

## Who here can drive this bus?

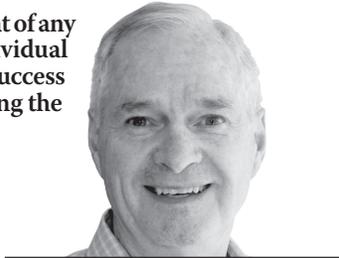
**Putting a new CEO in the driver's seat of any organization is risky. This one individual has more impact on the employer's success or failure than anyone else, so picking the right person is critical.**

David Gibbons of Korn Ferry and Paul Gryglewicz of Global Governance Advisors describe a few ways to mitigate this risk. The first is to define the organization's destination and its roadmap to get there. In other words, what is its five- to 10-year strategic plan? Having a clear plan in place before switching drivers certainly minimizes one of the unknowns in the CEO succession process.

Once the strategic plan is defined, the next step is to perform a needs analysis, defining the skills and talents required in the next CEO to make sure she aligns as close as possible with the plan.

Organizations can then set about finding suitable candidates. They can be found internally or externally and today, more organizations are implementing talent pipeline programs to identify high-potential employees and start grooming them as early as possible for leadership roles. This program typically extends well beyond the CEO and other C-level executives to include several management tiers.

Some include non-managerial



**Morgan Smyth**  
LEADERSHIP IN ACTION

candidates as well, conceivably spreading out to every employee. By doing so, they ensure the pipeline is adequately stocked with capable candidates who can comfortably fill any vacancies that may crop up — be they anticipated or precipitated.

These leadership development programs vary depending on the level at which the candidate currently resides. For example, a C-level executive is groomed quite differently than his immediate reports, and so on throughout the organization. Each person is trained to assume positions deemed to be immediately ahead of him as well as promotions into completely different departments and divisions. This is particularly important for those organizations that are geographically dispersed.

Having a leadership program

gives an organization a common vocabulary for talking about what it requires in its leaders at all its various levels. It also establishes a consistent discipline for assessing leadership potential and actively managing the talent pipeline for the organization as a whole — thus managing succession for all key positions.

It is highly recommended this plan, including the strategic portion, be reviewed and recalibrated at least annually in order for it to keep pace with other variables such as industry trends, market dynamics, competition, technology, social media, regulatory changes, workforce diversity and transparency. As these change, so too must the strategic plan and, subsequently, the talents and skills of the leaders.

It could be there are no suitable candidates internally, particularly if an organization is in trouble and needs to make a significant change in its leadership platform or its strategic direction. The good news is there are plenty of capable candidates available, and they come with no history with the organization, thus no debts to repay and no baggage — a clean slate. This is useful for organizations where significant changes must be made to get the organization back on the road to success.

The potential not-so-good news

with hiring outside talent is the candidates are relatively unknown and, therefore, are a higher risk.

It's worthwhile keeping an eye on good external candidates though, even during the non-hiring phases, as they can serve as benchmarks for their internal counterparts. And, if the need should arise where no suitable internal candidates are immediately available, this external pool serves as a prime secondary source.

Organizations with formal CEO succession processes in place tend to be those that have made leadership development a priority. They take leadership and employee development seriously, baking it right into the cultural DNA. They speak it and they do it.

They know success hinges on having the right people in the right positions, all executing on the right strategy. They know the value of having qualified drivers in each position and they wisely invest to create the best.

---

*Morgan Smyth is an SCNetwork thought leader and a change management consultant who launched his own IT services company which soared to Profit Magazine's 50 Fastest Growing Companies. He is based in Toronto and can be reached at [msmyth@braegen.com](mailto:msmyth@braegen.com).*