



Leadership Succession Planning: A Governance Framework For Strategic Transition

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Transitions to new leadership can be exciting times of hope, anticipation, and organizational renewal. Or they can be stressful times of indecision, negative inward focus, and stagnation. Too often, nonprofit arts and culture organizations fail to plan for transitions and thus can find they are ill-prepared when their Executive Director announces that he has taken a new position or when their Artistic Director informs the Board that she will retire after next season.

Whether your organization is facing a leadership transition now or anticipates one in the future, inevitably there will be one at some point. How can your organization proactively and strategically chart its own course? In this issue of Arts Insights, we'll explore how good governance practices and a thoughtful succession process can ensure organizational sustainability while effectively leveraging a transition into a strategic opportunity.

Leadership Succession Planning Begins with Good Governance

If good governance includes effective stewardship of the resources - financial, human, artistic, and physical - that allow an organization to fulfill its mission and serve its community, then leadership succession planning is clearly a governance imperative.

Succession planning is "work that matters." The recruitment, development, and retention of strong leaders are key to organizational success. Strategic leadership transitions - rooted in mission, vision, and values - hone and strengthen an organization and inspire confidence among audience members, donors, funders, Board, staff, and other stakeholders. Inversely, challenging or ineffective transitions can seriously weaken an organization both in the short-and long-term arenas.

Governance imbues every aspect of leadership transition, as further explored below.

Govern

Ideally, a strategic leadership transition begins with an organization that has practiced good governance, is resilient, and is prepared to weather change. Leadership transitions work best when the organization has, among other things, a shared sense of mission, vision, and values, an articulated "case" and knowledge of its impact in the community, an updated strategic plan, a strong and engaged Board of Directors, and a culture that recognizes the importance of board and staff development.

A common understanding of the organization's purpose and direction may be the most important element for success in a leadership transition. Knowing who you are, what you care about, why and to whom you matter, where you are going, and how you plan to get there helps an organization understand the leadership style, values, skills, and experience that it needs in a new leader to achieve its organizational vision.

Additionally, organizations that have recognized leadership development as an ongoing organizational priority are most likely to have a smooth transition and a successful outcome. Such leadership development can be manifested in various ways, from a robust board development program that includes regular board member education to the prioritization of employee training and career advancement. The orchestra that routinely brings in guest conductors is preparing itself for a Music Director transition by "testing" different artistic approaches and temperaments. The Board Chair who attends a regional or national theater conference is networking with other arts and culture leaders, learning about best practices and issues in the field, and laying the groundwork for his or her organization's next executive search.

Position

Ideally, with good governance practices already in place, when a leader leaves an organization, the first step for the organization is to position itself for the transition. Positioning sets the stage for a successful search. The Board Chair together with the Search Committee typically leads this effort, which includes considering the following:

- **Saying goodbye to the departing leader.** How are you going to recognize and celebrate this person's tenure, impact, and legacy? Or, if the departure is not amicable, how can you help the person leave with as much grace and dignity as possible while positioning the organization as an ethical one?
- **Forming the Search Committee.** Who is best able to chair this crucial committee? What is the role and authority of the Search Committee? What is its composition? How will various stakeholder groups be involved?
- **Deciding whether to use an executive search consultant or firm.** Does the organization have the resources and capability to position itself through the transition while managing search logistics and strategy on its own? Would it benefit from the expertise

of an executive search firm with experience in transitions and relationships in the arts and culture field?

- **Identifying urgent issues (if any) and how to resolve them.** Are there any critical matters - cash flow, an important performance or exhibit - that may impact the organization's ability to move through this transition?
- **Determining transitional leadership.** How can the organization best maintain momentum through the transition? Is there someone internally who can step up (without leaving a gap in other departments or on the Board) to prevent current initiatives from losing ground or do you need to bring in a professional interim leader? What are the key responsibilities of the interim position that must be covered to ensure organizational momentum continues? Most importantly, does the interim leader have the experience, credibility, and credentials to lead this unique arts and culture institution?
- **Notifying key stakeholders.** Who absolutely needs to hear about this transition from the organization and not through the grapevine? Who will speak with a unified voice on behalf of the organization? What is the message about the transition that all spokespeople for the organization agree upon?

