SUCCESSION PLANNING GUIDE

Including free templates

CONTENTS

INTRODUCTION

You might already have a succession planning process in place or you are just looking to supplement it or it is a completely new initiative to pre-empt business disruptions arising from potential talent shortages. Regardless of your motivation, by incorporating succession planning , talent development and skills analysis into your people strategy, you are likely to create a positive impact on employee retention and business operations.

Recent research by the CIPD concluded that:

46% less than half (46%) of organisations have a workforce planning strategy based on a robust understanding of current and future workforce needs

43% tend to take an ad hoc approach to recruitment.

57% Upskilling existing employees was the most common response to recruitment difficulties (57%). A third of organisations report having developed more talent in-house compared with the previous year.

1.1. Succession Planning Checklist

Whether you already have succession planning in place or it is something new on the agenda the below checklist can indicate success factors:

Support from leadership	Y	N
Is your succession process initiative supported by the head of the organization?		
Is it supported by leadership?		
Process Setup	**Y**	**N**
Have you already got a Succession Process in place?		
Is that process easy to implement and use?		
Visibility	**Y**	**N**
Do you communicate the plans and/or progress to the leadership team?		
Are succession candidates aware of the succession processes?		
Does everyone within the organization have awareness of succession initiatives?		
Do you have personal development plans in place - these could serve as formal conversations for people's inentions, including retirement?		
Does your leadership team have the tools and knowledge (e.g.emotional intelligence) to have conversations with people about their readiness?		

Records	Y	N
Do you document Succession related discussions and plans?		
Is the leadership team involved in formally evaluating successionplans and initiatives?		
Are succession plans updated regularly?		

1.2. What is Succession Planning?

> "Succession planning is the process of identifying and developing potential future leaders and senior managers, as well as individuals, to fill business-critical roles."

CIPD

Succession planning is an important part of the talent management process, and should be focused on helping individuals move into higher level or business-critical roles. You can approach it from a talent development perspective which starts with the employee and how their career path can develop, or from a succession management perspective which starts with identifying critical roles and how those should be filled by which employees based on their competencies. Regardless, succession initiatives are especially important from an employee retention viewpoint: Recent research cited by the Business Insider stated **a lack of career growth is one of the biggest reasons workers leave their jobs, second only to low pay.**

1.3. Which Roles Should be Included?

According to the CIPD, "there's a growing focus on identifying groups of jobs and developing potential successors for a variety of roles. Jobs might be clustered by role, function or level so that generic skills can be developed. The aim is to develop pools of talented people, each one of whom is adaptable and capable of filling a variety of roles. Because succession planning is concerned with developing longer-term successors as well as short-term replacements, each pool will be considerably larger than the range of posts it covers."

Progressive organizations who adopt an inclusive whole workforce approach to managing and developing talent will identify business critical roles at all levels within their organisation.
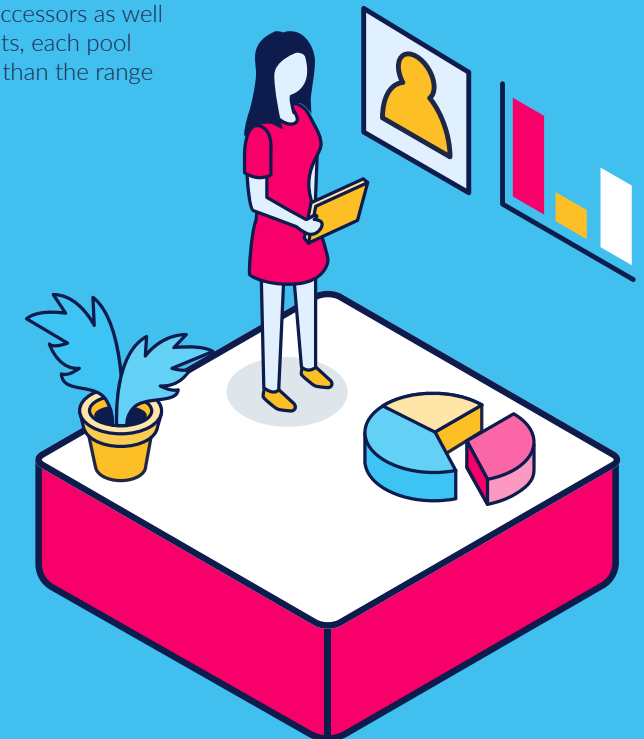
1.4. Talent Management and Succession Development Through the Lens of Employee Experience

