

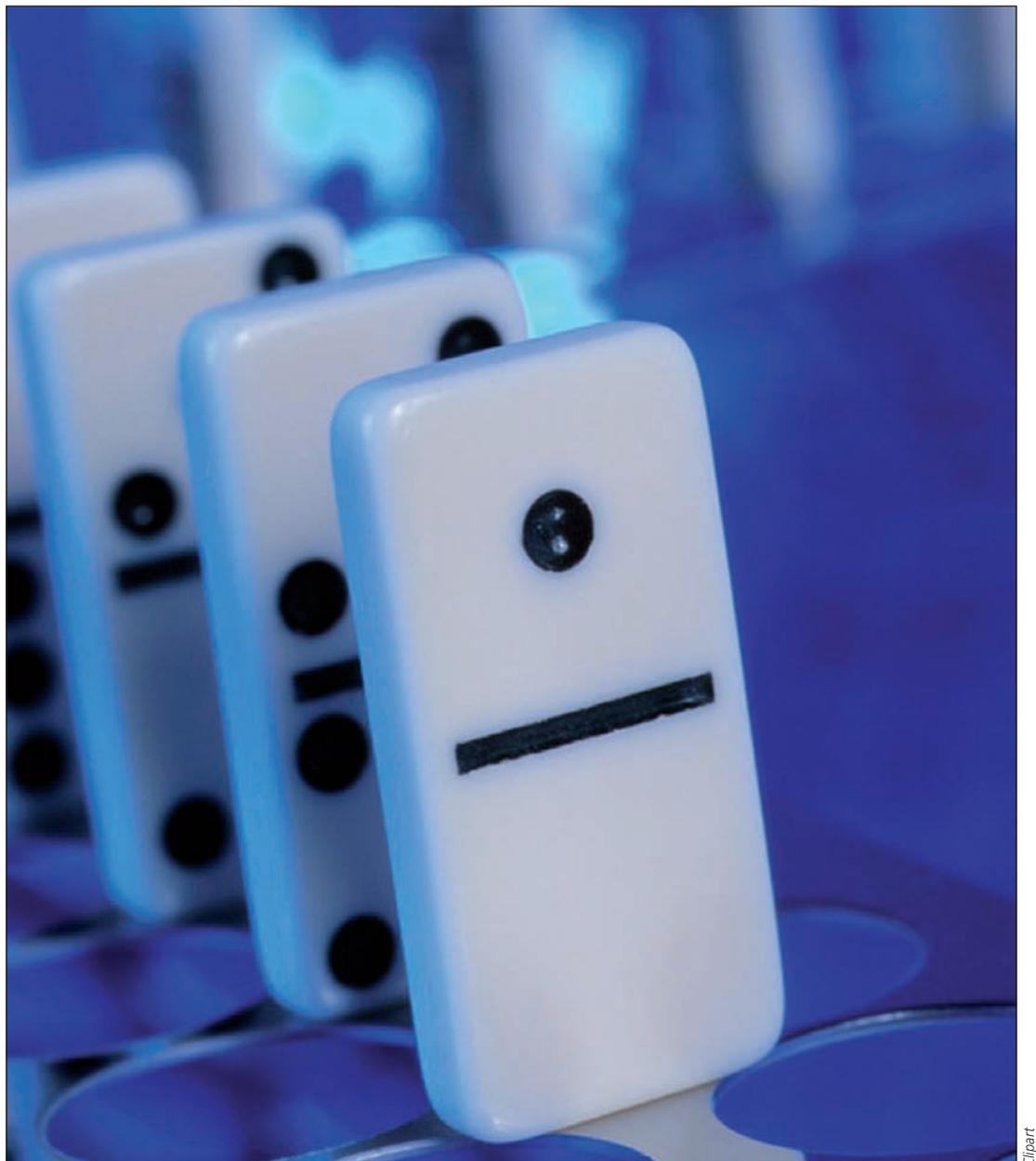
The succession pipeline

In the first of two articles, **Andrew Bass** and **Clio Demetriades** offer their advice on how to ensure promising associates maintain the momentum to make it through to partner

A partner from a 'big four' accounting firm hired one of us (Andrew Bass) to work with some of his senior managers on a one-to-one basis. He explained: "I have some really bright guys who have succeeded throughout their lives by being excellent at technical things. And that has got them as far as one level below partner. But then one day they started coming in and they were not standing so tall; in fact, they were dead worried. Because they

had just realised they have not been commercial enough and that they therefore are a long way from making the case for partnership. They are used to succeeding but now they are stuck and cannot make any further progress by doing what they have done to succeed before."