Think

Once a Search Committee is formed, but before it jumps into active search mode, there needs to be time to think. Too often organizations panic believing that they need to get their new leader in place as soon as possible. However, it is important that the Search Committee take time to lay the groundwork for the subsequent success of the process. This formative step allows for key reflection time to consider the following areas:

- **Agreeing on how the Search Committee will work.** What are the roles and responsibilities of its members? How will decisions be made?
- **Understanding the organization.** Are all Search Committee members familiar with and committed to the organization's mission, vision, values, needs, and goals, and is there consensus on these?
- **Embracing the particular kind of transition.** If any leadership transition could be called "routine," is this one of those? Or, is the person departing the organization one of its founders? Is it a turn-around situation? For either of the latter, what are the significant dynamics at play and how will they affect the search? What are the particular pitfalls and opportunities?
- **Assessing leadership requirements.** What are the goals set out in the organization's Strategic Plan for the next 3-5 years? What leadership abilities are needed to achieve them? What were the departing leader's strengths and weaknesses? What are the crucial criteria for the position? Are there organizational holes or other needs that should be addressed? If so, what skills and experience will the new leader have to possess?

- **Planning for the search.** What is the estimated timeline and budget for the search? Will the search be regional or national? Where will the position be advertised? Who will be responsible for the various steps of the process, from candidate recruitment to screening of applications to telephone interviews to on-site consensus building activities to the offer and acceptance stage?

Act

If enough time and care have been spent with the "Position" and "Think" phases of the transition, then "Act" should flow smoothly from the process that is already underway. This is the "search and select" part of the process, which includes advertising the position, proactively identifying and recruiting candidates, screening applications, interviewing candidates, reference checks, educational verification, and ultimately making the decision on which person best fits the needs of the organization.

Tips for success at this stage include to:

- Allow time for the recruitment of a diverse and interesting group of candidates.
- Abide by the criteria decided upon by the Search Committee during the "Think" phase for the selection of qualified candidates.
- Maintain consistency in dealing with candidates openly and honestly.
- Be aware of appropriate and legal interview questions.
- Stick to the timeline and agreed-upon process as closely as possible, yet maintain flexibility as the search unfolds.
- Make good use of the Search Committee Chair as a spokesperson for the organization, and speak with a unified voice throughout the search process and once it is completed.
- Uphold the confidentiality of deliberations and decision-making.

Engage

A successful leadership transition includes setting the new leader up for success once he or she arrives. Sometimes called "on-boarding," this is the critical step during which this person is introduced, engaged, and integrated into your organization and the community and starts to learn about its history and culture. As during the "Position" stage, the Board Chair typically leads this effort, in consultation with the incoming employee and likely the Search Committee Chair.

In engaging with this new leader, an organization may want to consider the following:

- What urgent issues is the organization facing as the new leader arrives?
- What assistance or education does he or she need to be successful? Is there a need for specialized training in some area?

- Who in the community should he or she meet with personally in the first month, the first three months?
- What are the goals, mutually agreed upon, for the first year of this person's
- tenure? ? What does success for this new leader look like at six months and one year?

And Back to 'Govern'

The hiring of a new leader does not absolve the organization of its responsibility for good governance. In fact, strong governance ensures that the new leader has the framework of mission and organizational vision from which to achieve success. Additionally, sound governance practice includes the Board's duty, and an effective process, to evaluate and provide feedback to the new leader as his or her tenure unfolds. More importantly, the ongoing and future success of any arts and culture organization depends upon good governance, regardless of who fills the top artistic and managerial leadership roles. As pointed out above, good governance includes leadership succession planning, and so the cycle continues.

As you think about succession planning, please remember that none of this means that you want the wonderful person currently serving in a leadership role in your organization to leave! As Heraclitus reminds us, "nothing endures but change." Because a significant leadership transition will inevitably take place in your arts and culture organization at some point, it is incumbent on current leaders to ensure that it is prepared to make that transition as gracefully and as effectively as it possibly can. By thinking proactively about

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