

The Great Leadership Reset: Understanding Succession Planning in a Changing Workforce



When the founder of a financial planning firm announced her early retirement, the entire company was caught off guard. After more than three decades of leadership, she had built the business into a trusted name in wealth management. However, health concerns and shifting priorities accelerated her decision to step down. The leadership team, though aware of her eventual departure, had no immediate plan in place. A promising senior advisor was set to step into her role, but without sufficient preparation, the transition was rocky. Clients began expressing concerns, operational efficiencies faltered, and competitors were quick to seize on the instability.

Scenarios like this are playing out in businesses across a variety of industries. [According to Forbes](#), nearly 48 million people left their jobs during the “Great Resignation” in 2021, with an additional 4.35 million resignations in 2022. Leadership roles have been equally affected, with 1,337 CEOs departing in 2022, marking an increase from prior years. The ripple effect of these departures highlights the urgency for organizations to implement strong succession planning strategies, especially as businesses face evolving challenges in the workforce and marketplace.

WHY SUCCESSION PLANNING IS A BUSINESS IMPERATIVE

Succession planning is more than identifying potential replacements for key roles; it’s about ensuring long-term stability. In industries like finance and accounting, where trust and continuity are essential, a lack of preparedness can lead to lost client confidence and missed growth opportunities. When proactively preparing for transitions, companies can protect institutional knowledge, minimize disruptions, and maintain momentum even when leadership changes occur unexpectedly.

Despite its importance, many organizations remain unprepared. [Deloitte’s 2023 Global Human Capital Trends](#) report revealed that while 94% of leaders recognize the importance of effective leadership development, only 23% feel confident in their ability to cultivate these capabilities within their organizations. This gap underscores the urgency for strategic planning.

BUILDING THE RIGHT PLAN

The first step in creating an effective succession plan is identifying the roles critical to the organization’s success. While executive leadership often takes center stage, other positions, such as senior financial advisors, compliance officers, or operations managers, also play pivotal roles. A comprehensive plan ensures these positions are not overlooked, safeguarding continuity across all levels of the business.

ACTIONABLE STEPS FOR SUCCESS

Evaluating internal talent is a cornerstone of effective planning. Leaders should assess their employees’ readiness for advancement and identify those with the potential to grow into larger roles. Structured programs, such as mentorship and leadership training, can help close the divide in skills or experience. For example, offering advisors opportunities to take on additional responsibilities, such as managing client portfolios or leading internal teams, helps them gain the experience needed for future leadership positions.

Cross-functional training is another critical component. Leaders who understand multiple aspects of the business are better equipped to address complex challenges. To further illustrate, an advisor with expertise in compliance as well as client relationships will bring a well-rounded perspective to decision-making.

Incorporating data and technology into the process can also enhance decision-making. Tools like predictive analytics, leadership assessments, and performance evaluations provide objective insights into an employee’s readiness for advancement. This reduces bias and ensures that succession planning decisions are based on merit and capabilities.

HELPING BUSINESSES PLAN FOR TOMORROW

Succession planning is a complex process that requires foresight, precision, and expertise. Excel Partners specializes in helping businesses create customized hiring strategies to address both immediate leadership needs and long-term talent development. With a deep understanding of various professional industries and a proven track record of identifying exceptional talent, Excel Partners helps organizations build talent pipelines tailored to their unique needs.

From filling interim leadership roles to identifying and developing the next generation of executives, Excel Partners provides the solutions businesses need to thrive during times of change. Together, we can help your business prepare for the future and achieve success in 2025 and beyond.