The Science of Succession Planning

PLAN FOR SUCCESS

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Why Succession Planning?

If you're not familiar with succession planning, let's define it right away. I define it as the systematic evaluation and development of employees for the purpose of identifying the next generation of leaders and setting them up for success. This is one of the most important tasks any organization can undertake. In fact, it could make or break your business. One article reported that 75% of business don't survive past the first ownership handoff. Another article, although somewhat dated, reported on succession planning research that indicated about half of US and Canadian companies couldn't name an immediate successor for their CEO. Almost 40% of the companies said that they didn't see any viable internal candidates for this role. In fact, Harvard Business Review (HBR) reported an increasing global trend in CEO turnover. Granted, this article was written in 2016, but it's hard to imagine that organizations have become more stable since then, particularly since CEO firing, due to ethical lapses, appear to be an all-time high.

But succession planning isn't just about CEOs, or even about just the executive ranks. Succession planning should be considered throughout the entire organization. The problem is that companies are generally not just unprepared to replace their senior leaders, they're not thinking in terms of replacing very many people at all. One article indicated that only about 25% of the workforce in companies have succession plans in place. This is a major problem and is only getting worse, especially considering the Great Resignation of the COVID era. An event like this only serves to expose the lack of succession planning in organizations, who are sent scrambling to figure out a way to replace that talent that is leaving in droves. Not only is replacing talent expensive, but it's not easy, particularly when you have to do so from outside of the organization.

A fascinating study by the HBR found that a fairly stable company that replaces a CEO with an outsider "destroys massive value." And why do you think a company would look to the outside to replace their chief leader? It's often a problem with succession planning. They simply had not adequately prepared anyone inside the organization and/or had not adequately assessed the potential internal candidates.

The Cost of Poor Succession Planning

Another study referenced by HBR showed that replacing a CEO externally costs 15% more than internal hires and are 84% more likely to leave than an internal hire by the 3-year mark, mostly due to poor performance. Again, external hires are most attractive when there is no adequate succession plan internally. In addition, CEOs leaving organizations cost global investors at least $870 billion annually. This number would be drastically lower if succession planning had been implemented successfully. Although this study focused just on CEOs, who tend to have the largest single impact, the aggregate impact of poor succession planning through the rest of the organization is also immensely expensive.

Why Succession Planning is Difficult

Given the poor track record of companies with successsion planning, it's worth diving into why succession planning is a challenging discipline for organizations to do adequately. Here are some leading reasons why companies don't do this well:

1. **People are busy.** This task is typically driven by HR, and there are a lot of tasks and responsibilities that fall on this function. With so much going on, it's easy to push this aside.

2. **Putting out fires.** There always seem to be things going awry in organizations that need to be fixed...NOW! That puts pressure on people to think short-term. Since succession planning is about the long-term, it's easy to decide that it is less important than the urgent things.

3. **It requires careful assessment.** There should be a consistent way of measuring work behaviors and who is good at what, but these measurements are often not in place or not used correctly. This makes it hard to know who should be next up for promotions.

4. **You have to actually know your people.** Depending on how many people you supervise, it can be difficult to know everyone equally, and sometimes you don't know people well at all. This makes it hard to choose replacements.

5. **People don't want to think about their leaders leaving.** This is like not finishing your will, because you don't want to have to think about dying. All this results in is being unprepared.

6. **Limited development budget.** If there's not much money dedicated to developing people, it can be hard to identify good internal candidates, thus leaving a poor succession plan.

7. **Cronyism.** Sometimes it's just easier to pick people you know and like and not have to do all the work required to do succession planning well.

8. **We'll have time to figure it out.** This one comes from two beliefs: 1) People are happy in their jobs, won't leave, and we can plan later and 2) adequate planning can occur between the time you find out someone is leaving and when you need to name a replacement. Unfortunately, neither belief is true.

9. **Not knowing what to look for when choosing successors.** Specific competencies are often not in place when hiring/promoting for specific jobs. So, if you don't know exactly what's needed to succeed at the next level, it's tough to choose successors.

10. **Small talent pool.** Some companies might simply not have a lot to choose from in terms of talent.

There are obviously more reasons than those listed above why organizations aren't very good at succession planning, but the bottom line is that this is a very important task that tends to not get completed, is underprioritized, or is done poorly, and it hurts the organization as a whole and the employees as well. It's never good when an employee leaves unexpectedly, but when it's a leader, or even a senior executive (especially the CEO), the last thing the organization needs is reactive scrambling to find a replacement. Remember what typically happens at the top of organizations when an adequate succession plan is not in place: companies tend to turn to external hires. Remember what typically happens when an external hire is brought in to run a fairly stable company: things go downhill quickly. Make sure you aren't set up to be reactive.

