SUCCESSION PLANNING PROJECT

Produced by Treasury HR

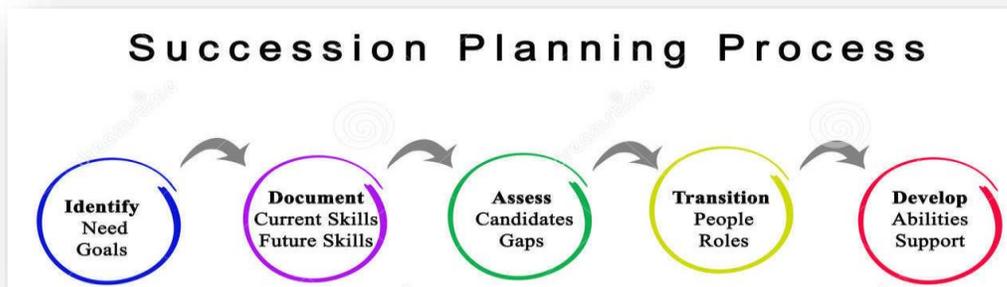# Table of Contents

Introduction:

An inevitable process occurs within organizations. We are in an employees' job market, which further makes it difficult for employers to attract and retain strong talent. This dilemma is intensified with the inevitable exit of both Baby Boomers (1946 – 1954) and Generation X'ers (1966 – 1976) over the next 15 years, which will certainly be accompanied by the loss of many years of skills, institutional knowledge, and experience. Procrastination or failure to plan for orderly organization succession, will not only lead to depletion or absence of quality talent, but even monetary losses in some cases.
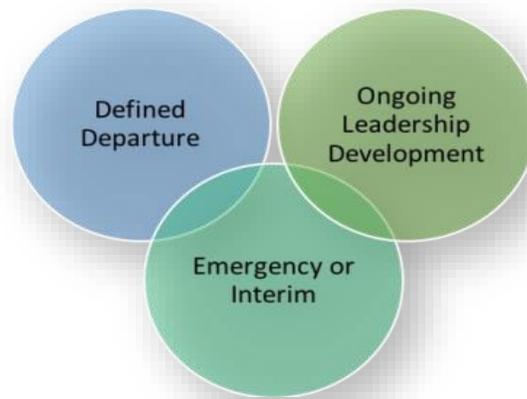
It is important for managers to consider the following questions, in situations where a succession planning strategy is not in place:

- What would happen to your organization if you or a key member of your staff, was not able to return to work for a long period, or worse still, never?

- How are you working to assure a continuing pipeline of qualified people are able to move up and take over when the current generation of managers and key people retire or move on?

- How can you plan for the future of the company without a strategy centered on ensuring that key posts are filled with people able to carry on and excel?

- Will you be able to protect the value of the business if you cannot demonstrate a clearly defined viable future?

A structured succession strategy can enable an organization or more specifically a department to produce both a sustainable and profitable business, a strong brand, foster longevity of operations, create a committed and confident team, and most importantly give way to a resilient workforce.

Succession Planning Process

Identify Need Goals → Document Current Skills Future Skills → Assess Candidates Gaps → Transition People Roles → Develop Abilities Support

A well - structured succession plan ensures that an organization is able to:

o Attract and retain suitable staff through development and nurturing strategies;
o Ensure a continuing sequence of qualified people are able to move up and take over when the current generation of managers and key people retire or move on;
o Ensure a smooth transition with less likelihood of disruption to operations;
o Clarify authority and decision-making roles,
o Maintain accountability and ensure stability and lastly;
o Increase the value and quality of the organization by increasing the public confidence in the viability of your organization.

This systematic guide will serve as a blueprint for department managers who are planning for a defined departure of critical employees. By following the information set forth in this guide, managers will be able to:

o Better understand the organizational structure of their department;
o Identify critical positions, which require highly capable employees and may be at risk of retirement;
o Identify the most important knowledge, skills, and abilities needed for individuals in those respective roles to succeed by developing success profiles;
o Identify risks and priorities for knowledge transfer;
o Create development plans for successors to ensure they are ready to assert future roles;
o Develop a manageable succession implementation plan to execute both effectively and efficiently.

Pre – Succession Planning Checklist

Before beginning with Step 1, review the following checklist to ensure that all steps are completed before moving forward:

Document and Review Current Organizational Structure:

Have you sent an organization chart highlighting all staff members within your department to Human Resources? This will provide clarity regarding roles and reporting managers. The succession planning strategy will build upon this foundation.

