



Five Essential Facts for Weathering a Change in Leadership

You're the chairman of the board, and your much-respected CEO of 15 years has just told you she or he plans to retire in less than a year.

Whether you're in the for-profit or nonprofit sector, make sure you are prepared – and you prepare the stakeholders in your institution, for a major transition. And realize that the impending executive transition should include much more than a well-executed search for your top executive's replacement.

Five Essential Facts of Executive Transition

Knowing five essential facts will guide you through a successful and forward-moving change in leadership.

1. **A change in top leadership means that your company/organization will change, too.** You are at a pivotal moment. Depending on your next steps, the business/organization may falter, may miss a valuable opportunity– **or may emerge a stronger, more vital operation.**

TIP: Counsel your board and staff that this is more than a staff change. Both will need to be engaged for the transition to be successful.

2. **A change in leadership entails three phases, all of which are significant:**
 - a. Phase I - Conduct a positive farewell experience for all stakeholders.
 - b. Phase II – Launch the search and simultaneously use the opportunity presented by the search phase to reflect on the company's/organization's goals and mission, and consider what needs to be changed for new leadership.
 - c. Phase III - Ensure the successful transition of the new CEO.

TIP: Be prepared to treat each phase with care and attention.

3. **Consider your interim leadership structure.** Engage others in answering:

- o How long will it be before a new CEO is hired?
- o Do we expect to make personnel and policy changes during that period?
- o Will anyone from the current staff apply; will they be considered?
- o Should we hire an outside interim director?
- o If we hire an interim, what board/coaching support must be in place?

TIP: Hire someone with past experience as an interim director and who clearly understands the special role and parameters of being an interim, not permanent director.

4. **A search is much more than "the search."** You have a remarkable opportunity to plan the next stage of the company's/organization's development. Revisit and restate its goals and mission (see 2b above), and determine the type of leadership that will take you where you want to go next.

An appropriate search has several fixed steps. These steps include:

- o Establishing a transition committee
- o Describing future leadership needs and creating a position description to match
- o Another step, critical to the search process: guaranteeing a broad pool of candidates who offer cultural competence and diversity as well as management skills
- o And, of course: interviewing and making the job offer.

TIP: For nonprofits, consider hiring a professional transition consultant to facilitate the process. Visit www.tsne.org/etp.

5. **Don't just throw your new leader into the fray.** Just as you thoughtfully said goodbye to your departing CEO, you want to ensure a successful transition for your new one. You will want to develop a comprehensive plan for the new director, which includes:



Career Tips

- a. An introduction to key stakeholders
 - i. For nonprofits this includes board members, staff, volunteers, major funders, partner organizations, elected officials and others critical to your organization's success.
 - ii. For for-profits this includes board members, staff, shareholders, major customers, suppliers, elected officials and others critical to your company's success.
- b. A thorough orientation that outlines the history of the institution, governance policies and issues, a complete description and assessment of current (and anticipated) initiatives, the current and projected financial health, and issues specific to your organization
- c. Opportunities for mentorship

TIP: Prepare a comprehensive written plan in advance to orient your new director.

A Proven Plan

With a carefully designed and managed process, the departure of your top executive is an opportunity for the company/organization to step back, reflect on its vision, and to think critically and creatively about its leadership needs. Experience has shown us that following the path outlined above provides a thorough, comprehensive and thoughtful executive transition – and your best opportunity to find just the right person to lead your company/nonprofit into a new phase of growth and development.

The Executive Transitions Program of Third Sector New England provides consulting, search and interim executive director services to nonprofit organizations in Connecticut, Rhode Island, and Massachusetts.

EmploymentCrossing is the largest collection of active jobs in the world.

We continuously monitor the hiring needs of more than 250,000 employers, including virtually every corporation and organization in the United States. We do not charge employers to post their jobs and we aggressively contact and investigate thousands of employers each day to learn of new positions. No one works harder than EmploymentCrossing.

Let EmploymentCrossing go to work for you.