

Talent and Talent Management Insights

Insight 4. From Succession Planning to Succession Management

NHS Leadership Academy
2015



From Succession Planning to Succession Management- Executive Summary

- Succession Planning is a process for identifying and developing potential future leaders or senior managers, as well as individuals to fill other business-critical positions, either in the short- or the long-term.
- It is important for the NHS in a broad range of scenarios. On the one hand there is the need to plan for succession into high level leadership and managerial roles; and for critical technical or specialist roles
- Succession planning provides the basis for determining the optimum mix of internal and external recruitment and the consequent level of leadership or management development
- It is a process to maintain prosperity for the organisation by continuity in leadership and risk minimisation by ensuring that the organisation is not vulnerable because it doesn't have the right people in place to deliver its business plans
- Succession planning should be dynamic, ongoing and systematic. Ultimately it will provide bench strength, a cadre of talented and ambitious people who are ready to assume more senior responsibilities.
- The benefits of succession planning include the reduction of organisational turbulence associated with leadership change; the opportunity to develop successors over time; increased motivation for those involved in the process as well as their increased productivity and retention; and the increase in engagement of the workforce as a whole if a transparent and inclusive culture is developed to demonstrate that succession is open to all
- Succession planning is part of a holistic process of people management which is aligned to both the business strategy through the strategic workforce plan and the talent strategy by ensuring integration of any development outcomes to those within the organisation as a whole. A broader application of planning with these activities can be referred to as succession management.
- It will be most effective if it is set against the context of the business- how will it contribute to the realisation of goals and objectives; when there is clear understanding of the key roles for which succession is needed; when it has the support of the CEO and ownership of the succession process; when it is incorporated into the HR cycle so that it becomes an integrated part of the organisations people management
- People management professionals who are responsible for succession planning need to be highly knowledgeable about how the business is likely to evolve and how such change might affect the numbers involved in succession planning and the skills they must possess. This necessitates a close relationship at a senior level between top managers responsible for shaping the future of the business (including the chief executive) and the HR function
- Since succession planning sits inside a broader framework of resourcing, talent management and development activities the role of people management professionals will be critical to its effectiveness and whilst succession is a line management activity, led by the Chief Executive Officer, HR have a critical role in supporting and facilitating the process on the one hand, but also to provide expert input into the core activity on the other.

What is succession planning and why is it important?

The definition of succession planning

Succession planning ensures that there are the right people in the right place at the right time with the right skill sets to fill the most senior leadership or managerial roles in the organisation over time. In addition, succession planning is used for to provide continuity in identified specialist roles on which the organisation is dependent such as those in clinical or technical areas. Hence succession planning is a strategic business issue designed to deliver talented people to fill those roles deemed to be key to the organisation in achieving its objectives.

There is no 'one right way' to do succession planning as its contours are likely to be quite different in small and large organisations – although it can be equally vital in both – and there are no hard-and-fast rules.

and developing potential future leaders or senior managers, as well as individuals to fill other business-critical positions, either in the short- or the long-term.' (CIPD 2013). There is an emphasis on development because this is often an outcome of the succession process. However succession planning can also include aspects of organisational design, reward and employee engagement.

The need to develop a cadre of people who are able to fill such roles means that succession planning is often associated with talent and talent management. It has been defined as 'a process for identifying

Succession planning is important for the NHS and applies to a broad range of scenarios. There is a need to ensure that high level leadership and managerial roles are fulfilled as well as key technical and clinical roles. The objective is to both develop and retain 'knowledgeable personnel to meet organisational needs.' (Carriere et al 2009) Succession planning provides the basis for determining the optimum mix of internal and external recruitment and the consequent level of leadership or management development.

This insight will look at the elements that make up succession planning, the critical success factors in delivering effective succession planning and how the subject is evolving into a more holistic process known as succession management. It will also explore the links between succession planning and talent management.

There is no 'one right way' to do succession planning

The complexity of the modern organisation means that there is no 'one right way' to do succession planning, 'as its contours are likely to be quite different in small and large organisations - although it can be equally vital in both - and there are no hard-and-fast rules. All organisations need leaders and managers with a range of experience.' (CIPD 2013)

In one model, succession planning is directed towards specific positions or roles in the organisation such as Chief Executive Officer or Director of Nursing. In this type of succession planning a specific individual will be identified for each senior role as 'immediate successor' to take over in the very short term. In addition, several individuals will be identified as longer term successors for these roles, over a period of 3-5 years as part of a succession or talent pool.

