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Robert Walters Taiwan

# Success in succession

Building a leadership pipeline to  
keep your business thriving





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# What is succession planning?

Taiwan's business landscape is rich with organisations of all sizes, from homegrown enterprises to major multinational corporations. Whether led by entrepreneurs who transformed humble beginnings into powerhouses or global leaders steering international companies, these businesses drive economic growth and shape the market. But have you ever paused to wonder – what will happen when these leaders eventually step back from their positions?

This is where succession planning becomes critical. Succession planning is the long-term, strategic process through which an organisation recruits, identifies and nurtures high-potential employees, equipping them with the skills and knowledge needed for them to advance into key positions. This ensures that the business remains stable and continues to thrive for the long run.

Without a solid succession plan, the future of even the most successful businesses can be uncertain, leaving them at risk of disruption and decline.



“In Taiwan’s rapidly evolving market, succession planning is not just a strategic advantage – it’s essential for a business to succeed in the years to come. By nurturing the next generation of leaders, organisations can avoid crises, drive innovation, and stay competitive in an increasingly complex landscape.”

**John Winter, Country Manager  
Robert Walters Taiwan**

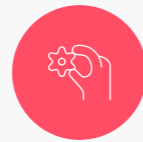


# A good succession strategy makes a world of difference

With an effective plan in play, an organisation enjoys the following:



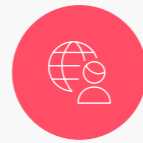
**Leadership continuity** – With qualified candidates ready to step into important roles, the organisation can keep moving ahead with its strategic direction, culture and values, with reduced downtime and disruptions during leadership transitions.



**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.



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



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



**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.

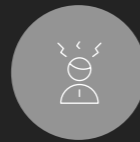




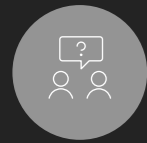
**Going without a plan, or a poorly developed one, comes with some pitfalls:**



**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.



**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.



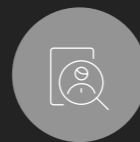
**Loss of institutional knowledge** – When experienced leaders leave, they leave with valuable institutional knowledge, relationships and expertise built over time.



**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.



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



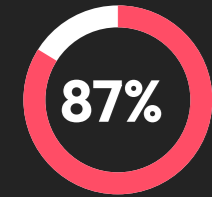
**Time-consuming process** – Without internal successors, finding senior talent externally can take considerable time. Key positions might be left unfilled for extended periods, which could slow down decision making and disrupt operations.



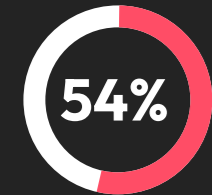


# A snapshot of succession planning in Taiwan

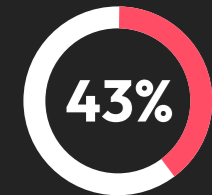
Businesses in Taiwan could use a little help with their succession planning.



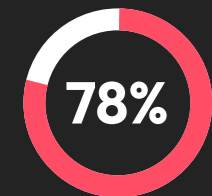
are facing challenges with succession planning



do not have a succession plan in place



of companies with a succession plan rate their existing strategy as 'slightly effective' or 'not effective at all', indicating room for improvement



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

Source: Survey by Robert Walters Taiwan  
For the full methodology, please refer to the end of this e-guide.





# The workforce is getting older and smaller...

Taiwan's greying population is also having an effect on how businesses manage their succession planning. This comes on top of challenges that organisations are already facing with the lack of senior talent.

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

57%

Increased risk of losing critical skills and experience

55%

Difficulties with knowledge transfer and skills development for younger employees

39%

Challenges with replacing senior, retiring talent

7%

Others (e.g. skills gap at management level, struggles sourcing younger candidates that are suitably motivated)

## Why build an age-diverse workforce?

In dynamic markets like Taiwan, an age-diverse workforce can be a strategic asset for corporations.

### 1. Enhanced innovation and creativity

Age diversity brings varied perspectives and experiences together, fostering creativity and problem-solving that drive innovation.

