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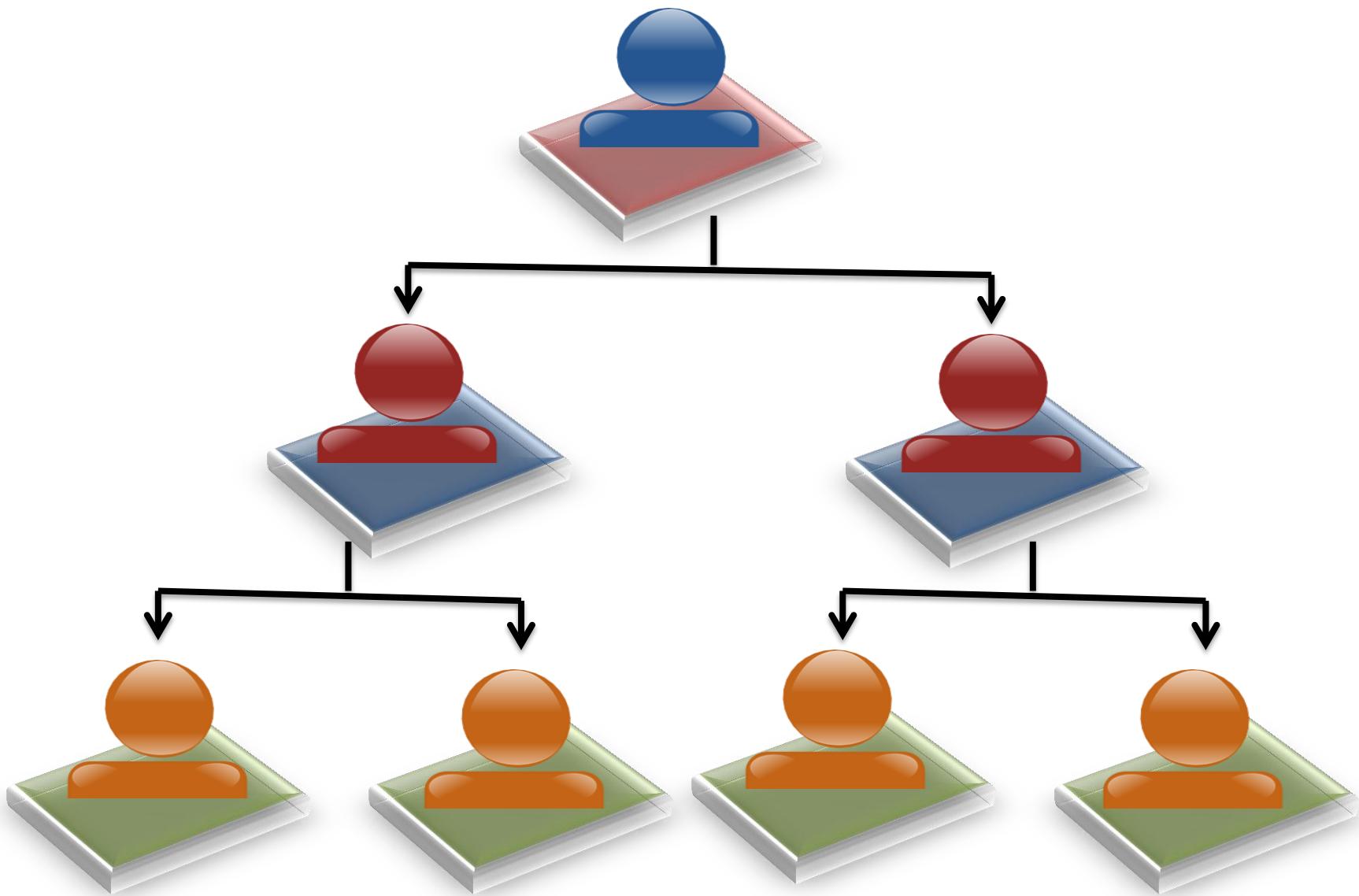


FEDERAL MINISTRY OF EDUCATION



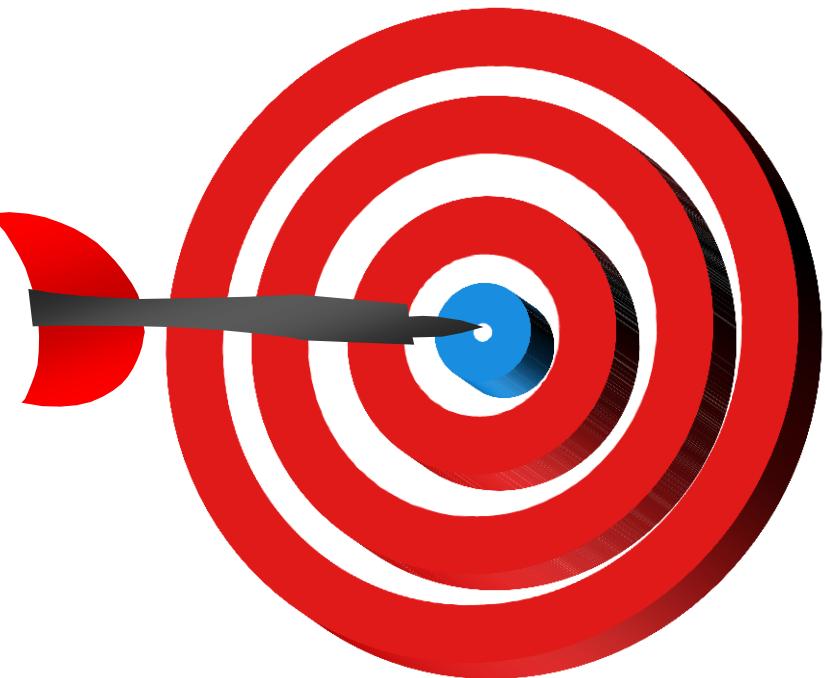
Our Standards





Succession Planning

Objective



Explain What is Succession Planning

List the Objectives of Succession Planning

Explain the Core Principles of Succession Planning

Describe the Key Elements of Succession Planning

Explain the Factors to be Considered in Succession Planning

Describe the Steps of Succession Planning

List the Challenges of Succession Planning

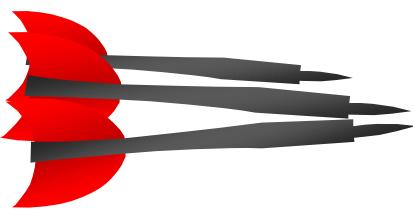
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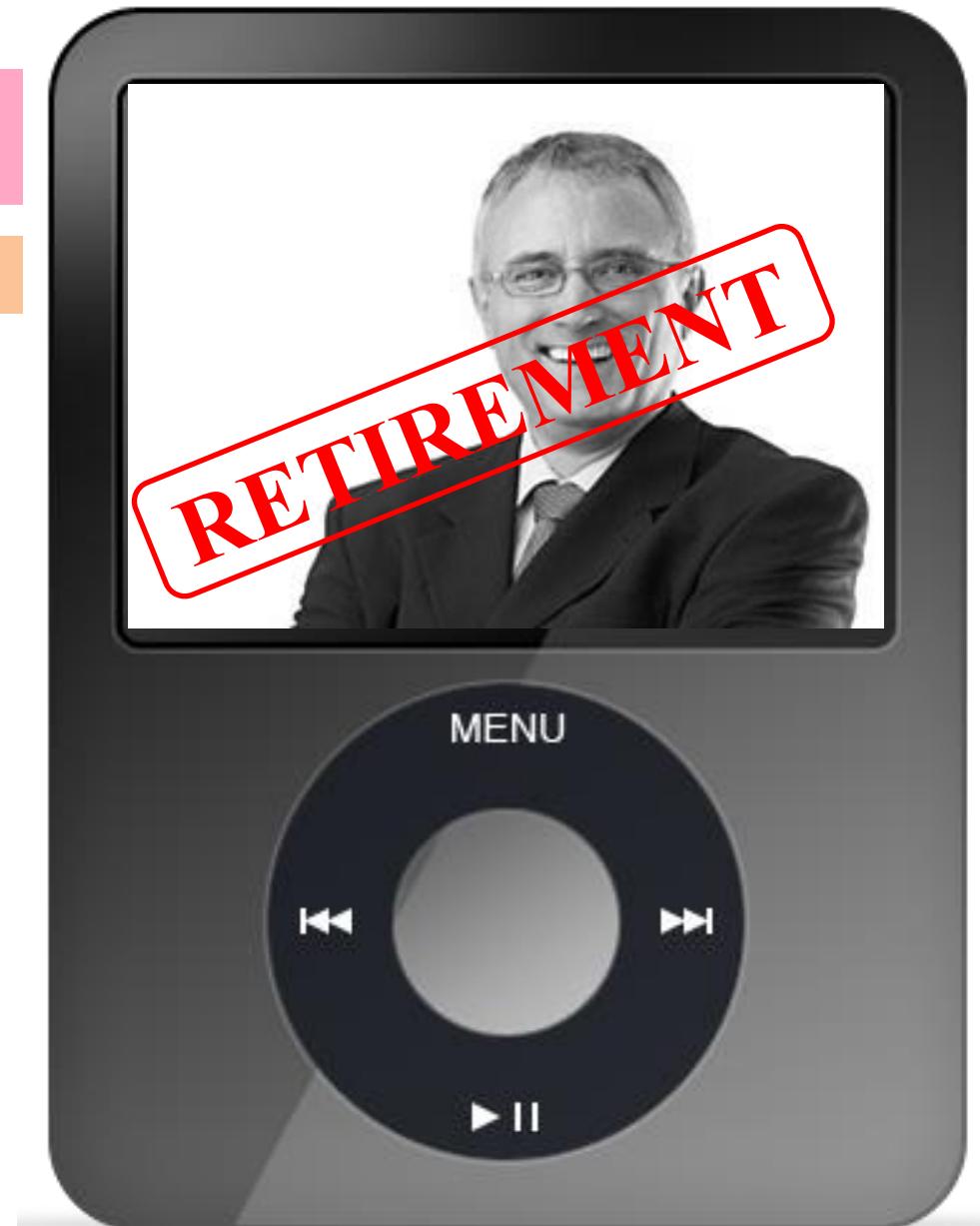
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(Finance) of Globe International Inc.



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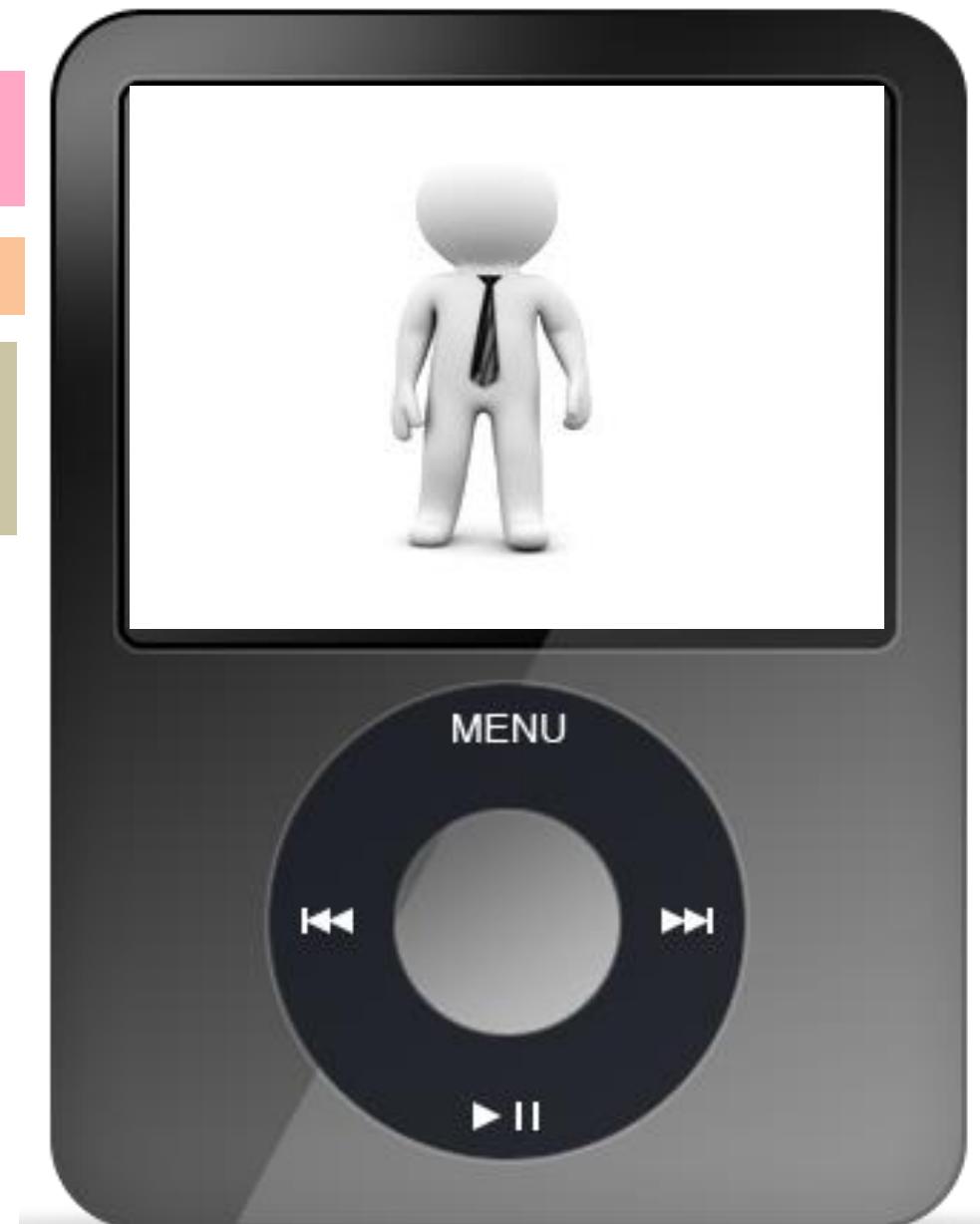


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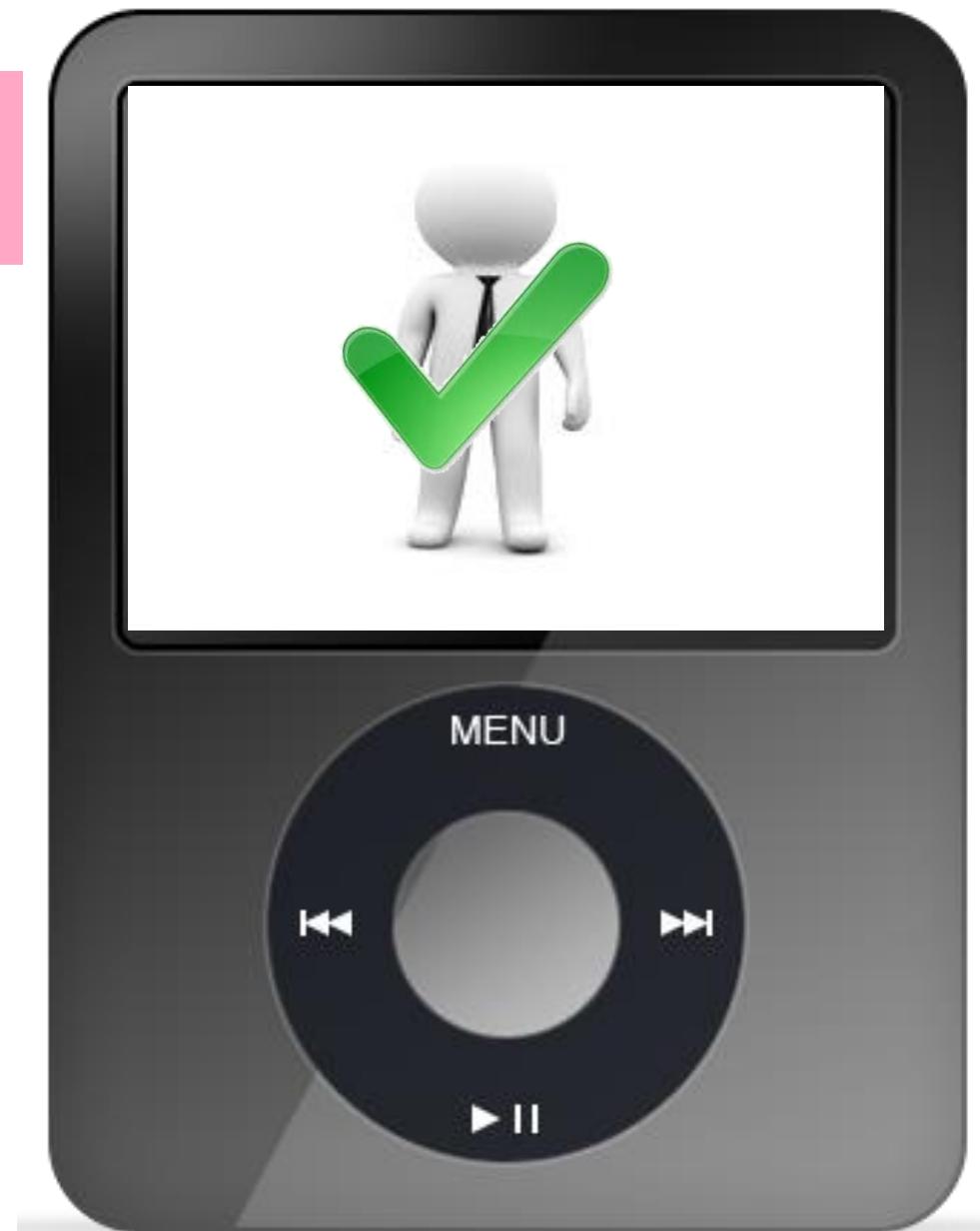
He has planned to retire in the next year.

However, he is deeply worried as he has to find a suitable person to fill his position before he leaves the organization.



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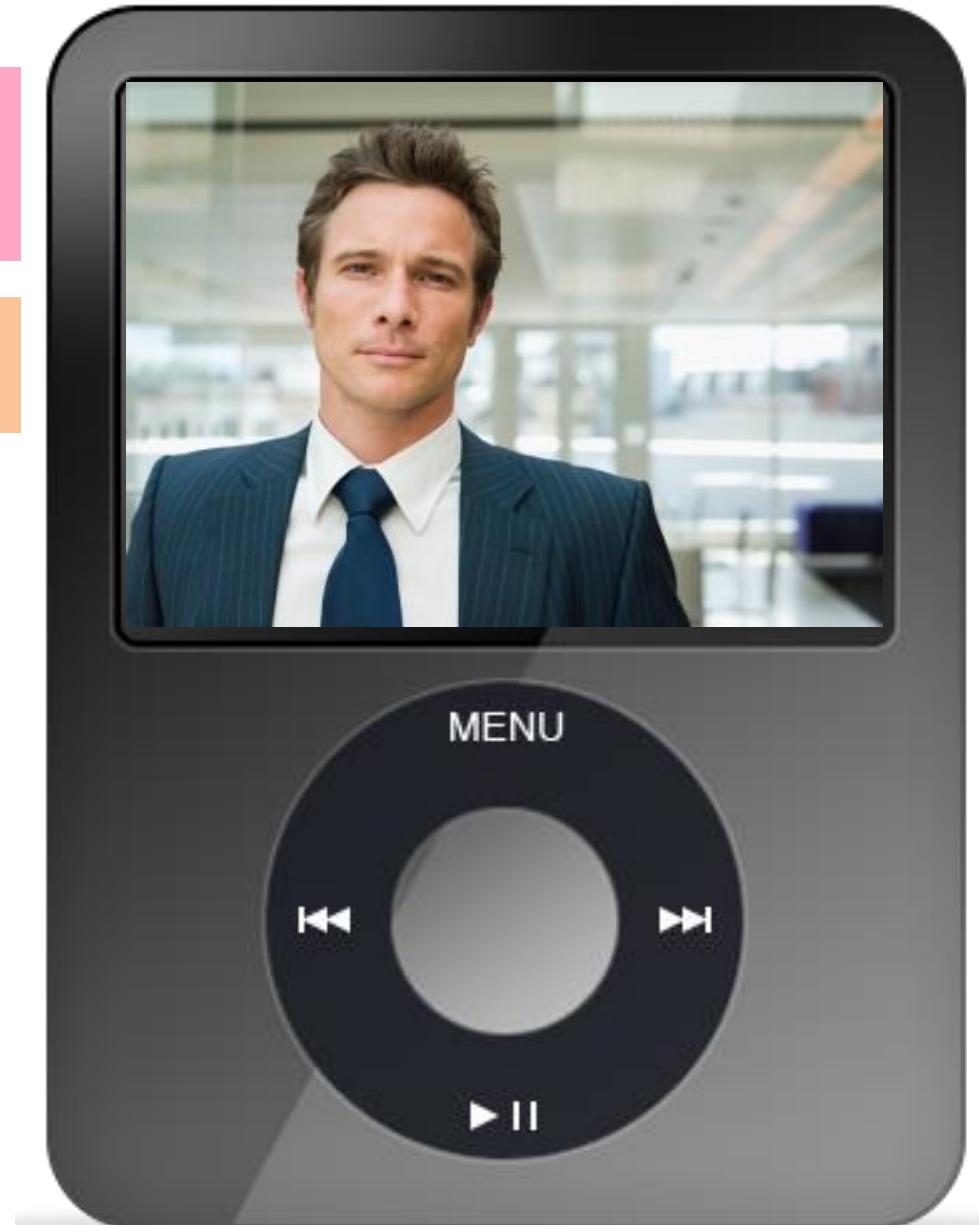
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Such crucial tasks can be done effectively and in a timely fashion through proper 'Succession Planning'.



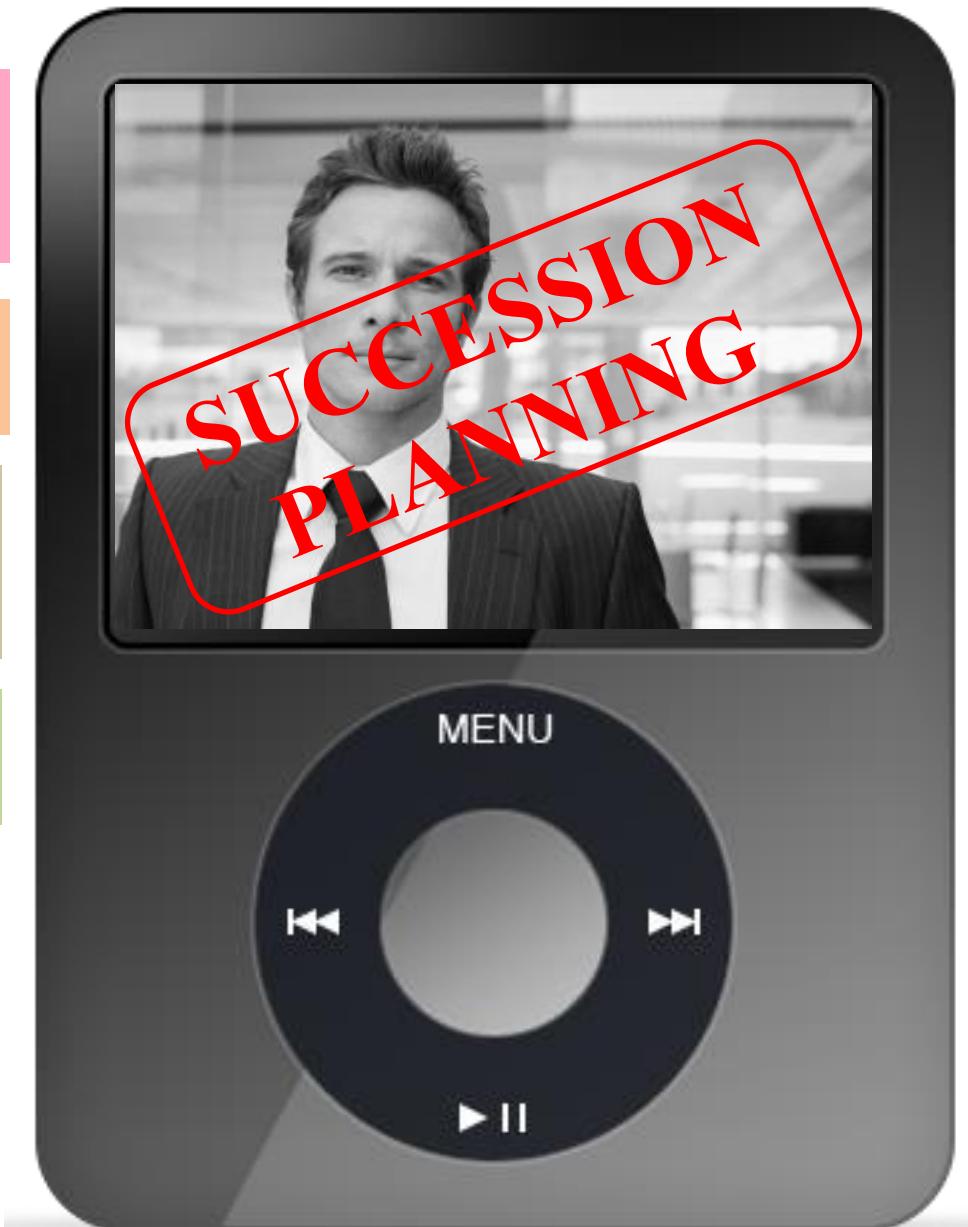
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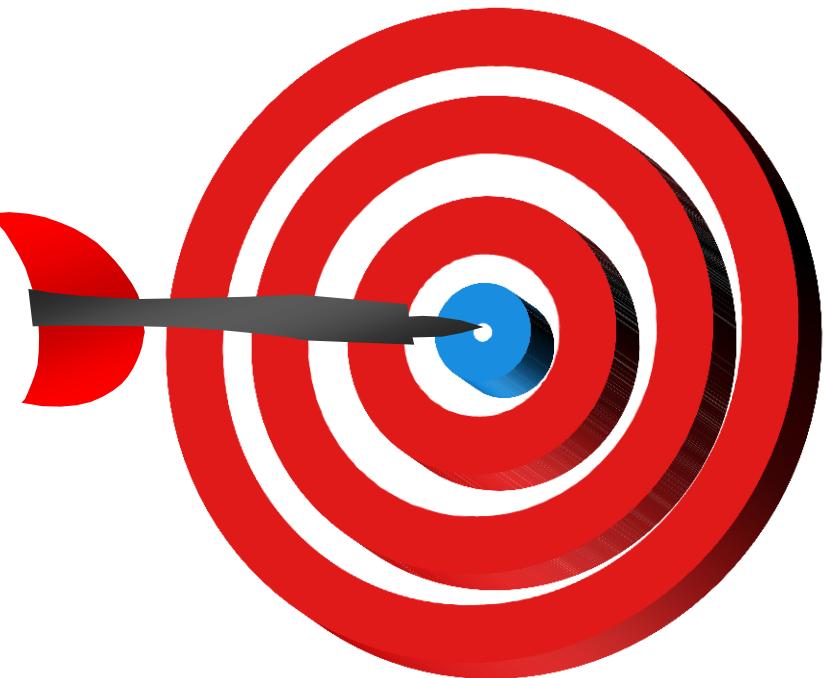
It may be possible to develop certain high performers for this role.

Such crucial tasks can be done effectively and in a timely fashion through proper 'Succession Planning'.

Let us learn about 'Succession Planning' or 'Succession Management' in detail.



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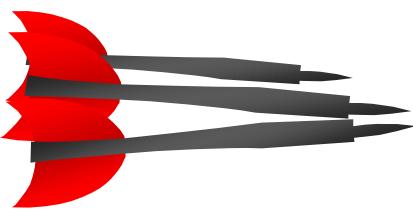
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What is Succession Planning?

Succession Planning is a dynamic ongoing business process that brings together the execution of a strategic business plan with the identification, assessment, development and deployment of talent to ensure successful continuity of the organization.



