Business Succession Planning Quick Reference Guide

Six Ingredients for a Successful Plan

- Be a part of a learning organization.
- Succession planning does not exist in a vacuum.
- ✓ Develop reliable data gathering.
- ✓ Have senior level support.
- ✓ Continually assess your results.
- ✓ You do not have to do it all at once.

What is Succession Planning?

Succession planning...

- ✓ Is a long-term commitment.
- ✓ Focuses on developing individuals
- ✓ Is based on new directions and expanded responsibilities to the job description
- Uses input from multiple perspectives and resources
- Considers whether right person is in the right role and merits advancement
- Addresses developmental needs of an individual to ensure success in current and future roles
- ✓ Is integrated with recruiting, training development, and diversity
- ✓ Focuses on the best candidate for the position
- ✓ Considers needs of the organization

A Plan for SUCCESS

In different resources, you will see succession planning defined and described in different ways. Ultimately, each book puts their own spin on the methods, and your job is to determine which method is the best suited to your own organization. Here is one method that you can use.



A Simple Evaluation System

How committed is your organization to its succession plan? Can you estimate where your CEO, board, or executive management team sits on the one to ten scale? Where do you sit?

They are highly commited and have announced that a program is underway

They'll participate because they know they need

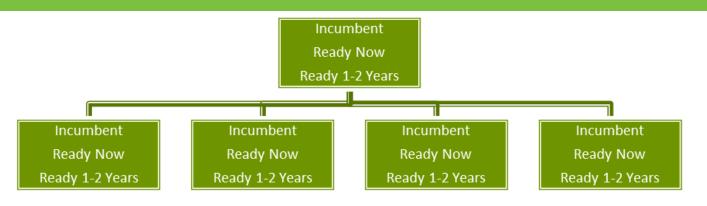
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Sample Risk Assessment

Risk Analysis for ______
Date _____

Category	Factors	Current Risk (Yes/No)	Change expected by Employee (EE) before next reporting period? (Yes/No)	Warning Signs
Pay & Benefits	Our compensation differs from competition by >10%?			Employee exceeding learning curve of colleagues (sign of impending departure)
	Are we offering fewer benefits than competitors?			
Current Position	EE not satisfied with position title			Peers and colleagues leave positions or advance
	EE not satisfied with position			
Balance	Work hours not consistent with life needs			Changes in personal/family factors
	Location not consistent with life needs			
Supervision	Is EE receiving enough mentoring?			Superior's feedback often negative or critical
	Is boss supportive of work habits and results?			
Team	Friend in the workplace?			Does not attend or appear to enjoy outside events
	Team or friend including EE in activities?			
Development	Not learning anything new			No learning opportunities since last reporting period (or not in past year)
	Not receiving dev. opportunities			

Sample Succession Plan Organizational Chart



A Succession Plan Organizational Chart has the same shape as your own organizational chart, but with three names in each box: an incumbent, someone who is ready to succeed right now, and someone who is ready to follow within one to two years.