

Succession Planning: A Critical Strategic Initiative for Arts and Culture Organizations

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Leadership *succession* planning, the act of intentionally identifying, cultivating, and mentoring potentially qualified candidates who might next lead an organization, is critical to organizational sustainability, yet it often goes under-addressed. Case in point is that nearly 80 percent of board members rated executive succession as “very or extremely important” in Gartner’s 2023 Board of Directors Talent Survey¹, yet only 52 percent of these same individuals said their company had a written plan for the current CEO’s succession². This gap is not unique to the United States, as in Canada the situation is equally concerning. The Ontario Arts Council 2024-2027 Business plan³, for example, highlights the risk of inadequate succession planning for senior executive and artistic leadership, and this concern is similar throughout the country.

In this edition of *Arts Insights*, we look at the risks and options in leadership succession planning by considering what the nonprofit arts and culture sector can learn from studies in the for-profit sector. We also address the range of succession planning options from short-term emergencies to long-term solutions.

Risks and Costs of Limited Succession Planning

Flawed or absent succession practices can extract prohibitive costs, including excessive turnover among senior leaders who do not see upward mobility, loss of intellectual capital, and lower performance from successors who may be underqualified and underprepared to take on a leadership role. Additionally, organizations can become destabilized and lose momentum as employees become distracted by the disruption that comes with a leadership transition. Otherwise, investors in the for-profit sector and major donors in the nonprofit sector might wait to see who will fill a senior leadership role before taking action. The estimated costs of poor or absent succession planning are more than theoretical, as the impact can translate to real dollars. Fernandez-Araoz, Nagel and Green estimate that among the S&P 1500, poorly managed CEO and C-suite transitions cost nearly \$1 trillion in annual market value among for-profit companies, while better succession planning among large-cap companies could add as much as 25 percent greater valuation and investor returns⁴.

There are many reasons why even the largest for-profit organizations fail to pay sufficient attention to leadership pipelines and succession practices. Boards may be concerned that succession planning indicates organizational weakness or instability, signaling a vote of “no confidence” for current leadership. Years of restructuring for operational efficiency may have created narrow pipelines of internal candidates who are qualified for promotion to leadership positions. Occasionally, succession planning is deferred because a dominant leader is resistant to the possibility of change and transition. In organizations with highly competitive or politicized cultures, battles can be waged among prospective internal candidates seeking to become the “heir apparent.” All of these factors may delay leadership succession planning until a crisis or other unforeseen or undesirable circumstance forces action.

Unique Challenges in the Nonprofit Arts and Culture Sector

For nonprofit organizations, maintaining adequate staffing in general can be a challenge, as constrained human, financial, and technological resources typically mean organizational priorities are focused on shorter-term goals. Forward-looking leadership succession planning may be relegated to a luxury status rather than categorized as a strategic necessity. According to BoardSource’s latest *Leading With Intent* report (2021), only one-third of nonprofits surveyed reported even having a written succession plan in place⁵.

¹ Gartner’s 2023 Board of Directors Talent Survey

² Bates, S. and Woods, S. “Debunking the Myth of the Fast and Successful Succession Plan,” Directorship Magazine, Feb. 2024

³ Ontario Arts Council, Business Plan 2024-2027, Page 75

⁴ Fernandez-Araoz et al., The High Cost of Poor Succession Planning, HBR, May-June 2021

⁵ National Council of Nonprofits, Succession Planning for Nonprofits/ Managing Leadership Transitions

Arts and culture organizations in particular may face even greater challenges, as they often operate with complex structures led by both artistic and managerial decision-makers. They also operate within donor-patron ecosystems that require longer-term planning and programming dependent upon trusted relationships, support, and active participation. The leaders of arts and culture institutions also may find themselves having to strike a balance between organizational missions, fiduciary responsibilities, physical facilities, and public trust obligations. In all circumstances, intentionally planned transitions are crucial, as abrupt gaps in leadership could cultivate perceptions of organizational instability. The unfortunate outcomes may include reduced donor trust, program cancellations, and declining confidence among audience members, educators, business leaders, and government officials.