Evaluate Future Organizational Needs

During this process, the department head should also consider what the organizational chart would look like in 3-5 years. Are there others who will be retiring in this timeframe? It is important to consider future organizational goals and what positions are needed to achieve these.

Review & Update Job Descriptions

Ensure that there are descriptions for all roles listed on the organizational chart. Ensure that all responsibilities, skills, and education requirements accurately reflect what is required for success in role. It is important to meet with each employee currently in the role to ensure that all information is true to role. Job descriptions are critical for hiring and training purposes.

Attain Both Employee & Leadership Buy In

It is important to ensure that both the current employee and the department head see the value in succession planning for their department. This will ensure that the designated HR representative is able to attain the information they need to develop, implement, and execute the plan effectively.

Accountability & Oversight

Assign an individual from HR to ensure that each effort is executed successfully. This person is critical in ensuring that key people are held accountable for their action plan items.

STEP 1: IDENTIFY CRITICAL POSITIONS

In order to develop an effective Succession Plan, it is important to begin identifying critical positions within the department that are most likely to be vacant within 1-3 years and that are most critical to the operation of the department. During this process, stakeholders (employees and department heads) should also consider internal talent who are potential successors.

Using the template below, department heads will identify critical roles, date of retirement and criticality of developing a succession plan based on which stage of exit they are in.

Department heads should consider to what extent the position:

- o Drives revenue and drives organization mission?
- o Involves decision-making authority?
- o Involves partnerships with external customers and key members of staff?
- o Influences the performance of others within the department?
- o Involves institutional knowledge that cannot be easily replicated without proper knowledge transference and training?

If the answers to the questions above were all yes, then it is important for department heads to focus on potential successor in the **Ready NOW** stage.

POSITION	POSITION 1	POSITION 2	POSITION 3	POSITION 4	POSITION 5	POSITION 6
CURRENT	NAME	NAME	NAME	NAME	NAME	NAME
TENTATIVE RETIREMENT DATE						
UP – NEXT: Ready NOW						
ON DECK: Ready 1 – 3 yrs						
HI – POTENTIAL: Ready 5+ yrs						

STEP 2: DEVELOP JOB PROFILES

Review and identify which positions comprise employees who are set to retire within the next 1-3 years. These positions require immediate action in succession planning and role preparedness. The next step involves examining which success factors the successor will need in order to perform successfully in the critical role. Use the Succession Planning Profile to identify the KSAs (knowledge, skills, and abilities/assessment methods) critical to the position.

Succession Planning Job Profile

Position Title:		Current Incumbent:	
Retirement Date:			
Organizational Objectives			
Departmental Objectives			

Role Objectives	Tasks		
Role Objective #1: (Example) Process and screen applications to identify qualified candidates for current and future openings with goal of reducing interview - hire timeframe	Review and filter daily application submissions from external and internal candidates for assigned requisitions for qualifying candidates to be selected and contacted for interviews **(1)**		
Role Objective #2	**(2)**		
Role Objective #3	**(3)**		

Tasks	Tools, Equipment, and Work Aides	Competencies Required	Assessment Methods
(Task #1 – Example): Review and filter daily application submissions from external and internal candidates, for assigned requisitions, to be selected and contacted for interviews **(1)**	Internet – Taleo application platform, HRCMS, MassCEO application platform; Microsoft Excel, telephone	Organization, attention to accuracy, knowledge/understanding of skills/abilities required for role, ability to handle confidential and sensitive information; written/oral communication, experience in using online - electronic hiring systems, customer service	Application form, phone screen, in-person interview, references, background check to include criminal offender record information screening
(2)			

Assessment Methods	Details		
Assessment Method #1 – Example: Application Form	Agency's application form provides information on the applicants' basic qualifications as well as asset questions that are specific to the role the candidate is applying for.		
Assessment Method #2			

Desired Behaviors:			
Autonomy	▢	Decision – Making	▢
Authority	▢	Trustworthiness	▢
Collaboration	▢	Reliability	▢
Creativity / Innovation	▢	Strong Technical	▢
Project Management	▢	Leadership	▢

STEP 3: IDENTIFYING POTENTIAL SUCCESSORS

After developing the job profile for the critical positions, the next step is to evaluate potential successors against their current profiles, which will focus on their current skills, knowledge, and education. This will help the manager to determine if they have the qualities and knowledge necessary to succeed in the role. It is important to note that although experience, knowledge, and skills are things that individuals can be trained for, behaviors are often inherent traits that are more fixed.

