

Proactive Succession Planning for Nonprofit Leadership Transitions

A Critically Appraised Topic Paper

Presented at EMS 2024



Sudhir Mehta, DBA

T. Janel Paulk, DBA

Nicole Pirone, DBA

Robinson College of Business

Georgia State University

Fanny Lawren, DBA

Siena College

AGENDA

01

What is a Critically Appraised Topic?

02

Research Question and PICOC

03

Search Strategy and Selected Articles

04

Critical Evaluation

05

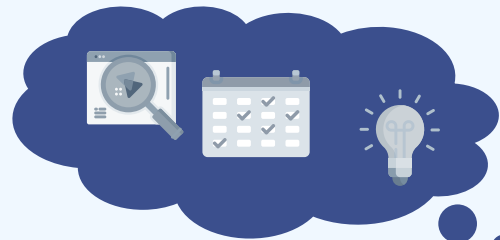
Findings and Translations

06

Recommendation and Conclusion



What is CAT?



- **Research Question:** The CAT provides a method for academics and practitioners to form a practice-oriented research question and summarize the available evidence.
- **Condensed Review:** The CAT is a brief version of a systematic literature review focused on a specific question.
- **Effectiveness Focus:** The research questions often explore the effectiveness of an intervention.
- **Critical Evaluation:** A CAT evaluates the best evidence by assessing the quality and validity of published research.
- **Evidence Consolidation:** CATs gather and summarize research relevant to specific, practical treatments.



