Succession Planning... Growing Your Leadership Pipeline
SUCCESSION PLANNING AT ITS BEST
Succession Planning

Succession Planning is the process of taking deliberate steps to ensure business continuity (by having a cadre of successors)
The Compelling Argument

Dynamic and competitive market place for key talent... a war is on for Talent

Shifting demographics:
- Generation gaps: Most workplaces have up to 4 generations

Research indicates that building and sustaining a strong talent pipeline is one of the biggest challenges all over the world

Why a focus on talent?
The Compelling Argument

Have you lost high potentials because they did not see a clear career path or were not advised of a career path?

When key executives leave your organization, would their replacements be able to step right in and be productive?

Are Board Members worried about your talent bench?

What lost opportunity costs has your organization incurred because it took a long time to identify a successor?
Succession Planning

Research says only 1% of companies rate their succession management plans as excellent; two-thirds rate them as fair or worse.
Talent Management

- Recruitment & Selection
- On-Boarding
- Learning & Development
- Performance Management
- Career Development
- Succession Planning

Talent Management
Succession Planning a component of Talent Management

Facilitates Business continuity by grooming talent for key positions

A broader concept that incorporates Succession Planning

Succession Planning

Talent Management
High Potentials vs High Performers

High Potentials:
• Have demonstrated their abilities...have potential for future

High Performers:
• Great at their current job, take pride in their accomplishments but not necessarily have the potential to be successful in a higher level role
The Choices

Non-organic: External hire

Organic: Finding talent within
Organic vs Non-Organic

**Non-Organic**
- New blood
- Can be expensive (especially if individuals are employed in waiting)

**Organic**
- Easier transition
- Benefit of Institutional knowledge
Maine-based outdoors retailer L.L. Bean has named Stephen Smith as its first outside CEO in the company's 103-year history.
Apple University was created in 2008 to teach Apple employees how to think like Steve Jobs and make decisions he would make.

Learn more about it:

Apple University has been called the solution to Apple after Steve Jobs.

The goal is to teach the executive team’s thought process to future leaders.

According to Forbes, “Jobs is ensuring that his teachings are being collected, curated, and preserved so that future generations of Apple’s leaders can consult and interpret them.”

As of Nov. 1, 2011, Ron Johnson will become the chief executive of J. C. Penny.
The UNICOMER Story

• Who are we?

BUILDING BRANDS IN 20 COUNTRIES
Unicomer Group Currently

- 20 countries
- 800 + stores
- 2 million + loyal customers
- 13,000 + associates
The Unicomer Model

We focus on the positions (to include leadership roles) that are essential to the *long term health of the organization, assess bench strength* and then take action to **develop the pipeline**

“It is about readiness; the right people for the right jobs at the right time”
The Unicomer Model

Identify Key Positions...Vision & Strategy

Identify and Assess Candidates ....Leadership & Functional Competencies

Establish & Execute Individual Development Plans...

Establish Executive Accountability

Monitor & Evaluate Results
The Unicomer Talent Journey

Our Over-arching focus: Bench Strength:

Sufficiency of Bench to support growth thrust

Mission critical positions (high impact on organization and difficult to replace)
How do we do it?

Organically

Identification of High Potentials (Hi-Po) through assessment, establishing gaps, development, & tracking progress

Non-Organically

Recruitment and Grooming
How do we do it?

An integrated Approach to Talent Management (including Succession Planning)

- Recruitment (For Future)
- Extensive On-boarding
- Robust Performance Management
- Established Career Pathing
- Development through Corporate University
How do we do it?

Corporate University
(Unicomer Institute of Learning)
How do we do it?

Corporate University
(Unicomer Institute of Learning)

3 Faculties:

1. Leadership: Franklyn Covey & Jack Welch Management series; Harvard Business Review (Manage Mentor); EDP, MDP
3. Retail: High Impact Retail Management Programme; Strategic Retail Management, Selling System
How do we do it?

Developmental Plan Activities

Coaching
Job Shadowing
Assignment to Projects
Assignment Overseas
Academic Programmes (Bachelors & Masters)

Rich Experience
How do we do it?

Stay Interviews
How do we do it?

Ensuring Accountability

Succession Planning Programme:
Linked to Senior Management Bonus, based on clear and specific outcomes for succession planning/talent management

- Development plans: Articulated and Executed
Succession Planning Framework

1. Assessments for both Leadership and Functional Competencies
2. Establish Gaps & Development Plans
3. Implement & Track Progress
4. Make Leaders accountable
# Succession Planning Framework

## Succession Planning Charts
- Used to capture relevant data

## Assessment of Current Situation
- % of Positions with HiPos Ready,
  - <2 Years Ready
  - >2 Years Ready

## Action Plan
- Development Plans
- Accelerated Development Plans
- Recruit replacement and have them in waiting
Huge Risk

Yes, it's lonely at the top, especially when your succession plan fails.
Key Tips to Manage Risk

• Understand Future Needs of Business and Build the Case for Succession Planning
• Get It On the Company’s Agenda
• Establish system to hold Senior Leaders accountable for knowing and shaping the next generation of leaders
• Capture Candidates Readiness level & do Bench Strength Analysis
• Provide targeted development experiences to round-out executive/leadership readiness
• Plan for shortages (recruitment, accelerated development plans)
Questions & Answers
Giving a little extra

https://youtu.be/uRDNLTMaZqo