Like most talent practices, traditionally succession planning was also focused around competencies. From a HR technology point the idea was "integrated talent system" based on job and competency models, that would allow us to better select the right people, set goals for reward and promotion, create careers based on competency levels, design consistent solutions for succession management, pay for performance, and … the list goes on.

Whilst competencies remain important, with the emergence of cloud based platforms there has been a shift to businesses wanting systems that included topics like employee engagement, experience and diversity. In other words, we need to really focus on how we make employees' lives, jobs, and productivity better. So, when you consider succession planning, it is worth looking at it alongside and in relation to, employee experiences and employee engagement.

Onboarding

3

Recruiting **2**

4 Performance management

Learning content

**Job Roles
Job Descriptions
Competency Models**

Workforce planning **1**

5 Training and performance support

Critical skills gap analysis **8**

6 **Succession planning**

7

Compensation and planning

If it is not framed right, if there is no transparency, communicating the results of an employee's skills and competency evaluation can have a negative impact on employee performance, engagement and their overall employee experience. Transparency can pre-empt employees questioning why they might not be considered for development opportunities or don't receive higher raises or more recognition. Equally, transparency can help highlighting areas for development and turning these into areas of strength.

2. Structuring Succession Planning

Ultimately the structure of your Succession Plan is going to depend on the people in your organization. However, there are some universally considered structures and key steps that you can use to establish a solid planning process. Because talent management is an ongoing process, succession planning should also be continuously re-visited. So rather than a linear approach, we suggest looking at the steps as part of a repeating cycle.