Research Question & PICOC

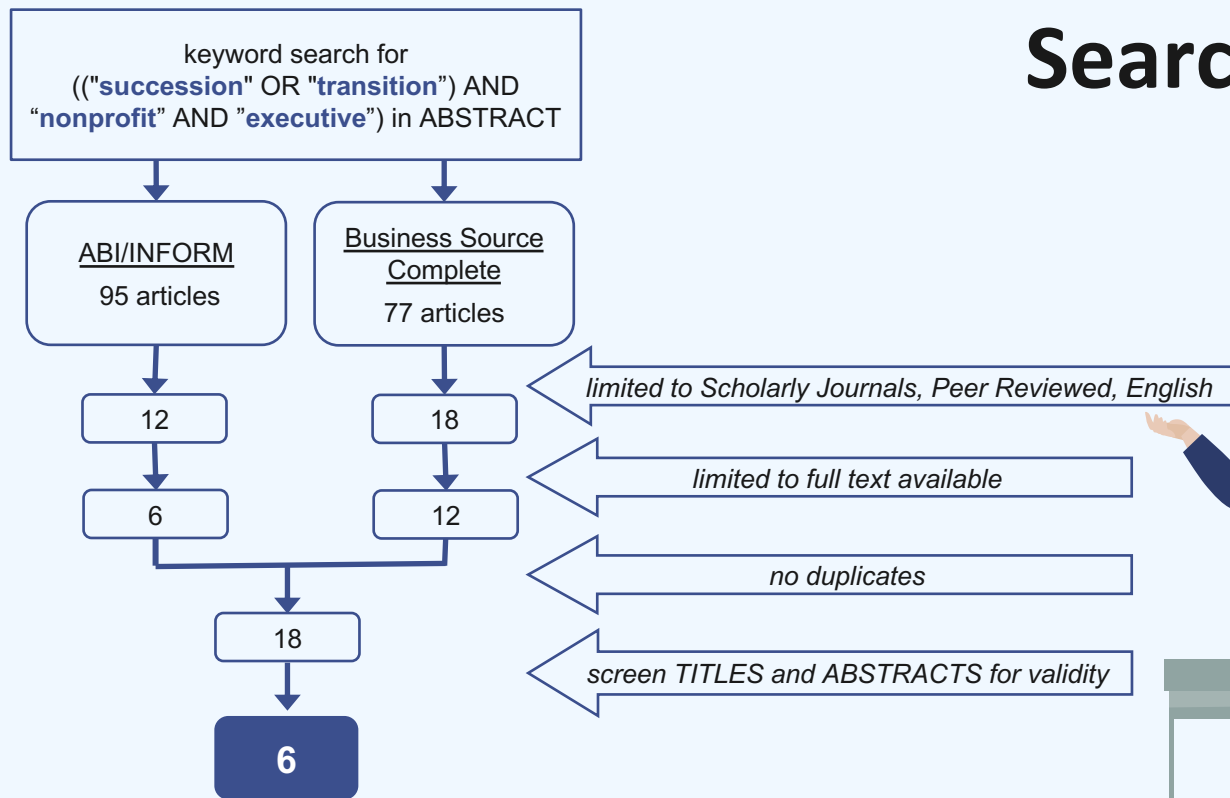


Does proactive succession planning enable effective leadership transition for nonprofit organization sustainability?

P roblem	Nonprofit organizations facing inevitable leadership transitions
I ntervention	Proactive succession planning with potential leader identification, mentoring, & transition strategy
C omparison	Nonprofit organizations with and without structured succession planning
O utcome	Effective leadership transitions, organizational performance, and mission continuity
C ontext	Various nonprofit sectors, diverse in vision, size, and funding



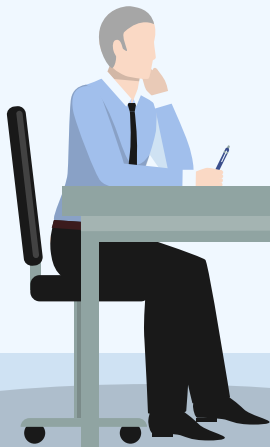
Search Strategy



Selected Articles

1. Carman, J. G., Leland, S. M., & Wilson, A. J. (2010). **Crisis in leadership or failure to plan? Insights from Charlotte, North Carolina.** *Nonprofit Management and Leadership*, 21(1), 93-111.
2. Froelich, K., McKee, G., & Rathge, R. (2011). **Succession planning in nonprofit organizations.** *Nonprofit Management and Leadership*, 22(1), 3-20.
3. Hurd, A. R., & Buschbom, T. (2010) **Competency development for chief executive officers in YMCAs.** *Managing Leisure*, 15:1-2, 96-110.
4. McKee, G., & Froelich, K. (2016). **Executive succession planning: Barriers and substitutes in nonprofit organizations.** *Annals of Public and Cooperative Economics*, 87(4), 587-601.**
5. McKee, M. C., & Driscoll, C. (2008). **Creating stabilizers and safety nets for successor executives' high-wire act.** *Nonprofit Management and Leadership*, 18(3), 341-357.
6. Stewart, A. J., Adams, T. H., McMillian, D., & Burns, J. (2021). **No room for failure: Investigating board leadership in nonprofit executive transitions.** *Nonprofit Management and Leadership*, 31(3), 525-545.

** Note: Study (4) was done by the same authors as Study (2), and it references Study (1).



Critical Evaluation

Study [Cited ^a ; Journal H-index ^b]	Research Approach	Empirical Basis	Analysis Method	Overall Validity
1 - Carman et al. (2010) [111 ; 62]				
2 - Froelich et al. (2011) [217 ; 62]				
3 - Hurd & Buschbom (2010) [30 ; 35]				
4 - McKee & Froelich (2016) [108 ; 42]				
5 - McKee & Driscoll (2008) [33 ; 62]				
6 - Stewart et al. (2021) [31 ; 3]				

(a) Cited:

Number of citations provided by scholar.google.com on March 4, 2024.