However another approach is to focus less on specific roles and more on generic groups of roles. Such groups may be 'Heads of Department' or 'Senior Managers.' In this case short term successors will be developed for unexpected circumstances (resignation, promotion to another post etc.); and for the longer term a pool or cadre of high potential people will be identified at whom targeted

development activity can be directed. Development in generic skills will be provided to let them take up a variety of roles in a number of senior positions over time. A summary of the activities included in succession planning is shown in figure 1.

Figure 1
Activities included in the succession planning process



In its classical definition, succession planning normally deals with the highest two or three levels of the organisation.

The importance of succession planning

In recent years there has been a revival of interest in succession planning because of the challenging context within which organisations operate. This context, outlined in the NHS Leadership Academy's Insight 1, *Defining Talent and Talent Management*, includes enduring skills shortages and the sheer unpredictability of the economic climate. This means that organisations need robust, adaptable and agile people strategies and plans in place to deal with a range of scenarios. Succession planning is one way on which organisations can achieve this agility.

It is a process to maintain prosperity for the organisation by continuity in leadership on the one hand and risk minimisation by ensuring that the organisation is not vulnerable because it doesn't have the right people in place to deliver its business plans ('organisations that don't take steps to plan for future talent needs at all levels will face certain disruptions....when key employees leave.' (Rothwell 2009) To prevent this, succession planning should be dynamic, ongoing and systematic. Ultimately it will provide 'bench strength, a cadre of talented and ambitious people who are ready to assume more senior responsibilities.' (Maginn 2008)

Succession planning begins by identifying which roles in the organisation may be deemed as critical. These form the demand side of succession planning. The potential of the organisation to fill those roles through existing executives or from a cadre of high potential people identified as leaders of the

future are the supply. Succession planning helps to achieve an equilibrium where the right number of successors matches the roles or positions identified in the succession plan.

Increasingly, succession planning is being applied to roles other than the top two or three levels. As organisations become more networked or project based, then there is a focus on critical posts wherever they feature on the organisation chart. It will be necessary to 'cover' the manager with critical project skills for example; or those roles which require scarce technology skills; or specialist clinical roles. Hence, succession planning is evolving with the evolution of organisational structures.

In summary, succession planning is concerned both short- and longer-term successors for identified key posts, wherever they are in the organisation, and the preparation of development activities for individuals identified for such roles.

To deliver these objectives the succession planning process involves dialogue at board level; as well as amongst senior managers and HR and Talent management professionals. It is common in the modern organisation for succession plans to be discussed with those identified as successors. This is because of the transparency in people practices to which organisations aspire. The development for succession will take place with the full agreement and contribution of successors themselves.

Succession planning in large organisations

The complexity of large organisations brings with it specific succession challenges. In the first place there is the challenge of balancing the supply of people to fill leadership and managerial roles in individual business units or departments with those for the organisation as a whole. The question raised here is about the nature and ownership of talent. Is talent regarded as a 'corporate' resource to

Is talent regarded as a 'corporate' resource to be deployed across the organisation or a departmental one to be retained within a unit? This brings with it the question of whether a successor can be nominated from one region, area or unit to another. If so how is this managed and implemented (given the knock on effects).

be deployed across the organisation or a departmental one to be retained within a unit? This brings with it the additional question of whether a successor can be nominated from one region, area or unit to another. If so, how is this managed and implemented (given the knock on effects).

To overcome such questions succession planning is often regarded as taking place at three levels (Turner and Kalman 2014):

At a corporate level there will be a need to identify talent across the whole organisation. The objective here is to achieve a 'helicopter view' to determine the key posts, the current supply to match the demand in these posts and the identification of individuals or particular competences needed. The output of this will be a high level succession plan matching demand and supply. The corporate succession plan will be used to identify individuals who are already shaping up to fill more senior roles and most importantly whether the organisation has the capacity and is creating opportunities for employees to aspire to new roles or projects. The high level perspective also means that such factors as cultural fit can be used in the identification process ie is it possible to transfer potential successors to parts of the organisation with different client or customer bases; different technologies or different geographies.

The second level addressed by succession planning in large organisations is that of the region, area or business unit. Here, the succession plan has three objectives:

- Firstly to ensure that people are identified who can fill senior executive positions in specific units within a region, in the short term for risk management and in the medium to long term to ensure strategic continuity
- To ensure that the corporation as a whole has identified executives and managers who are able to fulfil roles in other units or divisions and are given the opportunity to do so
- To ensure that the culture of the unit facilitates the encouragement of talent at all levels. This might be through having a culture of opportunity or through enlightened managers who recognise that part of their role is the development of the talent of all employees.

