

***Sample Succession Plan provided by Bill Holicky,
director of The House of the Good Shepherd, which
provides child welfare, special education, and mental
health services to children. Mr. Holicky can be
contacted at billh@hgs-utica.com***

October 16, 2007

TO: Executive Committee

FROM: William Holicky, Executive Director

RE: Succession Plan

INTRODUCTION:

The Executive Director has the responsibility to annually submit to the Executive Committee a Succession Plan for the Executive Director position. It is the Executive Committee's responsibility to approve a final draft and to present the Succession Plan to the Board.

The Succession Plan is divided into two sections. The section entitled "Selecting a New Leader" addresses issues related to a planned succession, the process in which, for example, my retirement from service to The House is announced. This section of the Plan remains the same as in previous Plans, with the exception of an addition regarding an employment contract.

The second section, entitled "The Plan for Interim Leadership", allows The House to move forward with as normal an operation as possible in the event of my incapacitation, death, or unplanned departure. As is often the case, there are more substantial changes in this section of the Plan this year to better reflect current realities.

SELECTING A NEW LEADER:

Based upon the size, scope, and complexity of the current operation at The House of the Good Shepherd, restricting a search for new leadership to internal and/or local external candidates would not be wise. A broader search should be conducted on at least a regional, if not a national, basis.

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The expectation should be that a period of up to one year may be necessary to adequately complete a thoughtful transition to new leadership.

In order to adequately plan and fully implement an appropriate process for the selection of a new leader at The House, it is strongly recommended that the Board take the following actions:

- To the extent possible, the Board and the Executive Director should agree on an exit date at least one year in advance.
- The Board will need to charge a diverse Search Committee with the responsibility for conducting the search.
- The Committee should retain an executive search firm after consultation with the Council of Family and Child Caring Agencies, the Child Welfare League of America, and the Child Welfare Institute. At this stage of the process, the role of the search firm would be limited to consultation services.
- Several search firms should be interviewed before a selection is made.
- Among other tasks, a regional or national search will require that the position vacancy be effectively advertised, that respondents be screened and selected for interview, that the interviews be scheduled and conducted, that the candidates' travel arrangements and expenses be addressed, that references and background checks be conducted, etc. Because of all of these requirements, it is strongly recommended that a search firm be retained to conduct the actual search.
- A national search conducted by an outside firm can be expected to cost up to \$50,000 or more. A budget for this purpose should be developed and approved.
- The Committee will need to determine what role, if any, the exiting CEO and the senior management staff will have in the search and selection process. At the very least, finalist candidates should be afforded the opportunity to meet with and question current staff leadership to ensure that the candidate has an accurate concept of the position and its responsibilities.

- The Committee and the search firm will need to identify the strengths, skills, knowledge, and training that The House will require of a leader in the ensuing five years in order to ensure that The House is successful in actualizing its strategic priorities.

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- The Committee, under the direction of the search firm, should review all aspects of the current CEO position description, the educational and experiential requirements, and the proposed compensation package and make changes as necessary in order to ensure that the leader that The House requires can be hired.
- The Board should expect to finalize an agreement with the new CEO at least three months in advance of the proposed start date to allow sufficient time for transition in that person's current position as well as to address relocation issues if necessary.
- The Board should consider whether or not to negotiate an employment contract with the incoming CEO.
- It is recommended that the new CEO begin one month prior to the current CEO's agreed upon exit date.
- The Board should consider retaining the exiting CEO in a consultant capacity in order to ensure an effective transition, particularly in the local community and on a State and National level.

PLAN FOR INTERIM LEADERSHIP, FISCAL YEAR 2007 – 2008:

The purpose of the Plan for Interim Leadership is to ensure that appropriate and effective management of The House of the Good Shepherd continues in the event of the unanticipated loss or incapacitation of the current Executive Director, William Holicky.

It should be the expectation that a vacancy anticipated to continue for a significant period would trigger the implementation of this plan. However, the current management structure should be able to cope adequately with a vacancy of relatively short duration, that is, a period of up to six months.

The most appropriate Board committee to be responsible for oversight of the implementation and modification of the Plan for Interim Leadership will be the Executive Committee.

