

TRG LEADERSHIP TOOL

"Practical Means for Dealing with Difficult Times"

This section of our site features business tools and planning considerations designed to assist leaders for whom "just keeping up" is not good enough. These notes focus on sequences of thought and action intended to enhance the positioning for your group, both on a long and short-term basis.

Please check back frequently to review the next tool. Visit our [LEADERSHIP TOOLS ARCHIVE](#) for previous tools.

SUCCESSION PLANNING FOR BUSINESS ENTERPRISES

By Eric Zimmerman and Marc P. Chinoy

While there are obvious similarities in succession issues for private individuals and for corporate leaders, this TRG working tool focuses on the special circumstances of succession within a business enterprise. These notes speak to the leader who will cause the succession plan to come into existence.

OPENING

1. See succession planning as a development project with its own sequence, communication, documentation and timeline
2. Determine what must be kept in place within the enterprise:
 - o Contractually
 - o By law
3. Select a colleague to review your thinking as you walk through the development of a succession plan

WHO

1. Initiate a full list of persons, likely to be subject to succession
2. Sort by priority of relation to the enterprise today
3. Consider the realities of their individual circumstances in terms of:
 - o Skills
 - o History with current leadership group
 - o OR (if they are not coming from within the enterprise) history with parallel situations in other groups
 - o Their likely influence on those who will be affected by the change

WHAT

1. Use this as an opportunity to improve the current organization by:

SUCCESSION PLANNING FOR BUSINESS ENTERPRISES 8/1/11

- Reviewing the organizational chart
- Instituting leadership training where skills are weak or absent
- Identifying those assets held and liabilities that offset them
- 2. Determine what unique circumstances exist today and might tomorrow
 - Anticipate the circumstance that your absence will create in terms of:
 - Missing skill sets
 - Likely conflicts that you will not be there to resolve
- 3. Identify how you want the future to look once you are no longer able to offer guidance

SEQUENCE

1. Determine how important is it that you to be readily available during the transition
 - Set timeframe for initiation accordingly
2. Build a most likely "If - then" list related to the transition
 - Start with both the nature of prospective issues
 - Determine who you might select to resolve each issue
3. Initiate steps for selecting and preparing the leader of a transition
 - Set criteria that are important to you that might include:
 - Judgment/Natural capabilities
 - Range of experience
 - Ability to influence others
 - Initiate long list (if possible) of prospective transition leaders
 - Determine the value of this being a "Competitive" internal process
 - Interview first candidate
 - Ask if they are WILLING to take on the role
 - Ask what changes they might make
 - Either identify the succession leader or repeat the interview with the next candidate until a succession leader is selected

ALTERNATIVE

1. If the transition might occur before you are fully prepared (Example: you move suddenly to a distant location), determine who you would like to serve in the role of decision-maker to set up the transition and select the successor
 - Set criteria that are important to you that might include:
 - Judgment/Natural capabilities
 - Range of experience
 - Ability to influence others
 - Initiate long list (if possible)

SUCCESSION PLANNING FOR BUSINESS ENTERPRISES 8/1/11

- Interview first candidate
 - Ask if they are WILLING to take on the role
 - Ask if have thought about what they might do in that role
 - Ask if they know what you intend
- Either identify the succession leader or repeat the interview with the next candidate
- Identify the intended selector of a transition leader

CONCLUSIONS

1. When there is a strong prospect that your absence will open the door to conflict between two or more of the individuals or groups, generate special instructions expanding on your intentions
2. Initiate the prospective transition, whether controlled or sudden, in a formal document

For additional information regarding SUCCESSION PLANNING FOR BUSINESS ENTERPRISES, please visit our [Contact Page](#) and send us an Email or simply call us directly during East Coast business hours on our toll free number 1.800.97-REGIS (1.800.977.3447).