

COVID-19

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Succession and the C-suite

For a number of years, there's been quite an industry growing to support effective board-level succession planning. COVID19 has shone a harsh light onto this, with some teams brought to their knees by several colleagues being ill at the same time. It's been a difficult time for all boards; it's also the right time to think about preparing for the future as a part of business continuity planning.

There is much advice and discussion on how to plan succession through talent pools, special development programmes and nurturing individuals. In the NHS, one of the Care Quality Commission's Key Lines of Enquiry expects to see leadership and succession plans at board level and below.

This bulletin considers the role of the C-suite in developing and nurturing talent for boards and looks at some of the competences you would hope to see in that group.

C-suite membership

So, what is a C-suite? For the purposes of this briefing it is the executive directors on a unitary board who have 'chief of' in their job title, although there are other governance models where executives do not sit on the board but operate at that level.

They are the most senior executives in an organisation and there aren't many of them. Usually, the list includes the chief executive, the chief finance officer and the chief people officer. In the NHS, the chief medical officer and chief nursing officer are added and other board level executives may also merit the title – sales, marketing, information – the list is potentially long.

To get to that level, you should be able to assume the highest level of subject knowledge and professionalism. As you are likely still to be at least the titular leader of a function, maintaining that competence remains important. But you can expect the C-suite team to have more in common with one another than with the function they are responsible for.

Their key role is to support the CEO on business strategies, offering their own insights and contributing to key decisions. If you sit on a unitary board, you will recognise the same responsibility of behaving and acting in the best interests of the organisation rather than as guardian of a fiefdom. Some organisations appraise executive directors twice – as a board director and as a director of a function.

Together, the C-suite should develop a shared vision and strategic alignment covering business, strategy, culture and themselves in terms of skills building and adaptability. You should expect to delve into your competences and extend them – CFOs and risk management, workforce directors and cultural astuteness and deployment for example.

A good CEO is usually a first rate communicator, thinker – both operationally and strategically – and collaborator, knowing when and how to depend on others for functional expertise in particular. This collective leadership should be seen to represent the integrity of the organisation with a reputation for ethical conduct replicated and embraced by the board as a whole.

C-suite succession planning

So what does this have to do with succession planning?

If the C-suite is to do its job properly, it needs to know that the services and functions for which the individuals remain responsible and accountable are being well run. In other words, each member of the C-suite needs a director, charged with running and being accountable for their service lines.

This may become an extended audition for a promotion – any good board director should be thinking about grooming their successor – so it is important that these directors are capable of taking over with immediate effect, at least in the short term. Preparing this group should be at the heart of any board succession plan.

Of course, the plan should look beyond the next level down – and indeed should be set within more than a single timeframe.

It should consider who is ready to step up now – and who will be ready in two-to-three years or even five years.

It should also consider what development opportunities to offer. These could include stretching assignments, perhaps including presenting to the board, shadowing senior colleagues, involving them in collaborations or more ambiguous activities as well as encouraging line management skills.

Potential should be assessed as much as performance, being transparent and of course using this as an opportunity to develop diversity and inclusion in the organisation. For example, in the NHS, bringing more clinicians onto the board is a priority and should start early on in a consultant's career.

While succession plans often focus on retaining the most talented members with real leadership potential, it is also about refreshing the mix. So, part of the C-suite's job is to keep an eye on the emerging talent in other organisations. This is not about spotting stars but identifying the team players who have the potential to add to the effectiveness of the organisation.

Pandemic planning

Through its detailed work with public sector boards, GGI is well placed to support this type of development. As the NHS moves to collaboration and structures that are not planned to have a legal personality, it is possible to see how a C-suite approach could provide a more consistent and top-team leadership model for chains of local health and social care organisations.

Our call to action is to encourage boards to review their succession plans as we emerge from the acute phase of the COVID-19 pandemic.

Our leaders, their deputies and their deputies' deputies have been tested to extreme by what has happened and what will continue to happen as we re-establish business as usual – whatever that means. The impact of having several members of the top team off at the same time has reminded us all that succession planning is part of the business continuity work that is crucial to a well-run board.

Now is a good time to reflect and act on leadership challenges and opportunities for the short and medium term.

If this bulletin prompts any questions or comments we would love to hear from you. Please call us on 07732 681120 or email advice@good-governance.org.uk.

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