

To BCG's network around the world,

One of my favorite activities is engaging with CEOs as they're transitioning into their new role, a time when they need to get off to a fast start and lay the groundwork for a successful CEO journey. Since today is Presidents' Day in the US, I thought it would be good to consider what makes for an effective government transition and the lessons we can apply to the corporate world.

While the latest presidential transition in the US has gotten a lot of attention, BCG has long recognized the vital importance of the process and has been working with the nonpartisan Center for Presidential Transition—part of the Partnership for Public Service—for the past decade to support the peaceful and effective transition of power.

Through this work, we've learned five lessons that apply to government but that also have strong relevance for corporate transitions—powerful takeaways that come up again and again:

Build a plan as soon as possible. We have advised multiple transition teams to begin planning for transition and assumption of power as early as the spring before a fall election. The Biden team kicked off their planning in the spring of 2020. Plans may change, but the sooner teams can prepare, the more effective they'll be from day one in office.

Write your own narrative and repeat it often, so you define yourself before others define you. The Biden-Harris team laid out four overarching priorities early in the transition process: COVID-19 response, economic recovery, racial equity, and climate change.

Rack up quick wins. With a smart roadmap based on top priorities, generate early wins to build momentum and lay the foundation for moving forward with longer-term priorities. Balance those wins with the tougher fights, establishing credibility along the way.

Be ready to bootstrap. A strong plan is key, but transitions will have hiccups at best and major new challenges at worst. The huge COVID-19 resurgence presented such a challenge. So did the abbreviated transition period this year, as well as the events at the US Capitol on January 6. Always have backup plans ready, and make sure the members of the transition team have built enough trust to work together on the fly.

Focus on your people. This might be more important than all the others. Keep diversity of people and of thought front and center, demonstrate leadership by listening, build a purpose-driven culture, and draw on the collective expertise of the civil service. And don't forget to acknowledge the teams handing over the reins. Communicate, assume good intent, be transparent, and stay true to the mission.

There isn't one lesson here that doesn't also apply to the big leadership transitions that take place in business. And in both realms, working hard to secure a successful transition is a critical foundation for a strong, effective tenure.

I hope you'll look below for more thoughts on this important topic, including an exciting <u>new podcast series</u> we're doing with *The Atlantic* on how civil servants and government agencies navigate the challenges of a presidential transition.

Until next week,

Rich Lesser

Chief Executive Officer



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