

## Australian Evangelical Alliance Inc. (Missions Interlink)

### SUCCESSION PLAN POLICY

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Drafted by	Nataliya Osipova	Approved on	29.08.2022
Responsible person	The Board	Scheduled review date	August 2025

#### PURPOSE

The Australian Evangelical Alliance Inc. (Missions Interlink) is committed to the successful transition of the National Director and other senior leaders within the Alliance to the next generation of leaders when necessary. The purpose of this policy is to ensure the effective continuity of Missions Interlink in the event of three kinds of succession: 1. Emergency or Temporary Succession, 2. Departure-Defined Succession, and 3. Strategic Leadership Development.

#### REVISION

The Emergency or Temporary Succession Plan and the Departure-Defined Succession Plan should be reviewed annually. At all other times, the National Director (ND), Board of Directors (Board), and National Leadership Team (NLT) should routinely review the Strategic Leader Development Plan when making decisions relating to policies, budgets, strategy, personnel development and the continuity of the ministry.

#### RESPONSIBILITY

The Board is responsible for each Succession Plan. The Chair, Vice-Chair and ND comprise the Succession Planning Committee (SPC). Additional members of the NLT may be appointed to the SPC.

#### IMPLEMENTATION

The SPC will implement steps to identify critical executive, non-executive, and key management positions, forecast future personnel vacancies, and identify potential future leaders and key staff. Vacancies will be filled from within the Alliance, or on a temporary basis while an external recruitment process is conducted if no leader from within the Alliance is appointed.

The SPC will meet annually. At each meeting, the SPC will:

- a. Discuss the outcomes of the previous ND review
- b. Review current AEA Succession Plans for the
  - Emergency or Temporary Succession
  - Departure-Defined Succession

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- Strategic Leadership Development

- c. Identify key staff and Board positions for succession planning. Discussions should include an analysis of planned retirements, potential resignations, etc.
- d. Identify individuals who demonstrate the potential to fill targeted positions and leadership roles within the Alliance.
- e. Outline steps taken in the preceding six months to prepare future leaders for greater responsibilities.
- f. Outline the actions the ND or, in the case of an Emergency or Temporary Succession, the Board, will take in the next six months to prepare individuals to assume greater responsibilities (in line with Strategic Leadership Development planning).
- g. Identify potential external candidates.

In the event of an unplanned departure or a long-term absence of the ND, the Board authorises the SPC to implement the terms of the Emergency Succession Plan. At the earliest opportunity, the Board Chair will meet with the SPC to confirm and implement the procedures outlined in this document.

## ACCOUNTABILITY

The SPC should report to the AEA Board and invite NLT endorsement to any proposed changes at the next meeting.

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## Australian Evangelical Alliance Inc. (Missions Interlink)

### EMERGENCY OR TEMPORARY SUCCESSION PLAN PROCEDURES

Policy number	AEA Proc.	Version
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#### PURPOSE

The purpose of this Emergency or Temporary Succession Plan is to ensure continuous coverage of executive duties critical to the organisation's ongoing operations and sustainability in the event of an unexpected departure of the ND or other key staff.

#### ACTION STEPS

1. Review and update the relevant Role Description to ensure key responsibilities and hiring requirements promote the organisation's sustainability. Matching desired leadership competencies with organisational needs is a key priority of the search phase.

The Role Description should be updated based on the following:

- a. The top three to five objectives and/or challenges outlined in the strategic plan that fall under the executive's core responsibilities.
- b. Essential competencies (e.g.: skills, including core leadership and management, strategic thinking, staff management, agility). See Appendix 2.
- c. Necessary expertise and experience (e.g.: networking, financial, theological, educational, legal).
- d. Required leadership style.

2. Define interim ND responsibilities.

The interim ND is a staff member or Board member who is appointed by the Board to fulfill ND duties until the position is filled, or the current ND resumes the role.

