

Succession and Transition

In his book, *The Career Game*, Nathan Bennett, Professor of Management at the Georgia Institute of Technology, discusses how leadership transitions and succession planning can be complex events.

Exchanges of responsibilities contain any number of challenges, primarily because they happen in real time with no pause in the organization's activities. When an organization has the luxury of affecting a smooth passing of the baton, the exiting executive is in the best position to direct events so that newcomers can get off to a productive start.

In fact, the last 90 days of an outgoing executive's tenure may be as critical to a successful transition as the first 90 days are for a newcomer. Yet, in many cases, a "clean break" is made between the outgoing and incoming executive. However, according to Bennett, research suggests that a productive exchange between the two executives can significantly diminish the factors that may hinder the successor's performance.

The most important things to hand over are typically intangible: culture, norms, experience, or tacit knowledge about the company. Given that, newcomers must move quickly to:

- Create consensus among managers in terms of skills, strategies, systems, and structure.
- Build their own team.
- Establish relationships with their subordinates.
- Assess inherited talent and understand which gaps can be fixed by developing talent and which have to be fixed by adding talent.
- Diagnose power relationships in the company — learn the "chart behind the organizational chart."
- Instigate conversations to gain understanding of relevant elements of the past, present, and likely future of the company.
- Learn to manage complex and critical relationships with the company's board.

Achieving these goals demands a simultaneously deep and nuanced understanding of the company and its people, something that the newcomer may lack, but the exiting executive has in spades. The outgoing executive is in a position to provide the newcomer with a dispassionate review of team member capabilities — who on the bus is "right," who can be "made right" through development, and who needs to exit.

Newcomers are driven by a natural desire to further their own careers, but they must be realistic in their performance expectations. To that end, securing early wins to build momentum is important. The exiting executive can help the newcomer identify areas that offer the best chance for quick success and highlight potential problems.

Outgoing executives play a critical role in building the foundation upon which their successors begin their tenure. Ironically enough, departing chiefs, rather than newcomers, may have the greater stake in the pragmatic, reasonable, and tangible aspects of leadership transition that are necessary to protect corporate interests.