

CEO Succession Advisory Services

The Environment

One of the most fundamental board responsibilities is to ensure both continuity of leadership and that top talent is in place to achieve the long-term strategic goals of the organization. In recent years, boards have been challenged by increasing turnover within the CEO ranks. This is a trend that is both voluntary and involuntary and driven by corporate performance issues, as well as individual ambition. The strength of the economy has provided freedom for many executives to pursue new interests and career opportunities. The result is that naming a CEO successor—already a difficult task— has grown more demanding for boards.

Many strategically focused boards will go beyond naming a single next-in-line successor and help guide the organization's leadership development process on a broader scale, ensuring a robust talent pipeline beyond the c-suite that aligns with the organization's long-term goals.

Our Approach

Succession planning should ideally have two dimensions: a well-timed, strategic transition plan and a plan to minimize risk in the case of an unexpected CEO vacancy. Pearl Meyer's senior consultants can work with you to:

- Define a strategic succession strategy, in the context of the organization's long-term business strategy;
- Identify a detailed plan of action for an unanticipated executive departure;
- Assess the leadership potential of your executives;
- Develop plans for intentional leadership development, including executive coaching;
- Evaluate or revise your executive compensation and incentive plans to ensure alignment with your succession strategy;
- Guide the plan's implementation, including stakeholder communication; and
- Periodically evaluate your plan and refine as necessary.

Our Services

Through a series of interviews and workshops and the use of well-known and respected assessment tools, our consultants will conduct a current state audit of the company's high-level talent. We will align our findings with your business plan to guide the definition of a talent profile for a strategic CEO replacement (either internal or external) and identify possible internal successors both for the long term and in the short term if an unexpected vacancy should present itself.

Additional deliverables and reports for the board and senior HR teams may include:

- High impact leadership assessment
- Performance/potential grids
- Mobility assessments
- Succession charts
- Individual development gaps
- Individual/team compensation plans
- Assessment of and/or recommendations for organizational leadership programs
- Succession management scorecards

Post-assessment, our consultants can help you understand what these results mean for a broader group of individuals and the organization as a whole, beyond the c-suite. We can provide:

- A full inventory of human assets, capabilities, potential risks, gaps, and opportunities;
- An accurate snapshot of the talent pool in aggregate;
- Guidance on developmental next steps for executives and/or high-potentials;
- Suggested leadership interventions for HR to explore; and
- Implications of and opportunities with executive compensation structures for the board to consider.

Our Commitment

Pearl Meyer has been a trusted advisor to boards and management on executive compensation strategy for over 30 years. As the mission of the compensation committee broadens to encompass strategic human capital strategy, and their involvement in culture, diversity and inclusion, and talent development broadens, Pearl Meyer stands ready to support your leadership management needs. We are committed to providing our insight and expertise as you identify top talent, name successors, and groom them for the future.

About Pearl Meyer

Pearl Meyer is the leading advisor to boards and senior management on the alignment of executive compensation with business and leadership strategy, making pay programs a powerful catalyst for value creation and competitive advantage. Pearl Meyer's global clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private companies to the Fortune 500 and FTSE 350. The firm has offices in Atlanta, Baltimore, Boston, Charlotte, Chicago, Houston, London, Los Angeles, New York, Raleigh, and San Jose.

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