ACCENDO

The **Ultimate Guide** To **Succession Planning**

E-book

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Section 1: Introduction

Career development has been an integral part of human resources since the 1960s. Since then, it has evolved – where employees once began at the bottom before climbing as far as their ambitions and abilities allowed them right until they retired.

Today, employees have careers that resemble a roller coaster. Unpredictable peaks, valleys, and changes in direction are common occurrences. Exploring new careers and switching employers became the new norm. According to the US Bureau of Labor Statistics, the median number of years that wage and salary workers have been with their current employer was 4.1 years as of January 2020. Little has changed from 4.2 years in January 2018.

The Great Resignation of 2021 also showed that employees no longer measured loyalty in terms of remuneration, free snacks, or corner offices. Employees want jobs aligned with their values, beliefs, goals, and a healthy work-life balance. Organisations cannot afford to ignore the issue as the competition to hire and retain talent is fierce, resulting in a higher cost of employee acquisition.

In this eBook, we will explore what succession planning means and how to design a strategy that meets the needs of both your organisation and your employees.

1.1 What is Succession Planning?

Succession planning is the process of identifying critical positions within an organisation and developing action plans for employees to assume those positions. Succession planning applies to major roles across all levels to help the business adapt to contingencies by preparing high-potential employees for advancement.

The process takes a holistic view of an employee's current and future goals to ensure organisations have the right people in the right jobs today and in the coming years. In the long run, this talent strategy can effectively assist in strengthening the overall capability and capacity of the business by:

- **Identifying critical positions and highlighting potential vacancies**

- **Selecting key competencies and skills necessary for business success and continuity**

- **Focusing on the development of individuals to meet future business needs**

1.2 Why Do Organisations Need Succession Planning?

Organisations may not be able to anticipate when a serious illness, accident, disaster, or pandemic will strike. Still, they can be prepared for what needs to be addressed if one happens.

In case of emergencies
Succession planning ensures that organisations always have successors in place in case of an emergency. Failing to create a succession plan may expose organisations to talent loss. There is always a talent pool of next-generation leaders ready to move up in such an event.

Keep talent search costs down
The search for potential talent can be expensive. Having this foresight can help organisations develop their current top talent and actively groom them. This ensures talents have the proper experiences, skills, and knowledge to equip them for the future while keeping recruitment costs down.

Plan for staff retirement
It pays to have a succession plan when employees are approaching retirement age. To do so, organisations need to understand the position's responsibilities and assess the skills, knowledge, and abilities required for the person stepping into the role, for both current and future needs.

Recognise future leaders
Some candidates may come forward for the open key positions but do not have the required skills. For example, a CIO will need strong leadership, IT, and business acumen skills. Succession planning can include training and mentoring for the potential candidates. Investing resources into succession planning can help to develop a deeper capacity for leadership and performance.

1.3 A Brief History

Succession planning is no more than "old wines in new bottles", an existing concept that was incorporated as part of an organisational core strategy in the 1960s. The first book to address the concept was written by Walter Mahler, renowned author of Executive Continuity. His book became the stepping stone for General Electric, helping Jack Welch shape succession planning, and became the gold standard of corporate practice.

For every position that Welch held, he always developed his subordinate to take over from him each time he was offered a promotion. It was Welch's passion for talent development within the company that drove business growth from $13 billion to $410 billion dollars during his tenure.

Succession Planning Today

Many Fortune 500 companies are known for their succession plans and rarely advertise for a top leadership position. A notable multinational company that prioritizes effective succession planning is Apple Inc. When the late Steve Jobs stepped down at the height of his deteriorating health, Tim Cook was already poised to take over as the CEO.

Currently, succession planning targets Millennials or Generation Y in talent management. According to a Gallup report, it is estimated that more than 38% of the current workforce in the United States are Millennials. As Baby Boomers enter retirement age, Millennials are primed to step into key leadership roles.

Millennials are more concerned with having purposeful employment, from skills development to cultivating work-life balance. Understanding them will make it easier for organisations to develop their talent in preparation for future leadership roles. Failure to meet their needs may result in Millennials job-hopping until they find their ideal workplace.

1.4 Benefits

A succession plan aims to help organisations grow by identifying and building plans for vacancies and vulnerabilities in other business areas. Succession planning provides benefits to both the business and its employees.