Why Succession Planning Is Important

So, not a lot of companies do succession planning well, and there are a lot of reasons why it's challenging to do. So what? Why does it really matter that much? Perhaps succession planning doesn't feel very urgent or important, but for the vast majority of situations, it matters immensely. Here's why:

1. **It sets your employees up for success.** A good succession plan lets employees know where they stand, gives them a developmental plan, and clarifies career progression. Good succession planning builds in a developmental mindset with employees and the organization as a whole. When employees are actively being developed, they are going to have more success.

2. **It sets your company up for success.** Imagine an organization where all the employees are working toward a development plan, which is aligned with organizational goals. This is a major contributor to a high performance culture.

3. **It increases bench strength.** If you know who your solid performers are and regularly assess those who aren't, you're either developing the underperforming ones or are replacing them. Either way, you're increasing the depth of your teams.

4. **It acts as an insurance policy.** You can't always know when a leader is going to leave, and this is precisely when a strong succession plan does you the most good. Having one in place protects the organization from reactive, sub-optimal decisions, which are never good for the company.

5. **It helps with workforce planning.** If you know how many good employees you have and how many you need, as well as how many you anticipate will be leaving the organization, you'll have a better sense for whether you need to go find new employees or simply develop the ones you already have.

6. **It increases retention.** Remember that succession planning is an investment in the company AND the employee. People like to be developed and know that that the company creates opportunities for them. By the way, it is much cheaper to keep an employee than it is to find a new one.

Case Studies

Typically when I include case studies, it highlights a failure regarding the topic I'm discussing. This time I also want to add a positive spin to a story. But first, the negative:

I knew a founder of a government services contracting company who was bemoaning his abysmal failure rate hiring his executives (about 50% failed and exited the company). This was not only a failure in the hiring process (more on this in my eBook "Choosing Great Leaders"), but it was a failure to adequately develop internal candidates. Remember the research cited above about the high failure rates of external hires for senior leaders? This problem played out in spades in the company, with external hire replacing external hire, turning over quickly and creating all sorts of problems in the business. Adequate succession planning would have gone a long way toward mitigating this issue.

On the positive side, there is a company I've done some work with that is a family-owned business that goes back several generations. It has a long history of family members being involved in the company, helping to bring it to a successful position in its industry. There is perhaps no more compelling situation for succession planning than in a family-run business. This company decided to do formal assessments on the next generation (in high school and college) to get a good understanding of the strengths and weaknesses of each one, as well as the areas where development would be most impactful. Knowing how these future leaders align with the needs of the business and developing them years ahead of time is a big indicator of future success.

Step 1: Good Job Descriptions

As boring and pedestrian as it might sound, one of the foundations of good people management is having a well written job description. This task is often overlooked, and there's a lot of cut and paste between positions and using old job descriptions that haven't been updated to match what the job actually does. Let's take a look at some of the things that depend on job descriptions:

- **Job postings** - This is the first interaction that potential candidates will have with the job. The job posting, which should be based on the job description, will either entice candidates or bore them. It will either create a clear picture of job duties or it will be confuse them. It will either be very clear in who should apply or the lack of clarity will encourage unqualified candidates to flood the application pool.
- **Hiring** - The interview questions should be based on the job description, at least in part, so that you know how to assess experience and expertise in important areas. Interviewers should be familiar with the job and its duties, so that they can know what they're really assessing. Finally, the most qualified candidates should be the best match to the actual job duties. All of this depends on a good job description.
- **Onboarding** - Once a candidate has been hired, their manager would be well served to have a conversation and compare more fully how the new hire's skillset matches the essential duties of the job (which are found in the job description). This allows the manager to be laser-focused on what duties need additional support and which ones you can allow the employee more freedom initially.
- **Performance evaluation** - All employees should be evaluated on their performance at least annually and be given informal feedback much more frequently than that. What do we base performance evaluations on? How an employee performs against important job functions - and we know which job functions are most important, because they're measured largely against their job description.
- **Promotion** - When considering promotion for any employee, there are at least two things we should be measuring. The first is if they have mastery of the essential tasks in their job description. If not, then they aren't ripe for promotion. The second is to compare the employee against the essential tasks in the job description they are likely to promote into, so we know who is most prepared and how to develop them if they aren't.
- **Firing** - If people are consistently underperforming in major job areas, then they aren't adequately carrying out the duties described in the job description. It's tough to fire someone who carries out the job description duties well, even if they're not great in other areas. If failure in the other areas becomes so problematic that it's worth firing, then those areas probably should be captured in the job description.