(b) Journal H-index:

Provided by Scimago Journal & Country Rank on March 4, 2024

Critical Evaluation

Study	Research Approach	Empirical Basis	Analysis Method	Overall Validity
1	Qualitative study	Examination of turnover and succession planning at the executive level of nonprofits, along with career development among young nonprofit professionals in Charlotte, North Carolina.	Interpretative analysis based on data collected from multiple online surveys with open- and closed-ended questions and focus groups.	High. Conclusion drawn from analysis result of adequate data.
2	Quantitative study with primary data	Exploring organizational readiness for executive succession in charitable nonprofits and cooperative organizations.	Descriptive statistics of questionnaires completed by executive directors/CEOs of 800 charitable organizations and 859 cooperatives in two Midwestern states.	High. Conclusion drawn from analysis result of adequate data.
3	Qualitative approach for quantitative results	A nonprofit competency framework (NCF) with 70 specific competencies in 6 general categories were identified for effective succession plan.	Utilizing the Delphi technique with 3 rounds of questionnaires to reach the consensus of 18 YMCA CEOs.	High. Results were compared and align with two published research studies.
4	Quantitative study with primary data	Identifying factors that may influence executive succession planning in nonprofit and cooperative organizations. 242 CEOs participated in the research	Multiple regression analysis with independent variables that include a variety of potential motives for succession planning.	High. Significant relationships in the pooled regression were found.
5	Case study	Exploring how retiring executives in a nonprofit in eastern Canada have prepared the organization for their departure.	Interpretative analysis based on data collected from semi-structured interviews, organizational documents and participant observation.	High. Conclusion drawn from analysis result of adequate data.
6	Mixed method	Descriptive, exploratory study of US nonprofit boards managing through executive transitions, priorities defined, and outcomes sought.	Paired survey questionnaire and open text response of 94 initial organizational cases plus 22 follow up cases. ANOVA analysis and Tukey post-hoc test.	Medium-High. Statistically significant findings with selection bias and sampling challenges.

Critical Evaluation

Study	Research Approach	Empirical Basis	Analysis Method	Overall Validity
1	Qualitative study	Examination of turnover and succession planning at the executive level of nonprofits, along with career development among young nonprofit professionals in Charlotte, North Carolina.	Interpretative analysis based on data collected from multiple online surveys with open- and closed-ended questions and focus groups.	High. Conclusion drawn from analysis result of adequate data.
2	Quantitative study with primary data	Exploring organizational readiness for executive succession in charitable nonprofits and cooperative organizations.	Descriptive statistics of questionnaires completed by executive directors/CEOs of 800 charitable organizations and 859 cooperatives in two Midwestern states.	High. Conclusion drawn from analysis result of adequate data.
3	Qualitative approach for quantitative results	A nonprofit competency framework (NCF) with 70 specific competencies in 6 general categories were identified for effective succession plan.	Utilizing the Delphi technique with 3 rounds of questionnaires to reach the consensus of 18 YMCA CEOs.	High. Results were compared and align with two published research studies.
4	Quantitative study with primary data	Identifying factors that may influence executive succession planning in nonprofit and cooperative organizations. 242 CEOs participated in the research	Multiple regression analysis with independent variables that include a variety of potential motives for succession planning.	High. Significant relationships in the pooled regression were found.
5	Case study	Exploring how retiring executives in a nonprofit in eastern Canada have prepared the organization for their departure.	Interpretative analysis based on data collected from semi-structured interviews, organizational documents and participant observation.	High. Conclusion drawn from analysis result of adequate data.
6	Mixed method	Descriptive, exploratory study of US nonprofit boards managing through executive transitions, priorities defined, and outcomes sought.	Paired survey questionnaire and open text response of 94 initial organizational cases plus 22 follow up cases. ANOVA analysis and Tukey post-hoc test.	Medium-High. Statistically significant findings with selection bias and sampling challenges.