For Employees

Succession plans work similarly to Maslow's hierarchy of needs. Hired employees are given the knowledge about the company and their career development and advancement intention. This fulfils the need for security and social belonging.

PROACTIVE INSIGHTS' HIERARCHY OF NEEDS APPLIED TO EMPLOYEE ENGAGEMENT

HIGHLY ENGAGED
On an average less than 15% reach this level
High Flyer
1
- What can I do for others?
- I inspire others to do their best
- I love it working here
- I am high flyer

ENGAGED
2
- I am a vital part of the business
- I feel important at work
- I'm really busy and very likely I'm highly stressed
- I am a achiever
- I'll leave if something much better comes along

ALMOST ENGAGED
3
- I know I'm part of something bigger
- I'm almost engaged but there are times when I'm not
- I'm proud to work here but I wouldn't
- successfully shout it from the rooftop
- I might leave if I'm tempted
- There are no career development prospects here

DISENGAGED
4
- I'm interested in overtime
- I have more sick days than I should
- I have poor working conditions
- I don't like my manager or working
- in my team
- I don't like my job much but I get on with it
- I read job alerts

NOT ENGAGED
5
- I'm here for the money
- I'm leaving when I can
- I'm not satisfied with the job I do
- My work doesn't excite me
- I'm a clock watcher

SELF ACTUALIZATION
IMPORTANCE
BELONGING
SECURITY
SURVIVAL

2 and 3 have a direct impact on engagement and can be moved up by the enablers of engagement

Motivators

De-motivators

Source: Proactive Insights

Higher positions channel a bigger boost in self-confidence and self-respect, enhancing their performance. Employees gradually proceed towards self-actualisation, strengthening their skills and finding creative solutions.

6

For Organisations

Succession plans help organisations identify and build plans for vacancies and vulnerabilities within the business. This includes uncovering which areas require innovation, setting realistic goals for growth, and planning for future talent needs that may result from that growth. Other benefits include:

Keeping recruitment costs down
Claudio Fernandez-Araoz stated in his business review article _The High Cost of Poor Succession Planning_ that "poorly managed C-suite transitions in the S&P 1500 destroyed close to $1 trillion of market value a year." Conducting external hiring for successors can be time-consuming and expensive regarding advertising costs, training, probation, and other paid expenses. Succession planning helps reduce these expenses by allowing existing employees to learn new skills and transition smoothly into key positions.

Reduces the negative impact of sudden leadership changes
An article by McKinsey & Company explained that "when leaders struggle through a transition, the performance of their direct reports is 15% lower than it would be with high-performing leaders. The direct reports are also 20% more likely to disengage or leave the organisation." Further research stated that "40% of new CEOs fail to meet performance expectations in the first 18 months." These scenarios are detrimental to organisations and will take years to regain their footing, streamline the business, and rebuild market value.

Provides an opportunity to identify potential leaders
A succession plan provides information that helps organisations understand candidates' strengths, weaknesses, and leadership styles. It also offers the opportunity to train successors on various aspects of the business and give them time to build leadership ability. At the same time, the buffer period allows management to assess an employee's suitability for future roles.

Minimises miscommunication and chaos

A well-formulated succession plan will leave no room for confusion, miscommunication, and unnecessary chaos. If the management team is vigilant, a succession plan can help address disruptive office politics before a new leader takes charge. This can assist the new leader in working effectively and ensuring that the organisation's culture and environment are not adversely affected due to a change in leadership.

Helps preserve knowledge and expertise

Employees who have learned and grown in an organisation have the know-how and expertise in the organisation's internal workings, systems, and processes. Over time, they may have also gained insight into the company's industry and competitors. This is valuable knowledge. When such employees are not given opportunities to grow, they tend to explore other options, resulting in losing a potential leader, knowledge, and expertise for the organisation.

For these reasons alone, a succession plan is a necessity. It enables organisations to plan, save costs associated with external hiring, and makes the company attractive to potential hires.

1.5 Workforce Planning vs Succession Planning

Is there a meaningful distinction between workforce planning and succession planning? Yes. The goals are the same; both plans are meant to put the right people in the right jobs. However, in essence, workforce planning concerns the quantity and skills of the workforce within a team or the organisation. Succession planning, on the other hand, pays attention to the requirements of and related to critical roles.