2.1 Outline the authority of the interim ND. The appointee will have authority for decision making, except where the SPC deems the Board considers the following caveats:

- a. Board approval for financial decisions over a specified limit.
- b. Board approval for the termination of staff excluding instances involving serious and wilful misconduct.
- c. Board discussion about issues that may negatively impact the organisation's reputation.

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**2.2.** Decide on the compensation for the interim ND. The Interim ND shall receive a temporary salary increase to match the entry level salary of the ND position or as per discretion of the Board.

**3.** Define internal and external communication plans.

**3.1.** Decide:

- a. Who will have a conversation with staff and volunteers?
- b. Who will prepare a press release to constituents and partners?
- c. What should be communicated to various constituencies?

**3.2.** Communicate the following internal information:

- a. The effective departure date of current ND.
- b. Implementation of the approved succession plan and process to address transition and replacement issues.
- c. Temporary leadership structure and any changes in key contact information during the transition period.

**4.** Process to appoint an interim ND.

The appointed interim ND will assume responsibilities outlined in step 2. Should the interim assignment be longer than three months, or if extenuating circumstances exist, it may be necessary to identify a secondary backup for the interim ND position. The SPC may also consider the option of delegating ND duties among designated appointees (e.g.: bookkeeper working with treasurer on the unplanned matters; ministry assistant working with constituents' formal requests and responding to emails; a state ministry leader communicating with constituents; the Chair making executive decisions and being the spokesperson and key contact for the designated appointed interim team, etc).

**5.** Transition and assimilation of the interim ND.

Within the first two weeks of the interim ND employment, the Chair will work with the interim ND or a designated team to develop and implement an initial 90-day plan to ensure they have the resources and information for a successful transition.

**6.** Approval of Emergency Succession Plan.

This Succession Plan Document should be approved by the Board and endorsed by the NLT at the earliest convenience.

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### DEPARTURE-DEFINED SUCCESSION PLAN PROCEDURES

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#### PURPOSE

The purpose of the Departure-Defined Succession Plan is to ensure continuous coverage of executive duties critical to the organisation's ongoing operations and sustainability considering a planned future retirement or departure. The objective of this process is to share the expertise of the concluding ND with the successor, while simultaneously preparing the organisation to support the successor.

Input from the concluding ND, Board and successor will make this an effective plan, ensuring continuity in internal and external relationships, while promoting operational effectiveness under new leadership.

#### Steps of Departure-Defined Succession plan

##### 1. Prepare to address the personal and professional barriers for the concluding ND.

**1.1.** Facilitate personal planning for the concluding ND by providing self-reflection questions (Appendix 1) and/or access to a coach or member of the Board.

**1.2.** Understand and address any "long-term executive syndrome" if applicable (Appendix 3). Communicate to the Board and staff any potential transition challenges.

**1.3.** Agree on the parameters of the concluding ND's role. In collaboration with the outgoing ND, the Board should identify strategies and boundaries to facilitate a smooth transition. If there is a need for the outgoing ND to remain directly involved in the organisation, then clearly define any role in support of the successor's leadership. The outgoing ND role should adjust to a resource focus to the new ND during the transition period.

##### 2. Clarify the role and accountability of the SPC.

The key difference in purpose for this SPC from a standard search committee is the focus and time commitment to developing the successor and preparing the organisation for effective leadership transition. At the discretion of the Board, the SPC may be augmented with additional Board and staff members. Key volunteers and other stakeholders may serve as ad hoc resources.

**2.1.** The SPC will be accountable for developing, seeking commitment, and implementing the Departure-Defined Succession Plan.

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**2.2.** The SPC will facilitate, manage, and obtain Board and executive approval for this leadership transition.

**2.3.** The SPC will:

**2.3.1.** Determine the ND search strategy.

The SPC will decide whether to use an executive recruiter or to conduct the search using current ND recommendations, Board member referrals, staff applications, and other resources, such as social media tools and community contacts.

