



Published on National Council of Nonprofits (<https://www.councilofnonprofits.org>)

Original URL: <https://www.councilofnonprofits.org/running-nonprofit/governance-leadership/succession-planning-nonprofits-managing-leadership>

Succession Planning for Nonprofits/ Managing Leadership Transitions

Nonprofits that are serious about their own sustainability will also be serious about planning for smooth and thoughtful transitions of leadership - as well as making sure their nonprofit is prepared for unexpected departures.

Unfortunately, according to BoardSource's [latest Leading With Intent report](#) (2021), only 29 percent of nonprofits surveyed reported that they had a written succession plan in place. Whether a transition occurs due to an unexpected vacancy on the staff or board, or the anticipated transition of a long-tenured leader, being deliberative and thoughtful, and having a plan in place, can help a nonprofit weather the inevitable challenges of leadership transition.

Look to your [state association of nonprofits](#) for special programs designed to address leadership transitions, as well as learning opportunities for newer CEOs/executive directors and board chairs.

Ten Planning Tips for Leadership Transition

1. Engage board and staff in a commitment to manage transition intentionally.

2. Identify current challenges and those that lie ahead, and the corresponding leadership qualities that are needed to navigate the challenges successfully.
3. Consider whether placing an interim leader at the helm is the right path for your nonprofit.
4. Draft a timeline for leadership successions that are planned.
5. Adopt an Emergency Leadership Transition Plan to address the timely delegation of duties and authority whenever there is an unexpected transition or interruption in key leadership.
6. Identify leadership development opportunities for staff and board members to expand their leadership skills so that the organization will have a "deeper bench" of future leaders.
7. Cross-train current staff to minimize the disruption from unexpected staffing changes.
8. Adequately support newly-placed employees, such as with coaching, mentoring, and defining goals.
9. Communicate: What will your organization say to stakeholders before, during, and after a transition of leadership?
10. On-board deliberately: Help new board chairs and staff leaders feel confident and find their own voices.

Be Conscious of the Challenges for Leaders of Color

Today, to correct for historical systemic inequities in the sector and beyond, many nonprofits are hoping to hire or promote leaders of color. Yet, nonprofits often do not have the expertise or supports in place to make these transitions successful. The Building Movement Project's (BMP) report [Trading Glass Ceilings for Glass Cliffs: A Race to Lead Report on Nonprofit Executives of Color](#) focuses on the experiences and challenges of nonprofit leaders of color who have attained the top position in their organizations. An additional report from BMP, [Making \(Or Taking\) Space: Initial Themes on Nonprofit Transitions from White to BIPOC Leaders](#), seeks to inform the question: What, specifically, is the responsibility of organizations with white leaders transitioning out of these roles to support incoming leaders of color? Make sure you are familiar with BMP's research and recommendations before conducting a search, hiring, or onboarding a leader of color.

Practice Pointers

Who is responsible for planning for transitions of leadership?

Leaders who care about sustainability pay attention to ways they can [support their own succession](#). Wendy Lazarus and Laurie Lipper offer [six strategies](#) worth reflecting on by those who are planning their nonprofit's journey towards a new leader (Stanford Social Innovation Review).

A committee of the board, such as the board development or board governance committee, will generally focus on leadership succession at the board level, while staff leaders are most often charged with identifying transition plans for staff's leadership succession.

Because the board is ultimately responsible for oversight of the executive director, typically it is also the board's role to be involved in succession planning for the executive director/CEO. Board members invest lots of energy and time supporting the chief staff leader. It's their fiduciary responsibility to ensure the long-term sustainability of the organization, which can depend on there being the "right" leader in place. Boards need to understand that succession planning is a [risk management strategy](#) to ensure the sustainability of the organization.

Departing leaders need some love, too. By helping the departing leader leave well, the board is doing the organization a huge favor, and paving the way for a smooth on-boarding experience for the new leader.

Succession planning in an emergency

Every nonprofit needs a plan to deal with an unexpected event, such as the unexpected departure of key leaders.

- [How to Plan and Execute an Emergency Succession](#) by Julia Burns (Blue Avocado) offers guidance and a template with the basic decisions required in an emergency absence of leadership.

Why is succession planning important to grantmakers?

Leadership transitions can leave organizations vulnerable to environmental stresses, such as a loss of external funding because a long-time donor is taking a “wait and see” approach to the new leadership, or such as the loss of institutional knowledge when a long-tenured leader takes information with them about relationships or other expertise.

Grantmakers can play a critical role in helping nonprofits prepare for, and offer support, during a transition of leadership.

- [Philanthropy’s Role in Succession Planning: How Funders Can Assist Grantee Organizations in Preparing for Leadership Change](#) reports how funders have built nonprofits’ capacity to prepare themselves for leadership succession and transitions.

Additional Resources

- [Communicating a Planned CEO Transition](#) (BoardSource)
- [Graceful Exit : Succession planning for high-performing CEOs](#) (Leap of Reason Ambassadors Community)
- [How and why to hire an interim executive director](#) (North Carolina Center for Nonprofits)
- [Mission-Driven Executive Transitions Toolkit](#) (Maine Association of Nonprofits)
- [Transition planning timeline](#) (BoardSource)

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