Workforce Planning

This type of planning is driven by a budget focusing on staff-level jobs, hiring forecasts, and internal resource projections. It also focuses on:

- Understanding trends that impact clients, customers, products, services, and investors

- Developing work plans for individuals and teams that align with department goals or organisational strategies

- Understanding how changes will impact job requirements, internal processes, and costs

- Understanding the labour-market demographics, workforce readiness, training needs, and talent resources

Succession Planning

This is a systematic approach to professional development to ensure selected employees are trained, experienced, and ready to move into future leadership roles. It also focuses on the team, individual, and transition needs, effectively guiding implementation, which requires:

- Identifying vacancies and backup resources for management and leadership

- Redefining management profiles to include competencies, success criteria, and behavioral traits

- Accurate assessment of the readiness of senior employees and middle managers to assume greater responsibilities

- Assessment of the cultural competencies for diversity and inclusion management

- Creating training and development opportunities to reduce gaps in skills and experience while identifying support requirements to ensure succession plans are workable

- Focusing on individual and team transition to ensure a successful transition and performance in the new or

Not every organisation integrates workforce and succession plans into their strategic business objectives. For those that do, the results can be transformative. Succession planning is a critical component of workforce planning. Experts consider a trend a best practice and a solid investment for organisations focusing on sustainability.

Section 2: Succession Planning Process

2.1 Core Elements of Succession Planning

Succession planning is not about replacing a current employee. Instead, its purpose is to prepare an organisation and develop its strength for future organisational requirements. Here are five core elements of succession planning.

Identifying key positions

The organisation may have a couple of open positions, or it may have many. When deciding who is the best fit for the positions, it is essential to consider:

- If the key positions are critical to organisational success?

- If the candidate leaves and the position becomes vacant, will the organisation be at risk?

- Should senior managers be selected as the second level of succession management?

- Would knowledge be lost if the person currently occupying a role leaves the company?

Identifying successors

The organisation may have more than one employee who shows great prowess in their skills, knowledge, potential, and interest in developing additional responsibilities. The commitment to the process and the abilities of the succession candidate are essential in identifying who to develop.

Identifying job requirements

The task is to understand what requirements are necessary for one or more key roles in the future. This creates an inventory of skills and attributes that serve as a checklist to audit what a succession candidate currently offers and what is needed to develop.

Building competencies

Succession planning must build competencies and skills for current and future organisational needs. However, creating a development plan to build the competencies of succession candidates will always be different for each candidate.

Assessing progress

Father of modern management, Peter F. Drucker, once observed that "what gets measured gets done." It is essential for organisations to create succession plans to invest in the development of their employees while assessing their progress towards the intended outcome.

2.2 Types of Succession Planning Tools

A carefully executed succession plan can help sustain businesses endure unpredictability that appears in the form of roadblocks.

Retirement, untimely death, involuntary absences, and department transitions are some of the unforeseeable situations that may occur. A properly constructed succession plan can ensure business continuity. But there is no one-size-fits-all approach to implementing a succession plan. Priorities and preferences shape strategies, and thoughts must be translated into action. Here are two types of succession planning that one can employ at all levels of the organisation.

Leadership Succession Planning

Designated strategies and succession plans are necessary to maintain smooth operations when key leaders resign. To maintain an organisation's sustainability, the strategy and plans should focus on fostering the next generation of leaders and are usually undertaken for C-Suite roles (CEO, CFO, CMO, CTO, or CHRO). Examples of successful succession planning come from companies such as:

- **IBM** – the company created a successful succession plan and developed an employee into a well-known leader who was accepted by the Board and held a demonstrated track record.

- **Google** – when Sundar Pichai was announced as CEO in 2015, his potential was recognised in 2004. The multinational tech company invested in planning and preparing for the transition.

- **Apple Inc.** – Tim Cook worked directly with Steve Jobs on the company's supply chain for several years, giving him the upper hand in the company's internal operations. Tim Cook took over as CEO when Jobs resigned.

Filling in a C-suite position may not be easy, but it is mission-critical. Sizeable candidates are reviewed, monitored, and scrutinised to ensure the person is aligned with the company. There should be no margin for error, as even the slightest concern can shatter the stakeholders' confidence. This is why succession planning for such roles must be granted the highest priority.

Non-Leadership Succession Planning

Succession plans can also be used for specialised employees in niche roles. These roles may not be mission-critical, but they are hard to replace. In the same vein, companies have to be ready with a non-leadership succession plan.