First, the manager and current employee should determine the desired skill level for each success factor. Updating the job description to reflect the most accurate aspects of the role can make this process easier. Next, rate the potential successor's skill level. A rating of 5 would indicate the greatest ability, extensive experience, or strongest knowledge/inherent traits. A rating of 1 would indicate that the potential successor needs further training on the particular skill or does not have the required behaviors.

Success Factor	Desired Level (0-5)	Actual Level (0-5)	Gap (Desired – Actual)
Knowledge – Organization Specific & Professional Information			
Experience – Education, Certifications, & Trainings			
Skills – Expertise to do something well			
Behaviors – Motivators & Personal Dispositions			
		Total Gap:	

Is there an ability to train this individual on the identified gap areas? Y/N

If "Yes" please consider the following question(s):

What tools, training, or resources, that are accessible to me, can be used to ensure that this individual is developed in the way that is necessary to succeed within this role?

1) _____
2) _____
3) _____

STEP 4: CREATION OF DEVELOPMENT PLANS

After using the previous step to determine where gap areas are for the potential successor, it is important for the manager to assess whether there were certain areas where gaps were bigger than others? This could be indicative of the energy, resources, and effort that are needed to prepare the successor the critical role. As mentioned previously it is important to note that behaviors can be static, so it is the responsibility of the manager to determine if the gap areas are items that can be improve with adequate and appropriate training.

Once the manager has identified the best candidate for the role, the development plan should be based on the gap scores for each individual success factor. Use the following template to record the success factor, which requires training and learning activities.

Success Factor	Training / Learning Activities	Goal Date (Month & Year)	Status Notes

Guide Key	
Success Factor	What skills, knowledge, or behaviors need improvement?
Learning Activities:	Examples of job shadowing, training, courses, networking groups, tools, resources that will be used for development?
Goal Date:	When will goal be achieved?
Status Notes:	What is the current status of the skill goal? This can be updated as throughout the dev3elopment process.

STEP 5: KNOWLEDGE LOSS RISK ASSESSMENT

During this process, the manager will identify the critical knowledge that is at risk of leaving the organization and assess severity of risk level. It is important that stakeholder spend time on the knowledge capture and transfer process. This will ensure that all knowledge, which leaves the organization through people, is accurately captured and transferred to the next generation of employees.

During this process, it is important to reflect back on the critical positions you have identified and ask "What type of organization specific knowledge and skills, does this employee possess?"

Risk Level Assessor	
5	Critical & Unique Knowledge & Skills : requires 3-5 years of training and experience
4	Critical Knowledge & Skills: Limited duplication, some documentation. Requires 2-4 years of training & experience
3	Important Knowledge & Skills: Documentation exists; there is personnel onsite that possess the same knowledge/skills. Requires 1 -2 years of training.
2	Non – Mission Critical Knowledge & Skills: Updated documentation exists Current training programs are available and can be completed in a year or less.
1	Common Knowledge & Skills: External Hires with knowledge/skills readily available.

For the next step, using the risk level assessor above, determine the knowledge loss risk score.

Incumbent	Position Risk Factor	Retirement Risk Factor	Total Score (multiple PRF & RRF)

Succession Planning Knowledge Capture	
Position Title:	**Current Incumbent:**
Retirement Date:	

What skills or knowledge do you possess that may be considered unique or hard to replace?

What key resources do you utilize to successfully perform your job?

Where and when do others seek your expertise?

What special tools, equipment, or computer programs do you use to perform your job?

What are some tasks or responsibilities that others may not be able to do if you are not present in the office?

Have there been any major projects or assignments that you have worked on in the past where there was no documented process or where a new process might have been implemented?

STEP 6: DEVELOPING IMPLEMENTATION PLAN

In order to effectively execute the plan set forth in this guide, it is important to record goals, identify who is responsible for executing each step, and more importantly creating a timeline of when they should be completed.

For this step, it is important to review the information that has been captured in the templates in the previous steps. It is critical to identify which of the goals are the most critical and who is responsible for its execution.

Below are some questions to consider:

1. What critical roles do I need to hire for?
2. Which employees will be moving into these positons will need training and a development plan?
3. What at risk - knowledge needs to be captured?

Keep this implementation plan in mind and use it as a tool to hold key stakeholders accountable to their action items.

Activity	Start Date	Targeted End Date	To Be Carried Out By	Status Notes

If you have any questions regarding any section of this guide, please be sure to contact the Human Resources Division.