

Robert—
—Walters



Robert Walters Australia & New Zealand

Success in Succession

Building a leadership pipeline to
keep your business thriving



Contents

What is succession planning?	3
A snapshot of succession planning in Australia & New Zealand	6
Specific cultural and organisational challenges	9
Crafting a succession plan that works	12
Conclusion	20
How Robert Walters can support your succession planning	21



What is succession planning?

Australia and New Zealand organisations face growing pressure to secure strong leadership pipelines, from local enterprises to global corporates. Yet, with senior talent shortages and evolving workplace expectations, many businesses risk being caught unprepared when leaders step aside.

Succession planning is the strategic process of identifying and developing high-potential talent, equipping them with the skills and experience to step into critical leadership roles. Done well, it safeguards business continuity, strengthens organisational culture, and ensures leadership capability keeps pace with future challenges.

Without it, even high-performing organisations risk disruption, stalled growth, and weakened competitiveness.



“In Australia and New Zealand, organisations are navigating tight talent markets and rapid change. Effective succession planning is no longer optional – it’s essential. By investing in leadership development and identifying future leaders early, businesses can secure the capability needed to adapt, grow and build resilience in a competitive landscape.”

Sinead Hourigan
Global Head of Talent Advisory
Robert Walters

The value of effective succession planning

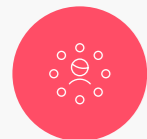
With an effective plan in place, an organisation benefits from:



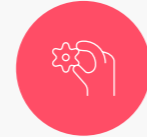
Leadership continuity – With qualified candidates ready to step into important roles, the organisation can keep moving ahead with its strategic direction, culture and values, with reduced downtime and disruptions during leadership transitions.



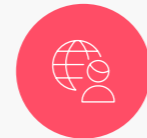
Organisational stability – Adapt quickly to change in the event of unexpected departures (such as resignations, retirements or emergencies).



Boost to talent development and retention – Employees are more likely to learn, develop, and remain loyal when they see clear career paths and opportunities for advancement. A well-structured succession plan fosters engagement by showing employees that their growth is valued and nurtured, which in turn enhances loyalty and long-term retention.



Better cost efficiency – Companies can mitigate the risks associated with poor external hires. Internal candidates are also already familiar with the organisation's processes, culture and goals. This reduces time and cost required for onboarding and integration, leading to long-term savings.



A more diverse workforce – By systematically identifying and developing talent across different demographics, succession planning supports equity in leadership roles.



Without a well defined plan, organisations may face challenges including:



Downtime and disruptions – The absence of prepared successors can result in a loss of strategic focus and misalignment with the company’s long-term goals. It could also lead to delays, confusion and loss of productivity.



Loss of institutional knowledge – When experienced leaders leave, they leave with valuable institutional knowledge, relationships and expertise built over time.



Potential for internal conflict – Breakdowns in collaboration among senior leaders could arise, as uncertainty about the future creates divisions and erodes trust.



Higher turnover and decreased morale – Talented employees may feel unsure about their future with the company if they don’t see a structured pathway for leadership transitions. They may even leave if they do not see room for their own career progression.



Impact on stakeholder confidence – Investors, clients, and partners may lose confidence in the organisation’s stability if they perceive a lack of preparedness for leadership changes.

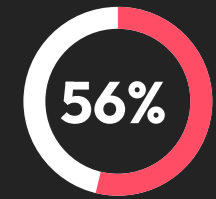


Time-consuming process – Without internal successors, finding senior talent externally can take considerable time. Key positions might be left unfilled for extended periods, which could slow down decision making and disrupt operations.

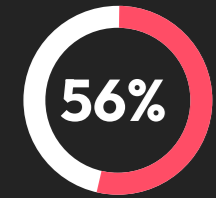


A snapshot of succession planning in Australia & New Zealand

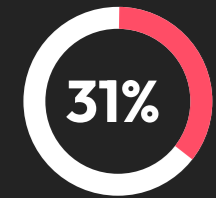
Businesses in Australia & New Zealand could use a little help with their succession planning.



are facing challenges with succession planning



do not have a succession plan in place



of companies lack clarity with the policies and procedures around succession planning



The workforce is ageing and smaller

In Australia and New Zealand, signs are emerging that an ageing leadership cohort is making succession planning more urgent. As senior staff approach later career stages, organisations face increasing pressure to manage knowledge handover and ensure readiness for leadership transitions.

How does an ageing workforce affect your organisation's succession planning efforts?