Despite succession planning's criticality, a survey of board and staff leaders at arts and culture organizations conducted by Arts Consulting Group reported that only 19 percent of respondents considered their succession planning to be "very or extremely effective." Nearly half of respondents considered their efforts to be "slightly or not at all" effective⁶. The Alliance of Museums reports that only 13 percent of museum organizations reported even having a written succession plan for the Director position⁷.

Arts and Culture Nonprofits Face Myriad Factors

Leaders of arts and culture institutions may find themselves vulnerable to myriad external pressures that can catalyze leadership turnover. Economic uncertainties and government budget cuts can lead to greater donor reticence and a more challenging fundraising environment, amplifying existential stress. A "wave" of leadership transitions has been reported at regional arts institutions over the past two years, attributed to "pandemic aftershocks," as well as generational change in a population of aging arts leaders. Even successful transitions, such as planned deputy-to-executive director moves, emphasize how planning for succession and organizational transition can still result in organizational friction⁸.

At the same time, human resources pressures are increasing within these organizations. Leaders find themselves battling burnout even as they struggle to retain employees and attract the right executive and artistic talent. The potential loss of existing staff due to burnout is a particularly concerning hurdle for most nonprofit leaders. According to the Center for Effective Philanthropy (CEP), 95 percent of leaders surveyed for its *2024 State of Nonprofits* study cited burnout as a concern. CEP reports that the potential or actuality of burnout among both nonprofit staff and leadership remains a top concern for most leaders, with "half of nonprofit leaders feeling more concerned about their own burnout..." compared to the prior year⁹. The YMCA *WorkWell's 2024 Workplace Well-being Report*¹⁰ reveals that 71 percent of nonprofit leaders report experiencing burnout "sometimes," with 25 percent experiencing it "often" or "extremely often." This statistic underscores the significant mental health challenges faced by leaders in the arts sector.

CEP also reports that burnout pressure is at higher levels among Black, Indigenous, and People of Color (BIPOC). According to *Nonprofit Quarterly*, "leaders who self-identify as people of color report(ed) that burnout is having a slightly greater impact on their organization's ability to achieve its mission than leaders who (did) not identify as people of color." Leaders' levels of concern about their own burnout also were found to differ depending on their reported gender and sexuality. On average, leaders identifying as LGBTQ+ reported moderately higher levels of concern about their own burnout than their non-LGBTQ+-identifying counterparts, while people who identified as female or non-binary or gender non-conforming reported slightly higher levels of concern about their own burnout than leaders who identified only as male¹¹.

Providing adequate support for an organization's leaders and staff is always a critical mandate for effective boards. Studies indicate that nonprofit leaders who are BIPOC or from historically marginalized communities might experience additional levels of organizational stress and require greater consideration and support¹². The Robert Sterling Clark Foundation, in its white paper, *Brilliant Transformation: Toward Full Flourishing in BIPOC Leadership*

⁶ Arts Insights Vol XVIII Issue 7, Arts Consulting Group, August 28, 2024

⁷ American Alliance of Museums, *2024 Museum Board Leadership Report*, August 28, 2024

⁸ Times Union, *Changing of the arts: New wave of arts leaders hits region*, December 26, 2024

⁹ Nonprofits Quarterly, NPQ, *Burnout and Staffing Shortages Continue to Challenge Nonprofits*, August 28, 2024

¹⁰ Insights to Impact, 2024 Workplace Well-Being Report, Aug 28, 2025

¹¹ The Center for Effective Philanthropy, *State of Nonprofits 2024*, August 28, 2024

¹² Building Movement Project, *Making (Or Taking) Space: Initial Themes on Nonprofit Transitions from White to BIPOC Leaders*, August 28, 2024

Transitions, includes the following recommendations for a succession process that emphasizes intentionality and transparency¹³:

- The board and the staff must have a clear sense of the next leader's required competencies, and provide transparency about both the challenges facing the organization and expectations of the incoming leader.
- The board should explore the ways in which its members' role may expand during the time of leadership transition, and when their role is expected to revert to the organizational baseline.
- When specifically seeking a BIPOC leader, the board and staff must have clarity around their motivations and some sense of their own implicit biases. They should consider engaging in Diversity, Equity, Inclusion, Accessibility, and Justice (DEIAJ) training and ongoing internal organizational work to ensure incoming leaders are not inappropriately over-burdened beyond the stated scope of the position.

