

# TOP 10

## Ten questions every board director needs to ask about succession planning

**Succession planning is about much more than just replacing board members when they leave. It is about planning recruitment, induction and retention so that you can deal with changes in personnel without destabilising the overall governance of your organisation. Indeed, in a healthy organisation, succession planning is part of a continual process of reviewing, renewing and revitalising the organisation. In this respect, good succession planning is about the healthy maintenance and handover of collective wisdom, and it thereby ensures the continuity and evolution of organisational knowledge and purpose.**

**In working through the following 10 questions, you will see that board succession can't be considered in isolation; it should be part of an overall process of creating healthy board structures in order that you can focus on the fun bit - delivering on the important purpose of your organisation. Good luck with finding great people for your board.**

### **1. Do we have a succession plan?**

As obvious as it sounds, this is the first question to ask. Often boards end up being reactive rather than considered in their recruitment of new board members. Is your board thinking ahead? Is it considering the mix of skills and backgrounds of existing board members? Is it thinking about upcoming events, challenges and opportunities? Do you have in place strategies to recruit and develop potential board members? Are your governance systems robust, meaning that new members enter into a well run environment and are therefore more likely to stay engaged? In short, is the board not only thinking about current challenges and building on the way things have been done in the past, but also looking ahead to the future?

## 2. Does our board reflect the community it serves?

Board diversity is a good thing, for both your organisation and the community. However, in order to have a positive impact, it should be accommodated appropriately and backed up by decision-making based on principles of inclusion. If your organisation deals with the whole community, it's reasonable to have representation from across the community – and when considering succession planning, your board may need to make some changes to accommodate the new voices.

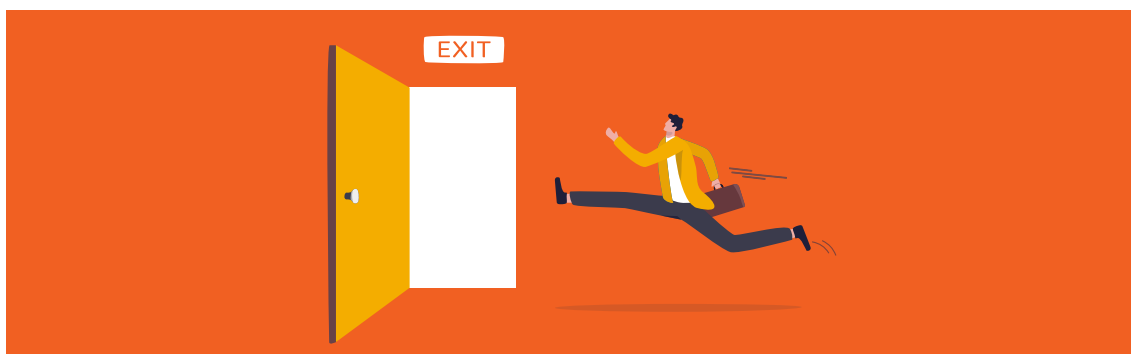
**Diversity help sheets:** <https://communitydirectors.com.au/tools-resources/board-diversity>

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## 3. Why are people resigning from the board?

How does your board accommodate and integrate not just diverse backgrounds but diverse thinking regarding the organisation's future? Does your culture allow for divergent viewpoints and respectful dialogue? The underlying structure of board architecture is in theory designed to ensure that a range of views can be considered in the decision making process and that each individual board member brings their skills and diligence to the table within that process. This breaks down if there is not in place a culture of values-based, purpose-led decision making and if board members are acting out of self-interest or based on allegiances rather than principle.

We know from working with a lot of boards that the conflict that results from this breakdown is one of the most common reasons why board members resign. A healthy board culture, on the other hand, encourages retention and therefore ensures that succession is a positive rather than a reactive cycle. Anything, therefore, that can support the board to become more values-based and purpose-led is good for the retention of incoming board members.