So, virtually the whole employee life cycle is related to the job description. If you're using old, outdated, and/or vague job descriptions when you hire, you're more likely to end up with employees who aren't great fits with the actual job duties. If you're hiring people who aren't strongly aligned with the actual job duties, you're going to have to do more training and educating before they're able to do the job independently. And you're also more likely to have to do some firing when you realize that a portion of new hires really aren't prepared or able to do the job like the organization needs them to. Hopefully the connection to succession planning is obvious here. If you're not hiring well for positions, have to do more training to have competent employees, and need to rely on non-voluntary attrition to weed out the people who just aren't cutting it, this robs your organization of bench strength. You just don't have enough people who are expert at what they do and are well aligned with their job duties. The weaker your bench is, the fewer people you have to replace people who leave. It will also be less obvious who the successors are to positions when they open up. You'll then either be tempted to put a warm body into that position, just so it doesn't go unfilled or you'll look outside of the organization for people to fill that role. And remember what we said about relying on outsiders to fill vacant positions - it's very expensive, more time consuming, and ends up being more disruptive to the organization. Good succession planning relies on good bench strength. Good bench strength relies on competent employees. Getting competent employees relies on good hiring. And good hiring relies on having strong job descriptions. You really need good job descriptions.

Step 2: Position-Based Competencies

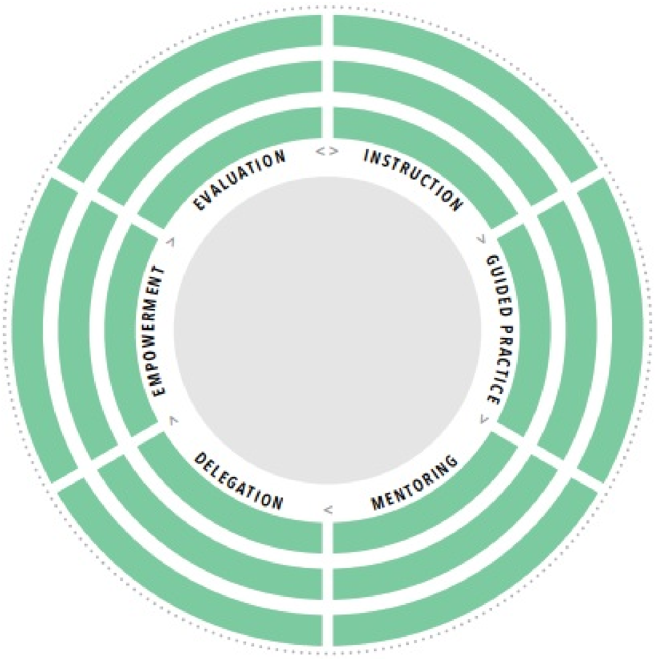
I mentioned above that organizations don't always do succession planning well. I also mentioned that they don't always have good job descriptions for positions. Let's add another thing to the list that organizations don't always do well - have relevent competencies attached to each position. Sometimes there are competencies, but they aren't always updated to be in alignment with the current demands of the position.

Before I dive in further, let's take a moment to define what a competency really is. It's based on the word 'competent', and most of us know what that means. It means to be good at something and have a certain minimal skill level. We wouldn't call someone a competent musician if they're making lots of mistakes in a recital. We wouldn't call someone a competent driver who just got in their third accident in the last six months. We wouldn't call a physician competent if they just got their license revoked. With every profession, we expect a certain level of skill and experience for them to be considered competent. The same is true within organizations, but the expectations are often very specific. For example, we would expect a program manager to be good at managing budgets and timelines, as well as understanding contracts. We would expect them to be able to lead well, communicate effectively, and keep people motivated. It doesn't really matter what kind of program the person is overseeing, we would expect each of these managers to be competent in a certain set of skills. When we look across the organization and expect certain positions to require whoever fills those positions to have certain and specific skillsets, we call those competencies.

The challenge for most organizations is that the competencies are different, generally, for each position. For example, we wouldn't expect a drill press operator to be familiar with contract law. That would be a competency I would expect of a general counsel. I would expect, however, that a drill press operator would know how to operate a drill press. I would expect an accountant to be comfortable with Excel spreadsheets, and so on. Where organizations often struggle is in identifying what the key competencies are for each position and keeping them aligned as the position shifts over time.

Competencies are extremely important, in that they help organizations stay focused on the necessary skillsets required when hiring new employees. If you know the skillsets required for success in any given position, it allows you to be much more focused in your hiring process. It also allows you to compare current employees against the competencies. Generally speaking, this is called employee evaluation, and it should be happening at least annually. It is vital to understand how to assess your employees on their job performance, and this assessment should be against the primary competencies of the position. Ultimately, if you don't have good competencies in place, it's hard to measure employees against them. If it's hard to measure employees against what they should be good at, it's hard to know who's really doing a good job. If it's hard to know who's doing a good job, succession planning is going to be a challenging task.

