

How to Create a Succession Plan

Succession planning is essential within the C-suite—that includes for the General Counsel role. While the GC is often focused on the day-to-day strategic needs of the business, they also need to ensure the ongoing seamless servicing of the business when they or a member of their legal team transitions.

Assess your company's current business and legal needs and anticipate those that may arise.

CONSIDER:

- What does the company's five-year plan look like and what are the key skills (from a legal perspective) the GC will need?
- Who is the current CEO and how long is that individual likely to remain with the company? Is there a likely successor to the CEO? If so, who is that person and what do we think is that person's wish list?
- How is the business changing?

Communicate the timeline.

Tell potential successors what they need to do to be considered.

Prepare your internal candidate(s).

- Allow for more than one candidate to be in the running to succeed a particular role.
- Provide these candidates opportunities to:
 - Develop critical internal business relationships.
 - Develop critical external relationships, including with key outside counsel, regulators and business partners.
 - Gain needed skills and exposure to businesses, products and geographic regions.
 - Stretch and, yes, to fail—and learn. Failing in a project does not mean failing in succession. Consider this: Was good judgment demonstrated? Was a lesson learned? Was there growth?

Include succession planning in your own and your relevant team members' annual goals and performance reviews; this will make expectations clear and provide for metrics.

Consider whether (and when) to "publicly" identify a particular successor or to defer and let things play out over time.

The tradeoff: a predictability and a focused succession and "grooming" vs losing valuable talent when those not chosen feel slighted and may lose commitment or decide to exit.

Assess your internal team.

CONSIDER:

- Will your successor be an agent of change or a guardian of the status quo?
- Who can potentially do the job—and who can potentially do the job in 5 years? Things change, people leave, and you need to have alternative plans to adjust including the option of using an interim general counsel.
- What skills and strengths will your successor need that may be different from yours? Identify the skill and talent gaps of the members of your team in light of what is needed today and what may be needed tomorrow.
- Is there a DGC in place who can step into the role? Assess gaps in leadership skills, maturity and judgment—characteristics that are essential to stepping up to more senior roles.

Create a transition plan.

Ideally, the new GC will work with the incumbent GC for 4–6 months together to ease the transition. This puts less pressure on the new GC and the existing legal team and business folks will be more at ease.

Seek out your Human Resources team and the expertise of a trusted legal recruiter for guidance.