Steps for Successful Short- and Long-Term Succession Planning

On occasion, an organization may find itself unexpectedly absent a key leader, possibly due to an individual's resignation, illness, disability, or death. When an organization is facing an untimely vacancy, its Board must first assess both the potential impact and longevity of the situation, clarifying whether this is a temporary situation (no longer than three months) or if a permanent replacement is needed.

Ideally, the Board will have created an emergency management transition policy to guide its decision-making. Thieszen notes that when addressing short-term emergency succession needs, an organization typically chooses whether to enlist a Board member to provide more hands-on leadership, elevate another staff member into an "acting" leadership role, or engage an external consulting resource to provide interim leadership capabilities¹⁴.

While long-term succession planning may seem daunting, it remains an essential strategy that can help assure organizations' sustainability and longevity. Several best demonstrated practices (BDPs) may help an organization engage in evaluating its existing succession planning or launch a new initiative altogether. These include but are not limited to:

- **Mapping your risk.** Begin to identify roles where a sudden vacancy would halt programs or jeopardize funding, such as executive, artistic, development, marketing, or finance leadership¹⁵. Clarify whether any current employees are in qualified positions who could temporarily fill a vacancy or have the potential to be considered candidates for longer-term placement in the role.
- **Developing a leadership pipeline.** Determine both the overall organizational and leadership-specific skills that a leader will need to achieve your organization's strategic goals¹⁶ and consider creating formal programs for mentorship and professional development to nurture potential successors. This helps build back-up strength and decreases the risk of leadership gaps¹⁷.
- **Assessing governance readiness and codifying a board-approved short-term emergency and long-term succession policy**¹⁸. Ensure that your board and key committees have clearly defined roles and process. When necessary, designate interim authorities for both executive and artistic roles.
- **Anticipating dynamics in dual leadership transitions.** In arts and culture organizations, the interplay between artistic and managerial leadership is pivotal. It may help to model scenarios in the event one or both roles transition. In organizations that have both artistic and executive leaders, seek to define decision-making authority and the sequence for staggered transitions, avoiding simultaneous exits if possible¹⁹.
- **Staging the hand-off and providing sufficient onboarding.** Ascertain the feasibility of a timed overlap to facilitate knowledge transfer between outgoing and incoming leaders. Onboard deliberately, providing the necessary time and resources for the new leader to successfully acclimate²⁰.

¹³ Brilliant Transformation: [Toward Full Flourishing in BIPOC Leadership Transitions](#), August 2024

¹⁴ [Succession Planning for Nonprofit Leadership: Steps to Ensuring Your Organization's Future](#), Healthcare Georgia Foundation, Feb. 2013

¹⁵ [Succession Planning: A Step-by-Step Guide](#) The Workforce Planning and Analytics Section (WPAS) Workforce Support and Development Division (WSDD) Office of Human Resources (OHR) National Institutes of Health (NIH) (2021)

¹⁶ [Succession Planning Template for Leaders](#), Gartner

¹⁷ Van Vuplen, E., [Succession Planning: All You Need to Know \(2025 Edition\)](#), Academy to Innovate HR, <https://www.aihr.com/blog/succession-planning/>

¹⁸ [Museum Board Leadership: A National Report 2024](#), American Alliance of Museums

¹⁹ [A Governance Framework for Leadership Succession Planning](#), Arts Consulting Group, 2018.

²⁰ Harrell, E., [Succession Planning: What the Research Says](#), HBR Dec 2016

- **Running a rigorous, values-anchored search²¹.** Among for-profit companies, the majority of successive leaders come from within the organization's own ranks²². However, nonprofits in the arts and culture space may not have sufficient resources to maintain a robust talent pipeline internally. If there is no clear internal or external candidate for the role, an organization needs to define the process for a broader public leadership search. This could also include those candidates who have expressed interest but that the board believes, in its effective due diligence, need to go through a fair, objective, and equitable search that minimizes unconscious or implicit hiring biases.
- **Communicating frequently and consistently.** Determine what the organization will communicate to internal and external stakeholders before, during, and after a transition of leadership. Prioritize transparency in the process whenever possible, and explore opportunities to communicate progress, especially with staff, artists, major funders, and strategic partners around important milestones to reinforce the new leader's impact, particularly in earlier months²³.
- **Measuring and learning.** In the spirit of continuous learning and improvement, conduct a post-mortem or retrospective analysis after each transition, identifying strengths as well as additional areas that require bolstering. Update succession policies and pipeline plans accordingly²⁴.