Results & Analysis

Study	Theme 1	Theme 2	Theme 3	Theme 4
1 - Carman et al. (2010)				
2 - Froelich et al. (2011)				
3 - Hurd & Buschbom (2010)				
4 - McKee & Froelich (2016)				
5 - McKee & Driscoll (2008)				
6 - Stewart et al. (2021)				
Translation				

Results & Analysis

Study	Transition Risks	Leader Backfill Process	Talent Growth Opportunities	Board Roles
1	Highly anticipated ED retiring/exiting. Lack of concern and formal plan = underprepared for org continuity. Low morale/aspirations risk for staff.	Secretive succession planning. Negative ramifications if potential successors are openly identified. Little reliance on external firms.	Invest in developing human capital; strengthen the bench. Address staff compensation, advancement, autonomy, mentor access, substantial training programs.	Consensus is important in succession planning with clear need for BOD training and governance. Emergency sudden vs. defined departure protocols.
2	Labor market deficit. Boomers retiring. Poor hire risk to fit org complexity. No second-in-command.	Search process ~6 months regional. Attracting candidates from for-profits is difficult due to differences in pay/values. Specialized sector/charity skills need.	Conduct performance reviews and delegation; balance perceived value and workload for rising stars. Shore up internal structures, processes, reputation and visibility to attract candidates.	Gap between concern/urgency and concrete action planning. BOD low ratings for proactive performance in succession tasks.
3	N/A	N/A	Competency framework 6 categories: business acumen, communication, community relations, leadership & management, professional practice, & volunteer/board management; Essential to professional development.	4-step succession planning process integrating 70 competencies and gaps. Understand current job demands, Assess employee job performance, Build talent pool, Create metrics for development.
4	ED experience will be lost; preserve institutional memory. Passion not easily replaced. Business health risks. Employee tensions.	Executive firm use is favorable; 6-month process with regional scope. Adopt just-in-time approach with comfort level of replacing ED; ability to attract/identify successor.	Promote internal candidates via cross-training / job rotation. Dedicated efforts toward developing and communicating org career path = greater probability of succession.	Influence of BOD governance quality. Primary motive is to maintain continuity of organizational activities. Effective transition is vital for effective mission pursuit and ongoing progress.
5	ED loss of history, skill, productivity, and commitment. Shortage of strong leaders to preserve and protect ED legacy.	ED timely/delayed departures. Intent transparency and involvement in successor selection and readiness. Assumption of smooth transition.	Adopt participative leadership style and executive coaching to groom/support remaining leaders. Internal successors are preferred to transfer knowledge, history, skills.	Strategic planning and restructuring to ensure organizational stability. Align org values with present + future leaders for successor roadmap.
6	Turnover inevitability. Goal attainment & Ops disruption. Staff and/or Donor loss. Negative media/PR.	Outside recruiters and consultants have unexpected costs. Transitions span multiple months, 11+ was average in this study. BOD volunteers hidden / inattentive.	Prioritize qualifications: acumen, financial/performance management, mission expertise, staff development, PR, marketing, fundraising. Staff inclusion in decisions.	Consistent governance approach. Frequent communication of well-defined plan. Steward assets (people) & advance mission of the org.
Translation	Leadership transitions without formal plans cause organizational instability.	Favoring external help and internal cross-training helps manage transitions.	Developing a competency framework and leadership development programs is essential.	Active board involvement and governance quality are crucial for effective succession planning.

