We have helped thousands of HR practitioners put success in succession planning since 1996.

Succession Planning White Paper
Contents include pragmatic methodology, conversations at the core of success, and a third section addressing implementation for the purpose of downsizing leadership ranks.

Part 1: Success Associates 10 Step Turnkey Methodology

You are reading this because it is your responsibility to design, implement, facilitate, and measure a succession planning program to guide strategic leadership change initiatives for your organization. Your immediate objective could be to grow and retain leadership talent or it could be to reduce ranks and keep the right leaders to rebuild later. Bottom line you need the right leaders in the right place at the right time. In any case, knowledge management is an issue; to retain mission-critical know-how for your organization.

Success Associates specializes in succession planning to drive organization effectiveness.

Success Associates uniquely provides all the necessary components:
- Education - through highest rated seminars or workshops
- Consulting Services - to assist with implementation and as needed in the future
- Software as a Service - affordable and ready fit to our best in class models

Here is our recommended chronological outline of implementation:

1) Familiarization by your Process Champion (PC)

Your Process Champion (PC) is the internal person who is responsible for running the succession planning process in your organization.

Attend a free live webinar from the comfort of your office via your computer and phone to receive a high level overview of what Success Associates has to offer to evaluate if we are right for your organization. We will tailor our presentation to your questions based upon a 5 minute survey. You may invite other team members or decision makers to participate from their individual offices. To arrange this opportunity please click on Schedule a Free Webinar

2A) Attend a One Day Seminar

Attend a one day seminar. Choose between programs for corporations or for government operations. These events are often sponsored by or co marketed with third party conference producers.
Or arrange for a one day seminar at your location. Your location is often more economical because a team can attend with no employee travel expense. We also tailor onsite programs to topics you wish to emphasize.

Our dedicated seminars delivered at your location carry our 100% satisfaction guarantee. If you are not satisfied with the seminar, we refund 100% of the fee paid.

This is a comprehensive program covering strategy, process, logistics and metrics. A 40 question implementation planning template is included. To view an outline of topics included click on One Day Seminars in our website.

OR

2B) Attend a Two Day Workshop
Again, we have a version for corporations and one for government operations. And we periodically offer public enrollment workshops. For best results we prefer and invite you to allow us to work with you free of charge to tailor an on site two day workshop delivered at your location.

Our two day workshops conducted at your location also carry our 100% satisfaction guarantee.

The two day workshop covers material included in the one day seminar above. The additional day provides time for role plays with the process, more time for interactive discussion, and coverage of additional topics. Importantly, the two day workshop delivered at your location allows time to consult with you individually to configure our models to your organization and create an implementation plan specific to your organization. To view an outline of topics included click on Two Day Workshops in our website.

3) Implementation Plan and Configure Rating Models to Your Organization

This step has been completed if a two day workshop was held at your organization’s location.

Following a one day seminar we have helped clients plan and configure by:
- Scheduling an on-site consulting day or
- Consulting remotely by phone, trading emails and using our secure WebEx capability

4) Group Training for your Executive Team

One (1) 90-minute meeting is the minimum time required for the following agenda:
- Have the meeting chair express their support and introduce the trainer
- Present objectives and expected outcomes
- Provide an executive briefing on the first complete process cycle
- Train executives on the use of rating models configured to your organization
- Summarize what will be requested of the audience and next steps.

It is common to schedule this session for 2 hours to allow for a 30 minute group discussion.

Many variations that could extend the initial training session length beyond 90 minutes are possible. You could choose to cover additional topics or delve more deeply into those listed.

5) Interviews to Collect Base Data Judgments

Your internal process champion schedules a one-on-one interview with each of the executive team members to ask a scripted list of questions about each of their direct subordinates and the positions they hold. They are already familiar with the questions and rating models from the group
training session. Ratings and information collected take an average of 7 to 12 minutes per subordinate. If the executive has 8 direct reports the interview is scheduled for one and one half hours but might be completed in less than one hour.

The process champion records the information provided on a one page interview guide note taking form. The information is later easily entered into Success Associates software for analysis, reporting and conversion to PowerPoint presentation for the next step. Alternatively, an Excel spreadsheet can be used. While possible, using Excel to analyze the data by inspection and create basic reports and data views in PowerPoint is not recommended. Using Excel becomes increasingly more time consuming as the organization increases the scope of leaders in the plan; and benefits from increasingly sophisticated data analyses, historical reporting and advanced metrics are only possible through use of Success Associates software.

6) Consensus Meeting

Success Associates deploys a socially engineered group rating process that systematically and efficiently provides for presentation of unilateral rating data by the rater to their peer leadership team and meeting chair. The resulting shared understanding created through these conversations further calibrates the rating scales used and the multi rater input increases accuracy of the data.