Definition



Succession planning establishes a process that recruits employees, develops their skills and abilities and prepares them for advancement, all while retaining them to ensure a return on the organization's training investment.

Why Succession Planning?

Succession planning helps organizations:



To engage senior management in a disciplined review of organizational talent

Guide development activities of staff

Bring HR systems into alignment

Assure continuity of key positions

Why Succession Planning?

Succession planning helps organizations:

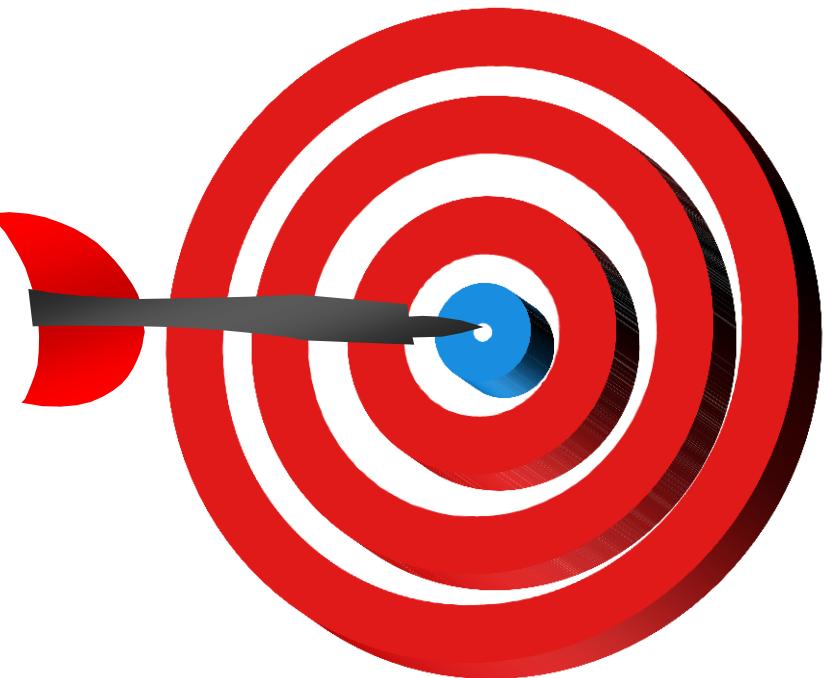
To develop a diverse workforce, by enabling decision makers to look at the future make-up of the organization as a whole.

To assure new managers are prepared for their jobs

To focus on organizational effectiveness

Avoid transition problems

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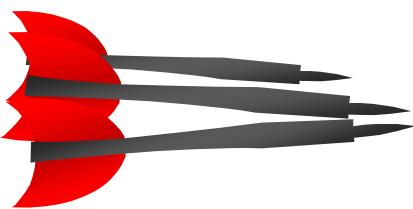
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Objectives of Succession Planning

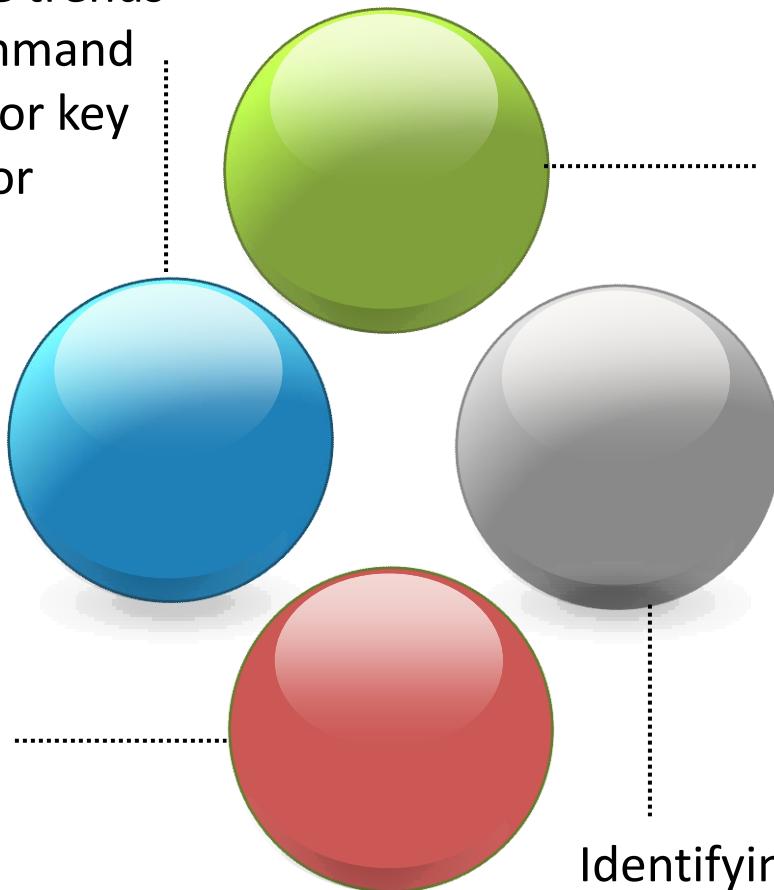
The following are the objectives of succession planning:

Determining workforce trends and predictions of command (and how it changed) for key departments and senior personnel

Understanding the organization's long-term goals and objectives

Identifying and developing successors for critical positions

Identifying positions that are critical to the enterprise



Succession Planning Illustration

Supply Analysis

- Workforce analysis and trends
- Employee competencies
- Workforce demographics
- Current workload analysis

GAP Analysis

- Comparison of future workforce competencies with future needs
- Analysis of how workforce demographics will change
- Identifying areas in which management action will be needed to reach workforce objectives

Solution Analysis

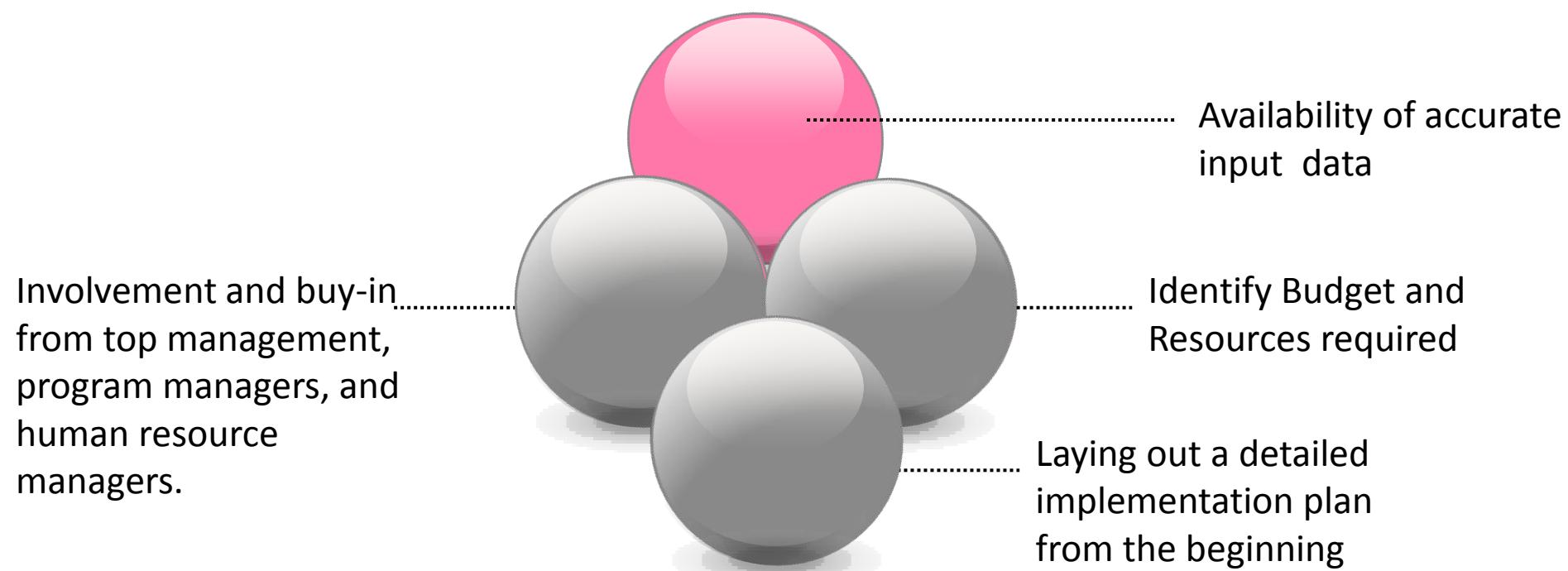
- Planning workforce transition
- Employee development and retraining
- Changes in staffing patterns

Demand Analysis

- Workforce knowledge, skills and abilities to meet projected need
- Staffing patterns
- Anticipated programs and workload changes

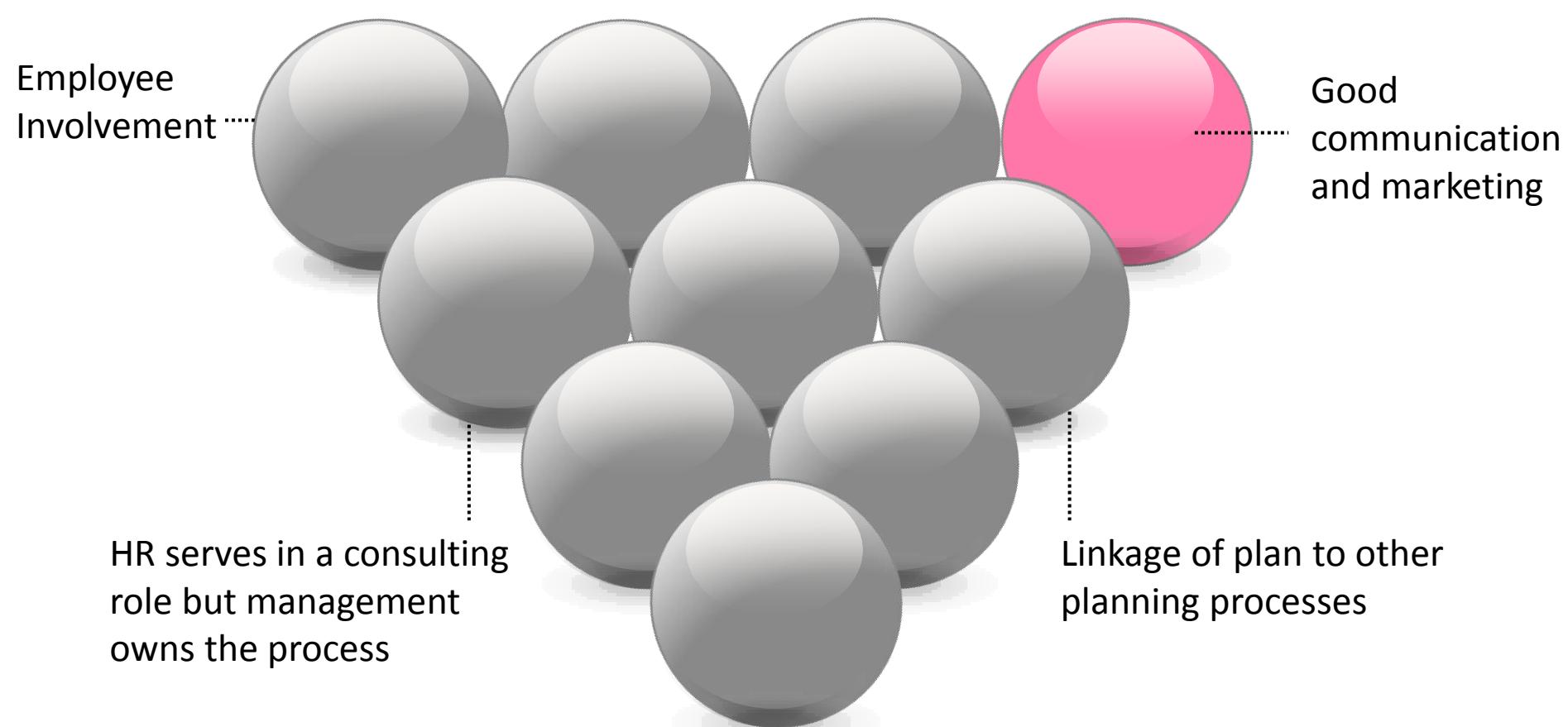
Effective Succession Planning

The following are a few key points to be followed for an effective and successful succession planning:



Effective Succession Planning

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Replacement Management



Replacement Management is the process of ensuring that pools of skilled employees are trained and available to meet the strategic objectives of the organization.

It follows a process for finding employee for key managerial positions.

Purpose of Replacement Management

- ▶ It takes care of long-term succession
- ▶ It helps to provide the training and work experience to enable individuals to assume higher-level job appointments in the future
- ▶ It takes care of short-term emergency replacement
- ▶ It helps to replace individuals who have quit, individuals who have been terminated due to performance issues, or have died, etc.
- ▶ Improve effectively filling vacancies



Evolution of Succession Management

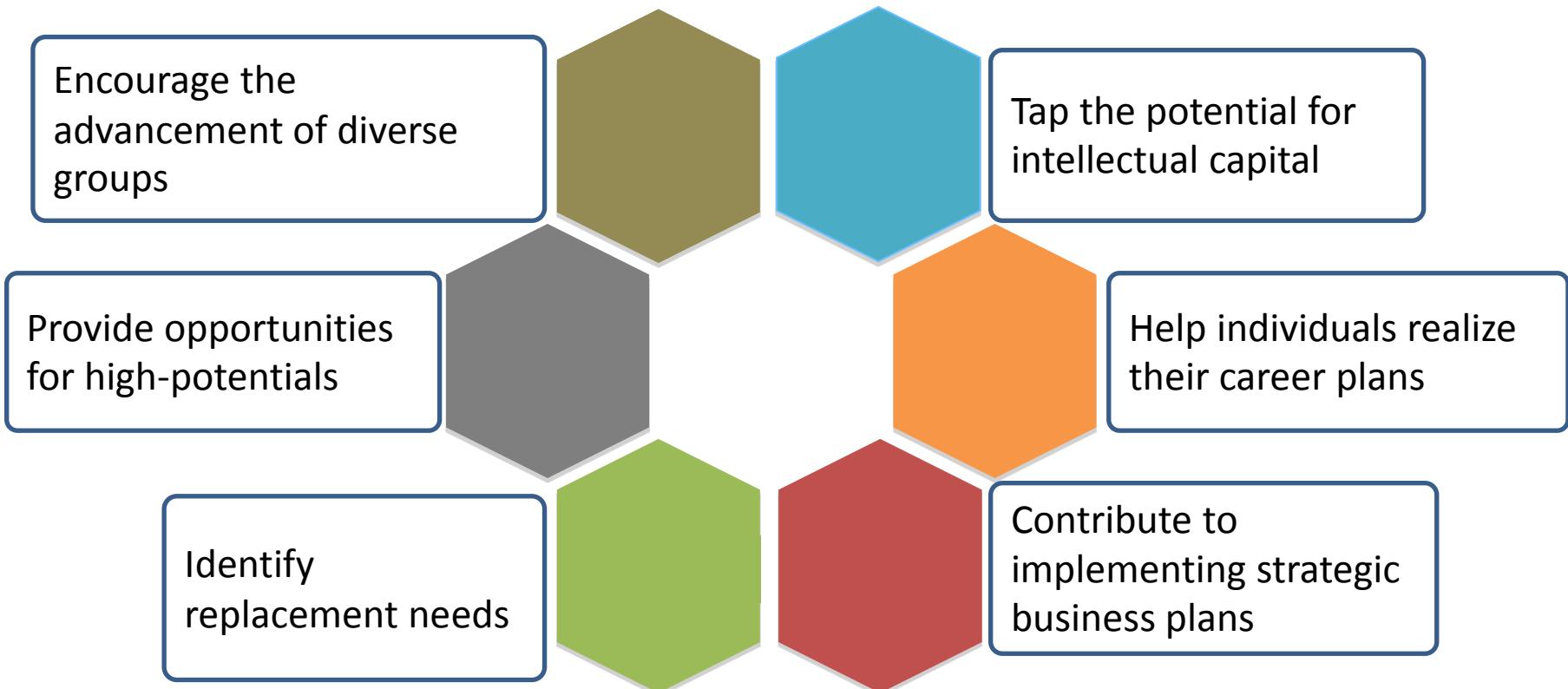
Succession Management is the process of finding replacement employees for key managerial positions.

Replacement planning has evolved into succession management by:

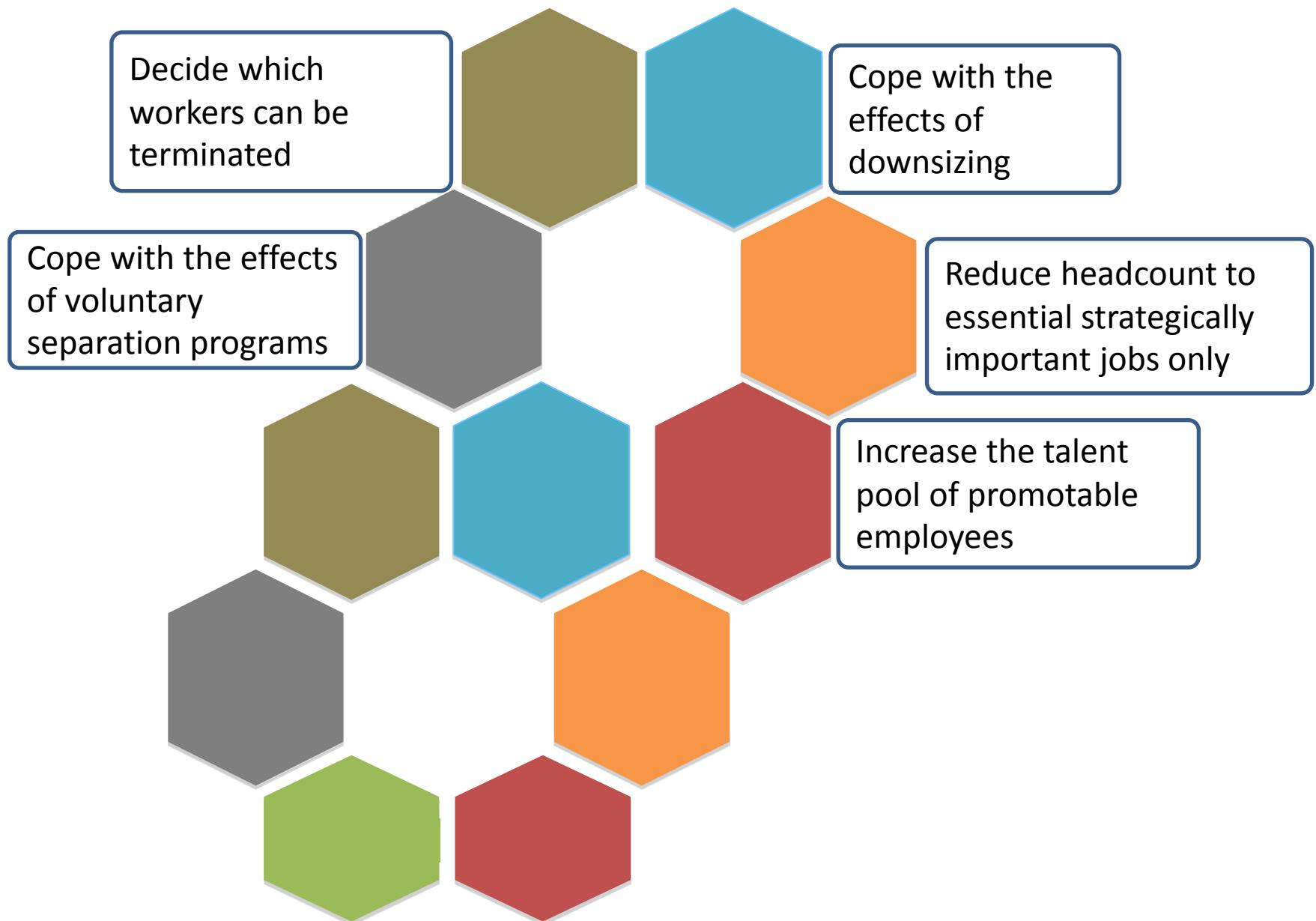
- Broadening the focus
- Expanding the time horizon
- Creating a talent pool
- Improving the evaluation system



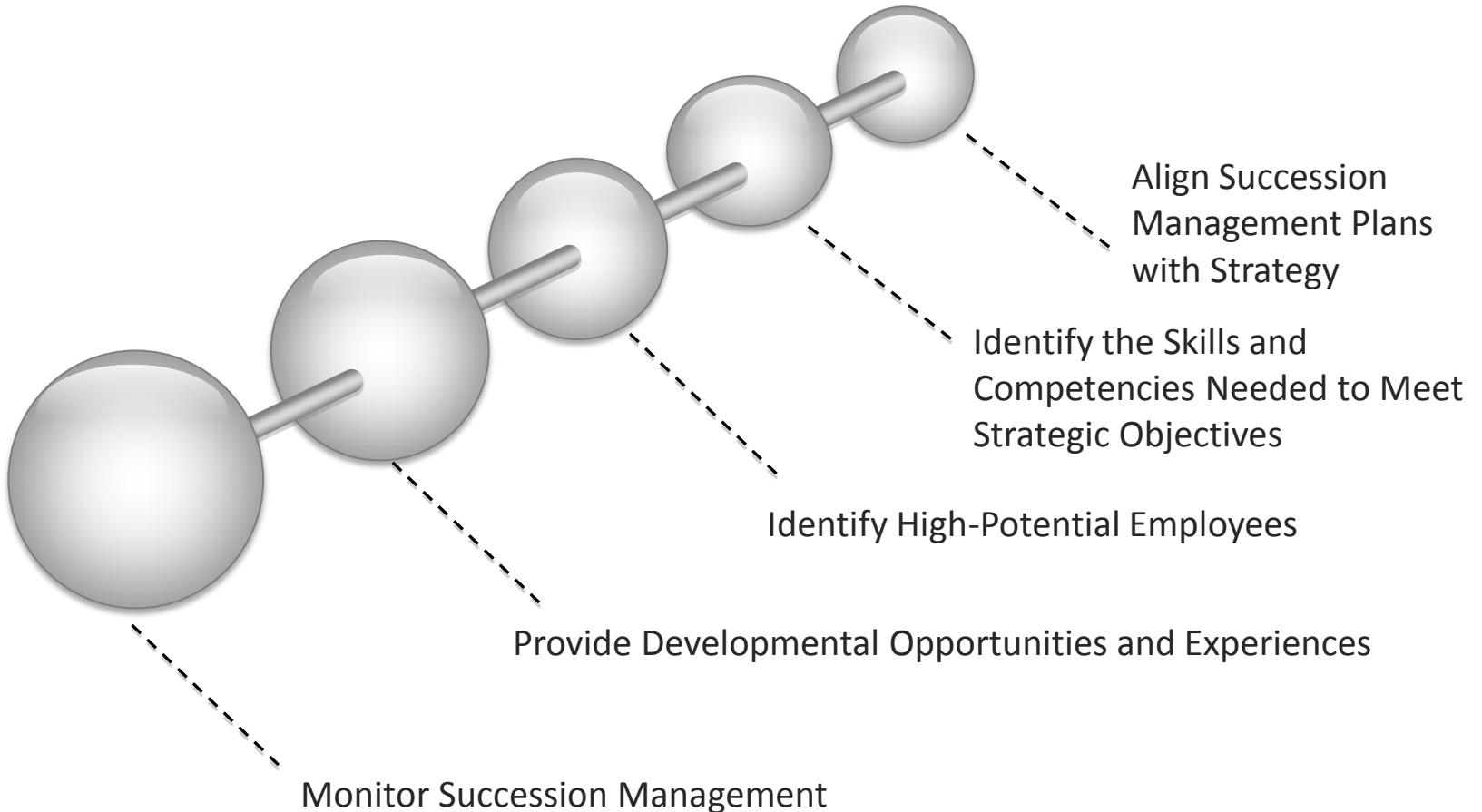
Reasons for Succession Management



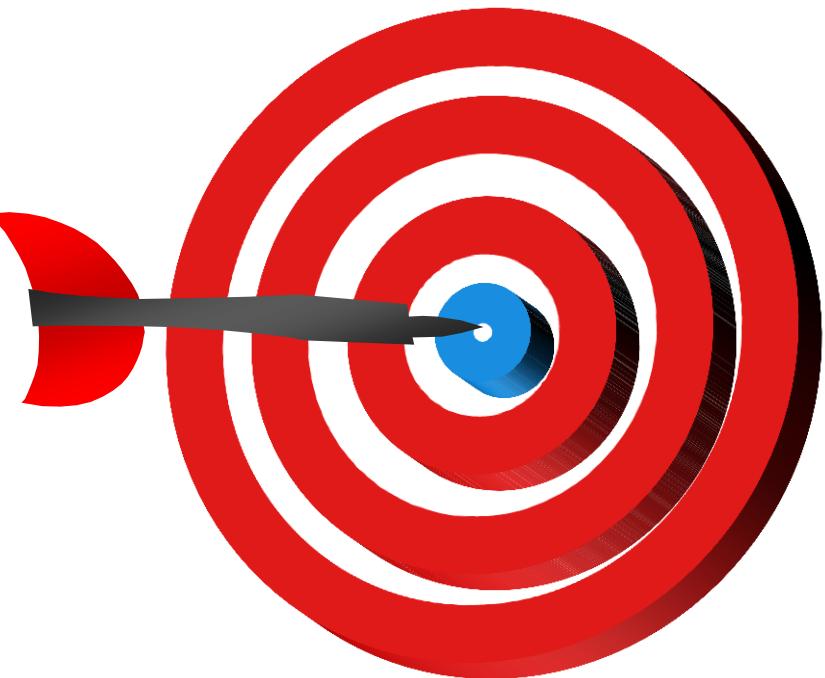
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Process of Succession Management



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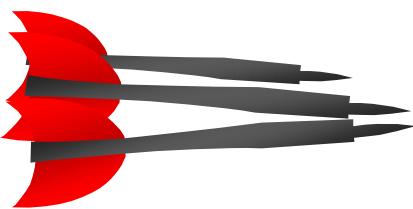
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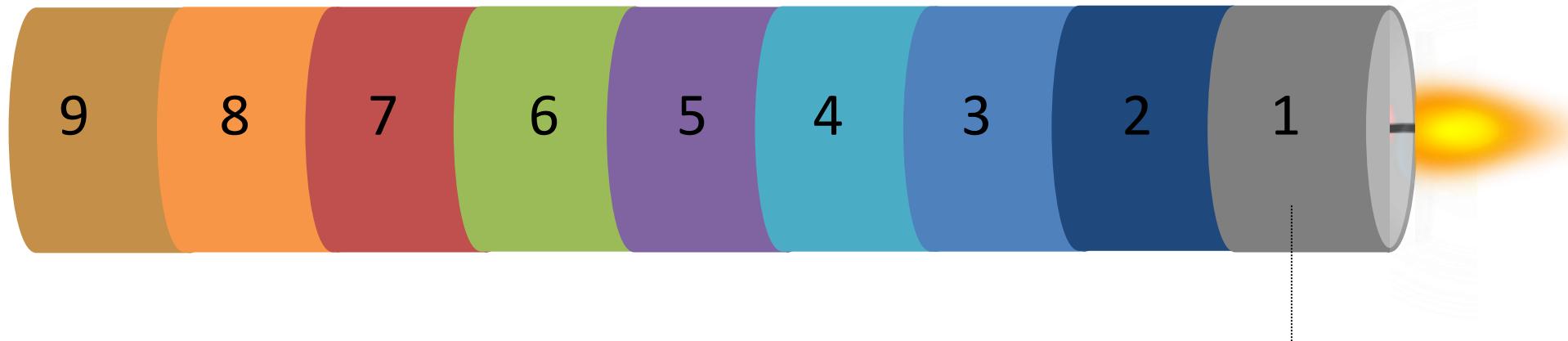
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Core Principles of Succession Planning

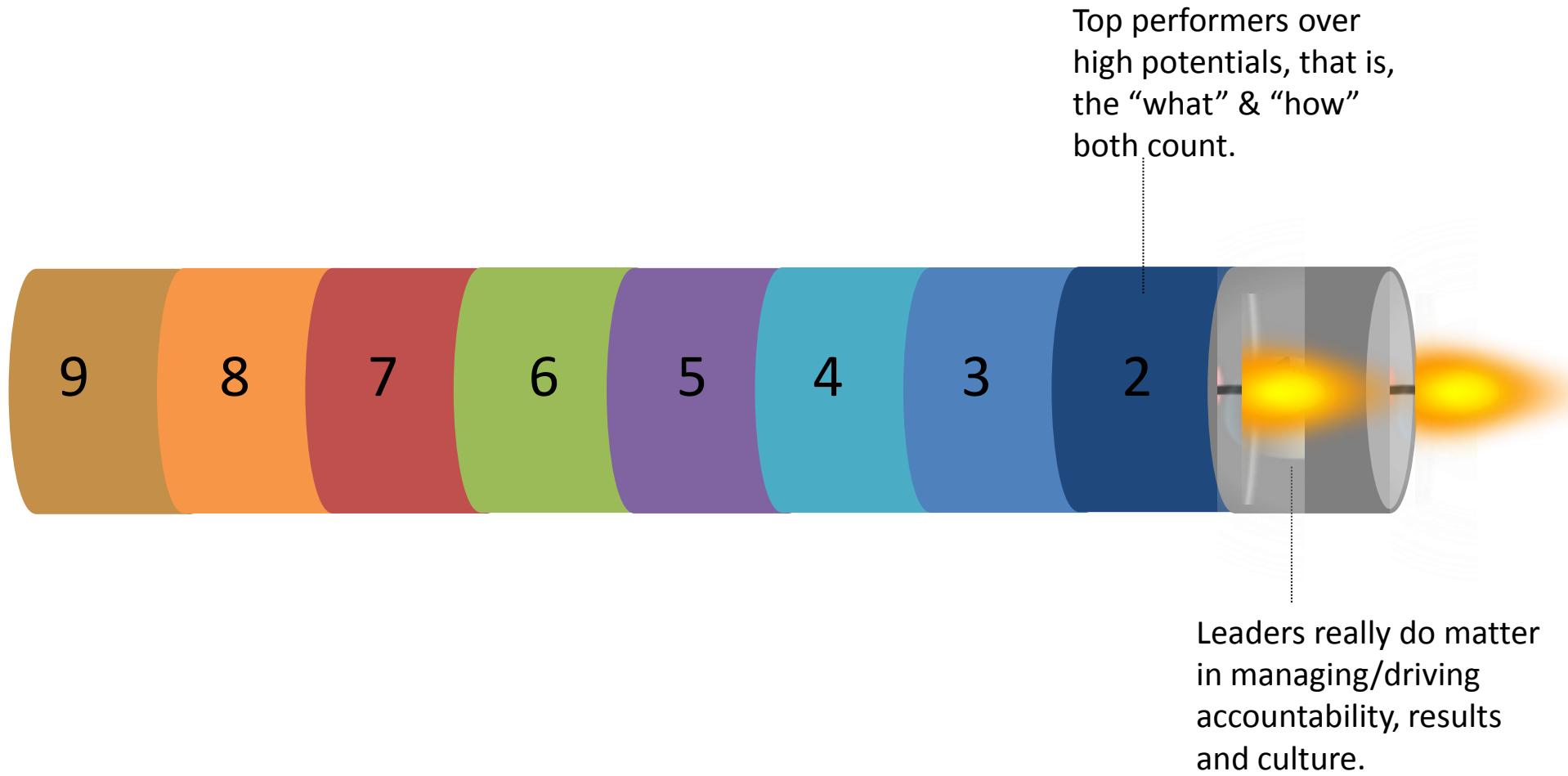
The following are the core principles underlying succession planning:



Leaders really do matter
in managing/driving
accountability, results
and culture.

