

SUCCESSION PLANNING

Succession Planning involves having senior executives periodically review their top executives and those in the next lower level to determine several backups for each senior position. This is important because it often takes years of grooming to develop effective senior managers. It has been well documented that there is a critical shortage in companies of middle and top leaders for the next five years. The shortage is international in scope and organizations urgently need to create pools of candidates with high leadership potential.

A careful and considered plan of action ensures that the least possible disruption to the person's responsibilities and therefore the organization's effectiveness. Examples include such a person who is:

- suddenly and unexpectedly unable or unwilling to continue their role within the organization;
- accepting an approach from another organization or external opportunity which will terminate or lessen their value to the current organization;
- indicating the conclusion of a contract or time-limited project; or
- moving to another position and different set of responsibilities within the organization.

A succession plan clearly sets out the factors to be taken into account and the process to be followed in relation to retaining or replacing the person.

BUSINESS SUCCESSION PLANNING

Business succession planning involves planning for the smooth continuation and success of a business which depends greatly on the availability of competent people. Be it profit or non-profit organization, one of the concerns is there may be no successor to drive it once the leader or key person leaves – either by choice or by circumstances. This concern has been repeatedly expressed in the papers by leaders from the private and government sector. It is people, or more aptly, the right people, that make things happen. But the music will stop one day!

What is likely to happen to the organization when a key leader is eliminated without succession planning in place? Here are some things to expect. First, there would be either no able successor or where there is, the successor is often either unprepared to handle the heavy responsibilities placed upon them or he/she simply does not have the ability to manage the organization in the way it used to be. Whatever the case may turn out to be, the situation can be dire for the organization. Profit may be lost. Business can become untenable to continue. In the case of the unplanned death of a leader, the remaining may be embroiled in a relationship crisis that threatens to wreck the business.

In an unplanned situation, ineffective quick-fixed solutions are the only answers left. If no able successor can be found, a temporary replacement is often the only choice left, and the ultimate result may still be the downfall of the organization. It is difficult enough to run an organization with experience and ability. Without the requisite qualities in the new leader, weaknesses within the organization will rise to the surface immediately; unless it is lucky to identify a replacement who happens to be suitable and motivated. If not, an unmotivated successor is equally bad news for the set-up. Without the drive, the organization will stay stagnant and more than likely, to slide.

Without succession planning, a business that has become successful can just as easily fall. The business grows because there is a leader with experience, drive, ability and vision. Without proper succession planning, the future success of the business is left to chance once that leader is gone. Under such a circumstance, if it succeeds at all, it is by default rather than planned. That is not all. The passing of the baton from one generation to the next is often clouded by the stakeholders' differing views and agendas. Without proper planning, the clashes of views and agendas can pull the business in several directions and this may wreck an otherwise viable business.

Succession planning involves:

- Understanding the organization's long-term goals and objectives.
- Identifying the workforce's developmental needs.
- Determining workforce trends and predictions.

In the past, succession planning typically targeted only key leadership positions. In today's organizations, it is important to include key positions in a variety of job categories.

With good succession planning, employees are ready for new leadership roles as the need arises, and when someone leaves, a current employee is ready to step up to the plate. In addition, succession planning can help develop a diverse workforce, by enabling decision makers to look at the future make-up of the organization as a whole.

Cenera can help you focus on a particular step in the succession-planning process, or work with you from start to finish. Here are steps to consider:

- Develop a communication strategy.
- Identify expected vacancies.
- Determine critical positions.
- Identify current and future competencies for positions.
- Develop a recruitment strategy.
- Create assessment and selection tools.
- Supplement HR functions to include active recruiting and staffing.
- Identify gaps in current employee and candidate competency levels.
- Develop Individual Development Plans for employees.
- Develop and implement coaching and mentoring programs.
- Assist with leadership transition and development.
- Develop an evaluation plan for succession management.