### 2. Bigger range of skill sets

Different age groups contribute distinct skills and knowledge. This enriches an organisation's overall expertise.

### 3. Smoother transitions

A diverse age range allows seasoned employees to pass on critical knowledge and mentor younger talent, preparing them for future roles.

### 4. Increased employee retention

Employees may be more loyal and satisfied with their jobs if they find themselves in a workplace that recognises and accommodates a range of life stages.

### 5. Sharper customer insights

A workforce with varied ages can offer deeper insights into the needs and preferences of a diverse customer base, enhancing market responsiveness.

### 6. Stronger company reputation

Corporations benefit from a reputation for inclusivity, attracting top talent and fostering positive relationships with global clients who value diversity.





# Key challenges in succession planning

Organisations in Taiwan face several significant challenges when it comes to effective succession planning. Some of the most pressing issues are around a shortage of senior talent – which nearly half of respondents cite as the top concern – or difficulties with identifying and developing internal talent.



## Common leadership traits to nurture in teams

Successful businesses are driven by exceptional leaders who inspire, innovate, and steer their teams toward sustained growth and progress. To build a resilient leadership pipeline, organisations should focus on developing some important traits in their teams, including:

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



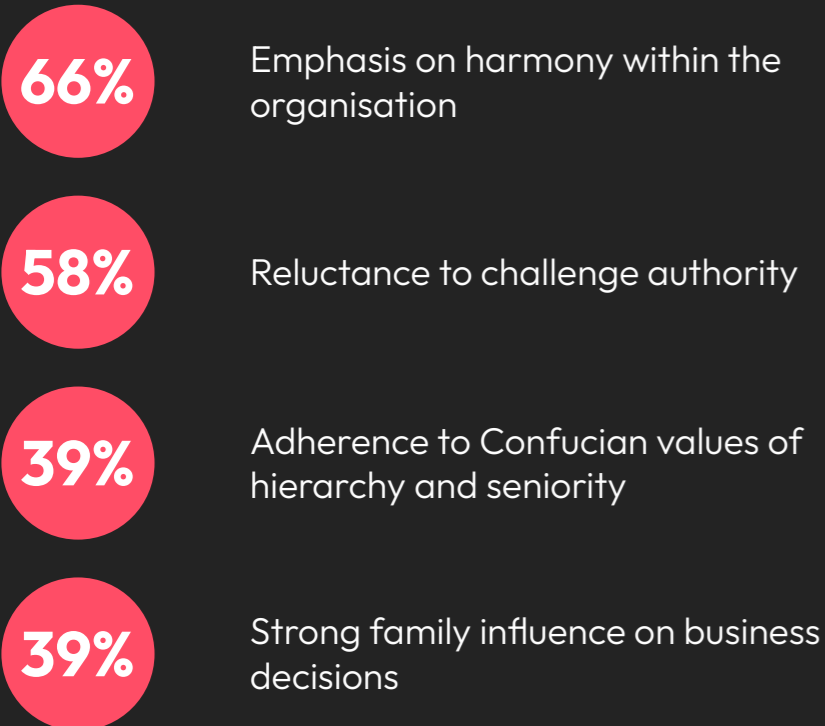


# Specific cultural and organisational challenges

Certain themes are unique to how companies in Taiwan approach and think about succession planning. These influences, which stem from both traditional values and structural realities, create unique challenges for businesses when developing their future leadership pipeline:

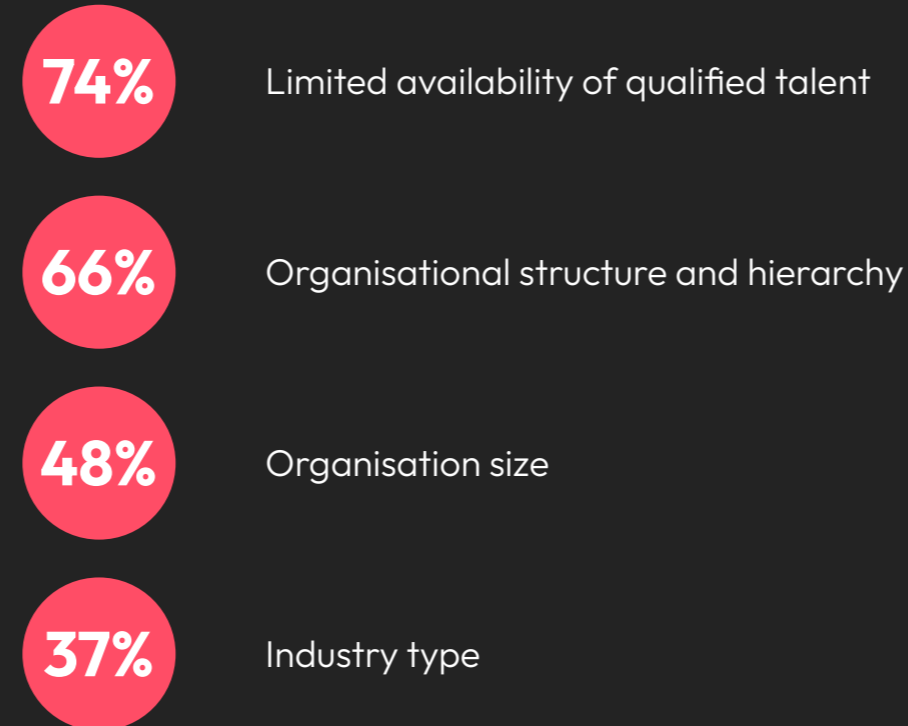
## Cultural

Values like maintaining harmony within organisations, respect for authority, and a deep-rooted adherence to Confucian principles all shape leadership dynamics. These factors often make it difficult for companies to encourage open dialogue, challenge traditional hierarchies, or promote individuals based on merit rather than seniority.



## Organisational

The limited availability of qualified talent, combined with the rigid structure of many Taiwanese companies, poses substantial barriers to effective succession planning. Larger organisations may face additional challenges in navigating these complex hierarchies, and industry type often dictates the specific talent needs that companies must address.



“Leadership transitions are pivotal in shaping a company’s future direction. In Taiwan, managing this process requires balancing traditional cultural hierarchies with organisational needs. Through open dialogue and a structured approach, companies can craft an effective succession plan and build a resilient leadership pipeline.”

**Sharon Chen, Associate Director  
Robert Walters Taiwan**



# Nurturing future leaders through a culture of openness

Special thanks: Lidia Chang, business leader at a multinational firm in Taiwan

The foundation of strong leadership is built within a culture where employees feel empowered to speak up, seek support and engage in meaningful dialogue. This is essential for companies looking to develop teams to thrive and for identifying and developing future leaders from within. We speak to Lidia Chang, a seasoned business leader and general manager at a multinational firm in Taiwan, for some of her insights and experience on this topic.

## Transparency from the top

Trust starts with leadership. Transparent leaders foster an authentic workplace culture. Lidia highlights the need for objectivity, advising leaders to avoid bias and preference, allowing employees to develop their own ideas rather than chasing a “right answer.”

## Promoting psychological safety in the workplace

Diversity drives innovation. By sharing different thoughts and concerns, teams can ensure multiple viewpoints are considered for decision-making and even spark new innovations through a cross-pollination of ideas. Lidia emphasises the importance of creating channels—like one-on-one meetings and surveys—where employees feel heard and valued. “It’s about ensuring their voices are welcomed and respected, fostering psychological safety.”

## Fostering a collaborative and inclusive environment

Leaders should promote cross-functional collaboration to boost team performance and expand individual skills, which is key for developing future leaders.

## Recognising and rewarding openness

“The act of speaking up alone should be recognised and rewarded,” says Lidia. “By valuing questions, not just answers, organisations encourage curiosity and a culture of continuous learning.”

## Be consistent with constructive feedback

Consistent, constructive feedback is key to personal growth. Leaders should provide regular, supportive feedback focused on behaviours and impact generated, helping employees improve without feeling criticised.