**2.3.2.** Update the Role Description.

Matching organisational needs with leadership competencies desired in the next executive is one of the most important features of the executive search phase. This process provides a unique opportunity to update the executive requirements and responsibilities. It is critical to distinguish any role differences between the concluding executive and the incoming executive and to clearly communicate the rationale for any differences.

The Role Description should be updated based on the consideration of the following questions:

- a. What are the top three to five objectives and/or challenges outlined in the strategic plan that fall under the executive's core responsibilities?
- b. Based on these objectives and/or challenges, is there an impact on the executive's role description?
- c. Key competencies (e.g.: skills—core leadership and management, strategic thinking, staff management, agility skills, etc.).
- d. Expertise and experience (e.g.: networking, financial, theological, educational, legal etc.).
- e. Preferred leadership style.
- f. Leadership traits not desired (e.g.: poor relationship building poor financial background, absence of ministry experience, etc.).

### **3. Create and implement the successor development plan.**

A detailed development plan with stated outcomes can help measure the successor's development. An effective plan will:

- a. Link the successor's development to key initiatives in the strategic plan.
- b. Build effective relationships with key stakeholder (agencies, partners, and volunteers).
- c. Ensure an understanding of how the organisation achieves its ministry and operational objectives and remains financially sustainable.

### **4. Define internal and external communication plan.**

The plan should address communication with stakeholders, including but not limited to staff, partners, mission agency leaders, network leaders, key state events coordinators, training leaders, major donors,

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key volunteers, past and current Board members, and the community at large. The communication should be a coordinated process.

#### **4.1. Decide:**

- a. Who and how will have a conversation with the staff and volunteers?
- b. Who will prepare a press release to the constituents and partners?
- c. What should be translated to the wider audience?

#### **4.2. Communicate the following internal information:**

- a. Effective departure date of outgoing ND.
- b. Rationale for this change in leadership.
- c. Steps to achieve success and commitment to the successor (how Board, staff and other stakeholders are supporting the transition).
- d. A plan for the organisation's continued future success.
- e. Clarity about who is responsible for key decisions to avoid confusion and promote trust and credibility with the successor.
- f. Outline procedures that promote two-way communication.

### **5. Position the organisation for future success by conducting a sustainability audit.**

This is an ideal time to assess the organisation's alignment with the strategic plan, operating performance, and capacity to meet future needs to ensure sustainability and growth.

Conduct a sustainability audit by completing the following steps:

**5.1.** Gather input from constituents and stakeholders such as the departing executive, NLT members, key staff, and volunteers. Use good survey practices to ensure confidentiality and trust for those who provide data. Soliciting feedback is valuable in determining organisational performance and recommending adjustments. Standard questions that may help to gauge the current state include:

- a. What are the organisation's greatest strengths and areas for improvement?
- b. What major upcoming issues may impact the organisation's ability to successfully serve its members?
- c. What changes might be needed to address those issues?

**5.2.** During the sustainability audit process, explore the following to gather data about effectiveness, the organisation's financial position, community engagement and leadership.

- a. Operational effectiveness of administrative and program functions: How effective are the human resources and financial functions? Are there organisation programs/services that are not fully utilised by constituents and users?

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- b. Resource relationships: Are the key external relationships held by more than one key staff member? How well does the organisation collaborate with other agencies in the community?
- c. Financial oversight: The organisation's finances should be extensively reviewed to ensure a strong financial position prior to a leadership transition. Does the organisation have financial reserves sufficient to cover at least six months' of operating expenses? Has multi-year program funding been secured?
- d. Leadership and staff effectiveness: Is there an opportunity to share leadership responsibilities throughout the organisation and reduce dependency (and workload) on the executive? Where are the opportunities to develop future leaders?
- e. Board effectiveness: Is the current Board role still appropriate for the incoming ND? Does Board membership need to be modified to better complement the new executive's skills and competencies? Update and analyse the **NLT Skills Matrix** to identify the current Board composition and determine if changes are needed.
- f. Design and implement strategies to address organisational and leadership vulnerabilities. It is important that the sustainability audit results be communicated to the Board, NLT, and key staff, and developed into an action plan. It is critical the SPC fosters commitment and follow-through on implementation of agreed plans.

