

Succession Planning
Not For Family Businesses Only
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Succession planning has traditionally been considered the domain of the family within a family business. It is just recently accepted that the rationale for grooming successors should be at all levels of every organization.

With the baby boomers retiring in large numbers and the job opportunities expanding, the talent pool is shrinking. Additionally, the belt-tightening measures taken during economic downturns have eliminated a lot of people that might have been eligible for promotion. The general wisdom is that offering jobs to external candidates may not be the most effective way to fill positions. There are those that believe all organizations must hire, not just for today's needs, but also with a look toward the future.

Grooming internal candidates ensures continuity, enhances skill levels, and helps the transition process appear more seamless because training begins long before an employee is promoted. Someone starting anew is far more expensive, during the interim, than a person who holds the history and institutional knowledge that is the foundation of a well functioning organization. The cost of overlapping the outgoing employee with the incoming person, for training purposes, is far less than a new hire trying to learn the job in isolation.

Recruiting from within means that employers are not waiting until a position becomes open to search for talent. Succession planning allows choice from a talent pool that is already highly qualified - presently and for the future. The benefit to the employee is that s/he is initially hired into an environment that values her or his growth, provides opportunities to develop new skills and abilities, and increases the chances for job security. Such an atmosphere is exciting because of its commitment to learning and development, even though the promise of higher positions can't always be assured.

Though the goal is to fill future key leadership positions, this model can work for all levels of the organization. Imagine everyone embracing a learning model tied to a possible career path. Employees are ready for new roles and, when someone leaves, and can easily step in with confidence. The message is "we care about your future as well as the future of the organization."

The steps to Succession Planning help the organization in a variety of ways. While the following is an essential process toward implementing such a program, the by-products are numerous: they will increase organizational functioning simply standing on their own.

1. Identify the organization's long-term goals, priorities, and objectives (tied to your strategic plan.)
2. Assess how services are provided now - and might be provided in the future - and engage in selective hiring that looks at employee potential as well as present expertise.
3. Establish a set of competencies that are considered desirable in high-potential employees and create the training tools needed to achieve them.
4. Identify the workforce needs and establish a process that recruits employees toward developing their skills, preparing them for advancement, and mentoring them throughout their tenure. Share key position descriptions (present and future) and the requisite skills required for success.
5. Develop a communication strategy that clearly describes possible career paths and available training and competency building, as well as the process that will be used to select a successor. This requires an assessment of current competency gaps, coaching, and evaluation procedures.
6. Possible candidates should be assigned mentors who can guide and assist their development. Mentors are responsible for supporting them, as well as making sure they have access to knowledge, skill development, and professional experience. It is more important to choose mentors that are comfortable in the role than simply assigning them because of their positions.
7. Put measurement tools in place to assess progression, the meeting of criteria, appropriate training, and expectations.
8. Be sure the above process is dynamic (keeping up with changes and new information as they arise) and tailored to meet the specific needs of your organization.
9. Utilize expertise from all levels of the organization. Those people who do the job every day know what is needed to solve the problems and be successful. Include a representative group in the designing of the plan.
10. Ensure that the process has wide support and is constantly emphasized in day-to-day activity.
11. Review your process on an on-going basis to be certain that the plan that is in place still makes sense.

The advantages to committing to a succession-planning program are numerous. Typically, a void produces a scramble to fill a position rather than being able to choose

from a number of viable and competent employees. Once chosen, the transition time required to bring the new employee to the necessary level and integrate her or him into the culture is far less with someone who is already familiar with the workplace.

Employee satisfaction and retention are bound to increase because employees are more attracted to a supportive learning environment that delivers the message “those who work for us are valued and worth nurturing.” Further, professional development is more meaningful when tied to possible career paths and individual growth.

There will be a consistent supply of well-trained, experienced, and motivated people who are ready to step into key positions, while performing their present jobs with skill and commitment. They are often less resistant to change because they are part of the plan and more committed to continuous improvement. If they are going to stay, they have a stake in the organization’s success.

And, finally, the organization’s image will improve. It will be seen as a challenging, stimulating place to work. New hires will quickly acquire the energy and excitement manifest by present employees and the benefit to customers is immeasurable.

If this is not convincing enough, consider the peace of mind created by the knowledge that the future will be in good hands.

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