

# EXECUTIVE DIRECTOR SUCCESSION PLAN

## NOROFLK HOUSING ASSOCIATION

*This plan was adopted and approved by the NHA board of directors at the January 31, 2018 meeting of directors.*

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## **1. UNPLANNED LEAVE**

### **Appointing an Interim Executive Director (ED)**

The board of directors will be responsible for appointing an interim Executive Director (ED) if the current ED leaves unexpectedly or is out for illness or personal reasons for a defined period of time.

It is expected that the position will be filled by an internal staff person or persons for a defined period of time. In some cases, an external person is hired when no internal person is appropriate for the position.

The board will review current staff members and positions to determine who might be appropriate for the position.

Annually the board shall discuss this with the current Executive Director to review who on the staff might be most appropriate and what individuals and/or positions might provide management during a transition or unexpected leave.

The board shall review salary compensation and provide an adjustment for increased responsibilities during a transition.

The HR/Governance Committee and board chair shall take on more of an active oversight role with the organization during the leave.

- The board Chair will act as the external spokesperson for the organization.
- The Treasurer should have monthly reports provided by operations staff and bookkeeper and should review all financial activity on a monthly basis.
- The HR/Governance & Finance Committee Chairs along with the board Chair, should carefully review the budget and year to date financials to determine if any changes should be made for the remainder of the financial year.
- The board chair shall act as the supervisor for the interim director. The Chair should expect to have bi-weekly meetings (phone) with the interim director.
- The board Chair should prepare a letter to all key stakeholders announcing the interim director and providing an outline of the succession planning timeline and steps.
- The board Chair shall meet with the full staff to announce the interim position, the board role and outline expectations for the transition time frame. If a hiring is going to

occur, He/She should also outline the succession plan, timeline and steps including staff involvement.

- The HR/Governance committee should expect to meet monthly during the transition period.

## **2. PLANNED RESIGNATION**

### **Appointing New Executive Director (ED)**

#### **2.1 Search Process**

The board of directors will engage a professional consultant to conduct and manage the search and selection process for a new Executive Director.

A search consultant should be hired using a request for proposal (RFP) format which would include an outline of services needed, deliverables, timeline, and budget.

The board may wish to approach partnering organizations for consultant referrals to ensure responses to the RFP come from those experienced in the non-profit sector.

A consultation for the search and selection process of a new ED will cost approximately 20-30% of the base annual salary (this would be about \$20 – 30k at the current salary level).

#### **2.2 Review and Revision of Job Description and Qualifications**

The first step that will be guided by a consultant is to review the existing job description and qualifications. Board should outline what skills, experience and background, expertise, management and characteristics they are seeking in the next Executive Director. The board will also need to establish or review a salary range and benefit package for the position.

Important categories for reviewing potential qualifications are the following:

- Management (human resource, financial, and property management)
- Fund development
- Industry specific knowledge
- Strategic thinking and communication skills
- Leadership skills

The board will prepare a revised and updated job description and a description of the ideal candidate for use by the screening committee. This description should include salary range and benefit package description.

Key questions to ask in reviewing the job description include the following:

- Will the job be the same as what is currently being done?

- What do we want in an Executive Director? In what ways will it be different than the current structure – will it be different in year one, three to five years from now?
- Do we want a different leadership model than we have had in the past?
- Do we want to restructure the position in any significant ways or our expectations about key responsibilities of this position?
- What is our total compensation package? Can we make it attractive to people with different compensation priorities?

### **2.3 Establishing a Screening Committee**

The board shall establish a screening committee. This committee shall be chaired by the board chair or their designee. The committee should be composed of at least four other members who agree to manage the search process and recommend three finalists for consideration by the full board.

