Succession Planning for Tomorrow’s Leaders

Thursday, September 1, 2016
3:15 pm – 4:45 pm

Presented by:
Seth M. Fine, MS, CPF, Senior Manager
Succession Planning for Tomorrow’s Leaders

Trainer:
Seth M. Fine, MS, CPF, Senior Manager

September 1, 2016
3:15 – 4:45 p.m.

Learning Objectives

1. Discuss talent and succession trends, and reasons, for focusing on opportunities today
2. Understand talent assessments and planning in light of the agency’s long-term sustainability
3. Review leadership competencies and behaviors needed to effectively plan and manage tomorrow’s talent base
Your Role

Basic Nonprofit Success Factors

- Clear organizational goals aligned to mission
- Defined performance measures
- *Capable, dedicated personnel and management*
- Accurate accounting and control measures
- Reasonable constraints on activities
- Effective, capable board of directors
- An audit committee or other non-staff directed oversight body that focuses on organization finances
Questions of the Day

- What is leadership development?
Leadership Development Defined

Every Employee
- Leadership capacity
- Talents
- Abilities
- Skills

Manager/Leader
- Support
- Development
- Vision

Leadership Development

Myself  My staff  My agency
Questions of the Day

- What is leadership development?
- What is succession management?

Succession Management Defined

A systematic and defined process to ensure continuity for key positions by identifying and developing roles and people to fill them.
Questions of the Day

- What is leadership development?
- What is succession management?
- What is talent management?

Talent Management Defined

The process of identifying high-potential employees and developing them in preparation for advancement into key positions for success of the agency.
A holistic approach to drive short- and long-term results to reach the vision.

Importance of Linking Talent Management

- Ensures you can both meet your grant objectives and grow
- Prepares individuals for change by developing new competencies
- Promotes continuity and/or improvements in your culture
Issues to Consider

- Vision and strategic goals
- Linked to performance expectations and staff development needs
- Needed leadership and talent capabilities
- Current state and availability of talent with these capabilities
- Developmental activities and assignments
- Budget and time

Leadership

“Managers are people who do things right, while leaders are people who do the right thing.”

– Warren Bennis, Ph.D.

*On Becoming a Leader*
Management & Leadership

Management
- Planning & Budgeting
- Organizing & Staffing
- Controlling & Problem Solving
- Predictability

Leadership
- Establishing Direction
- Aligning People
- Motivating & Inspiring
- Change

Leadership Development

Anyone at any level in a group or organization can be a leader
1. Exhibit leadership qualities and skills
2. Guide the group to vision-centered action
3. Uphold the values and principles of the organization
4. Respect each individual and support the “wisdom of the community”
Leadership Qualities

- Envisioning
- Empowering
- Energizing
- Designing and aligning
- Rewarding and feedback
- Team building
- Outside orientation
- Global mindset
- Tenacity
- Emotional intelligence
- Life balance
- Resilience to stress
- What else??


Leadership Development Process

Good Leadership Development Process

- Right curriculum at the right time
- Appropriate leadership assignments
- Coaching
- Mayhem
### How

- Identify leadership capacity/desire for yourself – how will you get supervisory support?
- Identify leadership capacity/desire with every employee you supervise
- Develop an **intentional** plan for leadership development actions
- Use part of supervisory meetings to coach leadership development
- **Reward** and evaluate on leadership growth, actions

### Ideas for Everyday Leadership Development

- Facilitate staff meetings: make the agenda
- Give presentations
- Organize events: lead the planning team
- Support new employee orientation: mentor, present
- Participate in committees, task forces, etc.
- Take on new assignments: write the grant, build the budget, facilitate the focus group, develop the PPT
- Support a new idea, articulate the vision, be responsive, contribute an improvement idea
This is not about an Executive Search

<table>
<thead>
<tr>
<th>Replacement Planning</th>
<th>Succession Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reactive</td>
<td>Pro-Active</td>
</tr>
<tr>
<td>Risk Management</td>
<td>Talent Management</td>
</tr>
<tr>
<td>Replacing/Substituting</td>
<td>Renewing/Energizing</td>
</tr>
<tr>
<td>Unstructured Approach</td>
<td>Organized Alignment</td>
</tr>
<tr>
<td>Exclusive</td>
<td>Inclusive</td>
</tr>
<tr>
<td>Rigid</td>
<td>Flexible</td>
</tr>
</tbody>
</table>
The Case for Succession Planning

Three Response Options

1. Intensify efforts to hire hard-to-find and increasingly expensive people outside the organization (i.e. strangers)
2. Do nothing and experience a competitive decline (i.e. fail as an Agency)
3. Tap into the quality people already in the organization and grow the future leaders (!)
Are You Ready?

Succession Cornerstones

Define Competencies  Match Talent
Develop Talent  Evaluate Performance

Succession PLANNING
Cornerstone 1: Define Competencies

Identify and define the **knowledge, skills, and abilities required** for each role or level of work.

