

Succession Planning

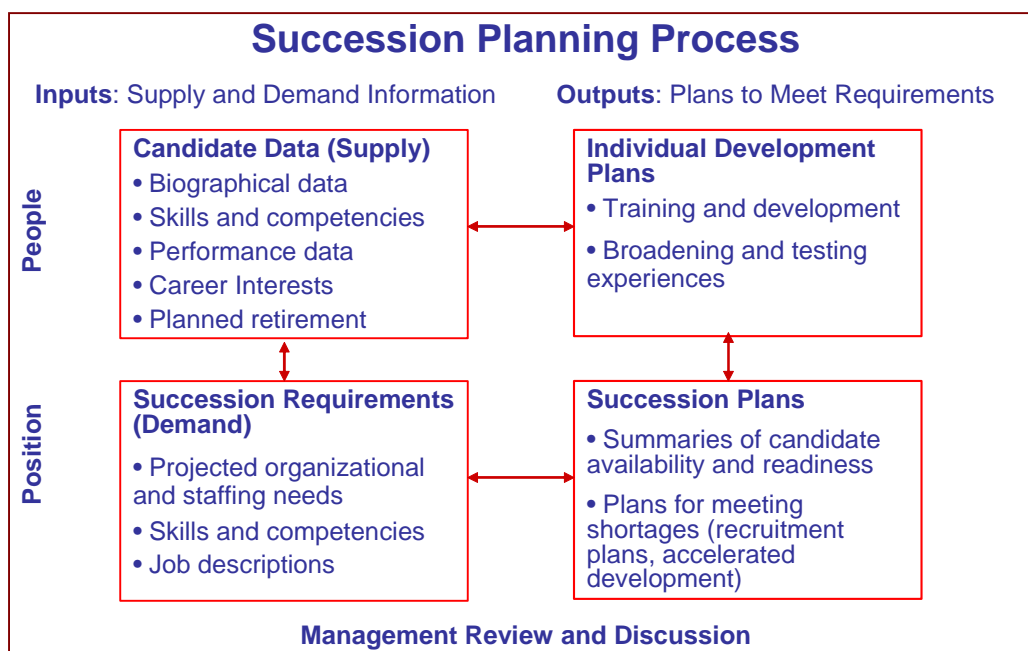
Succession planning is the flexible, long term, developmental view of future management staffing.

A key aspect of overall HR Planning is having a systematic process for defining future management requirements, identifying candidates and matching this demand to supply as a basis for future planning.

“Grooming your replacement” is no longer an adequate solution to a succession policy. The challenge is not to merely replace managers and directors as they leave the organization, but to develop the best possible managers to meet the changing requirements of your organizational strategy.

A primary challenge for organizations and businesses is to continue developing broadly experienced and seasoned managers in a way that is simple, practical, meaningful and fair. This will allow you to focus on a talent pool, rather than on individual backups for key positions. It also allows for greater flexibility in preparing succession plans across departmental/functional lines.

Ideally, criteria for assessing managerial candidates and for guiding succession and development planning should be based on an analysis of key staff resources and the requirements expected of specific management positions. This is outlined in the following chart:



(Source: Walker, James S., Human Resource Planning, McGraw-Hill, New York, 1980)

Replacement Planning versus Succession Planning

There is a difference between individual ‘replacement’ planning and broader ‘succession’ planning. Replacement planning concentrates on immediate needs and a ‘snapshot’ assessment of the availability of qualified candidates for key management vacancies.

In contrast, succession planning is more concerned with longer term needs and the cultivation of a supply of qualified talent to meet those needs.

Succession planning involves a more intensive management review of job requirements, changing organizational needs, candidate information, appraisal information, and the specific developmental interests and choices of the candidates. It also calls for more systematic planning for the broadening of individuals’ career potential.

Variable	Replacement Planning	Succession Planning
Time Frame	0 – 6 months	6 – 36 months
Resources	Best candidate available at the time	Candidates with best development potential
Level of Planning	Selection and placement of the preferred available candidate	Identification of high potential candidates well in advance
Selection Focus	Vertical line of succession within department, or external search	Development of a general talent pool
Development Plans	Immediate on-the-job training for new replacement	Extensive development planning with specific plans and goals set for each person in advance
Decision-Making	By Executive Director and a small interview panel	Development plans are the result of input and discussion from multiple managers
Candidate Evaluation	Past performance on job Demonstrated competence Career progress to date Interview panel	Multiple evaluations over time by different managers on varied job assignments

(Source: Walker, James S., Human Resource Planning, McGraw-Hill, New York, 1980)

Action Plans

Organizations need to consider their succession planning needs, create an awareness of this as a priority among Directors and managers, and introduce new ways of thinking on this subject. Specifically;

- Adopt a corporate philosophy of management development.
- Identify a Director-level corporate ‘champion’ for Succession Planning (not the Director of HR).
- Develop a Succession Planning strategy statement.
- Incorporate management development into the broader training/learning program regime.
- Systematically identify a series/program of developmental assignments and incorporate this into business and workforce planning.

- Establish an annual management succession planning and review process.
 - Also called ‘management depth reviews’
 - Each Director presents an analysis of their management talent supply and planned development activities.
 - Collectively identify high potential succession candidates
 - Examine short-term replacement availability for key positions
 - Prepare long-term development plans for succession candidates
- Develop guidelines for a uniform approach to performance appraisals and the assessment of career development needs.
- Implement the required training and development programs.
- Review the process every year.

Tim McConnell, SPHR is an HR Strategist with McConnell HR Consulting Inc. in Ottawa. The firm provides Compensation and Human Resources Strategy advice to clients in both the public and private sectors. Tim can be reached at Tim@McConnellHRC.com.