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Succession planning ensures the bench strength of a team

Succession planning, when executed effectively, ensures employees are properly recruited and developed so they can fill a key role within the company when the time is right.

Once reserved for only the most senior positions within a company, today succession planning transcends all levels within an organization. The reason, in part, is that with so many baby boomers on the brink of retirement, a void of seasoned managers waiting in the wings could threaten the sustainability of some businesses.

Below are six key elements a succession planning process should incorporate.

- **Strategic planning:** Before it can be decided how best to fill key positions down the road, a company must first determine where it anticipates being in the future. It is imperative that top executives remain involved in the succession-planning process. Their input is essential in defining the company's direction and what roles will be critical in the future.

- **Recruiting and retention:** Companies must hire the right skill set to fill their short-term needs, but must also consider whether a job applicant has the required aptitude and mindset to meet the company's longer-term objectives. When there is a pipeline full of capable employees ready to step up, it becomes much



PEOPLE
PERSPECTIVE

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easier to promote from within when an opportunity arises. Proactive succession planning also contributes positively to retention. When employees know they are earmarked for bigger things, they are far more likely to still be on board when it comes time for them to take the helm.

- **Employee development:** The purpose behind succession planning is to prepare employees for advancement or promotion into ever-more-challenging roles within an organization. That cannot happen unless a company is committed to providing the development opportunities an employee needs to grow professionally.

- **Performance management:** Regularly evaluating the performance of employees helps companies identify strengths and weaknesses as well as areas for further development. It also allows companies to objectively measure employees' performance relative to their peers. How else can a company distinguish rising stars from those who are perhaps best left where they are?

- **Talent assessment:** Talent assessment takes performance management to the next level. Often conducted in conjunction with an annual performance evaluation process, talent assessments allow companies to gauge their team's bench strength at a precise moment in time. By regularly taking a qualitative measurement of individuals' skills and leadership readiness (in addition to how they are performing in their current jobs), companies can constructively address areas of weakness or concern and keep employees focused on their career paths

and the roles they are being groomed to fill. Moreover, talent assessments compel companies to anticipate their next move, so when an unexpected departure or a business change occurs, the company is prepared.

- **Technology:** Advanced technology now exists to help companies with succession planning by streamlining performance evaluations as well as talent assessments. Succession planning programs can even execute models to identify which employees are most ready to be promoted or moved into new roles. For larger companies, such technology can be extremely useful to maintain organization and increase efficiencies. For smaller companies, where owners or top managers still know most of their employees, sophisticated technology might seem unnecessary, but it may actually prove to be even more useful.

When a company implements succession planning, it should establish a continuous and ongoing process, not just devise a rigid and stagnant plan. Succession planning has to be a fluid process that not only tracks the talent and development of employees, but also includes them in the process. By illustrating a potential career path, companies demonstrate their commitment to top performers and help ensure those talented team members are on the bench, suited up, and ready to take the court.

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