Succession Planning Guide

SIGMA's Succession Planning Guide outlines a straightforward process for identifying and developing internal talent to replenish existing talent when it exits the organization.

This planning guide takes users through SIGMA's 6-stage succession cycle to: identify critical leadership roles, build leader success profiles, nominate high potential talent, assess development needs, develop talent, and measure your organization's progress. The guide provides templates for each stage.

SIGMASuccession
succession planning process

A proven Succession Planning process provides a roadmap for success. This structure ensures consistency across the organization, aides in the communication of the plan across all levels of the organization, and provides the ingredients for success.

Our Succession Planning framework and accompanying templates on the following pages should give you a sense for what is required at each stage of the process along with some helpful tools to get you started.

Identify Critical Roles

There is typically no shortage of need when it comes to Succession Planning. However, it is important to take a measured approach when introducing Succession Planning into an organization for the first time. With this in mind, the first step is to identify which roles your organization should target based on urgency and how critical the role is to the business.

TOOLS/TEMPLATES: At-A-Glance Critical Roles Worksheet (p. 6)

Build Success Profile

Now that you've narrowed down the need to your most critical positions, we can now focus on understanding the requirements of each role. At this stage, we define the talent composition required for success by incorporating present and future needs. This step will provide the target that we'll aim for when selecting and developing future leaders.

TOOLS/TEMPLATES: Success Profile, Leadership Skills Profile - Revised, MEIA (p. 8)

Nominate Successors

The Success Profile in the previous step is the lens we'll use when selecting candidates for succession. This is a stage where a formal process adds much-needed credibility and transparency to combat perceptions of favoritism.

Results from the nomination survey are used to populate a draft Succession Bench that groups successors based on their readiness and provides an 'eye-test' measure of bench strength for the incumbent's role. A well maintained Succession Bench is also a great way to measure the success of your Succession Plan.

TOOLS/TEMPLATES: Succession Nomination Survey, Succession Bench Summary (p. 10 & 12)

Assess Development Needs

The nomination survey is just the first step in evaluating your bench strength. At this stage, there is an opportunity to add objectivity through scientifically validated leadership assessments. The assessments do not take the place of the candidate's history and experience, but add a unique perspective at an incredible level of depth. Any Succession Planning Process should incorporate an objective assessment to measure the talent profile of each succession candidate and to identify gaps that can be targeted through development.

TOOLS/TEMPLATES: Succession Profile, Leadership Skills Profile - Revised, MEIA (p. 14)

Develop Talent

To make your succession process truly succeed, you now need to follow up on the assessment phase by creating a development plan that will help potential successors fill in the gaps in their skills and experience, and progress into readiness for their future roles. This is where the work comes in as development plans are managed for each candidate, and recommended and completed development activities are tracked. At a minimum, create a development plan for all your high-potential succession candidates. In a perfect world, you would have development plans in place for your entire Succession Bench.

TOOLS/TEMPLATES: Development Plan, Development Activities Tracker, Executive Coaching (p. 16 & 18)

Measure Progress

Tracking measurable progress indicators and regularly sharing the results with key stakeholders demonstrates the value of your succession plan and keeps its importance top of mind. When you're just starting out, you might not like all the numbers, but if you set and communicate reasonable expectations from the beginning, in time you'll be able to show year-over-year progress.

Get started today by looking at what you can easily measure now and gathering those numbers. Set a calendar reminder to review, compare, and communicate progress every six months. Even if you only track one metric, get in the habit of recording it, attaching a dollar value if possible, and conveying that to your stakeholders.