Step 3: Assess Employee Competency



As mentioned on the previous page, once you have competencies in place, you can begin to assess employees against them. The ultimate goal is to know where each employee stands on each of the competencies required to do their job well.

At Bartell & Bartell, we have an assessment called the Leadership Alignment Index (LAI). This assessment is really about measuring how intuitive a leader is in developing their employees. The circle on the left is part of the assessment output and describes the six stages of employee development. We often start off with someone who needs some instruction, we move them into guided practice and then mentorship as they develop some basic skills. When they have more experience, we can delegate work to them, with the ultimate goal of them taking complete ownership of their work (empowerment). Then, we can do some evaluation to see if they're ready for the next step.

When we compare employees against the competencies, we're really assessing them against the six stages described here. Let's say that someone has just promoted into that program manager role, and you find yourself having to go over the basics of budgeting with them. Regarding this competency, they would be in the 'Instruction' stage. Maybe they have some experience executing on contract requirements, but you see the need to come alongside them and illustrate the finer points of contracts, to help build their skillset in this area. On this competency, they would be in the 'Mentoring' stage. Perhaps they have a lot of experience leading people, and they've stepping right in and have been communicating, bulding rapport, and getting a lot of engagement from the personnel on the project. Here, they would be in the 'Empowerment' stage.

So, simply comparing your employees against the LAI wheel and getting a strong sense of where they match up well with the competencies and where they need some additional work is the foundation of employee development. After completing this assessment, you may find that your employee largely sits in the 'Delegation' and 'Empowerment' stages on most of their duties. However, you realized during the assessment that there is one area where you keep having to intervene and fix mistakes. Maybe this program manager keeps agreeing to tasks that are beyond the scope of the contract, which creates more work but no additional revenue. You often find yourself 'counseling' this person about what contract requirements are and what they aren't and how to better manage client requests that are outside of the contract. After this assessment, it becomes clear that they need more mentoring in this area.

Now we are in position to create a development plan for this person (although we won't make one yet), and it started by assessing them against the job competencies. Imagine every manager in your organization assessing their people regularly against the competencies and creating a development plan for the areas that need improvement. Not only would you recognize incompetence more quickly (and perhaps need to exit them from the organization), but you are increasing your bench strength and improving the overall performance of your organization. Again, without knowing where your people stand on the LAI wheel against their competencies, it's hard to develop your employees and have a clear view of where the performance strengths and weaknesses are currently.

Step 4: Assess Employee Competency (Part 2)

Many organizations, if they do assess their employees against their job competencies, stop at step 3, from a succession planning perspective. They basically see who does the best job and is most advanced in skillset against their job description and create a list of top candidates for promotion. This is a big mistake, and it's one that many organizations make.

It ultimately comes down to the difference between being a high performer and being a high potential. Often, companies just consider high performers for promotion. However, being good at your current job is not highly correlated with being good at your boss's job. For one thing, some of your employees may not even want to be promoted out of their position. They may enjoy what they do and like the confidence that comes along with being competent in their jobs. So, recognizing high performance employees does relatively little to advance succession planning, and it may, in fact, hurt it. Depending on your past experience, you may have witnessed the problems that can come about from promoting someone simply based on being competent at a lower level.

This is called 'The Peter Principle' (named after Dr. Laurence Peter) and it's about promoting someone beyond their current competencies. Take, for example, Charlotte, who is in a sales position and has quickly become the most successful salesperson in the company. Perhaps the sales manager is leaving the organization, and you decide that Charlotte is the most likely successor, given her significant success and being identified as a high performer. There are two problems with this scenario. The first is that you'll be losing your best salesperson, which isn't always best for the organization. The second problem is that what makes Charlotte so successful in sales is that she is extremely competitive and doesn't let anything get in the way of achieving her individual goals. In fact, you've seen some of the conflict that has occurred with her peers, due to this single-mindedness. Is this the profile of someone you want to promote into a managerial role? Probably not. It's likely that if Charlotte promotes, her self-focused, competitive nature will actually serve as a detriment to the team, possibly causing people to leave. In this case, Charlotte would have been promoted beyond her set of competencies.

To avoid a scenario like this, the fourth step in the process is to compare the employee's skills against the competencies required at the next level. This is a very similar process to what we see in step three, but we're not looking at how to improve in their current duties, we're looking at where they need to improve to succeed at the next level. Seeing where they fall short of what would be expected of them after promotion gives us a clear picture of who is closer to being prepared for the next step and what they need to work on before that step is taken.