The following 15 minute kick-off presentation is included in the one day seminar materials:
- Guidelines for peer group teams to candidly discuss ratings on subordinates
- The most common rating biases and how to avoid them
- Suggested ground rules for conducting the consensus meeting
- Suggested presenter and participant ground rules for the consensus meeting
- Suggested PowerPoint format for organizing data to be discussed
- Average rating (of potential) distribution changes pre and post meeting

7) Analysis and Action Planning Meeting

A snapshot of the strength of the top leadership team and the bench strength behind them is now in draft form. Positions predicted to come open in the next 12 months are known. Success Associates software provides over 2 dozen standard analysis reports. Five (5) analyses of the data are recommended for conversion to PowerPoint presentation to form this meeting agenda.

- Positions predicted to become open with successors identified
- Positions predicted to become open with no successors identified
- Leaders rated high potential
- Leaders rated high risk of loss
- Leaders rated as occupying the wrong job or at wrong management level

For each of these analyses we provide suggested:
- PowerPoint layout for displaying the data
- Questions for discussion
- Tactical action plan alternatives
- Metrics for measuring plan progress

During the prior Consensus Meeting there was a streamlined focus on one job / one position at a time for the scope of high impact leadership positions included in the first cycle. In step 7 the plan is refined as participants gain new perspective by looking at group data. For example, a group list of high potentials could highlight that one or more persons do not fit with the others on the list or that someone was overlooked. In the Consensus meeting a pool of successors who could do each job with a two year window of development were brainstormed with no discussion. During this meeting, successors are viewed more critically in terms of are they “real” successors? That is, maybe they could do the job, but would they view it on their career path?
8) Priority Successors and Individual Development / Transition Plans

“Priority Successors” are successors for important leadership positions that are predicted to come open in the next 12 months. The executive team can take this a step further and stack rank order the predicted position openings in importance based upon their assessment of impact pain to the organization or likelihood of vacancy or both. Just in time individual development plans for growth or individual transition plans to changed roles due to downsizing, mergers or acquisitions are where the real payoff from the succession planning process is achieved.

Yes, development is for everyone. To say development is for everyone first means no one is first. This approach is clearly pragmatic and organizationally strategic; not employee-centred. Prioritizing individuals who will be first to consume precious time in determining and executing position-targeted development plans is the goal. The return on investment is plainly evident to the decision makers. The ultimate goal is that everyone in senior management will have a meaningful individual learning plan. A shared understanding of prioritization developed by the executive team provides the starting point.

The next step is to reconcile executive team-designated successors in the plan with the individual aspirations of the successors.

Critical assumptions to test are:
- Successors share management’s view of their career progression;
- Successors will engage in development.

Important adjustments to successors in the plan are often made after testing these assumptions.

Success Associates provides both the framework and tools for individual development plans.

Development plan purposes could include:
- Targeted position preparedness (for priority successors)
- Planned Next Move
- Reorganization (for successful transition to the new role)
- Remedial (to address gap with current position)

Briefly, structured conversations involving various stakeholders in the success of the individual development plan create story telling narratives that highlight learning opportunities in each of five key areas of knowledge*:
- 1. Relational and Network
- 2. Organizational and Cultural
- 3. Functional and Technical
- 4. Leadership and Management
- 5. Industry and Business / Agency


Specific activities to address gaps identified in the narratives are captured as:
- courses
- assignments
- projects
- or other activities.

In Success Associates software these elements can be free form entered, saved for ease of use by others, upload your organization’s existing catalogue, or any combination of the above. There is separate section for specifying and tracking any position requirements that must be met.
For advanced users who require a more detailed approach, an additional software feature is a preloaded set of generic executive competencies or your organization specific competencies can be easily configured to provide capability to produce:

- a competency based profile of the employee
- a competency based profile of the position
- a profile gap report - candidacies
- a profile gap report - current position
- a profile gap report - next planned position

As a final note in this section, targeted development raises a reasonable concern about feelings of entitlement on the part of successors. What happens when a designated successor or pool of successors has engaged in development and then do not get the position when it comes open? There has to be a caveat of “no guarantee” up front. The selection process involves dynamics beyond preparedness. Especially in most government agencies, merit system guidelines apply that mandate by law that the selection process for position openings be competitive. This does not preclude targeted development per the Director, Succession Planning in the United States Office of Personnel Management. The 108th Congress enacted law that mandates federal agencies with few exceptions will systematically develop talent through succession planning. Federal government agencies can contact the Western Management Region Center of the US Office of Personnel Management or your Federal Executive Board about sponsoring a Success Associates seminar or workshop in your area.

