

HOW TO MAKE A SUCCESS OF
**Succession
Planning**

The business world is sprinkled with examples of successful succession planning for CEO's and senior leaders. Amazon is one of them. In July 2021, when Jeff Bezos announced Andy Jassy as his successor, it wasn't a sudden decision. Jassy had been with the company for 24 years, and experts say he was one of two potential candidates that Jeff Bezos had been preparing to replace him for some time. The preparation was so effective that Jassy's appointment barely caused a ripple in the stock market. In fact, the news brought a small but immediate increase in share price as investors responded to what was seen as a stable and wise decision.

The market had not been nearly as positive when Jack Welch left General Electric and Bill Gates stepped down from Microsoft, with both companies taking an initial hit in share price. In fact, HBR recently went as far as estimating that poorly managed C-Suite and CEO transitions cost close to \$1 trillion per year.

So, what were the ingredients that made Jassy's leadership succession such smooth sailing? And has Covid had any effect on how we succession plan in our own organisations?

Our Current Context

During the pandemic, some leaders have found themselves in situations that have seen their teams depleted of people to perform important roles, due to the impact of lockdowns or other Covid related events. This kind of global disruption is a timely reminder of the importance of understanding the critical nodes within our workflow and of constantly building resilience into our whole system through methods such as succession planning.

But even with the best intentions, the pace and demands of current work life can make it difficult to find the space and momentum to begin these processes. And even if it is on our radar, what does it mean exactly? And how do we prepare?

Perhaps a good place to begin is to reflect upon how leadership has evolved. What were once desirable skills, in some cases, have

lost their relevance. It's no longer the goal to be the smartest, most knowledgeable, most authoritative person in the room. Nowadays, we want our organisations run by self-aware leaders who understand humility, are prepared to collaborate, can exercise curiosity, and harness and leverage the benefits of reflection.

The potency of the C-suite no longer lies in amassing power but in distributing it – finding ways to support others to reach their potential by providing them with a framework that offers autonomy and prioritises feedback.

In tandem, is the need for ever growing ethical awareness. In a business landscape shaped by technology, we need leaders who understand that the question is not “can we?” but “should we?”





The Great Resign

The impact of technology and the pandemic have caused people to reassess their priorities, and many are seeking a better balanced and purpose-led existence. This has amounted to a new movement that's been referred to as The Great Resign.

The combination of our shift to remote work, and the corresponding advancement of our digital capacities, has influenced our desire for greater flexibility.

Gartner's 2021 [Global Talent Monitor Report](#), identified that over 40% of participants are considering leaving their current job. Many of us have seen greater work-life balance options open up, and we don't wish to return to pre-Covid practices. This means we are leaving our present roles to find the ones that offer the flexibility, values, and ways of working that we desire.

Other top reasons for employees moving on include [manager quality](#) and respect. While it's believed that close to forty percent of our time should be spent coaching and managing, in the distractions of the working environment it is usually closer to 10%. And in the report's summation, they determined that [“workers want to see the introduction of systems to better support work-life balance. There is also an expectation that management will step up and show more respect and appreciation for hard work through cultural change and tangible incentives.”](#)

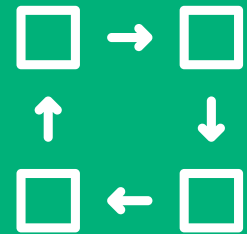
The global workforce is more motivated than ever to seek out working conditions that will help them thrive, and this makes succession planning both more difficult and more essential. In the short term it may feel like shaky ground, but in the long term, effective succession planning contributes to an organisation's stability *and* growth.

Creating and Executing the Plan

So, what does succession planning look like today? And what are the broad stroke steps we can take towards setting ourselves up for success?

Be Active and Iterative

In the past succession planning has tended to be a topic we would visit annually, but by turning it into an ongoing, iterative conversation, we are able flex, and pivot should our focus need to change. Research show that GenZ and Millennials move jobs on an average of every eighteen months, and this trend needs to be factored into any planning strategy, as does our understanding of our organisation's long-term goals and objectives.



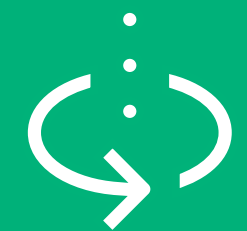
Find the New Right Successors

In executing a succession plan, it's important to understand the critical roles within our organisation and identify potential successors. In line with the changing needs of leadership, this may require a reassessment of our criteria for success, such as candidates being values driven, with a nuanced perspective of diversity, inclusion, and equity.



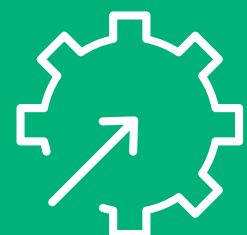
Keep a 360-degree View

In conversations about potential candidates, we should try to keep options balanced by looking inside and outside the organisation. It may be that by maintaining a purposeful focus on developing our rising stars, the right person will already be in front of us. However, to keep the process robust, we need to stay open minded and look outwards as well.



Maintain a Whole System Focus

Using a whole system's thinking approach, means that we will stay aware of the potential ripple effect of succession planning. It isn't a process to be conducted in isolation from other organisational functions, but rather, should be integrated into any professional and leadership development. We can link it to talent recruitment strategies, and the context and set up of our high performing and high potential teams, the regular feedback given in Performance Reviews, and the celebration and recognition of our successes.





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