We have also worked with a number of firms recently that have been caught by a scenario with which I suspect most readers will be familiar: a longstanding



partner retires and his client base dissolves because the relationship has developed over the years on a very personal basis. The same happens at any time when partners move firms without there being a strong number two in place to babysit the client base.

The right jobs

There is a strong consensus among the most influential managers and writers on management that the key function of top leadership is to make sure the right people are in the right jobs, armed with the right skills (see, for example, Peter Drucker's *The Essential Drucker*; former General Electric (GE) chief executive Jack Welch's *Winning*; Ram Charan and co-authors' *The Leadership Pipeline*). The GE phrase is 'building bench strength'.

STRATEGIES THAT HAVE SUCCEEDED FOR AN INDIVIDUAL AT ONE LEVEL MAY BE INADEQUATE AT THE NEXT

How do you get an overall feel for how your management has matched people to roles and, crucially, how will it be able to do so in the future? The detail is (perhaps) contained in the collected job specifications and promotion criteria prepared diligently by human resources. But these lists are never short and the language in which they are couched ('excellent' this, 'exemplary' that) tends to make one spec indistinguishable from another to all but the most diligent job analyst. That makes it hard (not to mention boring and time-consuming) to get an overview of the required progression through the levels of the firm.

But if top leadership is to fulfil its function, it needs to have a clear sense of its bench strength. A leader who has this sense will easily be able to answer three questions.

1. Will our existing people be able to rise

to the demands of the roles required in the future? Firms need not only excellent practitioners but also excellent business-like managers to ensure service levels are kept high, work is won and juniors are trained. Just as in corporates, therefore, development has to mean a lot more than 'professional development'. And there are key snagging points which have to be understood and headed off.

2. Can we absorb the ripple effects if and when key partners move? Partner moves and raids are inevitable. Such an event can trigger a series of departures (of clients and staff) which, if left unmanaged, can devastate entire departments or client sectors. Smaller firms are particularly vulnerable to this, but the threat is real to large practices too.

3. Will we have the right people to lead the firm? The top job is a key determi-

nant of a firm's success. Firms often have to go back to the drawing board when the crown prince/princess walks out and there is a gaping hole between senior partner and the next in line. In that situation a firm is vulnerable and we have all seen formerly successful firms that, lacking cohesion, see performance slip, clients leave and partners jump ship.

Will current staff meet future demands?

The accountancy firm example with which we opened is a specific, probably familiar, example of a much more general issue in career progression and its corollary, talent management. An initial period of business growth typically tapers off as it reaches a limit and ends up on a plateau. This pattern holds

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true, not only for individual careers but also for services, products and whole businesses. For example, many young professionals, flush with initial success based on technical competence, neglect business development until later in their careers than is ideal. Very often, as in the case of the accountants in the opening example, the plateau actually starts to erode as they get overtaken

JONATHAN BOND, FRAMEWORK FOR THE FUTURE

'Pinsent Masons recognises that its future success depends on ensuring that its people have the skills to handle tomorrow's challenges, not just today's. That is why we have put in place a career model for all our lawyers. Lawyers can progress from trainee to solicitor, to associate, to senior associate, to fixed-share partner, to equity partner. At each stage there is a tailored programme which builds the skills lawyers need to advance to the next level. As a key recent development, Pinsent Masons has put in place a 'capability framework', which spells out in detail what is expected of lawyers at each stage of their career — very useful to help people know how they are performing now and what areas they need to develop to prepare for the next level of their careers.'

