Succession Planning: Organizational Stability and Leadership Development

Presented by:

- Zachary Ford, Program Manager, AIDS United
- Rachael Gibson, Senior Consultant, Raffa, P.C.
- Debbie Warren, President & CEO, RAIN
- Phill Wilson, President & CEO, The Black AIDS Institute
• Unmatched National and Local Leadership to:
  – Create seamless service models, that tap into existing capacity and expertise;
  – Ensure HIV sector relevance in the midst of changes in healthcare policy, financing and service delivery models; and
  – Respond to mounting sustainability challenges
Succession Planning
About Rachael Gibson

Senior Consultant, Raffa PC

Leadership and Strategy

• Lead succession, transition planning, and strategy engagements
• Expertise related to long tenured and founding executive transition
• Change management expert
• Leadership development expert
• National leader in the capacity building field

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POLL QUESTIONS

Are you a:
- CEO/Executive Director
- Staff Member
- Board member

For CEO/EDs only
Are you a founder?
- Yes
- No

For CEO/EDs only
How long have you served in your role?
- Less than 5 years
- 5-10 years
- 10 – 20 years
- 20+ years

For CEOs/EDs only
What is your departure timeline?
- Less than a year
- 1-2 years
- 2-3 years
- Undetermined/Don’t know
WHY DO THIS WORK NOW?
Absence or Transition: Planned or Unplanned

- Hit by a bus
- Retirement
- Aging Parents
- Win the lottery
- Health/Medical
- Relocation
- Resignation
- Termination
- Death
- Family

AIDS United
Why Plan for Succession?

- Mitigates Risk to Business Continuity
- Key Board Responsibility
- Ensures Organizational Sustainability
- Leadership Development: Builds your bench strength
- Success for New Leaders
- Enhances

All careers eventually lead to a transition… It’s just a matter of when and how well managed
Key Terms

1. **Succession planning** – an ongoing, continuous process that boards undertake to strengthen the foundation of the executive position.
   - clarifies the organization’s current and future strategy
   - provides a sound infrastructure to prepare the organization whenever the search for the next chief executive begins
   - A BEST PRACTICE!

2. **Executive transition and search** – intermittent events that are timeline driven.
   - often begin with a precipitating event, such as the executive announcing his/her intentions to leave the organization or a more abrupt removal of the executive
   - wind down once a new executive has assumed the role and is oriented to the board and organization

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Individual Planning

Trouble Letting Go

Leading the Organization

Succession Begins → Succession Ends

Adapted from Succession: Are You Ready? By Marshall Goldsmith
Effectively Letting Go

Creating a Great Rest of Your Life

Leading the Organization

Preparing the Organization

Succession Begins

Succession Ends

Percent of CEO’s Energy

Adapted from Succession: Are You Ready? By Marshall Goldsmith
Transition Process

Prepare
- Organize
- Gather Information
- Engage the Board
- Develop Profile & Search Plan

Search
- Recruit
- Screen
- Select
- Hire

Onboard
- Plan
- Relate
- Evaluate
- Support

Board clarity and alignment about the four factors critical to the search and transition
An exceptional executive selected – who fits the organization’s current and future leadership needs.
Board-executive alignment on priorities, roles, expectations and performance measure
Defining Organizational Priorities

- What is the strategic direction of our organization?
- What impact does that have on future leadership needs?

Currently in transition

- What are the 12 to 18 month organizational priorities?
- What must your new executive accomplish in his/her first 12 to 18 months?
Succession Planning

Succession Essentials
• Emergency Backup Plan
• Succession Policy

Leadership Development
• Proactive Leader Development and Talent Management

Departure-Defined
• Sustainability Planning
• Transition Planning
POLL Questions

Does your organization have a written, board-adopted succession policy for the CEO/ED?
• Yes
• No
• Not Sure

Does your organization have emergency succession plans or emergency back up plans for keys staff members (e.g. CEO, senior leadership/management team, key employees etc)?
• Yes
• No
• Not sure

Does your organization have an intentional method for developing leaders within the organization?
• Yes
• No
• Not sure
Succession Essentials: The Succession Policy

- Board policy updated annually
- Outlines process to handle CEO departure, including:
  - Set out the time frames
    - Appointing the interim/acting executive
    - Appointing the transition committee
    - Communications
  - Role of the transition committee
    - Communicating with stakeholders
    - Identifying a transition management consultant
    - Conducting an organizational assessment
    - Designing the search plan
- Explains important commitments:
  - Assess leadership needs before beginning a search
- Addresses interim leadership - ensure continuity/stability
- Clarifies who’s authorized to implement the plan
Succession Essentials: Emergency Backup Plan

Benefits for having an Emergency Backup Plan:

- Ensures continuity of key functions and responsibilities
- Minimizes crisis of an unplanned absence
- Identifies internal potential and capacity of staff
- Identifies backup designees for key personnel
- Identifies perceived gaps in support of key functions
- Identifies professional development (cross-training) needs to expand core competencies and prepare designated backups
- Identifies key relationships held by individuals to mitigate risks to the organization.
Focusing on leadership development will help you and your team develop skills, competencies and abilities and will result in:

- A stronger pipeline of leaders (bench strength) within the organization
- Increased engagement and satisfaction
- Heightened staff morale
- Elevated performance
- Decreased staff turnover and burnout
Board’s Role vs CEOs Roles and Responsibilities

Board’s Role

- Understand key strategic priorities related to your business model, leadership, resources, and culture/values
- Understand the core competencies of your current CEO
- Conduct regular salary surveys for your executive staff
- Understand the skill sets and capacity of the senior leadership team
- Develop a Succession Policy for the CEO
- Continue to pay attention to Board development and succession planning for Board members

CEO’s Role

- Understand strategic priorities related to your business model, leadership, resources, and culture
- **Educate the Board on the culture and values that drive your organization**
- Maintain communication with Board
- Develop succession timeline with the Board
- Develop CEO Succession Policy with the Board
- Work with leadership staff to develop Emergency Backup Plans
- Develop Cross-Training Plans
Coming to Terms with Change

**Ending:**
- Loss
- Letting Go
- Relinquishing Old Way & Old Identity

**Neutral Zone:**
- Confusion
- Direction Finding
- Re-patterning

**New Beginning:**
- Commitment
- Rebirth
- New Energy
- New Sense of Purpose

Debbie Warren

• President & CEO
• RAIN
• Charlotte, NC
• RAIN ensures access to quality, personalized care in a nurturing environment for individuals and their families who are living with HIV and associated chronic conditions so they may live healthier fulfilled lives.
• Through education and advocacy, RAIN promotes disease prevention, understanding and dignity for those affected by HIV and for those who are at risk.
Phill Wilson

- President & CEO
- The Black AIDS Institute
- Los Angeles, CA
- Founded in May of 1999, the Black AIDS Institute is the only national HIV/AIDS think tank focused exclusively on Black people.
- The Institute’s mission is to stop the AIDS pandemic in Black communities by engaging and mobilizing Black institutions and individuals in efforts to confront HIV.
Succession Planning Learning Module

- Resources from the Succession Planning Institute
- PowerPoint slides presented during virtual meetings
- [www.aidsunited.org/resources](http://www.aidsunited.org/resources) – “Succession Planning Learning Module”
Q&A