The results from the sustainability audit can also be translated into a desired set of personal and professional competencies that match the organisation's core needs. This list can also be used to update the ND's Role Description for their developmental purposes.

## 6. Promote successful transition of new ND.

The Chair and successor should implement an agreed transition plan. An effective 90-day transition plan includes:

- a. The Board's written goals and expectations of the successor for the first 90 days and for the first 12-months.
- b. Participation in a formal orientation program and meetings with Board members, staff, partners and volunteers.
- c. A structured feedback mechanism with identified key stakeholders to assess progress and potential barriers to successful transition.
- d. Access to development resources for the new executive, such as reading materials and/or leadership training programs to help them better understand the challenges of leading an existing peer group and succeeding a long-term executive.
- e. Depending on the complexity of the challenges, a transition coach (NLT member or a trusted external advisor) may be retained to facilitate a successful executive transition and help manage obstacles.

## 7. Approval of Departure–Defined Succession Plan.

This Succession Plan Document should be approved by the Board and endorsed by the NLT.

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## Australian Evangelical Alliance Inc. (Missions Interlink)

### STRATEGIC LEADERSHIP DEVELOPMENT SUCCESSION PLAN

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The Strategic Leadership Development Succession plan is a proactive approach to ensure ongoing leadership talent is available for key roles when needed to drive organisational sustainability. It creates a culture that promotes ongoing leadership development within the organisation. This plan creates capacity building in the event of a vacancy.

Developing internal talent helps to ensure continuous execution of necessary operational, programmatic, and administrative responsibilities that promote sustainability. This helps create a positive culture of development, which is a proven tool in retaining and attracting committed, talented, hardworking, God-fearing people.

The following elements should be in place to optimise this developmental process:

#### **1. Create and approve a three-year strategic plan that includes objectives for leadership talent development.**

The strategic plan should include a definition of the leadership requirements necessary to lead the organisation and achieve organisational goals. This approach may apply to Board, key staff and training and events ministry leaders. An emerging critical leadership skill is the ability to keep the organisation's ministry and financial model current and effective. Leadership talent development requirements should be specifically reviewed and updated when there is a major strategic directional shift and during the strategic planning process. Refer to the Emergency or Temporary Succession Plan for examples of how to translate the strategic plan into leadership requirements and competencies.

#### **2. The Board conducts an annual ND performance review, including rating performance against strategic objectives.**

A responsibility of the Board is to conduct a performance feedback and evaluation process. This should be completed on a regular basis regardless of the ND's performance to prevent potential burnout. A structured process creates opportunities to address any performance issues in a timely manner before specific concerns arise.

#### **3. The Board conducts an annual self-assessment to measure performance of major governance responsibilities.**

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Committed Boards play a key role in the success of the executive and the organisation's sustainability. The Board should periodically assess its effectiveness and commitment to supporting the organisation's leaders.

- a. The executive, working with the Board Chair, should ensure a Board self-assessment occurs regularly.
- b. The Board should assess its ability to understand the organisation's mission and purpose; provide sound financial oversight; ensure legal compliance with federal, state and local regulations; understand the organisation's programs and methods to measure progress and success; and provide feedback to the ND.

#### **4. The executive and senior staff should conduct annual evaluations of staff to ensure they are performing appropriately and have the necessary skills for strategic progress.**

All staff should be provided annual feedback and have formal development plans that promote professional and personal growth.

- a. The ND should identify staff who have potential to assume additional leadership responsibilities. The organisation's development resources should be focused on identified key staff. Resources may include Board member mentoring or job shadowing. It is useful to link the development plans to strategic initiatives so the organisation can benefit from high-performance staff.
- b. A fundamental development need for many staff is the understanding of how to measure program effectiveness. By focusing on impact and outcomes rather than the number of activities conducted and other outputs.

