

A Governance Framework for Leadership Succession Planning

Rebekah Lambert, Senior Vice President

Transitions to new executive or artistic leadership can be exciting times of hope, anticipation, and organizational renewal. Conversely, 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 be ill-prepared when an executive director takes a new position or when an artistic director informs the board of plans to retire after the next season.

Whether facing a leadership transition now or anticipating a change in the future, there will inevitably be one at some point. How can organizations proactively and strategically chart their own course? This issue of *Arts Insights* explores 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

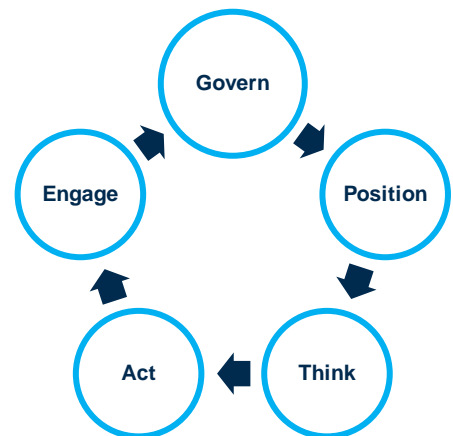
If good governance includes effective stewardship of the resources—financial, human, artistic, and physical—that allow an organization to fulfill its mission and serve its community, then leadership succession planning is clearly a governance imperative. The Stanford Survey on Leadership and Management in the Nonprofit Sector affirms that “one of the most important roles of any nonprofit board is to hire, fire, and plan for the succession of the executive director and to ensure that the organization conducts succession planning for the senior management team.” Indeed, governance imbues every aspect of leadership transition, as illustrated in the accompanying diagram.

However, in a 2017 Arts Consulting Group survey of board and staff leaders at arts and culture organizations, only 19 percent of respondents rated the effectiveness of their boards in the area of Succession Planning (Artistic/Executive Leadership) as extremely effective or very effective. Forty-seven percent rated this area as only slightly effective or not at all effective. Similarly, BoardSource’s Leading with Intent: 2017 National Index of Nonprofit Best Practices reported that only 27 percent of responding organizations had a written succession plan for the chief executive.

This is a concern. 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 members, staff, artists, and other stakeholders. Inversely, challenging or ineffective transitions can seriously weaken an organization. Avoiding such a negative transition demands good governance.

Phase 1: Govern

Ideally, a strategic leadership transition begins with an organization that has practiced good governance and is therefore resilient and prepared to weather change. Leadership transitions work best when the organization has 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, among other things.



A common understanding of the organization's purpose and direction may be the most important element for success in a leadership transition. The organization must know who it is, what it cares about, to whom it matters and why, where it is going, and how it plans to get there in order to understand the leadership style, values, skills, and experience needed in a new executive to advance the organizational vision.

Additionally, organizations that have prioritized ongoing leadership growth are most likely to have a smooth transition and a successful outcome. This may manifest in various ways, from a robust board development program that includes an effective recruitment process and 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 national museum conference is networking with other arts and culture leaders, learning about best practices and issues in the field, and laying the groundwork for the organization's next executive search.

Phase 2: Position

With good governance practices already in place, when an executive or artistic leader leaves an organization (or has given notice of intent to leave), the organization's first step is to position itself for the transition. Positioning sets the stage for a successful search. The board chair, together with the executive committee, typically leads this effort, which includes the following for consideration:

Prepare for the Departure: How is the organization going to recognize and celebrate this person's tenure, impact, and legacy? Or, if the departure is not amicable, how can the board chair or executive committee help this person leave with as much grace and dignity as possible while positioning the organization as ethical?

Notify Key Stakeholders: Who absolutely needs to hear about this transition from the organization rather than through the grapevine or media? 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 must agree upon?

Identify Urgent Issues and How to Resolve Them: Are there any critical matters—cash flow or an important performance or exhibit—that may impact the organization's ability to move smoothly through this transition?

Form 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?

Hire 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?

Determine Transitional Leadership: Without leaving a gap in other departments or on the board, is there someone internally who can step up to prevent current initiatives from losing ground? Or, does the organization 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? Does the interim leader have the experience, credibility, and credentials to lead a unique arts and culture institution?

Phase 3: Think

Once a search committee is formed, and 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:

Agree on the Search Committee's Role: What are the roles and responsibilities of its members? How will decisions be made? Do its members understand the extent of its authority within the governance and decision-making structure of the organization? Do they have the time to commit to the process?