The screening committee will:

- Compile an RFP and can also select the consultant it wishes to work with
- Establish a budget and timeline for the process.
- Work with consultant to develop set of questions to be asked of candidates during each interview stage.
- Approve the marketing plan for advertising the position. This could include key listings on industry websites, networking within the region with a letter to referral sources, ads placed locally, and listing on websites such as reachhire.ca, Indeed, or others.
- Oversee completion of a background check on each finalist.
- Work with consultant to establish process to screen and review all submitted resumes.
- Work with consultant to develop ranking criteria and selection process to interview up to 7 candidates. (Could be initial phone screening interviews by individual committee members, then joint in-person or phone interviews by several committee members.)
- The screening committee will keep the board informed on the progress, candidates and the interview process. The Chair shall keep the staff informed of the process so that there is regular communication and updates to them.

### **2.4 Selection Process**

The final three candidates shall be recommended by the screening committee to the full board. The board should decide on the protocol for the interviews and adopt a set of questions.

The board will need to decide whether they are paying for out of town candidates' expenses and what will be reimbursed. They will also need to design criteria and ranking process to guide the conversation.

The board chair could be authorized to make the offer to the selected candidate. Communication to the other finalists should also be undertaken by a board member. The consultant would typically notify any candidate that did not make the short list for interview.

The board should develop a communication plan to announce the appointment of the new ED. This should include announcing to staff, residents, and key stakeholders. A press release should be prepared and submitted to local press and distributed in monthly newsletter and on the organization's website.

## **2.5 Supervision**

The board should establish a clear set of six month and annual performance objectives for the individual in written form. These objectives can be mutually developed but must be clearly understood by the board and the new executive director.

Using an onboarding and orientation process, the board shall design the first day, the first week, the first month and the first six months of expectations and activities for the new executive. The new CEO/Executive Director should be evaluated based on these performance objectives which will act as a guide for the person in the position and the board.

The board chair will be responsible for developing an orientation to the agency, the board and key stakeholders. If the person is from outside of the region, then the board should be prepared to assist with introductions and key meetings.

## **Role of the Departing Executive Director**

The departing Executive Director agrees to mentor the new Executive Director for three weeks. This includes sharing the transition memo, reviewing the strategic plan and all key programs, introductions to key community stakeholders and assisting in other activities to ensure a successful transition.

## **3. Skill Development for Internal Leadership Candidates**

There may be one or two internal candidates that could be evaluated for taking on the role of Executive Director.

The Operations Manager and the Communications & Engagement Specialist are both individuals that have expressed interest in the position and are actively working towards professional development to prepare for the possibility of being considered.

The **Operations Manager** is currently working on developing the following skills:

- Financial Management – good understanding of accounting basics and operational budgeting and monitoring. Developing more complex financial management skills.
- Governance - specifically role of the board and ED in strategic decision making and how to leverage directors to achieve the organization's mission.
- Visioning & Strategic Planning – turning vision into actionable steps and seeing the big picture outside of the day to day tasks.

- Personnel Management – developing a high degree of emotional intelligence and anticipating the needs of staff, what motivates individuals, and how to set a culture aligned with strategic objectives and vision.
- Policy as it relates to the affordable housing sector, poverty reduction, and knowledge of various policy levers at all three levels of government.

The **Communications & Engagement Specialist** is currently working on developing the following skills:

- Operational & Property Management – asset maintenance and capital planning.
- Financial Management – better understanding needed of financial management and reporting.
- Risk Management – ability to foresee potential liabilities and risks to organization.
- Governance – understanding the role of the board and ED in strategic decision making.
- Visioning & Strategic Planning – better understanding of how to develop actions out of broad strategic priorities.
- Human Resources – need to develop understanding of policy and procedure development, how to guide organizational behavior, and how human resources can be leveraged for risk management.

There are leaders in our sector that would be ideal candidates for the position of Executive Director. A list of potential candidates is available and will be added as a supporting document.

#### **4. Attachments & Supporting Documents**

**4.1 Strategic Priorities Roadmap**

**4.2 Strategic Workplan**

**4.3 ED Role Description & Performance Review**

**4.4 Location of Key Documents, Policies, Procedures & Account Information**

**4.5 Organizational Chart**

**4.6 Key Stakeholders & Partner List**

**4.7 Transition Communications Plan**