

Relational Audit Case Study

Succession planning and selection

Results from an intervention by Team Focus

The company was a highly successful consultancy business offering engineering solutions to its clients. Started 30 years ago by an entrepreneurial engineer it had grown to a turnover of £15 million when the owner appointed a new MD. It now turns over £25 million.

The challenge

The top team was concerned about ‘the next step’. It was no secret that the MD would retire in less than 5 years. He had taken the team away where they had agreed direction and strategy and yet there was a level of disharmony in the team. The CEO invited Team Focus to run a ‘Team Build’ event to sort things out.

The interventions

Team Focus agreed to run a 2-day event but requested confidential 1:1 sessions with each member of the Executive Board prior to the event. This was for the consultants to get to know the participants, begin to build a relationship and to get to know some of the underlying attitudes and issues. The 1:1 sessions revealed great concern about climate, direction and particularly the question of succession. Some believed that decisions were being made behind closed doors. Many were unclear how decisions were being taken and who was being consulted. It was agreed that the proposed 2-day event would go ahead with an agenda for ‘getting to know each other better and creating a more open climate’. The first day was designed around activities designed to get people talking and sharing. The second day moved the agenda back to work issues and concerns.

The 2-day event revealed that the team was unclear about what was happening and how decisions were to be taken. It was also clear that the issue of succession was surprisingly urgent. However, it was also clear that there were rivalries concerning internal applicants. As a result Team Focus proposed and then implemented the following process:

- Building a competency framework to describe the key attributes required by the new CEO followed by a process for clarifying their emphasis and importance. Since this was a consultative process an open debate arose concerning some fundamental differences concerning issues of technical knowledge and orientation (i.e. should the CEO focus outwards to build the company's image and presence in the market or should s/he focus inwards to build the team, facilitate the relationships and grow the talent).
- To inform this debate the Relational Health Audit was administered online to a wide sample within the company. This demonstrated that relational issues were of greater importance than the top team realised which resulted in a changed emphasis away from an analytical and networking style to a more developmental and facilitatory style.
- Internal aspirants were invited to discuss issues with the current CEO and to sign up for a process called Reality Coaching. This enabled them to consider their own strengths and weaknesses prior to formal application for the CEO role. Part of Reality Coaching is to go through a rigorous assessment procedure benchmarked against other top jobs and for the person to consider the results and implications with a coach.

The outcome

The result has been that several aspirants to the CEO role have self-selected out recognising that they do not have what is needed going forward. The climate in the top team became more open and positive as a result of having a clear and open process. The potential fallout, which often comes from succession battles, appears to have been averted or at least reduced. The company has since acknowledged that without the Relational Health Audit they would not have identified the significance of the relational issues. Having a tangible metric for relationships (the RHA) transformed a debate concerning basic differences in opinions into a discussion based on meaningful evidence. The significance of the Relational Agenda would have remained where it is in most companies – recognised as important but having little impact on thinking and process. The appointment of this CEO has clearly shifted towards a more relational style with clear buy-in from the team.

Team Focus is a psychology-based consultancy working in partnership with Relationships Foundation to deliver relational consultancy.

Relationships Foundation

Jubilee House 3 Hooper Street Cambridge CB1 2NZ
Tel +44 (0)1223 566 333 Fax +44 (0)1223 566 359

Registered charity no. 1106460
© Relationships Foundation 2005

info@relationshipsfoundation.org www.relationshipsfoundation.org

think relationally