1 Identify key or critical roles

2 Identify competencies or capabilities for key /critical roles

3 Identify succession candidates

4 Assess development needs

5 Develop and implement succession plan

6 Measure progress & evaluate effectiveness
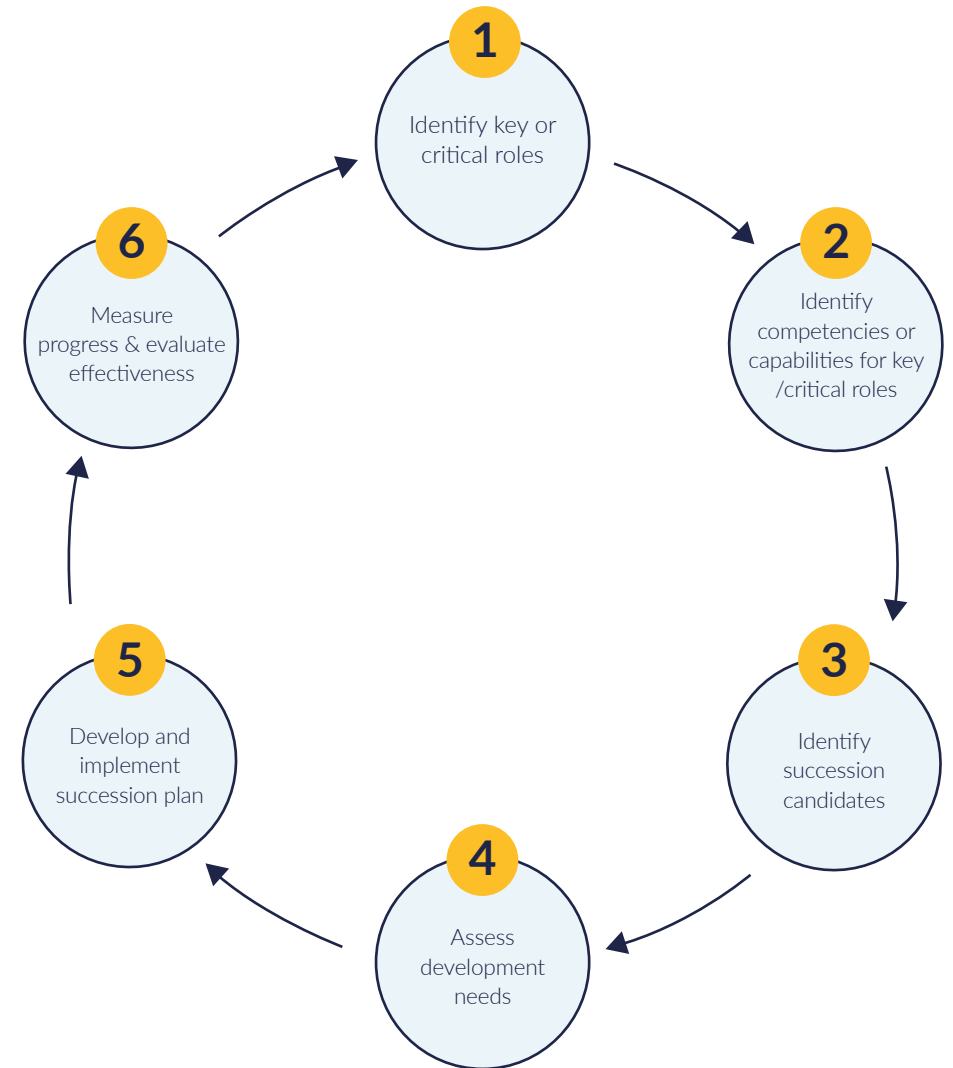
1 Identify Key or Critical Roles

- Which roles or positions are critical to the organization's operational activities and strategic objectives?

- Which positions if left vacant would make it difficult to achieve current or future business goals?

Identifying your Critical Roles Score Card

1= False

2= Slightly true

3= Somewhat true

4= Pretty true

5= Absolutely true

ROLE TITLE	Priority This role is likely to be vacant soon (i.e. retirement)	Consequence This position being vacant have an immediate impact	Specialist This role requires specialist/niche skills or knowledge	Internal No internal candidates are ready for this role	External External talent pool is small making hiring challenging	TOTAL	!
	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		
	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		
	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		
	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		
	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		
	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		
	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		
	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		
	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		
	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		

2

Understand what is important for the critical roles and identify competencies or capabilities

- Determine the competencies and capabilities required for the key areas and positions identified in Step 1

- Gather information on the position from the current post holder and their direct reports. The more details the better.

- Assess what is important at present and for the future

- Link the competencies and capabilities identified, to the organization's overall strategy

Critical Business Role Requirements

1= 2 years or more
2= 1-2 years
3= Next 12 months

Year	Position to be Reviewed	Current Post Holder	Expected Exit Year	Urgency
				① ② ③

Position Demographics

Location	
Level	
Business Section	

Position Criteria

Edu	
Exp	
Exp	
Add	
Know	
Skill	
Skill	
Skill	
Skill	
Resp	
Resp	
Task	
Task	
Task	

Position Requirements - Leadership

Senior Management Team - Current Competencies		Core Role - Current Competencies		Emotional Intelligence	
					Other
SMT: Future		Core: Future		Other: future	

3

Identify succession candidates or high potential talent

- Determine who is interested in and has the potential to fill in key roles

- Discuss career plans and interests with employees

- Develop a pool of high potential talent

- Look across functions within the organization

- Establish a set of measurable criteria that you will use to evaluate each potential candidate

- Evaluate overall candidate readiness

Candidate Consideration Questionnaire

Candidate Name	Current Position

Competency 1:
The candidate performs very well in relation to this

Rarely if at all	①	Infrequently	②	Frequently	③	Always	④

Please provide evidence below to support your score

Competency 3:
The candidate performs very well in relation to this

Rarely if at all	①	Infrequently	②	Frequently	③	Always	④

Please provide evidence below to support your score

Competency 2:
The candidate performs very well in relation to this

Rarely if at all	①	Infrequently	②	Frequently	③	Always	④

Please provide evidence below to support your score

Competency 4:
The candidate performs very well in relation to this

Rarely if at all	①	Infrequently	②	Frequently	③	Always	④

Please provide evidence below to support your score

When is this person likely to be ready to fill the position

Ready Now		Ready 1-3 years		Ready 3-5 years		Ready 5+ years		Not Suitable	

Total Score	

9 Box Grid Method

INSTRUCTIONS:

The 9-box grid is a widely used model for reviewing talent performance and identifying those who are most suitable for succession.