- Risk of losing critical skills and institutional knowledge
- Difficulty transferring specialist expertise to newer staff
- Potential delays in having internal successors fully ready
- More frequent external recruiting for specialised technical roles

Why build an age-diverse workforce?

In dynamic markets like Australia and New Zealand, an age-diverse leadership bench can become a strategic advantage:

- 1. Enhanced innovation and creativity**
Varied perspectives and experiences drive creativity and problem-solving that fuel innovation.
- 2. Bigger range of skill sets**
Different generations contribute distinct knowledge and strengths, enriching overall organisational capability.
- 3. Smoother transitions**
A broad age mix enables seasoned leaders to mentor emerging talent, ensuring continuity during leadership shifts.
- 4. Increased employee retention**
Workplaces that support all life stages are more likely to foster loyalty and long-term commitment.
- 5. Sharper customer insights**
Age diversity helps organisations better understand and respond to diverse community and customer needs.
- 6. Stronger company reputation**
Employers known for inclusivity are more attractive to top talent and build stronger trust with stakeholders.



Key challenges in succession planning

Organisations in Australia and New Zealand face several challenges when it comes to effective succession planning. The most pressing issues reported include cultural barriers within organisations, a reliance on top-down leadership, and gaps in structured talent development.



Common leadership traits to nurture in teams

Successful businesses are driven by exceptional leaders who inspire, innovate, and guide their teams towards sustainable growth. To build a strong leadership pipeline, organisations in Australia and New Zealand should focus on nurturing the following traits:

-  Strategic thinking
-  Decision-making abilities
-  Emotional intelligence
-  Adaptability
-  Strong communication skills



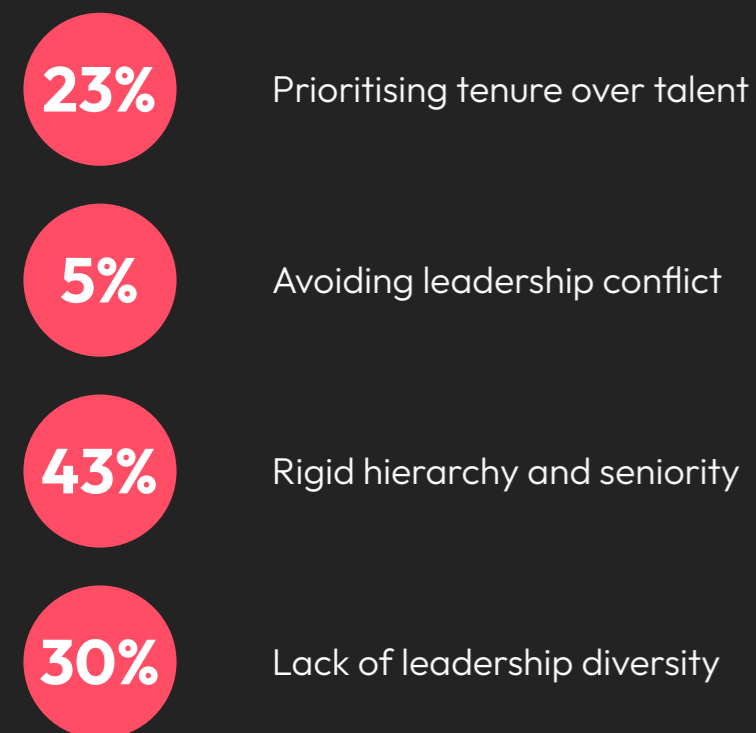
Specific cultural and organisational challenges

Certain themes are unique to how organisations in Australia and New Zealand approach succession planning. These influences, shaped by both organisational culture and structural realities, create challenges when developing the future leadership pipeline.

Cultural

Organisational culture can create subtle barriers to effective succession planning. These results show that traditional hierarchies and seniority still influence promotion decisions. Organisations that focus on merit-based progression and greater inclusivity are more likely to develop a resilient and diverse leadership pipeline.

