

# Developmental Services Human Resource Strategy

**Ontario Developmental Services**  
*Make a difference every day.*



**A Guide to Talent Management and Succession  
Planning For Board of Directors in the Developmental  
Services Sector**

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Co-Chairs – Developmental Services HR Strategy Steering Committee

## Executive Summary

The 2013 Developmental Services survey on Talent Management and Succession Planning found that only 29% of organizations had a documented succession plan for positions on their senior leadership team. Only 17% that responded had a succession plan for other deemed critical or key positions in their organization. As of July 1, 2014 Statistics Canada population estimates show, for the first time, that there are more Canadians aged 55 to 64—the age when people typically leave the labour force—than there are Canadians aged 15 to 24—the age when people typically enter the labour force.

Given these statistics and the general acceptance that many leaders in the sector are at or near retirement age, it is important to raise succession planning and talent management as a critical Human Resource challenge in the sector.

**Organizations must have an active and effective succession planning and talent management process in place to help ensure organizations are well-positioned for success in the future.**

**This Guide has been created to be a resource for Boards of Directors in the Developmental Services sector in Ontario.** The focus of this guide is to provide Boards with Talent Management and Succession Planning principles as they relate to the Executive Director / C.E.O. role. The Guide is not meant to be a prescribed process to follow, but rather as a support to assist organizations in preparing for succession planning and talent management. Boards are free to use these practices and ideas in order to meet the needs of their organization. We recognize organizations face different challenges, which can include geographic location, size of organization, services provided, and local labour market pressures, to name a few.

This Guide includes a number of tools, best practices and policies from the sector and beyond. These can be copied or adapted to meet your needs. While each organization may address their succession planning differently, we would like to emphasize the following best practices:

- A. Talent management and succession planning for the position of Executive Director/C.E.O. is the responsibility of an organization's Board of Directors. Buy-in and support must occur at the Board level.
- B. There are 5 main components of the succession planning process:
  - 1. Identifying Critical Positions
  - 2. Identifying Key Competencies
  - 3. Assessing People
  - 4. Creating Development Plans
  - 5. Evaluating People

It is also important that, as a sector, we are all using consistent terminology and we have defined succession planning and talent management as the following:

- **Succession Planning:** A strategic planning exercise that seeks to ensure that an organization has a pool of highly skilled and talented employees available and ready to step into senior leadership and other critical roles should the need arise.
- **Talent Management:** A documented process for developing high potential employees for positions for which they have an interest and are well suited. This process ensures the "right" employee is ready to assume the "right" role at the "right" time.

In addition to this Guide, the Developmental Services Core Competencies Dictionary for Executive Directors is an excellent resource to incorporate your organization's succession planning and talent management process.

**This Guide focuses on the Executive Director/C.E.O. position.** Other critical positions in your organization are covered by the 2015 Talent Management Succession Planning Guide for Agencies in the Developmental Services Sector.

In 2011, Statistics Canada census data showed the working-age population (those aged 15 to 64) represented 68.5% of the Canadian population.

For the first time there were more people, aged 55 to 64, typically the age group where people leave the labour force, than aged 15 to 24, typically the age group where people enter it. Among the working-age population, 42.4% were in the age group 45 to 64, a record high proportion.

We hope you find this Guide useful and encourage you to share this with your Board of Directors and your Executive Director/C.E.O. as you begin or continue your succession planning and talent management journey.

## 1. Introduction

### Background:

The Developmental Services Human Resources Strategy (DS HR Strategy) is a partnership between the Ontario Ministry of Community and Social Services and the Provincial Network on Developmental Services. The DS HR Strategy was launched in 2008 with a vision to professionalize the sector and ensure the best quality of supports for people with developmental disabilities in Ontario.

The goals of the DS HR Strategy are:

Increase the pool of qualified developmental services professionals

Ensure consistency in education, training and professional development in Ontario's Developmental Services Sector

Provide opportunity for a variety of career paths for developmental services professionals

Enhance management expertise

To achieve these goals, the DS HR Strategy Steering Committee oversees four sub-committees: Provincial Core Competencies Implementation Committee; Marketing and Communications Committee; Talent Management and Succession Planning Committee; and Workforce Development and HR Practices Implementation Committee (WDHRPIC).

The Talent Management and Succession Planning Committee has the mandate to develop a succession planning framework for the Developmental Services sector in Ontario. In an effort to meet this mandate, the Committee has developed a Talent Management and Succession Planning Guide for Agencies to use, as well as this Guide directed at Boards of Directors. The first step in preparing for this Guide was to survey the Developmental Services Sector on Succession Planning practices and resources being used by Developmental Service agencies.

This survey was conducted in December 2013 with the purpose of understanding if organizations have a formal succession plan in place, review what tools and policies are currently existing and assessing if agencies are aware of this pressing human resources challenge. Ninety agencies responded with answers coming from Executive Directors/C.E.Os, Human Resources Directors and Managers. This Guide builds on the survey findings, the resources supplied to us by organizations in the sector, researched best practices and literature reviews on this topic.

