

Jim's Profit Accelerator 32: The Other Side of Succession—The Critical Third

The odds of a satisfying succession plummet without the best possible legal and financial plans. Sadly, those plans alone are not enough, and ignoring the critical third leads to pain and disappointment.

The third event is actually stepping through the door, from business insider to business outsider. Regardless of the frame of the new position, it's not like the old one. Worse, excellent financial planning provides an illusion of control, which makes this next phase potentially more shocking.

SPEED BUMP: When you exit your business, all you can do is watch.

This change from business insider to business outsider is tricky. Few leaders accept the reality that as they step out of the CEO position, regardless of their new role, the shock will be like a stun gun. Prior success is no protection, because there is no perfectly clear vision, other than to repeat their current job in another place.

Listen to 54-year-old NFL legend John Elway, who wears two Super Bowl rings as he tries to build a Super Bowl winner as GM of the Denver Broncos: "That first colonoscopy was a marker.' [But the real jolt came five months ago, when he became a grandfather.] "That's the one where I said, 'Wow, I am starting to get up there.'" According to the article in *Fortune* magazine, Elway "feels far more responsibility—and far less control—than he did as a player. Come Sundays, all he can do is watch."*

Look closely, because your situation mirrors Elway's when you step through the door. Elway is driving to win as intensely as ever, but he finds himself in a strange country with rules that he's struggling to learn.

SPEED BUMP: Don't assume that past success will float you to the top next time.

Your next-phase life plan is critical. Build it with the same intensity that built your business. It will be new to you in ways that shock you:

- Your past experience may fund the courage to step out, but wealth and uncertainty can cripple your ability to go for the new excitement awaiting you.
- Unless you have successfully started or taken over at least three different businesses, the scale of change can easily overwhelm your confidence, your wealth, and your chance of success.

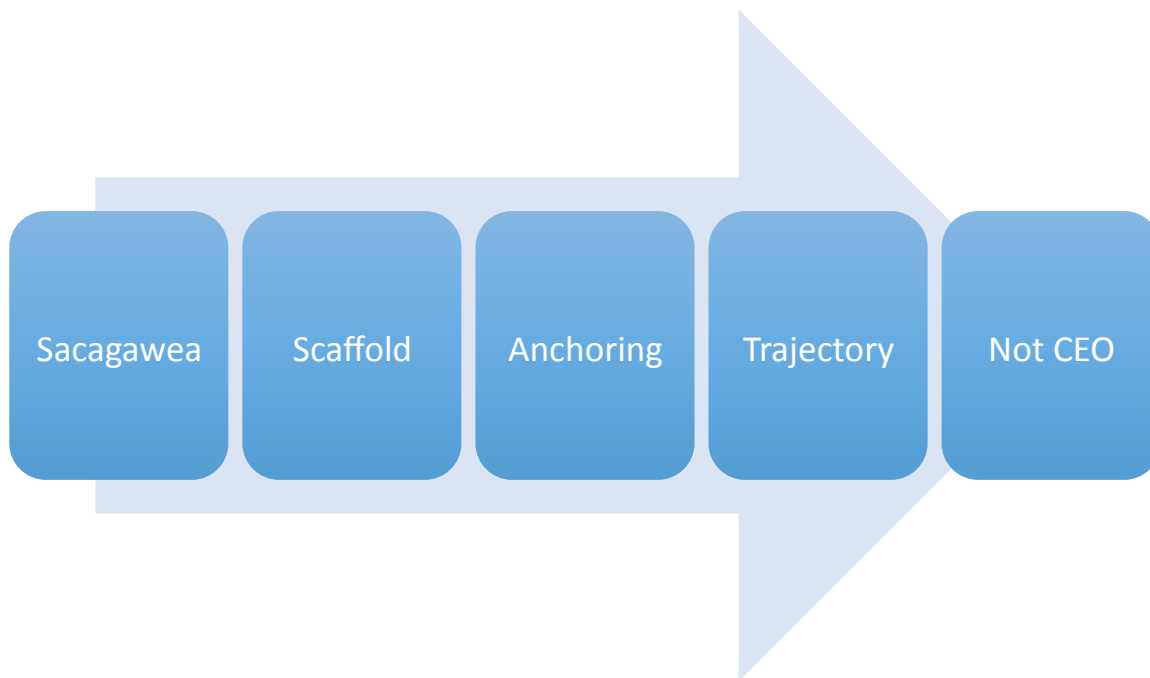
- Unless you'll be satisfied to golf and travel the rest of your life, this can feel like stepping into a dark elevator shaft.

Change often feels like loss, because real loss always accompanies change. We easily prepare for the “loss” of the business, but don't always prepare for the other — the loss of not being the CEO.

One of my most successful clients worked with his father to transition leadership of their company. The transition was a success—after five years. The change for the father was as dramatic as for his son, as both found themselves as “strangers in a strange land” (to borrow the words of science-fiction writer Robert Heinlein).

SPEED BUMP: Beyond the door is destruction of your support system and your sense of accomplishment.

What is the prescription for the vibrant life that can await you for 20 years plus? Here's a start, assuming that you'll be massively unprepared for the destruction of your support system, measures, feedback, and sense of accomplishment:



1. Follow your **Sacagawea**. Shoshone Indian Sacajawea was an essential guide and interpreter for the success of Lewis & Clark's journey as explorers. Your new life is about as unknown as the western United States that Lewis & Clark set out to discover. Get a guide.
2. Build the **scaffold** for your new routine. Replace the life framework provided by your business with a new framework of goals, actions, and considered learning.
3. Develop **anchoring** practices to counter being out of control. Clarify what matters most to you now, and build in actions that help you return to grab it. Building the required habit is the stuff of years, not weeks.

4. Define your new **trajectory** now, from CEO to new life. The trajectory has three parts:
 - a. Describe your target life 24 months after you leave your current position.
 - b. List actions to move toward the target after you leave.
 - c. Begin “target actions” that you can take while you’re still in the business.

Most leaders plan well for transfer of assets. Some do limited planning for transfer of leadership. Few plan well to cross the line from being CEO to being “not-CEO.”

ACCELERANT: How will you cross the line?

Call me.

For more information, visit www.grewco.com.

Jim Grew is an expert in CEO-level strategy and executive leadership whose clients refer to him as the Business Defogger and Accelerator. Jim helps leaders swiftly discover the hidden opportunities within their businesses and exploit them for dramatic results. Nearly three decades of success as a COO and CEO coupled with his experience running nine thriving businesses provide the foundation for his consulting work as president of the Grew Company. He presents regularly to industry groups, mentors business leaders, and shares insights on his blog, BizBursts.com: <http://bizbursts.com/>. He holds BA and MBA degrees from Stanford University.

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