

RECRUITING & STAFFING

# 4 Steps To Achieve Sustained Performance During Leadership Transitions



Leadership is often the main driver of employee engagement — influencing up to 70% of engagement scores — which means morale and operational efficiency during leadership transitions can either take quite a hit or be leveraged for improvement.

With the right approach, organizations can use cultural continuity to anchor teams during times of change. Leading with transparent communication, elevating internal leaders who champion knowledge transfer, and proactively planning for succession are three vital steps in steps to driving efficiency and operational improvement during transitions.

## Key Insights for Effective Leadership Transitions

- ▶ Prioritize transparent communication first and operationalize second
- ▶ Assess interim operations deliberately and use new responsibilities as development opportunities
- ▶ Coach the departing leader on their role in the transition, including transferring knowledge and stabilizing morale
- ▶ Use the transition period to stress test the organization chart and recalibrate the position description before starting a talent search
- ▶ Align new leaders with organizational goals and leverage their new insights to drive innovation
- ▶ Track the effectiveness of the transition with specific KPIs

### 1. Lead With Transparent Communication

When a key employee resigns, the first instinct of many leaders is to focus on operations to ensure the work is covered, and HR has the information it needs. Instead, swift and transparent internal communication should be the top priority. Clear communication creates the stability needed to evaluate what's working, what's breaking and what should be redesigned. With this foundation, the transition can become an improvement window.

Resistance to change is a common challenge companies face during transition periods, and one that can be addressed and improved through targeted communication. When employees are uncertain about the direction of the organization or are concerned about job security,

this natural resistance is magnified, which harms morale and productivity.

Executives should develop a clear response plan that assures staff of a stable transition and allows for questions and discussion from the remaining team.

This plan may include communicating:

- ▶ The date the individual is leaving
- ▶ How the business plans to operate during and after their departure
- ▶ If the role will be replaced
- ▶ Continued updates to staff throughout the transition

Clear communication helps maintain morale and productivity during a time of transition, while addressing common fears and resistance to change.





## 2. Implement Interim Solutions and Knowledge Transfer

Once the communication plan is addressed, the operational question becomes imperative. Leaders must identify how the work will be handled until a permanent solution is found. If the company has a proactive succession plan in place, there may already be an employee who is trained and ready to step into the vacated role, either on a temporary or permanent basis.

If no succession plan exists, assess if job duties can be distributed among capable team members and use the departing employee's notice wisely by assigning trial responsibilities to high-potential staff. As you redistribute work, pay attention to which teams keep things moving: who approves what, where decisions get stuck and which tasks only one person knows how to do. Capture those friction points now so you can simplify handoffs and reduce single-person dependencies before you hire or finalize a new structure.

### The Exiting Leader's Role

When leaving on good terms, the departing employee has a valuable role to play in the transition and transfer of knowledge. Their insight is invaluable in calibrating the position description for the next hire, especially if the role or team capabilities have evolved since they were hired. Beyond documenting tasks, capture the 'why' behind decisions, such

as risk tolerances, stakeholder expectations and historical context, so the next leader isn't rebuilding from scratch. For leaders managing the departure, this may require coaching the exiting employee to:

- ▶ Maintain their performance and quality of work
- ▶ Communicate thoughtfully with direct reports and peers
- ▶ Support knowledge transfer and onboarding of interim coverage
- ▶ Stabilize morale, especially with their direct team

Ideally, the exiting leader will help departments maintain a positive outlook and facilitate interim solutions during the transition period.

### Proactive Succession Planning

Proactively planning for key role vacancies is one of the most vital tools to handle a key departure. Companies that plan ahead are calmer, better prepared and more successful when a key transition hits. Conducting regular talent reviews of the organization chart — and mapping employees' career goals, mobility and readiness — will proactively identify capable internal candidates when a vacancy opens. View our resignation response checklist for a comprehensive approach to planning for replacements.

