

# Organizational Sustainability and Succession Planning

*Hartford Foundation For Public Giving*  
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# Goals

In context of an executive transition .....

- Understand a framework for organizational sustainability
- Identify key sustainability priorities for your organization
- Understand executive transition best practices

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# Who We Are

TSNE MissionWorks partners every year with hundreds of nonprofits, foundations, community-based groups and others who work for social change.

We help *strengthen leaders, facilitate learning, guide strategic thinking and build organizational capacity* through our dynamic mix of management and consulting services, training programs and community grants and investments.

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# Sustainability



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# A Sustainable Organization has..

*“...the ability to carry out activities that will achieve its mission while also developing and maintaining capacity for mission relevance in the future.”*

-- Nonprofit Assistance Fund

- Resourceful
- Resilient
- Long term view
- Adaptive
- Willing to take risks

*To be hopeful means to  
be uncertain about the  
future, to be tender  
toward possibilities,  
to be dedicated to  
change all the way  
down to the bottom of  
your heart.*

Rebecca Solnit



# Trends in the Nonprofit Sector

Changes we can anticipate....



*Essential Shifts for a Thriving  
Nonprofit Sector*

<https://www.tsne.org/leadership-new-england>

*Tracking and analyzing trends in  
nonprofit board leadership*

<https://leadingwithintent.org/>



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# Notable Trends and Shifts

- Changes in funding environment
- Board and executive collaboration often sub-optimal
- Race/generation gap: boards and leadership vs. communities served
- Over reliance & dependence on ED
- Reactionary, urgent management of ED transitions
- Increased interdependence among allied orgs

*Leadership New England 2015*



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# Leadership by Age

**68%** of executive directors are  
over 50 years old

**66%** of board chairs are  
over 50 years old

*Leadership New England 2015*

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# Leadership by Race

**90%** of executive directors are white

**84%** of board members are white

*Leadership New England 2015*

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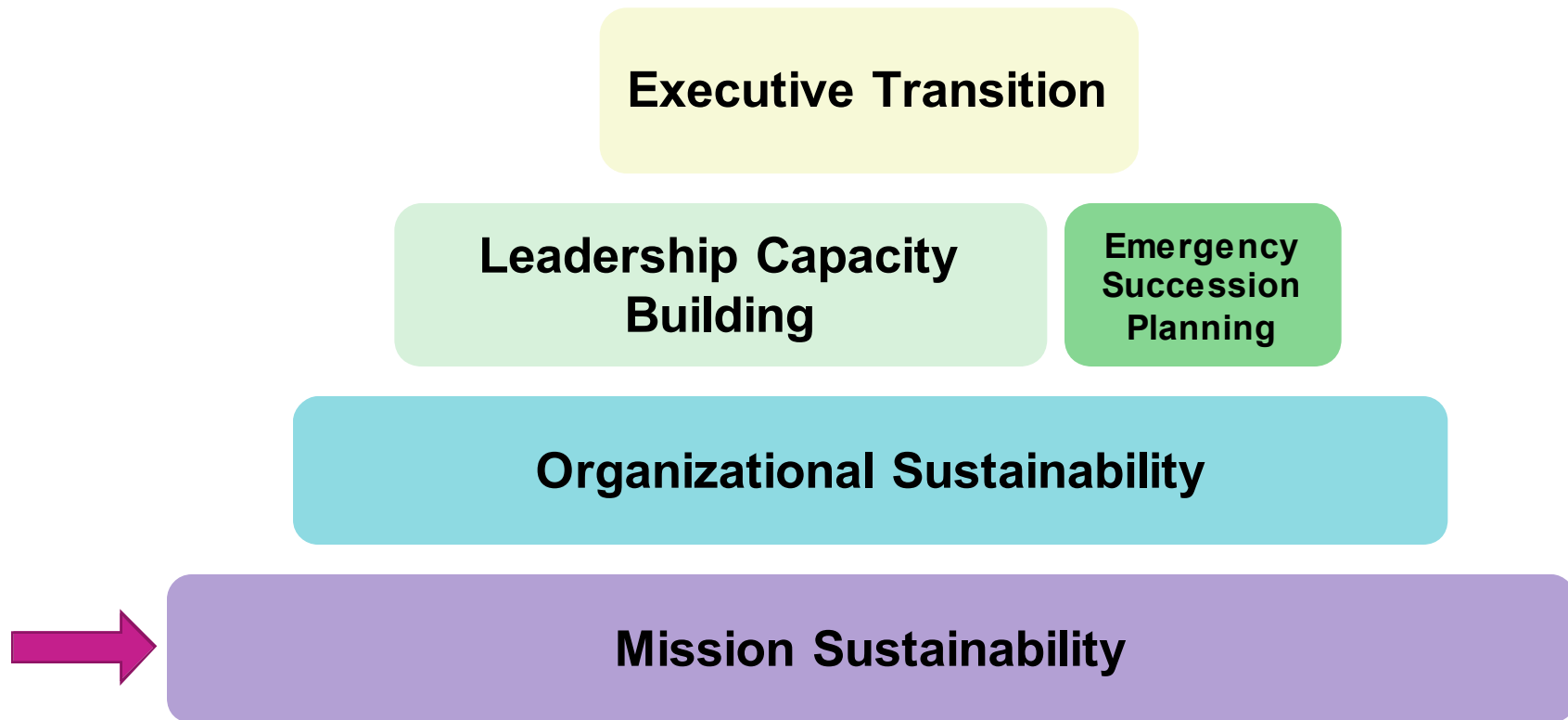
# Anticipated Trends