The third level of succession planning in large organisations takes place at operational unit or business department. In this case the succession plan will ensure that the demands for executives,

The effective application of succession planning in the health sector can reduce organisational turbulence associated with leadership change; give the opportunity for the successor to gain insights from the person in post and satisfy the organisation's stakeholders since they will perceive some stability on the process.

managers, technical or clinical specialists within departments or projects is satisfied by a supply of people through their performance or demonstrable attitudes and behaviours.

In large organisations there is a need to ensure that succession planning is joined up across the various business units to achieve the optimum output in the process and to maximise the opportunities for talented people. This will be achieved by a high level succession planning 'Board' or Executive Committee that will meet on a regular basis to review the strategic position and 'sign off' inter unit transfers. In addition, the process is facilitated by HRIS that provides cross organisation information about the state of readiness of the succession plans.

The Benefits of Succession Planning

Research into succession planning has shown that its effective application can reduce 'organisational turbulence associated with leadership change;' give the opportunity for opportunity of insights for the successor from the person in post and satisfy the organisation's stakeholders since they will perceive some stability on the process. (Kim 2012) In addition it is possible for succession planning to increase the motivation of those involved in the process as well as productivity and retention. If successors are internal there will be savings on recruitment costs and executive onboarding time to effectiveness.

An effective succession plan that is closely tied into the business objectives of the organisation will have a number of advantages or benefits:

- In the first place it will provide a process for ensuring that there is leadership and management development that is aligned with both the vision and strategy of the organisation. This will have the additional purpose of giving confidence to the Board or major stakeholders in the organisation
- It will lead to the development of people identified for senior positions who have the motivation, knowledge, training and experience to assume key roles. It will build the bench strength and leadership capacity of the organisation.
- It will facilitate a process whereby high potential people can gain experience in a variety of departments and roles in anticipation of taking up a senior role. This will have the objective of education in the culture and values as well as management processes.
- It will have the effect of retaining key members of the workforce by giving them positive goals and ensuring continuing supply of successors

- It will help to identify career paths into the senior roles.

It is for these reasons that succession planning is an important part of the human resource and business strategy of the organisation. However, it is not a stand-alone activity.

How succession planning aligns to business planning and the talent strategy

Whilst there is no single model that will cover succession planning in all circumstances there are some common assumptions that form the basis of the plan.

The initial requirement is the need to determine to which positions the succession planning process applies. In the classical, hierarchical model, these will be the most senior positions (Board or Director level) and their immediate reports (Heads of Department) as well as specific technical or clinical positions. The second assumption concerns the need to identify the competencies required for these key positions. The third aspect is the process of nominating those members of the workforce who are 'successors' and to put in place appropriate development interventions to ensure they are ready to

Succession planning facilitates the identification and development of individuals to fill key posts on the one hand and development of a group of individuals who can fill a variety of posts on the other (by developing generic skills).

take on the roles. This process will also show any gaps between what is currently available and what is needed in future. This information can then be used in the preparation of development plans for either a cadre of individuals (a pool of

potential successors to senior roles) or for specific individuals with development that might include leading strategic projects or executive coaching.

The above description shows that the succession plan can be seen as part of a holistic process of people management which is aligned to both the business strategy through the strategic workforce plan and the talent strategy by ensuring integration of any development outcomes to those which will benefit the organisation as a whole. Each step of the succession planning process has implications for the overall people strategy.

Figure 2 below shows the key stages of succession plan and these linkages.

- **The strategic workforce plan identifies future needs at the most senior levels**

Strategic Workforce Planning has been identified as a core process of human resource management which has the objective of 'the right number of people with the right skills, in the right place at the right time to deliver short- and long-term organisation objectives.' It has become an important part of the post- recession people management environment because of the realisation that organisations need to equip themselves to deal with both expected and unexpected events. Such a need is reflected in organisational agility and flexibility. Three reasons have been put forward for having effective strategic workforce plans (Baron et al 2010) that are relevant to the question of succession.

- The first is the compelling need to be able to shape the organisation to deal with both expected and unexpected events. Succession planning fits into this by facilitating the identification and development of individuals to fill key posts on the one hand and the development of a group of individuals who can fill a variety of posts on the other (by developing generic skills).
- Secondly the need to control costs without damaging competitiveness. Workforce planning 'allows organisations to make selective, strategic decisions about where to invest and where to trim and whether to buy, rent, build or deploy talent to meet future needs.' Succession planning facilitates this decision making process by providing a strategic focus on critical areas.

