Foundations of Effective Succession Planning

Sarah Sawyer: Welcome to this week's OK at Work with myself, Sarah Sawyer, my colleague Russell Berger, both attorneys at Offit Kurman, and today we are talking about transitions and specifically succession planning. So often you've got good leadership in place or you've got good managers or whatever that might look like as a company, but eventually most people leave whether, you know, it's life that takes them away from the business or just becomes that time that they get to retire and go enjoy some time not working, whatever it might be. Usually with succession planning it's retirement or something similar or some type of transition like that.

And that can be really disruptive to a business, to employees, to making sure that everything still runs smoothly. So what are some things that companies should think about as it relates to succession planning, Russell?

Russell Berger: Yeah, this [00:01:00] is maybe even a little more basic than that. And I recognize that this is like a really nerdy thing to say, but like I'm a big fan of standard operating procedures. 'Cause what happens is, someone leaves and you don't know where something is. You don't know how it's done.

You're the manager, you're managing the person. They're doing a good job. They leave, but you don't know exactly how they did it, right? You did your job as the manager, but you're not micromanaging them. So you don't know how all these details come together and the sausage gets made.

So I think it's really valuable and really important to have workflows and standard operating procedures and to have this kind of mapped out, and in writing and, easy enough for someone to pick up and follow. Not that they'll get it exactly right, right away 'cause there's always that human element to it. But I think having standard operating procedures where someone can step in, pick up a document, pick up a process, map, whatever it is, and know, okay this is what I do when this happens. This is how I follow these steps.

I know where all the [00:02:00] things are that I need to get this job done.

Sarah Sawyer: Yeah, I think planning for obviously the timing of yeah, having a great idea, making sure you have all of those things in place, but also just planning for the timing. So it should, the extent that you're able to anticipate when someone's going to leave and that date and, plan that.

Sometimes you're able to, depending on the dynamics and the trust and the reason for someone's transition, you might be able to just say, alright and have a mutual agreement around when that's gonna happen, how it's gonna happen, or you might need to put something more formal in place. Obviously, even the most well attentioned people sometimes when they see the finish line and they are one step out the door, especially if they're headed on the golf course or to their vacation home or whereever it might be after their transition. That might be a little distracting for them. And so it's always good to have the plan in place and for communications for what exactly you need from someone as they transition, how they might train someone that's coming in, [00:03:00] someone new, and select someone and their role in that. So definitely formalizing that can make sure that people are all on the same page with the transition.

Providing incentives for folks, as they're making a transition that, depending on the dynamics and what motivations might be needed just to make sure that everyone remains aligned in making sure that everything goes smoothly.

Russell Berger: Yeah. Yeah. I think, if, you know when the person's exiting and you have time and you have a roadmap for how the job is done, and then, the third piece to add to that is if you have that, and you mentioned this, if you have the next person, the replacement, stepping in.

If you can have, a training period, a crossover period, again, like this doesn't make sense for every job, but if the job is high enough up in the organization, you probably want that. And you've got the roadmap, you've got your deadline, and you've got this collaborative period where, the handoff is taking place.

I think that puts you in the best position possible to hit the ground running [00:04:00] on, day one of the prior person being out and the new person being in.

Sarah Sawyer: Yeah, key is obviously stability and with any change or transition, even if it ends up being, the new person in whatever role, ends up being fantastic and doing a great job or, it's probably gonna be slightly different than the person leaving and change is challenging.

It can present a lot of opportunity and it can be really great, but it can also be really scary and stressful. And so making sure it's at least stable and then growing from there is I think the goal.

Russell Berger: Yeah, because it's not better or worse, it's just, it's different and it's guaranteed to be different 'cause it's a different person. And I think as a manager, owner, executive, if you can, help highlight what that person does, their differences, what they do really well.

And you tweak the job description a little bit to lean into that and you find some other way to fill the things that maybe, they didn't do as well. You stand off the edges, you get it right and you get the right person, right fit and you make the tweaks from there.

Sarah Sawyer: Great advice. We'll see you next time. Thanks, Russell.

Russell Berger: [00:05:00] Thanks, Sarah.