**How is your organization adaptive and resilient?**

**What trends do you anticipate in your sector? Your geography?**

**What have you done (or do you need to do) to regularly attend to change?**

# Sustainability Framework



# A Sustainable Mission:



- Is our mission relevant?
- Is our desired impact focused on current needs and anticipated changes?
- How do we know?

# Organizational Model:

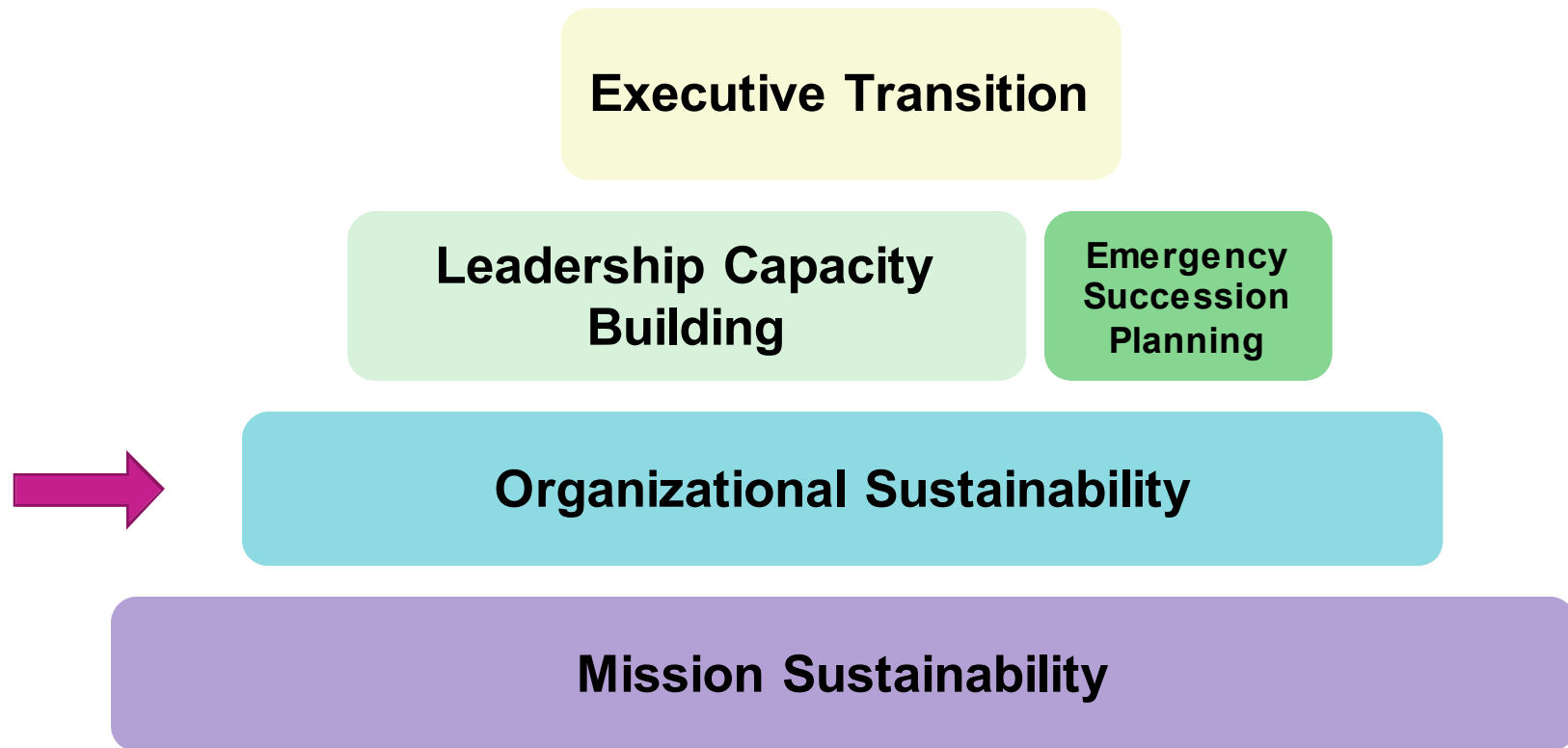
- Do we have the best organizational model to achieve our mission?
- Alternative structures to consider
  - Merger
  - Strategic Alliance, Partnership
  - Networked
  - Fiscal Sponsorship
  - Closure and dispersing of assets
- An executive transition does not mean always filling the executive role in its current form