Understand the Organization: Are all search committee members familiar with and committed to the organization's mission, vision, values, needs, and goals for the future? Is there consensus on these?

Embrace the Particular Kind of Transition: Is this leadership transition routine? Or, is the person departing the organization one of its founders? Is it a turnaround 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?

Assess Leadership Requirements: What are the goals set out in the organization's strategic plan for the next three to five 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 must the new leader possess?

Plan for the Search: How does the organization prioritize inclusion, diversity, equity, and access in the process to attract a diverse pool of candidates? What is the estimated timeline and budget for the search? Who will guide proactive recruitment? Who will process and respond to applications? Who will be responsible for the other steps in the process?

Phase 4: Act

If enough time and care have been spent with the positioning and thinking phases of the transition, then acting 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 resumes, interviewing applicants, checking reference, conducting 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 Phase 3: Think to select 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 closely yet maintain flexibility as the search unfolds.
- Uphold confidentiality in deliberations and decision making.
- Utilize the search committee chair as a spokesperson for the organization and convey a unified voice throughout the search process through completion.

Phase 5: Engage

Effective leadership transitions include preparing new artistic or executive leaders for success upon arrival. During this critical step, new leaders should be introduced to the organization and the community, engaging with various stakeholders. They start to learn more about the organization's history and culture beyond what was disclosed during the search. Similar to Phase 2: Position, the board chair typically leads this effort, in consultation with the incoming leader, search committee chair, executive committee, and senior staff members.

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 this individual need to be successful?
- Who in the community should the new leader meet in the first month? In the first three months?
- What are the mutually agreed upon goals 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 qualified and exciting new leader does not absolve the organization of its responsibility for good governance with regard to its executive and artistic leadership. 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 as the new leader's tenure unfolds. Most importantly, the success of any arts and culture organization depends upon good

governance, regardless of who fills the top artistic and managerial leadership roles. Good governance includes leadership succession planning, and so the cycle continues.

Prioritizing succession planning does not mean that an organization wants the wonderful person currently serving in a leadership role to leave! As Greek philosopher Heraclitus reminds us, “nothing endures but change.” A significant leadership transition will inevitably take place at some point, so it is incumbent on current leaders to ensure that the organization is prepared to make that transition as gracefully and as effectively as it possibly can. By practicing good governance and thinking proactively about succession planning—even before knowing of a transition—arts and culture organizations ensure that they have the capacity to continue making a positive impact on the community they serve during and after any leadership transitions.

Author’s Note: This article is an update of the July 2012 issue of *Arts Insights*, “Leadership Succession Planning – A Governance Framework for Strategic Transitions.” Ms. Lambert thanks Roger Saydack, who first taught her about leadership succession through two Music Director searches at the Eugene Symphony, and all the participants in the Oregon Arts Commission Leadership Exchange who inspired her to think more deeply about this subject during a series of workshops in April 2012.



Rebekah Lambert, Senior Vice President

Since joining ACG in 2009, Rebekah Lambert has proven herself to be a thoughtful, creative, and flexible partner with scores of clients across North America. Leading the firm’s Planning and Organizational Development area, she facilitates strategic planning, organizational assessments, and community engagement processes where ACG’s clients create and take ownership of useful and actionable plans that evolve from in-depth stakeholder dialogue about their organization, role, impact, and future in their communities. Ms. Lambert is also embedded in ACG’s Executive Search practice, where she frequently supports clients through critical leadership transitions, ensuring the integrity of a thorough, equitable, and inclusive process. A certified Strategic Management Professional, Ms. Lambert is engaged in numerous governance and board development projects. Prior to joining ACG, Ms. Lambert served as Executive Director of the Eugene Symphony and held positions with the Hawaii Symphony Orchestra and

Symphony of Southeast Texas. She completed the prestigious League of American Orchestra’s Orchestra Management Fellowship after early career positions at the Los Angeles Philharmonic and the Young Musicians Foundation. She also served as a Peace Corps volunteer in Albania from 2003 to 2005, where she engaged in capacity-building efforts with municipalities and nonprofit organizations. Ms. Lambert holds a bachelor of music degree from the University of California, Santa Barbara, master of business administration from the Yale School of Organization and Management, and a strategic management certificate from The George Washington University and Strategy Management Group.

**Contact ACG for more information on how we can
help your organization with leadership succession planning.**

**(888) 234.4236
info@ArtsConsulting.com
ArtsConsulting.com**