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Unlocking Success

TOUGH TRANSITIONS

How the future of a business depends on succession planning for founders

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One of the toughest transitions for any organization is succeeding the founders. “Founders” could mean those who started the company, those who created a visionary product, those who worked tirelessly to prove a new concept or those who gave birth to a corporate initiative that transformed the organization.

Regardless of whether it’s the entrepreneurial brains



and energy behind starting a company or the creative ideas of an exceptional employee or team, making the handoff between initiator and executor is pivotal — and very difficult to do well. Just ask any venture capitalist what worries him or her the most about his or her investment. Or ask any

CEO of a large company why he or she suffered through failed product introductions — or why the CEO is navigating the next program du jour.

What is it that makes the handoff so perilous?

The short answer is the relentless sense of ownership by the founder, or founders, for ensuring success and all of the behaviors that go along with that. Those who give birth to something become intertwined with its success or failure. It is part of how the founders become defined and known and they work tirelessly and do whatever it takes.

But given that the ultimate success and sustainability in nearly all cases is achieved by nonfounders who implement the ideas, strategies or organizations they inherit, how can we improve the likelihood of the baton not being dropped in the handoff? Here are some proven ways that go beyond the obvious.

Ensure that the person hired to implement has passion for the cause. Even the most talented leader can’t fake “love” — and nearly all entrepreneurs are in love with their creation and will do whatever it takes to ensure its success.

Often it is the passion and

energy of the leader that infects others inside and outside the organization with excitement and motivation to go above and beyond.

Ensure the successor has the skills and credibility to lead. Would you have a smoker implement your health and wellness strategy? Would a leader who drives a large SUV be your pick to lead a “go green” initiative?

A leader may have important skills, but if he or she lacks visible loyalty to “the cause,” employees will see that and be negatively impacted. There is no substitute for the leader walking the talk when no one’s looking.

Arrange for the new leader to receive mentoring from or continued access to the founder. Boundaries on both sides need to be respected, of course, but founders can provide invaluable history and counsel. They may be the one person who truly understands what that leadership role entails and uniquely help the new leader accordingly.

Require the successor to replicate before he or she innovates. Too often there is a rush to “put my stamp on everything.” But if it wasn’t broken when you got it, don’t break it — yet. Learn quickly by replicating what worked under the founder.

Then channel the observations, learnings and new capability to leapfrog the product/organization forward — benefiting from a base of deep understanding and infusion of new insights and capabilities.

Plan for succession from the outset. The biggest test of a start-up company or a new initiative comes when the founders move on. It is really successful only when it is led/ championed by those who didn’t launch it.

So, don’t treat succession like it’s the elephant in the room. Treat it as though the future depends on it. <<



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