CDFI Industry Spotlight: Succession Planning

How prepared is the CDFI industry for a leadership shift as the founding generation begins to retire?

FUND COMMUNITY INSTITUTE INSIGHT:

50%

The industry appears **under- prepared** for leadership shifts
with less than 50% of CDFIs with
existing succession plans; for non
profit loan funds the figure is 33%



CDFIs anticipate that future leaders will come from inside their organizations; 66% agree their CDFI has a pipeline of executive talent

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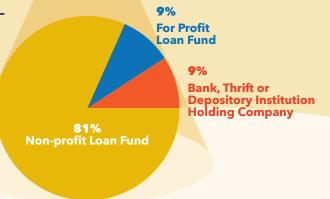
While the majority of the industry makes efforts to integrate DEI into recruiting and establishing accountability measures, only about a third have integrated DEI into the succession process and only about one-fourth have conducted unconscious bias training with leadership

60%

About 60% of CDFIs can count on **experience in succession planning from Board members** but less than one-fourth have a dedicated HR position to support the succession plans

TOTAL CASE STUDIES = 45

59% Urban | 23% Rural | 9% Native CDFI



CDFI INDUSTRY SUCCESSION PLANNING: FINDINGS

49%
Have a board-approved emergency succession plan

Have a board-approved succession plan for long-term anticipated executive leadership transition

Among respondents, nonprofit loan funds that have fewer assets and smaller staffs are less likely to have succession plans

Have communicated the succession plan to all employees

10 YEARS Average CEO tenure

FUND CI was founded in 2017 as part of the family of FUND Consulting organizations. In an effort to support the CDFI Industry, one of the main activities of the organization is to conduct and disseminate research on CDFIs and related topics. For more information, please contact: **ruthbarber@fundci.org**

