

SUCCESS+

# SUCCESSION PLANNING TOOL KIT



# Need to Develop Your Own Succession Plan?

There are many reasons why a company might invest time and resources into succession planning—from building a strong leadership pipeline and boosting employee retention to getting ahead of difficult transitions and projected challenges. Jeff Rosenthal, co-CEO and co-founder of ProjectNext Leadership, who has advised companies including Nike, Intuit, Nationwide and Levi Strauss in preparing senior executives and their teams for critical leadership change-ups, describes succession planning as twofold: the process of identifying individuals within one's company that can be in key leadership roles in the future and then the means by which you prepare those individuals so they are ready to take on their future roles. In his experience, Rosenthal finds that most companies spend enough time identifying potential successors but not enough on actively preparing these individuals for the roles and transitions ahead. He asserts that organizations who think ahead and know they need to be ready are much better prepared when departures occur.



## Included in this tool kit are templates and tips for:



Defining a succession planning strategy and determining what roles are most critical



Identifying and addressing common challenges that can arise in the next 6-12 months and beyond



Taking a broad approach to succession planning that fosters inclusivity and diversity



Prioritizing ongoing career development to support successor growth and readiness

## STEP 1

# Define the future goals of your company

Before creating a succession plan, it's important to understand where your company is now and where it's headed. Planning can focus on the short term (within a year) or look several years ahead. Part of these projections can include a drill-down of different team roles and responsibilities as well as probable challenges the company might face.

## Company Planning

Get clear on why you want to do succession planning for your company. Is it to replace people in specific roles? Or is it more about developing new skill sets that align with the anticipated growth of your company?

What stage is your company currently in and what are your top priorities and areas of focus?

What projected goals do you have for your company in the next 1-5 years?

What long-term vision do you have for your company?

When planning for future leaders, the sooner entrepreneurs and business leaders start succession planning, the better. Rosenthal notes that while it's easy for organizations to put off succession planning or treat it as non-urgent, taking a proactive approach has significant benefits—filling roles and facilitating overall career development. Executive teams should be talking about succession every two to three months as opposed to once a year. It's this frequency that can really make a difference when critical moments arise—like an executive team member's unexpected or early departure.

STEP 2

# Decide which roles and how many roles you want to plan for

As a next step, Rosenthal recommends that companies clarify which roles they want to focus on for succession planning. Are there specific positions that matter most, and how broad should the scope be?

A common pitfall is trying to attempt too much—initiating succession planning for hundreds of roles at once. Rosenthal says this approach is unrealistic and difficult to execute well. Instead, organizations should focus on identifying the most critical roles—the ones where it’s essential to have people ready to step in.

## Critical Roles

List up to 10 critical roles within your organization	Level of Impact (high, medium, low)			Vacancy Risk (high, medium, low)		
	H	M	L	H	M	L

## STEP 3

# Identify individuals who could succeed in these roles

To streamline succession planning and avoid getting bogged down in too many options, Rosenthal suggests narrowing potential candidates for each key role to two to four people—more if needed. Leaders can, then, focus on the most effective ways to develop these individuals so they can get closer to being ready for those roles. A solid onboarding plan also helps ensure a smooth transition for everyone involved.

## Identifying Successors

Critical role	Critical role
Position title: <input type="text"/>	Position title: <input type="text"/>
Potential successor: <input type="text"/>	Potential successor: <input type="text"/>
Hard skills: <input type="text"/>	Hard skills: <input type="text"/>
Soft skills: <input type="text"/>	Soft skills: <input type="text"/>

  

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Soft skills: <input type="text"/>	Soft skills: <input type="text"/>

Rosenthal warns that unconscious bias can cause leaders and executive teams to favor candidates similar to themselves. To counter this, he suggests broadening the pool of candidates and ensuring that at least one or two potential successors—often referred to in succession planning as “slates”—are outside the norm. This approach encourages a diverse set of experiences and allows leaders to make more informed decisions.

## STEP 4

# Prepare for both ideal and not ideal scenarios

Rosenthal shares that a common shortcoming of many succession processes today is that they're built for relatively stable companies, which is rarely the case in today's dynamic economic climate.

To address this, some companies adopt what Rosenthal calls "scenario-based" succession planning. This approach anticipates both ideal and less-than-ideal situations. For example, if a company plans to focus more heavily on AI adoption in the next six months to a year, it can identify internal talent already well-versed in that area. This method helps companies stay agile and better equipped to manage rapid changes.

## Scenario-Based Planning

Scenario 1

Scenario 2

Scenario 3

In today's job market, many companies are simultaneously hiring and laying off employees, creating a unique challenge for succession planning. Rosenthal explains that despite these challenges, companies must still focus on identifying key talent worth investing in. While leaders can't invest in everyone, they should make intentional, conscious choices about who they see as long-term players. Successfully retaining these individuals requires investing in their development.

## STEP 5

# Actively invest in “slate” career development

Rosenthal notes that there’s often a gap between who a company identifies as potential successors and how ready those candidates are when the time comes to fill those roles. Millennials and Gen Z, in particular, place a high value on personal career development as much as, if not more than, financial compensation. This creates a win-win for everyone: Employees gain growth opportunities, and organizations build a stronger talent pipeline with higher retention rate.

### Career Development

Name (of "slate"):

Position title:

Supervisor:

Long-term goals

Short-term goals

Examples of career development: (depending on their interests and the skill set required for the critical role)

- Mentorship
- Networking
- In-person training (conferences, etc.)

**“WHEN PLANNING FOR FUTURE LEADERS, THE SOONER ENTREPRENEURS AND BUSINESS LEADERS START SUCCESSION PLANNING, THE BETTER.”**

### ✦ BONUS

## Drive a cultural shift in succession planning, starting with senior leadership

Rosenthal notes that it’s human nature for some leaders to feel threatened by succession planning. They might worry that preparing someone to take over their role in the future could make them appear more replaceable to their superiors—especially if multiple people can feasibly step in. For this reason, leaders might spend less time developing successors when that fear takes hold, seeing it as the safer move.

To shift this mindset, Rosenthal encourages executive teams to reframe the conversation so they view succession planning not as a threat, but as something positive for everyone involved.

They can do this by:

- Positioning succession planning as a core leadership responsibility—focused on growing, mentoring and developing team members.
- Highlighting the personal upsides for the leader when a successor takes over—such as the opportunity to take on new challenges, expand their role or pursue new opportunities within the organization.