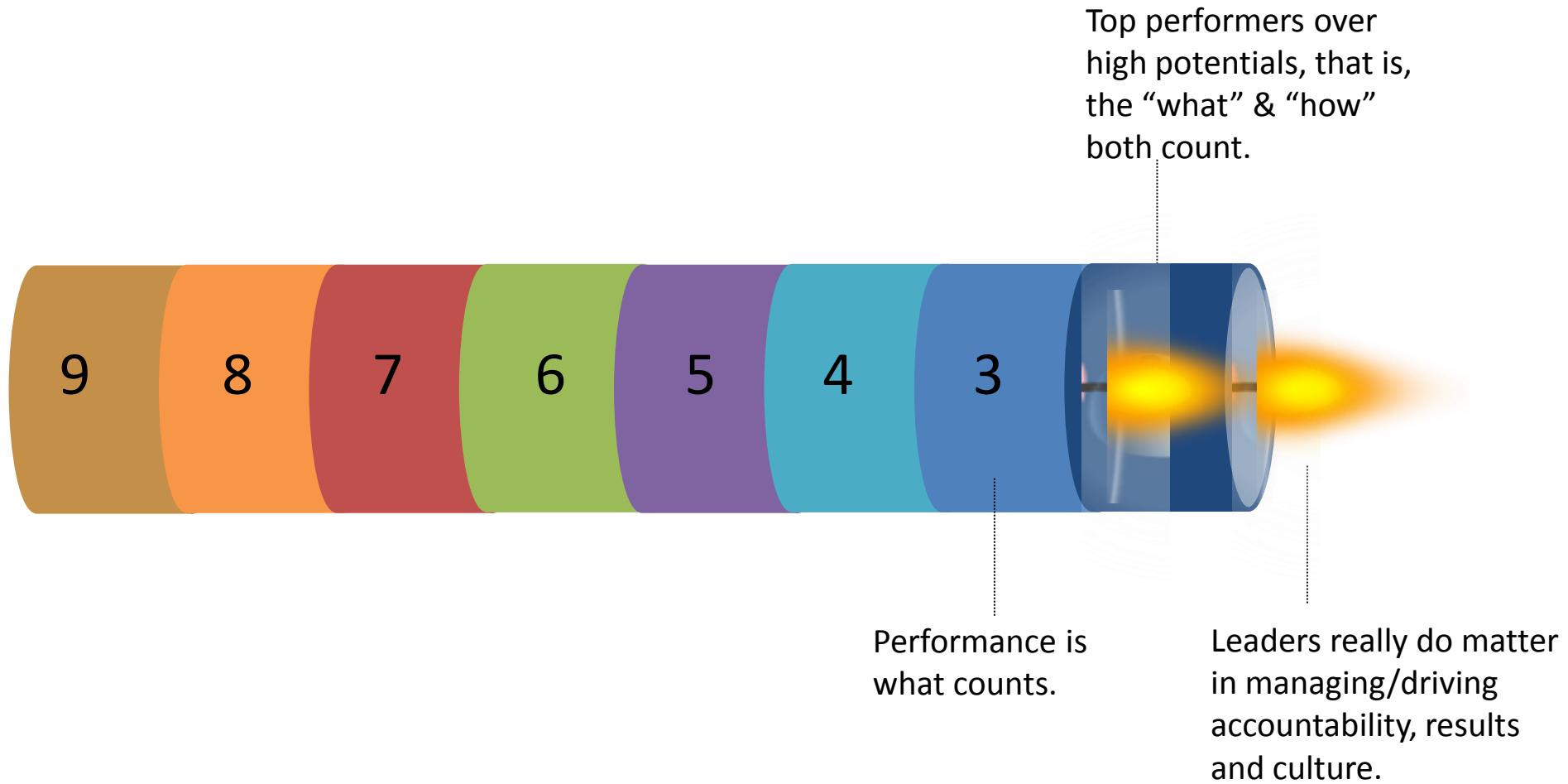
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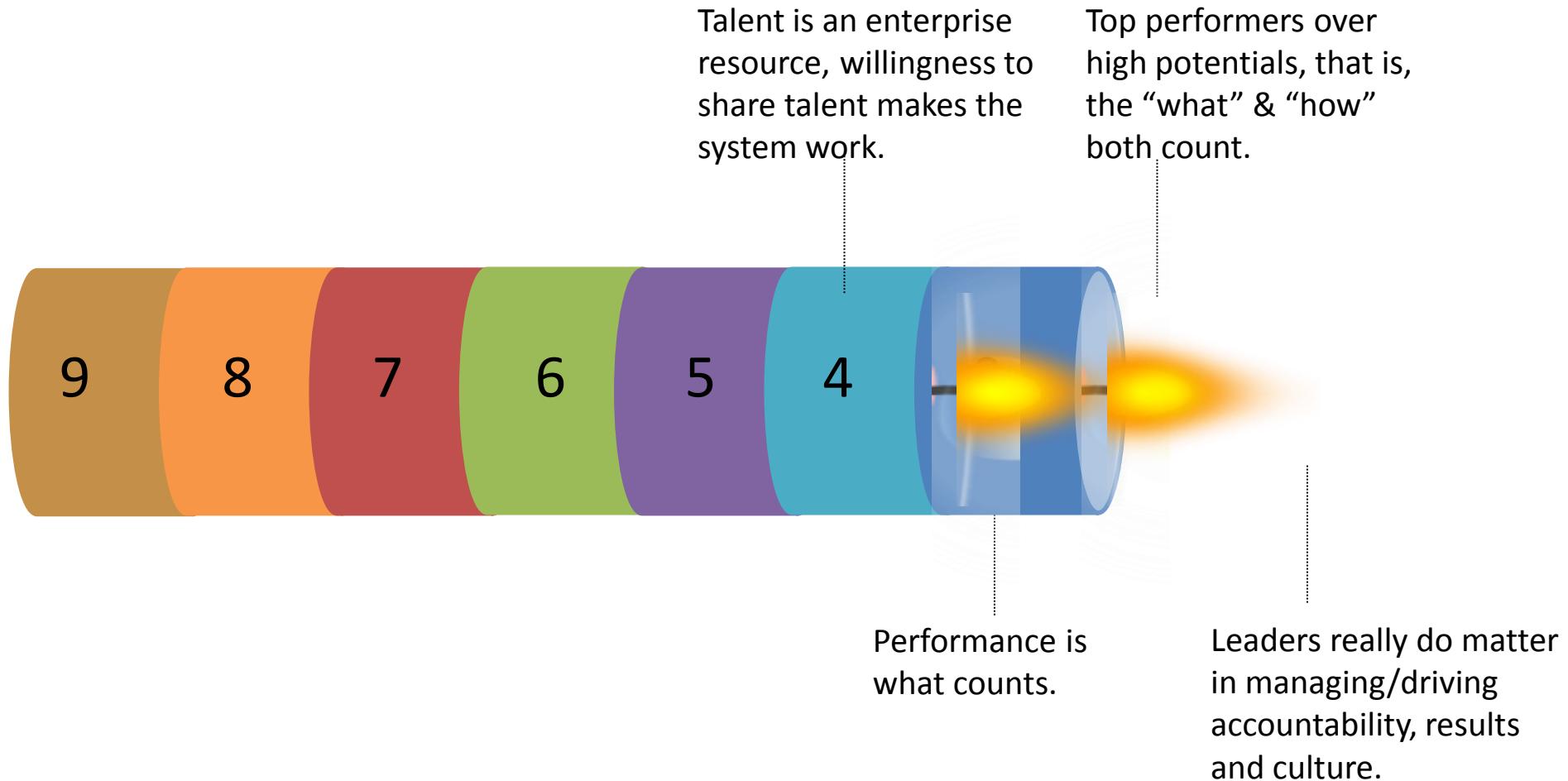
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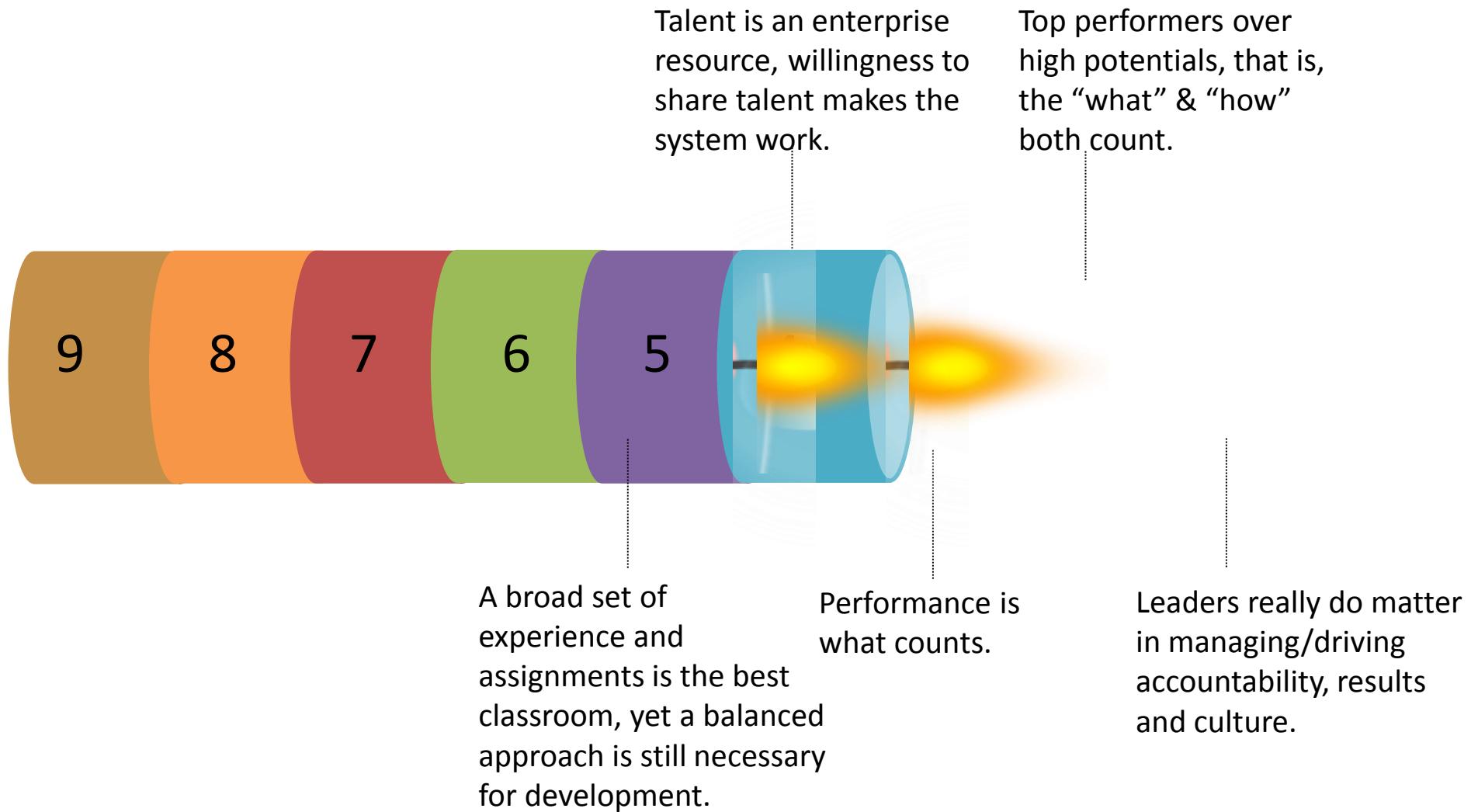
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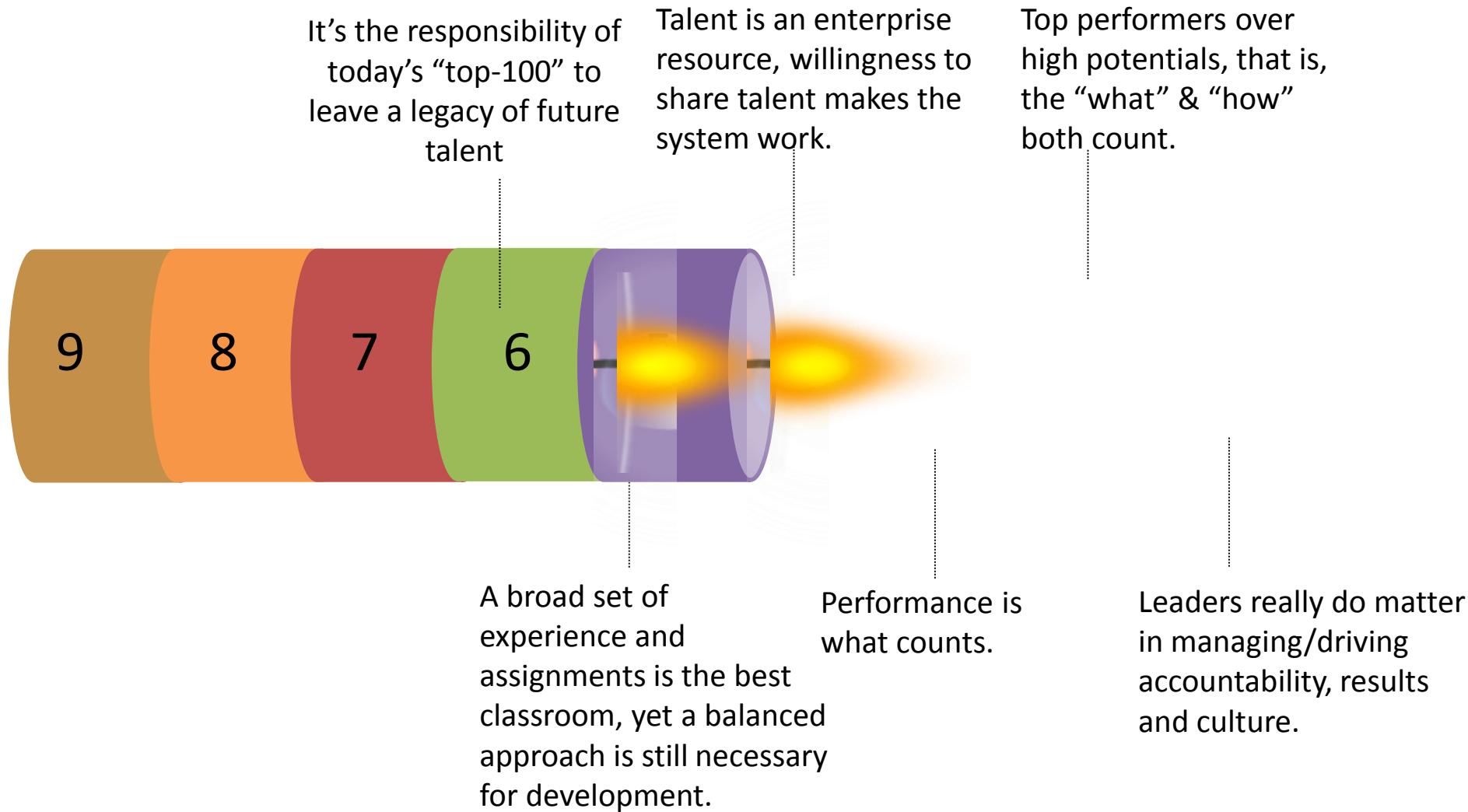
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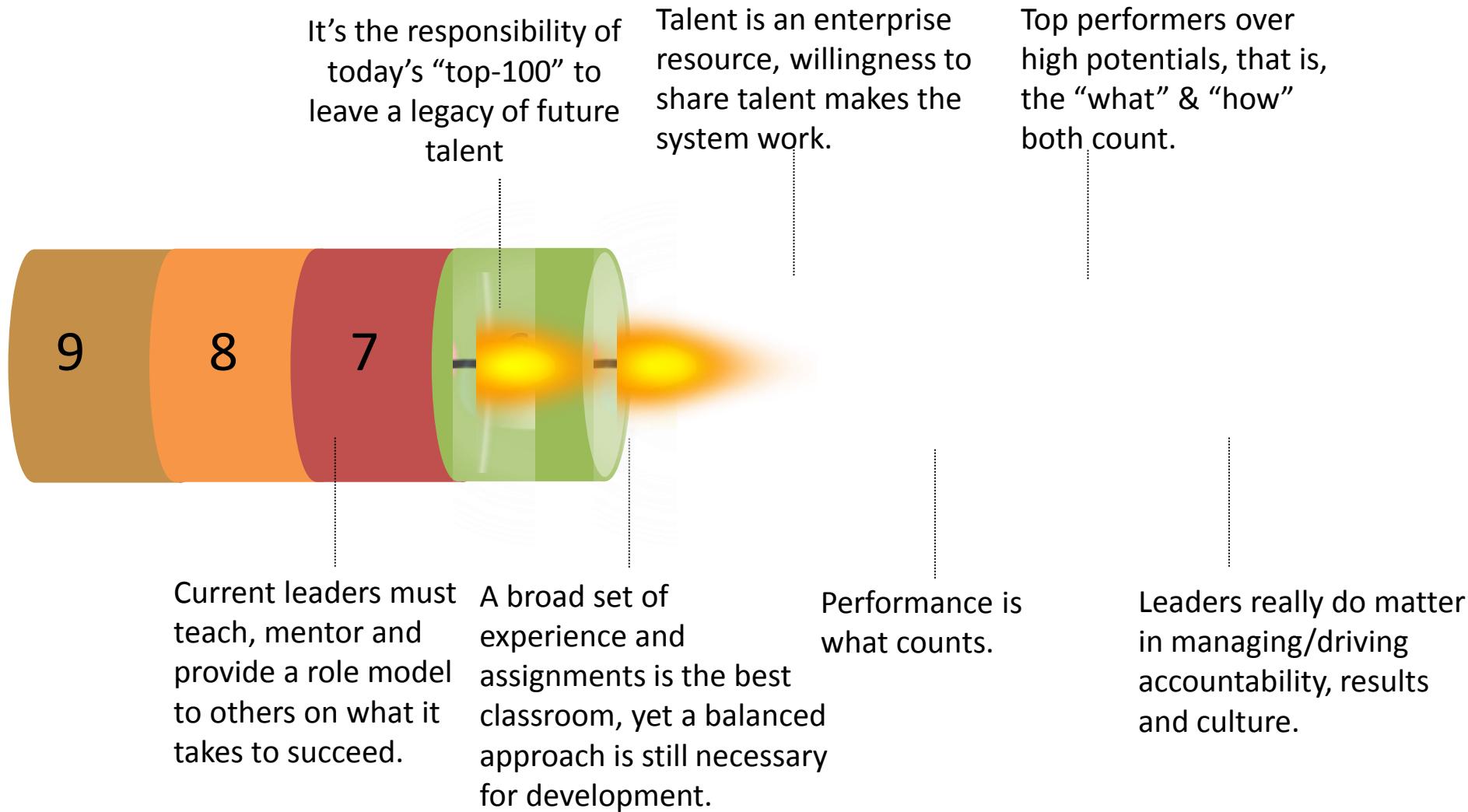
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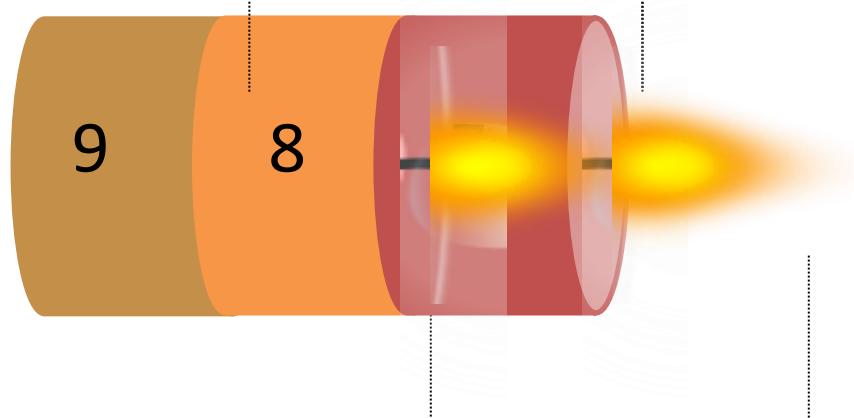
The following are the core principles underlying succession planning:

Today's top performing leaders aren't necessarily tomorrow's, even the best leaders can fall behind or derail.

It's the responsibility of today's "top-100" to leave a legacy of future talent

Talent is an enterprise resource, willingness to share talent makes the system work.

Top performers over high potentials, that is, the "what" & "how" both count.



Current leaders must teach, mentor and provide a role model to others on what it takes to succeed.

A broad set of experience and assignments is the best classroom, yet a balanced approach is still necessary for development.

Performance is what counts.

Leaders really do matter in managing/driving accountability, results and culture.

Core Principles of Succession Planning

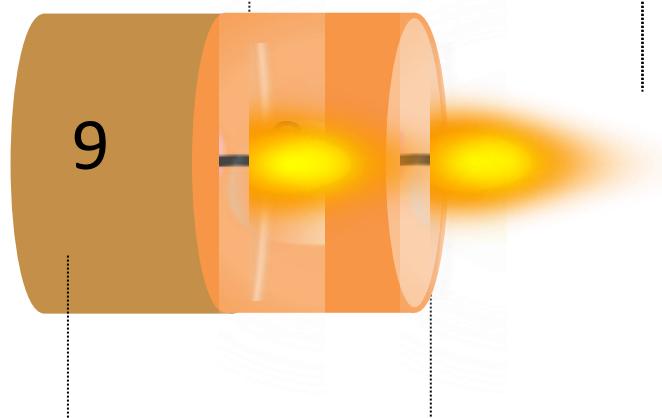
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Invest in the best and focus on the rest.

Current leaders must teach, mentor and provide a role model to others on what it takes to succeed.

