
Leadership Continuity and the Future of Your Firm

Your firm's management has carefully planned out the clients and projects targeted for the coming years. You have developed and initiated a comprehensive staff development plan to keep talented professionals progressing through the ranks of the firm. But does your firm have a leadership continuity plan in place?

If you answered yes, your firm is ahead of the game and well-positioned for a productive future. If not, now is the time to start developing such a plan, whether your firm is still managed by a founding partner or has already transitioned from one generation of leadership to the next.

Raymond Kogan, AIA, is the founder and president of Kogan & Company, a strategic planning and management consulting firm for design and construction firms. At The Future of Professional Practice conference (December 2–4) held by the AIA in Washington, DC, Kogan spoke of the importance in creating a strategic plan that identifies and promotes future firm leaders.

How Does Your Firm Find a New Leader?

Kogan notes that if a firm is short on money, it can borrow from a bank. If work is in short supply, the firm can increase marketing efforts to attract clients and projects. But if the firm is short on leadership, there is no easy solution. If an obvious leader does not already exist, developing a new one is difficult to do in a hurry, and bringing in someone from the outside is risky. While many business sectors offer numerous books and training resources for developing leaders, the

design and construction industry offers little in this regard. Firms are often left to develop firm-specific plans with little industry insight.

What Kinds of Characteristics Should a Leader Have?

The best future leaders are often homegrown. The ideal leader is someone who has worked in the firm and participated in its growth. A leader hired from outside the firm not only has to get up to speed quickly on all of the business aspects of the firm, but on its cultural nuances. A leader developed within the firm is better equipped to address internal politics and relationships, leaving more availability to focus on the firm's position in the marketplace.

Beyond this basic criteria, Kogan states that a firm should agree on its own unique and essential leadership characteristics. "The firm needs to find someone who answers these questions: 'Who personifies our values? Whose interests and strengths would propel us forward?'"

How Does Your Firm Transition From Its Founder?

Transitioning from a founder to the second generation leader is an especially critical and delicate juncture in a firm's development. The founder often has a strong entrepreneurial personality that has driven the firm. The next leader needs to be even more astute to have the ability to navigate the firm through the rapidly changing landscape of integrated project delivery, building information modeling, and other technological and industry advancements.

Kogan maintains that a prudent

transition can best be achieved through a strategic plan that addresses leadership succession, and he identifies some key elements for a successful succession plan:

- Detailed description of any issues or problems that could affect leadership transition;
- Strategies for implementing each stage of the transition as well as coping with unexpected events;
- A timetable of milestones related to transition, i.e., press releases, announcements, and other promotional events; and
- Specific action plans for both the founder and second generation leader.

Kogan says:

the succession plan should also include clear responsibilities and boundaries for the outgoing leader. Confusion over this issue could lead to doubt among firm staff as to the next leader's ability to lead, confusion as to who has decision making authority, and potentially divisive issues related to compensation.

Where to Get More Information

The information offered in this article is a brief synopsis of the detailed information offered by Ray Kogan. More detailed information can be obtained from Ray's new book, co-authored with Cara Bobchek, *Strategic Planning for Design Firms*, available at www.amazon.com by searching for Raymond Kogan. The paperback edition is currently available for \$47. For more information about Kogan & Company, go to their website at www.KoganCompany.com. ♦