Let's say that you do this exercise and find that Mary, a peer of Charlotte, seems to have a lot of the characteristics you'd be looking for in a sales manager, and she also happens to be a competent salesperson in her current position. She works well with others, is supportive but also holds people accountable. She recognizes good performance and collaborates to achieve organizational goals, not just her own. She is also intelligent and a strong communicator. Mary, then, is what we'd call a high potential, becasue she's not just good at what she does but is also poised to successfully make the next steps in her career.

Although we'll discuss more about high performers versus high potentials below, it is vital to understand the difference between the two. In this example, it would be a big mistake to promote Charlotte, but Mary is likely ready for that next step. But you won't know this until you compare them against what the next job would require of them.

Step 5: Create a Development Map

Let's review very briefly what we did in steps 3 and 4. From a very broad perspective, we're using tools and assessments to create two snapshots in time. The first is a picture of how each employee compares against their current job description. Are they good at what they're supposed to be able to do, or are you commonly fixing their mistakes? Are they always coming to you for help and guidance, or are they operating independently? Do you find that they're reliable in following through on what needs to be done, or are you always having to remind them to make sure things get accomplished? Getting a clear picture of how good they are in their current role is a vital part of the succession planning process. The second snapshot is how the employees compare against their next role. You're looking at two things in particular. The first is where they need to develop to succeed in that role and the second is whether or not the competencies of the higher role are really beyond the strengths and skills of the employee. At this point, the two snapshots give you a clear indication of where they are versus where they should be as a high performer in their current role and ready for promotion into their next role.

However, there's another piece of the picture that is extremely important at this step that we cannot afford to overlook. This important piece of data is where each employee wants to go with their career. In general, there are two tracks that employees proceed along. The first is the expert track, which continues to develop the skills of the employee at the level where they currently are, because they don't have a desire to promote. Maybe it's because they like the overtime pay. Maybe it's because they don't want the additional responsibility. Maybe it's simply because they love what they do. The truth is that not everyone wants to promote, and that's perfectly fine. In this situation, organizations support this employee by growing their skillset and expertise, so that they continue to grow as a valued employee. The second track is the one focused on leadership and involves people not only developing in their current role but also preparing for promotion and leadership opportunities. It's important to note that just because someone wants to pursue the leadership track doesn't mean that they're good leadership material.

Once you've truly understood the career interests of your employees and mapped them against current and future competencies, this allows you to create a development map. This map focuses on closing the gap between the underperforming areas and your desired level of performance for them. If the employee desires the expert track, then this is the only map you need to create. However, if they desire to promote at some point, the map also needs to include developing them in the competencies they'll need in the future. This map should be comprehensive and consider each of the competencies where there is a gap between current performance and what is required.