Such plans are facilitated via cross-training processes that are aligned with the department or organisational strategies when hiring for viable successors. Every employee should get a fair chance to showcase their skills and capabilities for a specific role. Some large businesses may even groom mid-level or junior level employees to take over such positions.

An example of this scenario is Netflix. Netflix develops managers alongside their senior leaders as the critical link connecting the C-suite and the rest of the organisation. The succession plans help to maintain loyalty to their employer. At the same time, it positively impacts their employees as this prepares them for career progression.

2.3 Best Practices

In an ideal world, organisations may wish they had the privilege of an always-ready pool of the best talents to pick from. In reality, the search for candidates begins with succession planning. It helps organisations build a robust base of human resources and the ability to move employees from role to role whenever needed, pretty much like chess.

10 Best Practices for Succession Planning

1 Start with the end in mind.
2 Identify the who and the what.
3 Engage all stakeholders.
7 Conduct talent assessment.
8 Create IDPs.
10 Communicate. Communicate. Communicate.
9 Two-way feedback.
4 Look ahead and identify mobilization factors.
5 Incent and recognize leaders.
6 Use technology

Source: Arthur J Gallagher & Co

There are many practices in creating a succession plan. Here is one of the examples of the 10 best practices of succession planning.

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01

Start with the End in Mind
Take the time to understand what you are looking for in terms of roles to fill. Identify the core skills, competencies, and requirements that spell success for someone in a role. Once this is accomplished, the prospective candidate can begin their continuous and constant development journey with clear objectives and be regularly monitored and measured.

02

Identify Roles and Be Clear about Them
Conversations about succession planning may cause employees to get anxious about their careers being in someone else's hands. Be upfront and communicate the positions and the people involved in the process to avoid confusion. Narrowing the focus can help alleviate your team members' wild guesses about their future with the organisation.

03

Engage with All Stakeholders Involved
Engaging with the stakeholders, especially senior leadership, is critical. Business and HR leaders should drive the process and provide the appropriate tools along the way. Involving stakeholders will help you get approval for every step of the process and, simultaneously, gain ideas about how to enhance the experience and improve the process for everyone.

04

Plan for the Longer-Term
What happens when one of your top performers gets "hit by a bus"? You will need a successor. Focus on longer-term succession planning means you need to forecast your workforce needs. An important step is identifying "mobilisation factors" for each employee and the management level under consideration.

05

Incentivise Leaders Who Develop Others
Companies sometimes take a manager's ability to develop others for granted. Another obstacle is that leaders sometimes don't want to give up their best people. Consider offering incentives and performance evaluation goals to managers who can develop others. This will help to encourage leaders to "give people to get people" rather than territorial.

06

Use Technology

Many HR solutions exist today for companies to automate their talent management process. Some solutions may require you to purchase the entire Human Resources Information System. In contrast, others allow you just to buy the succession planning module or consider a more modern talent intelligence platform. Make sure it is something you can work with.

07

Routinely Conduct Talent Assessments

Succession planning is a fluid process that ebbs and flows. Reviewing your talent on a routine basis begins with ensuring role requirements are current and talent assessment is timely. Use validated assessment tools to assess skills, abilities, past performance and potential.

08

Create Employee-Owned Development Plans

Once organisations have identified an employee's competencies required for the next level of performance, they can create an individual development plan (IDP) for each employee. Each employee should take ownership of the plan while the manager approves competency focus and resources and provides regular feedback on the progress. When the IDP is documented and reviewed, it becomes a motivation to help people reach their career goals.

09

Regularly Engage in Feedback

The development of any employee requires regular and consistent feedback. Feedback can be in any form or factor, including progress evaluations, competencies, development, and career goals. It goes without saying that communication given should be honest and direct, especially if the employee has limited potential.

10

Practise Consistent Communication

Transparency in succession planning builds trust and encourages openness in one-on-one conversations. Be honest with employees about their career goals and career path opportunities, and celebrate successes and promotions. Take this as an opportunity to engage in a dialogue that will encourage high potentials to stay and those with opportunities to work more purposefully towards reaching their goals.

2.4 Limitations

A good succession plan is integral to your overall business strategy and serves to ensure that you have a ready pool of potential talent in place. Succession planning can offer a number of benefits, but there are several limitations that organisations should be aware of.

Role Clarity

Nowadays, employers and employees are often made to wear multiple hats to keep teams lean and efficient. However, this can damage role clarity and make it difficult to build effective succession plans. Keep job requirements, job descriptions, and candidate profiles up to date, and maintain role clarity to promote work satisfaction and reduce turnover.

