CHAPTER 1

Developing Sustainable Leadership Through Succession Planning

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The focus of this chapter is to discuss how to develop sustainable leadership through succession planning. The terms sustainable and sustainability are used in throughout much of the literature to describe concepts such as corporate social responsibility (CSR) and/or triple bottom line (TBL) (Smith & Sharicz, 2011; Wasdell, 2011; Wikström, 2010). However, the focus of the present chapter is to examine the concepts related to sustainable leadership. The impact from a sustainable leader is evident even after a change in their leadership tenure (Hargreaves & Fink, 2006). In other words, the success of the organization does not rely on one charismatic leader. For simplicity, the term organization is used throughout this chapter to refer to a variety of businesses, corporations, governmental entities, and non-profits.

Succession planning is a long-term strategy employed by many organizations to promote organizational sustainability. However, organizations and their leaders are often evaluated using short-term effectiveness measures such as profit margin, value to investors, or political fit, just to name a few. Because there is not one measure of leader effectiveness across the many types of industries, one must examine multiple measures of leader

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effectiveness. Instead of viewing a leader as either effective or ineffective using a binary choice, one may alter this lens to examine leader effectiveness using an effectiveness continuum. Using this lens, effectiveness is examined between two poles of effective and ineffective with the leader’s performance falling at varying points on the continuum. Leader effectiveness is an important concept because it can have a direct impact on organizational success. The vignette below provides an example of the effectiveness continuum in practice, where ineffectiveness in leadership can create broader issues within an organization.

Uber is an example of one type of organization that disrupted the status quo by incorporating technology, ride sharing, and independent drivers to create a global ride-sharing service. The type of business model employed by Uber proved to be effective (an example of organizational success). However, the popular press has covered leadership failures among a variety of startup companies, such as Uber, primarily because of issues related to the rise of “Bro-culture.” Bro-culture is a term used to describe negative behaviors associated with a hyper-masculine fraternity style culture. The culture has prevailed within many organizations that were founded by young males. Bro-culture has been toxic to the work environment and has been the downfall of the leader at Uber and possibly the company itself. The Bro-culture within Uber where the chief executive officer (CEO) had to resign and lawsuits have been filed provides one example of an organization publicly confronting the impact of the negative culture. The issue of Bro-culture within Uber shows that leadership was ineffective in terms of protecting the organization, as Uber developed the corporate culture over time. While the issues at Uber provide an example of a clear failure of the leader at the top, it also indicates a clear systemic failure for the organization.

Since the 1990s there has been a warning provided across many industries that baby boomers (a term used to describe those born between the years 1943 and 1960) (Strauss & Howe, 1991) will be retiring in large numbers, resulting in a leadership vacuum at all levels of the organization. These warnings are especially concerning at the top management team and C-levels within organizations. Baby boomers have not been as quick to exit the workforce as expected for a variety of reasons, such as their leader identity and the financial inability to retire owing to the Great Recession, among others. During the time when organizations were starting to plan for these expected retirements, the concept of succession planning became popular. This was viewed as a strategic initiative to protect the organization against the unknown, similar to contingency planning.
The present chapter is segmented into five major sections: (1) sustainable leadership concepts; (2) staff training used toward leadership development; (3) leadership development used toward succession planning; (4) succession planning as part of the broader sustainable leadership concept; and (5) issues in succession planning.

**Sustainable Leadership Concepts**

Hargreaves and Fink (2006) identified seven hallmarks of sustainable leaders: (1) depth—learning and integrity; (2) length—endurance and succession; (3) breadth—distribution, not delegation; (4) justice—others and ourselves; (5) diversity—complexity and cohesion; (6) resourcefulness—restraint and renewal; and (7) conservation—history and legacy. Goolamally and Ahmad (2014) found five factors that school leaders needed to create sustainable leadership. These were: (1) integrity, (2) forward looking, (3) inspirational, (4) competence, and (5) self-efficacy. Although these concepts are examined in the field of education, the present chapter extends this work into other sectors and provides direction on how leaders can best sustain their organization long after they have left. Bottomley, Burgess, and Fox III (2014) proposed an interdisciplinary model of behaviors and skills that leaders may need to attain which could lead to sustainable leadership. While Raelin (2016) posited that “sustainable outcomes are also shaped by sustainable practices” (p. 17), Santora, Sarros, Bozer, Esposito, and Bassi (2015) found that poor succession planning has a negative impact on the sustainability of non-profit organizations. The concept of sustainable leadership includes implementing processes and systems that support the culture even after a specific leader has left; sustainable leadership takes a strategic long view of the organization.