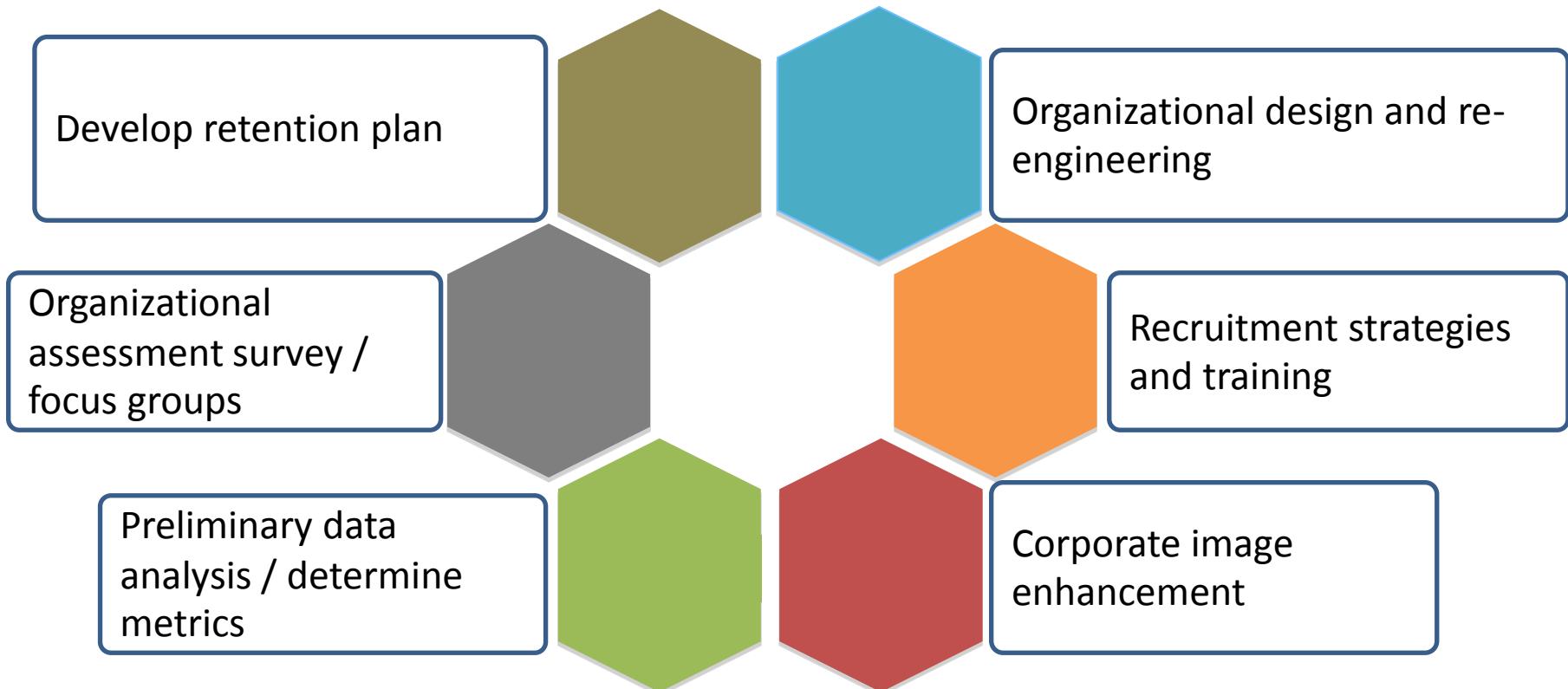
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Tasks of Succession Planning

There are various tasks that need to be performed for succession planning. These are as follows:



Tasks of Succession Planning

Develop and pilot entrance and post-exit surveys

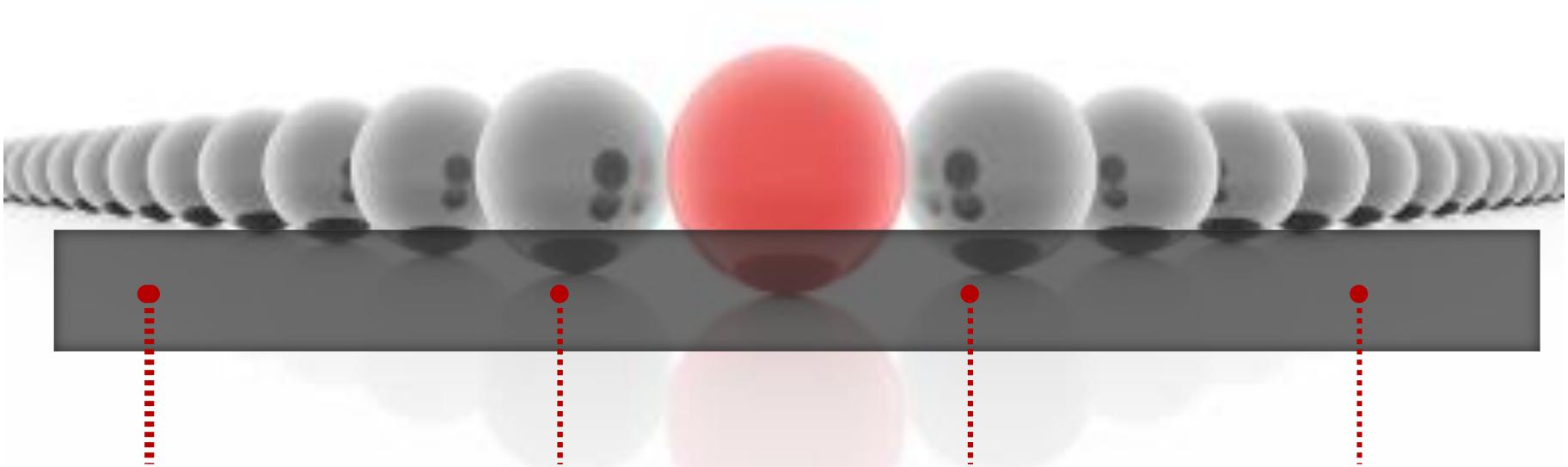
Conduct competency gap analysis

Performance management advice and expertise

Design of training and development strategies

Review position descriptions, functional statements, and crediting plans

Leadership Development



The right candidate that should be chosen for developing into a leader should have certain traits.

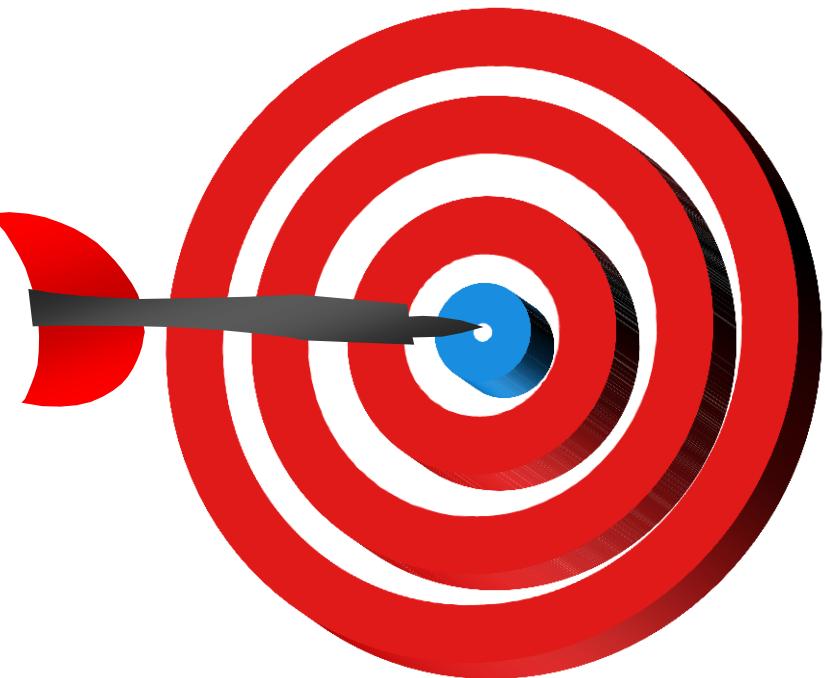
The right candidate should have a mix of three important traits for leadership development.

These are:

- Variety of Experiences
- Challenging Assignments
- Ability and Willingness to Learn

Hence, Leadership Development = Variety of Experiences + Challenging Assignments + Ability & Willingness to Learn

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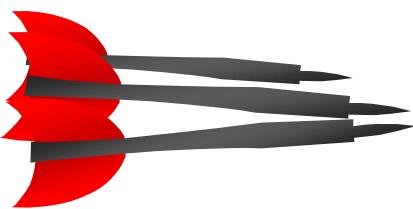
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Key Elements of Succession Planning



Let's look at each in detail.

Key Elements of Succession Planning



Assessment of Key Positions

- Identify the key position likely to be affected by retirement, resignation, promotion or transfer
- What are the competencies and experiences needed to qualify for each key position?

Key Elements of Succession Planning



Identification of Key Talent

- Typically people at the top two levels of the organization and high potential employees one level below.
- Identified by the management's assessment of their performance and potential for advancement.
- HR manager must appraise the potentialities of the potential employees from within the organization, to find out best suitable employees, who would match the requirement of the vacancy at the higher level.
- The manager would prepare and short list the most potential candidate for succession planning.

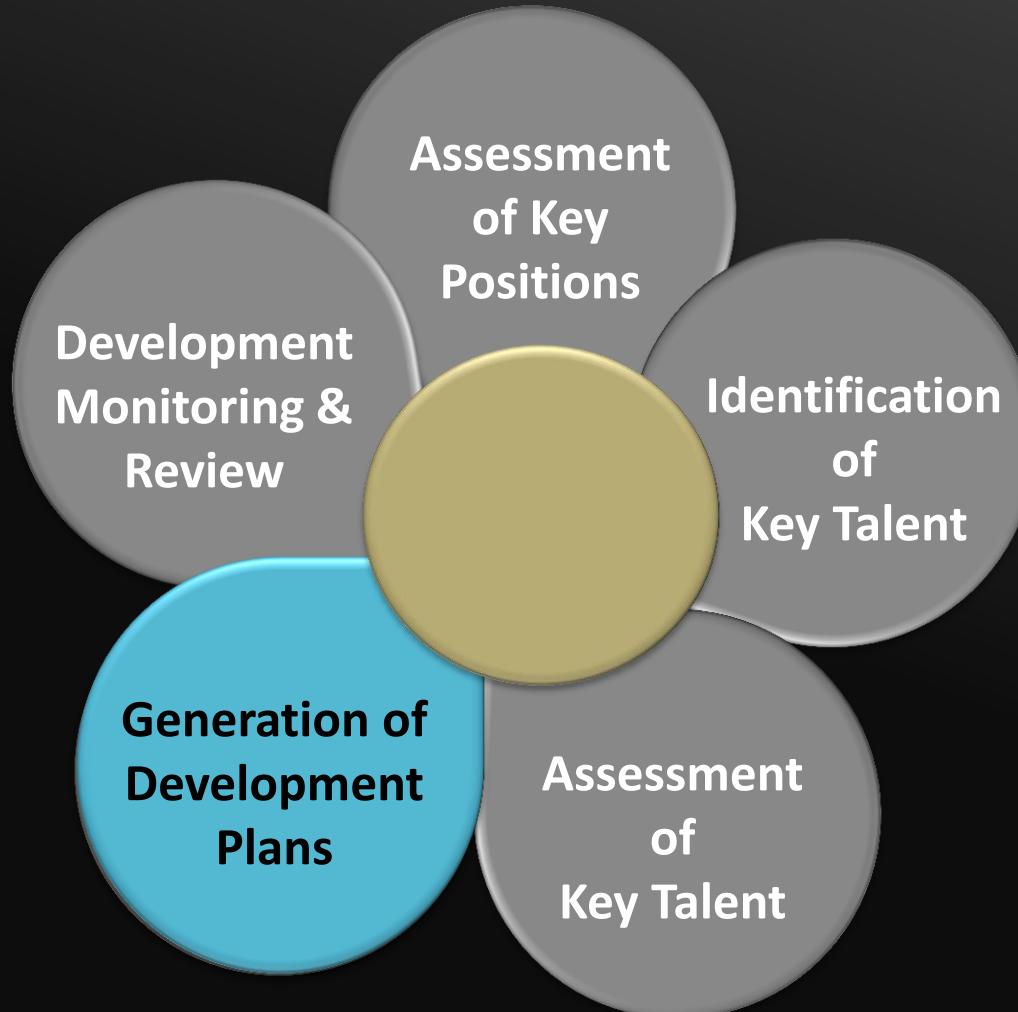
Key Elements of Succession Planning



Assessment of Key Talent

- For each person on the radar screen, primary development needs are identified focusing on what they need in order to be ready for the next level.
- The HR manager should provide the list of potential employees to the management, which would facilitate the management to make a decision on the selection of the candidate to fill up the vacancy at the higher level.

Key Elements of Succession Planning



Generation of Development Plans

- A development plan is prepared for how management will help the person develop over the next year.
- Providing Training and Development to candidate under guidance of top executive who is going to retired.

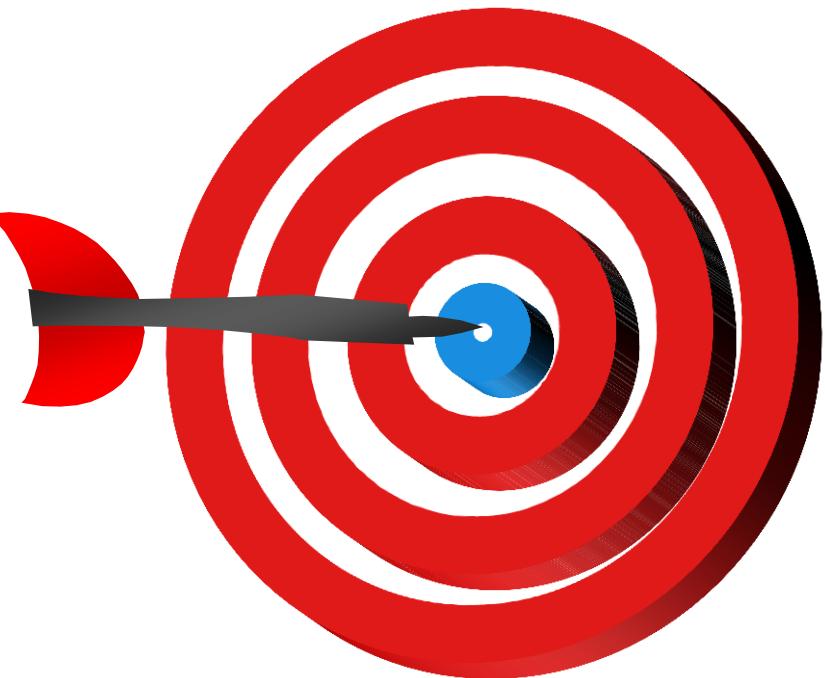
Key Elements of Succession Planning



Development Monitoring & Review

- An annual or semi-annual succession planning review is held to review progress of key talent and to refresh or revise their development plan.
- Candidate would be placed at the right job as and when post falls vacant.

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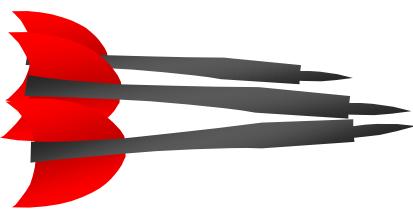
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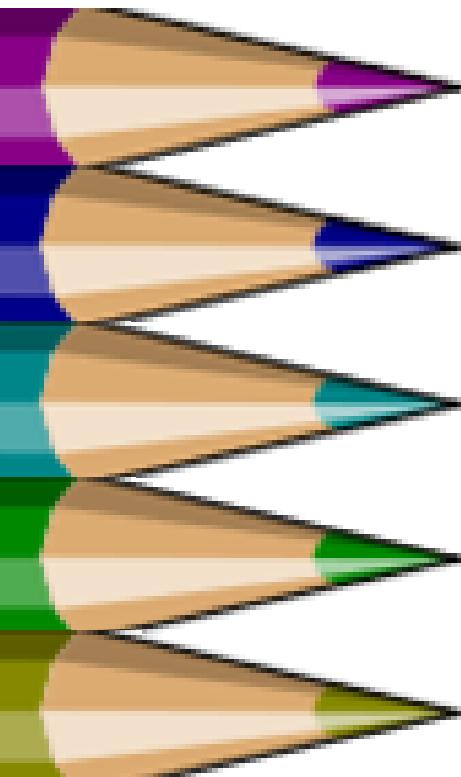


Factors to be Considered in Succession Planning

There are various factors that need to be considered while planning for succession of an existing employee. The factors to be considered in succession planning for choosing the right candidate are:

- **Age of the Candidate**
- **Length of Service**
- **Past Performance of Candidate**
- **Duties and Responsibilities**
- **Qualifications**

Let's look at each in detail.



Factors to be Considered in Succession Planning

- **Age of the Candidate**



Age of the Candidate:

The age of the candidate is also a crucial factor to be considered while short listing for succession, as the age of the candidate should be such that he can hold the position for a long time before the event of retirement or death occurs.

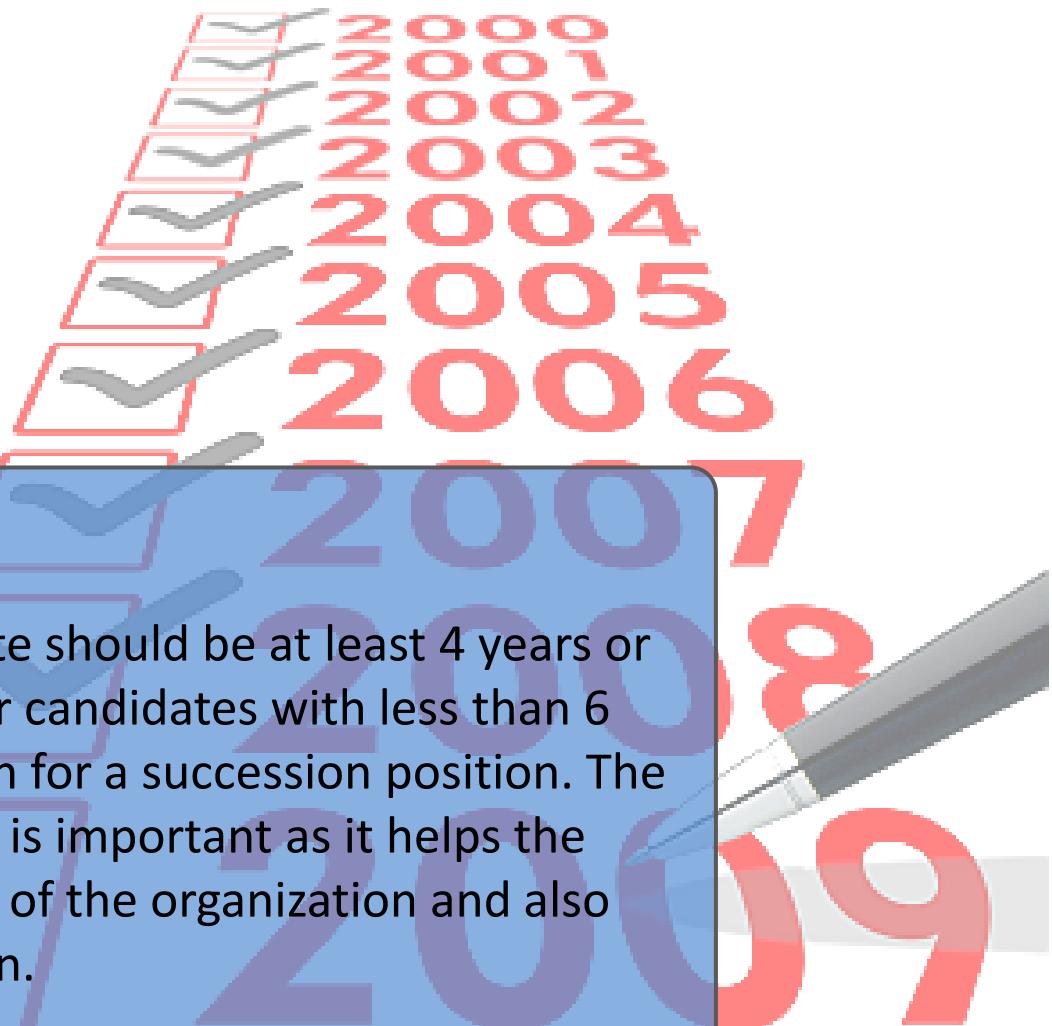


Factors to be Considered in Succession Planning

- **Length of Service**

Length of Service:

The length of service of the candidate should be at least 4 years or above. It is beneficial to not consider candidates with less than 6 months of service in the organization for a succession position. The tenure of service in the organization is important as it helps the employee to understand the culture of the organization and also proves the loyalty to the organization.



Factors to be Considered in Succession Planning

- Past Performance of Candidate

Past Performance of Candidate:

It is important to check past performances and track record of the employee before choosing him as a candidate for succession planning. Choosing the candidate with high potential as well as a good performance record in the past helps to reward the employee for his hard work and commitment towards his work.

Factors to be Considered in Succession Planning

- Duties and Responsibilities

Duties and Responsibilities:

HR must consider the duties and responsibilities of the job for which succession planning is taking place. The candidate must meet the demands of the job.

Factors to be Considered in Succession Planning

- **Qualifications**



Qualifications:

HR should consider the qualifications of the candidate before short listing for succession as the qualification should be suitable to meet the capabilities of the job.

Importance of Succession Planning

Helps to fill up vacancies:

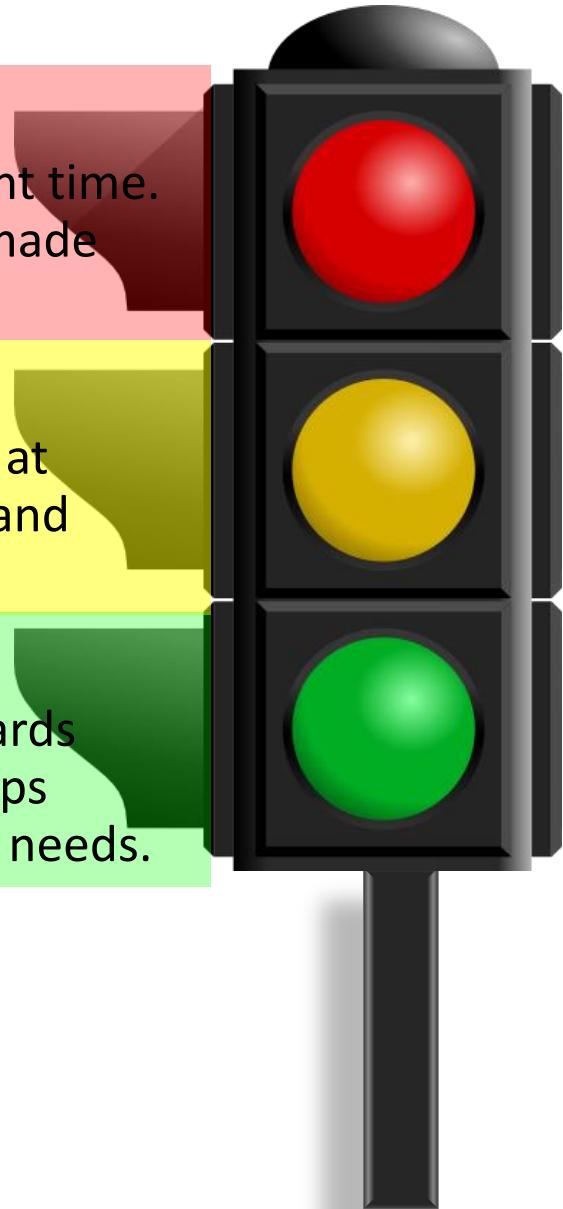
Succession planning helps to fill up the vacancies at right time. As and when the post falls vacant, the candidate is made available to occupy the same.

Recognition:

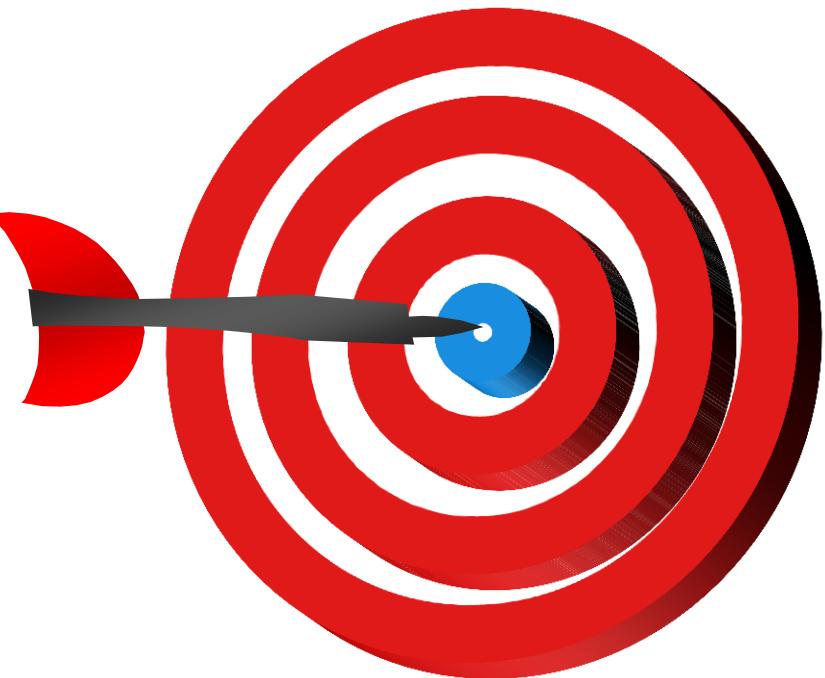
The employees who are trained to take a position at higher level feel that their services are recognized and rewarded by the organization.

Motivation & Job Satisfaction:

Succession planning motivates the employees towards the work and also increases job satisfaction. It helps to fulfill their higher level needs, that is, their 'Esteem' needs.



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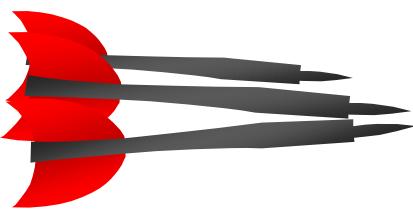
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Steps of Succession Planning

The following are the steps for the succession-planning process:

- 1**
 - Develop a communication strategy
- 2**
 - Identify expected vacancies
- 3**
 - Determine critical positions
- 4**
 - Identify current and future competencies for positions

Steps of Succession Planning

The following are the steps for the succession-planning process:

5

- Develop a recruitment strategy

6

- Create assessment and selection tools

7

- Supplement HR functions to include active recruiting and staffing

8

- Identify gaps in current employee and candidate competency levels

Steps of Succession Planning

The following are the steps for the succession-planning process:

9

- Develop Individual Development Plans for employees

10

- Develop and implement coaching and mentoring programs

11

- Assist with leadership transition and development

12

- Develop an evaluation plan for succession management

Input Data

The following are the data that will be used as an input for selecting the right candidate in succession planning process:

- Critical Role Selection
- Organization Hierarchy
- Competency Data by role/position
- Manager Ratings
- Employee Aspirations
- Employee Readiness
- Employee History
- Performance Rating
- HR Rating (High Potential and Others)



Output Data



The following are the data that will be the output of the succession planning process:

- Critical Role List
- Role List without nominated successors
- Nominated Successors Short List (Based on weighted data which is customized)
- Full Succession Plan
- High Potential Report
- Readiness Report
- Drill down to individual Development Plans – ensure development is appropriate for the individual
- Management development plans/career counseling/mentoring/management training/ education
- Development Cost

Succession Planning Form – Sample

Look at a sample succession planning form given below. Such a form can be used to identify candidate, his strengths as well as the developmental needs.

SUCCESSION CANDIDATES

KEY POSITION TITLE: _____

Backup Candidate Name: _____

Current Title: _____

Div: _____ **Level of Readiness (Circle One):**

Within 1 Yr. 1–3 Yrs. 3–5 Yrs.

Strengths for this position:

Developmental needs for this position:

Comments:

Date:

FY:

Completed by:

Division:

Succession Plan Summary – Sample

Look at a sample succession plan summary given below. Such a summary provides at a glance a summary of the shortlisted candidates for the position as well as the timeframe when they will be ready for the position.

SUCCESSION PLAN SUMMARY

ORGANIZATION:

Executive Development Plan - Sample

Look at a sample executive development plan given below. It helps to list the candidates, strengths, developmental needs and create a development plan for the chosen candidate.

EXECUTIVE DEVELOPMENT PLAN

NAME: _____ TITLE: _____

Overall Performance Summary:

(Indicate recent performance including major accomplishments or performance issues.)

Key Strengths:

(List 2 - 3. Indicate key technical or professional competencies, skills, or knowledge the person has.)

Development Needs:

(List 2 or 3. Indicate key experiences, skills, or knowledge the person lacks in order to move to the next level.)

Development Actions:

1. On The Job: (What new responsibilities do you plan to assign to help this person develop this year?)

2. Special Assignment: (What task force, projects, or special assignments will be given this year to aid development?)

3. Training: (What specific training or seminars are recommended this year for his/her development?)

Potential For Promotion:

(Indicate this persons readiness to be promoted to the next organizational level.)

Ready now for the next level.

Ready in the next 24 months.

Ready in 2 to 3 years.

Recommended Next Position: *(List the next assignment that would most benefit the individual in his/her development.)*

Developmental Plans for Selected Talent - Sample

Look at a sample detailed development plan given below. Such a form helps to detail out the high level developmental plan for the selected candidate.

