

EXECUTIVE SUCCESSION THROUGH THE LENS OF COVID-19

Emerging Perspective

March 30, 2020



Reality and Guidelines



Reality – There are unique impacts of Covid-19 on executive succession

The global uncertainty of the Covid-19 pandemic and pending recession are having a unique impact on executive succession plans

- Businesses are both **dying and surging** at the same time
- Work has **shifted to virtual** and talent can't move physically
- Leader and Board roles have amplified and become **24x7**
- **Reactions to uncertainty** are strong; burnout and panic are real; some less tenured leaders haven't yet been tested in a crisis until now
- Multiple leaders and roles may need **back-up** simultaneously
- The job market is **frozen**



Guidelines – Rapid decisions are needed but should follow clear “first principles”

When looking at executive succession through the Covid-19 lens, it is important to follow these simple guidelines:

- ✓ **Prioritize** protecting the most **critical roles and people** to keep the business solvent
- ✓ **Start with** where you are with your **current** emergency succession plans
- ✓ Run through business scenarios before making talent decisions but act **fast**
- ✓ Be **radically realistic** about talent capability, engagement and availability
- ✓ Accept that you will need to take **talent risks** that might not all prove to be right



3R's: Review, Respond, Reinvent

Questions to ask and actions to take

	Review	Respond	Reinvent
Questions to Ask:	<ul style="list-style-type: none"> What are our most critical roles or business processes? Who are our most critical people? What are the most likely business outcomes? What is our level of leadership risk? What cultural values are non-negotiables in our talent decisions? How transparent can we be? How much security/hope can we provide in face of uncertainty? 	<ul style="list-style-type: none"> Which exemplary leaders are emerging as key enterprise leaders or deep critical experts who can inspire confidence and directional clarity? Who is “ready enough” for a new role and how can we support them to ensure success? What assumptions did we make about our talent that is no longer true? What capacity / capability is in short-supply? 	<ul style="list-style-type: none"> How will our business pivot to post-crisis? What will then be the most critical roles or processes? What new capabilities will be needed and where can we build / buy / borrow / both? How did our response to this crisis tell us how we need to prepare for the next one? What did we observe as our level of agility, courage and innovation in the face of a crisis?
Actions to Take:	<ol style="list-style-type: none"> Reconfirm critical roles and identify emergency plans with at least 1 understudy (several is ideal) for each role; consider if roles can be divided, combined or eliminated Reconfirm critical people and identify emergency plans (more than 1) for each person; consider outside talent or Board talent as possible for “swing positions” Create business scenarios and run talent outcomes through each scenario Quantify impact of leadership risk in each scenario Start with your company purpose and communicate with as much transparency and hope as you can; where there are not answers, explain the decision criteria 	<ol style="list-style-type: none"> Move exemplary enterprise leaders into bigger more visible roles by-passing traditional talent processes Do “battlefield” promotion where needed Watch for patterns on teams and functions and deploy “just in time” training / reskilling where needed Step up real-time feedback as rapid course correction is necessary and will increase engagement Don't confuse great “war time” leaders with what you might need for the recovery effort 	<ol style="list-style-type: none"> Create a “reinvention task team” that works in parallel with the crisis management team; appoint a senior enterprise leader to lead this Develop a new high-level workforce plan for each likely scenario Assess for agility, courage and innovation and address gaps Leverage learnings from the crisis in your growth and development plan Redo your succession plan – emergency and long-term as appropriate



Thank you

