



PRACTICE

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- HOME
- NEWS HEADLINES
- PRACTICE
- BUSINESS
- DESIGN

Nine Steps for Succession Success

Tips to help firm owners avoid common transition perils and pitfalls

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How do you . . . plan for your own succession?

Summary: When it comes to planning for the transition of an architecture firm to the next generation of leaders, good things do not come to those who wait. Firm owners who do often find themselves feeling the pressure of a ticking clock, caught between needing to move quickly and immobilization.



If you are thinking about, and planning for, the next phase of your—and your firm’s—life, taking the following steps will help you move quickly toward your goal and assure smoother sailing in the process.

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REFERENCE

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1. Become a talent scout. You may be missing the right talent mix in your next generation team. How is the world changing? What kind of leaders will your firm need? The next generation leadership team may need different skills, sensitivities, and attributes than you did to succeed in the future. Focusing on the vision of your company, think carefully about what you need now in leadership as well as three-five years from now. Professional assessment tools can go a long way to help identify the best talent.



2. Know your ABCs. Owners of architectural firms consistently say that the business started to move forward once they learned to let go of the “C” players on the staff and developed an effective performance management and coaching process. You may find it difficult to do at first—and it will mean development of your conflict resolution skills—but it will pay off.

3. Pay attention to the alpha dog. You also may want to say goodbye to “A” players, where “A” stands for “alpha.” Alpha employees interact well with clients, are high producers, and work hard, but are abusive within the firm, can be bullies, and often serve as stumbling blocks to your succession success. Identify these individuals, give them a chance to change, and then help them to separate with ease if it doesn’t work out. The people you will want to become the future leaders and buyers of your firm will not be interested if it means inheriting alphas.

4. Understand that the proof is in the . . . projects. Grant ownership only when a person has proved his or her leadership abilities. The proof is in strategic learning projects for carefully identified up-and-coming next-generation individuals. These projects will give them the opportunities to prove that they can move from project managers to company leaders.

5. Become a decision-maker. Your next generation of leaders will need a methodology for making decisions, practice in making difficult decisions together, and a model to follow. It is important to set a good example for decision-making, so if you are not a decisive person, it is a good idea to obtain coaching in that area. If you don’t? Expect stagnation, delays, and discouraged personnel.

6. Take your time. Once identified, the future president or your company must be a leader—someone people will follow. This person needs time to demonstrate his or her abilities, judgments, leadership style, and interactions with people. Be humble enough and vulnerable enough to listen and change, and recognize that you will need to hone your change skills during this process.

7. Avoid parity of power. While the next-generation team must make decisions and learn together, avoid trying to be equal to all. Each person should not necessarily have the same amount of stock or the power as the next. The executive team will eventually pare itself down to the two or three people everyone trusts. Ideally, a next-generation president should be appointed by consensus, based on his or her track record of leadership and ability to gain peer confidence.

8. Consider a sale. If you aren’t ready to let go and share authority, or if you’ve tried several times and failed (perhaps losing key employees in the process), you may be better off being honest with yourself about a legacy. Think about selling your firm to a third party.

9. Identify and correct fatal flaws. Check your behavior and leadership ability for these three fatal flaws in transition planning:

- The inability to set direction
- The inability to align critical constituencies
- The inability to adapt to changing circumstances.

If you notice any of these flaws in yourself, it is important to work through them. The ability to grow beyond your flaws is an important part of leadership—one that needs to be part of your work as well as your next-generation team’s. Paying heed to these steps can set the tone for a smooth and effective transition in leadership. Managing a company and handling development of new leaders is a challenging task with risks and rewards to match. Don’t be afraid to seek the proper tools and advisors to ease the process and ensure a smooth sailing.