# A Sustainable Mission:



- How is the mission built into the DNA of your organization?
- What consideration have you given to moving beyond being a standalone nonprofit?

# Sustainability Framework





# Organizational Sustainability Checklist

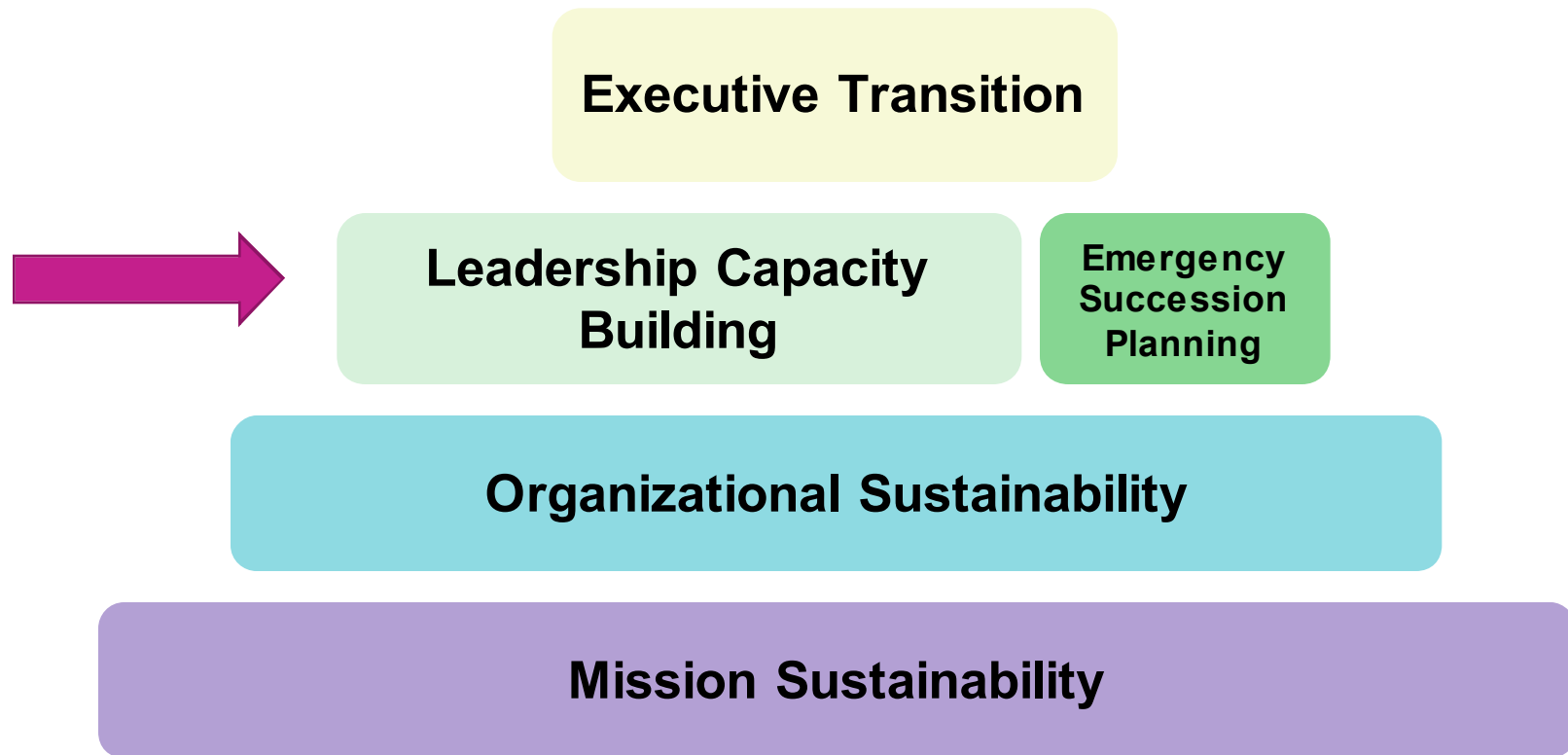


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## Checklist Reflection:

- What did you find unsettling, comforting or surprising?
- What did you learn?
- What are the one or two areas that you want to prioritize?
- Who else needs to do this Checklist as well?

# Sustainability Framework





## Focus on Leadership

***Leadership, more than budget, is a key predictor of nonprofit success and appears to be one of the most important factors in organizational sustainability...***

~ Foundation Center, *Philanthropy News Digest*, 2009, referring to a TCC Group survey