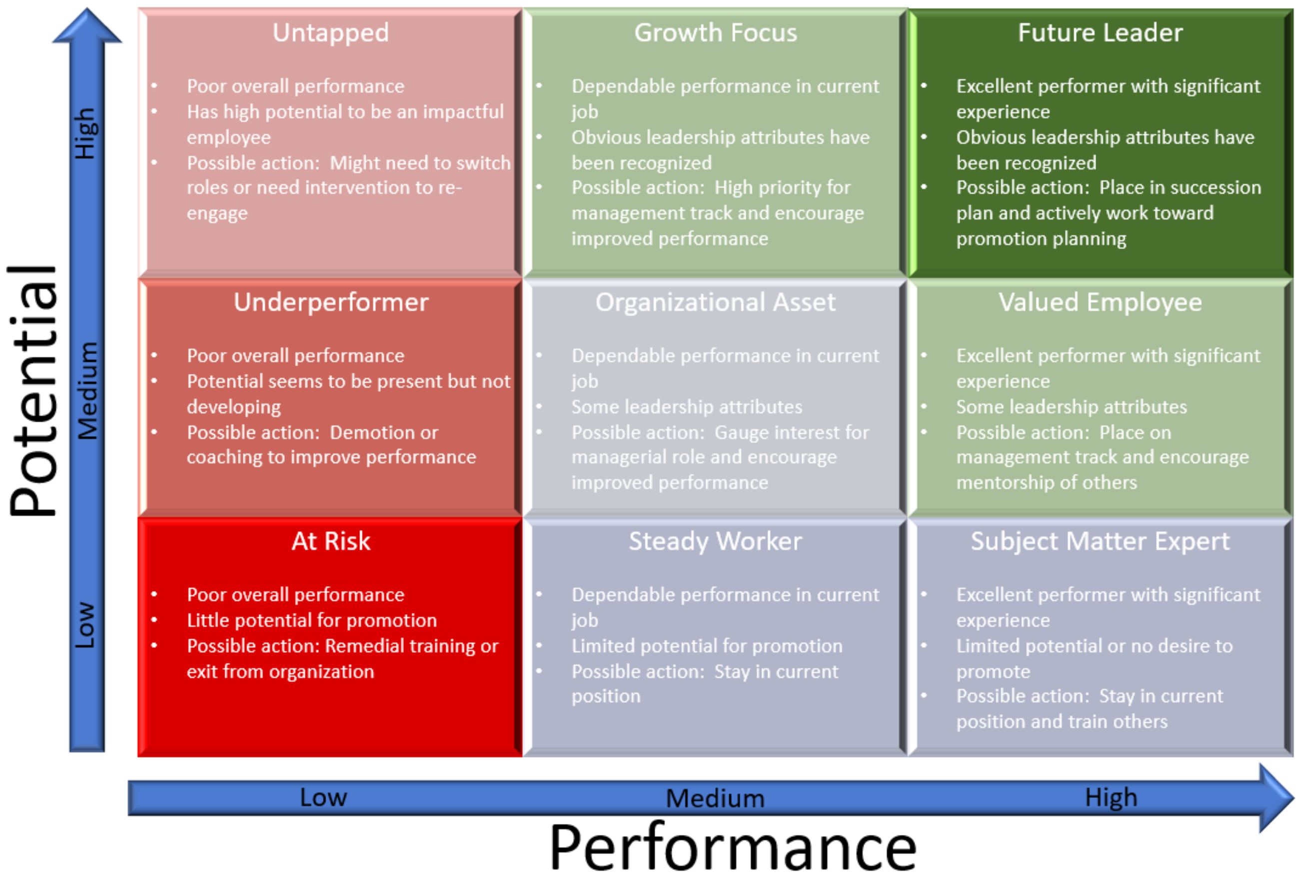
Step 6: Rank Employee Readiness

At the bottom of this page, you'll see the 9-box talent matrix. This is a tool to help the organization rank each of its employees based on the two factors we described in steps 3 and 4. Just to recap. Step 3 had you assess your employees against their current job duties. Another way to describe this is saying that you are assessing your employees' performance. Step 4 had you assess your employees against what would be required of them at the next level up. Another way to describe this is saying that you are assessing your employees' potential. After having done the assessments in steps 3 and 4 on all of your employees, you can start to create a picture of where they sit relative to each other on performance and potential.

This is where the 9-box talent matrix comes in. Please take a moment and study the matrix to understand its design. Based on the results of the performance and potential assessments, you'll be able to place employees on the grid to determine both how they rank against each other and what types of steps might be important regarding employee development. The difference here between employee development and the development map that has already been created is one of the micro scale versus macro scale. The development map created above is about addressing specific, concrete issues. For example, perhaps there's a performance issue with turning reports in on time. That specific, micro issue would be addressed in the development plan. However, from a more global, macro perspective, this grid helps you answer the developmental question of 'where are we headed with this person and what types of actions might we take to realize that vision?' There is a big difference in the developmental focus of the micro and the macro.

Generally speaking, the boxes in red are considered the 'up or out' boxes, meaning that if performance doesn't improve, then they'll typically find themselves out of a job. Usually, the more potential they have, the more investment the organization will put in them before the 'out' happens. The gray box employees can be good contributors to the organization but aren't considered strong candidates for leadership roles and may be a mismatch if they are placed in one. The boxes in green represent those where leadership development will most likely pay strong dividends. Sometimes a Leader 360 can help determine which box people are in.

9-Box Talent Matrix



Step 7: Formalize the Succession List

Let's take a step back and consider the title of this short eBook. It's called 'The Science of Succession Planning'. The word 'Science' is important here. Broadly speaking, science is the attempt to use solid principles of logic and measurement to more fully understand the world around us. It's about being systematic and using tools and methods to get a more reliable and valid result. Too often, succession planning is an afterthought until the need becomes immediate. At that point, there isn't enough time to measure systematically and consistently over time and across people. Informal data is gathered, gut feelings are involved, and current performance is weighted too heavily. There is a lack of awareness of what isn't known, and someone gets pushed into (or an outsider gets hired into) the position. This is an informal, hope-for-the-best approach that will not consistently produce good results. The point of this eBook is that there is a systematic way to build a succession planning capability inside of your organization that involves all of your employees and uses relevant ways of measuring people, such that it becomes less of an exercise in judgment and more of an exercise in gathering and understanding data - and having the most relevant data. That is exactly what steps 1-6 are all about. Ensuring that the organization is gathering the correct data and doing so consistently.

