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# Emergency Succession Plan Outline

## **Background:**

When organizational change happens there is risk involved. This risk takes many forms, which may include uncertainty about what the change means, confusion about how to manage the change, loss of confidence and moral among staff and stakeholders, and other challenges.

An Emergency Succession Plan can help organizations manage the risk associated with leadership change. Change can be made more manageable by taking time in advance to think through different leadership change scenarios, developing competency among the staff and board to respond to change, and putting supportive practices in place.

## **Emergency Succession Plan: Executive Dir., President or CEO Position**

- I. Rationale
- II. Plan Implementation Authority
- III. Priority Functions of the Executive Director
  - Temporary Staffing Strategy (In Executive Director Absence)
- IV. Succession plan in the event of a temporary, planned or unplanned absence - Short-Term
  - Definition
  - Temporary Staffing Strategy
  - Appointing an Acting Executive Director
  - Standing Appointees to the Position of Acting Executive Director
  - Cross-Training Plan
  - Authority and Restrictions of the Acting Executive Director
  - Compensation
  - Board Oversight and Support to the Acting Executive Director
  - Communications Plan
- V. Succession plan in the event of a temporary, unplanned absence - Long-Term
  - Definition
  - Procedures (different or in addition to short-term absence)
- VI. Succession plan in the event of a permanent unplanned absence
  - Definition
  - Procedures
  - Hiring an Interim Executive Director (different or in addition to short-term absence)
  - Responsibilities of an Interim Executive Director
  - Board Oversight and Support to the Interim Executive Director

- VII. Approvals and Maintenance of Record
- Emergency Succession Plan Approval
  - Signatories
  - Maintenance of Record (keeper of the plan)
  - Financial Considerations (authorized use of an operating reserve or other funding issues)

## An outline for emergency succession planning

Emergency succession planning is a best practice that every organization should practice. No one wants to discuss the possible illness, injury, or death of an executive director. Nevertheless, such a situation can happen. When emergency circumstances do occur, an enormous level of stress is experienced by an organization's staff, board, funders, volunteers, and patrons. Ideally, the executive director of a nonprofit will be able to anticipate and announce his or her departure. However, the exit of an executive director is often unplanned.

Health concerns, a family crisis, and even extreme organizational conflicts can all result in a sudden, unplanned departure. Without preparation, such a transition can throw the organization into turmoil and lead to disastrous consequences for board, staff, constituents, and the community at large.

### **The good news is – we can be better prepared.**

When creating an emergency succession plan, the board should identify key leadership functions carried out by the executive director, identify senior organizational leaders best qualified to assume the role of executive director in an emergency situation, and provide the cross-training necessary so the team can fulfill the leadership functions until an interim executive director is appointed.

In addition to being better prepared, a major and immediate benefit of this work is that the senior management team can enhance leadership skills and perhaps improve their knowledge of each other's roles and responsibilities. The management staff of the organization will also gain confidence in its own ability to take on executive functions once cross-training begins.

Develop both an emergency succession plan and a long-term succession plan.

We recommend that organizations have both an emergency succession plan, to prepare the organization for any unexpected circumstances, and a more thorough long-term succession plan, to ensure the organization will be sustainable beyond the tenure of the current executive.

Emergency succession planning is really a best practice for every organization, since it ensures the ongoing operations of your nonprofit, including its programs and services, in the event of an unplanned and extended executive absence. An emergency succession plan allows an organization to continue executive functions by outlining policies and procedures for the temporary appointment of an acting executive director.

## Components of an emergency succession plan

**Identify the priority leadership functions of the executive director.** These functions include general duties that are common to most executives acting as the organization's principal leader. Moreover, the plan should include any specific executive functions that are unique to the individual organization.

**Outline what sequence of events will occur in the event of a short- or long-term absence of the executive director.** This includes notifying the board of directors or the executive committee of the situation, implementing the process that the board begins once it is notified, authorizing the compensation and authority of an acting executive, and establishing transition and search committees in the event of a permanent absence.

**Identify key senior staff members (a maximum of three) who can be appointed as acting executive director by the executive committee of the board.** For example, a finance director may be the first person chosen by the executive committee, followed by the program director, and then the human resource director. Be sure to designate each leadership position by its title rather than by the staff member's name. Focus on the roles and responsibilities of the position, not the individual, and begin with the assumption that the role is temporary.

The emergency succession plan should include a provision for cross-training those staff who may be appointed to acting executive director. Cross-training should begin as soon as the board adopts the plan. The plan may also identify those responsible for planning and implementing cross-training.

**Emphasize the importance of communication with external supporters in the event that this plan is activated.** Specifically, identify constituent groups such as individual major donors, government contract managers, foundation program officers, and community leaders who should be personally notified by the board and/or acting executive as soon as is reasonably possible.

**The plan should evolve over time.** Like a strategic plan, an emergency succession plan evolves over time, and must be regularly revisited and modified as organizational circumstances change. A critical challenge for all organizations is how to sustain health over time. The intentional planning for emergencies is a strategic and sound way for nonprofits to deal seriously with the unplanned absence of an executive director and simultaneously strengthen the organization.