

# WHAT IS SUCCESSION PLANNING?

Most businesses instinctively know that to grow the success of their business they need to retain and develop their people. Succession planning provides a structured and targeted approach to ensure that you have the right people, with the right skills, doing the right things at the right time.

An effective succession plan provides the foundations for building a talent pipeline and involves 3 simple steps:

- Forecasting
- Gap analysis
- Developing talent

## FORECASTING

Succession planning is good risk management as it ensures that you have a solid understanding of your potential areas of 'people and role' related risk. The first step in succession planning is to review your team forecast by identifying business critical roles and highlighting the skills, knowledge and abilities needed for each of these roles. This will also inform any recruitment decisions you may need to make.

*Questions for the management team to consider at this stage:*

- Which are the "key" positions that expose us to the most risk if they are not performed/covered?
- What are the critical knowledge/skills we must have now?
- What are the critical knowledge/skills we must have in three years, five years, etc.?

## GAP ANALYSIS

Once you have devised a forecast of the critical business functions and core capabilities that are required to support your business strategy, you can proceed to identifying the skills, knowledge and ability gaps in the current team. From this, you can determine the actual requirements for your future team, thus ensuring that when recruiting and/or promoting, that the right people are in each of the specific roles. Again, this data can be incorporated into your recruitment and selection strategy.

*Questions for the management team to consider at this stage:*

- What are the skills that we need to deliver our current business strategy?
- What are the skills that we need for in three years, five years, etc.?
- Where and what are the gaps?

## DEVELOPING TALENT

While succession planning is a pro-active approach, it does rely on some re-active measures and information from your performance appraisal process to identify your star performers. An effective performance appraisal process coupled with your gap analysis enables you to assess current team capability and identify emerging talent, as well as what investment will be required to develop each team member for which role(s) and what the likely return will be. This information will assist you to build development plans to address any capability gaps, build a stronger team and reduce risk exposure.

Training is often seen as the silver bullet in terms of developing talent however, learning transfer can be a challenge if there is inadequate opportunity to use the skills and knowledge from the training course. There are a multitude of other methods available within the work place to develop talent including:

- Involvement in projects
- Involvement with cross functional teams
- Job shadowing
- Opportunities to move across teams/business units on secondment or longer term
- Assigning a mentor or coach from the senior management team
- Agreeing stretch targets

*Questions for the management team to consider at this stage:*

- Is there any key talent in the business which we agree we must nurture and retain?
- How are we recognising and rewarding our star performers?
- Do our star performers know what they need to be doing to be considered for their next career move?
- What are we doing to ensure that we address performance issues promptly?
- That we are recruiting people with the right skills which support the Genesis brand.
- That we are training sufficient specialist trade and industry experts.

Working through this exercise will establish a pre-qualified pool of high potential, experienced, competent and high performing people who are ready to step up when the next challenge and opportunity arises.

This resource has been kindly provided by



If you have any questions, please call 0800 CHAMBER (0800 242 623).

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