

Board Succession Planning and Skills Analysis

One of the key roles of any Board is to continually ensure that it has the right set of skills, talents and attributes represented in its Board members. There is an increasing demand for highly qualified, dedicated, conscious and aware directors who truly add value to the organization. Failure to attract these people to the Board can lead to damaged careers, disillusioned Boards, lack of direction, disaffected funding bodies, puzzled constituents, and even the demise of the organization.

A conscious Board will develop a succession plan that provides guidance on identifying and sourcing potential Board members who can fulfill key requirements. This succession plan helps appoint new directors quickly in a structured manner, and the Board can continue its business without disruption, meeting any business challenges that are encountered.

When developing the succession plan for directors, the key questions to be asked include:

- What are these skills, talents and attributes that our organization requires?
- How do we find people with these skills, talents and attributes?
- Once we have found the people, how do we attract them to our Board?

Identifying skills, talents and attributes.

How do we know what are the skills, talents and attributes we require on our Board? Firstly, the organization's constitution will provide some structural requirements. The constitution will typically specify how many directors are to be appointed by the Board, how many are to be elected by the voting members, details of any requirements for independence of the director, and how many directors have a Board position based on organizational or sectorial representation.

It is crucial, however, to match the method by which a person gets on the Board (elected, appointed or representation) with the organization's required set of skills, talent and attributes.

Best practice in developing a succession plan involves developing an inventory of current directors' skills, talents and attributes that are then matched against the requirements of the organization. Identifying the requirements of the organization will involve a mix of the professional skills that make up a high performance Board (accounting, legal, strategic etc), the talents that Directors will be required to use (eg networking, questioning skills, non-judgmental, conscious awareness etc), and the attributes that each director represents (male/female, age, ethnicity, geographic location etc).

Succession Planning As a Committee Role

The responsibility for succession planning often falls to a specific Board committee, often called the nominations, succession planning or governance committee. Typically, this committee is responsible for:



- Developing a continuous list of eligible Board candidates
- Interviewing potential candidates
- Recommending candidates to the full board
- Ensuring each new Board member receives induction and training.

Questions to ask your Board about Board Succession Planning

- Do we have a formal approach to Board succession planning? Have we agreed on our required Board Skills, Talents and Attributes?
- Do we have agreed strategies for identifying potential directors?
- What role should our CEO have in Board succession planning?
- How do we attract high quality directors to our Board?