#### **5. Develop the organisation's key staff into a high performing team.**

The ND should promote the leadership team's ability to work together through staff meetings, retreats, internal training and collaboration. If possible, the ND should conduct an effectiveness assessment and then work with the group to identify improvement strategies. The assessment should explore what is working well and how the peer group can work better to achieve objectives. Components of a high-performing team include:

- a. Clearly identified and understood goals.
- b. Trusting and respectful working relationships.
- c. Excellent communication throughout the organisation.
- d. Differences of opinions being regarded as helpful and focused on problems not people.
- e. Effective decision making which promotes an organisational culture that prioritises people.

#### **6. Staff, Board members and the ND cultivate relationships with external stakeholders.**

An organisation is vulnerable when critical external relationships are maintained by only one person, so it is important that communication is shared. The ND should identify external relationships and target internal staff, Board or volunteers to create contacts to promote continuous exchange and trust.

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**7. Create financial reserves to cover a minimum six months' worth of operating capital.**

All leadership talent needs to understand the funding sources and how they impact the financial stability of the organisation.

**8. Develop awareness of financial management systems that meet governance standards.**

Conduct regular financial system audits to ensure the organisation meets governance standards and use this as a developmental opportunity for staff. Knowledge of the financial management system should be a core competency of senior leadership and high-performing staff who are being developed for future opportunities.

**9. Develop and maintain operational manuals for administrative systems and ensure they are accessible.**

This step helps minimise confusion during staff transitions. Key activities should be documented, and a backup person identified to continue duties in case of an emergency or unexpected departure.

**10. Develop operational manuals for administrative systems and ensure they are accessible and current.**

All staff should create, update, and keep available manuals recording their daily routines and processes.

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## APPENDIX 1

### SELF REFLECTION QUESTIONS FOR DEPARTING ND/EXECUTIVE STAFF

When an executive has made the decision to depart, the following questions are important for them to think through. The questions and answers will help the departing ND or an outgoing key staff understand the scope of change and be better prepared for the ups and downs of this major transition. A life coach paid by MI, reading William Bridges' *Managing Transitions* and/or talking with someone who has successfully gone through this process can help promote a successful transition for the departing executive and organisation.

#### Professionally

1. Why do I want to make this move?
2. What are the benefits for me in making this move? For the organisation? For the community?
3. What are the downsides for me in making this move? For the organisation? For the community?
4. What can I do to address the downsides, so they don't become barriers to the organisation's future sustainability and success?
5. How do I see my connection with the organisation and successor? What do I need? Is it realistic? How can I get it?
6. How can I help the new executive be successful? How can I help the board and other key stakeholders?

#### Personally

1. What do I plan to do when I leave this executive role at (organisation)?
2. How is my identity defined by this role as an executive of this organisation?
3. How do I envision the next phase of my life? What goals do I have in these areas? What barriers might exist that I need to be prepared for?
  1. Social \_\_\_\_\_
  2. Relationships \_\_\_\_\_
  3. Use of leisure time \_\_\_\_\_
  4. Health \_\_\_\_\_
  5. Travel \_\_\_\_\_
  6. Living location \_\_\_\_\_
  7. Spiritual \_\_\_\_\_
  8. Financially \_\_\_\_\_
  9. Community involvement \_\_\_\_\_

