

## CASE STUDY

# SUCCESSION PLANNING FOR A FAMILY-OWNED BUSINESS

## THE CONTEXT

A \$900M family-owned business in the food-processing industry was dealing with a complicated succession scenario: the first non-family member CEO had grown the business at an impressive pace, and the candidates vying to replace him consisted of six members of his team – three family members, three non-family members. To make matters more complex, the three family member candidates were also on the Board. The CEO and Chairman of the Board were seeking a partner to help create a future-focused success profile and assess the candidates against it to objectively evaluate successor readiness.

## THE SOLUTION

- **Build and extensively vet success profile.** Vantage worked with the current CEO to develop the success profile with not only the priorities of the business in mind, but the values of the family. It was then shared and vetted subsequently with the management team, the Board, and the family council. By inviting all stakeholders to weigh in and approve the final product, the team created a profile whose “face validity” was respected by all, regardless of assessment outcome. This has a strong influence on perceptions of fairness and relevance
- **Conduct 360 assessments for identified candidates.** Vantage worked closely with HR and the CEO to customize the assessment open-ended questions, which were designed to generate insight into leader strengths, development opportunities, and performance framed against the established success profile (qualitative and quantitative measures). Vantage also created a simulation to gauge strategic thinking and visioning abilities; finally, we leveraged measures of leadership, personality, and critical reasoning to provide an additional assessment of key capabilities.
- **Provide candid developmental feedback and recommendations to the Board.** Vantage created detailed development reports for all six candidates, which were shared during a 1:1 feedback session. This allowed candidates to make an informed decision on whether to proceed to the final round of Board interviews or withdraw. Vantage also created a detailed report for each candidate and shared verbal recommendations on each one’s level of fit with the success profile.
- **Write interview questions and provide coaching to the Board.** The final successor candidates went through a last round of interviewing with the Board. To maximize the effectiveness of this process, Vantage helped the Board compile relevant questions and coached members on interviewing best practices.

## THE OUTCOME

Vantage recommended one candidate as being ready to ascend to the CEO role immediately, with two other candidates being close pending further development. The Board went on to interview these three candidates and ultimately selected the ready-now candidate.

Participants said of the process:



The Vantage team added a professional, structured approach to the process that was critical in establishing credibility to the outcome. I appreciate all Vantage has done on behalf of the company.

—*Incoming CEO*



Thanks for the excellent work...frankly it validated even more in my mind that Vantage was the right decision and the correct process, and [that the] people leading it would arrive at the correct decision.

—*Retiring CEO*

## ABOUT VANTAGE

Vantage Leadership Consulting is the leader in partnering with organizations to identify and develop world-class leaders who can drive their companies' business strategies to success.

From leadership assessments and coaching to succession planning to leadership development programs and high-performance team development, Vantage has spent more than four decades focused on a single mission: ensuring their clients have the leadership required to win in their marketplace.

Founded in 1976, Vantage is based in Chicago, IL and serves clients worldwide.

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