PLANS FOR SELECTED TALENT

ORGANIZATION:

Development Plans

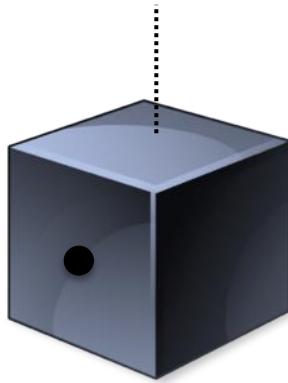
Once the strengths and developmental needs of a candidate are identified, it is time to provide developmental opportunities to the candidate to help him meet the demands of the new position. There are various kinds of development plans used, some which offer higher returns whereas some which offer lower returns.



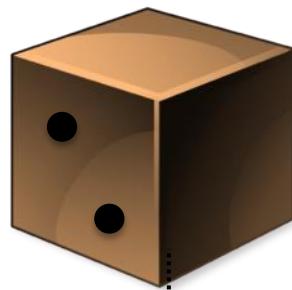
Development Plans

Some of the development plans ordered from highest to lowest return include:

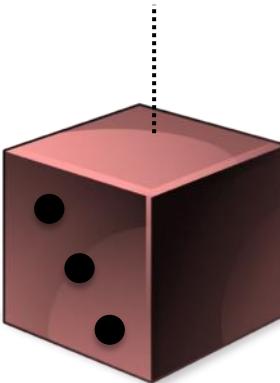
Full Job Change Focused
On Development Needs



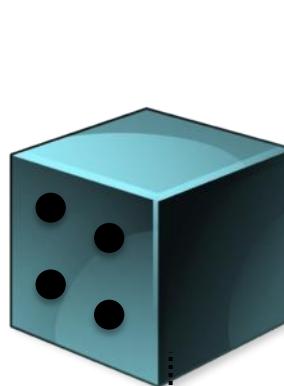
Job Restructuring
Based On
Development Needs



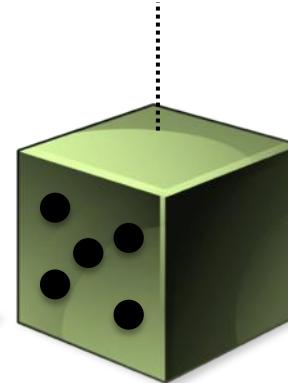
Mini Policy &
Liaison
Assignments



Focused Coaching
and Counseling



Cross Divisional
Project
Leadership Or
Assignment

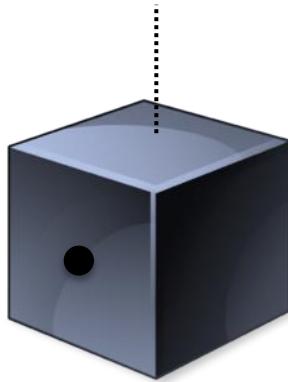


Leadership
Scholarship

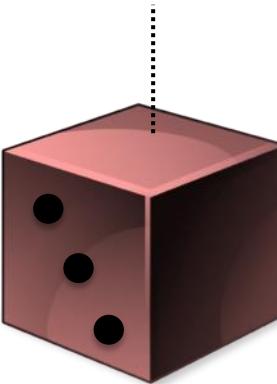
Development Plans

Some of the development plans ordered from highest to lowest return include:

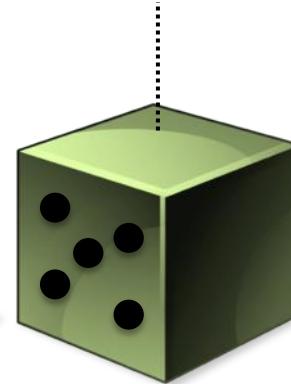
Industry
Representation



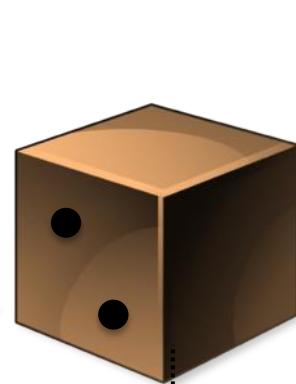
Formalized
Education
Programs



Motivated Self
Development

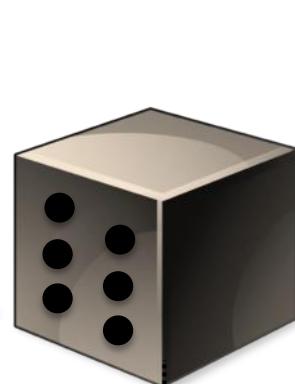


Customer Visits
Accompanying Senior
Executives

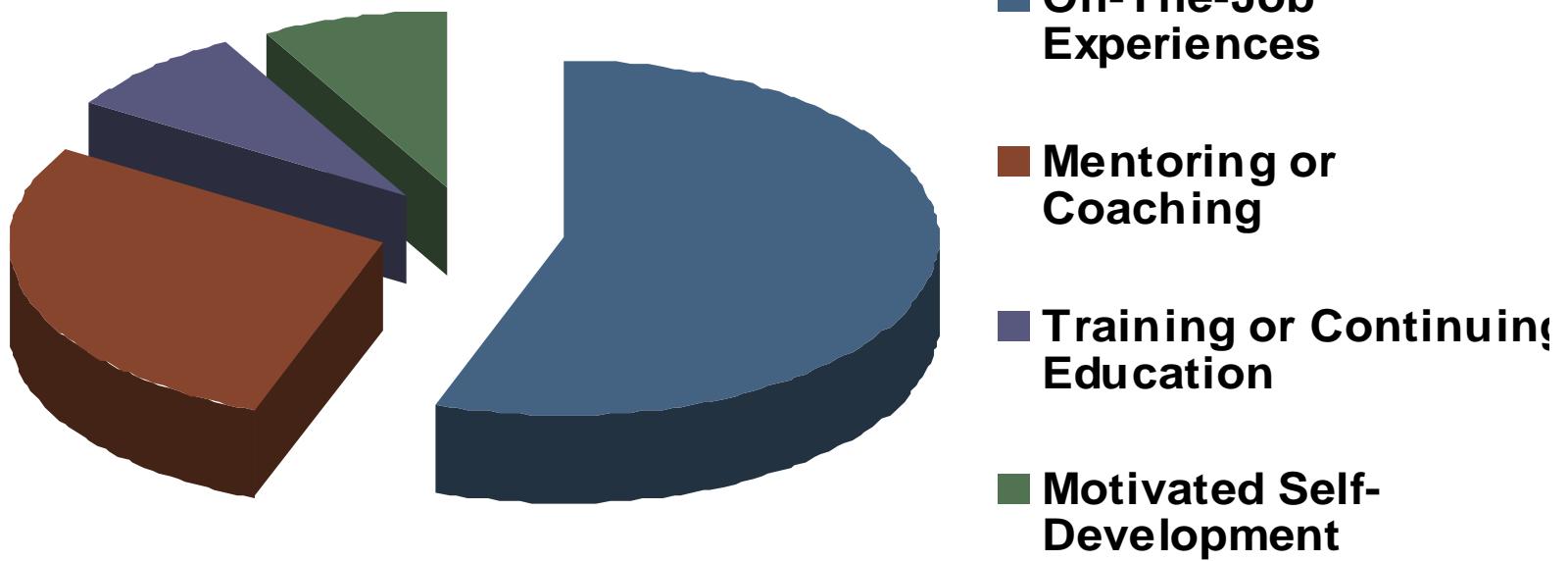


Full 360 Degree
Feedback and
Evaluation

Seminars and
Conferences



Four Levers for Learning



Development Tools

The various development tools that can be used for developing the capability of a chosen candidate are as follows:

On The Job

On The Job

- Job Enrichment
- Special Projects
- Committee Assignments
- Task Force Participation
- Lead Person Responsibilities
- Giving Presentations
- Preparing Proposals
- Installing A New System
- Leading A New Program
- Temporary Job Assignments
- Full Job Change

Learning From Others

Training & Education



Development Tools

The various development tools that can be used for developing the capability of a chosen candidate are as follows:

On The Job

Learning From Others

Training & Education

Learning From Others

- Working With a Mentor
- Teaming with an Expert
- 360° Feedback
- Focused Interviews



Development Tools

The various development tools that can be used for developing the capability of a chosen candidate are as follows:

On The Job

Learning From Others

Training & Education

Training & Education

- Seminars & Conferences
- Continuing Education
- E-Learning
- Cross Training



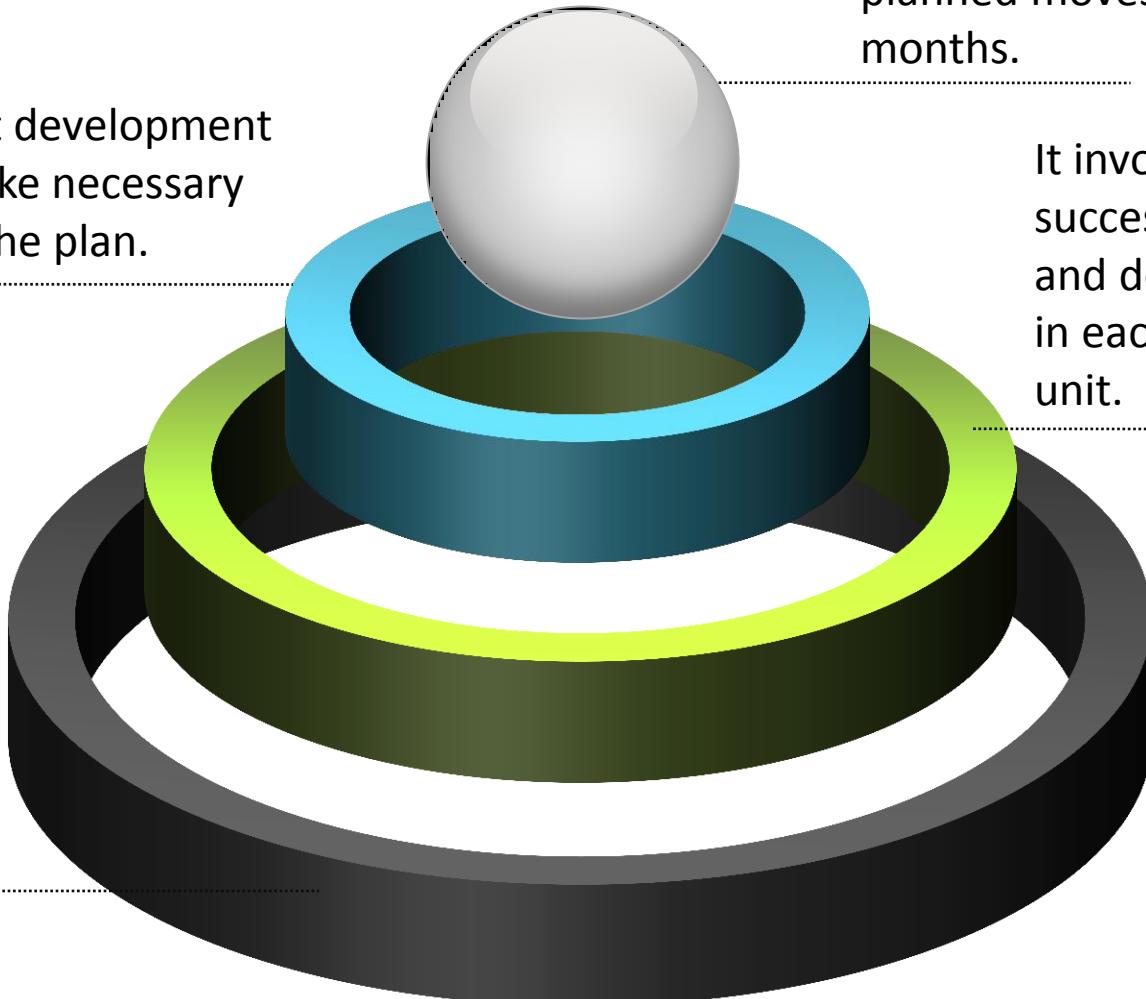
Succession Planning Review

It helps to report development progress and make necessary adjustments to the plan.

It helps to plan and control the planned moves for the next six months.

A succession planning review is usually done semi-annually.

It involves the review of succession candidates and development plans in each organizational unit.



Integrated Approach



Performance Management & Succession Planning for Future



You can safeguard the future viability by actively taking control of performance management and succession planning.

In today's tight labor market, it builds the next-generation workforce by helping with retaining and motivating employees and reducing exposure to the loss of key people.

Skilfully done, succession planning will bring the peace of mind that senior management should have, based on the understanding and expectations of its future leadership.

At a Operational Level

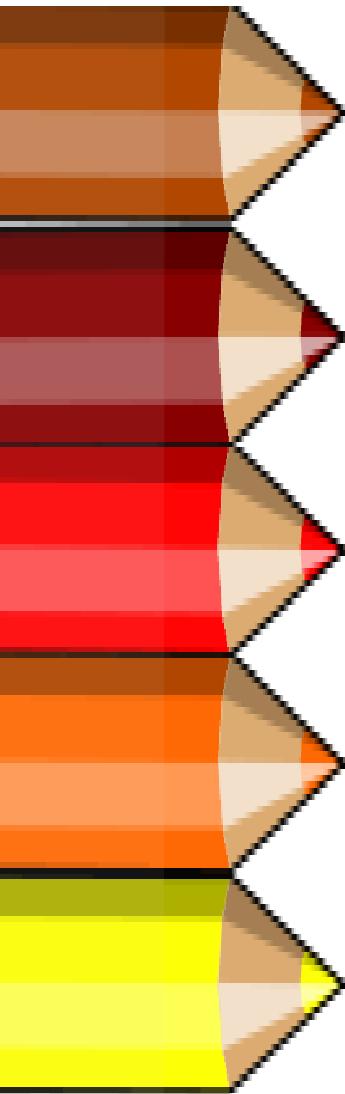
- Building and maintaining a flexible and user-defined competency framework
- Employee assessment (including 360° degree feedback)
- Job profiling
- Career planning
- Organization charting
- Maintaining up-to-date employee information to help fill vacancies and resource projects, including:
 - Key performance indicators
 - Ad hoc competency searching
 - Graphical development needs analysis
 - Graphical competency displays
 - Development records
 - Continuous Professional Development hours for learning activities
 - Records of appraisal
- Project planning
- Key result areas

At a Strategic Level

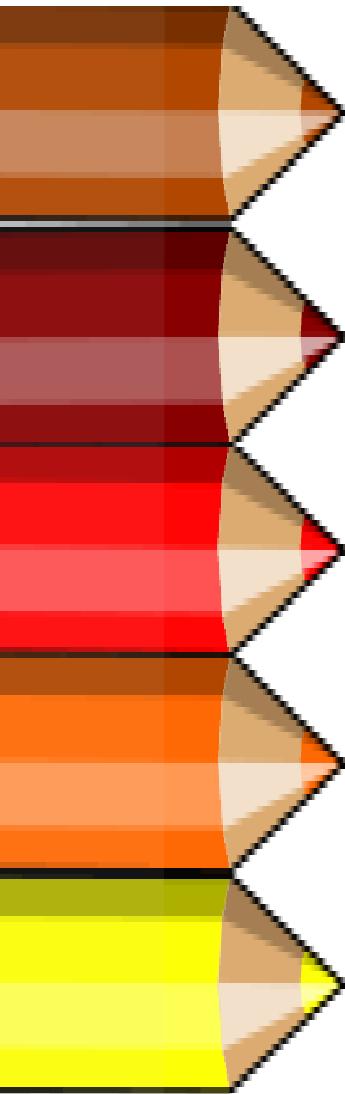


- Effective manpower planning by helping to identify skills and competency gaps
- Developing employees to meet company expansion plans and providing clear career paths
- Succession planning/charting
- Creating valuable business intelligence
- Assessing and evaluating the Human Resource function

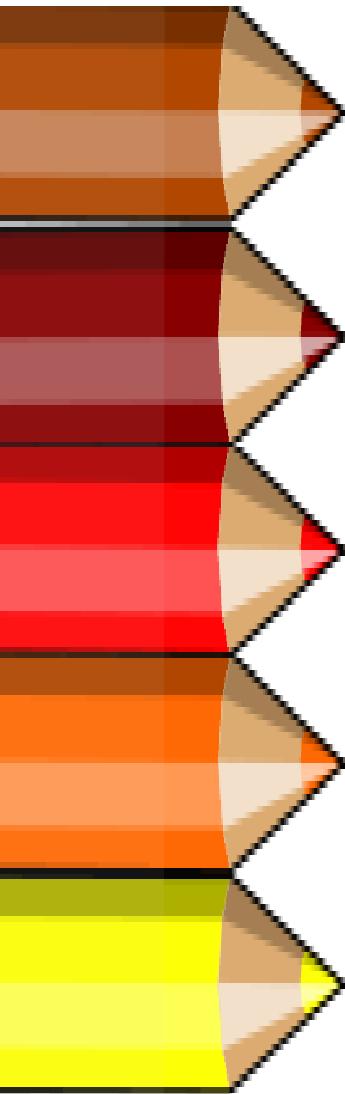
Outline for Succession Planning

- 
- Define where you currently are in your succession planning process?
 - What positions are you planning for?
 - What key people have you designated for succeeding to higher positions?
 - What is their experience, education and training schedules?
 - What has changed since your last review?

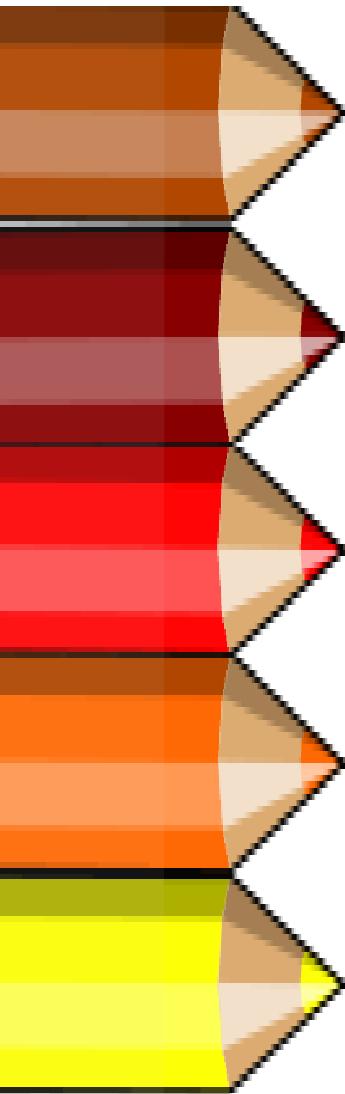
Outline for Succession Planning

- 
- What has changed inside your company which might alter your succession plan?
 - How have the current candidates performed till date?
 - What jobs have changed, and how have they changed, since your last review?
 - Define the aim of your succession plan in light of your current strategic plan.
 - What other candidates can you identify, either for future needs or to replace people who were in the process and either left your company or did not work out as expected?

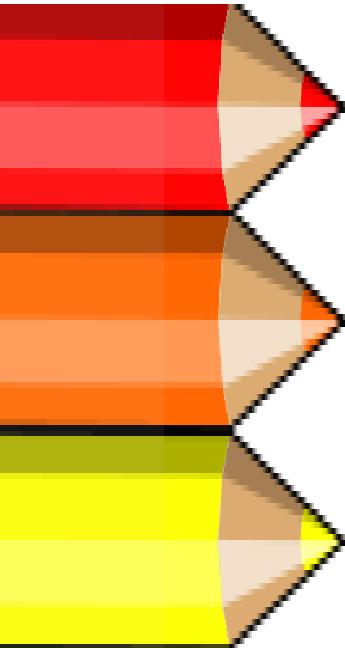
Outline for Succession Planning

- 
- What will the scenario be in three to five years and what will your key people be doing then?
 - What openings will you need to fill due to attrition, promotion or expansion?
 - What new disciplines will the company require, and how will you fill them?
 - Who will be involved and what will each be doing?
 - What new opportunities, technologies and other issues have emerged which may lead to change in the succession plan, its objectives or tactics?

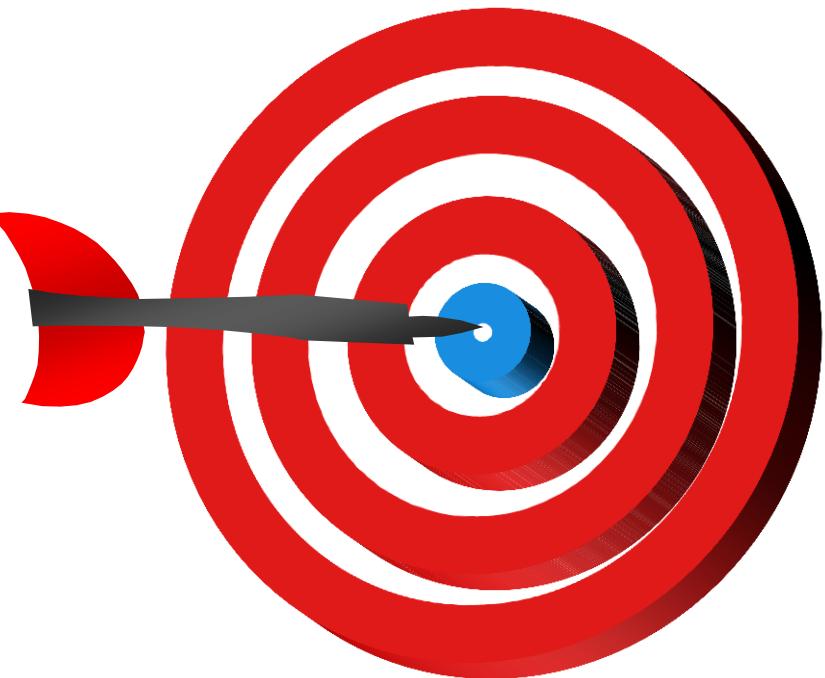
Outline for Succession Planning

- 
- When will each part of the process start and end and how will you judge their progress?
 - What criteria will be used to determine each candidate's ongoing fitness for his or her career path?
 - Does each candidate offer and demonstrate continuing potential and progress toward meeting the requirements you have established?
 - What alternatives can you offer those who are not meeting expectations?
 - How does your succession plan fit with your expectation of where your company, your markets and your internal situation will likely be going?

Outline for Succession Planning

- 
- Define how you will get from where you are today to what you want the company to look like at the end of your current planning horizon?
 - On what basis will you determine if someone is not progressing appropriately, and what can you do to help that person develop to the fullest extent?
 - What do you do next once a plan is in place and people are in the process of being groomed for higher responsibilities and positions?

Objective



Explain What is Succession Planning

List the Objectives of Succession Planning

Explain the Core Principles of Succession Planning

Describe the Key Elements of Succession Planning

Explain the Factors to be Considered in Succession Planning

Describe the Steps of Succession Planning

List the Challenges of Succession Planning

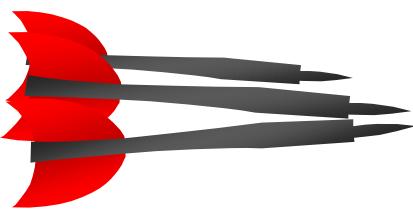
Describe the Evolution of Succession Planning

Explain the Parallel Approach to Succession Planning

Describe the Innovative Approaches to Succession Planning

List the Pitfalls of Succession Planning

List the Best Practices of Succession Planning



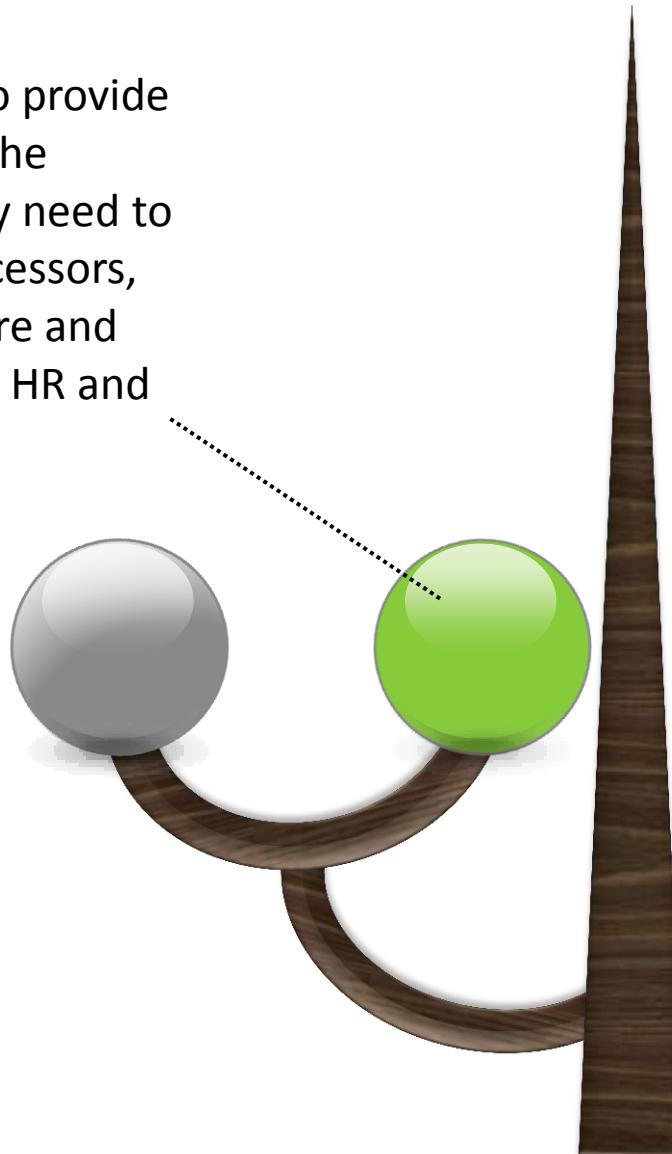
Challenges of Succession Planning



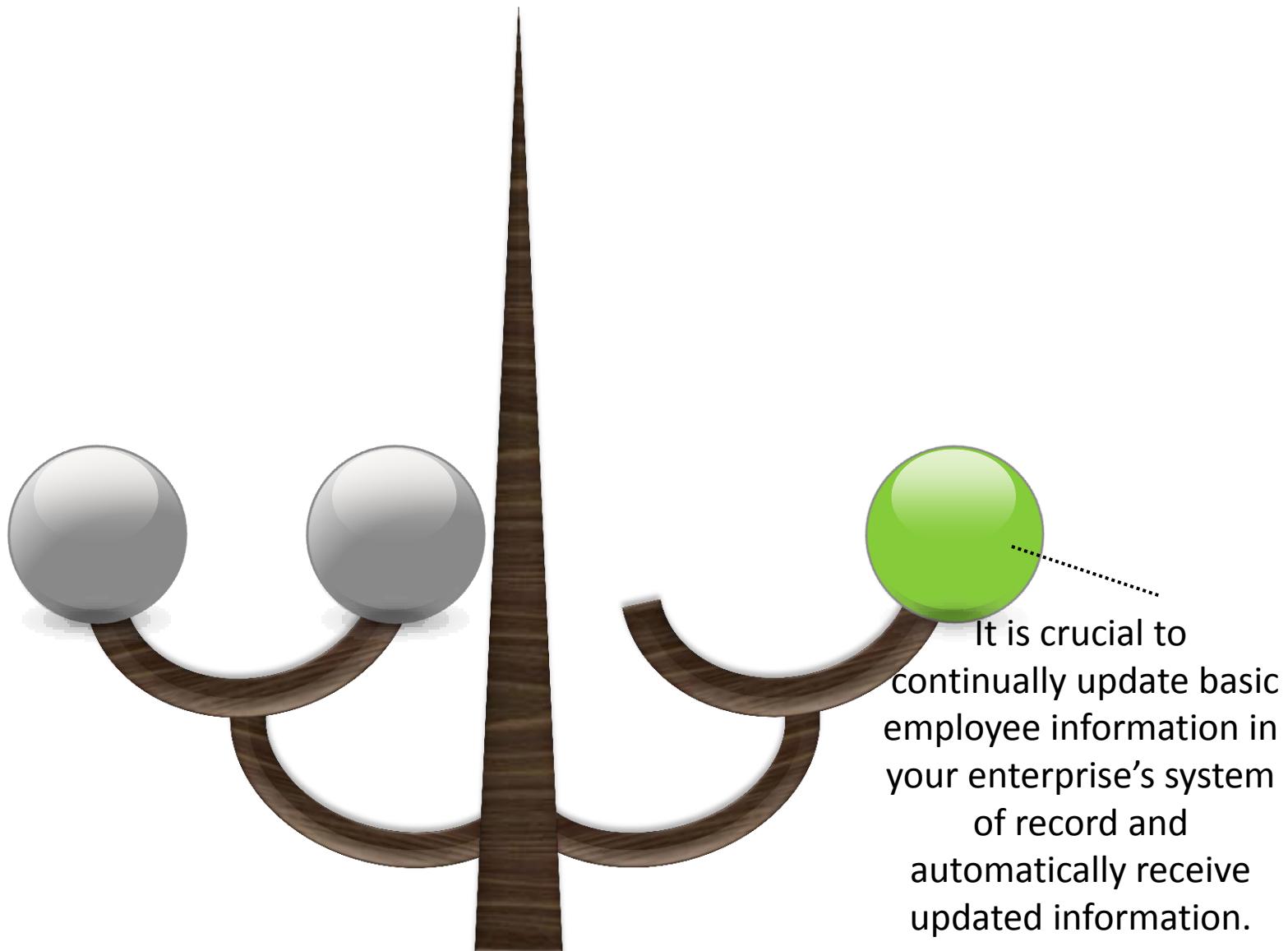
It is a challenge to design a streamlined workflow for managers to evaluate their potential successors and review this information with HR.

