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executives at those companies citing they have an heir apparent.

Dec. 26, 2018



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Of the respondents without a succession plan, 64 percent said it was because they were not planning to leave the company in the near future. Other reasons included a lack of qualified candidates within their current organization (17 percent), focus on other priorities (14 percent) and lack of concern as the executives would no longer be with the company (4 percent).

“Succession plans are critical but often overlooked as executives focus on other pressing issues,” said Tim Hird, executive director of Robert Half Management Resources. “Yet for a business to weather change and continue to run smoothly, it’s imperative to identify and train potential successors, not just for C-level positions, but roles throughout the organization.

“Succession planning is not just about continuity,” added Hird. “In addition to preparing the company for inevitable change, it creates a culture of professional development, enhances knowledge-sharing between existing leadership, and helps identify and retain future leaders.”

Robert Half Management Resources identifies the potential pitfalls for organizations that lack a succession plan:

- **Business disruption** — Productivity and operational efficiency are at risk without a contingency plan. An orderly succession ensures that a leadership departure remains a manageable event rather than an organizational crisis.
- **Legacy loss** — A company that doesn’t engage in executive mentoring and knowledge-sharing can struggle with retention and potentially lose institutional expertise.
- **Strategy standstill** — High-level executive absences and departures can put strategic decision making on hold and impact long-term projects and initiatives.
- **Succession ambiguity** — The lack of a defined advancement protocol can hinder internal promotions and undermine organizational confidence, impacting

everyone from the [CFO aspiring to a CEO role](#) to executives and staff throughout a

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