



YOUR SIX STEP GUIDE TO SUCCESSION PLANNING

Step One: Assess Your Organizational Requirements

1. Review Strategic Plan
2. Revisit Vision and Mission Statements
3. Where is the company looking to grow in the next 2-3 years?
 - a. Which of our current revenue streams will expand?
 - b. What new revenue streams might be explored?
 - c. What new products and/or services might be launched?
4. Where is the company likely to scale back in the next 2-3 years?
 - a. Which revenue streams are in decline?
 - b. Which revenue streams are likely to be disrupted/cannibalized?
 - c. What products and services are likely to be scaled back or discontinued?

Step Two: Review Your Current Skill Set

1. What skills and expertise do we need as an organization in the next 2-3 years, based on the assumptions we made in the above assessment?
2. Which of those skills do we already have in-house?
3. What skills/expertise that we identified are lacking?
4. What expertise do we currently support that may not be required going forward?

Step Three: Interview Your Employees

1. As part of the performance appraisal process, or a separate conversation, ask each employee to identify his or her preferred future roles within your company.
 - a. Do they want to move up within the same area/department?
 - b. Do they want to explore something else within the organization?

Step Four: Evaluate Each Employee's Future Potential

1. Now that you have a better sense of their aspirations, you'll need to determine whether their goals are realistic or not.
2. Consider each employee's current skills, motivation level, and his or her ability to adapt and grow

Step Five: Identify High Potentials, Development Needs and Staffing Gaps

1. After each succession planning conversation, managers should have a list of gaps for each employee that must be closed to ensure succession can take place.
2. Some employees may require additional training and development.
3. Others might benefit from cross-departmental exposure and stretch assignments
4. Work with the person's supervisor to determine the appropriate courses of action
 - a. The supervisor should then be held accountable in their own performance review for progress against closing those gaps

Step Six: Develop Strategies To Retain Top Performers and High Potentials

1. Succession planning is not effective in organizations with high turnover. Reduce the risk of unplanned departures by incentivizing your top performers to stay.
2. Find out what is important to each *individual* employee.
 - a. Retention is not a one-size fits all approach. It varies from person to person.
 - b. Consider how you can deliver on what is important to that individual
3. Ensure overall programs and policies promote retention of your top performers.