Challenges of Succession Planning

It is important to provide managers with the information they need to assess their successors, and tools to share and collaborate with HR and others in the organization.

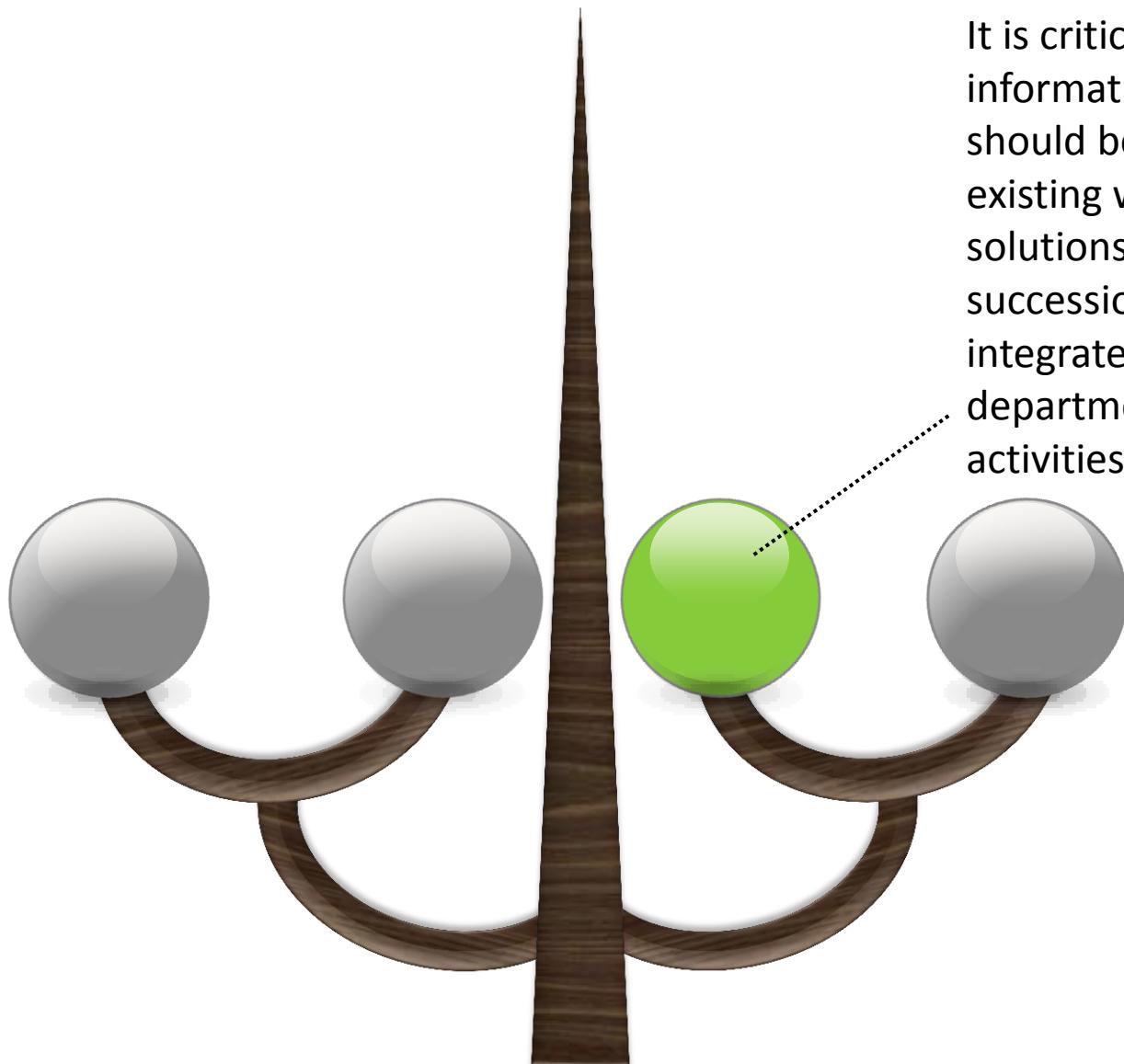


Challenges of Succession Planning



It is crucial to continually update basic employee information in your enterprise's system of record and automatically receive updated information.

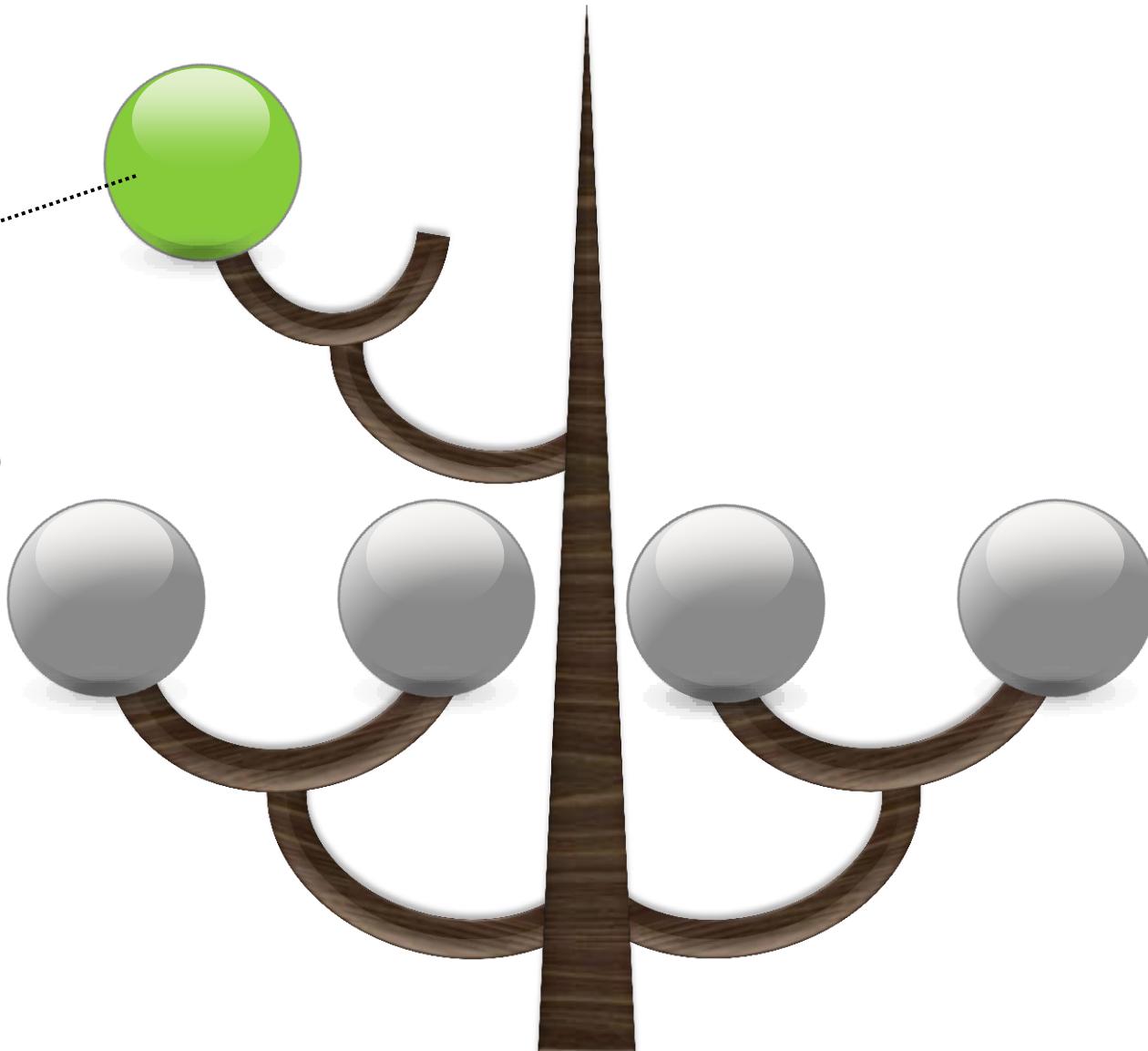
Challenges of Succession Planning



It is critical that the information systems should be integrated with existing workflow solutions to help make succession planning an integrated part of departmental planning activities.

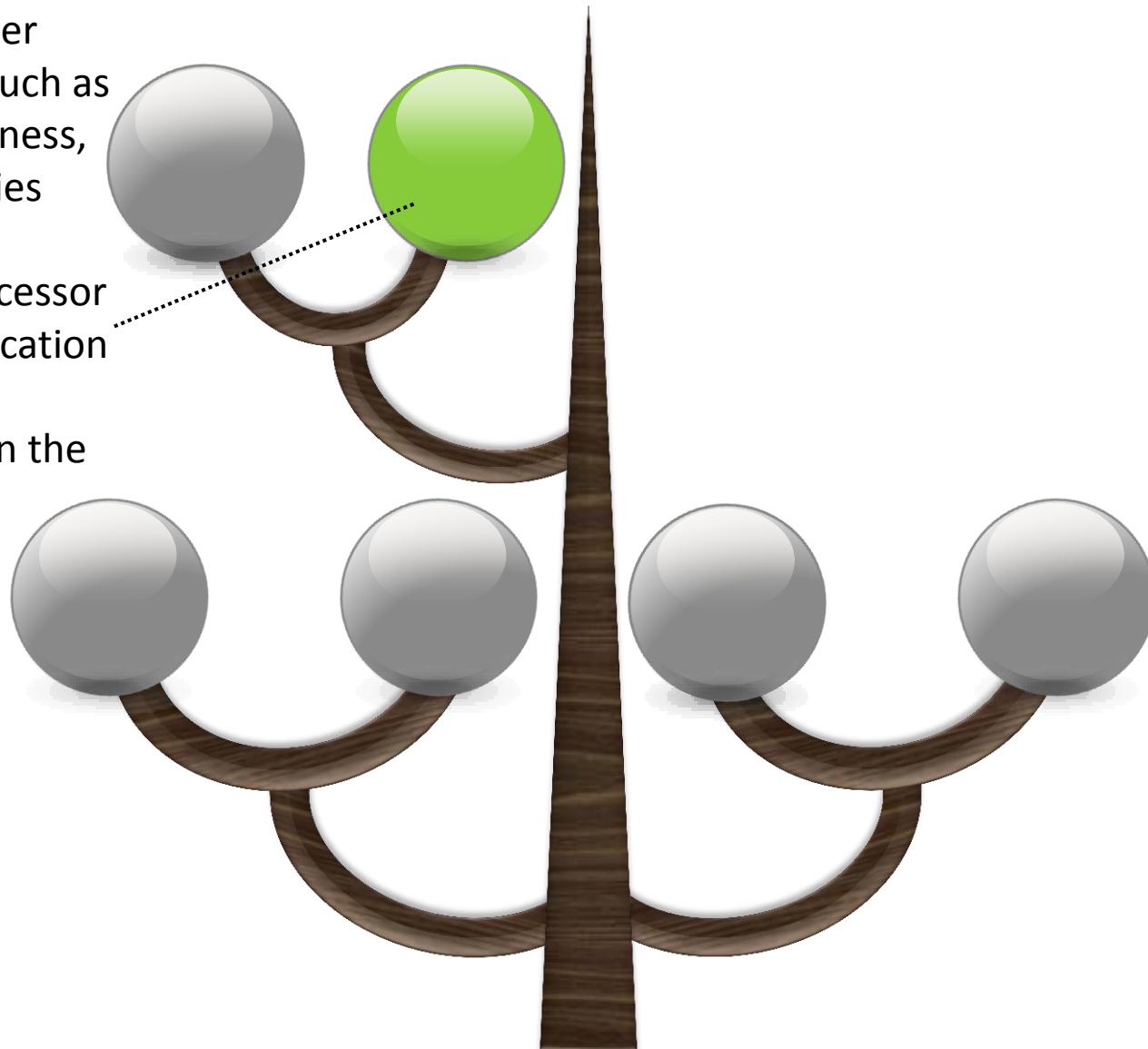
Challenges of Succession Planning

It is important that the system reports and highlights employees who are close to retirement and display successors, if they have been identified.

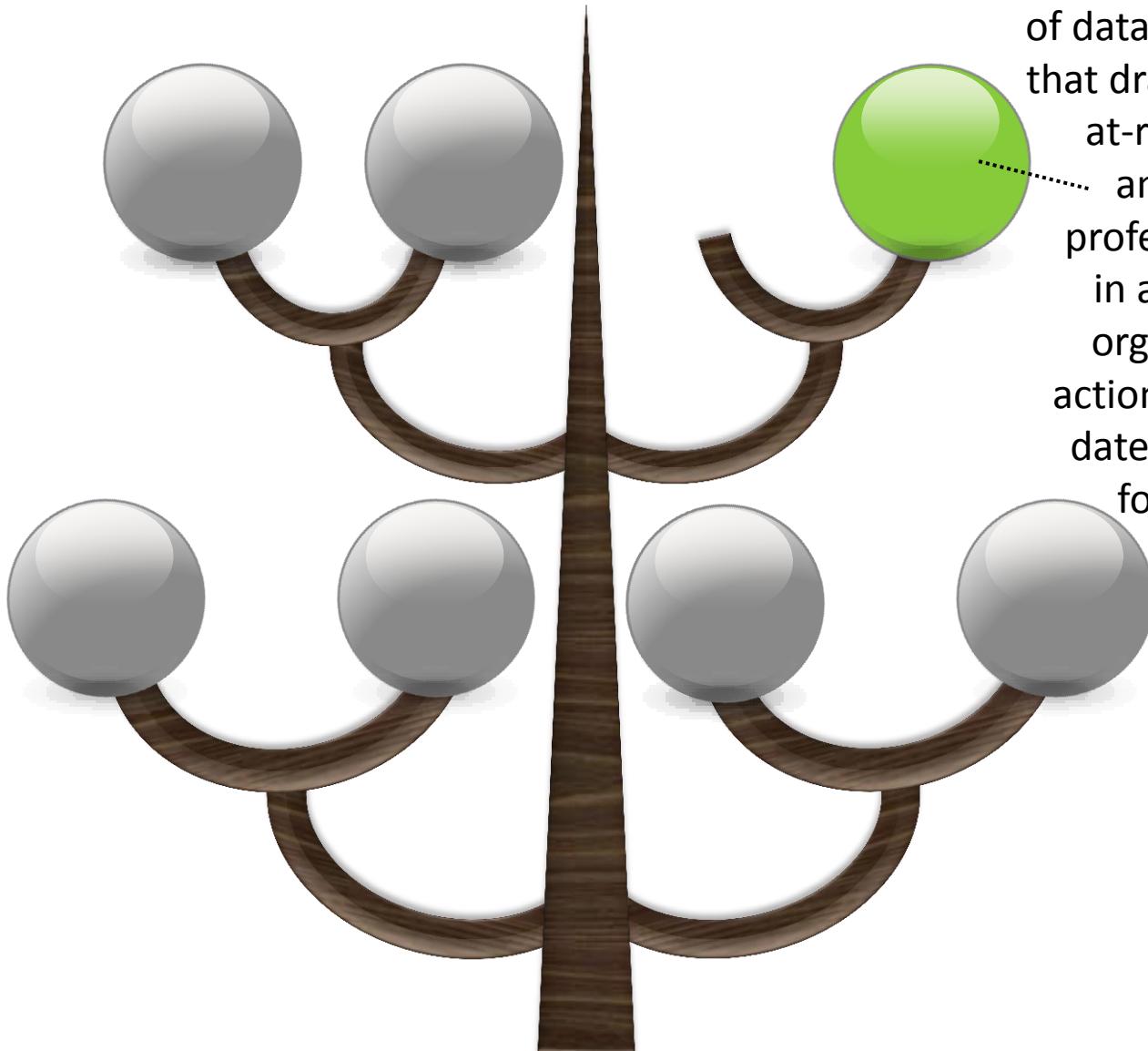


Challenges of Succession Planning

The system should also display other relevant data, such as successor readiness, key competencies required for succession, successor tenure and education level, as well as previous roles in the organization.

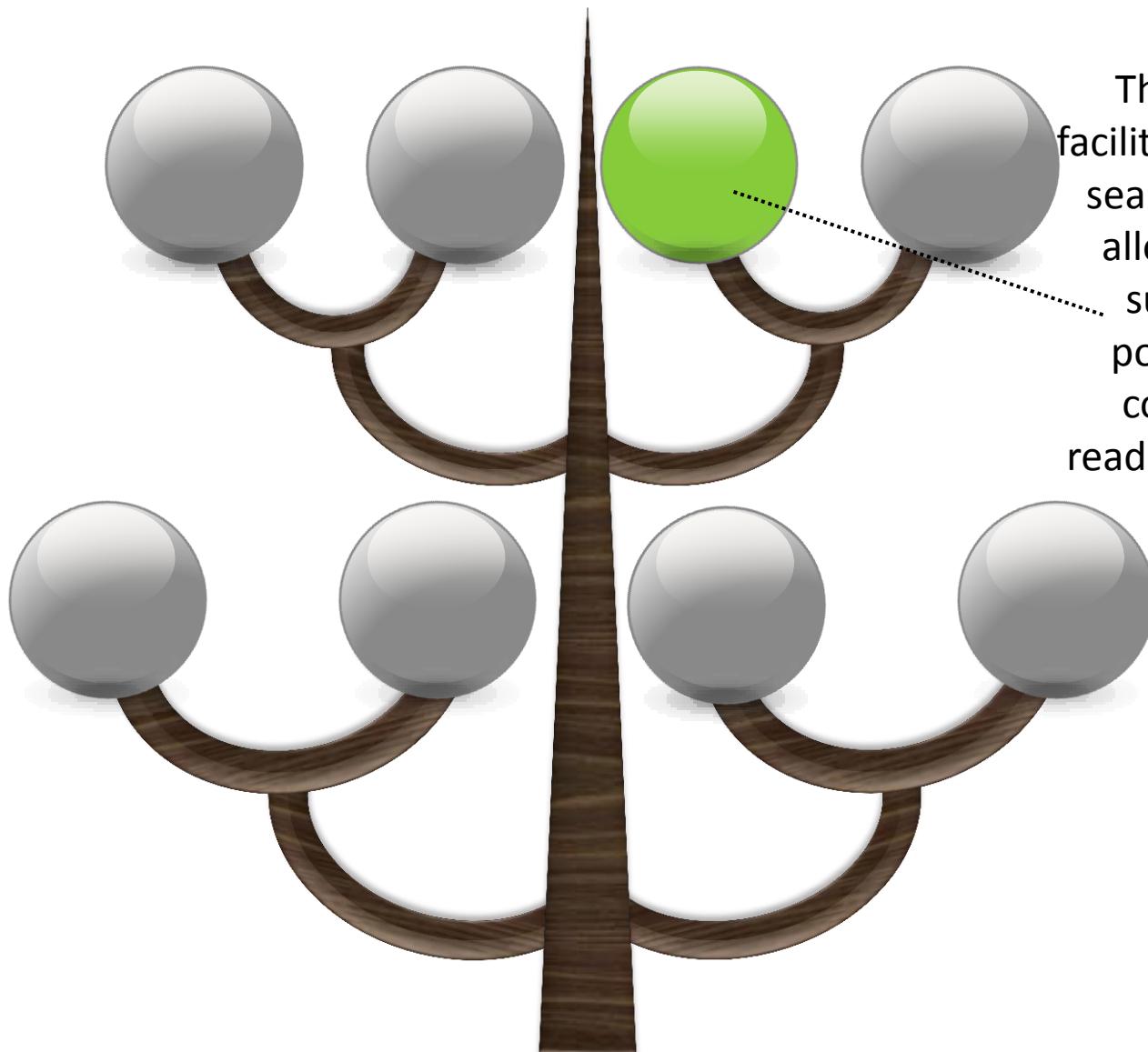


Challenges of Succession Planning



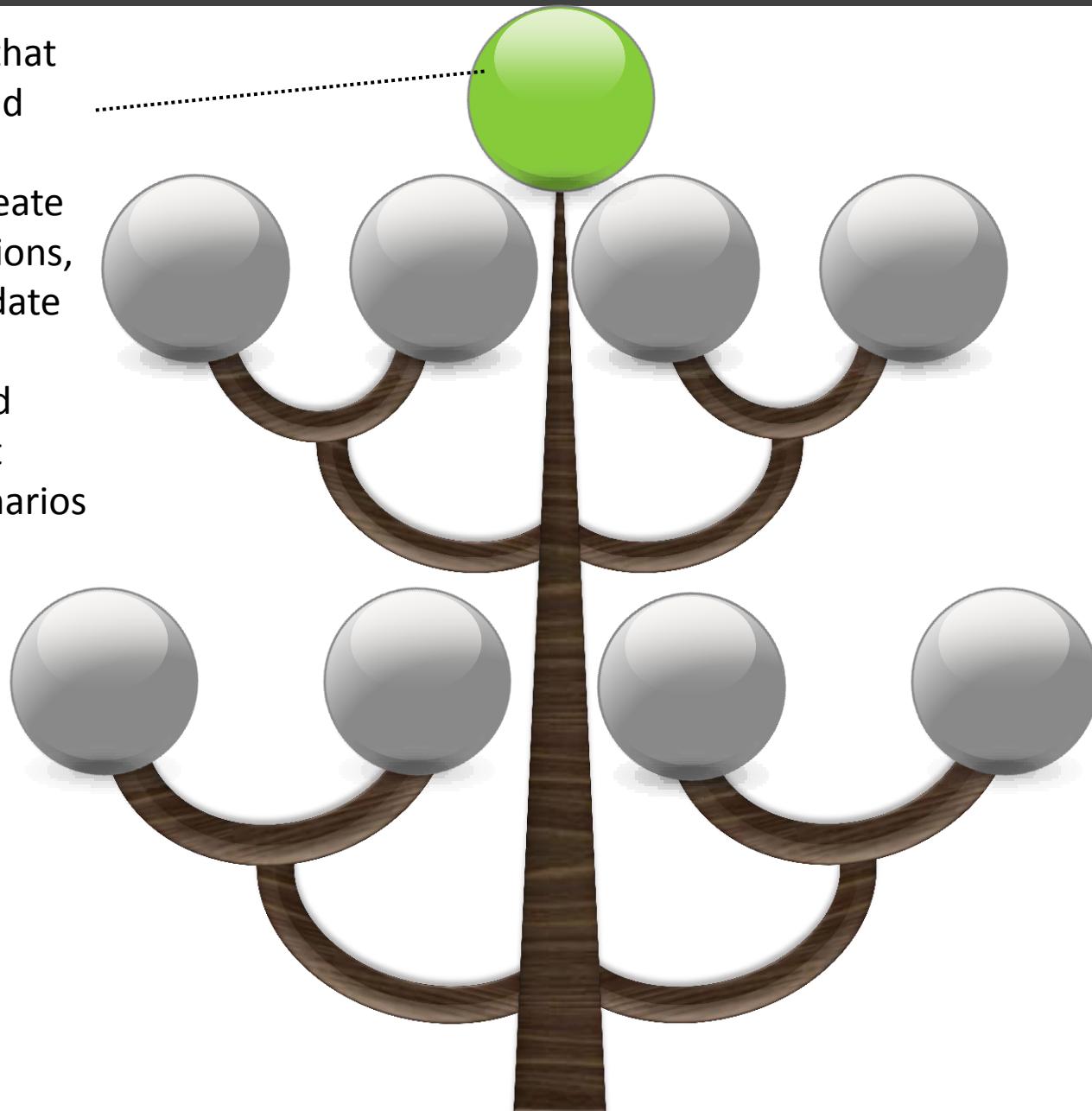
It is crucial that conditional formatting of data should be done that draws attention to at-risk departments and help focus HR professionals' efforts in assuring that the organization has an actionable and up-to-date succession plan for key personnel.

Challenges of Succession Planning



Challenges of Succession Planning

It is important that users should add employee information, create ad-hoc calculations, correct and update successor information and model different succession scenarios



Tips for Succession Planning

To effectively implement a succession plan, you need to include/consider a number of elements such as the following:



What is the long-term direction of your company and do you have an effective strategic plan guiding your course and direction?

Tips for Succession Planning

To effectively implement a succession plan, you need to include/consider a number of elements such as the following:



What are the key areas which require continuity and development of the people resources within your company?

Tips for Succession Planning

To effectively implement a succession plan, you need to include/consider a number of elements such as the following:



Who are the key people you want to develop and nurture for the future?

Tips for Succession Planning

To effectively implement a succession plan, you need to include/consider a number of elements such as the following:



How does the concept of succession planning fit into your strategies?

Tips for Succession Planning

To effectively implement a succession plan, you need to include/consider a number of elements such as the following:



Are you concentrating your succession efforts in the areas where the returns will be highest?

Tips for Succession Planning

To effectively implement a succession plan, you need to include/consider a number of elements such as the following:



What are the career paths that your most talented people should be following? Is each path customized to fit the abilities and talents of the people involved?

Tips for Succession Planning

To effectively implement a succession plan, you need to include/consider a number of elements such as the following:



Should you wait for openings to appear before promoting someone, or should you make opportunities for each individual as they grow and mature, so that you can keep them challenged and stimulated, and not lose them to other, possibly faster moving companies?

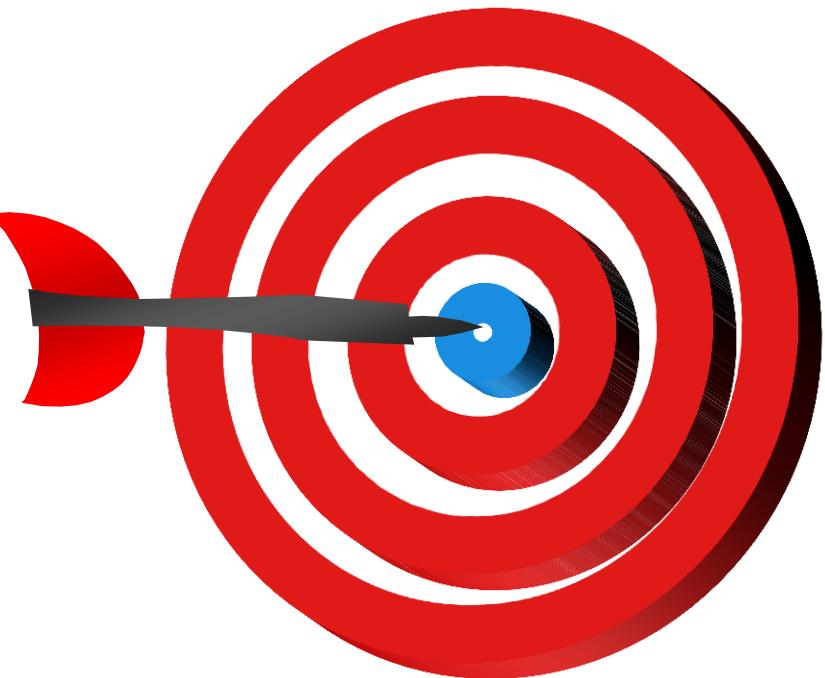
Tips for Succession Planning

To effectively implement a succession plan, you need to include/consider a number of elements such as the following:



What strategies should you be considering for your succession planning process?

