**Succession Planning Policy Template**

The purpose of this Succession Planning Policy Planning Template is to help you make informed and appropriate policy decisions that outline the transition process you will employ to manage gaps in leadership within your organization. The guide is offered as a template that can be adapted to the needs of your organization.

The advice of a competent attorney should be sought any time a nonprofit is considering policy changes or activities that may affect the legal status or liability exposure of the organization particularly those that concern human resources.

*Under no circumstances should the content of this document be regarded as a substitute for legal advice or counsel prior to adopting policy for your organization.*

*Ingrid Kirst Consulting gratefully acknowledges the contributions of Third Sector Company and The Center for Nonprofit Advancement for providing a significant portion of the content of this document. Also contributing to the creation of this document are the Support Center for Nonprofit Management and CompassPoint Nonprofit Services.*

**ADOPTING A BOARD POLICY - BACKGROUND**

**Pre-Authorizing a Series of Activities to Quickly Respond**

Whether planned or unplanned, a vacancy in the chief professional position creates an awkward series of events involving staff, volunteers, contributors and the entire community. Depending on the variables that resulted in the vacancy, a significant period of time can be spent managing the people, processes, and politics associated with the transition.

We recommend the adoption of a succession policy by the Board of Directors that will authorize the organization to immediately enact a series of steps that will help to continue service to people and the community during short-term absences or following the departure of the Executive Director.

There are three situations that can result in a vacancy in the Executive Director position:

* A short-term leave of absence
* A long-term leave of absence
* A permanent vacating of the position

The following as an example of a succession planning policy statement that you can use as a starting template for your organization.

**Succession Plan Policy**

**for**

**(Nonprofit Organization)**

*The Board of Directors recognizes that a policy for contingencies due to the unavailability or departure of the Executive Director represents sound governance. The Board annually reviews the job description of the executive director as part of an annual executive evaluation process. The current job description is attached.*

*Should a situation arise that will create a short-term or long-term vacancy in the Executive Director position, the board has approved the following definitions and processes to be carried out:*

**IN THE EVENT OF A TEMPORARY, UNPLANNED ABSENCE**

**A Vacancy in the Executive Position Less Than Three Months**

A temporary absence is one of less than three months in which it is expected that the Executive Director will return to his or her position once the events causing the absence are resolved. An unplanned absence is one that arises unexpectedly, in contrast to a planned leave such as an extended vacation or sabbatical.

In such cases, the Board of Directors authorizes the Executive Committee (or officers of the Board) to implement the terms of this emergency plan. In the event of an unplanned temporary absence, the Executive Director or their designee should immediately inform the the Board Chair. Within 72 hours of notification, the Chair should convene, either in-person or electronically, a meeting of the Executive Committee to affirm the procedures prescribed in this policy statement and make modifications as the officers deem appropriate to the circumstances particular to the situation.

At the time this policy statement was approved, (Name of Person and Person’s Title) shall be named Acting Executive Director. Should the standing appointee to the position of Acting Executive Director be unable to serve, the first and second back-up appointees for the position of Acting Executive Director will be (names and titles in descending order of seniority to the position).

If the none of the designated Acting Executive Director candidates is able to serve, the officers may elect to seek an interim executive director from outside of the organization with the experience and credentials to lead the organization during the period of the absence. At no time shall a current board member be designated as the acting chief executive officer of the organization.

The person appointed as Acting Executive Director shall have the full authority for decision-making and independent action as the Executive Director of the organization. [This can be changed to restrict decisions to such things as expenses over a certain limit, or staff termination.]

The Acting Executive Director, at the discretion of the officers of the corporation, may be offered a temporary salary increase to the entry-level salary of the executive director position or offered a bonus in a mutually-negotiated amount. Should the officers choose to secure an independent interim executive director, they are authorized to pay a fee for such services to assure quality leadership continuity without interruption.

The Board Chair will be responsible for supervising and monitoring the work of the Acting Executive Director. Immediately upon transferring the responsibilities to the Acting Executive Director, the Board Chair or the highest-ranking Board member available will notify staff members, members of the Board of Directors and key volunteers of the delegation of authority in writing. As soon as feasible, the Acting Executive Director, in concert with the Board Chair, will communicate the temporary leadership structure to key external supporters including government contract officers, foundation program officers, civic leaders, and major contributors.

