Planning Template *Continued*

- c. Approved appointee as the secondary backup for the interim executive (*Insert name and job title*)

5. Cross-training plan for interim appointees. The executive shall develop and execute a plan for training the three potential appointees in each priority function. The director of Human Resources, executive committee, or _____ is responsible for implementing the training plan and ensuring that it is completed.
6. Board oversight and support of interim executive. Establish an information system that enables the board chair to gain access to all critical information pertaining to the organization in an event of an emergency. The board's executive committee will have responsibility for monitoring and supporting the work of the interim executive. Regular meetings should be established with designated board representative(s) and the interim executive to discuss key issues and support needed by the acting director. These meetings will occur every (*insert timeframe*) _____
7. Process to select permanent new executive. An outside search will be conducted unless there is a designated internal successor approved by the board within the six months prior to the executive's departure. The board chair shall appoint an executive search task force to identify and recommend candidates to board for approval. The task force should include board and staff members, as appropriate. The interim executive should not be included on the search task force if they are a potential candidate. (NOTE: If board members are assuming additional roles due to their expertise such as coach, recruiter, etc., they need to define when they are operating in board role versus "expert resource" role.)
Appointed search task force members:
a. _____
b. _____
c. _____
d. _____
e. _____
8. Process to transition and assimilate new executive. Within the first two weeks of the executive's employment, the board president and/or designated coach will work with the new executive to develop and implement an initial 90-day plan to ensure the new executive has the resources and information for a successful transition.
9. Approval of Emergency Succession Plan. This succession plan will be approved by the executive committee and presented to the full board of directors for review and approval.

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Emergency Succession- Planning Template *Continued*

Signatures AND copies kept of this document by:

- Board President _____
Date: _____
- Executive _____
Date: _____
- Appointees and backup appointees
- _____ Date: _____
- _____ Date: _____
- _____ Date: _____
- Human Resources _____
Date: _____

NOTE: Corporate attorney has copy but signature not required.