



SUCCESSION PLANNING

A Road Map for the Future HR Monthly Webinar

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Succession Planning

Ensuring the right person is available for the right position... at the right time... with the right abilities!

That's not too much to ask, right?





Succession Planning What Is It?

- A systematic approach to identifying, defining and prioritizing essential talent resource strategies required to achieve business success!
- A strategic process to align and integrate people and business strategies
- Identify talent requirements
- Assess current state and gap of talent



Why Succession Planning?

- Increase ability to attract, retain and promote high potential talent
- Increase ability and timeliness of identification and placement of talent ready to assume higher level roles
- Communicates dedication to talent development



Why Succession Planning?

- Create continuity of leadership to accomplish strategic objectives
- Increase understanding of business and organizational issues that have leadership and talent implications
- Ensure quality successor candidates and strategies for key positions



Succession Planning

- Key organizational questions to ask...
 - Is your organization prepared to immediately replace a key leader ?
 - What critical technical talent drives organizational success?
 - What talent drain risks are you facing over the next 1, 3, 5 years?
 - How long will transfer of institutional knowledge take in these critical technical roles?
 - What changes in your market place will drive the change for new roles within your organization
 - What roles will likely become obsolete?



Succession Planning

Replacement Planning	Succession Planning – Talent Management
<ul style="list-style-type: none">• Tactical in nature• Focused on ensuring continuity of operations• Focused on filling vital positions in short period of time• Vital positions in leadership and key talent roles	<ul style="list-style-type: none">• Strategic in nature• Focused on developing deep bench strength throughout the organization• Examines potential changes in business (market, competition, technology, etc.) and anticipated impact on talent needs





Succession Planning Process Flow

Succession Planning Process

1. Identify organizational readiness
2. Identify current and future business strategies - SWOT
3. Complete organizational need – Workforce analysis
4. Determine scope
5. Determine needed experience, competencies and knowledge
6. Determine identification, nomination, selection process
7. Perform candidate assessment
8. Assess and identify development needs
9. Create development plan
10. Implement, monitor , track, adjust



Succession Planning

Evaluate organizational readiness:

- A strong performance based culture?
- Clearly defined and communicated competencies for key positions?
- A robust performance management system?
- A feedback rich culture?
- A competency based leadership development program



Succession Success Factors

- System must be customized to your organization
- Driven by top management
- Focus on development with shared responsibility
- Align with current/future strategy
- Competency based
- Systematic method for identifying candidates
- Development vs. replacement focused system
- Measure and evaluate plan success



Identity Current & Future Business Objectives

- Strategies, objectives, metrics and tactics of the business plan form the basis of succession planning.
- What will the anticipated state of the business be 1-5 years out.
- Identify trends in external environment that may affect business



Succession Planning

- Is a data driven process
 - Assess **Internal** data that will drive changing needs
 - Assess **External** data that drive changing needs
 - Environmental Scan



Perform Environmental Scan

Gather Data

- Economic trends
- Financial conditions
- Regulatory / legal trends
- Social condition or trends
- Change in markets or customers
- New products or services



Identity Current & Future Business Objectives

- New business strategy
- Movement into new markets
- Change in competition
- Change in market demand
- Impact of technology changes
- Acquisition or merger



Determine Organizational Needs

- Organizational Response
- Identify functions - positions likely to be affected by changing business trend, objectives, strategies.
- Identify how organization should respond
- Identity impact on talent requirements

Trend	Function/Position	How it will be affected	Organizations' Response	Talent Requirement



Determine Organizational Needs

Based on business trends and objectives:

Perform **Workforce Analysis**, *collect and analyze data*:

- Will job functions be consolidated?
- Will process improvement or technology impact staffing requirements
- Age distribution of workforce
- Retirement projections
- Retirement patterns
- Turnover
- Identify any new key or senior positions
- Identify any anticipated changes in responsibilities for senior or key positions?
- Attrition patterns



Position /Risk Assessment

Assessment of “**Position Impact**” should be based on a prioritized list of the department’s mission, goals, objectives and strategic plan.

Assessment of “**Vacancy Risk**” should be based on factors such as the incumbent’s retirement eligibility, marketing, etc.

