Mastering the Basics

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I thoroughly enjoy the NCAA “March Madness” series of tournaments which began this year on March 17. This year’s line-up includes 65 men’s teams and 64 women’s teams playing in single elimination games. The tournament concludes on April 6th with the final match-up. NCAA tournament games provide some expected results, some storybook endings and the occasional agonizing loss.

It’s hard not to be in awe of the players’ skill, stamina, focus and teamwork. They seem to completely understand the notion that “there is no I in team” and often demonstrate what appears to be an intuitive sense of their fellow players’ intent. Watching members of a team pass the ball before guiding it into the hoop is art in motion.

At many levels, these games also provide a study in risk management, which we define at the Center as a “discipline for dealing with uncertainty.” No matter how often or closely a team studies its competition, it is certainly impossible to predict accurately what a single player or cluster of players will do during a current game or whether any disabling injuries will occur. Over the weekend I watched Michigan State play Maryland. Shortly before halftime, Michigan State was leading when one of the team’s players, Kalin Lucas, ruptured a tendon. This was a major set back for the team and its chances for a win. But as it turns out, Michigan State had a succession plan. They were prepared to win even without a key player.

The missions of nonprofit organizations are too vital to leave to chance. Every nonprofit should have a succession plan for key players whose presence and performance are vital ingredients for a winning game. It’s a basic. What will happen if a leader needs an extended period of leave, but plans to return? How will the organization cope when a senior leader opts for a more rewarding professional experience but provides only minimal advance notice of her departure date? What if the board decides that the chief executive’s continued service is a liability rather than an asset?

As we discussed in our book *Pillars of Accountability: The Board’s Role in Risk Management*

[I]t is almost impossible to overestimate the importance of the executive director’s leadership role in a nonprofit organization. Succession planning is an important tool for ensuring continuity in the leadership role. … More recently, nonprofits have come to recognize the value of this tool for ensuring that there is a smooth transition between top leaders, whether those transitions are planned or happen unexpectedly.

An Emergency Succession Planning Template is featured in the Sample Forms section of the NRMC’s

book *Taking the High Road: A Guide to Effective and Legal Employment Practices for Nonprofits*. The template is one of dozens of reasons to buy the interactive edition of this book and keep it at the ready. The template is a great place to start preparing for what could otherwise be a high stress time in your nonprofit.

Gene Hackman stared as Coach Dale in the 1986 movie *Hoosiers*, which chronicled the true story of a small town high school basketball team that improbably won the 1954 state championship in Indiana. In a memorable pre-game pep talk before the championship game, Coach Dale reminded the team that their success would be realized by remembering the basics of the game.

These are words to live by. In these times of continued economic stress, we are all well-served by returning to the basics. We need to spend as much time on our organizations as we spend in our organizations. The impact of a worldwide economic downturn will be felt for a long time to come. There has never been a better time to return to the basics of good governance, sound risk management, candid communication, inclusive fiscal oversight, and ethical fundraising.

Succession planning for key positions is only one basic. A critical, often unmentioned aspect of succession planning is the need to develop future leaders, including skills training, challenging special assignments, and cross-training. A commitment to these basics requires the involvement of people throughout the organization in discussions about critical issues. In a medium to large sized nonprofit that might be the half dozen or so key players; in a small nonprofit, it might be everyone (which arguably should be the case in large organizations, too). Intimate familiarity with the critical issues facing the organization, participation in the discussions of the alternatives and bearing witness to how decisions are made by the CEO and board will do wonders to prepare home-grown leaders to step up into leadership roles when and if the occasion requires it. Doing so doesn't trump adherence to position descriptions and the structural authority in an organization chart, but it offers powerful support to ensuring the long-term success and sustainability of a nonprofit.

We would be derelict in discussing the "basics" without providing a reminder of several favorites from *Taking the High Road: A Guide to Effective and Legal Employment Practices for Nonprofits*. During tough times it's relatively easy to forgo nonessentials. Three essential commitments are:

- **Strive for fairness.** The fair application of employment policies is vital to reducing employment-related risks. It's neither costly nor unnecessarily time-consuming to strive for and achieve fairness. What is fairness? It means affording employees respect, courtesy, equal treatment and opportunities, a forum to seek redress of grievances, and, except when a serious violation of workplace rules or ethics has occurred, notice of poor performance and an opportunity to improve prior to discharge. Striving for fairness is the essence of a sound risk management program.
- **Strive for consistency.** This is closely related to the value of fairness. Just as sound risk management requires that every activity be viewed through a lens of safety, safe employment practices require that the application of a policy in a particular instance be subject to a consistent-treatment test.
- **Honesty is always the best policy.** Always be honest and tell the truth in dealing with prospective and current employees. Honesty, however difficult to hear or deliver, is the best policy.

The Nonprofit Risk Management Center stands ready to assist you in navigating the changes that, while painful at the present, are essential to your nonprofit's long-term sustainability and success. Retaining the Center reflects a commitment to mastering the basics while positioning your organization for a bright future.

Success is not reached only by relying on the basics, but it cannot be reached without them. When watching March Madness it's fun to see young athletes work together to achieve improbable outcomes. But a more common experience is the opportunity to watch mastery of the basics. Michigan State won their game on Sunday and advanced to the round known as the "Sweet Sixteen." After a 16 point lead became a one point deficit, Michigan State's Korie Lucious made a three-pointer at the buzzer to cap a frenetic finish. When facing elimination and an impossible to predict injury, the team put its succession plan in play, focused on the basics, and used its skill, determination and imagination to realize victory.

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