

THE EXTRA POINT

BY JERRY ROBERTS



422 Getting People Ready to Move Up — Part 1

I hear the question all the time, “What do we do to help our new leaders rise up and take their place in the organization?” I’m Jerry Roberts and today we’ll talk about succession planning and why some folks have such a hard time with it. That’s coming next on The Extra Point.

This might well be one of the more important Extra Points we’ve done, because it hits at the heart of a problem that literally keeps a lot of successful people up at night. They ask the question, “Who will run this business when the current leaders move on?”

The first thing I’m going to say, and maybe this is where most companies, large and small, get this wrong, is how they view succession planning. It is not an event, it’s a process. I know we can’t solve this in a couple of minutes but we can get a good start.

An event is scheduled, it’s on the calendar. A process is a series of things that we do to arrive at a desired result. In this case, it’s an ongoing process. Let’s dig down.

Succession is something most companies think about when the owner or CEO decides he/she will be making a career change in the not-too-distant future. They’re going to leave because they’re tired of the grind, have health issues, or maybe they realize the business needs new blood at the top.

The thought is that in a year or two, they’ll be able to find the successor. If that’s the first time this subject comes up in conversation, it’s way too late.

Second issue. Most organizations view succession as something that takes place only at the top of the organization. That’s wrong. If the successor is going to come from the group of employees now on the payroll, then you have to consider who that person’s successor

will be. This is a dynamic process and it often comes with lots of moving parts.

So, the problem most companies face is that they wait too long to start focusing on who is going to be the next person to move up, and they don’t factor succession in at all levels of the organization. Now, what are we going to do about it?

I’ve known far too many people who worked too long in a business, with a hope to one day find someone to groom to take it over, and eventually buy it. That was their retirement plan, but it didn’t happen. Either they didn’t have a family member who wanted it, or couldn’t find anyone with an interest in ownership, or they were thinking of a particular employee who showed promise, but they were plucked away by one of the island’s larger employers who offered a brighter picture for their future.

In the end, the business owner was forced to close the company, or perhaps sell it, or the assets, to a competitor for less than what it was worth. That’s painful, and can be avoided.

It’s the same in larger organizations that often struggle when a new leader, the right leader, can’t be found. A thriving business loses its momentum, and eventually market share.

We’ve identified some of the issues, and we’ll dig into what can be done to build a succession plan, tomorrow. There’s work involved but I think you’ll like what you hear.

That’s The Extra Point. Get out there and make something good happen today. For 93.3 and the Ray Gibson Show, I’m Jerry Roberts.

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