

Succession Planning Objectives, Principles, and Definitions

By Nancy MacKay, PhD
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Succession planning isn't just about filling positions; it's about cultivating a pipeline of strong leaders poised for future growth. This tipsheet provides clear objectives, guiding principles, and essential definitions to help organizations establish effective succession plans and leadership development initiatives.

ESTABLISH CLEAR OBJECTIVES

- An agreed-upon succession plan for potential successors.
- Identified successors for each key position.
- Leadership development is a formalised aspect of every leader's accountabilities (i.e., not just identified successors).
- Successor development is viewed as the responsibility of the entire executive team, rather than one executive responsible for a specific functional area.
- 100% of executive positions have high performance key talent.
- 100% of identified successors are high potential talent (e.g., jumpers, growth, mastery).
- 100% retention of identified successors.
- 50% of the identified successors are "ready-now" candidates and the other 50% are developing.
- Identified candidates become "ready-now" within 1-3 years.
- 100% of the identified successors have approved (30, 60, 90, and 180 day) individual development plans in place for immediate action.

ESTABLISH CLEAR PRINCIPLES

- Focus on strengths
- Play big
- Think out of the box
- Identify experience, skills, and behaviours (e.g., persuasiveness, assertiveness, attention to detail, tolerance for repetition) for success
- Break down silos
- Offer no guarantees
- Develop action plans and commit
- Hold people accountable for execution
- Communicate with clarity and honour anonymity and confidentiality



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ESTABLISH CLEAR DEFINITIONS

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STANDARDS FOR EVALUATING RISK TO LOSE STATUS (RETIREMENT, PROMOTION, EXTERNAL)

- High – (I plan to resign/retire next year)
- Medium – (Will there be any new opportunities for me soon?)
- Low – (I love my job and I plan to stay here)

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STANDARDS FOR EVALUATING PROMOTION READINESS STATUS

- A – Participant is ready now for promotion
- B – Participant can be ready to advance in 1 year
- C – Participant can handle responsibilities at present level or one level above
- D – Participant should be held over or cut

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STANDARDS FOR EVALUATING PERFORMANCE

- Stars: Top 20 Percent - keep these people
- Sliders: Once a good performer but no longer – needs to be re-energized
- Disrupters: A good performer but causes trouble

EXCEPTIONAL PERFORMANCE

- Consistently exceeds operating, technical, and professional output requirements
- Consistently exceeds requirements for managerial tasks
- Demonstrates excellent leadership ability, including establishing and communicating strategic direction and enabling staff to perform at the highest standards
- Achieves results in a way that always builds and maintains constructive working relationships with many constituencies including subordinates
- Consistently active in the community and enhances the reputation of the company
- Is usually given the toughest assignments; their manager would fight to keep this person

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EFFECTIVE PERFORMANCE

- Consistently meets or exceeds operating, technical, and professional output requirements
- Consistently meets or exceeds requirements for managerial tasks
- Demonstrates effectiveness in leadership
- Achieves results in a way that usually builds and maintains constructive working relationships
- Is occasionally active in the community and reflects favourably on the reputation of the company.
- Is occasionally assigned extra work
- Is considered a good performer, but equivalent talent could be found, if needed

NOT YET FULL PERFORMANCE

- Is below standard execution of most operating, technical, and professional output requirements and managerial tasks
- Occasionally demonstrates necessary leadership ability
- Achieves results in a way that does not always build and maintain constructive working relationships
- Has infrequent community involvement
- Requires a lot of their manager's time in management.
- Would not elicit their manager's concern if this person left the organization

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STANDARDS FOR EVALUATING POTENTIAL

Within the Leadership Pipeline model, there are three categories of potential:

- Turn potential: able to do the work at the next level in three to five years or sooner
- Growth potential: able to do work at bigger jobs at the same level in the near term
- Mastery potential: able to do the same kind of work currently being done, only even better

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TURN POTENTIAL

- Exhibits operating, technical, and professional skills that are extremely broad and deep
- Exhibits managerial skills that are expected at the next highest organizational level
- Demonstrates leadership skills that are expected at the next highest organizational level
- Regularly works at building new skills and abilities
- Aspires to higher level challenges and opportunities. Demonstrates "fire in the belly"
- Has a business perspective beyond current organizational level
- Is oriented toward total business results, not just focused on the success of own area

GROWTH POTENTIAL

- Exhibits operating, technical, and professional skills that are high for current organizational level
- Exhibits managerial skills that are high for current organizational level
- Frequently demonstrates leadership skills that are high for current organizational level
- Adds new skills and abilities when the job calls for it
- Aspires to greater challenges and opportunities primarily at the same organizational level
- Is motivated to do more than expected
- Has a business perspective beyond current position
- Is focused on the success of own area and the team

MASTERY POTENTIAL

- On balance, exhibits operating, technical, and professional, managerial and leadership skills that are acceptable for current organizational level
- Demonstrates little effort to build new skills but keeps current skills sharp
- Aspires to stay with the company, as opposed to assuming bigger challenges or higher personal contributions
- Is motivated to do what is needed in current job
- Understands the job
- Is focused primarily on technical success

Book Sources:

The Leadership Pipeline: Drotter Human Resources Inc
Winning by Welch