In-House Promotion

A great indicator of effective succession planning is the ability to promote from within. Alas, few organisations have the in-house talent to do so. The best way to counter this is to be proactive. Invest in strategic hiring and employee development to attract and retain top talent. Establishing a succession planning process will allow you to build an effective talent pipeline.

Resisting Bias

Biases can hamper succession planning, leading to legal trouble or preventing businesses from achieving their full potential. There are five common biases to watch out for during the succession planning process:

- **Halo/Horn Effect** – where first impressions, positive (halo) or negative (horn), influence opinions.

- **Contrast Effect** – when people are evaluated in light of other candidates rather than objectively on their own.

- **Similarity Bias** – the preference of candidates similar to oneself, both in demographics and personality.

- **Conformity Bias** – the tendency to agree with decisions or adopt impressions with the majority of a group.

- **Confirmation Bias** – the inclination to search for, interpret, favour, and recall information in light of personal beliefs and values.

Seeing the Big Picture

As with any long-term, future-focused plan, losing sight of the big picture can happen. Without regular recalibration, succession planning and employee development can quickly go down the drain. Make sure your succession plan is mission-focused instead of checking boxes.

Keeping Morale Up

Depending on how it is executed, succession planning can help or hurt your team's morale. Studies show that employees' sense of security and the ambiguity of succession plans are directly correlated. Create and communicate a clear succession plan to minimise disruption during leadership transitions, increase overall performance, and boost morale.

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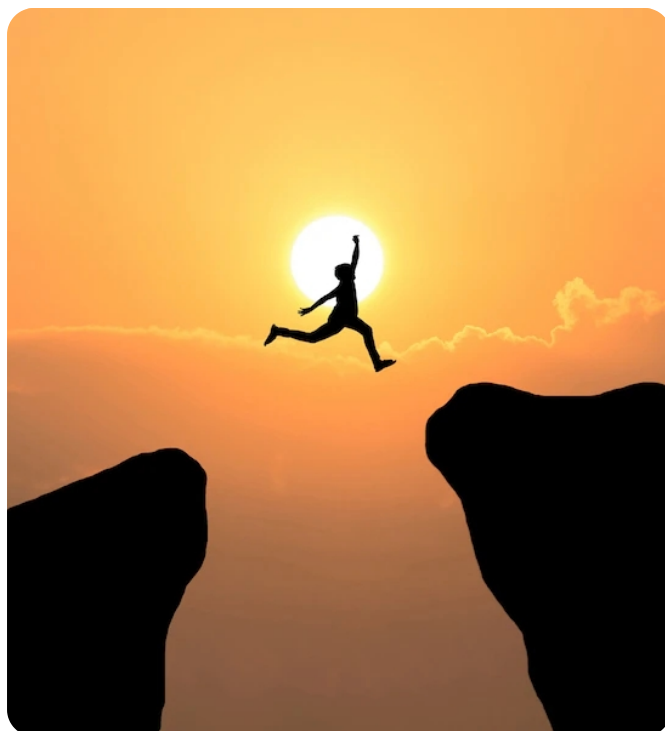
Section 3: Designing Succession Planning for Your Organisation

3.1 Common Challenges

Organisations typically plan for the foreseeable future to avoid disruptions in their business operations. Yet, most companies still struggle with succession planning, often rushing or undermining them. Here, we explore the five main reasons that can stand in the way of an effective succession plan and how to manage them.

Plan for Successors Regardless of Circumstances

Unfortunately, companies only begin to develop succession plans for replacements in the event of a resignation. Having a pool of candidates available allows you to make changes accordingly and be prepared in case of abrupt changes outside your control.

Plan for Every Employee, not Just Executives

Succession plans developed only for executives can limit the scope of the talent pool and may alienate other employees who may be looking forward to certain roles. Each department is a well-oiled machine. If you miss one part of it, it can cause department-wide issues. Building succession plans for all employees makes more sense to ensure business continuity.

Create Access to the Right Successor Candidates

Succession planning relies on an organisation's ability to identify the proper successor. However, some companies may have developed excellent plans but lack the talent pool available. This can be remedied by creating a talent pool using the organisation's predetermined role definitions based on employee competency and proficiency in a role.