TOOLS/TEMPLATES: Talent Progress Scorecard (p. 20)

SIGMA's succession process

identify critical roles	Identify which roles your organization should target through its succession program.	At-A-Glance Critical Roles Worksheet
build success profile	Describe the talent composition required for each critical role at the present time and according to your organization's future needs.	Success Profile
nominate successors	Select succession candidates for each critical role through a nomination survey.	Succession Nomination Survey Succession Bench Summary
assess development needs	Summarize the talent profile of each succession candidate, and identify gaps to target through development.	Succession Profile
develop talent	Outline or update development plans for each candidate, and track recommended and completed development activities.	Development Plan Development Activities Tracker
measure progress	Update the scorecard, tracking various indicators of improved succession planning outcomes.	Talent Progress Scorecard

i at-a-glance critical roles worksheet

the goal: identify the roles your organization should target in your succession program

the steps:
- list your direct reports
- rate each direct report on:
  - readiness to move into your position
  - their plan to remain with the organization
  - the availability of replacements for their role, should the candidate leave or be promoted
- when evaluating someone's plan to remain, consider their eligibility to retire as well as the potential risk that they will seek opportunities elsewhere
- begin with your team, but a good succession plan will scale this exercise out to multiple teams and levels
- print and complete one chart per critical role

For more information on identifying critical roles in succession planning, click here

SIGMASuccession
at-a-glance critical role worksheet

Position	
Name	

Position 1

Position	
Name	
Readiness for Position	1-3 ☐ 3-5 ☐ 5+ ☐
Planning to Remain	1-3 ☐ 3-5 ☐ 5+ ☐
Replacement Readiness	1-3 ☐ 3-5 ☐ 5+ ☐

Position 2

Position	
Name	
Readiness for Position	1-3 ☐ 3-5 ☐ 5+ ☐
Planning to Remain	1-3 ☐ 3-5 ☐ 5+ ☐
Replacement Readiness	1-3 ☐ 3-5 ☐ 5+ ☐

Position 3

Position	
Name	
Readiness for Position	1-3 ☐ 3-5 ☐ 5+ ☐
Planning to Remain	1-3 ☐ 3-5 ☐ 5+ ☐
Replacement Readiness	1-3 ☐ 3-5 ☐ 5+ ☐

Position 4

Position	
Name	
Readiness for Position	1-3 ☐ 3-5 ☐ 5+ ☐
Planning to Remain	1-3 ☐ 3-5 ☐ 5+ ☐
Replacement Readiness	1-3 ☐ 3-5 ☐ 5+ ☐

Position 5

Position	
Name	
Readiness for Position	1-3 ☐ 3-5 ☐ 5+ ☐
Planning to Remain	1-3 ☐ 3-5 ☐ 5+ ☐
Replacement Readiness	1-3 ☐ 3-5 ☐ 5+ ☐

Position 6

Position	
Name	
Readiness for Position	1-3 ☐ 3-5 ☐ 5+ ☐
Planning to Remain	1-3 ☐ 3-5 ☐ 5+ ☐
Replacement Readiness	1-3 ☐ 3-5 ☐ 5+ ☐

Position 7

Position	
Name	
Readiness for Position	1-3 ☐ 3-5 ☐ 5+ ☐
Planning to Remain	1-3 ☐ 3-5 ☐ 5+ ☐
Replacement Readiness	1-3 ☐ 3-5 ☐ 5+ ☐

b build success profiles worksheet

the goal: describe the talent needed in each critical role, both now and in the future for your organization

the steps:
- include basic demographic information on the role

- use existing job descriptions to list position criteria
(e.g., education required, skills needed, and duties to be aware of)

- develop the Success Profile by considering:
  - skills commonly needed for success in the senior management team
  - anticipated future requirements for all senior leaders
  - specific characteristics needed for the focal role
  - potential skill requirements for this role in the future
  - emotional intelligence or other important personal characteristics

- use validated measures to ensure complete and accurate Success Profiles

For more information on building success profiles for succession planning, [click here](#)

SIGMASuccession
draft success profiles

2020 Success Profile

b

Succession Position	Current Incumbent	Exit Year	Urgency
			☆☆☆☆☆

Position Demographics

Location	
Level	
Direct Reports	

Position Criteria

Edu	
Exp	
Skill	
Skill	
Skill	
Skill	
Skill	
Skill	
Skill	
Duty	
Duty	
Duty	
Duty	
Duty	