9) Readiness and Progress Review Meeting

An important topic for executive team conversation is to rate each of the successors in the plan on “overall, how ready are they now?” for each position candidacy. This exercise is best started before work on development plans begins. We recommend a simple “ready rating” of percent ready from zero to one hundred percent in 10% increments. For example, a successor is judged to be 40% or 50% or 60% etc ready to assume the target predecessor’s position. To streamline, this can start with a unilateral rating of readiness proposed by the nominator of the successor and followed by group discussion of only those ratings where disagreement exists. In our experience, the first or “baseline” ratings of readiness are judgments not much better than a good guess. In our experience, executives can and will make these judgments and are quick to engage in supporting their view and learning the views of their peers.

These discussions about readiness naturally lead the team members to think about and discuss specific needs successors have to be (more or) 100% ready for designated positions. And valuable brainstorming occurs on how to best meet those needs - by special assignment, mentoring, interim positions etc. The focus today is how to develop leaders while attending to business. Both the needs identification and tactics to address them are invaluable input to crafting the successor’s individual development plan. An important aspect of development planning that often surfaces is changes in the role that may be needed. That is, the successor’s development needs are viewed not only against the predecessor’s skill and knowledge set but also against a change that is needed for the mission of the position. As more and more leaders engage with and execute on development or transition plans the confidence in the readiness ratings increases dramatically.

Executives involved in conversations throughout the succession planning meeting agendas create dynamics of: Ownership of the data; shared responsibility for decisions; and accountability to the other team members to execute on action plans under their individual control. Selection and transition decisions increase in accuracy without major unpleasant surprises that often accompany isolated and reactive decision making. Importantly, each subordinate leader who changes roles has the combined support of the leadership team one level up, an important element to their success in the new role.
10) Repeat Process Cycle and Expand Scope

An implementation question before you started is how many and which leaders / positions should be in the plan? Our advice is always start with the top leadership team (or as close to it as possible) rating all their direct reports and take it all the way through the 10 step process before expanding the scope.

Top management support is critically important and they will mold the process and refine the meeting agendas for each management level down the organization hierarchy. Top management will also decide how many management levels down the process will apply and by when. In summary, if your organization has 1,000 total employees or 400,000 total employees start with the top 25 to 75 leaders as the focus of the plan. By definition these top positions have the highest negative impact on organization effectiveness when they go vacant. Large groups are languishing without their leader, putting projects on hold, delaying new initiatives, irreparably damaging customer satisfaction and disappointing investors while waiting for the replacement.

The basic information on employees and their positions one, two or three management levels below the level of interest are uploaded to Success Associates software so that successors identified are available in the system for ease of use and accuracy without manual entry. We have one low monthly software subscription price regardless of 1,000 or 10,000 employee / position records uploaded.

The very first 10 step implementation cycle feels like a project. It’s all new for the executive team and the process champion - the jargon, process, database, analysis reports, metrics to measure progress, and using integrated charting displays of relevant data. The executive team experiences valuable results and experiences value far in excess of the effort. The second and subsequent cycles are much easier - and now it is reduced to a 6 step process. The team is on the same page. The conversations are becoming second nature.

Now further streamlined, the meeting agendas evolve to:
- At Step 5 unilateral ratings are spread sheeted and only changes are noted
- At Step 6 consensus meeting focuses only on changes proposed to base data
- At Step 7 discuss success and opportunities missed from the prior planning cycle
  And decide additional individuals to engage in development plans according to:
  - New or remaining priority successors without individual plans
  - High potential individuals that need a challenge
  - High risk of loss individuals where challenge is an incentive to stay
  - Plans to resolve leaders in "wrong level or wrong job" situations
- At Step 8 work off line to expand individuals with development / transition plans
- At Step 9 development progress is reported and readiness ratings updated
- At Step 10 the calendar of meetings is set for the next cycle. Executives are benefiting from the process now and recognize that with the rate of change that occurs the data to maintain its usefulness needs to be refreshed two or three times a year. Best practice has become every 4 to 6 months for a complete cycle. We have actually discouraged executive teams from selecting 4 cycles per year in order to let the process champion and the team catch their breath between cycles.

The team may decide to "push down" the process to their subordinate leadership teams who in turn rate their subordinates and engage in their leadership peer review meetings. These teams who are new to the process start at Step 4 - Group Training.

When succession planning at multiple management levels is achieved in the organization, a combined view of the data is often discussed by the executive team in addition to reviewing cycle over cycle progress metrics.
Part 2: It Is All About the Conversations

At the very core of a strong succession planning program are executive team and senior management team level conversations about leaders and leadership positions. The framework for the discussion questions does not need to be unique to the organization. The answers to the questions are always in the room. Conversations guided by a relevant set of management judgments around a short list of questions results in compelling outcomes. The outcomes are viewed as highly valuable by the teams engaged in these conversations. The first implementation consensus meeting typically ends with the meeting chair who might be the Chairman, CEO, President, Division Leader, or Agency Director saying in their concluding remarks ‘this is by far the best meeting we have ever had to discuss our people’.