Develop Proactive Succession Plans

Succession plans require long-term and careful planning and career pathing, so they should be prepared to be ready for deployment when needed. Avoid planning it before an employee is about to retire, takes a long leave of absence due to health or personal reasons, or has resigned.

Succession Plans are Non-Autonomous

Succession plans should not be treated as separate and independent processes. The problem arises because of two reasons.

1 - Organisations tend to view succession planning as an HR function when it is and should be more than that.

When HR finalises a succession plan, the initial planning, testing, and development should be the responsibility of each respective department.

2 - Organisations tend to view succession planning as separate from internal training, development, and coaching.

Successors should not be left to develop for the role on their own. The organisation has to set them up with training and development opportunities.

3.2 Designing a Succession Planning Strategy

A <u>succession</u> plan is the blueprint of an organisation's people strategy. It can have many benefits once it is aligned with the organisation's growth and business plans, including:

○ **Helping to create a trained talent pool.**

○ **Communicating to employees that the company has plans for their career progression.**

○ **Keeping hiring costs down and reducing employee turnover.**

○ **Decreasing the chances of bad hires.**

○ **Formulating employee training and development programs.**

Developing an Effective Succession Plan

Every organisation has its people requirements and business needs and will likely develop its process of creating a succession plan. However, certain steps form the foundation of a succession plan. Start with these steps to form a plan that best aligns with the organisation's objectives and business needs.

Creating a Succession Management Plan

1 Align with top management

2 Create a special task force

3 Decide the scope of succession plans

4 Define the objectives of the succession plan

5 Assess the availability of talent

6 Identify sources of hiring external talent

7 Make the organisation's blueprint

8 Periodically review and revise the succession plan

Section 4: Succession Planning Toolkit

4.1 Stages of Succession Planning and Where Your Company Stands Today

Research has shown that fewer than 12% of companies have truly integrated succession planning into their business. According to Bersin and Associates, succession management has five maturity levels. Each level is described in greater detail and used as a yardstick for companies that wish to attain the highest level of succession management.

Figure 1: Bersin & Associates Succession Management Maturity Model®

Transparent Talent Mobility
Dynamic Process, Highly Transparent, Pool-Based, Talent Movement, Professional and Management Roles

Integrated Succession Management
Business Strategy Alignment, Talent Management Integration, Enterprise Perspective, Owned by CEO

Traditional Succession Planning
Development Plans, Talent Reviews, Business-Unit Focus, Targets Key Positions, HR-Driven

Replacement Planning
List of Senior-Level Positions, List of High Potentials, No Development

No Succession Process
May Include Identification of Successors of Executive-Level Positions

Source: *Bersin & Associates, 2009.*

Level 0: No Succession Planning

Organisations at this level have no succession management process except for identifying potential successors for the CEO and executive-level positions. Only 21% of organisations operate at this level. Here, they find themselves limited in growth or flexibility due to a lack of management and leadership skills.

Level 1: Replacement Planning

Organisations at Level 1 Maturity tend to focus on senior-level positions. A list of high potentials is created, but no formal development processes exist. Bersin and Associates explained that approximately 15% of organisations today function at Level 1.

Level 2: Traditional Succession Planning

Organisations at Level 2 Maturity implement succession planning to target critical senior-level positions. Talent reviews are conducted, and development plans are put in place. At least 52% of organisations operate at this level today.

Level 3: Integrated Succession Management

Organisations at Level 3 Maturity target all critical positions at all levels. Organisation-wide succession planning is now tightly aligned with the business strategy and integrated with other existing talent management processes. However, no more than 12% of organisations have achieved this level of Maturity.

Level 4: Transparent Talent Mobility

Maturity Level 4 takes succession planning to a whole new level. As far as it goes, there are no organisations that have achieved this level of Maturity. Organisations at Level 4 are businesses that completely understand the capabilities and potential of their workforces, where talent decisions are made naturally based on what is best for the business as a whole.

That said, a majority of organisations exist on the lower tiers of the Model. A key finding by Bersin and Associates revealed that most organisations have much room for improvement in their succession planning practices.

Organisations can apply Bersin and Associates' Succession Management Maturity Model to guide their succession planning practices to achieve transparent talent mobility. Insofar, there has not been an organisation that has achieved this level of talent movement, business integration, and open communication.

Many organisations, however, have their practices in the silos of their businesses. The challenge for them today is to integrate them and develop a transparent, open culture that moves talent where it is needed for the greater good of the business.