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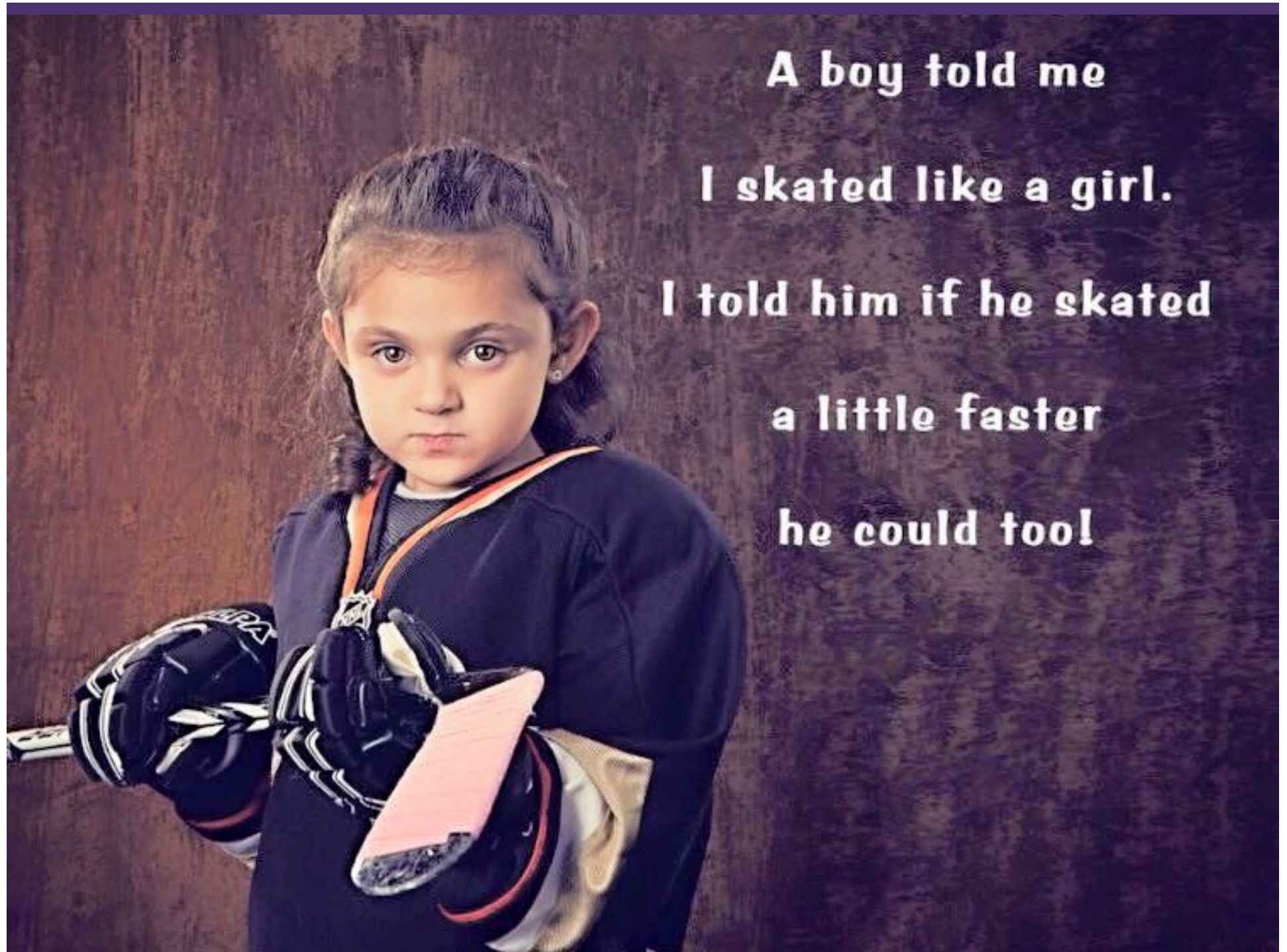
# Staff Leadership as a Key to Resiliency and Adaptiveness:

## Supporting key staff

- Bench strength and **succession plans**
- Cross training/grooming
- Knowledge capture/documentation

## Being a leader-full organization

- Knowledge shared
- **Professional development** opportunities
- Shared leadership
- Participatory decision-making



A boy told me  
I skated like a girl.  
I told him if he skated  
a little faster  
he could too!

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# Building Staff Leadership Capacity

- What strategies are you using to broaden leadership and create pathways for diverse leadership?
- What opportunities are you providing for staff to develop their leadership skills?
- How are you capturing knowledge important to your organization/ positions?
- What can you delegate to others to build their leadership skills and interests?

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# Supporting the Executive Director

- Executive coaching or support
- Open, regular communication with Board chair
- Review the ED role and consider redistribution
- Be aware of your leaders' unique attributes that will need to be replaced



# Sabbaticals

- Revitalizes the leader
- Increases organizational capacity
- Tool for succession planning /preparing for departure



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# Executive Director Leadership

- How dependent is the organization/board on the executive director? In what ways...?
- How has the ED role evolved around the strengths/weaknesses of the current ED?
- What resource connections are held only by the leader?
- How has the ED job grown beyond doable?



*Of the 1,200 respondents, only 25% have an emergency succession plan.*

*Leadership New England 2015*

# Emergency Preparedness: Succession Planning

- Vital roles assigned
- Key questions on timing and pay are answered
- Documented access to key information
- Understood as both a product and process



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# The Healthy Board

1. Owns the mission
2. Manages risks - financial and legal
3. Knows its role and responsibilities
4. Ensures strategic leadership
5. Understands the executive director role
6. Evaluates the executive director annually
7. Has its own succession plan for key positions
8. Determines term limits
9. Evaluates its functioning regularly

# Sustainability Framework



# Executive Transition: Three Phases

## Prepare

- Organizational assessment, strategic direction setting, transition preparation, & position description