The decision about when the absent Executive Director may return to the position shall be determined by the officers of the corporation. They will decide upon a mutually agreed upon schedule and return date. A reduced schedule for a set period of time can be allowed, by approval of the Board Chair, with the intention of scaling up to a full-time commitment over a reasonable period of time appropriate to the circumstances.

**IN THE EVENT OF A LONG-TERM, UNPLANNED ABSENCE**

**A Vacancy in the Executive Position More Than Three Months**

A long-term absence is one that is expected to last more than three months but no longer than one year in length. The procedures and conditions to be followed shall be the same as for a short-term absence with the following exceptions:

The Board shall temporarily fill the position with an independent, qualified interim leader from outside the organization. A long leadership vacancy requires an additional qualified organization leader so as to not compromise the current operation of the organizations for an extended and undefined period of time.

The decision about when the absent Executive Director may return to the position shall be determined by the interim executive director and the officers of the corporation. They will choose a mutually agreed upon schedule and return date. A reduced schedule for a set period of time can be allowed, by approval of the Board.

**IN THE EVENT OF A PERMANENT CHANGE IN EXECUTIVE DIRECTOR**

**A Vacancy in the Executive Position Caused by Death, Disability, Resignation or Termination**

A permanent change is one in which it has been firmly established that the Executive Director will not be returning to the position or has been removed from the position according to Board approved policy. The Board of Directors shall appoint a Transition Committee, or will authorize the Executive Committee to act as an Executive Transition Committee, within 7 days of the position having been vacated.

The Transition Committee is authorized to determine the need for an Interim Executive Director and carry out a plan for the recruitment and selection of an Interim Executive Director. The Transition Committee is expected to regularly inform the Board of Directors of the plans, proceedings and outcomes of the committee by special meeting and written reports as appropriate and feasible.

The Transition Committee is also responsible for presenting to the Board of Directors, for approval by majority vote, an executive search process. The process must include a representative body of diverse community leaders in recommending a final candidate or candidates for board approval with clear designation of how employees will have a voice in the selection process. The Transition Committee may also, in addition to recommending a volunteer Search Committee, recommend a professional executive search firm to work in tandem with the search committee. Prior to extending a written offer of employment, the final candidate for the permanent replacement of the Executive Director requires approval by a majority vote of the entire Board of Directors.

*This Succession Policy has been adopted by the Board of Directors of (Name of Organization) on (Date).*

*Signatures: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

*(Name), Executive Director (Name), Board Chair*

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*(Name), Designated Acting ED (Name), Backup Acting ED*

**Additional Steps and Documents**

A Succession Policy is, by its very nature, a dynamic statement that should continually reflect the current conditions and experiences of your organization. In order to keep your policy relevant; as well as, keep your current and new Board member aware of your transition framework, we recommend the following steps occur each year:

* **ANNUAL SUCCESSION POLICY APPROVAL.** Policies should be reviewed by the Executive Committee each year to reflect current conditions, and forwarded to the full Board of Directors for its vote and approval.
* **JOB DESCRIPTION.** The current job description of the Executive Director should be attached to this plan reflecting any changes that are, under the best of circumstances, reviewed and revised annually to reflect current responsibilities of the position. The job description is also reviewed and updated annually to match the current needs of the organization and the current holder of the position.
* **CRISIS COMMUNICATION PLAN.** Create a plan to communicate with internal and external stakeholders. Clear communication helps reassure staff, volunteers, board, donors, funders and project partners during the transition. The better informed they are, the better they will support your organization. Create a list of who would need to know, and who will keep them informed.
* **ORGANIZATIONAL INFORMATION.** A completed Organization Manual should be completed annually and attached to this plan.
* **ADDITIONAL STEPS FOR LONG-TERM SUCCESSION PLANNING.** The board will need to to develop its own board succession plan for leadership transitions. Finally, the board and ED will create their strategic leadership development plans for the board and staff, respectively.