The questions that comprise meeting agendas change over time as the process matures. The initial plan forms a snapshot of the leadership team in place, the strength of the leadership bench, and predicted position openings in next 12 months. The first cycle also provides prioritized development (or reorganization or merger or reduction in force) planning at the strategic level. Later cycles in the process quickly and painlessly update changes in the base succession plan data and conversations shift more toward reporting progress on tactical leadership development / change initiatives. Metrics surrounding the key objectives for succession planning are reviewed and the way forward charted.

Process grounded in conversations from front to back works. It is how executives work. Many practitioners have learned the hard way that an approach involving a booklet of instructions with forms to complete and reports that don’t provide value to the executive team fails miserably. Succession planning viewed as an annual event is doomed to failure. Success involves introducing an ongoing and evolving process of manageable conversations that efficiently uses executive’s time and delivers value far in excess of the investment.

Our customers report that the leadership team culture improved as a direct result of implementing succession planning. The collaborative approach to discussing what begins as unilateral ratings of subordinates and ends with team consensus (with the group’s chairperson finalizing) increases the accuracy of information and creates positive peer pressure to hold each other accountable for timely execution of action plans. The old culture could be characterized by decisions about leaders and leadership roles that are reactive, based upon isolated decision makers with compartmentalized perspectives; with other key leaders reacting with surprise and disappointment following announcements. Lack of accountability to peer review in the old culture allowed chronic weak leadership situations to continue indefinitely. The new collaborative culture predicts and plans for change. The executive’s jobs are easier, there is group confidence in the plan, fewer mistakes are made and metrics to measure and celebrate success reinforce the effort.

Part 3: Succession Planning Implementation for Downsizing

In Global CEO Magazine (March, 2004) I authored an article entitled “Succession Planning: What Every CEO Should Know” that included the top 12 reasons why organizations conduct succession planning. “Reason #7: Robust “people data” is very useful for downsizing situations - so the right people remain in order to successfully rebuild.” Back then it was considered a “nice to have” outcome - appropriate mostly in isolated cases. Never would have predicted that so many organizations would one day make their first systematic foray into leadership planning with reduction in force as the burning platform. And while no one in the HR profession wants to see succession planning with its emphasis on people development outcomes tainted by the pressing need to create transition plans for leaders in larger roles due to broad reductions in work force, it is nonetheless a business reality for many organizations today. Success Associates can help.
Stormy financial seas may require a reduction in force. Which leaders to keep on board? And which to help ashore? Difficult decisions about leaving truly good leaders behind are made harder by the need to make these decisions quickly. Survival may depend on it.

You look to find existing data to help assess the strength of the leadership team in place and the strength of the leadership bench behind them. Every organization has performance data. And perhaps surprisingly, after all that work, it is of little help. Why? Because the overall scores fail to distinguish the superior from the merely adequate leaders. For example, on a five point scale 1 being unsatisfactory and 5 meaning exemplary performance, almost everyone is rated 3.5 or 4 in overall performance. If this is not the case for your data your organization is truly exceptional.

And that is only part of the problem with usefulness of performance data in this situation. More often than not performance data is a manager-to-subordinate unilateral rating with maybe a “one level up” approval. Candid and focused leadership team consensus discussions have not occurred that would increase rating accuracy. This is also the reason many organizations tolerate leaders who chronically under perform in the wrong job or at the wrong level.

And finally, trimming leadership ranks requires conversations about individual leader potential to do a different job. A job that requires different knowledge, is larger, more varied, more complex or perhaps all of the above.

Success Associates can help. You assemble the executive team and the management team below them (separately or together). The answers are in the room. We provide the framework to assist you to achieve the results you need quickly.

In as little as six weeks we have previously helped deliver a complete succession plan to a chairman on the organization’s 150 top leaders on two continents; including implementation of software to create the reports, easily create existing and “what if” organization charts to discuss possible reorganization scenarios and to support the ongoing process.

In summary, we share how to collect and analyze a small number of fresh judgments about leaders. We frame meeting agendas and provide facilitation guidelines. Our agendas drive focused consensus discussions on relevant data. It amounts to multi-rater input which not only increases accuracy, it creates content validity that underpins and makes defensible your specific reduction in force decisions. For those leaders that remain in new or expanded roles our software includes the ability to create, track and report on individual learning plans that provide targeted and meaningful learning to ensure successful transition to the new role. Stock options now under water? Major studies in 2008 show that organization emphasis on career development is still the number one driver of executive retention.

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Success Associates is the only complete succession planning solution provider. We deliver a truly unique combination of content, process, and ready-fit software as service. Success Associates has a strong reputation for creating client capacity that gets results.

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