## Search

- Networked, targeted search and hire

## Thrive

- Onboarding, announcing, goal setting, and evaluation

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# Common Transition Concerns and Questions

- Board's role in the transition process
- ED's role in the transition process
- Supporting internal candidates
- Role in on-boarding/overlap practices
- Interim or not
- Exit agreement/package
- Having a new role longer term



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# Board's Role in the Transition

- ▶ Form a transition committee
- ▶ Support the ED in their leaving journey
- ▶ Plan a party for the departing ED
- ▶ Name the org's vision for the future and the strategic directions for getting there
- ▶ Cheer on the Transition Team and help recruit potential candidates
- ▶ Vote on the candidate to hire; offer position
- ▶ Share the news about your new hire

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# Executive Director's Role

- **Run the organization**
- **Reassure the staff that change is OK**
- **Share your vision for the organization**
- **Share list of possible candidates**
- **Clean your office and computer files**
- **Make annotated lists of all contacts, meeting, events important to next ED**
- **Say *YES* to a good-bye party**

# Executive Director's Role?

▶ Supporting internal candidates

▶ Onboarding the next leader

# Interim Executives



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# Interim Executive Directors

## Internal interim:

- Knows the organization
- Less cost
- Opportunity for leadership development

## External interim:

- Does not know organization
- Objectivity, new ideas and perspective
- Experienced executive
- Ability to be a truth teller

# Exit Agreements

**Exit Agreements for Nonprofit CEOs:  
*A Guide for Boards and Executives*  
by Tom Adams, Melanie Herman, JD,  
and Tim Wolfred, PsyD**

THE NONPROFIT  
QUARTERLY, FALL/WINTER 2013  
[WWW.NPQMAG.ORG](http://WWW.NPQMAG.ORG)







Should I  
stay on  
with a  
new  
role?

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# Extended Leadership Resources

- ▶ **Making Founder Successions Work**

Katie Smith Milway, Jari Tuomala and Donald Yeh  
Stanford Social Innovation Review, Spring 2018

[https://ssir.org/articles/entry/making\\_founder\\_successions\\_work](https://ssir.org/articles/entry/making_founder_successions_work)

- ▶ **The Long Goodbye: Advice, How-Tos and Cautionary Tales for Extended Leadership Exits**

Stephanie Clohesy and Frances Kunreuther  
*Boomer Series*, Building Movement Project, 2016

[http://www.buildingmovement.org/pdf/The\\_Long\\_Goodbye.pdf](http://www.buildingmovement.org/pdf/The_Long_Goodbye.pdf)





*Courage  
transforms  
the emotional  
structure of  
our being.*

Brene Brown

# Personal Side of Leaving

Losses and shifts in .....

- ☐ Identity
- ☐ Finances
- ☐ Friendships
- ☐ Authority
- ☐ Use of time

# 'Leaving' Resources

- ▶ **The Leadership in Leaving**

Stephanie Clohesy, Frances Kunreuther and Phyllis Segal

Building Movement Project, Encore.org, Clohesy Consulting, 2013

[http://www.buildingmovement.org/pdf/Leadership\\_in\\_Leaving\\_FINAL.pdf](http://www.buildingmovement.org/pdf/Leadership_in_Leaving_FINAL.pdf)

- ▶ **New Roles, Few Rules: Planning for Purpose Beyond Position**

Stephanie Clohesy, Frances Kunreuther and Phyllis Segal

Building Movement Project, Encore.org, Clohesy Consulting, 2014

[http://www.buildingmovement.org/pdf/New\\_Roles\\_Few\\_Rules.pdf](http://www.buildingmovement.org/pdf/New_Roles_Few_Rules.pdf)

- ▶ **The New Lifecycle of Work**

Stephanie Clohesy, Frances Kunreuther and Phyllis Segal

Building Movement Project, Encore.org, Clohesy Consulting, 2012

[www.buildingmovement.org/pdf/TheNewLifecycleofWork.pdf](http://www.buildingmovement.org/pdf/TheNewLifecycleofWork.pdf)

# Thank You!

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