



Replacing the CEO

The board's leadership in succession planning

By Tom Okarma

One of the most important responsibilities of a ministry board is replacing its retiring CEO. While this event presents huge ministry opportunities, it can also be disruptive and filled with emotion, politicking and hurt feelings.

Sooner or later every ministry faces this challenge and how it is managed will have repercussions for years to come.

The specific steps to replace a retiring leader are fairly clear but there are several important overriding considerations to remember when faced with replacing a ministry CEO. Here are five:

1. The board alone owns this duty and must take charge of it

- Once the board learns the CEO plans to leave, it should work to establish a mutually acceptable separation date. Once set, that date should be considered firm and the board should stick to it.

The timetable for everything that must be done to replace the CEO should be established from that date backwards.

- Start the process of replacing a CEO early, in fact, as soon as possible. It may take many months to identify and hire a suitable replacement, and there are many steps and unknowns along the way. To avoid rushing into a poor decision, it is best to build ample time into the schedule.
- The entire board should be involved in this important task, with a search committee to lead the effort and being responsible to the board for carrying out the day-to-day steps of the process. The search committee should report its progress frequently to the board, usually during executive session.
- Since people's reputations and careers are involved, not to mention the ministry's own reputation in the community, it is important to maintain confidentiality throughout the process. One person might serve as the spokesman for the board's efforts whenever people invariably ask how the search is going.

- It's usually best to hire from within, so the board should review its internal leadership pipeline for viable candidates first. If there are none, then building internal leadership bench strength is something that should be addressed in the near future.
- Ideally, the ministry already has one succession plan in place — the emergency succession plan — to be used in the event of a tragic event occurring. That plan may also offer solid ideas on the retirement replacement process.

2. Understand and recruit towards the future direction of the ministry

- A board should look forward, not backward when hiring a new leader. It should first review (or update) its strategic plan and then build a leadership profile listing a combination of the most desirable skill sets, experiences and relationships that complement the ministry's strategic plan and future direction.
- It's human nature to try to replace the retiring leader with someone comfortable, or similar in style and skills, or with the internal person next in line. While they may appear to be ideal candidates, it is also possible they are not a good fit for the kind of leadership the ministry needs going forward. If not already done, the board should pray over the proposed new leader's profile to engage the Holy Spirit's wisdom. Prayerful consideration at this point may well lead to some fine-tuning.

3. Support and engage the outgoing leader

- The retiring leader has led well; it is now time to leave well. Leaving well is just as important as having led well. Having this discussion early on can help things go smoothly later.
- The board may want to debrief the retiring leader, not unlike an exit interview, to get a ground level and frank assessment of the ministry that the board can use when crafting the new leader's profile.
- It is usually best to keep the retiring leader entirely out of the replacement process. This may be met with some resistance but is actually a huge gift. The leader may well be swamped with requests from friends and nonprofit colleagues either to put in a good word to the search committee for them, or in seeking inside information on the interview process, etc. Keeping him or her out of the process gets the leader "off the hook" and keeps them from being put in the middle of the search effort. It also allows him or her to focus on duties surrounding their "leaving well."
- It is a good idea to periodically check in with the leader to see how he or she is doing during this period, which may be a very personal and emotional time. The leader is still the face of the organization and needs to stay focused.
- The board should plan an appropriate celebration to recognize the leader and all the ministry's accomplishments.
- It will be helpful to the board and the new leader to ask the leader to clean up or update any confusing procedures or complicated manuals before leaving. This gives the next leader time to step in and learn the ropes. The same goes with any longstanding projects. Can they be wrapped up before he or she leaves?

4. Prepare the ministry for its next chapter

- Change is coming and not everyone may be ready for it. The ministry culture must be protected and key staff, leaders and volunteers may need some special handling. It is important to identify what

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and who must be protected and, in the case of key individuals, "re-recruited" so they stay on board. Periodically walking around the offices may reveal how well this is going.

- Feedback is always important but especially during transition. Ensure that organizational services are still satisfactorily being delivered and that the ministry continues to operate as normal as possible.

5. Develop a plan to help the new leader transition in

- Since the new leader will face many new challenges and probably have a lot of questions, the board chair should offer to be available to the new leader, as needed, to help navigate those first few months. Giving the new leader a safe place to ask questions and receive feedback will help speed up the orientation process.
- The ministry's key staff members should understand that they are expected to play an important role in helping make this leadership transition successful. This should be made clear early on, even before the new leader is hired.
- It might even be a good idea to include some key staff in the candidate interview process. It should be made clear, however, that they would not have ultimate veto or hiring power, but that their feedback would factor into the decision.
- To help the new leader start off on the right foot, a board should provide a "deep dive" session or two to immerse the new leader in the details of the ministry's mission, vision, values, ongoing internal and external issues, informal protocols, key upcoming events, etc.
- Someone should be responsible to introduce the new leader to all external key stakeholders of the ministry. Many important relationships need to be cultivated and transitioned, so the sooner, the better.
- It is reasonable for a board to set certain expectations for the new leader and ask for periodic updates over the first 30/60/90 days.
- Consider asking the new leader to assess the ministry and its people, and to make any observations and recommendations within the first 45 to 60 days.

Some forethought and common sense will make this important transition a success, but it will take time. These five steps should assist in that process. The payoff is a ministry that continues to serve its clients without missing a step. ●

TOM OKARMA is author of the new book *Break Through the Ick Factors of Nonprofit Leadership* (Tom Okarma Publishing, 2015). He has been a successful leader in both the nonprofit and business worlds for more than 30 years, serving and leading numerous boards. He serves on the Christian Leadership Alliance Advisory Council in the Board Governance track. Learn more at TomOkarma.com