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THE NUMBER OF BUSINESSES, IN MILLIONS, OPERATING IN AUSTRALIA

Plan for new management

TRANSITIONING from the old guard to new management must be handled respectfully and slowly, says psychologist and life coach Darryl Cross.

Dr Cross, who operates Crossways Consulting, said whether change was occurring in a family business or not, it was important to plan carefully.

"Believe it or not, many people don't plan for what's happening and think they can just go with the flow," he said.

"When it comes to something like succession planning, it needs to be a slow transition. The person who is



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Succession

head of the company or in the chair has got to want to move on."

While some company chiefs simply leave the business for good, most stayed with the firm in some capacity.

"In many cases, there is an additional role for them beyond CEO or general manager," Dr Cross said.

"They could take a board position, or an advisory role."

Regardless of whomever took on a leadership role, they needed to be aware of culture and their influence upon it.

"The statistic that strikes me most is up to 60 per cent of culture is dependant on the leadership," Dr Cross said.

"Then it's really important the leadership group gets its act together and walks the talk. When a person says 'I'm a person of integrity' and people say 'give me a break', then something is wrong."

He stressed the importance of

leaders not picking "favourites" among their employees or playing games. "The fish rots from the head," he said.

Any change in an organisation required courage, Dr Cross added.

"This means stepping out of the comfort zone, which is familiar and cosy and known, into what is frequently called the courage zone," he said.

He said the biggest question was how does a company take on board the wisdom of the past, while initiating renewal and renovation.

"The answer is really about the company culture," he said.

"For example, while setting a strategy is an absolute imperative for any company, what mechanism is there for the board or the senior executive team to be able to constantly revisit strategy and to ensure that the company ship is sailing well?"

"For change to be really effective, it behoves businesses to set up a culture where there is the occasional view in the rear-view mirror recognising what has gone before and the lessons learned from the past.

"But, more importantly, viewing the road ahead, planning the forward journey and tracking the new horizon."