4.2 Succession Planning Checklist

Succession planning is important because it is more cost-and-time effective to develop internal employees for positions rather than externally. This provides a clear path of movement in the employees' careers, boosting engagement and retention.

Accendo's succession planning checklist aims to provide organisations with a way to check their current succession planning. Organisations at any stage in HR maturity can use this guide to identify if there are missing components in their process and understand the implications of those. Our guide breaks down the succession planning checklist into six key components, each with its facets.

Category	Description
Availability of Success Profiles	Ideal success profiles cover job accountabilities, leadership and technical competencies, the expected proficiency, and the importance level of each competency. They provide a view of what good looks like for a role. Most companies capture these in the Job Descriptions (JD), which should clarify how to succeed in the role.
Assessment Tools Capabilities	Assessments provide an unbiased view of a candidate's potential and proficiencies. Tools like psychometrics and simulations can help organisations measure behaviour, values, and cognitive abilities that make up potential. Technical assessments provide a way to measure proficiency in different areas of the business.
Flowthrough into Learning and Development	Personalised development plans develop successors for a role quicker than untargeted plans and are based on their strengths and the requirements for the role. Mentorship programs also help successors prepare for the day-to-day challenges of taking the role.
Post Succession Planning Report	This enables both the predecessor of the role and the HR team to identify if successors find the new role manageable. This allows for early intervention should any difficulties arise, therefore minimising negative impact.
Technology Readiness	Building a technology platform to assist in succession planning lowers the cost and time investment needed and reduces biasness while increasing the accuracy of decision-making simultaneously.
Top Management Buy-In	Top management must understand the importance of succession planning to ensure a successful rollout of the process and agree to the methodology used. This also amplifies the impact of succession planning communication as it comes directly from top management.

The checklist provides a health check to an organisation's succession planning process for all levels (junior, senior, mid-, and C-suite levels) to identify strengths and gaps accordingly. The summary analysis (table below) shows an overview of the entire process scores compared to best practices and the implications of the scores.

Category	Implications	Best Practices
Availability of Success Profiles	A lack of success profiles means understanding what good looks like for the role remains subjective. This could lead to biased or inaccurate succession planning.	Knowing what good looks like for each role provides a competitive talent advantage as companies can be sure they have the best fit when recruiting/ promoting for a role/project/gig. This includes job accountabilities, competencies for technical and leadership, and proficiency levels.
Assessment Tool Capabilities	Lack of assessment tools means the company won't have fair, measurable data about its talents. Decisions could be biased, and identifying the right talent for the right role would be misguided.	The standards of assessment should cover the entire potential axis by measuring leadership capabilities, cultural fit and cognitive capability to ensure a holistic view of employee potential.
Flowthrough into Learning and Development	Relook into building L&D plans to build employees, professionally and personally, thus contributing to the organisation. Lack of L&D can leave employees feeling undervalued and unsupported by the organisation.	L&D has been proven to be more effective when it is targeted to build on one's strength instead of rolling out a blanket programme which instead disinterest. ROI in learning is truly achieved by bite-sized learning tailored to individuals.
Post Succession Planning Report	Relook into post succession planning support in your organisation. Developing the identified key talent is important to succeed in their new roles.	Regular check-ins with successors are shown to yield results in that successors feel confident and comfortable as they have a support system leading into a new role. This process should be formalised to track progress and mitigate risk.

Category	Implications	Best Practices
Technology Readiness	Lack of technology readiness can put your talent management initiatives at a disadvantage. The entire process becomes manual, resulting in a heavy and laborious process and leading to complacency and judgment error, including biases in identifying successors.	A solid technology platform reduces the risk of biases, subjectivity and wrong hire. A platform should be used as a catalyst for the succession planning process to enable HR to work on the strategic side of succession planning and automate the administrative tasks.
Top Management Buy-In	Getting buy-in from the top management is important for the implementation of new processes for Succession Planning. Highlight to top management the need for building a strong leadership pipeline for the critical roles in the organisation and its importance for business continuity.	Management buy-in should be the first step of any succession planning process as it affects things such as budgets and overall participation. It also requires a strong selection process, comprehensive methodology and a confidence-building measurement that proves accurate and will benefit the business.