- And thirdly there is the need to upskill organisations. The final driver of strategic workforce planning is the realisation that competitive advantage in the new environment would be secured by having a focus on clearly differentiated skills. Succession planning can result in the delivery of those in senior positions that are equipped or can be developed to meet this requirement.

In view of these points the approach to strategic workforce planning will ensure it is integrated with the business strategy and plans. Its key objective will be an alignment to the longer-term, sustainable aims of the organisation, but with a built-in flexibility to allow for change. Succession planning will be an important part of this integration and alignment. It will support the objectives of workforce planning in providing the right people for critical roles.

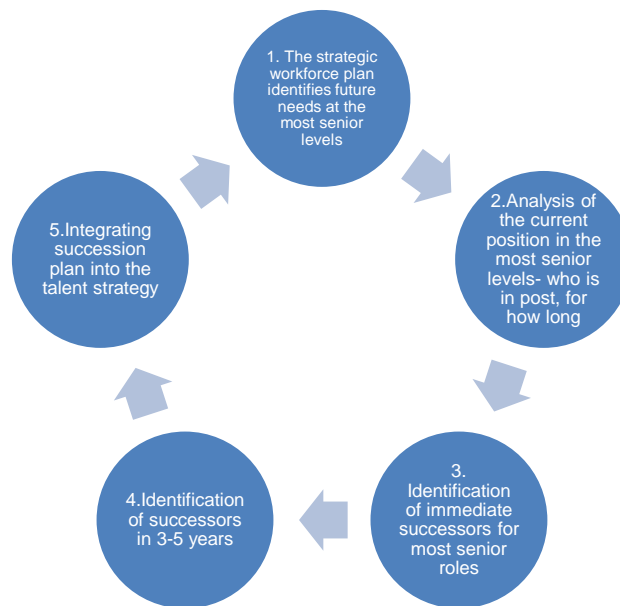
The modern strategic workforce plan will also incorporate flexibility. It will not be a rigid annual event but one that can accommodate unexpected changes in the environment within which the business operates. Successors will also need to be able to cope with this flexibility and the choice of which people go into the succession plan will mirror this requirement. On the one hand there will be the need for successors with the identified level of competence required for the role; on the other, adaptability and flexibility to deal with changing circumstances means that these criteria will also be part of the succession identification process.

The strategic workforce plan will be used in short-term resourcing as well as longer-term planning. This intelligence will allow those responsible for developing the succession plan to build in immediate and 3-5 year successors into their approach (and allocate development resource accordingly). Having identified current and future workforce needs, especially those in leadership and managerial positions through the strategic workforce plan then the process of succession planning can move to assessing the current position.

- **Analysis of the current position in the most senior levels- who is in post, for how long**

An analysis of the current position in both quantitative and qualitative terms provides the base case for succession planning. In a quantitative sense, the organisation will identify the number of leadership and managerial roles; how many people are in these positions and how many have today identified as successors to satisfy both short and long term needs. In addition, key specialist or technical roles will be assessed with the same objective. This will allow a macro level view of succession.

Figure 2
How succession planning aligns with business planning and the talent strategy



However, the analysis of the current state of the organisation will also be qualitative. It will determine what type of leaders the organisation has in place, what skills are present in the organisation and how important are these skills to current competitive or organisational strength. Such an analysis may

The identification of immediate successors raises the question of whether to nominate someone already in the organisation or whether to bring in someone from outside. Achieving a balance between the two is often difficult.

show that the organisation has an abundance of people who are able to lead in steady state or continuity positions, but fewer who have experience of starting up new units or turning around those which aren't performing well. In this case the

succession plan will focus on either developing leaders or managers with these skills or bringing in new people from outside of the organisation who have such experiences elsewhere.

- **Identification of immediate successors for most senior roles**

The third part of the succession planning process concerns the roles or posts in the organisation for which immediate successors are required. This raises the question of whether to identify someone already in the organisation or whether to bring in someone from outside. The balance between the two is often difficult and many organisations 'seem to rely either too much on outsiders or too much on insiders.' (CIPD 2013)

There are arguments both for and against. It can be argued that people from outside the organisation should only be brought in at levels below the board to allow them time to acclimatise to the culture on the one hand. But on the other there is the argument that 'if an objective business case can be made for bringing in outsiders at board level, this should be done where appropriate, and in particular that a failing business needs to recruit from outside - and to be seen to be doing so - to satisfy investors.' (CIPD 2013)

'A reasoned argument would be that whilst 'many employers aim to attract certain highly-talented individuals from outside the organisation for key or senior positions, this aim is likely to be balanced by a desire to promote widely from the home-grown talent pool. This will be particularly relevant where there is a high degree of organisation-specific knowledge, for example in the case of IT professionals in business-critical roles. Moreover, some commentators believe that leaders developed from within tend to be more successful than those brought in from outside.'