Job Profiles with Competencies

- Provides a unifying framework within organizations
- Serves as a building block toward an integrated human resource system by identifying the **capabilities required to perform successfully** within an organization (by role or level of work)
- Generates thinking about what the role or level should be tomorrow (2 to 5 years out), versus over-examining what it is here today
Define Competencies

“Customer Orientation”

Effective performers stay close to customers. They view the organization through the eyes of the customer and go out of their way to anticipate and meet needs. They continually seek information and understanding regarding the customer’s perspective and environment.

Source: OSI - Polaris Competency Model

Define Competencies

Establishment of Proficiency Levels

1. Significant Gaps  
2. Gaps  
3. Proficient  
4. Exceeds  
5. Significantly Exceeds

Bottom 3-5%  
Top 3-5%

NOTE:  
What is a “Gap” for one job or level may be “Exceeds” for another
Cornerstone 2: Assess Talent

Evaluate your talent and analyze fits and gaps for short- and long-term needs.

Talent Assessment Tension

Potential

Performance
Talent Assessment Tension

Cornerstone 3: Develop Talent

Create personalized development plans linked to competencies and your succession strategy.
Best Practices

- The right training at the right time for the right person
- Development plans for all employees, specifically high performers and hard-to-replace talent
- Align the performance management process/system
- Coach for performance (including leadership)
- Formal performance appraisal 1 – 2 per year
- Informal checkpoints up to 12 per year

Cornerstone 4: Evaluate Performance

Evaluate and manage performance against established goals and objectives.
Talent and Succession Success Factors

Plans alone are not enough!

5 keys to proven success:
1. Ensure the commitment and involvement of the Board and senior leadership
2. Tie the talent management process directly to the vision and goals of the organization
3. Keep it simple and inclusive
4. Create and carry out a communication plan
5. Revisit the talent and succession management plans annually and make adjustments to the process…

Challenges to Talent Management

- Time for the process
- Engagement of the Board
- Buy-in from senior leaders
- Finding the right employees to develop
- Implementation and follow-through
- Assessment and measurement
- Budget to appropriately develop future leaders
- Losing talented employees

Source: Achieve Global & Wipfli HR Consulting
Importance of a Solid Plan

1. Ensures effective talent management to achieve growth and vision/mission
2. Prepares individuals for inevitable change by developing critical competencies
3. Promotes continuity of organizational culture
4. Helps assure that good leadership development will actually happen ~ it’s intentional!
5. Meets Organizational Standard 4.4 (“outlining the process for filling a permanent vacancy”)
## A Sample Plan Outline

**Position:** HS Director  
**3 – 5 Year Succession Plan Need?**  
The position is currently filled. Our Director plans to retire in 2 – 3 years.

### KSA Needs
- **High Proficiency:** Facilitating Information, Problem Solving, Relationship Building, Financial Acumen, Team Management
- **Proficiency:** Technology Savvy, Change Mastery, Influence, Diplomacy
- 10 years of early childhood management experience
- 5 years of progressive responsibility for outcomes/performance
- Minimum Bachelor's degree or educational equivalence

### Current Employee
- **JANE DOE,** 21 years in HS, 16 supervisory, 8 as Director

### Competency Strengths
- Problem Solving, Financial Acumen, Influence

### Development Needs
- Relationship Building, Change Mastery

### Development Plan Summary
- JANE is being coached by BOB JONES, HR Director, to ensure she can keep pace with our current changes & continue to effectively lead the team.

### Candidates
- **KAY FINE**
- **NORA GOOD**
- **ROY YOUNGBLOOD**

### Strengths
- **Experience (5)**
- **Problem Solving (4)**
- **Influence (4)**

### Development Needs
- **Relationship Building (2)**
- **Technology Savvy (2)**
- **Education (2)**
- **Financial Acumen (1)**
- **Experience (3)**

### Candidates
- **Experience (1)**
- **Financial Acumen (2)**
- **Relationship Building (3)**

---

**See next Page**
As you contemplate succession planning, remember the changing talent pool of workers — especially the **aging population** and the **up-and-coming generation**.

### Myths About Older and Younger Workers

<table>
<thead>
<tr>
<th>Older Workers</th>
<th>Younger Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Want to retire</td>
<td>Don’t want to work hard</td>
</tr>
<tr>
<td>Can’t (or won’t) learn new skills</td>
<td>Can’t (or won’t) take direction</td>
</tr>
<tr>
<td>Take more sick days</td>
<td>Take more personal time off</td>
</tr>
<tr>
<td>Have more accidents</td>
<td>Have more outside ‘hobbies’</td>
</tr>
<tr>
<td>Aren’t flexible or adaptable</td>
<td>Are too flexible and unreliable</td>
</tr>
<tr>
<td>Are less productive</td>
<td>Are less productive</td>
</tr>
<tr>
<td>Are expensive</td>
<td>Are driven by money</td>
</tr>
<tr>
<td>Aren’t innovative or creative</td>
<td>Aren’t technically sound</td>
</tr>
<tr>
<td>Are forgetful</td>
<td>Are too idealistic</td>
</tr>
</tbody>
</table>
Working the Plan

Ensures the right people are in the right place at the right time!

For Information on How We Can Help

Visit the Wipfli Booth (#402) for more details or email gfpbd@wipfli.com