Results & Analysis

Study	Transition Risks	Leader Backfill Process	Talent Growth Opportunities	Board Roles
1	Highly anticipated ED retiring/exiting. Lack of concern and formal plan = underprepared for org continuity. Low morale/aspirations risk for staff.	Secretive succession planning. Negative ramifications if potential successors are openly identified. Little reliance on external firms.	Invest in developing human capital; strengthen the bench. Address staff compensation, advancement, autonomy, mentor access, substantial training programs.	Consensus is important in succession planning with clear need for BOD training and governance. Emergency sudden vs. defined departure protocols.
2	Labor market deficit. Boomers retiring. Poor hire risk to fit org complexity. No second choice.	Search process ~6 months regional. Attracting candidates from for-profits is difficult due to differences in pay/values. Specialized second choice needed.	Conduct performance reviews and delegation; balance perceived value and workload for rising stars. Shore up internal structures, processes, reputation and visibility to attract candidates.	Gap between concern/urgency and concrete action planning. BOD low ratings for proactive performance in succession tasks.
3	Finding 1: Transition Risks	Finding 2: Leader Backfill Process	Finding 3: Talent Growth Opportunities	Finding 4: Board Roles
4	N/A	N/A	Communication, community relations, leadership & management, professional practice, & volunteer/board management; Essential to professional development.	4-step succession planning process integrating 70 competencies and gaps. Understand current job demands, Assess employee job performance, Build talent pool, Create metrics for development.
5	ED expertise/loss of institutional memory Paid consultants BOD inattentive Employee tensions	Executive firm used to favor 6-12 month process with external help Adopt just-in-time approach with comfort level of replacing ED Intent to hire internal and involve internal successor.	Promote internal candidates via cross-training / job rotation Dedicated efforts toward developing and communicating org career path/greater probability of succession.	Influence of BOD on succession strategy Primarily internal succession Organizational activities
6	ED loss of history, skills, productivity, and commitment Shortage of strong leaders to preserve and protect ED legacy.	ED timely/delayed departures Intent to hire internal and involve internal successor selection and readiness. Assumption of smooth transition.	Adopt participative leadership and executive coaching to groom internal and external leaders. Internal successors are preferred to transfer knowledge, history, skills.	Effective transition and ongoing progress. Strategic planning and risk reducing to ensure organizational stability Align org values with present + future leaders for successor roadmap.
7	Turnover inevitability. Goal attainment & Ops disruption. Staff and/or Donor loss. Negative media/PR.	Outside recruiters and consultants have unexpected costs. Transitions span multiple months, 11+ was average in this study. BOD volunteers hidden / inattentive.	Prioritize qualifications: acumen, financial/performance management, mission expertise, staff development, PR, marketing, fundraising. Staff inclusion in decisions.	Consistent governance approach. Frequent communication of well-defined plan. Steward assets (people) & advance mission of the org.
Translation	Leadership transitions without formal plans cause organizational instability.	Favoring external help and internal cross-training helps manage transitions.	Developing a competency framework and leadership development programs is essential.	Active board involvement and governance quality are crucial for effective succession planning.

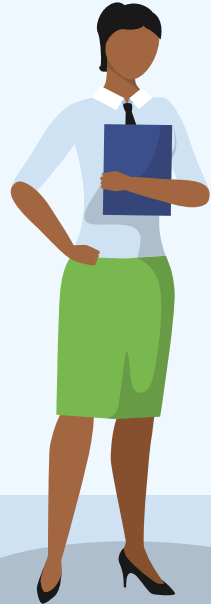
Does proactive succession planning enable effective leadership transition for nonprofit organization sustainability?

YES



Recommendations

- Create and maintain a proactive succession plan
- Educate and involve the BOD
- Implement a competency framework
- Develop a strategic plan
- Prioritize internal leadership development
- Cultivate a leadership pipeline
- Engage executive directors in succession planning
- Maintain open lines of communication between the BOD, executive leadership and staff



Comments

Limitations

- Limited to studies focused on established US-based nonprofits.
- Limited generalizability of the findings to diverse non-profit settings such as smaller or international nonprofit organizations.



Future Research

- Consider using different keywords in the search strategy
- Explore different succession planning strategies for various types of non-profit sectors.
- Expand succession planning practices to include different geographical contexts (including international, regional, and local areas).



Questions?

Comments?



Sudhir Mehta, DBA

T. Janel Paulk, DBA

Nicole Pirone, DBA

Robinson College of Business

Georgia State University

Fanny Lawren, DBA

Siena College

Adviser:

Richard Baskerville, PhD

Georgia State University

CREDITS: This presentation template was created by [Slidesgo](#), and includes icons by [Flaticon](#), and infographics & images by [Freepik](#).