- **Identification of successors in 3-5 years**

The identification of successors over the medium to long term will be the next part of the succession planning process and this can be done through either formal or informal methods.

Many organisations have developed frameworks for technical and generic competencies, which relate to a broad range of desired skills and behaviours. The assessment process attached to generic frameworks (especially for management competencies) can provide a useful starting point for evaluating an individual's potential for a senior role. Thus succession plans may need to be integrated with existing competency frameworks. However, there should not be an over-reliance on competencies because they may be too limiting and mechanistic to assess skills such as leadership. Moreover, they relate to the past and present rather than to the future, which is where organisational leaders need to look.

It is now argued that employees need to understand the succession process, the methods used to judge potential successors and the kinds of jobs that are considered suitable for each individual. Hence the previously confidential nature of the succession planning process has been reduced, and advertising of senior internal jobs is more common.

The openness of the process will lead to a belief in fairness and support for those who are chosen as successors. This will be enhanced by objective assessments of candidates for succession roles. In some organisations succession 'committees' are set up to talent and succession plans, to examine how to improve the process, to provide checks and balances and to ensure diversity in the succession process.

In addition, succession planning increasingly takes account of the recognition that people need to make their own career decisions and to balance career and family responsibilities.

- **Integrating the succession plan into the talent strategy**

An organisation will achieve the maximum benefit if the succession plan is closely aligned with the talent strategy. This means that development activity should look to build on the strengths that the organisation has identified through its succession planning process i.e. a broad number of successful and ready leaders, by creating opportunities; and at the same time address the needs and challenges highlighted by the succession planning analysis such as a shortage of skills in say leadership or management or technical specialisms.

In summary, succession planning involves identifying key roles that require succession; a readiness evaluation to ascertain which people or groups of people are available or can be developed to fill these roles; understanding the knowledge, skills and attitudes required for the succession roles; identifying and assessing potential successors for the roles and creating development plans to ensure that any skill gaps are closed.

The factors that lead to effective succession planning

In the modern organisation, effective succession planning has both a focus on development and transparency of process. Integrating succession planning with leadership and management development for example will allow a convergence of insight into the skills that future leaders will need to satisfy the requirements of the succession plan. (Conger and Fulmer 2003) Having transparency will give the opportunity for a two way dialogue about the aspirations and development needs of the individual.

Having clarity of purpose about the reasons for succession planning together with a process that integrates its outputs and recommendations with both business and people management objectives are two of the underlying criteria that have been identified as critical to the building of an effective succession plan. Others include the need to follow up the recommendations of the succession plan and the need to measure effectiveness (Rothwell 2002)

Other identified 'best practices' include succession planning across the whole organisation; the need for senior executives to engage in the process; the inclusion of technical and professional roles in succession in addition to leadership or managerial ones; the linkage between the talent review process and succession management is strong and the recognition that succession planning is clearly related to organisational success. (Lamoureaux, Campbell and Smith 2009)

Overall, succession planning will be most effective against the following principles (Turner and Kalman 2014)

- When it is set against the context of the business- how will it contribute to the realisation of goals and objectives; and has an organisation wide focus that extends succession planning beyond the immediate top two or three layers
- When there is clear understanding of the key roles for which succession is needed
- It has the support of the CEO and ownership of the succession process
- When it is incorporated into the HR cycle so that it becomes an integrated part of the organisations people management; and provides continuity in leadership and management and consistency in how it is applied. Succession planning will be more effective if it is connected with other people management programmes such as talent management, reward and engagement strategies
- Clarity about who takes responsibility to evaluate whether they are the right people with the right skills / experiences
- The creation and implementation of a comprehensive set of tools and guidelines to support the organisation

The drivers behind this perspective on succession management are about alignment- to the needs of the business or organisational strategy; and effective implementation of succession that includes tools and techniques understood throughout the organisation (with 'buy in' across it), measures of effectiveness and a focus on implementation as much as strategy setting.

However, a further important success criterion is to make sure that succession planning is seen as a stand- alone activity; that it is integrated with other people management policies and practices.