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## APPENDIX 2

### IMPORTANT COMPETENCIES

- **Visioning** – Visualises the organisation’s future state (structure, culture, leadership, etc.) and criteria for long- term, sustained financial success.
- **Leading and managing change** – Continuously challenges the status quo and leads the necessary changes. Provides information and gathers feedback about changes that allow others to create organisational agility. Strong innovator who can bring the ideas of change to implementation.
- **Passion for organisational mission** – Demonstrates and communicates passion for the organisation’s core purpose. Identifies with the organisation’s mission and inspires others about the mission.
- **Credibility** – Demonstrates honesty, sincerity, humility, and respect for individuals while modelling organisational values. Inspires trust in and from others.
- **Achieves results** – Improves and sustains superior performance, develops, and follows through on priorities, delegates appropriately, holds people accountable, makes financially-sound decisions, optimises resources and initiates efficient work processes.
- **Intelligence and judgment** – Demonstrate capacity to analyse, synthesise and integrate information to effectively identify and solve problems. Makes informed decisions, and successfully addresses complex organisational challenges.
- **Strategic thinking** – Provides focus and long-term direction for constant stream of organisational and individual action.
- **Inspirational leadership** – Develops commitment in others by setting a personal example, demonstrates enthusiasm, empowers workforce and appeals to what motivates them.
- **Constituents focus** – Responds to the needs and expectations of constituents and users. Uses an understanding of their needs as the basis for organisational action.
- **Fundraising** – Provides direction and serves as primary contact for grants, partners and sponsors.
- **Global networking development** – Develops strong external mission network to brings strong collaboration and influence.
- **Financial development/acumen** – Ensures innovative fund development strategies are developed, cultivated, and implemented that provide the necessary financial resources to sustain and grow the organisation. Ensures generally accepted accounting principles are continually adhered to and related to all budget and financial matters. Understands and can manage operations within budget constraints.
- **Talent management** – Demonstrates the ability to attract, align, develop, and retain the diverse talent pool needed to meet and exceed organisational goals.
- **Interpersonal savvy** – Builds appropriate rapport and constructive, effective relations both internally and externally. Relates well to people of diverse backgrounds and exhibits genuinely warm and approachable behaviour. Listens attentively to understand the needs, intentions, and values of others.
- **Spiritual maturity** - at the SPC discernment

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### APPENDIX 3

#### FOUNDER'S OR LONG-TERM EXECUTIVE SYNDROME

<https://boardsource.org/resources/founders-syndrome/>

<https://blueavocado.org/leadership-and-management/how-to-cure-founders-syndrome/>

<https://www.aecf.org/resources/founder-transitions>

[https://ssir.org/articles/entry/making\\_founder\\_successions\\_work](https://ssir.org/articles/entry/making_founder_successions_work)

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## APPENDIX 4

### ADDITIONAL RESOURCES

Adams, Tom. "Founder Transitions: Creating Good Endings and New Beginnings." Baltimore, MD: Annie E. Casey Foundation, 2005. Subject File: 610.

Axelrod, Nancy R. *Chief Executive Succession Planning: The Board's Role in Securing Your Organization's Future*. Washington, D.C.: BoardSource, 2002. Call Number: 610 AXE CHI.

Bridges, William, *Managing Transitions: Making the most of Change*. Perseus Publishing, 1991.  
*Capturing the Power of Leadership Change: Using Executive Transition Management to Strengthen Organizational Capacity*. Baltimore, MD: Annie E. Casey Foundation, 2004. Subject File: 602.

Furry, Deb. "Building Organizational Capacity." *Association Management*, vol. 56 (January 2004): p. 64-8. Subject File: 610.

Lakey, Berit M. *The Board Building Cycle: Nine Steps to Finding, Recruiting, and Engaging Nonprofit Board Members* (2nd ed.). Washington, DC: BoardSource, 2007. Call Number: 610 LAK BOA.

*Look Here! Attracting and Developing the Next Generation of Nonprofit Leaders*. Pittsburg, PA: Forbes Funds, 2004. Subject File: 633.

Williams, Ken. *Mentoring the Next Generation of Nonprofit Leaders: A Practical Guide for Managers*. Washington, D.C.: Academy for Educational Development, 2005. Subject File: 636.

Wolfred, Tim. *Interim Executive Directors: The Power in the Middle*. San Francisco, CA: Evelyn & Walter Haas, Jr. Fund, 2005. Subject File: 602.

Wolfred, Tim. "Building Leaderful Organizations: Succession Planning for Nonprofits." Baltimore, MD: Annie E. Casey Foundation, 2008. Vol 6.

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