## Introduction to the Guide

This Guide operates with the understanding that the Developmental Services sector has four main challenges:

- 1 We continue to experience an increased demand for our services from persons with developmental disabilities and families.
- 2 We continue to experience funding challenges to meet the demand for service.
- 3 We continue to face challenges in attracting and retaining talented people at all levels.
- 4 The age demographic of many key leadership positions in many organizations shows an imminent risk of losing many leaders due to retirement.

This Guide seeks to help organizations address challenge #4 and offers advice on how organizations can ensure highly competent people are ready to lead our organizations in the future.

The 2013 Developmental Services survey on Talent Management and Succession Planning showed that while talent management and succession planning occurs throughout the sector in various forms, there is a clear need and desire for succession planning and talent management resources to be developed for the Developmental Services sector.

The DS HR Strategy has identified the need for raising succession planning and talent management as a key Human Resources challenge for the sector. The DS HR Strategy has created this Guide as a tool for Boards of Directors to use to assist and provide guidance in addressing Executive Director/C.E.O. succession planning and talent management in your organization.

This Guide provides a broad framework to assist Developmental Service organizations to identify potential successors for the Executive Director/C.E.O. role within your organization. The Guide also includes sample templates, which are provided as a resource to help your organization when considering how to approach succession planning and talent management.

In creating this Guide, we are aware that approaches to succession planning and talent management will vary by organization and may include factors such as the organization's size in terms of budget, number of staff, geography, services and available infrastructure to support this



critical organizational responsibility. This Guide is offered as a resource for consideration and hopefully triggers healthy discussion on what might work best in your organization.

In this Guide, you will find what we believe are some best practices, which we have found in the sector and in our research.

## Benefits of Succession Planning

### The benefits of good succession planning include:

- A means of ensuring the organization is prepared with a plan to support service continuity when the Executive Director/C.E.O. leaves your organization
- Creating a process to identify qualified and motivated people who are prepared to take over when the current Executive Director/C.E.O. leaves the organization
- An alignment between your organization's vision and your human resources that demonstrates an understanding of the need to have appropriate staffing to achieve strategic plans
- A commitment to developing career paths for employees which will facilitate your organization's ability to recruit and retain top-performing employees
- A reputation as an employer that invests in its people and provides opportunities and support for advancement
- A message to your employees that they are valued.

The absence of a succession plan can undermine an organization's effectiveness and its sustainability. Without a succession planning process, an organization may risk not having the means of ensuring that the programs and services that are crucial to its operation are sustained beyond the tenure of the current Executive Director / C.E.O.

In Raymond Lemay's article "Selecting a Competent Human Service CEO: Succession Planning is the Key" he provides the following statistics:

- Citrin and Ogden (2010) found that insiders outperformed outsiders, with so-called "insider-outsiders" (hired from outside companies to apprentice under a retiring CEO) performing the worst.
- Charan (2005) reports that in North America in 2003, 55% of departing outside CEOs were forced to resign compared to 34% for insiders.
- Joseph Bower (2007) in his review of 1,800 succession processes and Jim Collins' (2001) study of 1,435 companies both found that internal candidates did significantly better than external candidates. (Lemay, 2012)

Due to the high failure rate of external candidates the use of a headhunting firm to recruit external unknown candidates can be a sign of the failure of succession planning.

## 2. Succession Planning and Talent Management

### Definitions

- **Succession Planning:** A strategic planning exercise that seeks to ensure that an organization has a pool of highly skilled and talented employees available and ready to step into senior leadership and other critical roles should the need arise.
- **Talent Management:** A documented process for developing high potential employees for positions for which they have an interest and are well suited. This ensures the “right” employee is ready to assume the “right” role at the “right” time.
- **Successors:** Current employees of an agency, who consistently exceed expectations in their current role, have the potential to develop into a more senior role and display the Core Competencies linked to a more senior position.
- **Critical Positions:** Also known as “key positions”, critical positions are those which, if left vacant, could create operational, reputational or financial risks, or compromise the progress of strategic priorities or business performance. Critical positions are often important to the long term success of a strategic plan (3-5 years) or short term success of a key project or strategic objective (6 months-2 years). These roles are the targets of a succession plan.

Given these definitions, the Executive Director/C.E.O. is one of the most significant “critical positions in the organization”. It is the responsibility of the Board of Directors of each organization to maintain continuity of operations through any vacancy or transition in the Executive Director/C.E.O. position. In keeping with this fundamental responsibility, it is helpful to have written plans developed for the following transitional processes:

- **Short Term Absences:** Absences which are short in duration.
- **Permanent departures:** An absence from which there will not be a return to employment, generally due to either retirement, resignation, medical/health issues or terminations.
- **Planned Absences:** A foreseen absence beyond 3 months duration. The return date can be defined (such as a maternity leave) or an absence with no return date such as a retirement.
- **Unplanned Absence:** An unforeseen absence often with little or no notice. These absences are often due to illness and are typically less than 6 months.