Linking succession management to HRM and talent management

There is a strong link between human resource management, talent management and succession planning.

The NHS Leadership Academy's Insight 1, *Defining Talent and Talent Management*, outlined the various definitions of talent and talent management. It was noted that talent consisted of 'those individuals who can make a difference to organisational performance either through their immediate contribution or, in the longer-term, by demonstrating the highest levels of potential.' (Tansley et al 2007)

To deliver the objective of having sufficiently talent people, talent management was described by the CIPD as 'the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organisation, either in view of their 'high potential' for the future or because they are fulfilling business/operation-critical roles.' And by the US Society for Human Resource Management (Lockwood 2006) as '...the implementation of integrated strategies or systems designed to increase workplace productivity by developing improved processes for attracting, developing, retaining and utilizing people with the required skills and aptitude to meet current and future business needs.'

There are elements of these definitions that apply to the narrower field of succession planning as they do to the broader one of talent management of the whole organisation. An effective talent strategy will create a pool of people in development who can fill both short and long term succession roles to satisfy business requirements and there are several activities within talent management that will support the succession planning process.

- **Assessing the current talent supply and potential**

In the first place it is essential to establish the state of the current supply of talent who can fill 'successor' positions in the short or medium term. This availability will come from within the talent pools that have been

Set up as part of the overall talent strategy. It will require a close working relationship between those responsible for talent management and those HR professionals who develop the succession plan (possibly HR business partners working with Chief Executive Officers.) In addition it is essential to identify which of the current workforce have the potential for successor roles in the longer term.

- **Talent Gap Analysis**

The second area of overlap between succession planning and talent management will come in the form of a talent gap analysis which will provide intelligence on such things as where are the talent shortages or abundances to enable the delivery of those required for the succession plan and answer the questions as to where short term effort need to be applied (attracting people for specific continuity posts); and where does longer term effort need to be placed (skills development; or cultural change).

- **Insights from talent and HRM analysis**

The information gathered by talent management and human resource management activities- such as strategic workforce planning and assessment centres- will create options in respect of taking the succession plan forward. These options will include further leadership development for either individuals or groups of individuals; the creation of development projects or cross functional working; or where there are shortages of internal resources then there might be the need to bring people in from outside of the organisation.

Figure 3
Linkages between HRM, talent management and succession planning



- **Preparing a talent strategy to align with the succession plan**

The final linkage will be to ensure alignment between talent management and succession planning. There will be a dialogue at Board level that will be informed by HR and talent professionals which will lead to the agreement of a succession plan. Typically this will include named successors to the top 10- 15 posts in the organisation; a process by which succession objectives are going to be achieved including attraction, retention and development; a set of measures against which all aspects of the succession plan can be assessed.

The progress of the succession strategy will then be presented back to the Board and Executive Committee and 'crafted to do more of the things that are working well, to fix things that aren't and to add things that seem to be relevant through experience but weren't included in the original concept.' (Turner and Kalman 2014)

From succession planning to succession management

For succession planning to be most effective it should not be regarded as a stand-alone activity undertaken as a one off annual event. Effective succession planning is more than replacement planning.

Instead it is increasingly regarded as a dynamic process of business management that sits within a wider range of human resource activity. This encompasses the management resourcing strategy, the analysis of demand/supply (workforce planning and auditing), skills analysis, talent management, the attraction and retention process, and both leadership and management development (Hirsh, 2000). Overall this can be referred to as succession management.

The demand for leaders, managers and specialists identified by succession planning will contribute to the creation of a strong talent pool that will provide the right people to fill short term succession roles and at the same time one that actively encourages the development of people for longer term critical roles.

Succession management can be seen as a mechanism for identifying and developing leadership talent over time. The term implies a coordination between the various facets of talent management and other parts of the organisation,

something that is not always possible where leadership development and succession planning are organised in separate silos. Succession management integrates the process of succession planning with other people management activity to:

- Influence the longer term resourcing strategy of the organisation as well as short term role filling or recruitment.
- Inform the talent management strategy by determining the key areas in which leadership and management development should focus.
- Take outputs from the talent strategy by creating development opportunities for those being developed for selective or leadership positions- such as projects and fixed term assignments.
- Create a culture of inclusivity within which the organisation's managers mentor potential short term successors, provide development opportunities and view their talent as an organisational rather than a departmental resource.
- Build on this environment by creating an environment in which a longer term career can be perceived and hence providing potential successors for the 3-5 year succession cycle.
- Incorporate succession potential into the performance management system.

