SUCCESSION PLANNING PROCESS

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Succession planning recognizes that some jobs are critical to the success of the organization and cannot be left vacant or filled by “less than fully qualified” individuals. Effectively done, succession planning is critical to mission success and creates an effective process for recognizing, developing, and retaining top talent.

Succession planning is a systematic approach to building a talent pipeline (candidate pool) to ensure continuity of the role / responsibilities for your organization; whether executive leadership or technical individual contributor.
**Internally**

- Identifying potential candidates for categories or specific positions
- Developing potential successors in ways that best fit their strengths
- Concentrating resources on the talent development process

**Externally**

- Identifying the requirements, experience and skill sets (a job description) required to seek externally.
  - Interviewing potential candidates to join the organization.
- Concentrating resources on the talent development process, possibly via a strategic talent management partner.

It can be advantageous to have a mentoring period as incumbent transitions out and new candidate transitions into new role.
SUCCESS FACTORS

- Senior management is personally involved.
- Senior management holds themselves accountable for growing leaders and departmental principals.
- 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.
- Competencies are identified and used for selection and development.
- Continuous monitoring of the talent pool and development for long-term needs.

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

01 Long Term Vision & Direction
02 Gap Analysis
03 Identify Talent Pools
04 Develop Succession Strategies
05 Implement Succession Strategies
06 Monitor & Evaluate
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.
Gap Analysis

- 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.
Identify Talent Pools

- Build talent pool of candidates vs. development of positions
- Identifying talent with required (identified) core competencies from multiple levels.
- Assessing competency and skill levels of current workforce, using assessment instrument(s)
- Using 360° feedback for development purposes
- Analyzing internal sources vs. external sources of talent
Identifying **Recruitment** strategies:
- Internal Development Programs, Individual Development Plans, Succession Planning Toolkit
- External Recruitment - develop partner

Identifying **Retention** strategies:
- Long Term Incentives
- Work-Life Balance programs
- Career growth potential

Identifying **Development/Training** strategies:
- Planned job assignments
- Formal development
- Coaching and mentoring
- Assessment and feedback
- Action learning projects
- Communities of practice (mentoring)
- Shadowing
Implement Succession Strategies

- Implementing recruitment strategies above
- Implementing retention strategies above
- Implementing development/learning strategies (e.g., planned job assignments, formal development, Communities of Practice)
- Communication planning
- Determining and applying measures of success
- Linking succession planning to HR processes
  - Performance management
  - Compensation
  - Recognition
  - Recruitment and retention
  - Workforce planning
- Implementing strategies for maintaining senior management’s commitment; data tracking metrics.
Monitor & Evaluate

- 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.
## Identifying Talent Pools

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<tr>
<th>Internal Staff Development</th>
<th><strong>Pros</strong></th>
<th><strong>Cons</strong></th>
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|                            | • Generally fewer corporate culture conflicts  
|                            | • Clear track record of candidate strengths & weaknesses  
|                            | • Sends positive message throughout the work force  | • Expense for development programs can be high  
|                            |                                                   | • Higher tendency to think within the current boundaries  
|                            |                                                   | • Close political ties and alliances within the company  |

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<th>External Hiring</th>
<th><strong>Pros</strong></th>
<th><strong>Cons</strong></th>
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|                            | • Fresh, new perspectives  
|                            | • Can foster diversity  
|                            | • Intimate competitor knowledge  | • Culture conflict  
|                            |                                                   | • Lack of clear indicators of strengths & weaknesses  
|                            |                                                   | • Recruitment cost  |
Cost of Vacancy or Cost of “Lost Opportunity”

These numbers can be staggering, depending on industry and role.

Generally speaking:
- Principal technical level or senior management level: 5 times base salary
- C-Level: 25 times base salary

Quite frankly, they can put companies out of business.
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