1. Assess current performance (to make it more objective, get input from a variety of people and sources) Is it high medium or low in comparison to the performance expected?

2. Assess the employee's future potential: Is it high, medium or low?

3. Based on the answers to the earlier questions every employee gets categorised into a box on the grid.

The blue boxes:

- People who fall into this category are considered the company's future bench strength.

- They are most likely to get promoted and organizations tend to spend the most money on their development

The yellow boxes:

- People in this box tend to be considered as high performers but not likely to contribute beyond their current level to the organization's future success

- People in these boxes usually feel like they are in a holding pattern and often don't understand why they aren't considered for development opportunities or more recognition

The pink boxes:

- People in this category don't show high potential or high performance

- They are the least considered for progression or development opportunities

Potential (vertical axis)

Lack of Skill or Lack of Will? — Improve in current role or re-assign	One to Watch — Exhibits high potential and strong performance	Consistent Superstar — Limitations unknown; a 'keeper' to build bench strength
Can Improvement be Made Quickly? — Unable to perform as needed in current role	Biding time? Motivated? — Performs to standards, contribute moderately	Exceeds all Expectations — Top performer who may be ready for more
Time to Act? — Bad hire or poor fit. Consider replacement	Can Progress be Made in Future? — Performs to standards. Not showing potential	Capped Out? — High performer, no more room to grow

Performance (horizontal axis)

⚠ **Our advice:**

Use the 9-box grid with caution as it is proven to have negative impact on employee motivation, morale and employee experiences. As it is conducted confidentially there's no transparency, which means some employees will not have visibility on, or understand why they are overlooked. It is also highly prone to bias and favoritism. Even if made transparent and employee input or a 360 approach is considered, it presents and frames information in a negative way, which should be avoided. We recommend not to put people in boxes (it's difficult to break out!), this is why we developed Success Circles. StaffCircle believes that circles are just better.

Candidate Readiness Evaluation Sheet

INSTRUCTIONS:

- Fill out the general details, including the urgency of the position. You will have information based on the Critical Roles Score Card) Note – You will have a separate sheet for each position. One candidate may be suitable for multiple positions.

- List all employees considered for the position (You will have information based on the Candidate Consideration Questionnaire)

- Competency Score – transfer across the information from the Candidate Consideration Questionnaire

- Candidate readiness Score – Tally up the scores given for 'Ready to fill in position' and Competency Score. The higher the number, the more ready the candidate is.

- Based on the scores determine the date range for Ready, Almost Ready and Not Ready. [E.g scores above 15 = ready, between 14-10 = almost ready, below 10 = not ready. The date range and scores will be dependent on the results you get in the candidate consideration questionnaire. In our example, the maximum competency-score an employee can get is 16 (4 competencies x 4 'Always true') If you have more than 4 competencies, the maximum score an employee can get will increase, therefore you need to determine your own readiness intervals.]

- The future progression section helps to identify further progression considerations. You should use this part to re-evaluate a candidate's readiness on an ongoing basis. For example, a department manager may show potential as a future C-suite executive but may need to spend some time at director level first. Use this section to indicate the current and next position for a succession candidate, and their readiness for the next role.

Date	Succession Position	Current Post Holder	Expected Exit Year	Urgency
				① ② ③ ④ ⑤

Candidate Name		Progression to Succession		Readiness Score	Readiness Category	Future Progression		
Surname	First Name	Years until ready	Competency Score	Total score	A= Ready B= Almost ready C= Not Ready	Current Position	Next Position	Readiness
		5+ ◯ 3-5 ◯ 1-3 ◯						
		5+ ◯ 3-5 ◯ 1-3 ◯						
		5+ ◯ 3-5 ◯ 1-3 ◯						
		5+ ◯ 3-5 ◯ 1-3 ◯						
		5+ ◯ 3-5 ◯ 1-3 ◯						
		5+ ◯ 3-5 ◯ 1-3 ◯						
		5+ ◯ 3-5 ◯ 1-3 ◯						