Leadership Profile

Competency: Senior Management Team

Competency: Focal Role

Emotional Intelligence

Other

SMT: Future

Focal: Future

Other: Future

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n succession nomination survey

the goal: evaluate succession candidates for each critical role

the steps:
- indicate name of candidate and role they are considered for
- for each candidate, rate your confidence in their potential performance for this role
- estimate the timeline until role readiness
- gather ratings from multiple sources, including:
  - the current role incumbent
  - the senior management and succession advisory teams
  - leaders, peers, and direct reports of the succession candidate
- provide additional information on the candidate in the comment box to add context to your evaluation
- complete this survey for each potential succession candidate

For more information on nominating succession candidates, click here

nominate succession candidates

n

Succession Nomination Survey

Position:
Candidate:

How much confidence do you have in this candidate's ability to perform effectively in this position with development in required areas?

not sufficiently acquainted
○

not at all confident	slightly confident	moderately confident	very confident
○	○	○	○

When will this candidate be ready to fill this position?

not sufficiently acquainted
○

ready now	ready 1 to 3 years	ready 3 to 5 years	ready 5+ years	ready never
○	○	○	○	○

Please express any other comments you have, if any, about the ability of this candidate to effectively perform in this position.

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Candidate:

How much confidence do you have in this candidate's ability to perform effectively in this position with development in required areas?

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ready now	ready 1 to 3 years	ready 3 to 5 years	ready 5+ years	ready never
○	○	○	○	○

Please express any other comments you have, if any, about the ability of this candidate to effectively perform in this position.

n succession bench worksheet

the goal: track readiness of succession candidates for critical roles

the steps:
- indicate incumbent and urgency information for position

- list succession candidates according to three levels
  - **level A:** candidates ready for role in **less than 3 years**
  - **level B:** individuals ready for role in **3 to 5 years**
  - **level C:** potentials ready for role in **more than 5 years**

- provide name and demographics for each candidate

- record candidate growth with dates spent at each level

- use the worksheet to track the overall strength of your Succession Bench, and individual candidate's progress over time

For more information on using the succession bench in your planning process, click here

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nominate succession candidates

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2020 Succession Bench

Succession Position	Current Incumbent	Exit Year	Urgency	Bench Strength
			☆☆☆☆☆	C: B: A:

Candidate List

	Candidate Name		Progression to Succession Position			Organization Demographics		
	Last	First	Level C	Level B	Level A	Current Position	Next Position	Readiness for Next
Level A Ready in 1-3 years								
Level B Ready in 3-5 years								
Level C Ready in 5+ years								

a

succession profile worksheet

the goal: identify gaps between role requirements and candidates, and assess opportunities for growth

the steps:
- indicate target position information

- report candidate demographics, education, and experience

- provide position criteria gathered in Success Profile

- use validated assessments to evaluate candidate on qualities required for target role, as indicated in Success Profile

- list gaps between current candidate skills and those required for the target position in each category

- use this worksheet to identify priorities for candidate growth and development opportunities

For more information on assessing development needs, click here

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assess needs

a

2020 Succession Profile

Succession Position	Current Incumbent	Exit Year	Urgency
			☆☆☆☆☆

Candidate

Organization Demographics

Position	
Location	
Age	
Service	
Readiness	

Education and Experience

Education

Experience

Position Criteria

○
○
○
○
○
○
○
○
○
○
○
○

Leadership Profile Assessment Gaps

Management: Current

Management: Future

Focal Role: Current

Focal Role: Future

Emotional Intelligence

Other

d development plan worksheet

the goal: create individual development plans for succession candidates and track their progress

the steps:
- provide information on candidate and their current function
- list all positions individual may be a candidate for
- choose top development areas from Succession Profile
- rank development opportunities on two criteria:
  - largest gaps between role requirements and incumbent abilities
  - most important or frequently used skills
- with the succession candidate, mutually decide which areas to develop in the short- medium- and long-term
- create measureable goals with action plans and deadlines for each area of development
- keep detailed progress notes on successes and setbacks

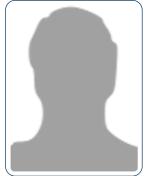*For more information on creating individual development plans, click here*

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develop talent
2020 Development Plan

d

Succession Candidate	Position	Function

Candidate For	Position	Current Incumbent	Readiness	Timeline
1.			☆ ☆ ☆ ☆ ☆	
2.			☆ ☆ ☆ ☆ ☆	
3.			☆ ☆ ☆ ☆ ☆	

Top Development Areas

1.	4.
2.	5.
3.	6.

