



# Succession Planning Prerequisites and Preparation

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# Introduction

- Organizational Strategy Group within CPS HR
- Project manager for State and Local Government client initiatives such as strategic planning, **workforce planning/succession planning**, process improvement and employee engagement

## Plan for today

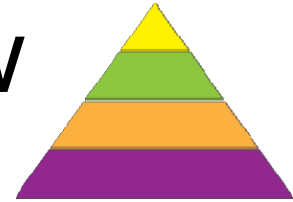
- Summarize the state of succession planning in the public sector today
- Underline some reasons for the current state
- Conduct a few short audience polls on your practices and experiences re: succession planning
- Offer direction on some selected and very practical succession planning “pre-work” that can be done now that will pay off later

# Definitions



- **Workforce Planning (WFP):** the broad process an agency or organization uses to review its general workforce and decide what actions are needed to ensure a reliable and skilled supply of workers into the future. Workforce planning seeks to align the organization's talent with its strategic business direction.
- **Succession Planning (S/P):** A subset of workforce planning with a special emphasis on especially critical workforce talent, **often some level of leadership/management**, essential technical professionals, and/or the top performers. Succession planning focuses on the positions that are most critical for the future of the organization.

## S/P versus WFP: a few distinctions



- The S/P focus is on smaller sub-set of employees, meaning:
  - “Scarcity”-perceived criticality of positions
  - Potential to devote more resources (time, \$) per capita to S/P participants
  - Emphasis on internal candidates given organizational context and learning curves
  - Higher “risk” positions--potential for significant organizational knowledge retained by one person or a few persons






## Criteria for candidate inclusion

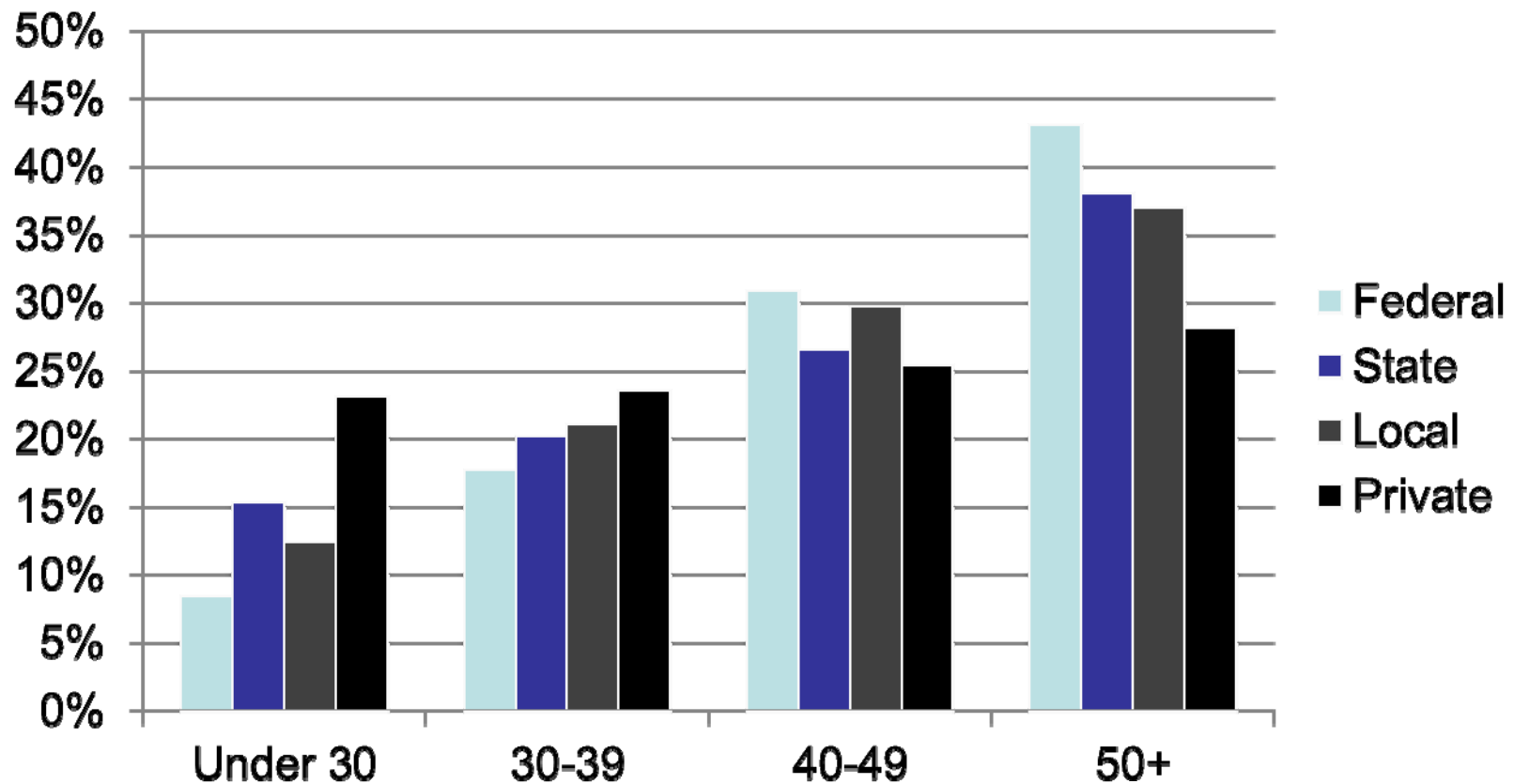
- Critical to leadership continuity
  - Level of leadership or technical specialization
- Strength of “bench” or talent pool
  - Ease/difficulty of replacement recruitment
- Retention security
  - Incumbent proximity to retirement and/or career mobility

## S/P criticality—why?

- Special “vulnerability” of public sector senior leadership
  - The so-called Silver Tsunami 
  - The “transience” of top leaders especially in larger government sectors
- Continuity of “leadership”-irrespective of the specific leaders themselves-is a key to sustaining public service delivery



# Aging workforce public/private



# S/P model #1

**Step 1**  
Identify Key  
Positions

**Step 2**  
ID Succession  
Planning  
Participants

**Step 3**  
Prepare Participants

**Step 4**  
Provide  
Developmental  
Opportunities

**Step 5**  
Monitor Individual and  
Program Progress

# S/P model #2\*

Step	Step	Step	Step	Step	Step	Step
Identify positions In S/P plan	I.D. the functions and when will be avail.	I.D. compe- tencies for positions	Compe- tency gap analysis	Design T/D opptys. for compe- tencies	Dev. and maintain talent pool	Review & track progress & maintain skills inventory

\*Commonwealth of Pennsylvania model cited in CPS HR-Cornerstone “Five Strategies to Expand Succession Planning in the Public Sector,” webinar, 2016.

# S/P model #3\*

Step	Activity
#1	Organizational commitment
#2	Analyze the work and the people now
#3	Evaluate performance levels/outcomes
#4	Analyze the work and people needed in future
#5	Evaluate potential for growth/promotion
#6	Develop people
#7	Evaluate S/P program results against objectives
	*W.J. Rothwell, "The Nuts and Bolts of Succession Planning," Dale Carnegie White Paper, 2007.

 #1

- In the last 3 years to what degree has your agency been affected negatively by the loss of key leadership?
  - Not at all
  - Somewhat
  - Significantly
  - Greatly



## Is S/P important?

- Give what we've focused on so far we would expect that S/P is important to:
    - Department executive leadership
    - Human Resources
    - Agency top executives: city, county, state, federal
- Because:**
- Seniority/retirement eligibility of most public sector leadership
  - Extended climate of “do more with less” economics and resources
  - Mobility of mid-career leadership → Move/Promote

# S/P: state & local government

- ***“Looking ahead, which workforce issues are important for your organization?”***

Ranking	Issue
#1	Recruiting & retaining qualified personnel
#2	Workforce succession planning
#3	Staff development
#4	Competitive compensation packages
#5	Retaining staff needed for core services

Center for State and Local Government Excellence, Survey Findings State and Local Government Workforce: 2015 Trends, June 2015.

# S/P is critical



- 2014 NASPE identifies Workforce Planning (WFP) and Succession Planning (S/P) as primary issue facing state government HR
- 2015 survey of state (NASPE membership) and local government (IPMA-HR membership) on WFP and SP maturity of current collaboration-communications, use of automation tools and process approach/method

National Association of State Personnel Executives, White Paper: “Workforce and Succession Planning,” 2015



# NASPE results (S/P)

Survey Theme	State Govt.	Local Govt.
Collaboration: Communication is poor or ad hoc at best	33%	36%
Collaboration: High level of maturity-adapting to internal and external environments	19%	1%
Automation: Have not automated SP process	47%	53%
Automation: Have centralized automated processes/tools	6%	14%
Process: Managed but not standardized	31%	43%

## More disappointing news

- Despite continued effort to raise the visibility of workforce and succession planning criticality in the state of California:
  - Progress toward developing succession plans are uncertain in many state departments
  - Departments are not using metrics to measure the effectiveness of strategies when plans are in place
  - Departments are not receiving complete and consistent guidance in ways to strengthen these plans

California State Auditor, [High Risk Report 2015-608](#), May 2015.

## (Relative) good news...

- Private sector not always doing that much better
- Succession planning process: **C+**
- Plan execution: **D**

Marshall Goldsmith, "4 Tips for Efficient Succession Planning," Harvard Business Review, May, 2009.

## Why S/P not getting done?

- Failure to plan--"firefighting" instead
- Lack of S/P expertise within agency
- Lack of standardized methods
- Lack of technology tools
- S/P "dumped" mostly on HR versus S/P as total agency high priority
- Economic downturn delayed retirement effect
- **Lack of readiness due to gaps in foundational data needed to develop & execute S/P**



**Homework**

## 3 Prerequisites for S/P readiness



- Substantive record of performance management for leadership
- Capture of developmental resources available
- Strategic planning results/direction

 #2

- To my knowledge, our agency has in place a formal (written) leadership succession plan/program.
  - Yes
  - No
  - I don't know



# Readiness #1: performance tracking



- Management incumbent performance history plays a critical role in several aspects of most succession planning:
  - Initial program eligibility
  - Developmental plan while in the program
  - Skills development as a result of any skills gaps addressed in the development plan



## Ideal performance trail

- **Documented performance history**
  - **Substantive evaluations with measurable goals**
- Coaching/mentoring history with a senior leader
- Broad-based developmental input like 360 feedback survey history
- Work unit performance and/or engagement metrics like customer service feedback and/or employee engagement surveys



# Readiness



- Leadership/management evaluations are not done or not done in timely manner
- Evaluations are minimal, “checkbox” forms with little substantive feedback
- Management competencies are not part of the evaluation standards
- Learning/development goals are not part of the performance management process

## Without performance history

- S/P program eligibility based on “potential” vs. track record of performance using foundational skills
- Program eligibility based on solely manager’s executive sponsor “perceptions” vs. evidence
- Lack of baseline against which to track post-development skills and results

## Readiness #2: developmental resources

- Fundamental outcome of S/P is action to close gaps between skills/competencies needed and skills/competencies now
- An action plan or developmental plan will provide the path to grow skills and experience
- Developmental resources can be found both internal to and external to the organization
- Development should not default to “take a class”—the “inoculation” approach

# Inventory T/D resources

## Internal

- Instructor–led training
- Web/on-line training
- Resource Library
- OJT
- Leadership academies
- Mentoring/Coaching
- Job rotation
- Project leadership
- Job shadowing

## External

- Colleges/universities (academic and extension programs)
- Commercial training
- Professional certifications
- Self-paced learning
- Loaned Executive programs

# IDP sample template

<b>LONG-TERM GOAL (3-4 years):</b> IT management position      Program Participant: Jane Doe   FY 2015-16 Plan				
<b>SHORT-TERM GOAL (1-2 years):</b> More active and effective project lead roles				
<b>Competency Focus Areas:</b> <u>Technical Competency:</u> Information Technology Organizational Management; <u>Business Competency:</u> Communication				
Competency Focus	Measures/Evidence	Development Activities: Internal and External	Resources/Support Needed	Timeline
<b>1. <u>Information Technology Organizational Management:</u></b> <b>Develops strategic plans, objectives and priorities for assigned work units/operational areas. Provides overall direction for day-to-day work activities, has budgetary authority, supervises the work of subordinate employees and manages the resources needed. Serves as the main client interface and as project manager for large projects.</b>	Course completion and course feedback report to Oversight team	<b>External:</b> CalHR course "Introduction of the Management Role in State Service"	Course funding and release time for six 2-hour class sessions over 6 weeks	By January 15, 2016
	Completion of job shadow "take-away" report to supervisor post-job shadow and debrief with PM-report guidelines will be provided	<b>Internal:</b> OJT-Job Shadow designated Team PM	Duty flexibility to job shadow approx. 20 hours over 4 months	By March 1, 2016

# Resource inventory

- External resources: relatively easy
  - LMS
  - Training/O.D. function
  - Web-based information
  - Community partners
- Internal resources: **more challenging**
  - Build job/project bank
  - Coaching/mentoring options
  - “Tandem” leadership planning
  - “2-Deep” project management
  - Knowledge retention resources

# Sample: T/D resources-external

Institution	Technical/IT	Leadership, Management or "Soft Skills"	Other Programs or Certifications	Degree	Website
<b>CalHR:</b> -Classroom training -On-line training -Self-paced learning resources	IT Professional Classes: -Communication -Customer Focus -Fostering Diversity -General Government -Health Safety and Risk Mgmt.	Includes Executive and Managers & Supervisor core training	Analyst Training: -Analytical Thinking -Communication -Customer Focus -Fostering Diversity -General Government -Health, Safety and Risk Mgmt. -Personal and Professional Development	N/A	<a href="http://www.calhr.ca.gov/training/Pages/main.aspx">http://www.calhr.ca.gov/training/Pages/main.aspx</a>
<b>CA Department of Technology</b> -Classroom training -On-line training -PACe (state on-line e-learning site)	E.g., -MFRAME Intro to JCL -MFRAME INTRO TO TSO/ISPF -CA-PMM PORTFOLIO MGMNT. -MFRAME Z/OS JCL ADVANCED PROJECTS	IT Leadership Academy (one year program including focus on: -Strategic Planning -Collaborative Management -IT Procurement -State Budget Process -Contracting and Vendor Mgmt.		N/A	Office of professional development: <a href="http://www.cio.ca.gov/opd/">http://www.cio.ca.gov/opd/</a>
<b>UCD Extension:</b> -Classroom training courses -Online classes -Certificates	E.g., -Server Side Scripting with PHP -Systems Design	Numerous supervision and management courses and certificate programs	Certificate programs in: -Business analysis -Project mgmnt. -Website Desi	N/A	<a href="http://www.extension.ucdavis.edu">http://www.extension.ucdavis.edu</a>

# Readiness



- Training/Developmental resources are unknown or “scattered”
- The many alternatives to instructor-led training are lower profile
- “Inoculation” approach to T/D prevails versus application to job
- Lack of metrics or measurable outcomes for post-training results





## “Paradox of experience”\*

- All we have is the past & present to provide guidance about what we must do to succeed in the future
- But we also understand that the future will not likely (fully) resemble the past and present

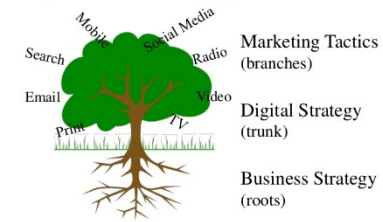
\*Andrew S. Grove, [Only the Paranoid Survive: How to Exploit the Crisis Points that Challenge Every Company](#), 1999.





#3

### Digital Strategy Tree



Dr. Augustine Fou [marketing.science](http://marketing.science.com) [acfou@mktsci.com](mailto:acfou@mktsci.com)

- Does your public agency have in place a current written strategic plan?
  - Yes
  - No
  - I don't know

## S/P continuum

 **Past**

- Mission alignment
- Org. structure
- Org. performance
- Leadership performance

**Future** 

- Changes to mission
- Changing structure
- Legal-regulatory changes
- Technology & service delivery

## Readiness #3: strategic direction

- Whether or not direction is developed via a formal strategic plan, results from some strategic planning can greatly support a leadership succession plan
  - Future programs require different organizational structure
  - Future objectives require different leadership skills/competencies
  - Future efficiencies require outsourcing, contracting, service partnerships
  - Future technologies provide new options for service delivery
  - Societal/demographics changes require re-thinking our “business as usual”

# Strategic planning 101

- Review of mission-vision-values for validity
- Some type of environmental scanning like S.W.O.T. or related analyses
  - Benchmarking
- Identify the impact of evolving trends:
  - Economic
  - Regulatory/Political
  - Customer requirements/Customer demographics
  - Labor market
  - Technology

# Planning 101 continued

- Honest assessment of organizational performance now + extrapolate to tomorrow
  - Current organizational structure
  - Performance trending & metrics
- Identify gaps in present to meet future needs
- Develop a plan to fill gaps (resources, skills, technology, tools, service model, human capital)
- Execute the plan—monitor for needed adjustments

## E.g., Emerging labor issue

- Some recent surveys are not showing public sector “concern” re: the growing role of contingent or “on-demand” workforce issues: contractors, consultants, temps., “extra help,” part-time, etc.
- One survey of important workforce issues facing state and local government shows “managing contract personnel” as 15<sup>th</sup> of 16 top issues

Center for State and Local Government Excellence, Survey Findings State and Local Government Workforce: 2015 Trends, June 2015.

## The growing “*gig economy*”

- While the free-lance/consultant/contractor presence is currently more visible in private sector now (currently 35% of U. S. workforce—potentially heading to 50% in future) a fair question is whether public sector is ready to be more impacted by this shift.
- Key issues include managing “gig” workers working side by side traditional “regular” workers

Bloomberg/BNA, The Gig Economy: HR’s Role in Navigating the On-demand Workforce, January 2016.



# Readiness



- Default to leadership replacement “auto-pilot”
- Lower sense of emerging leadership competencies that address the “new normal” in workplaces
  - Technology/New media
  - Employee engagement
  - Diversity squared
  - One-size-does-not-fit-all policy
- Previous strategic planning as “ritual”
- Orientation to feedback—whether favorable or unfavorable

# Summary

- Many impediments to substantive succession planning for leadership in the public sector are part of our current reality
- It is a real “top priority” that is not being realized to be able to secure leadership continuity
- But preparation of some bodies of foundational data (leadership performance, compiled T/D resources and strategic direction conclusions) can smooth even this rocky path

## A closing thought...

- Change the name of the process from succession planning to succession **development**

*“Plans do not develop anyone-only development experiences develop people... Succession planning processes have lots of to-do’s-forms, charts, meetings, due dates and checklists. They sometimes create a false sense that the planning process is an end to itself rather than a precursor to real development.”*

**Marshall Goldsmith**

Marshall Goldsmith, “4 Tips for Efficient Succession Planning,” Harvard Business Review, May, 2009.

thank  
you!

## Thanks and Questions



- Response to audience questions
- Appreciate your interest in the leadership continuity and public service excellence that can result from meaningful leadership succession planning
- Michael DeSousa follow-up at:  
[mdesousa@cpsshr.us](mailto:mdesousa@cpsshr.us)