SUCCESSION PLANNING

Succession planning is often one-dimensional and frequently appears for the first time when a corporate board determines it needs to address who the next CEO might be - an internal or external candidate; a company owner starts thinking about exit strategy; or someone realizes that in the case of an unexpected crisis, no one has thought through what happens if several leaders in the C-Suite leave at the same time, are asked to leave, get bought out, or had an accident while travelling.

A family business owner might be considering which of those currently in the business could run it in the future or whether it's time for an advisory board or a board with actual decision-making authority to be implemented. Decisions around whether to merge, sell, create an ESOP, or hand a business down to another generation can result in several years of analysis and unexpected false starts even with considerable planning. Processes to define internal pools of potential future leaders are only one facet of succession planning.

Succession planning often has the feel of an activity that is going to occur in an isolated moment in time, even if that moment takes a couple of years to complete. ***In fact, great succession planning is a dynamic and continuous process inside organizational culture, and is not just a plan."*** [1]

Studying Future: Context & People

To complete succession planning requires strategic vision work to be an ongoing process inside any business. Failing to understand future scenarios contributes to poor leadership choices and uninformed leadership development. Doing so also requires placing the future inside the context of the business, and its internal and external environments, as well as what is happening with current leaders and potential leaders. For instance, failure to understand the impact of the generations could lead to disastrous business decisions, as well as a poor choice of leader for the times.

Change Management Masters

Once the process is put in place for continuous strategic visioning, the present and potential leaders must become change management masters in every way. The lack of that one ability can submarine any attempts to lead.

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The speed with which employees and customers move through this cycle determines how leadership needs to behave and the frequency and intensity of ongoing communications. ***The slowest person in key employee or leadership roles to embrace change will determine the pace with which you can successfully implement.***

Leaders need to know where each person is in the change process personally and where their customer base is in order to shorten the transition. This is particularly true if the company or organization is in a crisis management situation or if there is a short window to take advantage of an opportunity that can have a long-term benefit. Present leaders charged with selecting future leaders must be change management masters and must select others who possess this critical skill set to ensure smooth transitions at the fulcrum point of implementing succession and beyond.

Developing Leaders

A full-scale leadership development plan for each future leader must be created, time and financial resources allocated and prioritized, coaching and evaluation provided, and assessments of progress reviewed. Just because the identification of leadership potential has been made, and a plan created, does not mean that the individual, or the team, will rise to the occasion.

Plans A & B, along with time allotted for the first plans not to work, must be developed for the sake of the business, as well as for the understanding of those being developed that there are no succession assurances without progress and a track record. Lastly, integration of these components into the existing organizational culture is required in order to leverage possibility and ensure the structure will continue to promote ongoing succession planning.

Creating Structure for Leverage

Culture includes people's behaviors manifested inside how we organize ourselves to get work accomplished. If succession is a value and becomes a dynamic process, it will become part of the culture as evidenced in where it shows up.

Use the questions below to help you think through how strongly your culture is focused on succession planning.

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Is Succession a Dynamic and Continuous Process Inside of Our Culture?

?? When employees are interviewed, are succession questions asked of the candidate in terms of career path expectations?

?? Within the HR process is there a leadership development component for every employee, and is it reviewed quarterly in light of performance?

?? Does the leadership team regularly evaluate whether the right people are on the bus and if they are the players needed for the strategic vision to unfold?

?? Is there a plan for generational transitions and translation between the generations in the interim?

?? Do the owners communicate about their intentions for the business?

?? Do you personally know where you fit in the succession plan?

?? Do you have an individual leadership development plan you can point to?

?? Do you know the language of the change management plan?

?? Is the succession plan an integral part of the focus of Strategic Visioning & Strategic Planning meetings?

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THE END RESULT

The dynamic and continuous process of succession planning inside organizational culture manifests inside of 3 key plans. The Strategic Vision & Plan provides the identification of to where the company is headed and how it plans to achieve the desired outcomes. The Succession Plan answers the question of how the work will roll from leader to leader over time, when that will occur, and how those individuals will be developed. The Change Management Plan facilitates the communication within individuals throughout the company on what is happening and uses the art of story-telling to move everyone through each transition that must occur to keep a company and its products and services relevant to its customers.

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