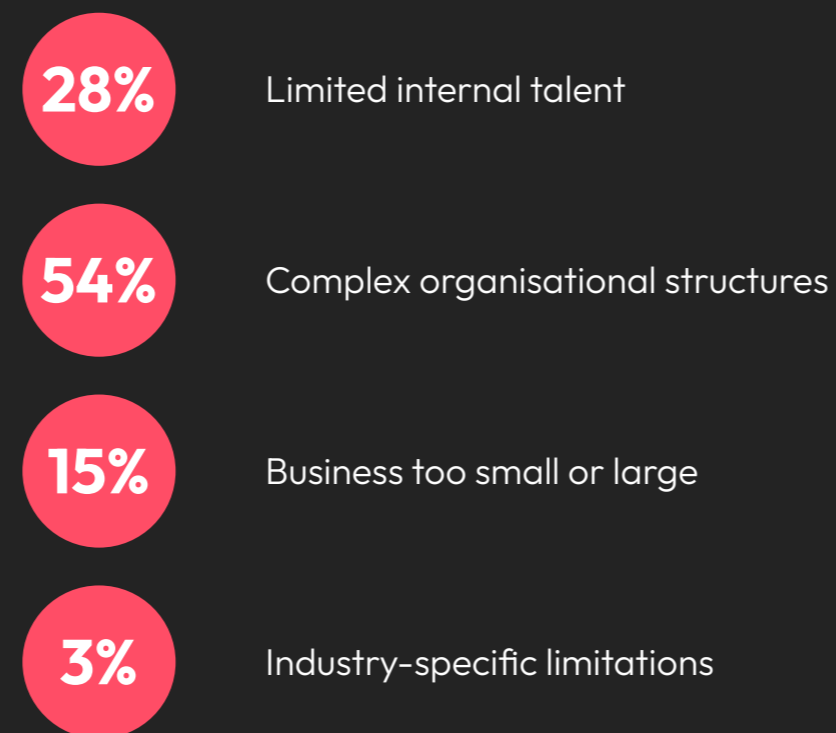
Cultural challenges impacting leadership planning:



Organisational

Structural realities also affect succession planning. The data indicates that many organisations face barriers in identifying and developing internal successors. Large or complex structures can slow decision-making, while limited talent pools make targeted development and succession planning essential.

Structural barriers to leadership planning:



“Leadership transitions are critical for sustaining organisational performance in Australia and New Zealand. Successfully navigating these changes requires balancing existing culture with strategic needs, while identifying and developing internal talent. A structured approach to succession planning helps organisations build a resilient, capable leadership pipeline ready for the future.”

Neil Munro
Executive Search Business Partner
Robert Walters New Zealand

Nurturing future leaders through a culture of openness

The foundation of strong leadership lies in creating a culture where employees feel empowered to speak up, seek guidance, and contribute to meaningful dialogue. This environment is essential for developing high-performing teams and identifying the next generation of leaders.

Transparency from the top

Trust begins with leadership. Open and transparent leaders build authentic workplace cultures. Leaders should remain objective, avoiding bias, and encourage employees to generate their own ideas rather than searching for a “right answer”.

Promoting psychological safety

A diverse range of perspectives drives innovation. Leaders should provide channels, such as one-on-one discussions and team feedback sessions, where employees feel heard and valued. Psychological safety ensures all voices are welcomed and respected, fostering engagement and creative problem-solving.

Fostering collaboration and inclusion

Encouraging cross-functional collaboration helps teams perform better and expands individual skills, which is critical for preparing future leaders.

Recognising and rewarding openness

Acknowledging employees who speak up encourages curiosity and a learning culture. Valuing questions as much as answers reinforces a continuous improvement mindset.

Providing consistent, constructive feedback

Regular, supportive feedback focused on behaviours and impact enables personal growth. Constructive guidance helps employees improve without feeling criticised, strengthening both capability and confidence.



Make the most of one-on-one catch ups to build stronger teams



Empathy and support

Leaders should take time to listen carefully to the challenges team members are facing. Beyond solving the immediate issue, acknowledging how people feel ensures they feel supported and better prepared to move forward.



Asking thoughtful questions

Rather than jumping in with answers, effective leaders ask questions that prompt team members to think critically and explore new perspectives. This approach encourages problem-solving skills and sparks fresh ideas.



Encouraging ownership

Future leaders benefit from thinking like business owners. When employees are encouraged to take ownership of decisions and outcomes, they often deliver more innovative solutions and sharpen their sense of accountability.

By applying these practices in one-on-one catch ups, organisations can develop a stronger leadership pipeline equipped with the skills, resilience, and mindset needed for future challenges.



Crafting a succession plan that works

The following protocol sets out a step-by-step framework for organisations looking to put together, maintain, and assess the effectiveness of their succession plan.

1

Establish key positions and business objectives

2

Select high-potential employees

3

Evaluate employees' readiness to advance into key positions

4

Plan for employees' individual development and retention

5

Identify positions without successors and plan for positions that cannot be filled internally

6

Review and communicate the plan regularly



1

Establish key positions and business objectives

For succession planning to succeed, leadership must align and be clear on the long-term business goals. They should also commit to seeing through plans that go towards achieving those goals.