Step 7 is where it all comes together. Many organizations get by with doing step 3 (measuring current performance) and step 7 (creating the list) and hoping that they can get by adequately. If you've done the first six steps well, you'll have clear information and will be able to place your employees on the 9-box talent matrix. Doing this doesn't just show you how employees compare against each other. It also demonstrates bench strength-related organizational weaknesses, if they exist. For example, what if you realize that there are very few employees who end up in the green boxes on the matrix? That means that your organization either needs to start quickly developing people or start hiring differently. This high-level organizational view can be invaluable with workforce planning.

Regarding succession planning, the 9-box talent matrix places your employees in different boxes, allowing you to essentially rank them according to who is most prepared to step into a position once it opens up. The added benefit is that you won't have just one ranked name to consider. You'll be able to put forward a number of candidates as options for each position. This allows you to not only know who would be the number one choice for a promotion, should a position open up, but you'd also know who would be next up if your number one choice decided to leave the organization. This allows you to create a formal succession list with as many names on it as you'd like.

The 3-Deep Rule

If you're creating a succession plan for a front-line supervisor, it's completely fine to only think about who the replacement will be for that position. However, when you're looking at the top of the organization, it's not enough to just consider a replacement. Let's say you're working on the succession plan for the CEO, and you decided that the COO is the successor. Do you have a successor for the COO? That's an important position to fill quickly. If you decide to backfill the COO position with the VP of Operations, is a succession plan in place there as well? Especially toward the top of organizations, ensuring that your succession plans go at least three layers deep will make transitions smoother and reduce uncertainty and downtime in vital positions.

Step 8: Formalize Successor Development

This is the second step that focuses specifically on development (the other is step 5). In step 5, we're looking at two things: 1) the gap between an employee's current performance and the desired performance in their job duties and 2) the gap between their current competencies and the competencies demanded if they were promoted into the next position. Let's contrast what step 5 does compared to step 8 to illustrate the importance of what this step is really all about. Let's say that a promotion would mean that an employee would need to have more experience with project management than they currently have. This means project management training and mentorship might show up as part of their development map. However, step 8 would not necessarily focus on basic day-to-day job skills like that. In this step, we're looking at more macro issues that we would expect high potential leaders to display. While it's important for this employee to become more experienced at project management, we also want to see our leaders communicate effectively, be able to make independent decisions, display long-term strategic thinking, understand the levers to pull to influence culture in a positive way, effectively manage conflict, and display emotional intelligence, among other things. In other words, if you want the people named in your succession plan to be growing into leaders, they need to understand how to lead effectively.

Whereas everyone should be getting a development map in step 5 (which creates bench strength), only the top people in the succession plan will get the level of investment I'm referring to in this step. This development can take many forms. It might be executive coaching from a third party. It might be focused mentorship from a senior leader. It might be investing in an executive MBA for certain high potentials. It might be partnering with a vendor to take a select cohort through specialized education and training over the course of a year or two to expose them to advanced concepts in leadership and help cement new tools into their repertoire. Perhaps there are certain conferences that combine education, networking, and industry news that would be beneficial. Maybe some job rotation would be useful to expose these individuals to different parts of the organization. It's likely that a certain degree of job crafting (allowing the employee to determine parts of their job description, based on skills and interest) would encourage skill-building and accelerate the development of strengths. In all likelihood, organizations will likely use a combination of these suggestions and add some of their own that aren't listed here. The main point is that the organization has a targeted plan of additional development for the people who find themselves at the top of the succession plan.

Step 9: Post-Promotion Coaching

One of the challenging parts of succession planning is that you don't always know when your plan will have to spring into action. Of course, there are occasions when you know someone is going to retire and are given ample time to plan. However, those are the exception, rather than the rule. Often, someone may quit abruptly after a dispute with a colleague or someone gets fired quickly after the discovery of an ethics violation or, perhaps the most common, someone decides another company is better suited to their current needs. Many times, there's minimal notice with voluntary attrition and some kinds of non-voluntary attrition. Because of this, it's hard to tell how long the people in the succession plan will stay in a holding pattern before they get their opportunity. That's why it's so important to have a strategic development plan (step 8), so that your employees don't feel like they're stagnating.

However, a time will come when the 'next up' will get their chance, and they will achieve that promotion they've been waiting for. What now? If you've followed all the steps laid out in this eBook, you will have been diligent in assessing them for 'fit' with this promotion, so we can assume that you haven't promoted someone beyond their capacities. We can also assume that you have taken the information from that assessment and created a development map to help them become better at their current job and move them toward skills that the next job would require of them. Finally, once they were named on the succession plan, you have begun to equip them with 'meta' skills that are required of leaders, regardless of the position they find themselves in. In other words, they are as prepared as the organization could possibly get them before they took over this position. If that's the case, then it's possible that they'll transition smoothly into the new role and have little trouble beyond some minor roadbumps.

