

SUCCESSION READINESS CHECKLIST

When the following conditions are in place, an agency can expect a relatively smooth transition to new leadership whenever it might occur. An agency might determine which elements below are lacking in its current operations and then create a “succession plan” or “capacity building plan” that prescribes activities and timelines for filling the gaps. The agency is then ready for leadership transitions, foreseen or unforeseen.

- A strategic plan is in place with goals and objectives for the near term (up to three years), including objectives for succession planning and leadership talent development.
- The strategic priorities would provide helpful information in determining a position description for a new executive and a road map for activities once a new executive is hired.
- The board is well-briefed on issues, trends, and challenges facing the agency.
- The board evaluates the executive director annually on general performance and achievement of strategic goals.
- The board, based on its annual self-evaluation, is satisfactorily performing its major governance jobs—financial oversight, executive support and oversight, policy development and strategic planning.
- The executive’s direct reports, based on current annual evaluations and job descriptions, are judged as solidly skilled for their positions.

The top management cohort, as a high-performing team:

- Has a solid team culture in place in which members support one another and can reach decisions as a group efficiently and harmoniously;
 - Shares leadership of the organization with the executive in having significant input to all major agency decisions;
 - Can lead the organization in the absence of the executive; and
 - Has authority to make and carry out decisions within their respective areas of responsibility.
- The board is aware of the strong performers on the management team and the executive’s choice for an acting director, if needed.
 - Another staff person or board member shares important external stakeholder relationships (major donors, funders, community leaders) maintained by the executive.

- Donor and partnership records are current and contain key information in regard to the relationships.
- A financial reserve is in place with a minimum of three months’ operating capital.
- Financial systems meet industry standards. Financial reports are up to date and provide the data needed by the board and senior managers responsible for the agency’s financial strength and viability.
- Operational manuals exist in the office for key administrative systems and programs and are easily accessible and up-to-date.*
- Top program staff have documented their key activities in writing and have identified another staff person who can carry their duties in an emergency.
- The board knows who is responsible for check signing and payroll in the absence of the executive.
- The board knows how to access the following:
 - confidential information (such as personnel files) accessed only by the executive
 - a listing of all computer passwords
 - corporate records*
 - the executive’s files which are organized and properly labeled
 - key contacts and constituents lists and databases
 - backed up computer information which should be kept off site
 - keys

* The board secretary should have a copy of these manuals and records, which is kept off-site.

SOURCE: CompassPoint Nonprofit Services (adapted from “Preparing for the Inevitable: A Succession Readiness Checklist”)