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- The Executive Committee will name Zygmunt Malowicki, Assistant Executive Director, as Acting Executive Director. In this capacity, Mr. Malowicki will assume the role and the responsibilities of the Executive Director position as well as maintaining his own responsibilities, except as otherwise indicated.
- The Executive Committee will determine whether the circumstances of Mr. Holicky's absence warrant the initiation of a search process for permanent leadership as outlined in the "Selecting a New Leader" section of this Succession Plan.
- The President of the Board shall be responsible for the notification of both internal and external constituencies regarding the change in leadership. Ms. Michele Taranto will provide whatever administrative support to the President is necessary to ensure that this task is completed in a timely manner.
- In the notification of the appointment, the President will stress to all internal and external constituencies that the key objectives to be achieved are stability, the continuation of strategic direction and momentum, fiscal responsibility, and a smooth transition to permanent leadership.
- Ms. Michele Taranto, Administrative Assistant, will immediately begin reporting to Mr. Malowicki, will fully inform him of Mr. Holicky's scheduled and anticipated obligations, and will provide him with administrative support as he directs.
- Ms. Taranto will also continue to provide primary support to the Board of Directors, to the Executive Committee, to the President of the Board, and to whatever other Committees are designated by the Board President, in consultation with Mr. Malowicki.
- Ms. Carol Farley, Director of Operations, will immediately assume all oversight responsibility for facilities issues including planning, acquisition, renovation, construction, repair and maintenance. If the Coordinator of Information Services position has not yet been permanently assigned to Ms. Farley, that position will be transitioned immediately to Ms. Farley's responsibility.

- Mr. Roger Fontana will take responsibility on an interim basis for oversight of the day-to-day operations of the Tilton School in addition to his responsibilities for oversight of the Residential Treatment Center program, the Hard-to-Place Program, and the Schafer Residential Treatment

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- Facility. Mr. Malowicki will provide direction and support to Mr. Fontana as necessary and appropriate.
- Mr. Malowicki will make Ms. Lori Crandall, Administrative Assistant to Mr. Malowicki, available to provide support to Mr. Fontana with his expanded responsibilities.
- Ms. Altimonte, Ms. Farley, Ms. Phillips, and Ms. Guzski will begin reporting to Mr. Malowicki immediately according to the schedule that he deems appropriate and will fully brief him on the progress and the problems within their own area of responsibility. Mr. Fontana and Ms. Conney will continue to report to Mr. Malowicki regarding their areas. They will each make recommendations for any changes to policy, procedures, and responsibilities necessitated by the absence of Mr. Holicky.
- In addition to these newly-assigned responsibilities, Mr. Malowicki will retain his current responsibility for oversight of the Health Services Department and consultant staff. However, he may choose to reassign these responsibilities to other administrators at a later date.
- Mr. Malowicki will, within two weeks of his appointment, meet with the Executive Committee and make recommendations for any change to the policies, procedures, responsibilities, and structure of the agency necessitated by the absence of Mr. Holicky. Additionally, Mr. Malowicki will identify any changes to the priorities, initiatives, objectives, and timelines approved for FY 2007 – 2008 that may be necessary due to Mr. Holicky's absence.
- The Executive Committee will meet monthly for a scheduled two hours and will include a component involving the entire Administrative Team. Each member of the Administrative Team will use this time to fully inform the Executive Committee of current issues and any areas of concern that the individual member may have. This process shall remain in effect until such time as the Executive Committee and Mr. Malowicki agree that is unnecessary.

- In addition to the regularly scheduled meetings of the Board and its Committees, a minimum of the following monthly meetings will also be scheduled:

1. the President of the Board and Mr. Malowicki;

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2. the Treasurer of the Board, Carol Farley, the Director of Operations, and Mr. Malowicki;

3. the Chair of the Program Review Committee, Nan Conney, the Director of Quality Improvement, and Mr. Malowicki.

This meeting schedule can be altered at the discretion of the President or the appropriate Committee Chair in consultation with the President or upon suggestion of Mr. Malowicki and the concurrence of the Board President.

- During the course of his tenure as Acting Executive Director, Mr. Malowicki shall, from time to time, make recommendations for the adjustment of this plan to the Executive Committee.
- Members of the Executive Committee may consult with members of the Administrative Team as they see fit, ensuring, however that Mr. Malowicki is fully informed.
- The Executive Committee will determine whether Mr. Malowicki's compensation, or the compensation of others affected by this Plan, should be adjusted to reflect any change in status and/or responsibilities.
- In the case of the incapacitation or death of Mr. Holicky, the Executive Committee will immediately direct the Director of Human Resources and the Chair of the Human Resources Committee to facilitate the delivery of benefits and support to Mr. Holicky's family.