

From Succession Planning to Succession Management

Ask any group of managers what succession planning means to them and you may very well hear as many different answers as there are people in the group.

Some view succession planning as necessary only in large corporations or for the top layer of management. Indeed, large companies often use sophisticated processes for developing employees, particularly at the highest levels. When a CEO leaves, there may be two or three individuals groomed and ready to take over. (Often, those ultimately not selected move on when the transition occurs.)

On the other end of the spectrum is the small family business which must deal with succession planning while considering the financial impact on immediate family members of the owner. If one family member succeeds the owner, how does that impact the rest of the family?

Between the small family-owned businesses and the large corporations lay the many other types of companies that must plan for successors, not only to the CEO, but also other senior executives, key leaders and other critical positions. Regardless of workforce size, it pays to proactively develop and implement a plan.

While many succession plans start because of an urgent or sudden need—a departure of a key individual or a group of managers all nearing retirement age—succession management is a planned, ongoing, monitored management development initiative. It is a process that begins with identifying critical positions—jobs that cannot be left vacant or filled by any but the best qualified persons—and then creating a strategic plan to develop experienced and capable employees to fill them. Keep these key points in mind as you consider succession management for your organization:

1. Start with a good description of your company's current talent state. What are the critical positions and where is the critical need in your organization?
2. Identify key criteria for successors for the critical positions. What competencies must they possess?
 - Align the knowledge, skills, and attributes needed in leaders with your future business goals.
 - Remember that the competencies needed today do not automatically match those that will be needed in the future. Have you looked at the bigger picture? Where is the company headed? What are the disrupters coming your way?
3. Include your leadership team in conducting a talent review to identify high potential leaders and employees.
 - Provide training for consistency and collaboration in identifying high potentials.
 - Repeat talent reviews on a regular schedule.

4. Assess high potential employees against the established criteria and competencies.
 - Identify those positions that may need to be filled from the outside.
5. Conduct a gap analysis to identify development needs of potential successors. Provide resources and coaching for creating and implementing individual development plans for your high potential employees.

Succession management supports the organization's strategic plan by providing a process for developing the talent needed to move your organization into the future. Succession management must align with your company's overall talent management initiatives including performance management, leadership and employee development, and compensation plans.

Take a strong systematic approach to assure that the bench strength necessary will be available to meet the requirements of current and future key positions. As you implement these recommendations, keep in mind that tools, resources, advice, and help are available in [MRA's Resource Center](#) and from MRA's HR and [Organizational Development](#) professionals.

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