The reality is that this is not going to be the way the transition happens. Organizations are dynamic, teams are dynamic, and people are dynamic. This new leader may do things differently than the previous one, creating some resistance among team members. This person may be leading people who, just last week, were peers, and this situation is fraught with challenges. Perhaps there's something about this new leader that a new peer finds threatening, and the peer engages in undermining and manipulative behavior. All this is challenging for a seasoned leader, let alone someone who is new in a position. That's why it's often a best practice to make coaching available for someone post-promotion. This can provide proactive support for them during a transitional period and increase the likelihood that they will succeed (and get there quickly) in their new position. At the lower levels of organizations, it doesn't make much sense to bring in an external coach for this. Mentorship from peers and coaching from the supervisor can be sufficient. At the top of the organization, the complexities of the challenges during a transition often means that an external coach will be the most fruitful approach. No matter what, however, there should be built-in support whenever someone promotes.

The 10th Step: Know Your Employees

Let's revisit the name of this eBook again. As previously explained, I've named it 'The Science of Succession Planning', because it's about creating a plan that is both consistent across the organization and is based on data, not a gut feeling about whether or not someone is ready for a promotion. The process is about gathering data, using it to detect growth areas, and then developing employees into the next generation of leaders (or at least more competent employees).

But there's a missing ingredient in this process, without which, renders these nine steps less useful to you than they could otherwise have been. That missing ingredient is relationship. People aren't products that move along the development conveyor belt until they are where the organization needs them to be. People are complex. They have feelings and personal motives and have their own desires and aspirations for the future. Without understanding these, the development process will be rocky, at best.

Investing in people relationally is the secret sauce behind the science that makes it work. Creating an analogy, science helps build the machine, but it won't work unless there's electricity pulsing through it. Relationship is like that electricity. Things just won't work right without it. So, let's take a look at a few reasons why relationship is so important in the succession planning process:

1. It helps reduce turnover. Building relationships with your people develops relationship equity, which is foundational in loyalty. If no investment is made, people will just focus on self-loyalty, and that's no barrier to turnover.

2. It improves the development plan. It's hard to truly develop people if you don't know where their strengths and challenges are. A mismatched development plan doesn't help anyone.

3. They feel like their career matters. When developing people, we obviously need to keep the needs of the organization in focus. However, that can't be the only thing in focus. If peoples' aspirations can line up with company needs, then synergy develops. You need to know them to help them here.

4. It avoids round peg, square hole situations. As mentioned above, there might be times when you believe someone is promotion material. However, they may love what they do and don't want to promote. If you don't know this, you may try to force something that really won't work for anyone.

My sincere hope is that you've never had to experience a loved one passing away with no will in place that dictated what should happen to their possessions. I've seen people struggle with the fallout of this very situation. It creates chaos, generates infighting, and virtually no one is happy with the end result. Often, lawyers are hired, and that state needs to get involved in a deeper way than they otherwise would. Not having a succession plan is the organizational equivalent of not having a will in place. There will be little clarity, lots of chaos, and loads of unhappy people about how things turned out. The situation will be reactive, and you're much more likely to lose people at this juncture. It is well worth the effort to have a solid system in place for succession planning. Don't get caught without your organizational last will and testament in place.

CONCLUSION

Although many don't think of it this way, succession planning is really the fulfillment of a psychological contract, a tacit agreement between employers and employees that their careers will be nurtured and between the organization as a whole and its stakeholders that they are looking out for the future health of the organization. When this psychological contract is not executed properly, everyone suffers. Employees are left to stagnate, open positions are filled reactively with people who may not be a good fit (or are left unfilled for too long), and the whole organization suffers from the ripple effects of poor people choices and underdeveloped employees. Although it can feel like succession planning is an afterthought that will receive attention once all of the urgent fires are out, you can't afford to put this organizational competency on the backburner. It may take some work to get this ship-shape, but it is well worth the investment.

As mundane as it sounds, the science of good succession planning begins with something as simple as good job descriptions and having strong competencies. Then it develops into robust employee assessment, development maps, and ultimately determining who are best poised for the next steps in their career. But remember that it doesn't stop with naming successors. There should be more development that happens at this point and coaching once a promotion occurs. Don't be caught flat-footed with your people decisions. They are, after all, your greatest asset. Know who they are, where they're going with their career, and be actively involved in getting them there. Your organization's future will thank you for it.

Step 1	Good Job Descriptions
Step 2	Position-Based Competencies
Step 3	Assess Employee Competency
Step 4	Assess Employee Competency (Part 2)
Step 5	Create a Development Map
Step 6	Rank Employee Readiness
Step 7	Formalize the Succession List
Step 8	Formalize Successor Development
Step 9	Post-Promotion Coaching
Step 10	Know Your Employees

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