Development Plan

	Development Area	Goal	Action	Complete By	Progress / Comments
3-6 Months					
6-12 Months					
12+ Months					

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d   development activities worksheet

the goal: specify and track the development activities of each succession candidate

the steps:
- fill in succession candidate's current information

- list each position candidate is considered for

- work together with candidate to create a list of available development activities or opportunities

- be sure to prioritize based on individual development plan

- try to provide a range of opportunity types to ensure candidate receives well-rounded training

- track activities that are completed, in progress, or recommended for future development

For more information on providing developmental opportunities for succession, <u>click here</u>

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develop talent

2020 Development Activities

d

Succession Candidate	Position	Function

Candidate For	Position	Current Incumbent	Readiness	Timeline
1.			☆ ☆ ☆ ☆ ☆	
2.			☆ ☆ ☆ ☆ ☆	
3.			☆ ☆ ☆ ☆ ☆	

Development Activities

	Self Development	Internal Leadership Training	External Leadership Training	Cross-Functional Experience	Global Rotation / International Project	Other
Completed						
Recommended						

m talent progress scorecard

the goal: review program outcomes across important indicators

the steps:
- choose organization-specific indicators of success for your program
  - look for ways to add objective, impactful numbers (e.g., money saved, time delays prevented, or improvements made to existing HR processes)

- gather information from other worksheets, such as the Succession Bench, and from HR tracking systems

- update this scorecard every 6 months (at a minimum)

- use this scorecard to communicate success to senior leadership, succession candidates, and across the organization

For more information on measuring the success of your program, click here

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measure progress

Talent Progress Scorecard				
Indicator	**Date**			
Critical Positions Filled Internally (%)				
Management Positions Filled Internally (%)				
Average Time Hi-Potentials in Same Role (Yrs.)				
Hi-Potential Turnover (%)				
Critical Positions with 3+ Successors (%)				
Average Years Till Ready				
Hi-Potential Engagement				
Individual Improvement				

are you ready?

Whether you believe you have Succession Planning under control or that your Succession Planning is on life support, the following Succession Planning Checklist is a quick measure of the maturity level of your Succession Planning and what areas need to be improved, including:

- **Executive Support**

- **Process**

- **Communication**

- **Documentation**

- **Accountability**

- **The Long Game**

Answer the questions on the following pages to see how your organization stacks up.

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Is your succession plan set up for success?

Whether you believe your organization has Succession Planning under control or is woefully unprepared, the following *Succession Planning: Success Checklist* is a quick measure of the maturity level of your Succession Planning process and what areas need to be improved.

Executive Support

○ Is your Succession Planning initiative supported by your CEO?

○ Is Succession supported by the entire leadership team?

Process

○ Do you use a proven Succession Process?

○ Is that process easy to understand?

○ Are you confident in your ability to explain the process at all levels of the organization?

Communication

Are you consistently communicating the plan to:

○ ... the board (if applicable)

○ ... management?

○ ... individual succession candidates?

○ ... all members of the organization?

○ Do you have formal conversations with leadership on their plans for retirement?

○ Are leaders prepared to have candid discussions with their team regarding each candidate's readiness?

○ Do leaders have the right tools to support development discussions with their successors?

Documentation

○ Is your Succession Plan formally documented?

○ Does the leadership team review the Succession Plan (at least) annually?

○ Is your Succession Plan updated (at least) annually?

Does your Succession Plan include:

○ ... detailed Success Profiles for each leadership role?

○ ... populated Succession Benches for each leadership profile?

○ ... Successor Profiles for each Succession Candidate?

○ ... Development Plans for each Succession Candidate?

○ ... Documented Metrics to gauge the success of your plan?

Accountability

○ Does your plan include detailed timelines and deliverables?

○ Do you have a process in place to hold participants accountable?

○ Do you have a scheduled annual review that includes your entire leadership team?

