

SUCCESSION PLANNING FOR POOLS

PREPARING THE NEXT GENERATION OF POOL LEADERS

Presented by Sara A. Peterson

NATIONAL
LEAGUE
of CITIES | RISK INFORMATION
SHARING CONSORTIUM

Date/Time:

9:00 to 11:30

Mon, Oct 22, 2012

Location:

2012 NLC-RISC
Staff Conference
Charleston, SC

SESSION OVERVIEW

■ Goal

- Go beyond succession plans to develop succession organizations that sustain learning from our collective past, value pools as far more than just insurance organizations, and instill the virtues of remaining member-focused, nimble in approach, and adhering to governance that matches membership concerns.

■ Take-Away

- Questions regarding opportunities/barriers to change
- Sharing previously successful and troubled efforts
- Ways succession can support the field as a whole

OUTLINE

- **A Bunch of Ideas**
- Discussion 1: **Succession in Our Individual Pools**
- **Break**
- Discussion 2: **Succession in the Field of Pooling**
- **Wrap Up**

A BUNCH OF IDEAS...

- What is succession planning?
- Sticky dynamics
 - Founder transitions
 - Four kinds of generational transitions
- Transition safeguards & pitfalls

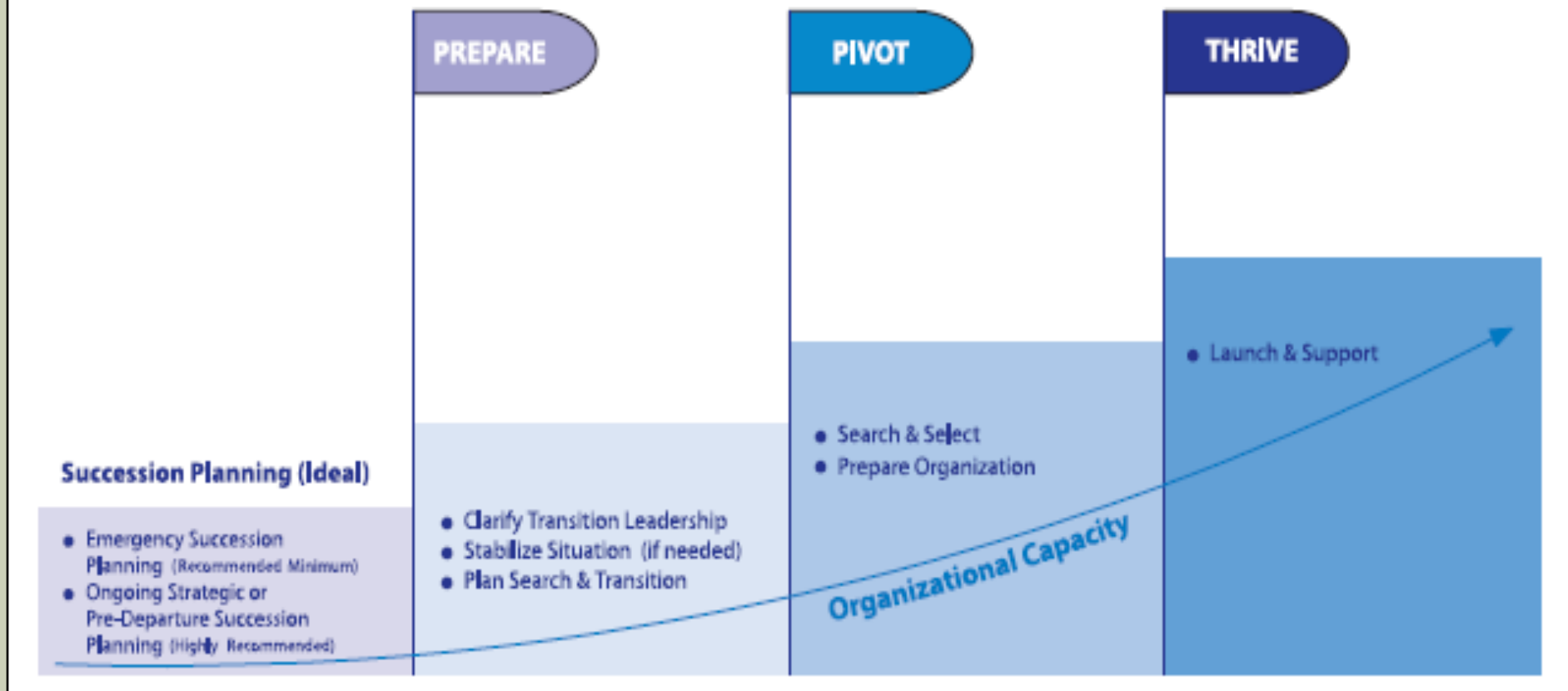
READINESS CHECKLIST

- Strategic plan including staff development
- Annual director evaluation / board performing well
- Director's direct reports are solidly skilled
- Top management team:
 - Team culture, shared leadership
 - Can lead in executive absence, own authority
- Another has important external relationships
- Financial reserve and systems meet standards
- Operational manuals for key systems
- Top staff have documented job with backup

Tim Wolford

TRANSITION OVERVIEW

Executive Succession & Transition Management



SUCCESSION PLANNING OVERVIEW

- Deal with barriers for departing executive
- Set the departure date / form a succession committee
- Prepare a communications plan
- Identify vulnerabilities / address
- Identify broad strategic directions 2 – 5 years out
- Solidify the management team re above
- Build the board's leadership abilities
- Back-up key executive relationships
- Put finances in order / build reserves
- Set search strategy

Tim Wolford

PITFALLS

- Self-replacement
- Heirs apparent
- Overlapping
- Silos
- Command/control