To work out what those goals are and what key positions are required to support them, consider these points:

- How will the state of the industry and economy today affect the business operations in the next one to five years?
- Which roles and operations are critical to the future of the organisation and its success?
- Will operations be discontinued or downsized? Or will they grow or remain constant?
- How will reengineering, process improvement or technology affect the business in the future?
- What job functions, if any, will be consolidated?
- Will the projected workload volume increase or decrease?
- Will staffing levels change? If so, how?
- Which skills and abilities will the organisation need to match these changes and thrive in the years ahead?



Identifying and developing future leaders

97% of organisations in Australia and New Zealand report difficulties finding candidates for senior roles, with 56% linking this to a lack of clear succession planning.

High performers often excel in technical or operational areas but may still need support to build the leadership and people management skills required at senior levels. Effective succession planning means spotting potential early, then investing in development so employees are ready to step up when needed.

Key actions for organisations:

- Identify potential successors through reviews, assessments and manager input
- Build comprehensive candidate profiles that capture performance, achievements and leadership behaviours
- Involve cross-functional leaders in the process to reduce bias and ensure balanced perspectives
- Design inclusive plans that consider diverse talent and avoid “like-for-like” selection

With a structured approach, organisations can reduce risk, retain key talent, and ensure continuity at the top.



Evaluating employees' readiness to advance

After identifying potential successors, organisations need to assess whether candidates have the skills and readiness to step into senior roles. This is where many businesses in Australia and New Zealand struggle, 56% say a lack of clear succession planning makes it difficult to prepare leaders internally, while 27% highlight insufficient training and support.

Key actions for organisations:

- Mapping current and future skills required for leadership roles, then identifying individual gaps
- Using 360-degree surveys to gather balanced feedback from peers, managers, direct reports and external stakeholders
- Running leadership evaluations through independent consultants to ensure objectivity
- Drawing on performance reviews and manager insights to track growth over time

By embedding structured assessments, organisations can move beyond guesswork and build confidence in their succession decisions.



Plan for employees' individual development and retention

Senior leaders should create targeted action plans to help potential successors develop strengths and reduce weaknesses. The key is to expose these candidates to responsibilities and opportunities such as **leadership development programmes** and skill-specific education to build competencies beyond their current role.

In Australia and New Zealand, many organisations are still working out the best approach to succession planning, with **56% citing no clear succession pathway** and **27% pointing to a lack of training and support**.

Here are some approaches organisations are already adopting:

- Job rotation and shadowing (24%)
- Mentorship programmes (36%)
- Formal training programmes (9%)

Retention remains a challenge, particularly when limited career advancement opportunities are on offer. Leaders must take a proactive role in presenting compelling career paths and working with individuals to build growth opportunities that align both business and personal goals.



5

Identify positions without successors and plan for positions that cannot be filled internally

Emergency positions are those in which no successor is available or no successor with development potential exists.

These positions are critical because the organisation has already determined the key roles and future organisational needs. When a succession plan has a vacancy, the organisational operations may be at risk in the event of a departure.

The organisation will need to consider external recruitment strategies for positions without internal successors. Cross-departmental succession opportunities should also be considered to ensure operational continuity in the interim.

External candidates can bring fresh ideas and competencies into the organisation. However, they will need time to assimilate into the organisation's culture and day-to-day operations. Working with a trusted partner can help organisations source talent that have the appropriate technical knowledge and expertise, as well as the right cultural fit.

Need support sourcing the right talent?

Work with our [Executive Search team](#) to identify candidates with the right skills, experience, and cultural fit for your organisation.



“When key roles have no ready internal successor, organisations risk disruption to critical operations. Working with a trusted partner allows you to quickly identify external candidates who bring both the technical expertise and the cultural fit needed to maintain continuity and drive future success.”

Neil Munro
Executive Search Business Partner
Robert Walters New Zealand

6

Review and communicate the plan regularly

Things change, so it's vital to revisit and monitor how the plan is going on a regular basis.

Aim to review the succession plan either semiannually or annually. During these reviews, ensure that potential successors are assessed fairly by considering the effectiveness of performance reviews and ensuring that assessment criteria are free from bias. This will help identify true high-potential employees and provide a more accurate understanding of their readiness for future roles.

Adjustments should be made based on whether candidates have changed and if the plan still meets organisational objectives.