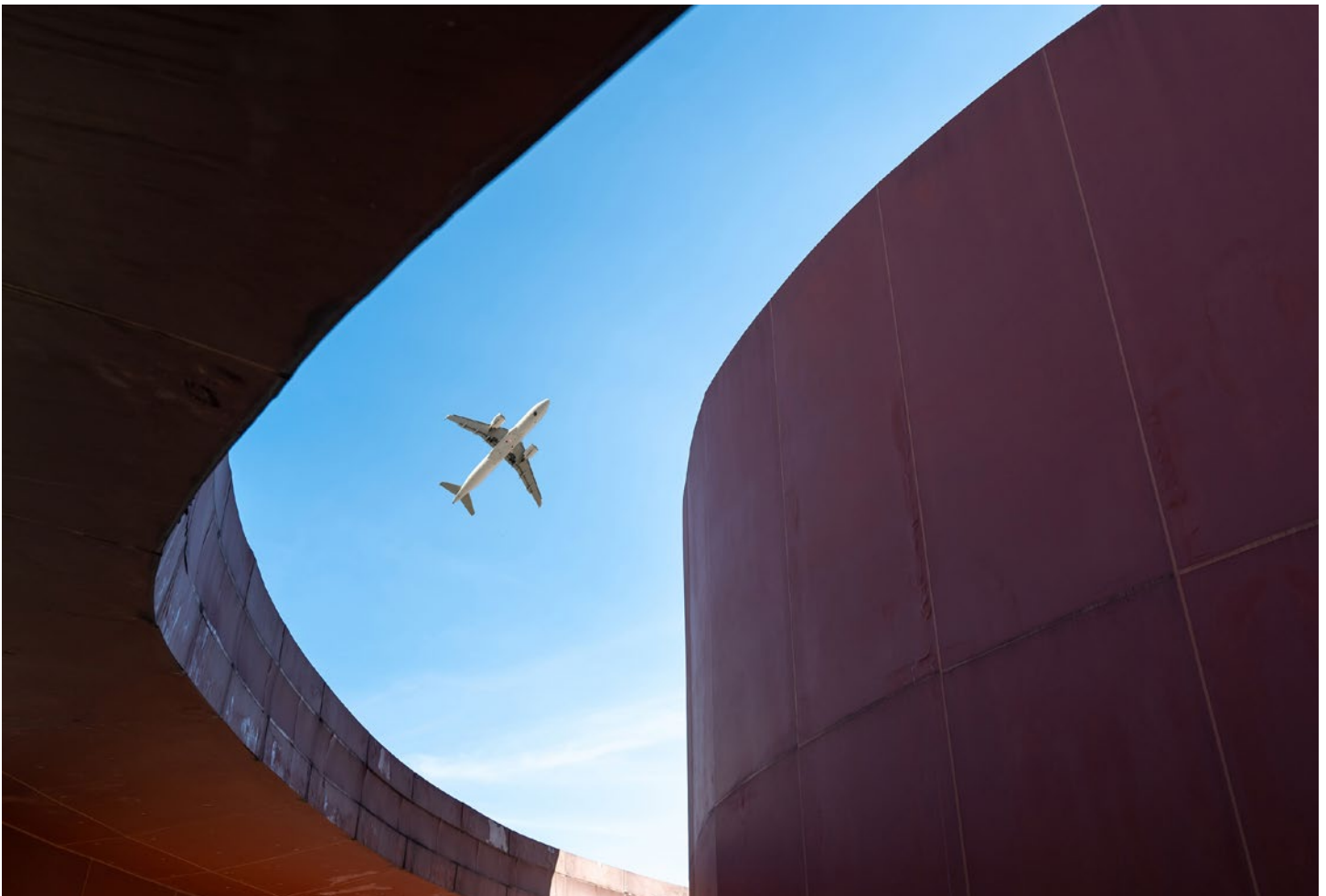
### 3. Recalibrate the Role Before the Talent Search

Using leadership transitions to leverage change and optimal performance often requires job descriptions and responsibilities to shift. The period between resignation and an active talent search is an ideal time to pressure-test the position description and assess the qualities you need in a new hire. Roles, companies and skill sets evolve, meaning the position may have significantly changed in scope since the departing leader took on the job.

To effectively analyze the vacant position, leaders should:

- ▶ Gather honest input from the departing employee on what the role actually required, as opposed to the on-paper job description
- ▶ Observe any responsibilities that were critical during the interim period
- ▶ Align the position with the current strategic direction
- ▶ Identify responsibilities that should be automated, centralized or reassigned permanently
- ▶ Define a success profile based on current strategy, not legacy scope

When organizations take the time to recalibrate job descriptions, the talent search becomes a more targeted process that often leads to a stronger hire and improved operations.