- Reactive hiring
- **Treating it as
planning / event**
- Lack of documentation
- Grooming the successor
- Rushing the transition
- Looking back, not forward
- Not paying attention to the outgoing executive's role/influence
- Not paying attention to staff

Tom Adams

SUCCESSION ORGANIZATION

- Staff retention, coaching and development
 - Repeat...
 - Repeat...
 - Repeat...
- Break down silos, command/control, need to know...
- Board development and self-assessment
- Strategic planning, scanning, documenting...
 - Evaluation and improvement...

DISCUSSION 1

- Big issues
 - Founders / generational shifts
- Self-assessment
 - Current transition needs / readiness and pitfall risks
- A culture of succession – where are you?
 - What would it take to change? Opportunities / barriers
- Sharing transition learning to date
 - Safeguards and pitfalls applicable?

DISCUSSION 2


- Current status of transitions in the field
- Pool equivalent of good art / bad art metaphor
 - Sustain learning from our collective past
 - Value as far more than just insurance organizations
 - Instill the virtues member-focused, nimble, and governance that matches membership concerns
- Learning from transitions to date
- Implications for the whole

RESOURCES

- Susan Kenny Stevens, *Tricky Transitions*
- Annie E. Casey Foundation Series
www.aecf.org/KnowledgeCenter.aspx
 - Adams, Tom, *Capturing the Power of Leadership Change*.
 - Adams, Tom, *Founder Transitions: Creating Good Endings and New Beginnings*.
 - Kunreuther, Frances, *Up Next: Generation Change and the Leadership of Nonprofit Organizations*.
 - Wolfred, Tim, *Interim Executive Directors: The Power in the Middle*.
 - Adams, Tom, *Stepping Up, Staying Engaged: Succession Planning and Executive Transition Management for Nonprofit Boards of Directors*.
 - Kunreuther, Frances, and Corvington, Patrick, *Next Shift: Beyond the Nonprofit Leadership Crisis*.

CONTACT INFORMATION

Sara A. Peterson



strategy, governance and management
for nonprofits, foundations, government & community groups

2637 S. Isabel Ct. Bloomington, IN 47403

P | 812.822.2122 ■ **C** | 651.260.0273 ■ **F** | 812.205.2987

www.sarapetersonconsulting.com
peterson@sarapetersonconsulting.com