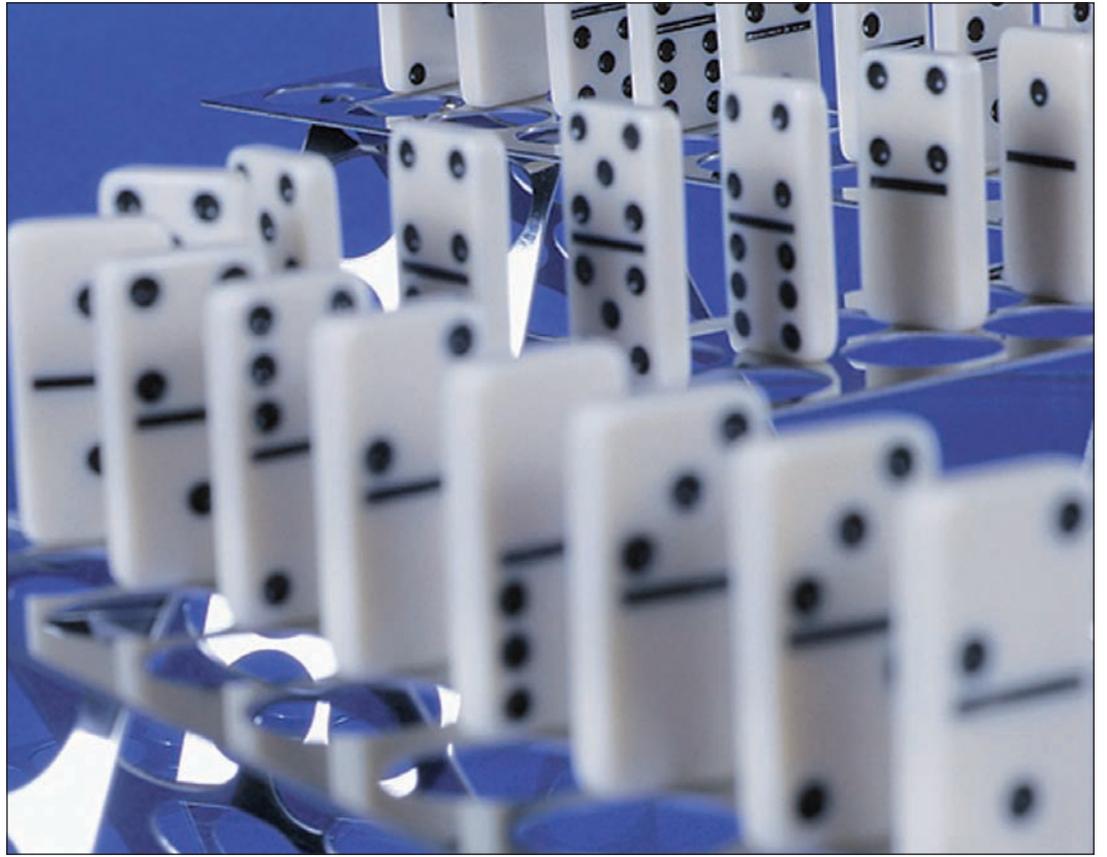
Jonathan Bond, director of HR and learning, Pinsent Masons

by others with more foresight. In a large firm, it is the individual who suffers; they are up or out and others take their place. The overall effect on the firm is low, at least until the individual becomes more senior. For smaller and medium-sized firms the stakes are higher. The typical small commercial firm founded 20 years ago by a group of contemporaries is likely today to be a larger growing practice with more specialist departments than it started with. Department heads are likely to be the firm's founding partners and they will all reach retirement age at the same time. If no new finders of work are in place then the problems faced by the business from having just one depleted department will be multiplied simultaneously throughout the firm. This leads, at best, to the firm considering a merger — or, at worst, disintegrating overnight.

Key transitions your people must make

The strategies that have succeeded for an individual at one level may be inadequate at the next. In the GE-based work mentioned earlier, Charan and his co-authors (in *The Leadership Pipeline*) identify a series of transitions (from individual contributor to supervisor, to manager-of-supervisors, to manager-of-managers, to business unit head) where continuing success depends on making changes in three dimensions: 1) skills; 2) values or priorities; and 3) appropriate time use.

We have found it useful to adapt the idea to transitions more typical of professional firms. Transition one: from



MANY YOUNG PROFESSIONALS, FLUSH WITH INITIAL SUCCESS BASED ON TECHNICAL COMPETENCE, NEGLECT BUSINESS DEVELOPMENT

assistant to associate; two — from associate to partner; three — from partner to manager of partners, and finally from manager of partners to manager of firm.

The key point is that in each transition it is not just the title, status and rewards

that change. The personal strategies required for success change too. People get stuck on plateaux (or promoted to the level of their incompetence) when they fail to adapt those strategies to the new demands, and keep on blithely doing what they have always done. ■

Andrew Bass is managing director of BassClusker Consulting and Clio Demetriades is a partner specialising in legal recruitment at Howgate Sable.