## Key Roles in Succession Planning



For succession planning to be most effective, it should become a process that all employees in the organization are aware of and understand.

The following provides suggested joint responsibilities for the Board of Directors, the Executive Director/C.E.O. and the Human Resource Director with respect to succession planning for the Executive Director/C.E.O. position.

### Board of Directors

The Board should be responsible for the succession planning for Executive Director/C.E.O position. Succession planning must begin at the Executive Director/C.E.O. level with the Board taking accountability and ownership of the process. This can include identifying and understanding the **Core Competencies** required to lead the organization in order to achieve its mission and vision and execute its strategic directions. The Board should be aware and regularly updated on the potential pool of senior leaders in the organization. The Board needs to embed succession planning as part of their regular meetings, on an annual basis, or more frequently if required. The Board should also ensure the Executive Director/C.E.O. is held accountable for succession planning for all other critical positions in the organization. The Board should have in place a formal performance review process which is shared with the Executive Director/C.E.O. at onset of employment and completed prior to the end of probation and on an annual basis thereafter.

### Executive Director / C.E.O.

The Executive Director/C.E.O. is the ultimate owner of the organization's succession plan and talent management program for all positions that report to the Executive Director/C.E.O., as well as other identified critical positions. The Executive Director/C.E.O. should personally participate in the process, including regular reviews and updates of the organization's succession plan. The Executive Director/C.E.O. should act as a champion or ambassador, including showing the organization's commitment to the process, and ensuring Succession Planning and Talent Management become embedded in the organization's culture. The Executive Director/ C.E.O. should also provide the Board with regular updates and act as a resource for the Board. The Executive Director/C.E.O. should identify potential internal candidates who show potential to assume the lead role and provide both mentoring and internal and external opportunities for learning and growth.

### Human Resources

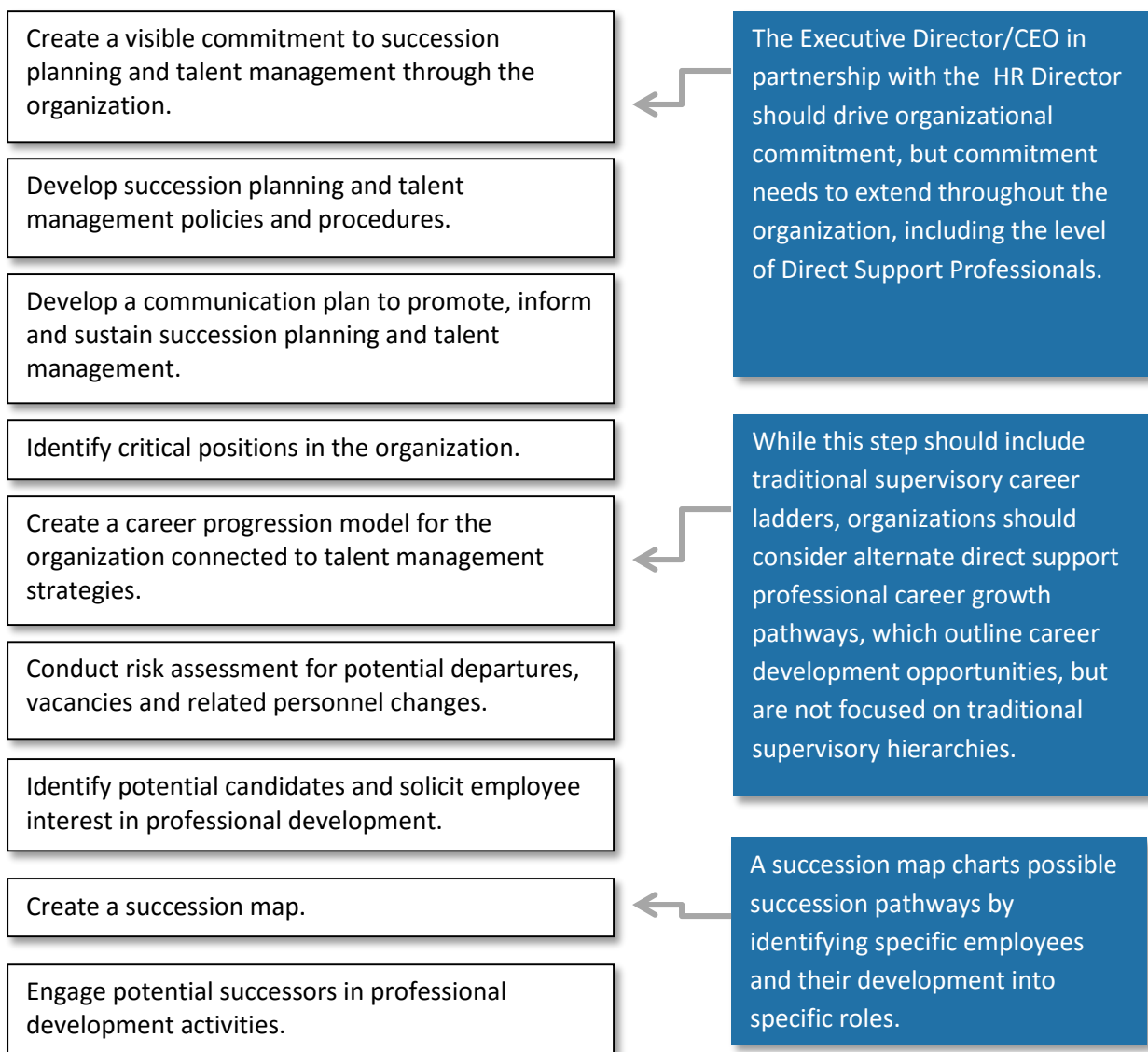
Human Resources and specifically, the Human Resource Director should administer the organization's Succession Planning and Talent Management Program. Some of the main duties related the Executive Director/C.E.O. position should include:

- Assist the Executive Director/C.E.O. in leading the Succession Planning and Talent Management Program, including the creation of Individual Development Plans;
- Assist the Board to identify and understand the Core Competencies for the position;
- Assist the Board to identify the hiring team;

- Ensure the hiring team understands relevant legislative requirements i.e. Employment Standards and Human Rights;
- Assist the Board in identifying and/or recruitment of potential candidates through the development of job vacancy posting, organizing interviews, assisting with organizing questions for interviews;
- Assist the Board in securing the services of an executive recruitment agency if desired;
- Assist the Board in the development of an employment contract for the new Executive Director/C.E.O. including liaising with agency legal advisors.

*Note:* Senior Management and Managers/Supervisors all have roles in identifying potential talent and personal career goals, in addition to both seeking and providing opportunities for growth and career development.

## Organizational Succession Planning Step-by-Step



The process of talent management should be formalized and broadly communicated, and rely on the **DS HR Strategy Core Competencies** to help identify and develop employees for management and senior management positions. Succession planning is most effective when it is integrated with the agency's performance management system. The most effective succession planning emphasizes more than just the Executive Director/C.E.O role.

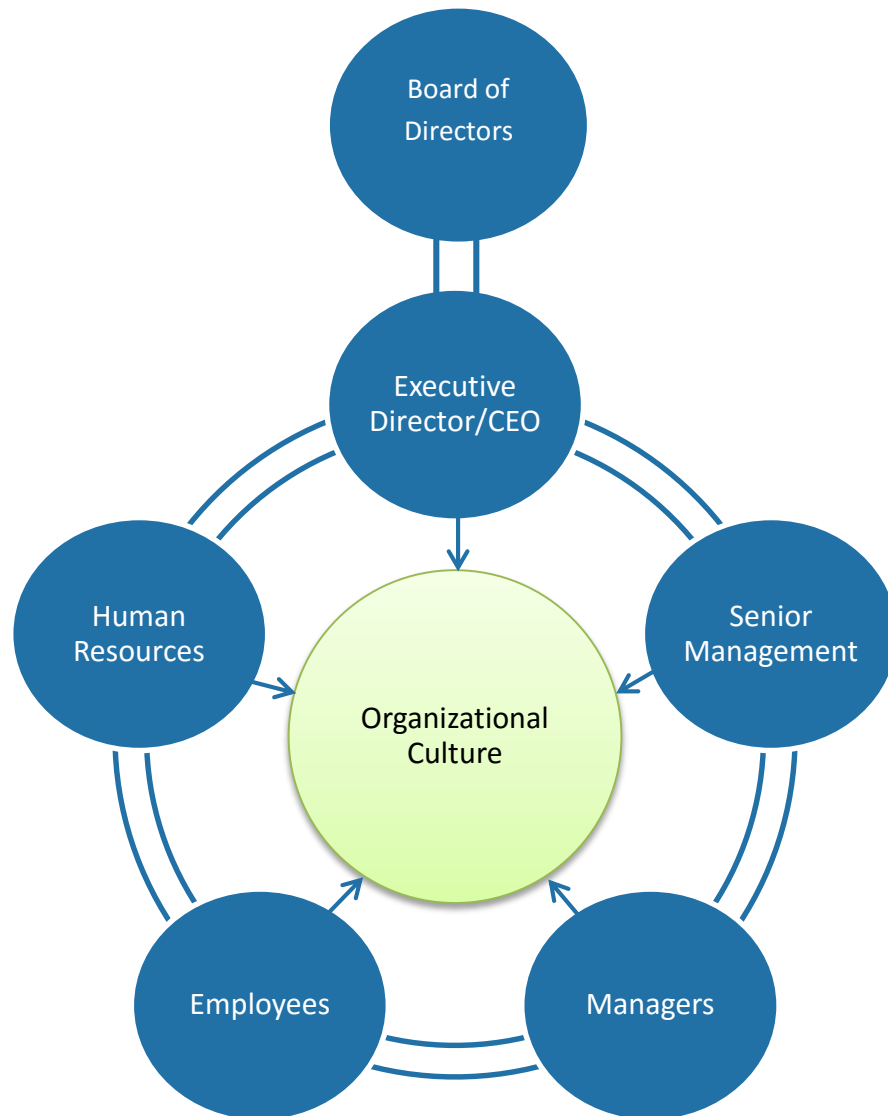
It is also important that potential successors who are identified as part of the succession planning process understand that there are no guarantees that a promotion will happen at any specific time, and that consistent superior performance is a necessity in order to continue on the succession path.