The formal positional leader is often credited for the success and/or blamed for the failure of an organization. When successful companies fall apart after the dynamic leader leaves, this indicates it is because no one was prepared to take on the mantle of leadership. The lack of those prepared to take on leadership responsibilities indicates a greater need to develop robust systems for internal staff training, leadership development, and ultimately succession planning.

Using the principles described by Hargreaves and Fink (2006), staff training is aligned with the principles of depth, length, and breadth. Leadership development is aligned with the principle of justice. Succession planning is aligned with the principles of diversity, resourcefulness, and
conservation. While these principles are not explicitly detailed within the chapter they are used implicitly in the following sections.

**Staff Training Used Toward Leadership Development**

The leadership in organizations uses a variety of staff training methods and tools to introduce employees to their new positions. While these methods and/or tools may go by varying names, such as new staff orientation and employee onboarding, the purpose is to clearly communicate the organization’s culture, policies and procedures, and expectations. In addition to the onboarding process there may be other staff training events which require employee participation.

Internal staff training is one type of event that examines the knowledge, skills, and abilities (KSA) of an employee to do the immediate job. Many companies and organizations require a minimum level of each of these KSAs to enter the job, and then organization-specific KSAs are provided to staff through on-the-job training activities and/or continuing education. Those responsible for staff training are often looking for additional learning solutions to deliver training that is higher quality, more effective, and directly relates to the employees’ duties.

Once an employee is identified as having mastered the KSAs for his or her current role, organizational leaders often provide these employees with additional management training to allow for job growth and promotion within the organization. This type of training moves beyond the traditional knowledge, skills, and abilities needed to do a specific job; instead, it becomes more general and transferable, to manage people transcending a variety of job functions. In addition to management training, employees may become exposed to leadership development activities.

**Leadership Development Used Toward Succession Planning**

Relational leadership theory provides a framework of leadership that goes beyond leader–follower relationships and views leadership as an emergent process (Uhl-Bien, 2006). Accordingly, Van Velsor (2008) indicated the complexity perspective on leadership development, examining leadership as emergent and moving beyond leadership simply as a person or position. One can see how leadership refers to the acts of the collective versus those of one positional leader. With this definition of leadership, one can see how developing those in the organization to take on the leadership
function may be important. Groves (2007) provided examples of successful companies who incorporated the leadership development process as part of their formal succession planning processes. These leadership development activities form the basis for succession planning.

One of the big differences between training and leadership development is that leadership development activities provide feedback as part of the process. By using feedback, those involved in leadership development programs can learn just as much about themselves as they can about leadership principles. Various forms of feedback are identified as part of this process including 360° evaluations, understanding individual personality preferences, and developing self-awareness (Day, Fleenor, Atwater, Sturm, & McKee, 2014). Advances in peer evaluating delved into asking which coworkers one prefers to work with and why one prefers to work with them versus using a traditional rating system. This type of evaluation may say more about someone’s true performance and value to the organization.

In addition to providing feedback, leadership development activities also provide new behaviors that the new leader needs to master. These may include finding work-life balance, developing others, and getting things done through other people. These behaviors are often developed through programs that focus specifically on these issues.

Leadership development programs are commercially available through a variety of vendors that are local, regional, national, and/or international in scope. Local programs may be available through the local Chamber of Commerce (for example Leadership City Name) or via the local United Way or charitable foundations, which may host a non-profit leadership development program. Regional programs may be available through universities, centers, and other venues. Programs that are national or international in scope may be provided through consulting and/or leadership development organizations (Center for Creative Leadership). These programs may target a specific level within an organization, provide opportunities for interdisciplinary learning, or even work across a variety of industries. Regardless of the type of program, it is important that there is a significant connection between leadership theory and leadership practice (Clayton, Sanzo, & Myran, 2013). There must be an impact for the learning and application of it in the real world.

John, a high-performing regional manager in a Fortune 500 company, was selected to participate in a commercially available three-day leadership development program. He introduced himself and stated he was sent to the
program because of the way he responds to his employees. John viewed the program as a punishment at first. He spent the next few days with people from a variety of industries learning more about leadership principles, their own leadership preferences, and given individual feedback to make some changes in their own actions to be a better leader. At the end of the three-day experience, John had a better understanding of how his actions impacted others and might limit his own career progression.

In the vignette, John was potentially limiting his career progression because of his actions toward his employees. While upper management liked that he was a high performer who got results, he was creating a negative culture within his work team. By participating in a formal leadership development program that was outside his organization, John received the feedback that he needed to change his negative performance, which could ultimately put him back in line to take on more responsibilities and leadership roles within the organization.

