

Food For Thought

May 2007

Succession Planning through Musical Chairs

Dear *LogiStyle* Colleague:

Food for Thought is our way of sharing interesting concepts on corporate leadership and management with others who might find it useful. The thoughts offered are intended to be controversial and thought provoking. They always follow our motto of helping develop logical leadership.

Succession planning is usually viewed as an activity centered on key positions in the company. At a recent meeting of corporate executives we discussed succession planning as centered on key individuals in the company, and described the following experiment. Imagine the following memo, written by the CEO of a mid-sized company with a few thousand employees, addressed to 200 mid-level managers.

Dear Fellow Managers,

As you know, I am a firm believer in providing development and growth opportunities for our employees and at the same time ensuring that the company has the cadre of leadership that it needs to ensure succession plans for its key positions. In support of these goals I am asking all of our managers to undertake the following exercise in earnest.

I would like each of you to identify two or three other positions in the company which you feel qualified to fill and would be interested in assuming should the position become available. Approach the managers of those positions and go through a formal interview seeking their input on your readiness to fill that position. I would hope that in the process you would hear their candid assessment of any specific deficiencies in your skills and competencies, and in return you would offer them your views on how you might approach the duties of that job from your own unique perspective. This exercise is not intended to result in an offer of a new assignment, but merely an exploration of each other's mutual interest.

I have asked our human resources department to create a minimal process to track the positions for which you have shown an interest and the feedback of the interviewing managers. You should view this as a proactive career planning step on your part. For the company, this data becomes a starting point when vacancies arise at key positions. My intent is merely to cause both you and the company to do this proactively, before the actual need arises. My personal focus would be on positions in the company that are not coveted by anyone, and on specific individuals that do not seem to have a clear growth opportunity.

I hope you will undertake this exercise with enthusiasm and boldness, reaching for positions to which you aspire and causing interview conversations that bring forth fresh and novel perspectives. Thank you for adding this to your full plate of daily duties.

Happy exploring.

Your CEO.

How do you think the recipient managers would react? What would be the reaction in the company at large as the news of this memo gets out? What would the CEO and the company learn from this experiment? Would any CEO actually issue such a memo?

One company has implemented this process and two others are exploring it at the present. There were many interesting learnings at the company that implemented the process. First of all, as you might expect, there was immediate anxiety and concern when the memo went out. "The CEO is looking to eliminate certain positions and people," the rumor mill asserted. But as the process unfolded it was not the people looking for positions that felt at risk, but rather the incumbents of those positions that felt insecure. The most surprising part was the amount of energy it created within the organization as the interview conversations began to generate new ideas for old activities. By the end of the process there was near universal enthusiasm within the management team and each participant was eager to find their next assignment – for real! Best of all, most of the movement was sideways – people moving to positions that senior management would never have imagined - allowing people to broaden their horizon. Succession planning had moved from being driven top down to being energized bottom up.

Please call or write if you would like to hear more details about this process and its results. As always, we welcome your comments. We hope your business is doing well. If we can be of any assistance please feel free to call – even, if just to chat.

Best Regards,

Balaji