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

### **Empathy and emotional support**

“I make it a point to listen carefully to the challenges that each person is facing. Besides guidance on the issue at hand, we also address their feelings so they feel emotionally supported and prepared,” Lidia notes.

### **Asking the right questions**

Instead of providing a solution, Lidia asks questions that guide her team members to think critically about how they can solve a given problem. Good questions, she explains, can help individuals view problems from different angles, leading to insights or ideas that might not be immediately apparent.

### **Thinking as business owners**

“I encourage potential successors to try putting on a new hat: positioning themselves as owners of the business. This fosters a sense of ownership and responsibility, and in my experience, it also leads to innovative solutions and well-prioritised actions,” shares Lidia.

By integrating these practices, organisations can build a robust pipeline of future leaders who have the right skill sets, resilience and mindset needed to navigate complex 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





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## 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?





## Select high-potential employees

31.52% of organisations in Taiwan raised challenges with identifying candidates to take on top positions. At this stage, the key is to identify individuals who not only excel in their current roles, but also demonstrate the potential to grow and take on higher responsibilities. It's important to recognise that very often, high performers will still need to learn the right skills for managing and leading teams.

- Incumbents in key positions identify employees available for succession into their positions.
- Develop a profile of candidates, including a history of performance reviews and accomplishments as well as relevant experience, education and credentials.
- Cross-departmental leadership/key decision-makers must be involved throughout the planning process to represent their selections and discuss concerns.
- Base the selection on available candidates. Some will be ready, whereas others will not meet the demands of critical positions. In some cases, no identifiable candidate will be available for succession.

Discrimination laws also require inclusion of employees regardless of race, gender, age and other protected classes. When selecting candidates for succession, companies should be mindful to avoid “like-me” approaches where successors closely resemble their incumbents. Train leadership to recognise hidden biases and use assessment tools to reduce biased selection practices.





## Evaluate employees' readiness to advance into key positions

After identifying potential talent for succession and mapping out the skills required for current and future succession, work out the skills gaps that present themselves among available candidates.

Encouragingly, 54.89% of organisations are already prioritising leadership potential evaluations. Some other approaches include:

- After identifying potential talent for succession and mapping out the skills required for current and future succession, work out the skills gaps that present themselves among available candidates.
- 360-degree surveys that include feedback from peers, direct reports, line management and other relevant sources, such as clients, customers, vendors and/or suppliers.
- Leadership evaluations by an independent third-party consultant.
- Existing performance review information and feedback from management.





## 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 programmes – to gain new competencies outside the sphere of their current position.

42.39% of organisations reported having insufficient resources to train and develop talent for succession. Nevertheless, companies can find a combination of solutions that work for their unique business needs.

Here are some approaches that Taiwanese companies say they are already tapping on:

- Job rotation and shadowing (52.26%)
- Mentorship programmes (46.2%)
- Formal training programmes (31.52%)

When it comes to talent retention, many companies struggle with limited opportunities for career advancement (64.13%). To address this, top leadership must address candidates personally to present compelling career paths. Work together to create a fulfilling upward trajectory that also meets their personal goals.





## 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.





## 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 just filling positions – it’s about future-proofing your organisation. By aligning your strategy with the evolving business landscape and encouraging a culture of continuous development, companies nurture leaders that are ready to meet tomorrow’s challenges.”

**John Winter, Country Manager  
Robert Walters Taiwan**



# Survey methodology

Robert Walters surveyed over 253 organisations in Taiwan over a four-week period in July and August 2024. Respondents came from a large variety of industries:

- Tech & transformation (26.87%)
- Fast-moving consumer goods (FMCG) (24.51%)
- Retail (15.42%)
- Healthcare (10.28%)
- Manufacturing (7.91%)
- Banking & finance (3.95%)
- Others (11.06%)

The survey aimed to gather insights from Taiwan's professionals on how their organisations approach succession planning, as well as to explore broader perspectives on the state of succession planning in Taiwan.





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