This succession management process will generate a strong talent pool that will provide the right people to fill short term succession roles and at the same time one that actively encourages the development of people for longer term critical roles.

An advantage of this integrated approach is to provide a 'selective/inclusive' (Turner and Kalman 2014) perspective of the organisation's talent. Whereas once succession planning was concerned with the top two or three levels of the organisation- an important objective as outlined in the previous narrative, succession management gives a more holistic point of view:

- It creates a scenario whereby all of the workforce are regarded as having 'talent' and thereby broadens the pool from which successors can be selected.
- It generates a positive culture of learning and development which will become a virtuous circle- members of the workforce recognise the importance of learning and see the opportunities that will arise as a result; this in turn creates a positive, engaged workforce; which in turn creates more people who will be motivated towards succession. Ultimately a combination of these factors will lead to improved organisational performance.

Hence, succession planning can no longer be seen as a stand- alone people management process. Its core activity of translating the strategic workforce plan into the resourcing of specific key roles has now been supplemented by a bigger requirement to integrate into the inclusion of a broader range of the workforce into potential successors. It has key linkages into the recruitment and retention activity of the organisation; its talent management strategy and in a broader sense the culture of opportunity of the organisation and the way in which its managers achieve their performance objectives. They key linkages are:

- Into the resourcing of the most senior positions in the organisation including the development of an employer brand in which the opportunity to develop into senior manager roles is incorporated
- The leadership development activity which will reflect the needs for senior roles identified by the succession plan
- Management development activity that provides a stepping stone into selective succession roles but also is inclusive to give opportunity for a wider range of roles that might be seen as critical but are not include in 'top team' succession
- Incorporation of key areas of competence development and achievement into individual development plans as part of the performance management process.

Finally, succession management will include an input into any assessment processes that the organisation might have in place.

The Role of HR professionals in succession management

People management professionals who are responsible for succession management 'need to be highly knowledgeable about how the business is likely to evolve and how such change might affect the numbers involved in succession planning and the skills they must possess. This necessitates a close relationship at a senior level between top managers responsible for shaping the future of the business (including the chief executive) and the HR function' (CIPD 2013).

Since succession management sits inside a broader framework of resourcing, talent management and development activities the role of people management professionals will be critical to its effectiveness and whilst succession is a line management activity, led by the Chief Executive Officer, HR have a critical role in supporting and facilitating the process on the one hand, but also to provide expert input into the core activity on the other.

There are a possible six new HR competency domains that have been outlined by Ulrich et al (2013) as critical components of the delivery of effective human resources strategy. These domains may be useful in determining the roles and responsibilities of HR professionals in the succession management process:

- In the first place there is the critical role of strategic positioner. In this, the linkage between the succession plan and the business strategy can be analysed and a people response prepared that will help the organisation to deliver its objectives. Hence the HR professional will provide 'outside in thinking' into the succession plan. This will include an analysis of the social, technological, economic, political, environmental, and demographic trends facing the organisation and how these may influence the skills needed by successors. This goes beyond reacting to succession need. It is about proactively influencing the types of organisation design best fitted to the new environment and the kind of people who can deliver success in this.
- The second domain identified by Ulrich et al (2013) is that of being a 'credible activist.' In this the HR professionals responsible for succession planning and succession management will need a level of personal effectiveness if they are to succeed in building a personal relationship with senior leaders in the organisation and hence provide the strategic input necessary for the maximisation of their outputs. Establishing a relationship of trust with the organisation's leaders will require knowing enough about business contexts and key stakeholders to fully engage in business discussions, by offering innovative and integrated HR solutions to business problems, and by being able to audit and improve talent, culture, and leadership.'
- The role of capability builder is an important one. This has the objective of creating a strong organisation able to deliver its objectives because it has the right people in place to do so. This will require an understanding of the key capabilities required to deliver the objectives and for the process of succession management which people currently have those capabilities and which areas need development to build the capabilities e.g. the short and longer term outputs of the succession plan.
- Fourthly, the role of change champion is important in succession management if innovation is to be introduced. On the one hand the identification of the need for new attitudes and behaviours to be successful and on the other persuading the organisation's leaders that this is the case through change management skills. If the input to succession planning and management is to be more than that of process facilitator then the HR professional will need communication and engagement skills to persuade others of the need to change if this is the case.

Two other areas of HR competence will be necessary for effective succession planning. These are the need for continuous improvement in the linkages between the various HR activities that go to make up succession planning. Hence an understanding of the implications of succession on for example reward and recognition, or the need for a joined up talent strategy to deliver the requirements of the succession plan are valuable attributes on the part of HR professionals.