Objective



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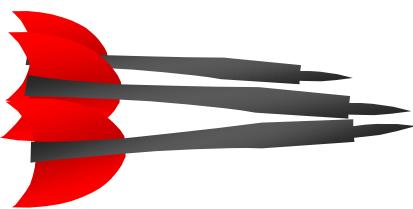
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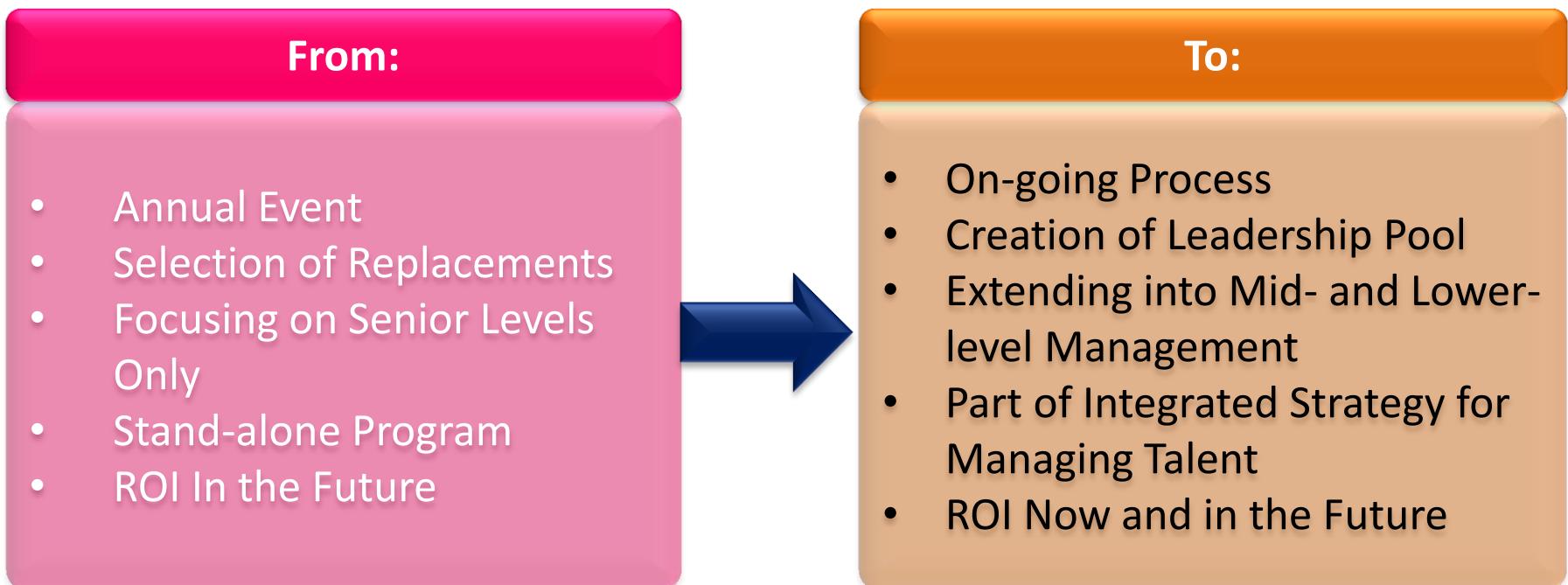
List the Pitfalls of Succession Planning

List the Best Practices of Succession Planning

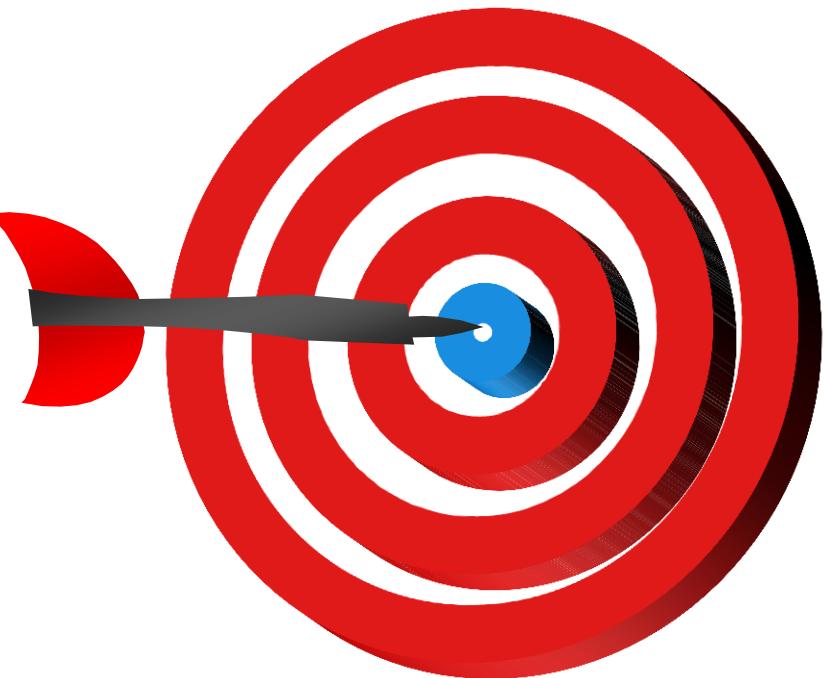


Evolution of Succession Planning

The practice of succession planning has evolved significantly over the past few decades. The image given below shows a few dramatic changes to the approach of succession planning that has evolved over the past few years.



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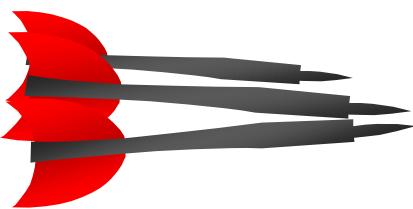
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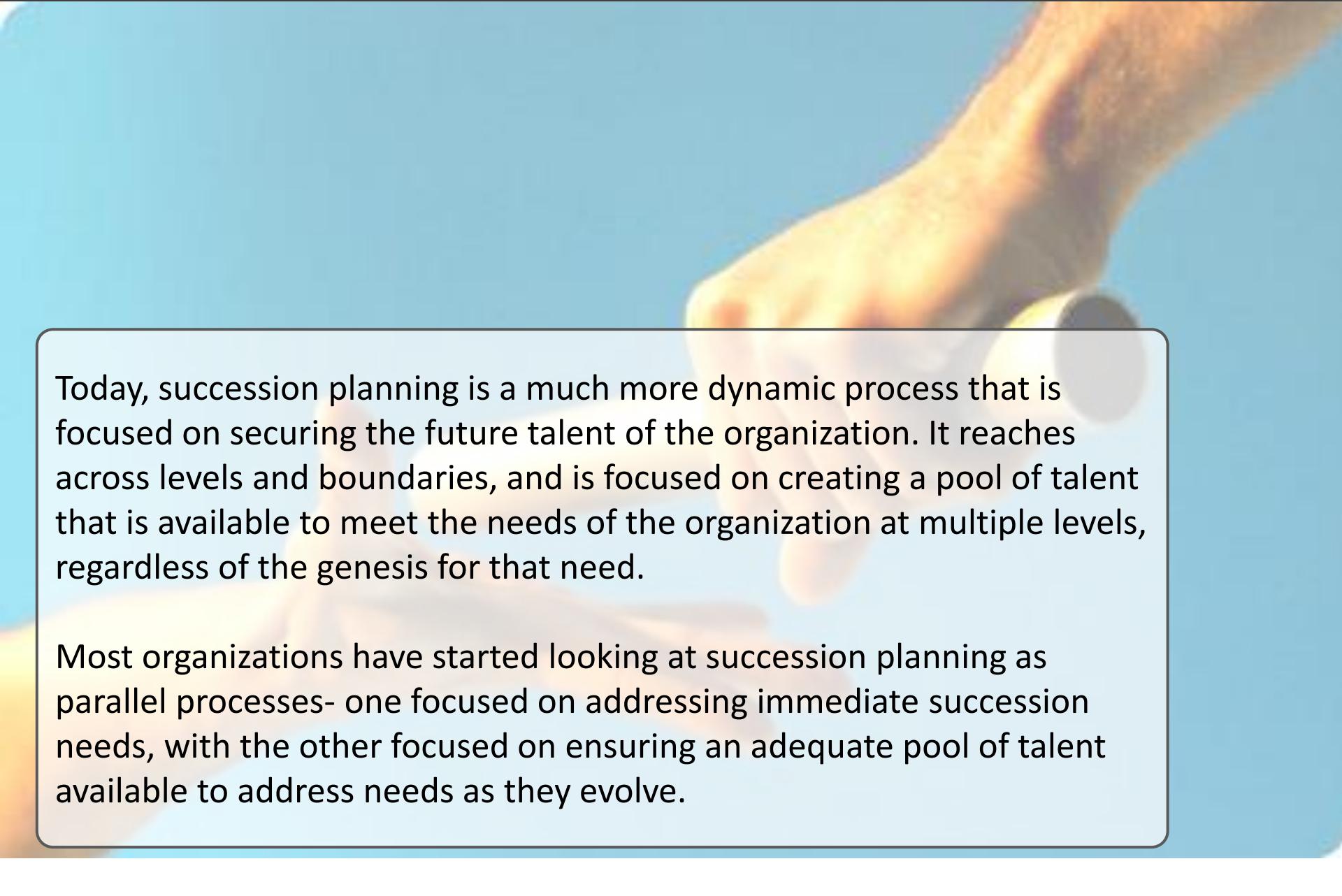
Describe the Innovative Approaches to Succession Planning

List the Pitfalls of Succession Planning

List the Best Practices of Succession Planning



Parallel Approach to Succession Planning



Today, succession planning is a much more dynamic process that is focused on securing the future talent of the organization. It reaches across levels and boundaries, and is focused on creating a pool of talent that is available to meet the needs of the organization at multiple levels, regardless of the genesis for that need.

Most organizations have started looking at succession planning as parallel processes- one focused on addressing immediate succession needs, with the other focused on ensuring an adequate pool of talent available to address needs as they evolve.

Parallel Approach to Succession Planning



Both processes involve understanding needs and employing strategies to address these needs across different time horizons. Also, addressing succession needs is not merely a matter of recruiting or training.

A wide range of strategies can be employed to address succession challenges. Hence, when someone leaves a position, organizations do not automatically just seek to replace that position.

Parallel Approach to Succession Planning

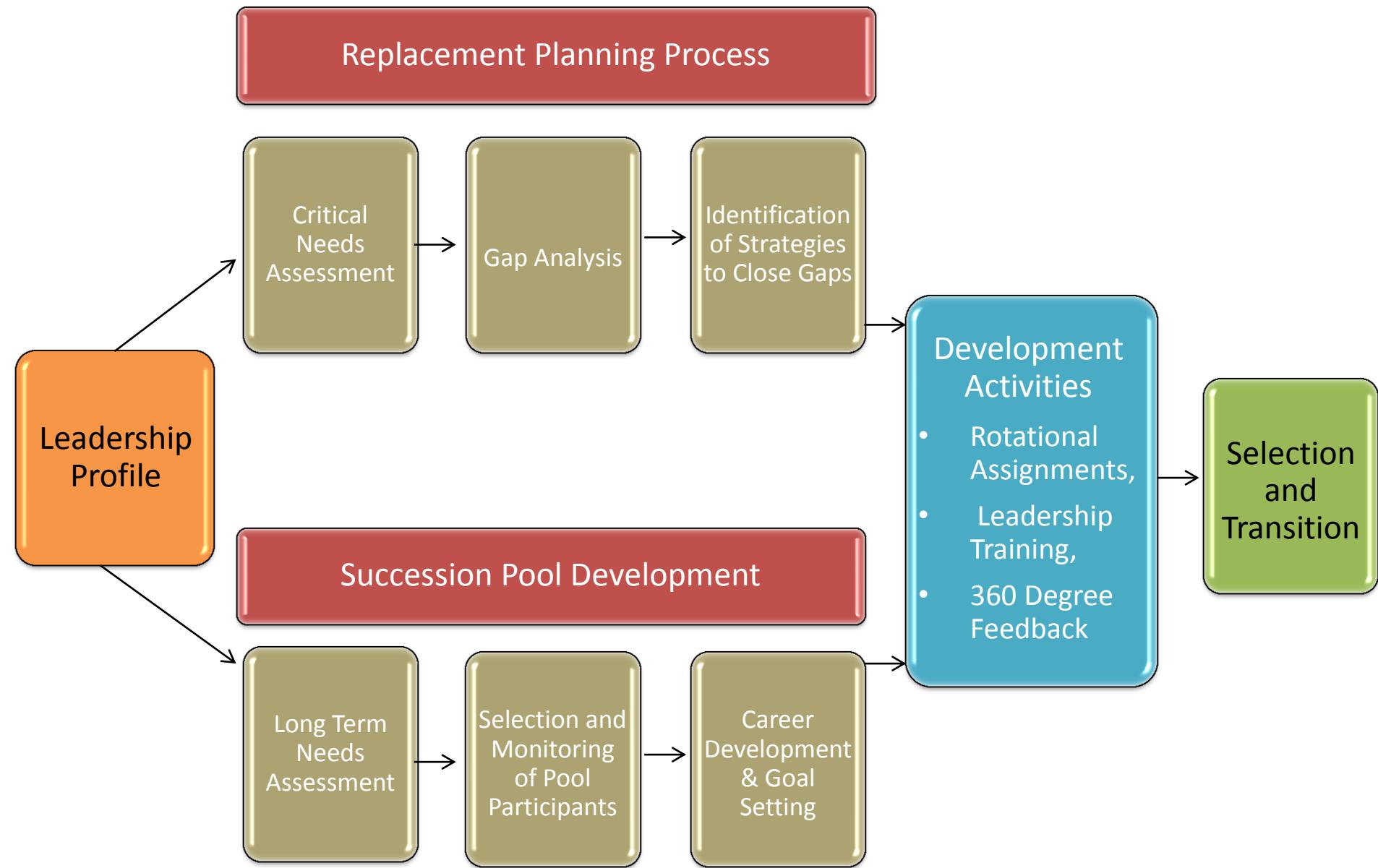


Organizations now look at the turnover as an opportunity to reorganize the way work gets done and create a more efficient organization. Succession event is also seen as an opportunity to actually increase the skills or redefine the role associated with that open position to give the organization even more capability.

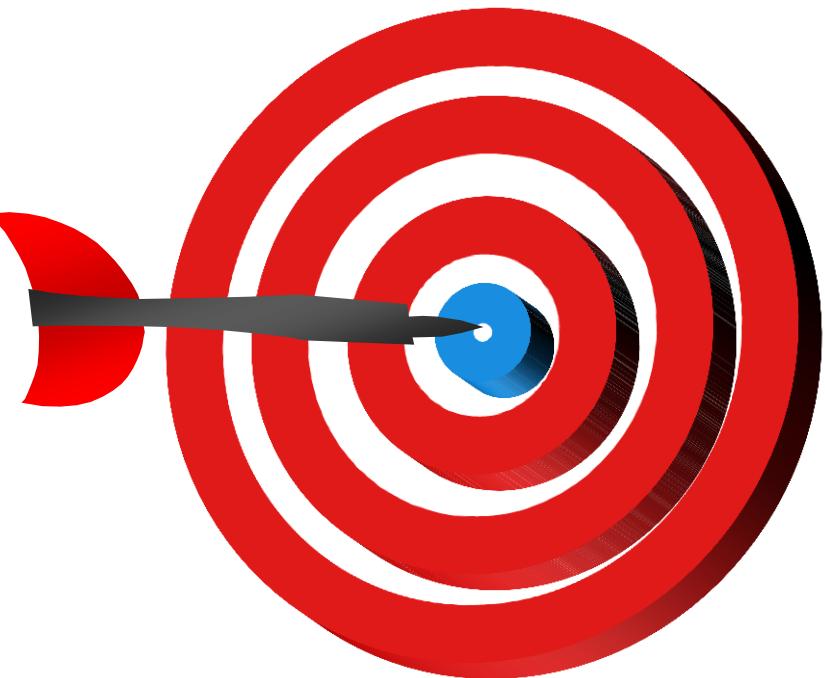
Most organizations today ‘run lean’ and hence, they look to maximize every talent decision they make. This evolution in succession planning has led to a number of new techniques and tools focused on improving the effectiveness of this process.

The image given on next screen illustrates this parallel approach.

Parallel Approach to Succession Planning



Objective



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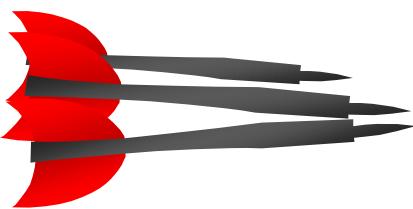
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Innovative Approaches



There have been a number of innovations and advances in succession planning. Some of these include implementing different ways of thinking about the succession challenge, while some are specific tools or techniques that help organizations address succession planning.

Innovative Approaches to Succession Planning

Some of the innovative approaches of succession planning include:

- Integrated View

- Talent Pools

- Early Warning

- Advanced Workforce Planning

- Decision Analytics

- Organization Spiderweb

- Selection and Transition Focus

- Knowledge Mapping

- Systems Evolution

Let us look at each in detail.

Integrated View

Integrated View

- In the past, many succession decisions were made in an informal way or of “instinctive” nature.
- However, in modern times, organizations are increasingly focused on making talent decisions more objective and based on data.
- This proves that talent decisions are no different than other business decisions and so they should be based on data and facts rather than intuition or extraneous factors.

Integrated View

- Today, organizations are leveraging technology to help aggregate all the data pertaining to their workforce in one place.
- This helps to give them instant access to a comprehensive picture of their talent.
- This talent profile functionality has become increasingly popular because of the power of the data and the reduction in administrative burden.

Talent Pools

Talent Pools

- 
- A pool is a group of individuals with common characteristics.
 - The concept of creating a pool of High Potentials in an organization is almost as old as the practice of succession planning itself.
 - However, organizations can dramatically expand their use of pools to better identify, track, and manage various cohorts of staff.

Talent Pools



- Each of the pools should have specific development strategies associated with them and should be tracked as cohorts in terms of progress against development, investment and return, retention, and a number of other factors.

Early Warning

Early Warning

- The development of early warning mechanisms around potential talent issues is one of the fastest growing trends in succession planning.
- This includes significant focus on predictive turnover modeling.
- Such a predictive turnover model uses a tool that takes data from various sources and aggregates it into a profile of potential turnover in all parts of the organization.
- The tool may provide data about employee and manager perceptions, flagging of particular conditions in the talent profile, third party retention assessment tools, past turnover trends, and others.

Early Warning

- The main aim of such a model is to provide the organization with early warning data about potential turnover issues.
- This gives the organization sufficient time to target the appropriate strategies to address it.
- Such strategies could include ramping up recruiting, targeted retention initiatives, or any number of strategies.
- The key to using such an approach is to be aware of the information early enough so that the organization can proactively address it.

Advanced Workforce Planning

Advanced Workforce Planning

- Another fast emerging trend in succession planning is to link succession planning to workforce planning.
- Now, organizations are increasingly seeking to move to a more disciplined approach to workforce planning that is much more advanced.



Advanced Workforce Planning



- Such a disciplined approach helps to get early warning data about potential needs and also helps the organizations to better understand and better prepare for what they will need to meet their future goals.
- Many are starting to look at scenario modeling for the dependence of business goals on talent acquisition and retention.

Decision Analytics

Decision Analytics



- Advances in technology and decision support have enabled organizations to bring together more data and make better talent decisions.
- However, analysis of the available data is just as important as the access to the data.
- The focus on decision analytics is due to an increased focus on using tools for cost-benefit analysis around talent decisions.

Decision Analytics



- Organizations are increasingly looking at their various talent options using traditional cost-benefit-risk analysis.
- For example, a common decision in organizations is whether to fill an open position with an internal or external candidate.
- More organizations look at the cost of each option vs. the likelihood of success and the criticality of the position to the business rather than simply defaulting to “promote from within” policies or other non-objective decision criteria.
- This is symbolic of the overall trend towards more objective decision-making around talent.

Organization Spiderweb

Organization Spiderweb

- Succession planning decisions in the past have generally been focused on finding the “best” candidate for the position.
- For example, if a leader will soon be retiring, there is a significant effort put on evaluating the credentials of potential internal and external candidates to determine the best skills and fit.
- However, usually minimal attention is paid to the “ripple effects” of a given decision.

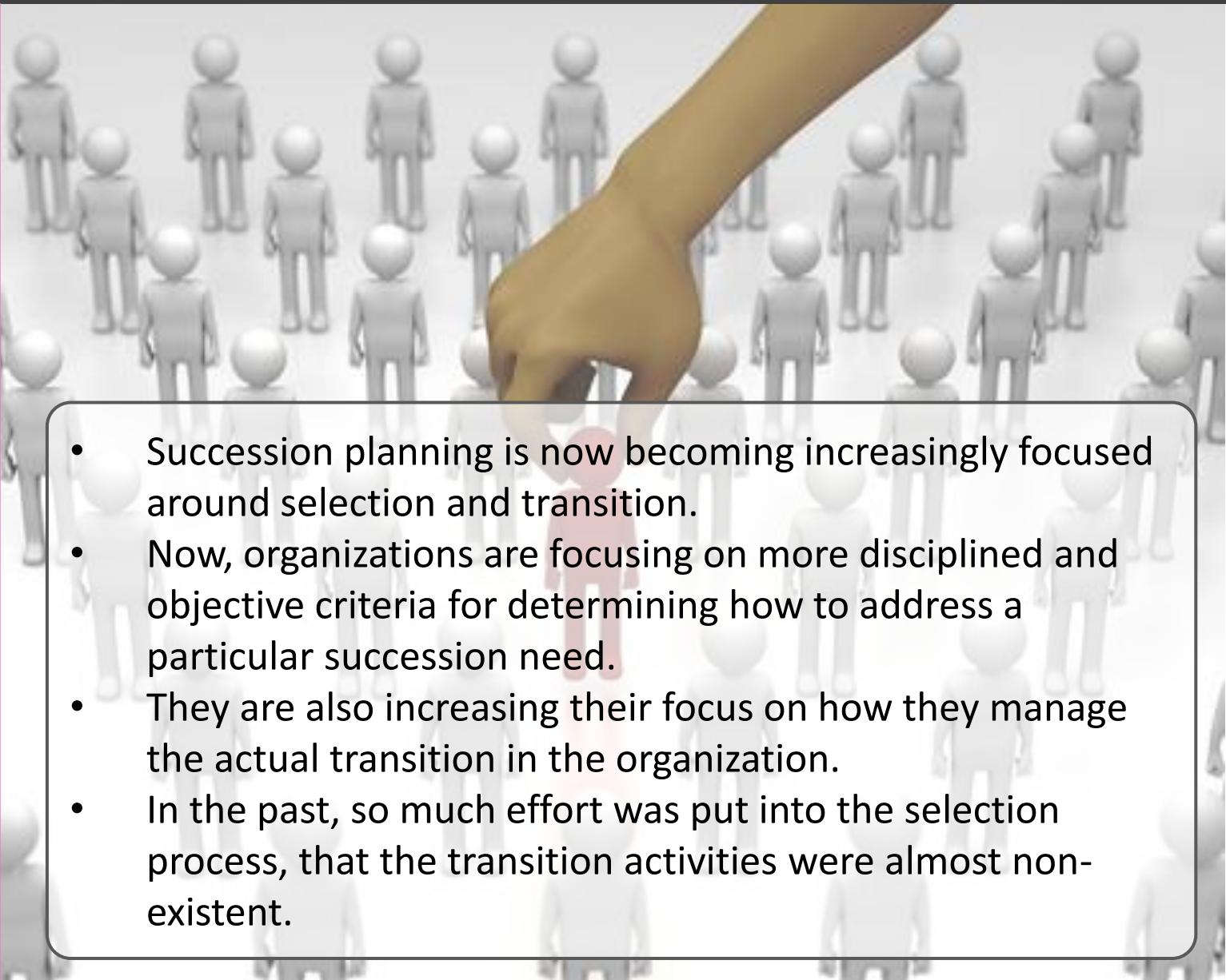
Organization Spiderweb

- So, if internal Candidate A is determined to be the best from a standpoint of skills, experience, and interest, the following considerations were usually ignored in the past:
 - What happens to the business unit that Candidate A will come from?
 - Is there a ready replacement for Candidate A in their current role?
 - Will critical business priorities suffer if Candidate A leaves their current role?
 - If it were an external candidate, what would be the potential impact on internal candidates who were passed over?
- Now, all of these considerations are getting greater attention in organizations.
- These approaches include how to analyze the downstream impacts of various succession options at not just the next level, but through multiple layers of the organization with the goal of choosing the option that optimizes overall organization impact.

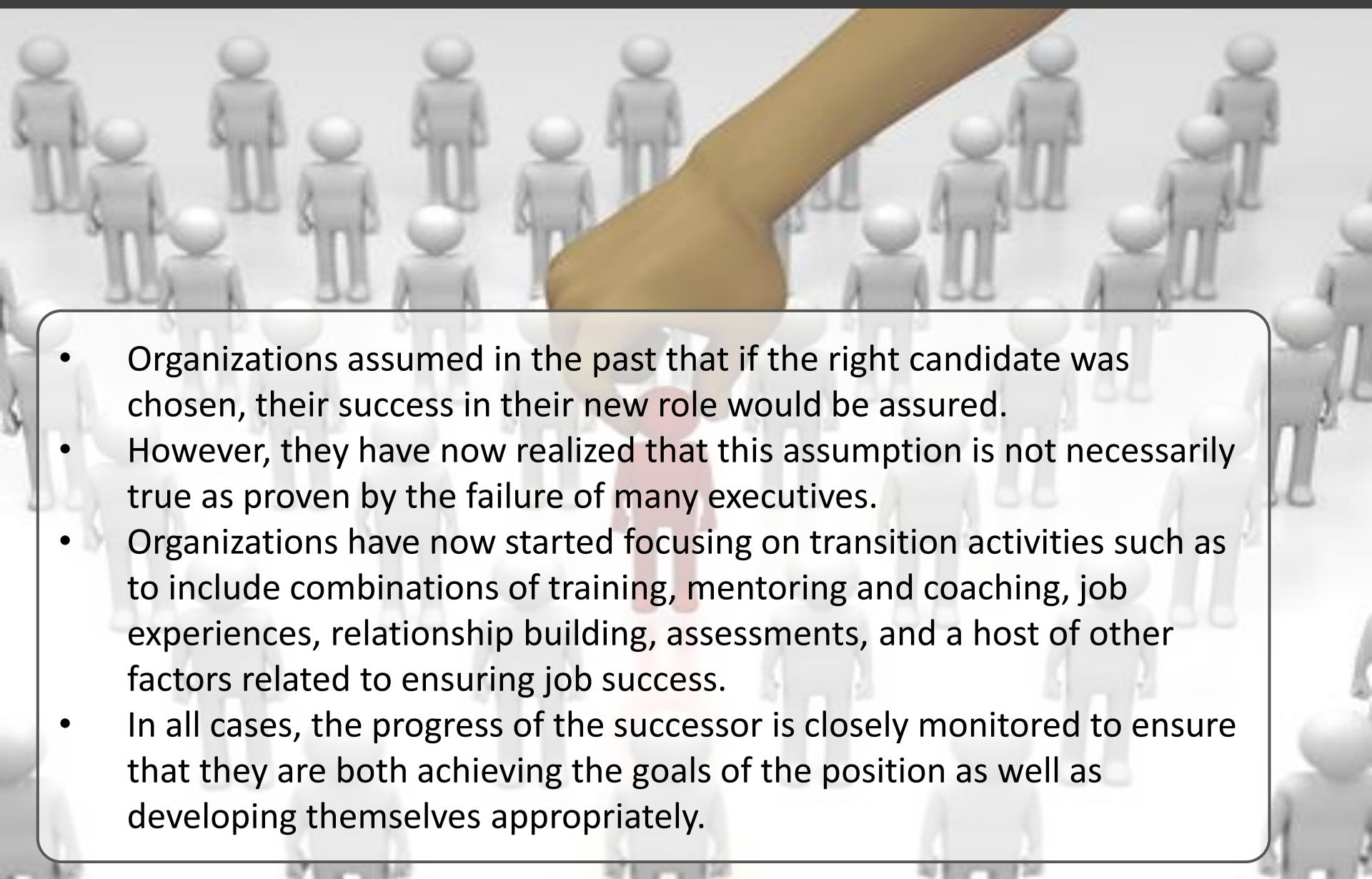
Selection and Transition Focus

Selection and Transition Focus

- Succession planning is now becoming increasingly focused around selection and transition.
- Now, organizations are focusing on more disciplined and objective criteria for determining how to address a particular succession need.
- They are also increasing their focus on how they manage the actual transition in the organization.
- In the past, so much effort was put into the selection process, that the transition activities were almost non-existent.