Final Thoughts

Leadership succession planning in the arts and culture sector can be both a protective measure and a strategic growth catalyst that can lead to stronger, more sustainable organizations. Boards, as well as executive and artistic leaders, must evolve from reacting in selecting leaders under duress to proactively planning and cultivating future leaders. These considerations and preliminary steps can help organizations sustain not only their present operations, but ensure the past legacy and future impacts of their cultural missions.



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Strategist, researcher, and award-winning storyteller Nagham Wehbe leads ACG's strategic planning and research practices, enriching the team with her multifaceted professional, academic, and cultural background. She excels at transforming complex information into clear, actionable strategies that enable clients to make impactful decisions through her expertise in stakeholder engagement, organizational assessments, market research, benchmarking, and data analysis. A specialist in strategic arts and cultural planning, Nagham has collaborated with a distinguished roster of clients, including the City of Portsmouth, the City of Scottsdale, The Drama League of New York, The Naples Players, and SFJazz, among others. Her expertise includes organizational development, change management, and community development. Before her tenure at ACG, Nagham honed her research skills with renowned companies such as CBS, and 20th Century Studios. Artistically, Nagham

grew up immersed in the theater world and has actively participated in international film and cultural festivals, deepening her global perspective on arts and culture. Nagham holds a bachelor's degree in Radio, Television, and Film from California State University, Fullerton, and a master's degree in communication management from the University of Southern California. Recently, she earned her MBA with a focus on Arts Innovation from The Global Leaders Institute, a one-of-a-kind program co-curated by top universities, including Harvard, Georgetown, Stanford, and Duke. Nagham is also a certified coach, workshop facilitator, and intercultural development inventory administrator. Her dedication to fostering positive, sustainable change in the arts and culture sector drives her leadership and commitment.

²¹ A Governance Framework for Leadership Succession Planning, Arts Consulting Group, 2018.

²² CEO Succession Practices in the Russell 3000 and S&P 500: 2024 Edition, The Conference Board

²³ Ciampa, D. and Bryant, A., *Power, Influence, and CEO Succession*, HBR, Jul-Aug 2024

²⁴ CEO Succession Practices in the Russell 3000 and S&P 500: 2024 Edition, The Conference Board



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Bruce D. Thibodeau founded ACG in 1997 and has guided hundreds of nonprofits, university, and government clients in achieving effective leadership transitions, planning cultural facilities, increasing revenues, developing dynamic institutional brands and messages, crafting strategic plans and business models, and revitalizing board governance practices. He has also conducted extensive research in a threefold exploration of stakeholders, nonprofit arts management, and cultural facility project management and has facilitated numerous community engagement processes that have increased the public dialogue and stakeholder awareness of the arts and culture sector's value and impact on communities. As both a researcher and practitioner, his expertise highlights the important roles of project champions and followers as they overcome inertia and gain momentum derived from their social connections, personal commitments, and financial capacities to support the arts and culture sector. Prior to founding ACG, Dr. Thibodeau held various management roles at the Los Angeles Chamber Orchestra, Boston Symphony Orchestra, Hartford Symphony Orchestra, Santa Fe Chamber Music Festival, Price Waterhouse, and Museum of Contemporary Art Los Angeles. He is a regular guest speaker at national and international arts, culture, and academic conferences and has several published papers. Dr. Thibodeau holds a doctorate of business administration from the Grenoble Ecole de Management (France), a master of business administration from the F.W. Olin Graduate School of Business at Babson College, and a bachelor of music from The Hartt School at the University of Hartford. He also has multiple certifications in competencies, communications, and motivations analysis from Target Training International.

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

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