### **Suggested Practices for Communicating Talent Management Plans**

While broad communication around agency talent management and succession planning policies help to ensure support and interest from all areas of the agency, careful consideration must be given to the elements of the model that should be shared and which should be kept confidential. It is recommended that the general talent management and succession planning policies and procedures be shared broadly, while specific information relating to employee development plans for potential succession to key positions should only be shared at the senior management and Board level.



## Key Roles in Succession Planning and Talent Management



## Succession Planning for the Executive Director/C.E.O. Critical Position

The departure of the critical role of Executive Director/C.E.O. within an agency can create tremendous stress as well as operational, reputational or financial risks if it is not planned for ahead of time.

Succession planning procedures for the Executive Director/C.E.O. (and other Critical Positions) should be created to address both temporary and permanent absences.

It is the role of the Board to identify and plan for short term and permanent absences of the Executive Director/C.E.O. The Board must identify at what point during the absence of the current Executive Director/C.E.O. does a formal replacement need to be identified. This process should be outlined in Board policy and procedures.

The Executive Director/C.E.O. and senior management team should identify and develop the plan for all other critical positions and communicate this to the Board.

### **Short-term absences of Executive Director/C.E.O. critical position**

As part of an emergency succession planning strategy, the Executive Director/C.E.O. must identify and document their key job functions or critical duties. For each critical duty, a current employee must be identified and trained to perform this function during a short-term absence. The potential reassignment of critical duties should be documented as part of the plan. Generally, short term absences beyond 3 months require a more formalized response.

(See Appendix for a sample template)

### **Suggested Practice for Planning for Short-term Absences**

The exercise of defining and reassigning critical duties may require some strategic rethinking of current organization structures and positions. This may include additional formal education of some current employees for the completion of some duties (e.g.–Board governance, accounting concepts, leadership certificates, etc.).

The Developmental Services Human Resources Strategy has a Dictionary of Core Competencies for Executive Directors, which can be a valuable tool for Boards to use in planning.

In addition to the suggested practice listed above, and depending on the circumstances of the unexpected departure, another option a Board may consider is to hire an external temporary person to act as Executive Director/C.E.O. on an interim basis, who is not a possible permanent candidate. This can allow the Board to review all their options and can allow the organization to have a suitable transition period between the outgoing Executive Director/C.E.O. and the new

replacement, as there may be many emotions and other issues due to the departure that need time and processing prior to the new person starting.

### **Planned Permanent Departure of the Executive Director/C.E.O.**

As part of the talent and performance management process, senior management needs to work to identify and develop potential internal candidates for critical roles including the Executive Director/C.E.O. This information should be shared according to the appropriate protocols in your organization.

### **Suggested Practices for a Planned Permanent Departure**

By embedding the DS HR Strategy **Core Competencies** into the talent management process, required competencies for key positions can be identified and developed in potential successors well in advance of the vacancy in a critical position.

The identification of potential successors should include a combination of performance reviews, assessments of employees' potential using the competency framework, and readiness (including practical readiness, aspiration and engagement) of identified employee(s).

### **Job Posting Requirements**

An integral part of the succession planning process involves vacancies and job postings. The organization's succession plan will include a defined successor(s) who is ready or is developing towards a specific role(s) even though the role is not vacant. The defined successor(s) is assessed against the specific requirements of the role(s) as part of the ongoing succession planning process. Given this ongoing, fluid process, the Board needs to decide whether or not the Executive Director/C.E.O. position is posted as a vacancy. The decision to post the Executive Director/C.E.O. position has several elements for the organization to consider. These may include:

- The organizational policy for postings;
- Past practice;
- Desire to offer a fair competition to any qualified candidates;
- Whether the candidates are internal or external;
- Whether there is an identified successor ready for promotion;
- Whether there are multiple successors ready for promotion to the Executive Director/C.E.O. position;
- The risks to hiring externally including training needs, understanding of agency culture and historically poor success rates according to research (see Best Practice resources, p23-25).

Should there be an identified successor ready for promotion outlined in the organization's succession plan, it could be suggested that a job posting is not required, assuming the organization's succession plan has clearly identified this as an option and that it has been clearly communicated to all levels of the organization. One size does not fit all; each organization will have unique needs and solutions.

If an internal candidate is ready for promotion and the organization is comfortable without a job posting, then implementing the succession plan may only require a meeting with the identified



successor to ensure readiness, commitment and willingness to move into the new role, and to clarify expectations of the role. As noted in the preceding paragraph, ongoing, effective communication with employees is a key component of succession planning and talent management. Without it, agencies could run the risk of being perceived by staff as supporting unfair recruitment/selection practices.