The Long Game

○ Is the Succession Plan aligned with the organization's long-tem Strategic Plan?

○ Is there a plan in place for multiple levels of the organization (i.e., not just the CEO)?

○ Are recruitment, hiring, and talent development aligned with your Succession Plan?

○ Are Success Profiles built with the future in mind?

○ Are you focused on developing pools of talent for each role vs. identifying one successor?

Your Score [ ]

0–10 At risk for unexpected disruptions

11–15 Demonstrates need for improvement

16–23 Solid foundation with room to grow

24–28 Mature plan with minor adjustments needed

Regardless of your score above, our *Succession Planning Launch Series* can help. With just two separate half-day workshops, our series delivers a comprehensive full-year implementation plan customized for each member of your executive team. Find out more here.

SIGMA SUCCESSION

SIGMASuccession
succession planning launch series

Delivering knowledge, structure, and resources enabling organizations to independently implement a robust succession planning process

THE NEED FOR SUCCESSION PLANNING

Due to a variety of demographic factors, there is a heightened sense of urgency for organizations to focus on succession planning to lessen risk and stay competitive.

Despite this urgency, organizations continue to delay making succession planning a priority. As a result, they struggle to simply keep up with every day organizational demands.

SIGMA can help with our Succession Planning Launch Series. This series efficiently delivers everything you need without sacrificing your ability to focus on more immediate priorities.

SUCCESSION IMPLEMENTATION PLAN TABLE OF CONTENTS

the need	context for succession planning
future of organization	organizational vision
staff statistics	staffing counts, hiring numbers, retirement eligibility
the plan	detailed implementation plan organized by stages
succession process	overview of stages
identify critical roles	overview and plan
succession advisory team	list of succession advisory team members
organizational charts	color-coded for incumbent retirement / candidate readiness
build success profile	overview and plan
impact on business	key impact areas for each critical role
draft success profiles	key knowledge, skills, and credentials for each critical role
nominate successors	overview and plan
draft succession benches	candidates sorted by readiness and progress along bench
assess development needs	overview and plan
assessment plans	candidate assessment activities for each critical role
draft succession profiles	summary of candidate attributes as per key criteria for role
develop talent	overview and plan
development plan form	candidate top development areas, activities, and timeline
development tracking form	record of development activities completed / to complete
measure progress	overview and plan
talent progress scorecard	measure of progress indicators over time

WHAT IS SIGMA'S SUCCESSION PLANNING LAUNCH SERIES?

Through two interactive workshops, we work with your leadership team to build an actionable *Succession Implementation Plan*.

WORKSHOP 1

In the first (half-day) workshop, we focus on learning about your specific organizational needs and gathering information to help you build your detailed *Succession Implementation Plan*, including:

- NOMINATING your Succession Advisory Team
- DOCUMENTING your current Succession Planning process
- IDENTIFYING Critical Roles to help determine focus moving forward
- DEVELOPING draft Success Profiles for each leader
- DEVELOPING draft Succession Benches for each leader's team
- DETERMINING what Objective Metrics you currently have in place

We then work with what we've learned to prepare a customized *Succession Implementation Plan* for each member of your management team, including a detailed project plan for each stage of the process.

WORKSHOP 2

In the second workshop, we collectively review, critique, and analyze the implementation plan while:

- REINFORCING the urgency of Succession Planning using staff metrics, hiring activities, and retirement eligibility data
- VALIDATING draft Success Profiles and Succession Benches by leveraging perspectives from multiple leaders
- DEVELOPING Assessment and Development Plans for successors
- BUILDING Accountability into the process by assigning deliverables and milestones
- DELIVERING the knowledge, structure, and resources you need to successfully implement and manage a robust Succession Process.

The *Succession Implementation Plan* becomes a living document and will form the foundation for managing your process, providing accountability, and measuring progress.

At $9,500, our Succession Planning Launch Series is the simplest way for you to build a robust Succession Planning process to ensure your organization's leadership is positioned for success and prepared for the unknown.

Contact Glen at gharrison@sigmaleader.com or 800-265-1285 ext. 233 to schedule your workshop now.

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