## 4. Have we got the right mix of people and skills on our board to achieve our strategic goals?

Not-for-profit and community boards are the guardians of an organisation's core purpose and responsible for setting the overall strategic direction. Does your organisational direction call for any particular skills that will be relevant in an upcoming strategic cycle? What skills may be required to help achieve those goals? For example, if your organisation is planning to undertake a major building program, then having someone on the board with expertise and experience in the building industry or major project management would be desirable. If an enhanced internet presence is a key objective, then having someone with a technology background may be appropriate. Also consider what skills are being lost with any outgoing board member when factoring in what background and skills might need to be brought onto the board in the current strategic context.

## 5. What will we do if our chair/treasurer/secretary retires?

How can you develop the skills associated with particular roles? Do you have deputies in place for the key roles? Are they getting opportunities to develop their skills in these roles? Can you create a succession plan for these roles from within the current board? If so, you should endeavour to enhance relevant skills through mentoring and capacity building. For example, the deputy chair might oversee a subcommittee as part of their development. That way, if one of the key roles moves on, there is someone waiting in the wings to step in and take over a leadership role.



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## 6. Are our roles clearly defined and delineated?

Are board roles clearly delineated and understood by incumbent board members and the rest of the board? Both specific and general board roles should have clear position descriptions (PDs) that provide guidelines and expectations for each role. It is important that board members know what they are committing to when they sign up to be involved. These PDs should be included in the board manual that is given to new board members as part of their induction process.

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## 7. What's our strategy for finding board candidates?

Potential candidates can come from a huge variety of places. Think broadly about where your next great board member might be hiding. Prospects could include:

- friends, colleagues or associates of existing, retiring or past board members, staff or volunteers
- members of professional and trade associations related to your organisation
- donors

- local business owners
- volunteers etc

You can also search for prospects by:

- asking the board members (past and present), CEO, staff and volunteers for suggestions
- scanning local and other media (including professional association journals) for stories about interesting or motivated people who might suit your organisation
- checking the board reports from similar groups or organisations
- checking women's registers that are held by government agencies.

Another possibility is developing potential candidates from within advisory committees, which provide specialist advice when needed. These committees make good holding pools for prospective board members, enabling existing members to see them in action and giving them a chance to understand your group and how it works.

Recruiting from committees and encouraging potential board members to start as committee workers is a form of board apprenticeship.

**Help sheet - Finding new board members:**

<https://communitydirectors.com.au/help-sheets/finding-new-board-members>

## 8. What does a prospective board member need to know?

As discussed earlier, it is important that there are clear expectations of board roles so that people know what they are signing up for. It is also important for prospective board members to have access to good information about the board, including:



- How am I inducted? Mentored? How does handover happen?
- Background to the organisation, including acronyms and language
- Who's who? Who are the key contacts and who has what skills?
- When are the meetings held and how should I prepare for them?
- What is the legal structure? Where's a copy of the constitution (the rules)?
- What's the organisational structure?

Be upfront and give a realistic view of the role while also emphasising the positive aspects of contributing to a fantastic cause and being part of a dynamic and engaged team. You don't want to bring someone on board who simply does not have the time or commitment required to make the position work.

**Help sheet - Recruiting new board members:**

<https://communitydirectors.com.au/help-sheets/recruiting-new-board-members>

## 9. Do we have a solid induction process?

An effective induction process should allow new board members to easily grasp the aims, policies and procedures of your group, and give them the confidence they need to fulfil their role and contribute to the organisation. An induction should include things like a tour of facilities, introductions to key staff and other directors, a board manual, a talk through roles and responsibilities, and provision of a mentor from the current board if appropriate. This is far more likely to provide a new board member with a solid landing than just throwing them in at the deep end.

**Policy template - Board member induction policy:**

<https://communitydirectors.com.au/policies/board-member-induction-policy>

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## 10. Are our board meetings effective and well run?

The healthier your board's culture, the more likely new board members are to engage, contribute and stay involved. Well-run effective meetings will contribute enormously to maintaining a healthy culture, so it is important for boards to consistently ask themselves whether their meetings are on point. These meetings then become part of the recruitment and retention strategy, as a well-run board can plan systematically rather than constantly being beset by board instability.

**Help sheet - Orchestrating great meetings:**

<https://communitydirectors.com.au/help-sheets/orchestrating-great-meetings>