4 Assess development needs

- The most objective way to measure and assess employees' development needs by using a variety of validated assessment methods e.g. 360 feedback or performance reviews

- The right measurement tool will depend on what you want to assess

- Compare the results with the Critical Business Role Requirements developed in step 2 - this will highlight any competency gaps

- Based on the results of the assessments you can then draft a Candidate Gaps Profile that combines details about the success criteria for the position with the candidate's skills, competencies, educational background, how ready they are for the role as well as any competency or development gaps identified

Candidate Gaps Profile

Date	Succession Position	Current Post Holder	Exit Year	Urgency
				① ② ③ ④ ⑤

Candidate

Name	
Position	
Location	
Years with company	
Age	
Readiness	Now ○ 1 to 2 years ○ 3 to 4 years ○ 5 years + ○

Education and Experience

Education	Experience

Position Criteria

Gaps assessment between role requirements and candidate development

5

Develop talent and implement succession plan

- Based on the outcome of the tests mentioned in step 4, you'll have an overview of the candidate's current capabilities and where they need to be in the future

- Use that information as the basis for creating a plan and fill in any development or competency gaps over time

- Identify measurable deliverables

- The plan should also include the methods that will help the candidate achieve those measurable deliverables e.g. coaching, mentoring, education specific to certain skills etc.

- Regularly review progress

Candidate Development Plan

Candidate Name	Current Role	Department

Considered for:	Position	Current post holder	Readiness	Expected time frame

Areas identified for development	
1.	4.
2.	5.
3.	6.

	Development area	Goal	Action	Success Criteria	Date	Progression
3-6 months						
6-12 months						
12+ months						

Measure progress and evaluate effectiveness

- It is critical that your succession planning process aligns with the organization's overall objectives - so when you measure success you need to use metrics that reflect these.

- You also need to collect data at the start and compare future results against this

Quantitative measure:
Metrics you can attach a number to such as: turnover rates; percent of positions filled from within by succession candidates vs. percent filled externally; overall recruitment costs will all indicate how effective your Succession Planning initiative is. You can also note the number of employees progressing through the succession plan.

Qualitative measure:
These are less quantifiable or less easily defined measures and often include how the employees feel about working for the company, company culture, engagement levels and employee experiences. You will still be able to track and measure progress with the use of employee engagement surveys or job satisfaction surveys.

We can't help but mention here, that software like StaffCircle automatically collects information on this and everything is done with just a few simple clicks...

Succession Planning Effectiveness Evaluations Sheet

METRIC	DATE				
Rate of overall employee turnover (&)					
Rate of employees identified as succession candidate turnover (%)					
Open positions filled internally (%)					
Open positions filled externally (%)					
Overall recruitment costs					
Number of critical positions with identified successors					
Employee engagement levels (%)					

SUCCESS CIRCLES

3.1. Success Circles

A revolutionary objective way for measuring and visualising individual performance and cultural alignment

Aside from lack of flexible working the no.1 reason for employee churn is lack of development or progression opportunities and poor cultural fit.

When it comes to performance, business and HR leaders are faced with challenges like:

Who is ready for a promotion?

Who are the best performers?

Is all of our information transparent and objective?

How culturally aligned are our employees?

Can we see someone's potential in real-time?

Success Circles answers it all...

Success Circles provide a highly visual, real-time graphical scorecard of an employee's competency alignment. Each slice of the circle represents a competency, which can be linked to other StaffCircle functions (such as awards, objectives or company values) for an accurate and easy to understand representation of employee performance. It is a superior alternative to the 9-box grid method.
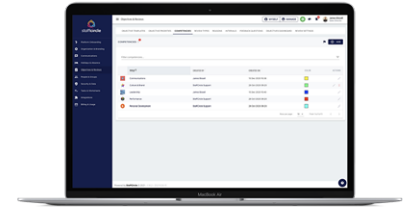
1. QUICK & SIMPLE

