

Succession Planning Process

INTRODUCTION

Succession planning is a systematic approach to:

- Building a leadership pipeline/talent pool to ensure leadership continuity
- Developing potential successors in ways that best fit their strengths
- Identifying the best candidates for categories of positions
- Concentrating resources on the talent development process yielding a greater return on investment.

Succession planning recognizes that some jobs are the lifeblood of the organization and too critical to be left vacant or filled by any but the best qualified persons. Effectively done, succession planning is critical to mission success and creates an effective process for recognizing, developing, and retaining top leadership talent.

SUCCESS FACTORS

There are several factors typically found in successful succession planning initiatives. For example:

- Senior leaders are personally involved.
- Senior leaders hold themselves accountable for growing leaders.
- Employees are committed to their own self-development.
- Success is based on a business case for long-term needs.
- Succession is linked to strategic planning and investment in the future.
- Workforce data and analysis inform the process.
- Leadership competencies are identified and used for selection and development.
- A pool of talent is identified and developed early for long-term needs.

Succession Planning Process (continued)

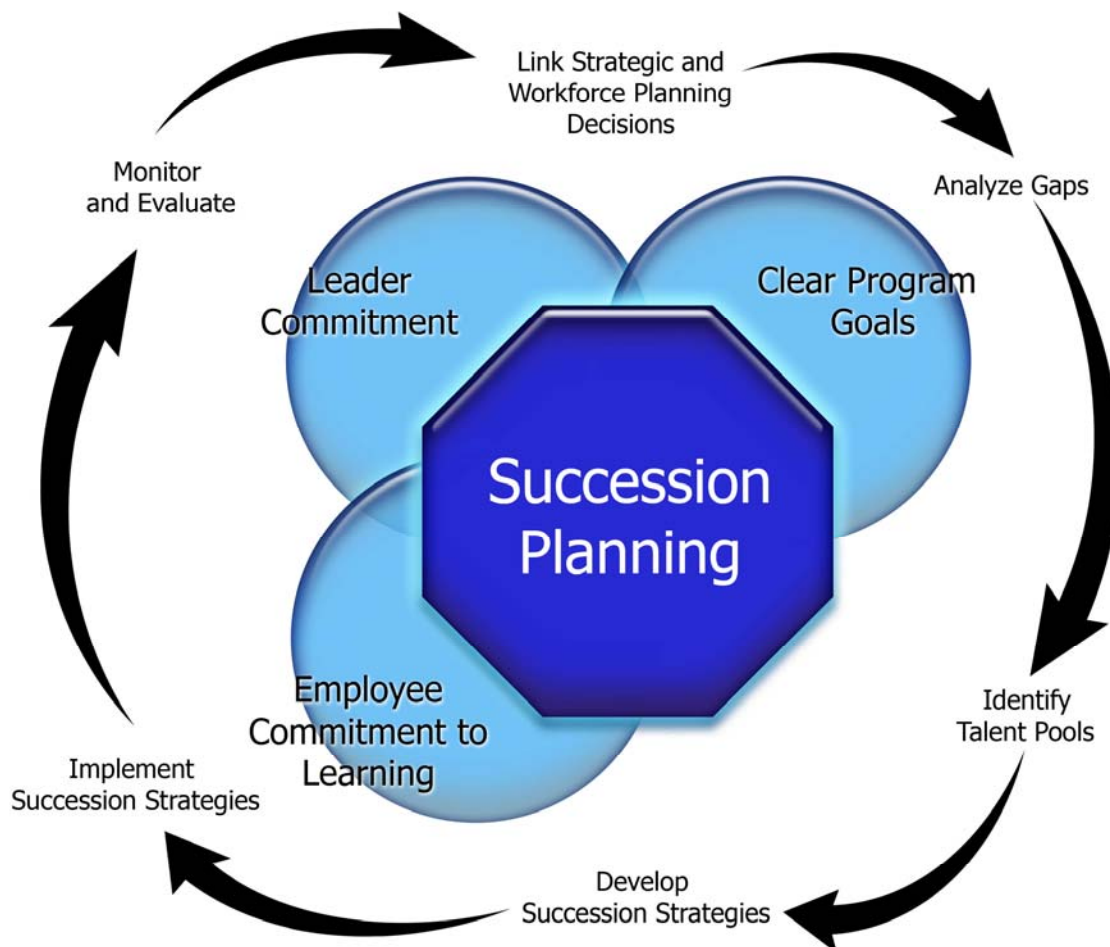
SUCCESS FACTORS (CONTINUED)

- Development is based on challenging and varied job-based experiences.
- Senior leaders form a partnership with human resources.
- Succession planning addresses challenges such as diversity, recruitment, and retention.

EFFECTIVE SUCCESSION PLANNING

The following information includes:

- A graphic representation of a six-step process for effective succession planning
- A table with descriptions of each step in this process.



Succession Planning Process (continued)

Step 1: Link Strategic and Workforce Planning Decisions

This step involves:

- Identifying the long-term vision and direction
- Analyzing future requirements for products and services
- Using data already collected
- Connecting succession planning to the values of the organization
- Connecting succession planning to the needs and interests of senior leaders.

Step 2: Analyze Gaps

This step involves:

- Identifying core competencies and technical competency requirements
- Determining current supply and anticipated demand
- Determining talents needed for the long term
- Identifying “real” continuity issues
- Developing a business plan based on long-term talent needs, not on position replacement.

Step 3: Identify Talent Pools

This step involves:

- Using pools of candidates vs. development of positions
- Identifying talent with critical competencies from multiple levels—early in careers and often
- Assessing competency and skill levels of current workforce, using assessment instrument(s)
- Using 360° feedback for development purposes
- Analyzing external sources of talent.

Succession Planning Process (continued)

Step 4: Develop Succession Strategies

This step involves:

- Identifying recruitment strategies:
 - Recruitment and relocation bonuses
 - Special programs
- Identifying retention strategies:
 - Retention bonuses
 - Quality of work life programs
- Identifying development/learning strategies:
 - Planned job assignments
 - Formal development
 - Coaching and mentoring
 - Assessment and feedback
 - Action learning projects
 - Communities of practice
 - Shadowing.

Step 5: Implement Succession Strategies

This step involves:

- Implementing recruitment strategies (e.g., recruitment and relocation bonuses)
- Implementing retention strategies (e.g., retention bonuses, quality of work life programs)
- Implementing development/learning strategies (e.g., planned job assignments, formal development, Communities of Practice)
- Communication planning
- Determining and applying measures of success

Succession Planning Process (continued)

Step 5: Implement Succession Strategies (continued)

- Linking succession planning to HR processes
 - Performance management
 - Compensation
 - Recognition
 - Recruitment and retention
 - Workforce planning
- Implementing strategies for maintaining senior level commitment.

Step 6: Monitor and Evaluate

This step involves:

- Tracking selections from talent pools
- Listening to leader feedback on success of internal talent and internal hires
- Analyzing satisfaction surveys from customers, employees, and stakeholders
- Assessing response to changing requirements and needs.