



Successful Succession Planning

If a board of directors has a well-conceived succession plan, it can keep its strategic planning momentum and stay on course during leadership transitions.

Succession planning can be one of the most difficult issues faced by the board of directors of any organization. But when done correctly and with foresight, succession planning ensures continuity of leadership and provides a solid foundation for the board, employees, and managers.

For some boards—particularly nonprofit boards—the greatest challenge comes when people feel obliged to serve in roles for several years because another volunteer isn't lined up to replace them. The result: Board members can sometimes feel like indentured servants.

At IMA®, we developed a strong model that avoids this pitfall and provides stability to our organization. Our Board Chair makes a three-year commitment to serve as Chair-Elect, Chair, and Chair-Emeritus.

When someone is elected IMA Chair, he or she follows a well-defined path. The first year is as Chair-Elect, and, with that role, he or she takes the helm of the Planning and Development Committee. This role is important because that

committee leads the strategic planning efforts for the coming year, when the Chair-Elect will become Chair. In year two, the individual serves as Board Chair, which involves numerous responsibilities, including chairing the Governance Committee. In year three, the Chair becomes Chair-Emeritus, heads up the Volunteer Leadership Committee, and still holds a voting position on the Board. One year after serving as Chair-Emeritus, the individual is still eligible to vote as a single member of the Board, but after that year, he or she joins all former Chairs, who together serve on the Board and have one collective vote. At IMA, we're fortunate to have several very active former Chairs who offer a valuable historical perspective as well as provide mentoring, guidance, and support—not only to the Board Chair but to any other Board member as well.

Some organizations have great difficulty with succession planning because the board chair leaves right after his or her term is up and takes a “break” from or completely departs the board. In an organization where the succession planning model or board culture is unhealthy, this is probably for the best. But once an organization develops a healthy succession plan,

it's much more preferable to have a tiered chair structure. I recently worked with an organization where the chair serves anywhere from three to five years and the new chair isn't appointed until about six months before the current chair's term is up. Many shadowing and mentoring opportunities are missed. The old chair departs too quickly, and the new chair is left to step right in.

Organizations that want to improve their succession planning initiatives—including IMA chapters and councils—should consider these suggestions for an effective succession plan:

- ◆ Develop a set of core values for your board: its culture, how it functions, etc.
- ◆ Consider guidelines for board diversity/composition.
- ◆ Outline your goals for the coming year and how they should be communicated.
- ◆ Decide whether term limits are appropriate and, if so, what they should be.
- ◆ Devise strong nominating committee practices. For example, have a neutral party keep a list of potential or interested board candidates. Also, assess the risks of having those who are serving

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appoint their own successor.

- ◆ Annually review conflicts of interest.

As I end my term as IMA Chair and become Chair-Emeritus, I know our succession plan at IMA is in good hands with Brian McGuire as Chair and John Macaulay assuming the role of Chair-Elect. I also want to thank John Brausch for all of his help as my predecessor. I look forward to working with our new Board during the next IMA year.

One of the most important things you can do as a leader is to leave things better than you found them. I hope I've left things in good shape for Brian so that he can build on this foundation and leave things even better for John. It has been a pleasure to serve the members and volunteers of IMA! I sincerely appreciate the opportunity! I welcome your thoughts. Please share them at srichtermeier@imanet.org. **SF**