

Succession planning is essential for long-term stability and risk management. It is not just about replacing leaders but about ensuring continuity through a proactive approach to talent.

Unplanned executive or Board departures can disrupt operations and damage confidence. A clear, forward-looking plan reduces risk, minimises disruption and supports strategic alignment.

Effective succession planning should begin 2 to 5 years in advance. Stratum offers a structured five-step process that is flexible and tailored to each organisation's needs.

With a proactive, structured, and inclusive approach, organisations can reduce leadership risk, retain critical knowledge, and build resilience for the future.

1 ALIGN

- Engage with the Board and internal stakeholders to align with the organisation's long-term strategy.
- Develop comprehensive job profiles for each role, establishing clear criteria for evaluating potential successors. This should include leadership qualities, industry expertise, crisis management capabilities, and alignment with shareholder interests.
- Scenario plan around both planned and unplanned departures of key executives.
- Conduct psychometric assessments to benchmark cultural fit for potential candidates - internal and external.

2 IDENTIFY & BENCHMARK

- Advise on short-term internal succession planning.
- Identify internal high-potential talent and development needs to prepare them for future roles.
- Map the external market to produce two talent lists:
 1. Candidates suitable for each current executive role in the event of near-term replacement (within 12 months), including internal and external options.
 2. Candidates for longer-term succession (2-5 years), based on alignment with future strategic needs.
- Consider diversity and broader industry factors when compiling talent pipelines.

3 RETAIN & ATTRACT

- Implement a strategy to retain internal talent and ensure transparency around succession opportunities.
- Identify and begin engaging with external talent proactively, rather than waiting for a triggering event.

4 DEVELOP & EXECUTE

- Establish a contingency plan for emergency succession scenarios (e.g. sudden departure or incapacitation).
- Create action plans with clear milestones for each critical executive role.

5 REVIEW & REPEAT

- Review and refresh succession plans annually.
- Monitor the performance and development of potential successors, ensuring regular feedback and exposure to core business areas.