If there are multiple candidates that are ready for promotion to a specific role, then an internal recruitment process will still be required to determine the best candidate for the vacant role.

### Transition into the Role

There needs to be a formal transition plan developed for candidates entering the Executive Director/C.E.O. position.

### Suggested Practice

It should be clear in the organization's Succession Planning and Talent Management Plan that being identified as a potential successor is not a guarantee of receiving the promotion.

## 3. Talent Management

Managing executive transitions can be one of the more challenging tasks facing a Board of Directors. As outlined elsewhere in this Guide, having a clear set of policies on succession planning is the first critical step for managing change. Whether the Board is responding to a sudden change, a planned departure, a temporary absence, or a permanent transition, committing to and investing in a talent management program is an essential component for preparing for a successful executive transition.

*Talent Management* refers to a set of policies and procedures to develop direct support professionals and managers into critical leadership roles in the organization. Rather than a general effort to provide broad training for all employees, talent management requires specific, competency-based training programs to develop high potential managers and direct support professionals into critical positions. The Executive Director / CEO role is the only position that Board members are directly responsible for, however, managing executive transitions requires that Board members be aware of high potential internal candidates as part of a broader program of talent management.

To be clear, this approach to talent management supports strategies to promote internal candidates into the executive position rather than rely on consultants to recruit external candidates. In some situations, Board members may strategically prefer to hire an external candidate as part of a more substantial change in the organization's direction and culture. However, based on our literature review<sup>1</sup> we found internal candidates tend to be more successful in their new roles than external hires. A robust talent management program will ensure that Board

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<sup>1</sup> Collins, 2001, Rioux & Bernthal, 1999, Kelly-Radford, 2001,

members will not feel pressured to retain a consultant for executive recruitment unless there are clear strategic advantages for doing so.

## **Building a Talent Management Program**

Starting a talent management program is an essential part of succession planning and management. The following steps build on the policies and practices for succession planning discussed in this Guide.

### **1. Build and demonstrate broad organizational commitment**

Just as with succession planning, board members, executives, managers, front line supervisors and direct support professionals all have a role in talent management. While Board members will not likely be involved in the detailed operations of a talent management program, given the time and resources required to effectively build a talent management program, broad organizational commitment is needed. One way to start is to begin as part of the organization's strategic planning process by clarifying the mission-strategy-people connection. Talent management is founded on the organization's mission and vision. Next, empower a work group to develop recommendations on leader development and talent management.

### **2. Succession planning and management should drive the talent management program**

The activities outlined in the succession planning steps (page 11) are a prerequisite to building a talent management program. Start by identifying key positions and the leadership characteristics needed for these critical roles. Then assess the current leadership capacity of individual employees, highlighting the strengths and growth zones. From there, design targeted leadership development programs to enhance the Core Competencies needed to move into the key roles.

### **3. Align Human Resource practices**

The Core Competencies model developed by the DS Human Resource Strategy has created the foundation for leadership development in the sector. The Core Competencies Resource Guide includes a diverse collection of developmental tools to build on. Reinforce the Core Competencies development program by aligning performance management policies and practices. In addition to these personal development activities, a robust talent management program should promote a culture of mentoring by making talent management part of every leader's job.

### **4. Make talent management / leadership development a central part of annual operational planning**

Succession planning and talent management are not one-time tasks, but require constant renewal. Develop and implement an annual bench strength and talent-review process as outlined in step #2 above. Changes in the environment, such as the growth of Passport Funding, may change the nature of critical positions in the organization. Likewise, changes in personnel will mean a changing pool of high potential employees. A brief "dashboard"

report of the talent management program should be prepared for the Board on an annual basis.

#### **5. Expand development and training opportunities for existing and emerging leaders and staff**

Organizations should not expect existing training and development programs to sufficiently drive talent management. For example, creating 'stretch' opportunities can help drive development and reveal leadership potential. Given the natural challenges associated with retaining emerging leaders, it is important to balance employee-employer interests in creating advancement opportunities. Rather than leaving career advancement to the unspoken message of "wait your turn," organizations should work with emerging leaders to identify opportunities to put the developing talent to work.

## **4. Policy and Procedures**

The following are a set of policy/procedural suggestions covering absence of the Executive Director/C.E.O. role, as well as some considerations for best practices.

### **Policy - Succession Planning**

This statement should outline that while changes in critical positions are inevitable, a well-planned succession planning process, including talent management, can maintain operational stability, maintain clear and open communication and ensure a talent pool is ready to fulfill critical roles. It should emphasize the importance of formalizing the process early and providing a continuum of talent management and succession planning over time rather than treating it as an event.

Absences which trigger formal succession planning procedures include temporary planned absences (such as a long vacation, approved personal leave or a planned short term medical leave), temporary unplanned absences and long term permanent planned and unplanned absences.

### **Planned Departure**

#### **Length of Notice:**

This statement should outline the ideal notice period for the Executive Director/C.E.O.. While the notice period serves as the ideal, planned retirement vs. resigning to pursue an alternate position can affect the length of notice.