Selection and Transition Focus

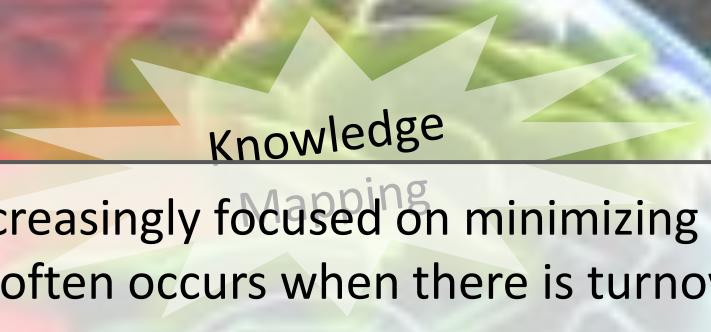


- Organizations assumed in the past that if the right candidate was chosen, their success in their new role would be assured.
- However, they have now realized that this assumption is not necessarily true as proven by the failure of many executives.
- Organizations have now started focusing on transition activities such as to include combinations of training, mentoring and coaching, job experiences, relationship building, assessments, and a host of other factors related to ensuring job success.
- In all cases, the progress of the successor is closely monitored to ensure that they are both achieving the goals of the position as well as developing themselves appropriately.

Knowledge Mapping

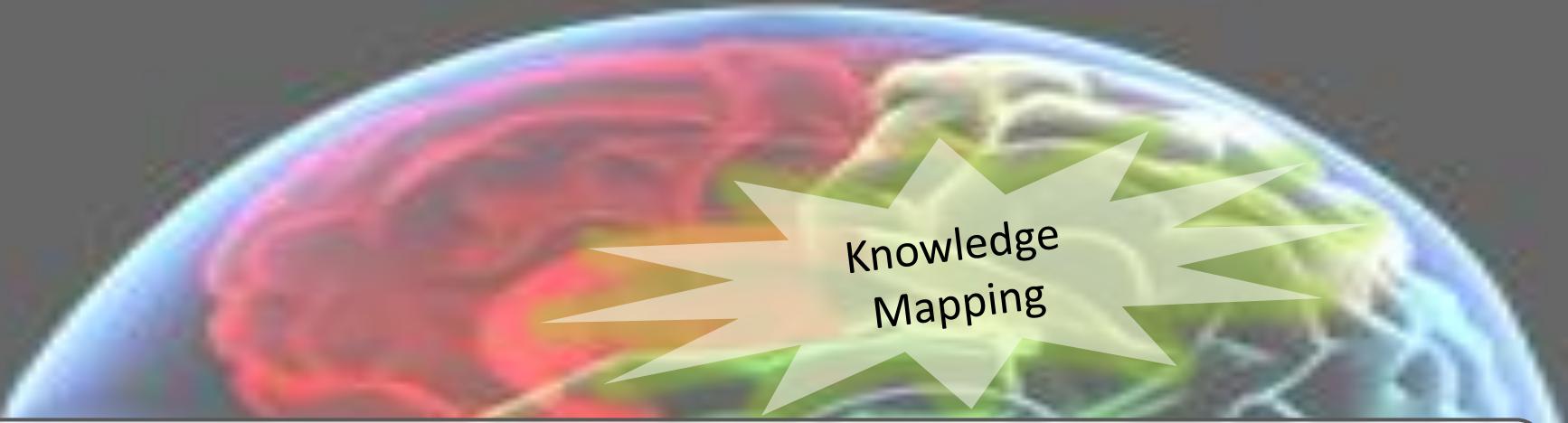
Knowledge Mapping

- Organizations are increasingly focused on minimizing the knowledge loss that often occurs when there is turnover in a position.
- The goal of these efforts is to translate knowledge in a staff person's head into organization knowledge through a process called Knowledge Mapping.
- This process helps organizations identify, prioritize, document, and disseminate knowledge that is critical to the operations of the organization.
- This has a very wide scope and it is important that organizations focus their efforts on the components of each job that are critical and that cannot be intuitively “figured out” when someone steps in to a new role.



Knowledge

Knowledge Mapping



- The fundamental process for knowledge mapping includes:
 - Map knowledge required to execute a particular task/role/job (focus on critical jobs or those with high time to proficiency or high turnover)
 - Determine how knowledge will be captured and disseminated (people, systems, procedures, etc.) – focus on application of the knowledge and not just “documentation”.
 - Determine how knowledge will be transferred in the event of succession.
 - Ensure that the knowledge transfer process is both documented and practiced to ensure minimal disruption in the event of a transition

Systems Evolution

Systems Evolution

- The evolution in HR systems is one enabler of more effective succession planning.
- Succession planning software has existed for many years, but Integrated Talent Management Application Suites has allowed organizations to take succession planning to the next level.
- Present day Talent Management applications allow organizations to have a complete view of their talent, as well as a comprehensive picture of the organization's talent needs and challenges.
- This includes the ability to automatically aggregate the full picture of talent from the individual to the organization level.

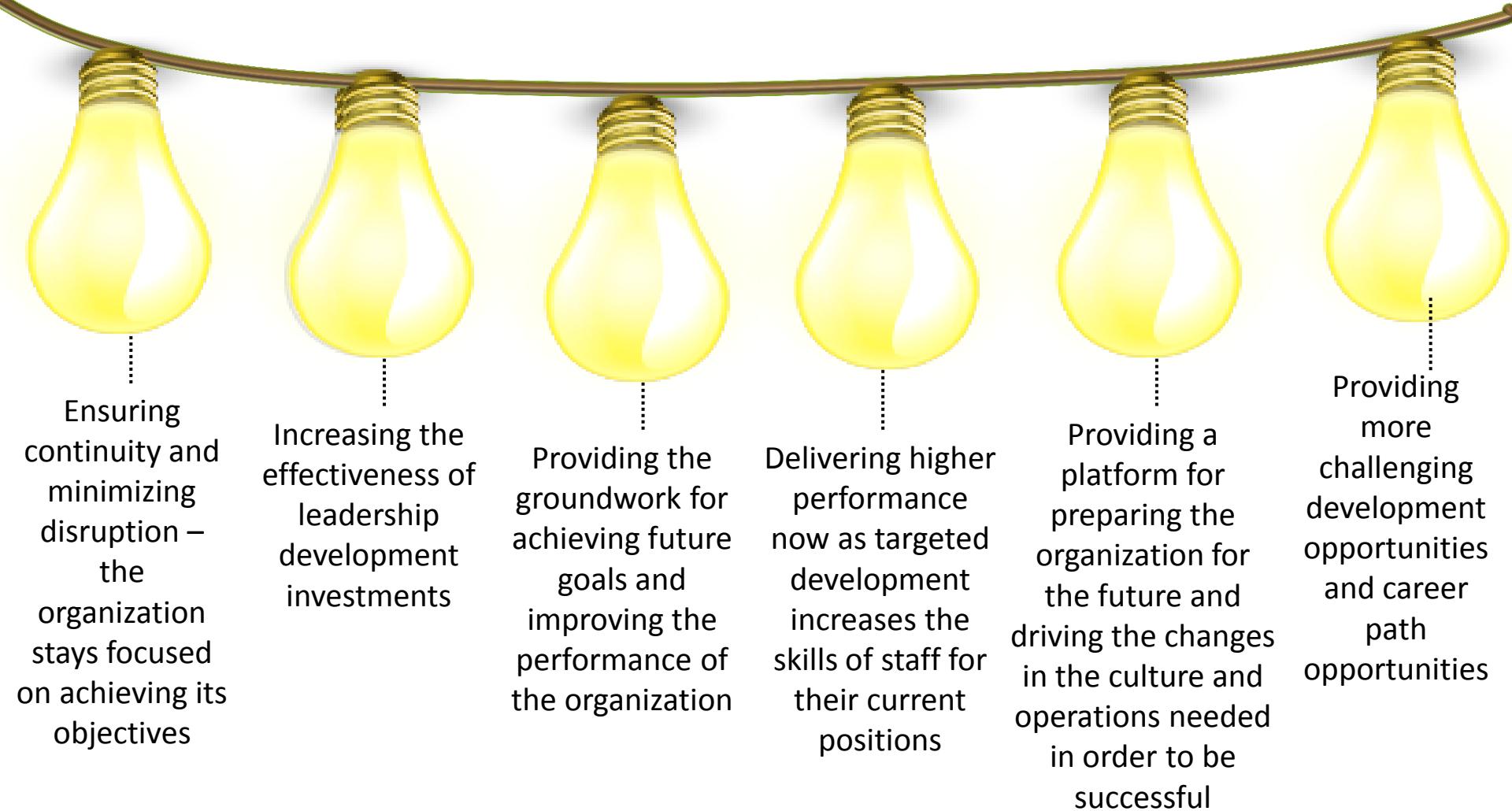
Systems Evolution



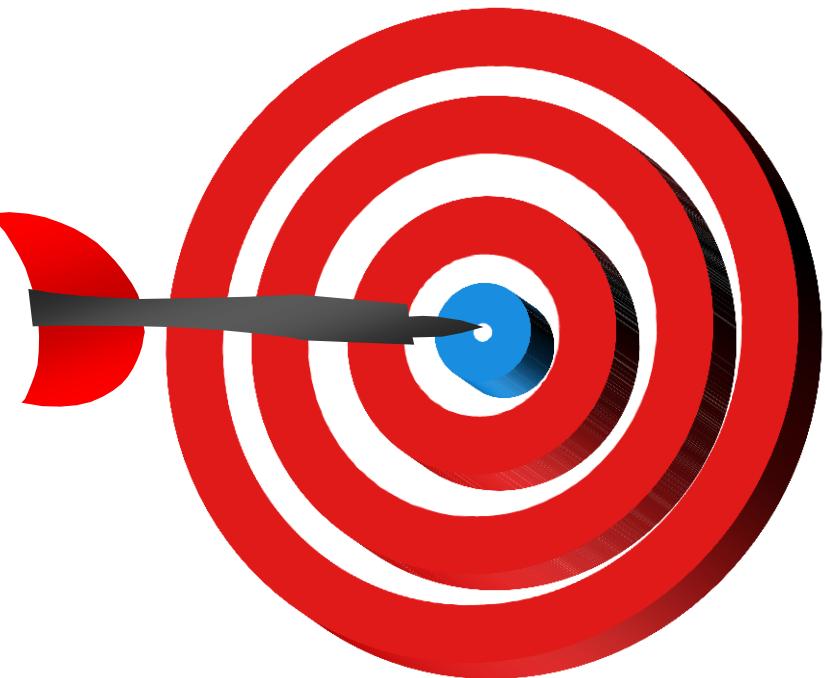
- Now organizations can quickly tell who they have, what they can do, what they are doing today, and what their gaps might be.
- Also, organizations now have powerful tools to look at trends, gaps, needs, and strategies for addressing succession planning challenges.
- All of this is possible from the integration of disparate data from disparate sources into a comprehensive picture of talent and the availability of tools to analyze this data at various levels.
- Thus, systems have increasingly become a foundation for effective succession planning and are a critical component of strategy in this area.

Advantages of Succession Planning

The following are the advantages of having a succession planning process in an organization:



Objective



- Explain What is Succession Planning
- List the Objectives of Succession Planning
- Explain the Core Principles of Succession Planning
- Describe the Key Elements of Succession Planning
- Explain the Factors to be Considered in Succession Planning
- Describe the Steps of Succession Planning
- List the Challenges of Succession Planning
- Describe the Evolution of Succession Planning
- Explain the Parallel Approach to Succession Planning
- Describe the Innovative Approaches to Succession Planning
- List the Pitfalls of Succession Planning
- List the Best Practices of Succession Planning

Pitfalls of Succession Planning

The following are the major pitfalls of succession planning:

Lack of funding for leadership development

Lack of assessment tools

Inability to locate or create a pool of active and passive candidates

Pitfalls of Succession Planning

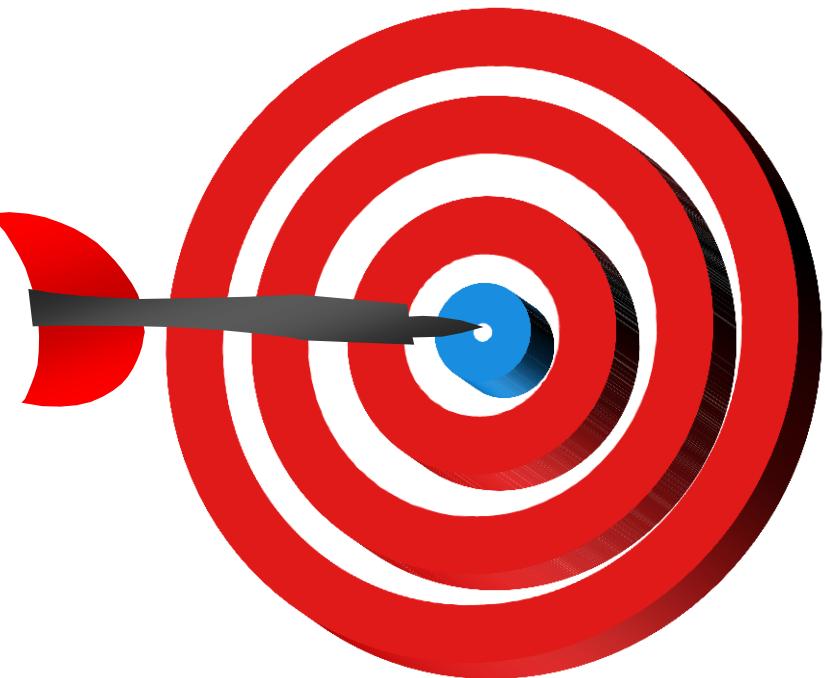
The following are the major pitfalls of succession planning:

Lack of succession planning tools
and career development tools

Lack of interest from senior
executives

Inability to identify the future
talent needs of the organization

Objective



Explain What is Succession Planning

List the Objectives of Succession Planning

Explain the Core Principles of Succession Planning

Describe the Key Elements of Succession Planning

Explain the Factors to be Considered in Succession Planning

Describe the Steps of Succession Planning

List the Challenges of Succession Planning

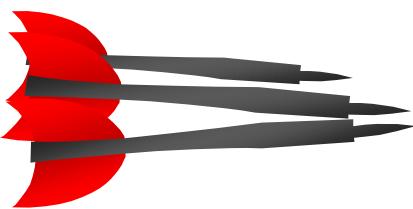
Describe the Evolution of Succession Planning

Explain the Parallel Approach to Succession Planning

Describe the Innovative Approaches to Succession Planning

List the Pitfalls of Succession Planning

List the Best Practices of Succession Planning



Best Practices of Succession Planning

The following are some of the best practices to be followed in succession planning:

Overall Process

Selection

Development

Program Maintenance

Evaluation

Let's look at each in detail.

Best Practices of Succession Planning

Overall Process

Selection

Development

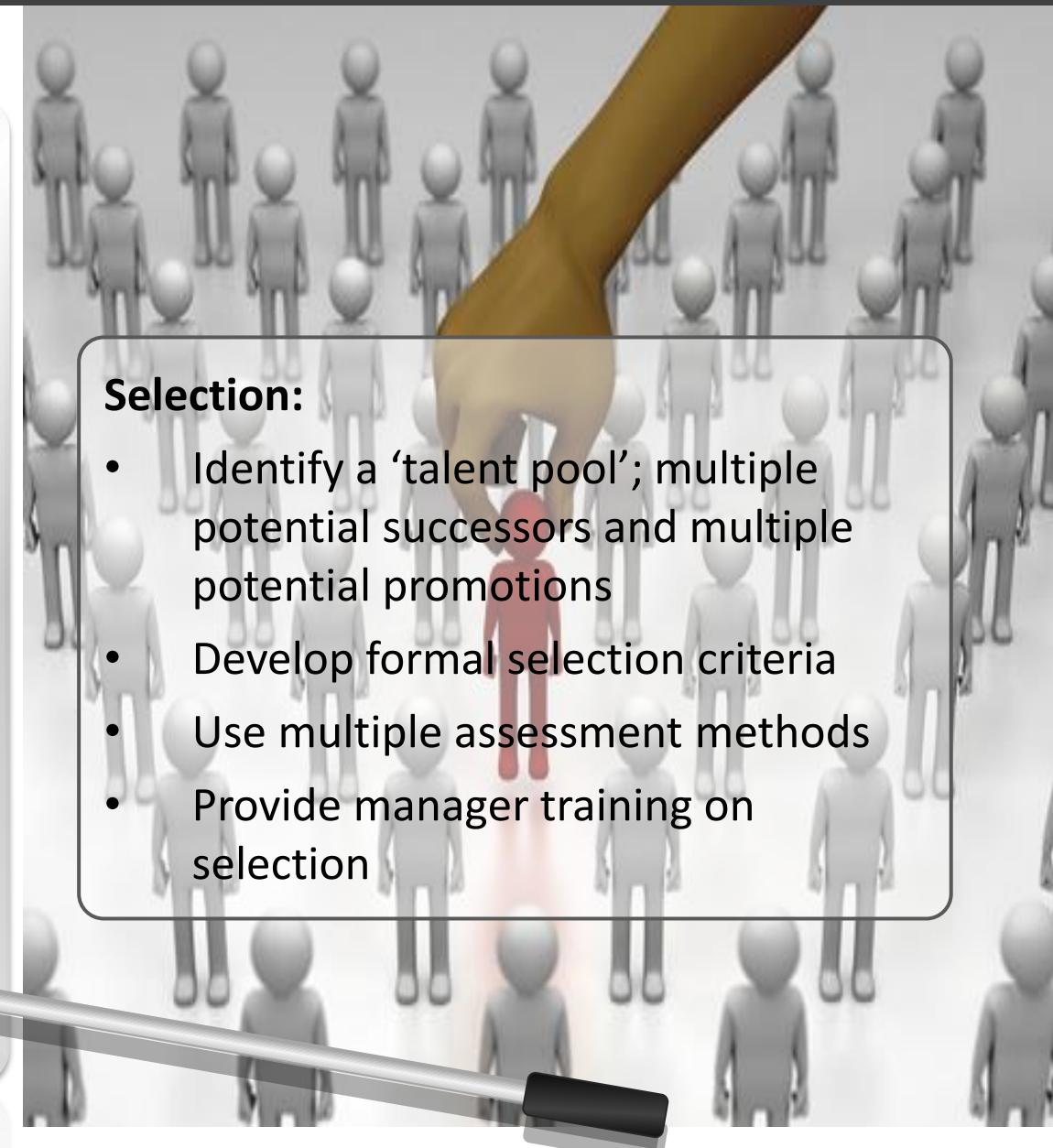
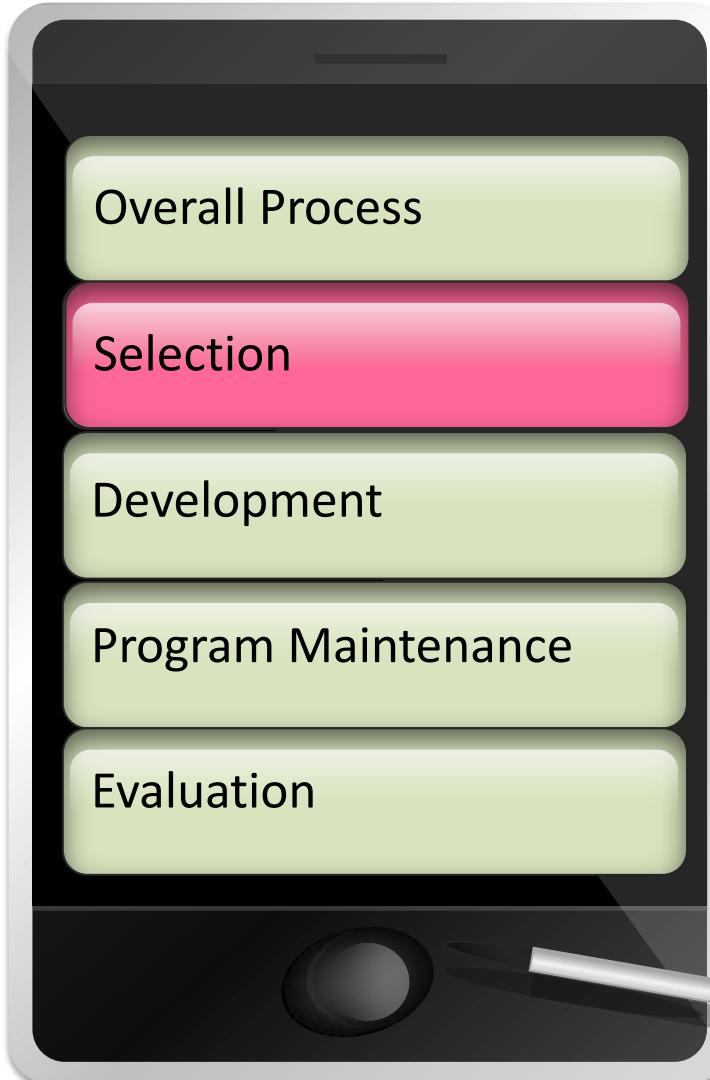
Program Maintenance

Evaluation

Overall Process:

- Tie methods to organizational strategic planning
- Enlist top-level collaboration/endorsements
- Involve departments and potential successors as process co-owners
- Communicate openly: make the process as transparent as possible
- Pilot test before broader roll-out

Best Practices of Succession Planning



Best Practices of Succession Planning

Overall Process

Selection

Development

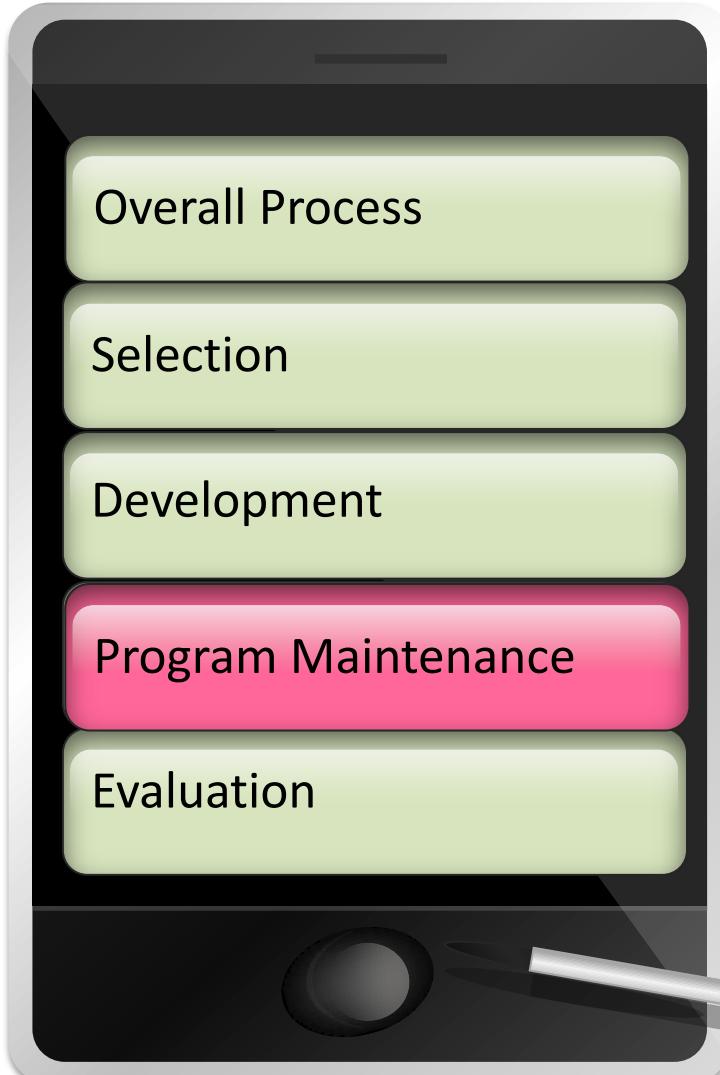
Program Maintenance

Evaluation

Development:

- Mandate development planning and follow-up as part of the process
- Tie manager bonuses to planning participation and follow-through
- Create development plans tailored to individual needs and succession opportunities
- Use job rotations and other work-related projects for development

Best Practices of Succession Planning



Program Maintenance:

- Keep the process simple and efficient
- Approach the process flexibly and evolve it continuously

Best Practices of Succession Planning

Overall Process

Selection

Development

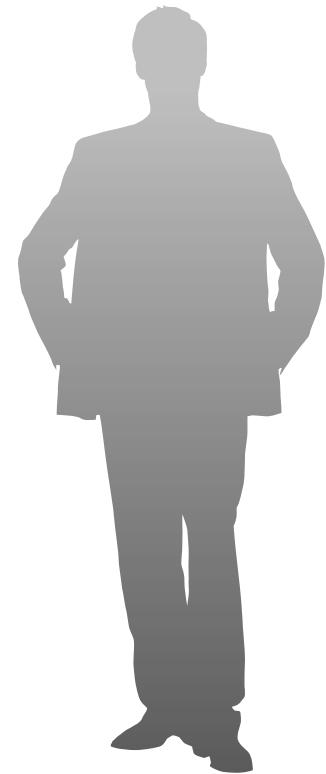
Program Maintenance

Evaluation

Evaluation:

- Set specific goals for succession planning programs and measure progress against them regularly

Case Study



George Dawson is the Vice-President (Operations) of Helium Inc. He plans to retire in the next two to three years.

He has to find a suitable replacement to fill his position when he retires.

1. What steps should George take to identify the right candidate as his successor?
2. What development tools can he use to make the chosen candidate ready to take his position?

Summary

In this module, you learnt that:

Succession planning establishes a process that recruits employees, develops their skills and abilities and prepares them for advancement, all while retaining them to ensure a return on the organization's training investment.

The key elements of succession planning are:

- Assessment of Key Positions
- Identification of Key Talent
- Assessment of Key Talent
- Generation of Development Plans
- Development Monitoring & Review

The factors to be considered in succession planning for choosing the right candidate are:

- Age of the Candidate
- Length of Service
- Past Performance of Candidate
- Duties and Responsibilities
- Qualifications

Summary