

The Leadership Assessment Gap in Internal Succession

Long observation of an internal candidate is real information. It is information about a different role from the one the promotion creates.

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Leadership assessment is structured evidence-gathering for a succession decision: interviews built around the mandate, independent references, market benchmarking. Boards commission it readily for an external shortlist. The internal candidate can become the person the process examines least rigorously.

IN BRIEF

- 01 External and internal candidates are often assessed against different standards of evidence.
- 02 Performance in the current role is information about that role, not proof of readiness for the next.
- 03 An unassessed promotion can leave a new leader without a mandate-specific brief or development plan.
- 04 Market mapping can provide external context for an internal candidate without approaching anyone.

01 · Succession Planning

How Familiarity Shapes the Evidence Base

A board that has worked with an internal candidate for years holds a great deal of information. That information is real, and it is drawn almost entirely from the role the candidate currently occupies.

A structured assessment asks a different question: how a leader is likely to perform against the mandate ahead. The current role answers part of that question and leaves part of it open.

This is where an asymmetry can appear. The external shortlist is tested against the future mandate, while the internal candidate may be assessed largely against an established record.

02 · The New Seat

The Role Changes When the Seat Does

Executing well inside a defined remit is one capability. Setting the remit, carrying a board and arbitrating between former peers are others. A promotion can move a leader from the first to the second with little warning.

A leader who has executed a strategy well has not necessarily been required to set one. A leader trusted as a peer has not necessarily been tested arbitrating against former peers. The record can look continuous where the role is not.

This gap can remain insufficiently tested before the appointment. Continuity of person is sometimes read as continuity of capability, and the new seat may not support that assumption.

WHERE THE ASSESSMENT ASYMMETRY APPEARS

	EXTERNAL CANDIDATE	POTENTIAL INTERNAL-CANDIDATE RISK
Interviews	Structured around the future mandate	Familiarity can substitute for a fresh mandate-based assessment
References	Independent external referencing	Existing organisational relationships can narrow the evidence base
Market context	Compared against the external field	May be considered primarily against internal alternatives
Evidence	Formal assessment record	Prior performance can become the dominant evidence
Development	Gaps identified before appointment	Development needs may surface only after promotion
Decision basis	Evidence commissioned for the mandate	Familiarity may carry disproportionate weight

03 · Comparing Like with Like

Measured Risk and Unmeasured Comfort

Where the external shortlist is assessed rigorously and the internal candidate is not, a board is not comparing like with like. It is weighing measured risk against unmeasured comfort, and the unmeasured option can appear the safer of the two.

Few boards set out to apply two standards. It follows instead from treating an internal candidate as a known quantity rather than as a succession decision that needs evidence of its own.

In promoter-led and family-owned enterprises, succession can carry ownership, relationship and governance considerations alongside capability. Independent assessment can create a common evidence base without displacing the promoter's or the board's judgment.

EVIDENCE ASYMMETRY

A succession process in which the external field is assessed against the future mandate, while the internal candidate is assessed largely against past performance in a different role.

Much of the evidence a board holds on an internal candidate comes from the role the promotion would remove them from.

04 · What Assessment Gives the Insider

Assessment Protects the Internal Candidate

Assessing an internal candidate can read as doubt. In practice it tends to work the other way. An unassessed promotion can leave a new leader without an evidence base, a development plan or a mandate-specific brief.

If the appointment struggles later, there may be little record of what was examined and what was not. The leader can end up carrying that uncertainty alone.

A structured assessment produces more: a brief naming what the seat requires, a development plan built against real gaps, and a record the board can return to. That record has value whether or not the appointment proceeds.

Where a structured assessment process already exists, including the internal candidate extends the same decision standard across the full field.

The internal candidate can become the person the process examines least rigorously.

QUESTIONS BOARDS ASK ABOUT INTERNAL SUCCESSION

Should an internal successor be assessed when the choice seems clear?

A clear internal successor is where familiarity most easily substitutes for evidence, and where a board is least likely to ask for a mandate brief before committing. Assessment there produces the same working document an external appointee would receive.

Does assessing a trusted colleague send the wrong signal?

That depends on how the board frames it. Where every candidate for the seat goes through the same process, including the internal one signals that the seat warrants a consistent standard.

What if the assessment raises concerns about the internal candidate?

The board then has evidence it previously lacked. The assessment does not make the decision; it offers a brief, a development plan, or grounds to widen the search.

Can a board benchmark an internal candidate without running a search?

Yes. Market mapping can provide comparative context on who else operates at this level, with no approach made to anyone. The evidence stands whether or not an external process follows.

05 · The Board's Decision

Assessment Is Evidence, Not a Verdict

Structured assessment does not replace a board's judgment. It gives that judgment something to stand on: a brief, a benchmark and a record either way. The board still decides, now with evidence alongside familiarity.

The case for assessing an internal candidate is not that boards get these decisions wrong. It is that one standard applied across the whole field produces a comparison a board can defend.

STRANCE applies the same structured assessment to an internal candidate as to the search itself. That is how a board ends up comparing like with like.

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