4.3 Leveraging a Talent Intelligence Platform for Succession Planning

Succession plans are dynamic and need constant and consistent monitoring and assessment. It is a critical process that ensures an organisation's and its employees' success. That is why it is important to digitise and simplify the process. Let us explore talent intelligence platforms and learn how they help organisations do succession planning better.

Assisting with Internal vs External Hiring Decisions

Internal candidates are ideal for succession planning, but there have been instances where an external candidate is a better fit. A talent intelligence platform allows organisations to assess and evaluate internal and external applicants. It can also help to identify prospective leaders in the hiring stage based on a mix of attributes that indicates leadership potential.

Targeting and Personalising Development

Gathering insights on current and potential employees' skills, gaps, and personal goals. These platforms can also deploy assessments and connect employees with personalised recommendations for projects, training modules, and leadership prospects. Studies have shown that investing in L&D can help reduce attrition by making employees feel more appreciated.

Enabling Data-Driven Talent Matching

Talent matching unearths the strengths and weaknesses of a candidate that the human eye may not be able to detect. By understanding the strengths and weaknesses, the talent intelligence platform can close the gap by building targeted development plans for the selected candidate.

How it works:

1 Candidate data is taken directly from any internal HR system or assessment.

2 The data points are connected against a success profile for a potential/current role.

3 An automated fit score is produced.

Postscript: Ensuring Business Continuity in Post-COVID Times

If COVID-19 has taught us anything, a business can change in a blink of an eye. It is not just about the pandemic forcing people worldwide to work from home, nor that many businesses had mass layoffs. Succession planning should have begun before the present time. In April, Forbes reported that yearly. Similarly, the Association for Talent Development says that only a third of organizations have a formal succession planning process. Succession plans will allow those taking over for departed senior leadership to move into their new roles smoothly and confidently.

How Accendo's Talent Intelligence Platform Works

At Accendo, emphasis is placed on what happens when people join a company, from onboarding to opportunities for career advancement. Our Succession Planning software has helped clients build strong business succession plans. The TalentPulse Succession Planning module aims to assist talent teams in two critical areas of high importance to HR and businesses.

SPEED	ACCURACY
The pace of succession planning must align with the speed at which business moves. Succession planning in larger companies takes 6-12 months and 3-6 months in smaller and mid-sized businesses.	Promoting the wrong person can cost a company 30% of an employee's annual salary and cause other intangible damages like lower morale and loss of engagement.
With TalentPulse, succession planning can be completed within 3-5 months in larger companies and 1-2 months in smaller and mid-sized ones.	TalentPulse provides accurate, validated, holistic, and reliable measurements of an individual. This offers a more accurate indicator of an individual's performance, thus reducing the risk of a wrong promotion.

Success Profiles

Success profiles articulate role descriptions, job accountabilities, technical skills, and the leadership competencies needed by a person to succeed in their role. The Success Profile Library in TalentPulse offers over 3,000 jobs across an organisation.

Talent Assessments

The TalentPulse Succession Planning module includes accurate talent measurement via its Assessment Marketplace. The Assessment Marketplace includes pre-integrated best-of-breed assessment tools that measure key areas, including leadership, culture, agility, technical skills, and more.

PSY	SIM	COG
Psychometrics	**Simulations**	**Cognitive**

CUL	TEC	360
Cultural	**Technical**	**360 feedback**

Seamless data integration can also supplement these tools with performance data, engagement scores, aspirations, rewards, and other sources.

Talent Matching

Based on assessment scores, the automated algorithm produces a fit score for roles, projects, or gigs. This allows companies to understand how well-suited employees are for new assignments before mobilising them. It also enables HR teams to discover hidden gems and explore up to five different assignments for each employee.

Development Plans

Individual Development Plans (IDPs) can be built for successors within the system. TalentPulse uses data from employee assessments and technical ratings to customise the plans for each employee. This allows training to be more effective and targeted towards actual needs. When learning is completed, candidates are re-measured to reflect changes in the fit score.

Talent Overview

Once successors have been identified, HR and management can visualise the bench strength to ensure the organisation is always future-proofed. TalentPulse gives organisations instant talent visualisation via the Talent Overview feature in a traffic-light system layout. Positions marked in green have at least two successors, while yellows have one and reds have none. Organisations should strive to achieve a fully green layout, which means every position is ready to be filled should the need arise.

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We don't know how this new world order will affect organisations, but we understand how our work has changed, and we need to avoid leadership disruption and instability.

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ACCENDO

Get in touch with our

Succession Planning Experts