#### **Best Practice:**

For the Executive Director/C.E.O. role a notice period of 4-6 months appears to strike a balance between providing the board the time to organize and hire a replacement while not prolonging the process and rendering the current Executive Director/C.E.O. somewhat ineffective. Notice should be provided to the Board in writing.

The announcement of a permanent departure of the Executive Director/C.E.O. provides an opportunity for the Board, with assistance from the outgoing Executive Director/C.E.O. and/or Senior Management to consider alternatives such as agency restructuring, mergers, or sharing of positions with other agencies.

## Procedures

### Transition/Hiring Committee

Upon receiving notice of the permanent departure of the Executive Director/C.E.O., the Board of an agency should strike a Transition/Hiring Committee to oversee the departure and succession.

### Committee members:

In addition to 2-3 members of the Board, the Transition/Hiring Committee should also involve the Human Resources Director and can involve the Executive Director/C.E.O..

### Committee Roles

#### Develop a comprehensive work plan including:

- Develop a communication plan to ensure a transparent process for stakeholders.
- Identify an interim Executive Director/C.E.O. where necessary.
- Assess the agency's current activities and priorities to identify attributes and skills necessary in the successful candidate.
- Review the DS HR Strategy Core Competencies material on Executive Directors/C.E.O.s to identify, prioritize and evaluate these attributes in potential candidates.
- Determine, in consultation with the Board, the qualifications required and the compensation package to be offered.
- Determine the role of the outgoing Executive Director/C.E.O. in the orientation process and a suitable overlap.
- Undertake the hiring process including:
  - Considering the readiness of any existing staff that may have been previously identified as potential candidates.
  - Considering any known external candidates who may have been identified.
  - Performing the recruitment effort itself with the involvement of the Human Resources Director including drafting advertisements, setting up interview questions, scheduling interviews, conducting interviews, conducting references.
  - Considering outsourcing some or all of this work to an external recruitment agency.
  - Recommending to the Board one or two candidates for final consideration.
  - Developing, with assistance of the agency labour lawyer, the terms for the hiring contract.

- Implement the Communication Plan:
  - As soon as possible, the Transition/Hiring Committee should take steps to communicate any temporary or permanent leadership change to:
    - The main funder(s)
    - Staff
    - Relevant community partners, as appropriate
    - Other stakeholders, as appropriate

## Transition to New Executive Director/CEO

The following items should be considered as part of the transition/orientation process for the successor:

- Letter of welcome;
- Execution of an Employment Contract;
- Review of the mission, vision, values, job description, performance appraisal process, strategic plan and its status;
- Review of other agency priorities and related documents;
- Meeting with the senior leadership team (if applicable) to review roles and functions of the team;
- Review of agency policies and procedures;
- Tour of agency locations;
- Introduction to staff;
- Identification of potential mentors or “go to people” who are in keeping with the agency’s values, vision and philosophy;
- Identification and or introduction to relevant networks/committees, Ministry staff;
- Other more formal educational opportunities (Leadership/Business Management Certificate courses etc.).

## Executive Director - Unplanned Departures and Temporary Leaves

### Scope

This section covers considerations for formally managing the absence of the Executive Director/C.E.O on a short term or interim basis for unplanned temporary and permanent departures.

### Notice

In the event of a short term or permanent absence, the Executive Director/C.E.O or Senior Management should immediately inform the Board President of the absence. Upon notification of a temporary absence or unplanned departure, the Board should immediately convene a meeting to determine how interim leadership will be handled.

## Consideration

In both short term and unplanned permanent departures it is often necessary for the Board to appoint an internal Interim or Acting Executive Director/C.E.O, hire an external Interim Executive Director/C.E.O. or alternately to formally split up the priority /key functions of the Executive Director/C.E.O.. (ie. leadership and strategic development, service delivery, financial management, human resources management and partnerships – see Appendix D for sample Emergency Succession Plan for Executive Director/C.E.O. and other critical roles).

## Best Practice

It is the Board's responsibility under due diligence and risk management to be prepared for and ensure continuity of operations during any short term and unplanned leadership absence. Good emergency succession planning will identify interim procedures and responsibilities ahead of time including the identification of the Interim/Acting Executive Director/C.E.O., where possible, or the formal workload reassignment. Early preparation provides clarity and accountability and allows for continued organizational stability and progress during the absence or hiring period.

## Role of an Interim/Acting Executive Director/C.E.O.

Unless otherwise specified the Interim or Acting Executive Director/C.E.O. is vested with all the responsibility and authority of the Executive Director/C.E.O. including strategic planning, financial management, service provision, risk management and contractual agreements.

## Compensation

Regardless of the interim leadership measures, compensation of the person/people assuming the role should be considered by the Board in keeping with the increase in responsibility as well as length of the interim appointment. The Board should use the Human Resources Manager/Director as a resource when considering this element.