Succession Planning as Part of the Broader Sustainable Leadership Concept

Succession planning is a strategy employed by many organizations to be able to recruit and promote employees into leadership roles. This promotes retaining organizational memory, allows continuity in strategic direction, and reinforces organizational culture (Groves, 2007). While baby boomers are staying in the workforce longer than originally anticipated, many organizations face escalating retirements from the baby boomer generation; therefore, succession planning provides an opportunity for them to promote younger talent into these formal leadership roles.

In addition to being used for development, succession planning could be used as a tool to increase diversity within an organization. The organization needs to take an inventory of the various types of diversity represented within the organization and the areas that are missing to be able to increase the overall diversity within the leadership ranks. Then, as part of the succession planning process, the leadership team would need to become intentional on increasing diversity.

Hargreaves and Fink (2006) stated that “sustainable leaders are assertive and activist in their refusal to implement external and unsustainable agendas” (p. 268). This means that leaders must not settle for short-term interventions, but must focus on long-term efforts. Providing these long-term sustainable solutions often takes time and often a different skill set than short-term interventions.
Sean was a leader who managed short-term goals and measured success by year over year bottom line results, with the focus to exceed the budgeted performance each year to make himself look good. He would demand more from his salaried staff by requiring them to work more hours, cut out budgeted staff development activities, and try to increase income. Ryan worked in Sean’s department, but was promoted to another department with Ann. Sean and Ann were rivals within the organization and Sean continually pushed his supervisors to give him more responsibility. Ann had a very different style and looked at both short-term goals and long-term performance. She focused on providing staff with the resources needed to do their job, and focused on staff development and work-life balance. Ryan had a lot to learn in his new role and reported to Linda. Linda exhibited a good combination of the traits of both Sean and Ann. Linda was eventually promoted to head another department and Ryan was promoted into Linda’s position. Sean left the organization for a promotion within a similar organization, and the department that he oversaw began to unravel because of the unsustainable practices he had implemented.

In the vignette, Ann was focused not only on managing the performance of the department, but also in developing people to take on positions across the organization; whereas Sean was more focused on making himself look good by demanding more out of his employees instead of developing them. While Ann was focused on developing people to become her equal in the organization, Sean was focused on advancing himself. Once Sean eventually left, it was clear to see his lack of leadership as results began to fall apart.

**Issues in Succession Planning**

As previously noted, baby boomers are staying in the workforce longer than expected. In some cases, they are performing a second act in the non-profit sector to use their business acumen and give back to the community in a meaningful way. In other cases, they may be staying in their position of leadership because they define themselves by their role. Whatever their reason for staying, this may derail the formal succession planning process and block younger leaders from taking on developmental opportunities and/or formal positional leadership promotions.

Another significant issue is that organizational structures have flattened (Groves, 2007) over the past few decades because of a variety of compounding factors such as the global financial crisis and companies needing
to drive down costs to preserve profits for shareholders. While this is good to limit waste and increase productivity, it has also created the unintended consequence of having fewer staff to create a progressive career path within an organization. For example, in many early succession planning programs the concern was primarily replacement planning (Groves, 2007) to replace retiring C-level employees. The approach was to promote an heir apparent into a role to allow on-the-job learning while the current employee began to transition duties to the heir and transition out of the formal leadership role. This model proved to have significant issues such as not increasing diversity, the bringing along any negative baggage from his or her predecessor, and so on.

Referring to the vignette introduced at the beginning of this chapter, succession planning would not be helpful in the toxic work culture created at Uber because it would likely perpetuate similar negative behavior and continue to perpetuate the undesirable culture. Uber is looking outside the organization to hire a new CEO and is trying to reclaim the organization’s image from the issues related to Bro-culture previously described. The new CEO will have a challenge to build and sustain a new culture.

**CONCLUSION**

The present chapter has discussed five major issues related to sustainable leadership and succession planning. One must recognize that using sustainable leadership principles for succession planning is a strategic decision. Prior research by Vroom (2003) has indicated that more than half of all strategic decisions are never fully implemented.

Sustainable leadership is not a new concept; however, it has not been broadly applied outside the field of education. The concept of sustainable leadership has the potential to provide a framework across a variety of industries to examine succession planning. For instance, Hargreaves and Fink (2006) state that “sustainable leaders don’t perpetuate repetitive change; instead, they build improvements on the ones that preceded them” (p. 268). Sustainable leadership and succession planning are issues that a variety of industries will continue to struggle to solve. Sustainable leadership through the succession planning framework provided in this chapter can help leaders in organizations develop specific strategies and tactics to address staff training, leadership development, and succession planning needs within the organization.
REFERENCES


