Succession Planning: Risk Management that Leaders Shouldn't Fear

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"Thou shalt complete a succession plan for the organization," is a typical command from a Board of Directors to its CEO and management team. No surprise, it's very much part of the Board's job to ensure that the organization continues to have able leadership, particularly in the event of unplanned losses of key staff.

Despite a good rationale for succession planning, leaders and managers often wonder if the plan is really just the first step in his or her imminent departure. Attitude like that can slow succession planning to a crawl.

But a succession plan isn't about getting rid of people. It's about being prepared when both foreseen and unforeseen change visits management or the workforce in general. It's about management due diligence to ensure the organization can continue functioning at a high level, despite changes in key staff.

A good succession plan gives the organization a road map around potential pot holes, or even sink holes, that could emerge if a key leader, technical expert, or knowledgeable professional leaves. For example, if your CEO departs, winging it in choosing his or her replacement could be a costly mistake that is paid over a long period in lost or poorly spent funding. That's some sink hole.

Put another way, succession planning is due diligence that manages risk. It helps ensure that successors have been identified, assessed and developed toward future roles within the organization. That way, should an incumbent leave his or her position or the organization for any reason, a successor can move swiftly into the vacant position on either a permanent or interim basis. If you work in a vital service area such as healthcare or social services, the risk management aspect is magnified.

The contingency of a vacant position in a critical function can arise with little or no warning, and at the worst possible time, such as mid-project, or during a key earnings period. People get hired away, fired, retire, become ill, or die, often with little or no notice.   Yes, you can estimate when employees might retire, given their age and years of service, but my experience has been that a person talks about retirement for a long time before they actually do it. It's a combination of pipe dreaming and psyching oneself up for a major life event.

The good news is that the due diligence of succession planning doesn't have to be complex or costly. A simple, transparent, and standardized process can be applied to assess succession candidates, identify their developmental path, and record it in a way that can easily be updated to the satisfaction of any Board of Directors.

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