Position	Impact/Risk Assessment
Position Title: Classification & Level: Incumbent: Department: Location:	Position Impact: High Med Low Vacancy Risk: High Med Low
Position Title: Classification & Level: Incumbent: Department: Location:	Position Impact: High Med Low Vacancy Risk: High Med Low



Determine Scope

- Executive positions only
- All leadership positions
- Technical experts
- All critical positions
- All sales positions
- Only CEO



Determine Required Experience, Competencies & Knowledge

Must have a clear profile for success in every
“in-scope” position.

Required Experience	Required Knowledge	Required Competencies
<ul style="list-style-type: none">• Managing budgets• Handling merger• Negotiating contacts• Developing new products• Selling services• Developing strategies etc.	<ul style="list-style-type: none">• Marketing• Business process• Product knowledge• Service knowledge	<ul style="list-style-type: none">• Coaching• Influencing• Building team• Persuasive• Financial acumen• Vision, etc.



Determine Required Experience, Competencies & Knowledge

Give careful thought to the process of writing a position description, it is critically important in recruiting, selecting, orienting, training, appraising, and developing incumbents for a key position.

- Summary
- Duties/Responsibilities/Activities
- Educational Requirements
- Experiential Requirements



Determine Required Competencies

What are Competencies?

- Skills & behaviors critical to the success of the individual & the Company
- Skills & behaviors required to drive achievement of organizational goals
- Observable behaviors & personal attributes that contribute to successful performance



Determine Required Competencies

Define competencies for each position or job family

- Well defined competency model links performance to business strategy
- Set expectations for expected performance.
- Provide a basis for performance management.
- Provide a common framework for the hiring and promoting of all employees.



Determine Required Competencies

Action Orientation	Achieves results, overcomes obstacles, accepts responsibility, seizes opportunities
Directing Others	Brings out the best in others, clear communicator, gives clear directions, maintains two-way communications
Planning	Accurately measures length and difficulty of projects, develops clear objectives & goals



Determine Identification - Selection Process

- Individual profile form
- Performance – Potential Grid
- Nomination



Determine Identification - Selection Process

Future Potential

High

Low

**Present
Performance**

High

Stars

Strong &
Steady

Low

Question
Marks

Low
Performers

	High	Low
High	Stars	Strong & Steady
Low	Question Marks	Low Performers



Determine Identification - Selection Process

Key Indicators for High Potentials

- Resourcefulness
- Composure
- Straightforwardness
- Decisiveness
- Build and Mend Relationship
- High Emotional Intelligence
- Initiative
- Communication skills
- Collaboration Skills
- Planning / Organizing
- Presentation Skills
- Personal mastery



Perform Candidate Assessment

M= Meets Criteria

N = Does not meet criteria

Name	Criteria 1	Criteria 1	Criteria 1	Criteria 1	Criteria 1	Criteria 1



Identify Development Needs and Plan

- Review assessment information and compare to position requirements
- Consider assessment tools
 - 360, 3rd Party Consultant, etc.
- Identify critical development needs
- Identify best modes(s) for development
- Review development progress quarterly
- Meet every six months to review progress and make plan changes as needed.



Identify Development Needs and Plan

Greatest development active is job assignment and work experience

- Mentoring
- Coaching
- Job rotation
- Educational programs
- Formalized feedback
- Special assignments
- Action learning programs



Implement, Monitor and Track

Metrics

- Ability to fill key jobs with internal candidates
- Ethnic and gender diversity in promotions
- Retention rates
- Positive performance feedback following promotion
- Measure of bench strength (# of positions with currently identified successors)



Potential Obstacles to Talent Development

- Lack of Senior Staff support
- Insufficient Human Resources support
- Unrealistic or unclear expectations
- Inadequate time line for execution
- Lack of solid performance management
- Lack of continuous feedback & recognition of accomplishments
- Resistance from employees of managers
- Lack of \$



Succession Planning Summary

- Senior management owns the process
 - Shows dedication to this business critical process
 - Holds leaders accountable for succession activities
- Begin with business strategy and plan, current and future state
- Create robust performance management system
 - Clear metrics for department and individual performance
 - Create competency model to support business strategies and talent requirements
 - Establish a professional development process for all employees
 - Set employee development as a organizational value



THANK YOU!