

**Succession Readiness Assessment**

We've developed this simple assessment to help you look at your organization's readiness for a leadership transition and to keep your mission on track during that transition.

Answer the questions below to determine how ready your organization is for a CEO transition of any sort. While every transition is unique and needs to be approached as such, these questions do apply broadly to preparation for most leadership transitions.

It’s unlikely you will answer “yes” to every question and small organizations are likely to be especially challenged by these questions. Please don’t be deterred - this is a great first step to start preparing for an eventual leadership transition and to strengthen your mission delivery.

|  |  | YES | NO |
| --- | --- | --- | --- |
| **Preparation for Emergency Transition** | | | |
| 1 | Have you defined the notification chain (who will be told, in what order, including board & staff leadership) in the event of a transition? |  |  |
| 2 | Have you identified an emergency successor who will step in temporarily if needed? (This should be a named person with a named backup person) |  |  |
| 3 | Have your emergency successors been trained before they need to step up? |  |  |
| 4 | Is your staff leadership team, beyond the emergency successors, cross-trained so they can fill in for each other as needed? |  |  |
| 5 | Do you have a process in place to make sure the next payroll is issued without a hitch? |  |  |
| 6 | Have you documented the location of key legal and operational documents? |  |  |
| 7 | Have you set a policy for secure password management that also makes passwords accessible upon transition? |  |  |
| 8 | Does each financial account have at least one signatory in addition to the CEO? |  |  |
| 9 | Is there a working list of critical open / pending projects? |  |  |
| 10 | Is there a consolidated list of critical organizational dates? (funding, certification, etc.) |  |  |
| 11 | Do you know which roles and functions are only performed by the CEO? Do you know how these will be handled in the event of a transition? |  |  |
| 12 | Do you have a prepared list of who you need to contact and how to reach them in the event of a CEO transition? (Broader and separate from #1 above) |  |  |
| **Executive Succession Decisions & Policy** | | | |
| 13 | Does the organization have a policy for pay related to emergency leave and severance? |  |  |
| 14 | For a temporary emergency successor, have you identified if and how you will pay him or her for this work? |  |  |
| 15 | For a temporary emergency successor, have you identified how you will backfill her/his functions? |  |  |
| 16 | Will a temporary emergency successor have the same spending and decision-making limits as the CEO? |  |  |
| 17 | Have you identified a board member who can act as a sounding board for the temporary emergency successor? |  |  |
| 18 | Has the board committed to have a reflective discussion on the best way to deliver mission? This discussion would consider if the organization continue to exist, merge with another organization, or go out of business. |  |  |
| 19 | Have you defined the roles and responsibilities for board, the transition team, and staff during a CEO transition? |  |  |
| 20 | Has your board discussed if internal candidates (staff or board) will be acceptable and how to handle their expectations? |  |  |
| 21 | Has your board agreed on preferences for using an interim director and in which circumstances? |  |  |
| 22 | Has the organization identified preferences for external assistance, if any, which may be necessary for a successful transition? (staffing, search, etc.) |  |  |
| 23 | Has the board agreed to assess the organization to identify any outstanding issues and define the skills and attributes required by the next CEO? |  |  |
| 24 | Do you have a budget identified and set-aside for an eventual CEO transition? |  |  |
| 25 | Have you identified at least basic roles and responsibilities for onboarding a new CEO? |  |  |
| **Transition-related Organizational Strength** | | | |
| 26 | Do you have an up-to-date job description for your current CEO that reflects your organization’s current needs and the skills required by the CEO? |  |  |
| 27 | Does your board have the right mix of talent to find, hire and evaluate a CEO? |  |  |
| 28 | Does someone other than the CEO have a relationship with your current funders? |  |  |
| 29 | Are your organization’s stakeholders (board members, donors, volunteers, staff) committed to your mission or will they leave the organization when your CEO leaves? |  |  |
| 30 | Do you regularly evaluate your governance effectiveness and act to improve it? |  |  |
| 31 | Does your organization have a strategic plan or another form of written goals? |  |  |
| 32 | Are the organization’s financial statements regularly & quickly available when requested? |  |  |

**Scoring**

This list represents the key steps in developing executive succession policy and plans. You can also strengthen your organization with succession planning for your leadership team and board.

We suggest you should be able to answer yes to 75% or more of the questions in each section. (9 yeses in each of the first 2 sections, 5 in the last section.) Some questions may have more importance within your organization. If you replied yes to fewer than 75% of the questions, consider where you can start to make decisions. Make sure all decisions and policies are documented and reviewed on a regular basis and that future board members know about and can access these policies.

**Questions 1-12** indicate your readiness in the event of an emergency transition, when you learn with very little to no notice that your CEO is not coming back to work, or at least not in the foreseeable future. Firing a CEO is a special kind of emergency transition that will also require some immediate checking of legal and financial considerations not included in this list.

**Questions 13-25** indicates your status on succession planning. These questions all represent decisions where policy can be set before a transition. Decisions made in advance of a transition may be more thoughtful than those made during a transition. These decisions are meant to guide the board, but the board may need to modify these if the context requires a different approach.

**Questions 26-32** refer to part of your organization’s operational foundation. These are factors which support successful operations at any time, but which can hinder a successful transition if they are not in place.

If you would like to explore how your organization can become stronger before an executive transition, get in touch and let’s talk.