Succession Planning: A HR Initiative

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Abstract
Today’s environments are changing rapidly and organizations are facing serious unpredictability and uncertainty, which sometimes causes instability in the business operations. In this unstable environment, organizations need to rely on the most important assets: their people. Organizations need to strategize to motivate and connect their employees in order to create competitive advantage and achieving higher profitability. Organizations may consider methods like succession planning and management to promote their employees’ knowledge, skills, talents, and capabilities to tackle problems created by the challenging environments. The purpose of this paper is to provide a general view in succession planning and management by reviewing the most relevant researches in this field. This paper also gives an insight of the HR department and its role in succession planning.

Keywords: Succession Planning, Business Operations.

Introduction
Succession planning is a process for identifying and developing internal people with the potential to fill key business leadership positions in the company. Succession planning increases the availability of experienced and capable employees that are prepared to assume these roles as they become available.

With the help of this process an organization ensures that employees are recruited and developed to fill each key role within the company. Through your succession planning process, you recruit superior employees, develop their knowledge, skills, and abilities, and prepare them for advancement or promotion into ever more challenging roles. Actively pursuing succession planning ensures that employees are constantly developed to fill each needed role. As your organization expands, loses key employees, provides promotional opportunities, and increases sales, your succession planning guarantees that you have employees on hand ready and waiting to fill new roles.

Creating a formal program for developing new leaders can pay huge dividends, but many firms aren't reaping those rewards.

Literature Review
The table below summarises changes in thinking about succession planning since the 1970s. It is based on research largely within the corporate and higher education sector.

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<thead>
<tr>
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<th>1970s: Replacement planning</th>
<th>80s: Succession planning</th>
<th>1990s-2000s: Succession management</th>
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<tbody>
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<td>The very top roles - job-specific requirements</td>
<td>Range of leadership roles for organisational goals</td>
<td>Pools for strong leadership teams</td>
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<td>Based on</td>
<td>Experience and technical expertise</td>
<td>Experience and competencies</td>
<td>Competencies that define potential for top leadership</td>
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<td>Timescale of</td>
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<td>6-12 months ahead</td>
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<td>Role of future</td>
<td>To provide smooth continuity</td>
<td>Strategic planning</td>
<td>Responding to and leading change</td>
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Steps Involved in Succession Planning

Step 1: Identify Critical Positions

Critical positions are the focus of succession planning efforts. Without these roles, the department or agency would be unable to effectively meet its business objectives. Workforce projection data or demographic analysis is essential in identifying risk areas. A risk assessment may also be conducted and compared to current and future vacancies to identify critical positions within your organization.

Step 2: Identify Competencies

A clear understanding of capabilities needed for successful performance in key areas and critical positions is essential for guiding learning and development plans, setting clear performance expectations, and for assessing performance. By completing the process of competency or position profiling within your organization, current and future employees gain an understanding of the key responsibilities of the position including the qualifications and behavioural and technical competencies required to perform them successfully.

Step 3: Identify Succession Management Strategies

Now that critical positions have been identified and have been profiled for competencies, the next step is to choose from a menu of several human resource strategies, including developing internal talent pools, on boarding and recruitment to address succession planning.

Step 4: Document and Implement Succession Plans

Once strategies have been identified, the next step is to document the strategies in an action plan. The Succession Planning: Action Plan provides a mechanism for clearly defining timelines and roles and responsibilities.

Step 5: Evaluate Effectiveness

To ensure that the department or agency’s succession planning efforts are successful, it is important to systematically monitor workforce data, evaluate activities and make necessary adjustments.

HR’s Role in Succession planning

As demands for leadership development grow—due to changing market conditions, corporate growth or the impending retirements of large numbers of baby boomers—HR’s role becomes increasingly important. While consultants and practitioners disagree about the best level of HR involvement, most succession management efforts evolve and grow from HR’s urging.

And while HR needs to guide the process, it also needs to involve others. Hewitt’s Effron says HR should:

- Co-design the process with the line.

Ideally, succession planning shouldn’t emerge from HR alone. A design team of HR and line leaders should co-design the process, with HR bringing examples and
content knowledge to the table, and the line serving as the “voice of the customer.” The team should test, measure and analyze feedback before rolling out the plan across the organization, he says.

- **Manage the infrastructure.** HR must keep, track and report data to support the process. HR can also track the success of placements, provide updates on depth levels in the organization and analyze diversity.

- **Be an active voice in the process.** Leadership development staff or HR must speak up in succession planning meetings as an equally knowledgeable, equally authoritative participant.

“Succession management must be spearheaded by HR—it is the only logical choice,” says George Cauble Jr., SPHR, director of human resources for Henrico County, Va., which has a workforce of nearly 4,000

### Conclusion and Recommendations

For any organization to implement an effective succession plan there are a number of key issues that need to be considered:

- The succession planning program must have the support and backing of the company's senior level management
- Succession planning must be part of an integrated HR process that includes training, development and performance appraisal
- Identify what skills the organization will need in 5, 10 or 15 years
- Critical positions must be identified and included in the Company's succession planning program
- Identify high-performers that are almost ready to step into those critical position
- Analyze the workforce and identify who will be eligible for retirement within the next five years
- Managers need to identify the responsibilities, skills and competencies that will be needed by their replacements
- A system for communicating succession planning information to managers must be established
- A systematic approach for identifying, nominating and selecting potential successors must be established
- Background information on potential successors, such as education, experience, skills, appraisals and potential should be reviewed
- The training and development requirements of potential successors needs to be determined
- The skills of potential successors must be developed through work experiences, job rotation, projects and other challenging assignments
- A system for monitoring candidate's development plan progress by senior management should be established
- Succession planning must include a system for providing feedback and encouragement to potential successors
- Succession planning is basically a "numbers game" that requires good organizational skills and the ability to pay attention to details
- Finally, the succession plan must belong "to the organization” and not to the HR department in order to make sure it has the attention it deserves

### References