Create and add your competencies. These can then be linked to all other parts of the platform, like Values, Awards and Behaviours, Review Feedback Questions and much more.
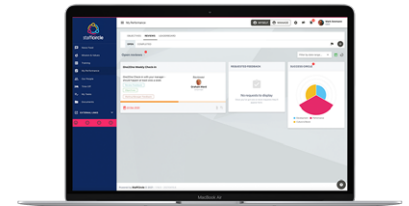
2. MEASURABLE & REAL-TIME

Once these are set up the system will automatically feed scores and information through to a person's Success Circle in real-time.
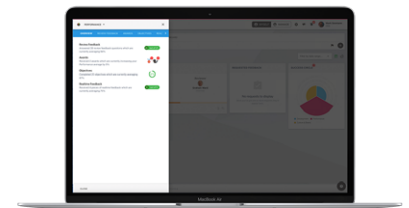
3. OBJECTIVE & TRANSPARENT

Individuals and managers can see their performance and competency alignment at any time. Clicking on the slices of the Success Circle will provide detailed information on what's behind the scores.

The Results

Visibility of your best performers and employee performance

Success Circles will allow your leadership team and managers to see who performs the best, whilst your employees can see what performance is expected of them and how they measure up. Unlike the 9-box grid method, it is transparent and presents information in an encouraging way.

Easier progression paths and succession planning

Identifying your strong performers will enable you to determine who is ready for a promotion or to take on increased responsibilities. Equally, you can also identify where someone might need to improve and take on additional projects when it comes to certain competencies or demonstrating specific behaviours.

Better strategic foresight

Calibrate people towards their areas of strength. Having real-time information on performance and competency alignment means you can understand barriers to productivity and instantly course correct according to organizational needs.

Increased talent retention

When you act on analytical insights to provide people with knowledge and capabilities in their flow of work, you enable them to do be and do their best. Organizations where people can be their best selves are places they won't want to leave.

Let your managers connect company competencies to empower their team without the challenges and demotivating aspects of the 9-box grid method.

Visualise data from various inputs in a single graphic

Updated across different parts of the StaffCircle system

Includes manager's input and input from across the organisation

Easy to understand 360-degree view of employee success

Measure competencies across cultural alignment as well as performance

Facilitate early intervention by noting fluctuations in competency alignment

STAFFCIRCLE DEMO

Book a 15 minute informal demo with one of the StaffCircle team members here

4. CONCLUSION

Succession planning is a process that focuses on keeping talent in the pipeline. A healthy pipeline is important for dealing with talent shortages unexpected black swan events and minimising business disruption.

Succession development should also be a key consideration in relation to employee engagement and employee experience, especially considering the fact that one of the biggest reasons for employees leaving an organization is lack of progression opportunities.

The six steps outlined within this guide, along with the templates, should provide a solid starting point for developing a succession process and measuring its effectiveness. If you wanted to experience how all of this can be automated and done with a few clicks of a button get in touch with one of our friendly team members who would be happy to give you ideas on how all of this can be done.

staffcircle

your people unified

Comms and Culture
Create exceptional employee experiences and drive engagement
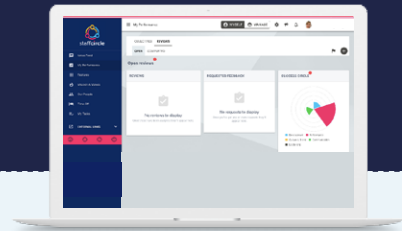
Success Circles Competency Framework
Link employee feedback to competencies or values of your organisation
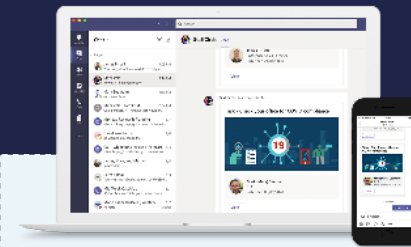
Microsoft Teams Integration:
Complete many of your HR tasks with Microsoft Teams

Objectives Heat Map:
Departmental Performance at a glance

Talk to us about how you could future proof your performance management, employee engagement and communications, even from within Microsoft Teams without having to suddenly change your existing system.

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