Communicating succession plans also helps create a transparent, forward-looking culture. Be sure to inform employees of how the plans will affect and benefit their career development and growth.



Succession success begins with strategic hiring

A strong succession plan takes a broad view of talent management. That's why recruiters should focus not only on top executive talent, but also mid- and senior-level candidates who are on track for leadership roles.

Preparing for senior positions alone isn't enough, as internal promotions create new vacancies. Leaders must consider both short- and long-term needs, identifying candidates for roles that may open in the next few years, while also addressing gaps that may require external recruitment.



Conclusion

Top tips to make sure your succession plan goes smoothly.

- 1 Every organisation requires a unique succession strategy.** Think about your organisation's present and future needs, goals and culture. Adjust your plan accordingly.
- 2 Involve key stakeholders in the planning process.** Engage leaders and employees across the organisation to ensure alignment and commitment to the succession plan.
- 3 Develop and nurture internal talent.** Invest in your employees by identifying high-potential individuals and providing them with the skills and experiences they need to grow into future leadership roles.
- 4 Regularly review and update your succession plan.** A successful succession strategy is dynamic and should evolve with changes in your business environment and workforce.
- 5 Proactive planning leads to long-term success.** Implementing a strong succession plan today prepares your business to thrive, no matter what challenges or opportunities the future holds.



“Effective succession planning is more than filling roles, it’s about future-proofing your organisation. By aligning strategy with the evolving Australian and New Zealand market and fostering a culture of continuous development, companies cultivate leaders ready to meet tomorrow’s challenges.”

Sinead Hourigan
Global Head of Talent Advisory
Robert Walters

How Robert Walters can support your succession planning

Implementing a robust succession plan can be complex. Robert Walters partners with organisations across Australia and New Zealand to help identify, develop and retain the right leaders for the future. Our services are designed to complement your succession strategy and ensure a seamless transition for critical roles:

Executive search

Identify and secure senior leaders with the right technical expertise and cultural fit. [Learn more](#)

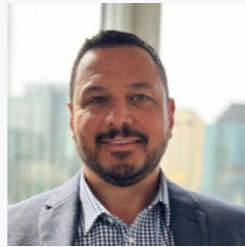
Leadership development

Build a strong pipeline of future leaders through tailored programmes that enhance skills, capability, and confidence. [Learn more](#)

Transition coaching

Identify and secure senior leaders with the right technical expertise and cultural fit. [Learn more](#)

Connect with our team to explore how we can help your organisation future-proof its leadership.



Dan Roger

Managing Director – Australia
E: dan.rogers@robertwalters.com.au
T: +61 7 3032 2215



Jodie Gillespie

Senior Director – Perth
E: jodie.gillespie@robertwalters.com.au
T: +61 8 9266 0941



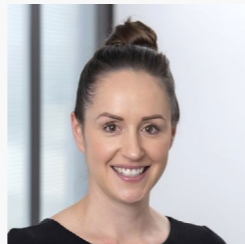
Michelle Christie

Senior Commercial Director – Australia
E: michelle.christie@robertwalters.com.au
T: +61 8 8216 3500



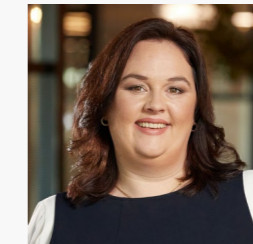
Kris Viner

Senior Director – Sydney
E: kris.viner@robertwalters.com.au
T: +61 2 8289 3132



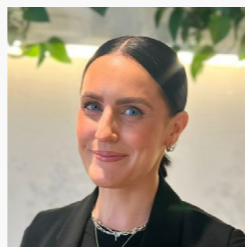
Ella Morgan

Senior Director – Adelaide
E: ella.morgan@robertwalters.com.au
T: +61 8 8216 3553



Jane Lowney

Senior Director – Queensland
E: jane.lowney@robertwalters.com.au
T: +61 7 3032 2252



Rose Guise

Senior Director – Melbourne
E: rose.guise@robertwalters.com.au
T: +61 3 8628 2152

Robert—
—Walters

Africa | Australia | Belgium | Canada | Chile | Mainland China | France | Germany | Hong Kong | India | Indonesia | Ireland | Italy | Japan | Malaysia | Mexico | Netherlands | New Zealand | Philippines | Portugal | Singapore | South Korea | Spain | Switzerland | Taiwan | Thailand | United Arab Emirates | United Kingdom | United States | Vietnam.