## Communication Plan

Whether the absence is temporary or permanent, any formal interim coverage arrangements for the Executive Director/C.E.O. position should be communicated in writing, as soon as possible, by the Board to:

- Staff
- Relevant community partners, as appropriate
- Other stakeholders, as appropriate
- The main funder(s)



## 5. Conclusion

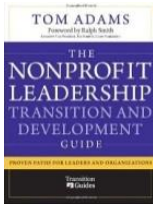
Succession planning and talent management for the Executive Director/C.E.O. role is a critical Board responsibility that can help ensure your organization is well-positioned and prepared with a competent and effective leader for the future.

While this Guide offers much information, it is not meant to be a prescribed process to follow, but rather to serve as a support to organizations in addressing Succession planning and talent management. We recognize each organization is unique and by using this information, you may tailor an approach that best meets your agency's needs.

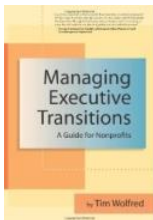
We hope this Guide is useful and valuable and when coupled with the Developmental Services Core Competencies Dictionary for Executive Directors, you will be well on your way to ensuring your agency is in great shape for the future.

## 6. Resources

### Selected Resources – Succession Planning and Talent Management in Non-Profit Organizations



Tom Adams, ***The Non Profit Leadership Transition and Development Guide*** <http://ca.wiley.com/WileyCDA/WileyTitle/productCd-0470481226,subjectCd-BA95.html> ISBN: 978-0-470-48122-6 384 pages March 2010, Jossey-Bass



Tim Wolfred, ***Managing Executive Transitions*** Paperback: 165 pages Fieldstone Alliance (June 9 2009) ISBN-10: 0940069571

**NOTE:** Tom Adams (transitionguides.com) and Tim Wolfred (compasspoint.org) have free resources on their websites.



Paula MacLean, (Silvercreek Press) ***Following the Leader – Executive Succession for Your Non-Profit*** <http://www.silvercreekpress.ca/following-the-leader-free-etoolkit.html>



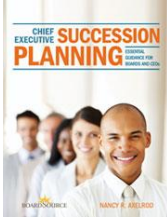
Executive Transition and Leadership Continuity Affinity Group  
Alliance for Non-profit Management *Defining a Field of Practice:  
Guiding Principles for Executive Transition and Leadership*

*Continuity Practice* Adopted September 15, 2014 <https://4good.org/alliance-admin/defining-a-field-of-practice>. This paper is intended as a first draft discussion document to bring together practitioners of executive transition and leadership continuity who are committed to leveraging leadership transition to advance organizational effectiveness and impact. The document and the work of the Affinity Group provide some leading edge thinking about “best practice” in the voluntary sector.



**Create Your Plan A:** Creating Bench Strength or a “Talent Pipeline” is critical to building organizational sustainability. Bridgespan is a non-profit advisor to public benefit organizations. One of the many useful tools they offer is Creating Your Plan A. Plan A is a vision of your organization’s future leadership team (say, three to five years out), including the capabilities and roles needed to achieve your strategy, and an overview of the development steps you plan to take to build

that team. Use this template to draft your organization’s Plan A. Visit <http://www.bridgespan.org/getdoc/e40e932a-aef0-4282-8b8d-07819f015d32/Create-Your-Plan-A.aspx#.VkTD0cqLA4s> and download this very useful and free resource to assist your organization with talent management.



**Axelrod Nancy, *Chief Executive Succession Planning: Essential Guidance for Boards and CEOs*, Second Edition (PDF and Print) 2009 Pages: 69**

### **BoardSource**

Provides a proactive approach so that you are prepared whenever the inevitable day comes. You will learn:

- The differences between executive search and succession planning
- How to create a system that ensures the organization always has an up-to-date succession strategy
- How to get input from and communicate effectively with staff, key stakeholders, and the general public
- Five succession planning steps to take prior to the executive search
- Six key issues for the Board to address during the executive search
- How to ensure a smooth transition for your new chief executive
- Why it's important to begin the succession planning process with a new chief executive

The appendices include a sample emergency leadership transition plan, chief executive succession plan guidelines, and a sample chief executive profile.

<https://www.boardsource.org/eweb/ChiefExecutiveSuccessionPlanning>

### **Appendices – can be accessed at [www.ontariodevelopmentalservices.ca](http://www.ontariodevelopmentalservices.ca)**

- A. Community Living Wallaceburg and Ottawa Rotary Home Sample Succession Planning Policies and Procedures added later with a hyperlink
- B. Succession Map Template added in hyperlink
- C. VALORIS for Children and Adults of Prescott-Russell Talent Management and Succession Planning Case Study added by hyperlink
- D. Emergency Succession Planning Template for Critical Roles added in hyperlink
- E. Developmental Services Core Competencies Dictionary for Executive Directors

## **References**

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Succession Planning, HR Council for the Nonprofit Sector, <http://hrcouncil.ca/hr-toolkit/planning-succession.cfm>

Succession Planning policy, Ottawa Rotary Home, Aug. 2012

Succession Planning Process policy, Pathways to Independence, no date

Succession Planning and Resource Guide, Ontario Hospital Association

Notes:

