



# The Five Key Questions for Creating High Impact Succession Management Programs

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The purpose of succession management<sup>1</sup> is to ensure a steady supply of high performing talent in critical job roles. Historically, succession management focused on figuring out who would replace top executives. But the increasing importance of human capital combined with advances in talent management technology is leading organizations to implement succession management for more and more roles across the company. Succession management is no longer limited to the boardroom, and in some cases extends all the way to frontline employees.

The growing role of succession management within the overall field of talent management is putting pressure on human resource and talent management professionals to figure out what succession methods to use for their particular organization and employee population. Succession practices that work in one company often fail in others. For example, formally identifying “high potentials” may increase motivation and retention in some organizations but create infighting, mistrust, and turnover in others. There is no single “best practice” for succession management. But there are practices that are best for each particular company.

High impact succession management does not come from simply copying what others companies are doing. It requires thinking through the following five key questions:

1. What are the goals of succession management and how will you measure performance against them?
2. What positions and people will be included in the succession process?
3. How will succession candidates be identified, qualified, and evaluated for roles?
4. How will succession candidates be developed?
5. How will you ensure effective adoption and use of succession management methods?

There are several possible “right” answers for each of these questions (see Table 1 on the next page). The challenge is figuring out which answers make the most sense given the business goals, resources, and characteristics of your organization.

<sup>1</sup> Many companies refer to their succession management programs as “succession management”. There is no agreed upon distinction between these two terms. This paper uses the term succession management as it better describes the proactive, hands-on nature of high impact succession programs.

Critical Succession Management Questions: A Short Quiz	
<p><b>1. What are the primary goals of succession management? (Choose the top 3)</b></p> <p>a. Identify candidates for key roles</p> <p>b. Improve accuracy of staffing decisions</p> <p>c. Rapidly fill positions</p> <p>d. Accelerate employee development</p> <p>e. Increased employee engagement</p> <p>f. Create employee development plans and career paths</p> <p>g. Increase retention of key talent</p> <p>h. Increase diversity in key positions</p> <p>i. Other (please indicate) _____</p> <p>Extra credit: describe how you will measure the performance of your succession management process against each of these goals.</p>	
<p><b>2. What positions and people will be included in the Succession Process? (choose one)</b></p> <p>a. Senior leadership and their direct reports (e.g., CEO and two levels down)</p> <p>b. Functional leaders and their direct reports</p> <p>c. Technical experts and others holding pivotal organizational roles</p> <p>d. External candidates pre-qualified for pivotal functional or leadership roles</p> <p>e. All employees</p> <p>f. A combination of the above</p> <p>g. Other (please indicate) _____</p>	
<p><b>3. How will candidates be identified, qualified, and evaluated for roles? (choose all that apply)</b></p> <p>a. Evaluations of past performance</p> <p>b. Accomplishment of specific business goals</p> <p>c. Previous experience</p> <p>d. Subjective ratings of potential</p> <p>e. Standardized assessments of potential</p> <p>f. Career interest</p> <p>g. Turnover risk</p> <p>h. Relationship skill</p> <p>i. Learning ability</p> <p>j. Problem solving ability</p> <p>k. Technical skills and qualifications</p> <p>l. Other (please indicate) _____</p>	
<p><b>4. How will succession candidates be developed? (choose all that apply)</b></p> <p>a. Leadership training and education programs</p> <p>b. Planned job rotation programs</p> <p>c. Developmental assignments in their current jobs</p> <p>d. Action learning programs</p> <p>e. Leadership assessment and development tools</p> <p>f. Manager feedback and coaching</p> <p>g. Executive coaching and assessment centers</p> <p>h. 360 surveys and/or other feedback tools</p> <p>i. Other (please indicate) _____</p>	
<p><b>5. How will you ensure effective adoption and use of Succession management Methods? (choose all that apply)</b></p> <p>a. Require employees to participate in programs to be considered for promotion</p> <p>b. Reward managers for identifying and promoting high potential talent</p> <p>c. Develop and communicate a talent brand around succession management</p> <p>d. Shift responsibility for filling key positions from line managers to corporate talent owners</p> <p>e. Hold leaders accountable for building talent in their organization</p> <p>f. Other (please indicate) _____</p>	

Table 1

### Question 1: What are the goals of succession management and how will you measure performance against them?

The goals of succession management can be as narrow as “who will replace the CEO when he/she retires” to as broad as “how can we maintain a steady supply of high performing talent across all critical jobs within the organization?” In its most basic form, succession management simply generates a list of names of people who are considered qualified for certain job roles. In its most impactful form, succession management influences how people across the company think about performance, potential, job assignments, career paths, staffing decisions, and employee development.

Table 2 provides a list of goals frequently associated with succession management and possible metrics for tracking performance against these goals. The first step in designing a succession management process is to engage senior leaders to prioritize these goals and potentially add others. Why is the company investing resources into creating processes to identify, evaluate, develop, and place talent within the organization? What does it hope to achieve through this investment? What information is the process expected to provide? What impact should the process have on the behavior and decisions of managers and employees? How do they want this process to be perceived by employees, managers, and senior leaders in the company? How about candidates, customers, and shareholders outside of the organization? Working through these questions provides insight into what succession management is ultimately expected to achieve. The more clearly you define and measure the goals of your succession management process the more likely you are to achieve them.

Succession Management Goals and Metrics	
<p><b>Common Succession Management Goals</b></p> <ul style="list-style-type: none"> <li>• Identify candidates for key roles</li> <li>• Improve accuracy of staffing decisions</li> <li>• Rapidly fill positions</li> <li>• Accelerate employee development</li> <li>• Increased employee engagement</li> <li>• Create employee development plans and career paths</li> <li>• Increase retention of key talent</li> <li>• Develop shared expectations about talent &amp; performance</li> <li>• Increase diversity in key positions</li> <li>• Cross-functional collaboration and knowledge sharing</li> <li>• Retain critical organizational expertise during workforce transitions</li> <li>• Build employment brand</li> </ul>	<p><b>Succession Management Performance Metrics</b></p> <ul style="list-style-type: none"> <li>• % of key positions unfilled</li> <li>• Time to fill for key roles</li> <li>• Ratings of employee performance</li> <li>• Turnover rate of high potential employees</li> <li>• % of positions filled with internal promotions</li> <li>• % of employees with identified career development plans</li> <li>• # of “ready now” candidates identified for key roles</li> <li>• % of employees with certain demographics in key roles</li> <li>• Employee engagement scores</li> <li>• % of employees with completed talent profiles</li> <li>• Number of applicants applying for key roles</li> <li>• Recognition as a “great place to work” or other metric of employment brand</li> </ul>

Table 2

**Question 2: What positions and people will be included in the Succession Process?**

Succession management processes can be roughly grouped into two categories: person-based and position-based. Person based succession management focuses on clarifying who is important in the company and who could replace them if they leave. It strives to answer questions like, “if Susan retires are we going to fill her role with Bob, Jim, or Mary?” Process-based succession management focuses on identifying what roles are pivotal to company performance and where can the company find high potential candidates for these roles. It focuses on questions like “where can we find people who have the qualifications and potential to assume specific critical leadership and technical roles both now and in the future?”

Person-based succession management will always play some role in succession management. But it has a lot of inherent limitations. First, it tends to reinforce biases against candidates with certain backgrounds (see sidebar “perils of personbased succession management”). Second, it restricts succession management to a relatively small number of employees since it is built around specific individuals rather than broad groups of people performing similar kinds of roles. Third, it increases the risk of making sub-optimal succession management decisions that focus more on who people like and less on whether people possess the capabilities required to be successful in key roles.

**Perils of Person-Based Succession Management**

Research on staffing indicates people tend to prefer job candidates whose characteristics are similar to people who held the job in the past. For example, if men have traditionally held certain leadership roles, staffing decision makers tend to favor men when filling these roles. The reasons for these biases are complex, but are due in part to people preferring hiring decisions that they perceive to be “normal” or “safe”. The decision to hire a woman into a role that has historically been filled by a man will tend to draw greater scrutiny and criticism than the decision that continues tradition by hiring a man. This problem is increased when succession processes are built around identifying successors for specific people rather than looking for candidates who could perform different types of roles. Leaders who approach succession management with statements like “I want a person who can do what Joe has done” tend to base successions decisions around finding someone who both acts and looks like Joe. This isn’t because these leaders are consciously biased. Women show many of the same biases against promoting women as men do. The problem lies in using succession methods that focuses more on who people are rather than what they are expected to do. The best way to overcome this bias is to develop process-based succession management methods that emphasize matching specific employee capabilities to clearly identified job requirements.

Process-based succession management focuses on defining requirements for critical roles and then identifying candidates who meet these requirements. These methods can take several different forms including:

- **Top Tier:** Succession processes supporting the senior level positions in the company, typically the CEO and two levels below him/her.
- **Role Based:** Succession processes focusing on specific roles in the company that are considered crucial to the current and future performance of the organization. These roles tend to fall into three categories.

**Pivotal** roles where small differences in performance significantly impact company profitability. This includes strategic leadership roles, but may also include key operational roles such as plant managers in manufacturing companies or technical experts in software and biomedical research companies.

**Critical** roles that are necessary to maintaining key company operations and where there is a significant shortage of talent. For example, nurses in healthcare companies or maintenance specialists in utility companies.

**Development** roles that are viewed as key “feeder positions” for providing employees with the skills and experiences needed to move into critical or pivotal roles. For example, many retail companies view assistant store manager as critical development roles for creating future store managers.

- **Functional Ladders or Pipelines:** Succession processes designed to maintain a steady supply of talent flowing through a series of related jobs with increasing leadership responsibility. Functional pipelines are used to structure career tracks that link jobs across the company that are related to a common professional area of expertise. For example, moving employees through a series of different corporate and field finance and accounting jobs in order to build their potential to assume senior financial leadership positions. Many functional ladders are built around stable organizational structures. An example of this often found in retail companies is shift supervisor, assistant manager, store manager, district manager, and regional vice president.
- **High Potential-Based:** These processes are different from other process-based succession methods in the sense that they start with identifying high potential employees first. Employees are identified as high potential based on evaluations of their ability to develop various critical technical and leadership capabilities over time. The process then focuses on assigning these high potential employees to roles and projects that will further build their capabilities so they can eventually assume higher level leadership and technical roles.
- **Total Population:** Succession processes that involve every employee in the organization. These processes are usually implemented to support a mixture of the following three goals: 1) ensuring employees actively engage in knowledge sharing and development activities that will allow others to assume their responsibilities should they leave their current position, 2) providing and engaging employees around possible career paths they can pursue within the company, and 3) drawing on the entire employee population as a source of possible candidates for internal positions with the objective of increasing internal promotions and job transfers.

Most process based succession management methods require use of standardized tools to define job requirements, collect information about possible candidates, and effectively match potential candidates to job openings. This is difficult to do without some form of automated talent management technology. Whether a company can implement some of the more involved process-based methods such as those focusing on functional ladders or the total employee population may be determined in part by the succession management technology it has available.

Companies may also support multiple process-based succession methods at once. For example, some companies have highly structured processes to support top tier succession management and a much simpler set of processes to support more general career planning and engagement for the broader employee population. The most important thing is to think through what processes make the most sense for your company given its business goals, the nature of its jobs and employees, and the resources available to support succession management. Avoid getting locked into just one process simply because “that’s how we’ve done it in the past.”

**Question 3: How will candidates be identified, qualified, and evaluated for roles?**

One of the most difficult parts of succession management is evaluating whether individuals are ready to assume crucial leadership or functional positions. This usually requires predicting if someone can effectively perform a job they have never done before. Predicting people’s performance is difficult in any setting. In succession management it can be even more difficult due to interfering “noise” caused by company politics and personal relationships. Succession management is also subject to legal requirements associated with other forms of employee selection. Companies should carefully think through how candidates are going to be identified, qualified, and evaluated to ensure these decisions are accurate, fair, and legally defensible.

The first step in evaluating succession candidates involves qualifying individuals as candidates for certain roles. This is often termed as building the “candidate slate”. The methods for building candidates slates include:

- **Self Nomination** where candidates self-identify themselves based on their interest in a job role, often as a result of an internal job posting. A problem with this method is it can lead to employees nominating themselves for roles they are not qualified to perform. If this process is used, it should incorporate some form of application screening that clearly communicate job requirements associated with different roles so employees are less likely to apply for jobs that they are not qualified to perform. Self-nomination can also create problems caused by employees transferring to new positions without adequately planning around who will replace them in their current role. Many companies that use self-nomination control these problems by creating qualification guidelines based on time in current role or approval from current manager.
- **Manager Nomination** where managers recommend their direct reports for roles based on an evaluation of the employees’ potential and readiness for the position. The main concern with this approach is that managers may resist nominating high potential employees for fear of losing top talent from their teams. To manage these risks, the nomination process should provide managers with guidelines on how to evaluate employee potential for different roles and provide managers with incentives for promoting high potential employees out of their work groups. The process should also create consequences for managers who are caught “hoarding talent”.
- **Reporting Structure Based Nomination** where candidates are identified using reporting relationships in the company’s organization chart. Reporting structure nomination processes are easy to implement but often have major limitations. First, they can reinforce a “silo based” approach toward succession management where employees can only advance through their current department or function. Second, they may significantly limit the number of candidates who are considered for a role because they only look “down” within the company rather than seeking candidates across different functions. Last, because the quality of a manager’s direct reports often reflect the quality of the manager him/herself, reporting structure based succession practices can lead to mediocre performing leaders being consistently replaced by their mediocre performing direct reports.



→ **Pool Based Nomination** where all employees in certain roles or meeting certain qualifications are automatically considered as candidates for specific positions. This allows for identification of candidates from across organizational departments and divisions. This method is often used by organizations that have identified certain jobs as “development” or “feeder” positions that build employee capabilities to assume more critical roles within the company. Any employees in these roles who meet certain qualifications criteria around tenure, performance levels, and career interests are automatically placed in the candidate pools for future jobs. This method is also used by companies that flag certain employees as “high potentials” for future leadership or technical roles but that do not necessarily slot each employee for specific future roles.

Pool based nomination methods have the advantage of focusing on a wide range of employees and screening them solely based on their capabilities. Some companies even include data on external candidates when building candidate pools. The challenge of pool based nomination is it requires having a fairly detailed database listing employee capabilities and tools to search and sort candidates based on different job requirements. Fortunately, employee profile databases and automated talent search tools are making pool based nomination methods increasingly viable for many organizations.

After identifying an initial slate of candidates for one or more positions, the next step is to evaluate candidates' capability to perform these positions. This is typically done by placing candidates in a “nine box” or using some other method to categorize candidates based on measures of their current performance and estimates of their future potential (see Figure 1 for an example of a nine box).



Figure 1

While the concept of evaluating candidates is straightforward, the mechanics for accurately evaluating candidates can be quite complex. It is easy to put people into categories. Ensuring they are placed in the right categories requires doing three things well:

- 1. Defining Job Requirements.** Evaluating succession candidates without clearly defining the job role is like shooting an arrow without defining the target you are trying to hit. You might get lucky and hit the bull's eye, but you are more likely to land off target. Candidate evaluation should not start with looking at the candidates. It should start with identifying the responsibilities, requirements, and expectations for the roles the candidates are being considered for.

A common mistake in this step is to define job requirements based on who is currently in the role. Just because someone is currently performing a role a certain way does not mean that they are performing it in the way that best supports the needs of the business. Every succession staffing decision should be viewed as an opportunity to improve the impact of critical job roles. Evaluate succession candidates based on what the company needs from the role going forward. This is often different from how people have performed the role in the past.

- 2. Collect Candidate Information.** Table 3 provides a summary of information that can be used to evaluate succession candidates. Which information to use will vary depending on the roles supported by succession management and the ability of the company to effectively and efficiently collect and track different types of employee data. Talent management technology provides significant value in this area by providing tools to efficiently gather and track data on employee performance, interests, experiences, and capabilities.
- 3. Review and Categorize Candidates.** Most companies conduct this step using some form of talent review session where managers meet to discuss slates of candidates identified for different roles. Talent reviews should be carefully designed to ensure candidates are evaluated based on systematically comparing their attributes to the demands and requirements of different roles. The most effective talent reviews follow a highly structured process facilitated by an internal or external talent management expert. This expert should be trained in candidate evaluation methods to ensure fair and accurate assessments of candidate performance and potential.

## Information for Evaluating Succession Candidates

### Hard Criteria

This is relatively verifiable and well defined data about candidates such as previous job experiences, accomplishments and qualifications. Most hard criteria can be measured using structured online tools such as skills management inventories or career interest questionnaires.

**Previous Accomplishments** such as performance against company goals, outstanding business successes, awards, or other data that reflect a candidate's professional achievements.

**Skills, Experiences & Qualifications** that reflect technical tasks the candidate knows how to perform (e.g., proficiency in a computer language, knowledge of how to use certain types of machinery), educational degrees or other certifications they possess, or specific business experiences and assignments they have had (e.g., completing cross-cultural job assignments, P&L responsibility, launching a new business operation).

**Career Goals & Constraints** that reflect the candidate's ability or willingness to perform certain job roles. For example, their job interests, geographic mobility, or willingness to travel.

### Soft Criteria

This data measures things that depend on subjective ratings of performance or that reflect estimates of relatively abstract, intangible candidate characteristics such as "future potential".

**Performance management evaluations** such as job performance ratings, competency ratings and 360 survey results.

Performance management data should always be considered in the succession management process, but it is important to recognize its limitations. Many things influence performance evaluations other than actual performance. Performance evaluations can show surprisingly little association with actual employee performance, particularly when the people making the evaluations know their ratings will be shared with the employees being rated such as is it in most performance management processes. For this reason, many companies collect confidential evaluations of employee performance solely for succession management purposes.

**Measures of future potential** can range from simple manager estimates of what an employee could do to complex psychometric tools that evaluate underlying personality and ability traits associated with success in different kinds of job roles. Measures of potential are extremely important for succession management, but they are also the most complex and prone to error. The most useful measures of potential tend to focus on three broad areas:

*Cognitive potential* reflecting the ability to deal with the kinds of information and problems that people will encounter as they move into positions with increasing responsibility.

*Social or relationship potential* reflecting the ability to build and manage diverse and challenging relationships that are required for effective leadership.

*Change management potential* reflecting the ability to manage the stresses and ambiguity associated with higher level positions.

### Commitment Criteria

This data reflects aspects of candidates' attitudes toward their jobs and the company that should be considered when deciding whether to promote them or provide them with developmental opportunities. Commitment criteria are important for controlling costs that result when companies develop or promote candidates only to lose them to another organization.

**Turnover risk** can be estimated by looking at aspects of the candidate's personal attitudes, career goals, or whether they are approaching retirement age. It can also be estimated by comparing candidates' current salary and responsibilities relative to other job opportunities they might consider outside of the organization. In general, the longer a high potential candidate remains in the same role without any form of advancement the greater their turnover risk will become. Candidates may even be promoted simply to reduce their turnover risk.

**Support for company mission and values** is usually estimated based on manager and coworker evaluations of a candidate's demonstrated commitment to the strategic goals of the company. It is important that people promoted to leadership positions show a strong level of alignment with the underlying values and vision of the organization.

Table 3

**Question 4: How will candidates be developed based on succession management?**

Succession management processes that do not incorporate employee developmental are basically passive methods for taking an inventory of existing talent. They have little impact on improving the capabilities of a company’s workforce. The most effective succession management processes include steps to determine how job assignments and development resources will be used to improve the quality of succession candidates. This includes investing in high potential candidates and taking actions that address candidates who are struggling in their current roles or who show limited potential for future growth. Actions that may come out of these succession methods include:

- **Committing to Move Candidates to New Roles Within a Certain Time Frame.** This includes moving high potentials to positions of increased responsibility, and moving lower potential candidates out of key roles so these roles can be used to develop employees who show greater potential for advancement. It should also include lateral moves to help candidates build the breadth and depth of experience needed to move to positions of increased responsibility within the organization.
- **Providing Candidate with Job Assignments and Resources to Accelerate Development.** The best way to build and evaluate employee capabilities is to give them work goals that require them to demonstrate these capabilities. High potential candidates should be given stretch assignments on the belief they will succeed at these tasks if given the opportunity. For example, if you want to develop and test a person’s potential to manage people then give them an assignment that requires them to actually manage people. Succession management should also be integrated with learning and development programs to provide targeted training to increase candidate’s skills in areas that are limiting their career potential.
- **Investing in Long-Range Programs to Build New Candidate Capabilities and Unlock New Career Directions.** Leading edge organizations integrate succession management with broader workforce planning efforts to build a pipeline of candidates with the technical capabilities needed to support long-term business growth. They recognize that it may take several years for people to acquire the knowledge and credentials needed to perform certain pivotal or critical roles. Career pathing technology can be particularly effective for supporting long-range

succession efforts by increasing employee awareness of future job opportunities within the organization and providing guidance on how to acquire the skills and education needed to pursue these opportunities (see Figure 2).



Figure 2

- **Establishing Expectations for Improvement Along with Consequences if These Expectations Are Not Met.** Succession management processes often identify employees whose current performance or potential is creating a drag on the organization's overall productivity. Tolerating poor performance is costly and sends the wrong message to other employees about the company's expectations and values. It can lead to an increase turnover among high performers who generally like to work with other high performers. It is important that plans be put in place to address and if necessary remove underperforming employees from the organization before the next round of succession management.

It is important to communicate why job opportunities and developmental resources are going to certain individuals but not others. Ensure employees understand the rationale behind succession management decisions, and do not incorrectly interpret these decisions in a way that could undermine workforce moral, productivity, and retention. This requires transparency around the processes used to measure performance and potential and how these measures are used to guide succession management decisions. But it does not mean sharing actual succession management decisions and measures. In most companies total transparency around ratings of potential and performance is likely to cause more problems than it solves (see sidebar on Transparency in Succession Management).

## Transparency in Succession Management

Two questions that frequently arise during discussion of succession management methods are “should we tell employees of their status as high potentials” and “should people be told how they were rated during the succession process?” How a company answers these questions lead to all kinds of emotional, political, and legal issues.

**Should you inform people that they are high potentials?** There are several advantages to telling people they are high potentials. It provides employees with recognition for their accomplishments and may reduce the risk of high potentials leaving to pursue job opportunities elsewhere. It also helps eliminate speculation and rumor around who is and isn’t high potential and why certain people are getting special job assignments or extra developmental resources. Last, it allows the company to ask employees for a commitment in return for being marked as a high potential. For example, high potentials may be asked to relocate with little notice or actively engage in additional developmental projects outside of their normal job role.

The main problem with telling people they are high potentials is it implies that other employees are “low potentials”. This can decrease employee morale and create unwanted turnover of solid performing employees who may not be high potential but who are critical to organizational productivity. Employees may question the fairness of methods used to classify employees as high potentials, particularly if these methods are not consistently applied and widely communicated. Last, some employees who are labeled as “high potentials” may view this as a bargaining chip they can use to extract higher pay from the organization, or as a sign that they are desirable candidates who should be looking for better opportunities in other companies.

Given the problems that can come from labeling people as “high potentials”, many companies do not formally communicate who is and isn’t considered to be a high potential. Those that do tend to meet the following criteria:

- **Communicate expectations of high potentials.** Employees are told why they are being informed of their status as high potentials. For example, the company may provide higher levels of pay or stock options to high potentials and want people to understand why they are receiving this compensation and what they expect in return. This may include greater levels of performance and commitment, participation in stretch job assignments, devoting additional time to development activities, and willingness to relocate. Some employees may even choose not to join the high potential candidate pool because they do not want to make the sacrifices it requires.
- **Communicate that high potential status can change over time.** From a motivational perspective, it is very important that employees view potential status as something that changes over time. Employees who are currently not high potentials need to feel they could become high potentials if they did the right things. Employees who are currently high potentials need to know that this status is not equivalent to a “lifetime membership” in a special club. It is something that must be constantly earned and demonstrated.
- **Define methods used to determine high potential status.** Employees are informed of the methods used to determine high potential status, are given some insight into why they may or may not have been identified as a high potential, and are informed of what they need to do in the future to maintain or change their status.

Should you provide people their actual ratings of performance and potential? I do not know of any company that candidly shares all of the data used to make succession management decisions with the employees that are being evaluated. Employees should be given a general sense of their strengths and weaknesses as it is reflected in this data, but there is rarely developmental value in being told that you are the “best” or “worst” employee in your company. To the contrary, providing such information is likely to create a sense of entitlement among those at the top and a sense of frustration, cynicism and possibly even despair among those in the middle and bottom. It will also change the ratings themselves. It would be a foolish manager that would intentionally tell one of their direct reports that they had the lowest potential of anyone on their team unless they wanted that person to quit. Just because someone may not have potential to move into higher level roles does not mean they are not valuable to the team or that they can be easily replaced.

Succession management methods should increase employee awareness of what things are important for their career growth, but this does not require nor is it supported by providing complete transparency around the actual evaluations used to make succession decisions. There should be a relative level of alignment between succession management data and data used for performance management and employee development, but it is counterproductive to treat these two types of data as though they were the same thing. Employees should know what data is used to make succession management decisions, how this data is used to guide decisions, and in many cases what these decisions are. But this does not require sharing the actual data that was used to make these decisions. Nor is sharing this data recommended.

**Question 5: How will you ensure effective adoption and use of succession management methods?**

Succession management significantly impacts employees' careers, work, pay and benefits and other life changing aspects of their jobs. Succession management also affects how managers, senior leaders, and HR personnel are expected to staff projects and build their teams. These stakeholder groups can and will express strong reactions to succession management methods. There is no such thing as an inconsequential succession management implementation.

Table 4 lists common concerns and possible messaging points for the major stakeholder groups impacted by succession management. Employees can view succession management as either a method to “evaluate and weed out” employees, or as a method to support career aspirations. Managers can view it as a purely administrative process or as a method to ensure the company has the talent it needs to execute on its strategies. Senior leaders may view it as a process that presumes to tell them how to evaluate talent, or as a more consistent, efficient, and fair method to maximize workforce productivity. HR can view it as yet another process they have to support or as an opportunity to play an active role in supporting the business needs of line management and career goals of employees.

How stakeholders react to succession management should not be left to chance. The deployment strategy for succession management should include a communication plan that articulates why it will benefit the business as a whole and “what’s in it for me” for each stakeholder group. Do not assume people will see these benefits — you need to reinforce them constantly.

Succession Management Deployment Concerns		
Stakeholder Group	Common Concerns Expressed Toward Succession Management	Possible Points to Address in Messaging
Employees	<ul style="list-style-type: none"> <li>• Concerns about being evaluated and labeled</li> <li>• Pressure placed on high potentials to achieve superior results and work “even harder”</li> <li>• Employees not identified as high potentials feel undervalued and lack a sense of career future with the company</li> </ul>	<ul style="list-style-type: none"> <li>• Emphasize how the process provides access to internal career opportunities and recognizes people for their potential</li> <li>• Clarify how decisions are made to determine high potentials. Provide assurances to nonhigh potentials that they may be high potentials in the future</li> <li>• Indicate the expectations associated with being a high potential and that it is not something everyone would want</li> </ul>
Managers	<ul style="list-style-type: none"> <li>• Expected to nominate and risk losing best people to another part of the business.</li> <li>• May be asked to fill positions with high potentials from elsewhere in the company who are unfamiliar to them</li> <li>• View the time needed to provide succession data as an administrative waste of time</li> </ul>	<ul style="list-style-type: none"> <li>• Recognize and reward manager who develop talent for the company and promote people “past them”</li> <li>• Provide incentives for accepting and supporting unfamiliar high potential candidates assigned to roles on their teams</li> <li>• Communicate how succession management data is used to ensure a steady supply of talent to support business goals</li> </ul>
Senior Leaders	<ul style="list-style-type: none"> <li>• Must use a consistent and transparent process to promote talent. Cannot base decisions solely on “intuition”.</li> <li>• Must defend their choice of talent.</li> </ul>	<ul style="list-style-type: none"> <li>• Communicate how more structured succession management positively impacts talent management and business goals</li> <li>• Emphasize the creation and use of efficient data collection and candidate evaluation processes and reports</li> <li>• Educate leaders on problems associated with making staffing decisions based on “gut feel”</li> </ul>

Table 4



### **Designing a succession plan that is right for you**

Implementing succession management may seem somewhat overwhelming, but the rewards it provides are well worth the effort required. The key is to approach the process with a clear sense of the business goals driving investment in succession management, and to systematically work through each of these 5 critical questions to determine how the process should be structured and deployed. This includes choosing succession management technology that can effectively adapt and support the unique needs of your organization. And remember, do not implement a particular succession practice just because someone says “this is how others do it”. Figure out what methods are right for your company.

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