## 4. Align New Leadership With Organizational Goals

Whether you are leveraging an internal employee to fill the vacated role, or hiring a new leader, an effective leadership transition plan can be a powerful tool to improve operational performance. Aligning new leadership with the company values and vision may include:

- ▶ Developing new orientation programs
- ▶ Creating mentorship opportunities
- ▶ Designing new feedback mechanisms to allow leadership to better assess their performance
- ▶ Identifying key performance indicators (KPIs) to measure the effectiveness of the transition, such as productivity, profitability and retention rates

When new leaders are aligned with organizational goals and culture, they can drive innovation and foster competitive advantage through a fresh perspective. A strong transition with new leadership that is aligned with clear goals also increases employee engagement and reinforces the company's culture. All of these factors are needed to enact meaningful change during times of transition and reimagine new ways of working. When managed properly, the result of an aligned leadership transition is better collaboration and innovative ways of operating.

### Real-world Example

Each year, an internal recruiting director for a global hotel management company meets with the vice president and senior vice president of operations and finance. Together, they would review the portfolios of hotel employees who worked in specific disciplines. One year, they identified the CFO at a Chicago hotel as someone who was capable of filling a potential vacancy in the event of organizational restructure.

With the Chicago CFO's career mobility and readiness, they proactively placed him on the board for the Midwest. When a key employee resigned from a hotel in Minneapolis, he was already prepared to fill the role, with the needed skills and institutional knowledge.

Because the team had already discussed mobility and readiness during the annual review, they didn't have to scramble when the resignation happened. Instead, they were able to immediately activate a shortlist and reduce downtime while maintaining operations. Since the new leader was already aligned with organizational goals, he was able to more quickly drive innovation and strengthen existing teams.





## Building a Roadmap for Future Talent

With the right response, a key leadership transition can be a catalyst for a stronger succession infrastructure and for identifying strong internal talent. The organizations that weather resignations best are those that effectively communicate change, treat succession planning as a living practice, rather than a reactive strategy, and reimagine the vacant role.

# Leadership Transition Improvement Checklist

A step-by-step guide for navigating and leveraging leadership departures.

## 1. Respond With Clear Communication

- Communicate the departure internally as soon as appropriate
- Share key facts (timeline, what's known vs. unknown)
- Outline how operations will continue in the near term
- Provide a clear response plan to reduce uncertainty
- Create a channel for questions and ongoing updates

## 2. Stabilize Operations With an Interim Plan

- Identify high-potential employees or interim leadership over responsibilities
- Assign trial responsibilities to test readiness
- Determine whether an internal successor is ready to step in
- Redistribute critical tasks across capable team members
- Enable business continuity for essential workflows

## 4. Activate Knowledge Transfer

- Define key knowledge areas that must be documented
- Prioritize critical processes, relationships and decision frameworks
- Assign team members to shadow or absorb responsibilities
- Ensure documentation is structured and accessible

## 5. Coach the Exiting Leader on Their Role

- Align expectations for maintaining performance and professionalism
- Ask them to support structured knowledge transfer
- Encourage proactive communication with their team
- Leverage their insights to refine the role and responsibilities
- Ensure they actively support morale and continuity

## 6. Stress Test Your Organization Structure

- Review who owns what across the org chart
- Assess workload distribution and bandwidth
- Identify single points of failure or knowledge gaps
- Evaluate whether current structure still supports business needs

## 7. Recalibrate the Role Before Hiring

- Gather candid input from the departing employee on actual responsibilities
- Assess how the role evolved vs. the original job description
- Observe what the interim period reveals about the role's needs
- Align the role with current business strategy and future direction
- Decide whether to upgrade, restructure or redefine the position

## 8. Align New Leadership With Organizational Goals

- Conduct a cultural assessment prior to appointing a new leader to ensure they align with the company's values and vision
- Pair new leaders with mentors to provide guidance and institutional knowledge
- Developed a structured orientation program for new hires
- Act quickly if additional retention risks emerge

## 9. Evaluate the Impact of the Transition

- Define KPIs to track the impact on performance metrics
- Track employee retention rates
- Monitor employee engagement with surveys and feedback channels
- Conduct regular reviews of new processes and outcomes

## YOUR GUIDE **FORWARD**

Cherry Bekaert's Recruiting & Staffing Services team helps organizations use leadership transitions to strengthen teams and roles — providing interim coverage to stabilize operations, refining the role requirements based on what the transition reveals, and running targeted searches to secure the right long-term leader.



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v. 06.15.2026 TL\_How-Smart-Leaders-Plan-Resignation-for-Next\_4449392297

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