And finally there is a growing need to understand the application of technology to succession planning and management. There are great opportunities for a streamlined process on the one hand but more importantly for the application of sophisticated HR analytics on the other.

The modern approach to succession planning and management requires significant crafting skills on the part of HR professionals that include that ability to take a strategic point of view and influence the types of leaders and managers needed for the future success of the organisation as well as its immediate one; of the ability to persuade senior leaders of a particular type of organisation design best suited to a new environment (as a result of outside in thinking) and the ability to deliver change in a way that is positive and minimises any organisational disruption caused by, for example, moving people from one area or business unit to another.

Key conclusions

Succession planning is a critical business management and HR activity that is associated with talent and talent management. It is a process that involves the development of *future* leadership talent within an organisation in preparation for future leadership roles on the one hand; and those who are ready to take up senior leadership positions immediately (in the event of sudden or unexpected departures) on the other.

In the NHS succession management has a key role to play, not only in identifying roles for which senior leaders and managers will need to be identified and developed for the short and longer term but also those in specialist skills in clinical, nursing or health technology positions.

Hence, the effective implementation of succession planning will contribute to continuity in leadership and risk minimisation by ensuring that the organisation is not vulnerable because it doesn't have the right people in place to deliver its business plans. Succession planning will be dynamic, ongoing and systematic. It will provide bench strength and a cadre of talented and ambitious people who are ready to assume more senior responsibilities.

There are a wide range of benefits for succession planning including a reduction in organisational turbulence caused by leadership change to the creation of a culture of opportunity if the pool of potential successors is seen as both deep and wide.

Succession planning will be most effective against certain important principles including being set against the context of the business- how will it contribute to the realisation of goals and objectives; a clear understanding of the key roles for which succession is needed and when it is incorporated into the HR cycle so that it becomes an integrated part of the organisations people management.

People management professionals who are responsible for succession planning 'need to be highly knowledgeable about how the business is likely to evolve and how such change might affect the numbers involved in succession planning and the skills they must possess. This necessitates a close relationship at a senior level between top managers responsible for shaping the future of the business (including the chief executive) and the HR function' (CIPD 2013).

References and additional material

- Baron,A., Clake,R., Turner,P.A. and Pass,S. (2010) *Workforce Planning*, Chartered Institute of Personnel and Development
- Cannon,J.A. and McGee,R (2007) *Talent Management and Succession Planning*, Chartered Institute of Personnel and Development
- Carriere, B.K., Muise,M., Cummings,G. and Newburn Cook,C. (2009) Healthcare Succession Planning; an Integrative Review, *Journal of Nursing Administration*. www.ncbi.nlm.nih.gov/pubmed/19955970
- CIPD (2013) Succession Planning: factsheet, Chartered Institute of Personnel and Development www.cipd.co.uk › Resources › Factsheets
- Conger,J. and Fulmer, R. (2003) Developing Your Leadership Pipeline, *Harvard Business Review* hbr.org/2003/12/developing-your-leadership-pipeline/ar/1
- Grossman, R.J. (2011) Rough road to succession. *HR Magazine*. www.shrm.org › Editorial Content ›
- Hirsh, W (2000) *Succession Planning Demystified*, Report 372, Institute for Employment Studies, October 2000
- Kim, T.H. (2012) Succession Planning in Hospitals And the Association With Organizational Performance, *Nursing Economics*, www.ncbi.nlm.nih.gov/pubmed/22479959
- Lamoreux, K. Campbell, M. and Smith, R. (2009) *High-Impact Succession Management*. Center for Creative Leadership (NJ1) www.ccl.org/leadership/pdf/.../HighImpactSuccessionManagement
- Lockwood,N.R. (2006) Talent Management: Driver for Organizational Success; Research Paper, SHRM www.shrm.org/research/articles/articles/documents/0606rquartpdf
- Maginn, M. (2008) Who's Next? Succession Planning, *Management Quarterly*, connection.ebscohost.com/c/articles/.../whos-next-succession-planning
- Rafterty, C. (2013) Nurse practitioner succession planning: forward thinking or just an after-thought? *Australian Health Review* www.ncbi.nlm.nih.gov/pubmed/23838033
- Rothwell,W.J. (2002) 'Putting Success into your succession Planning, *Journal of Business Strategy*, Vol. 23 Iss: 3 www.emeraldinsight.com/doi/abs/10.1108/eb040249
- Rothwell, W.J. (2009) *Effective succession planning: ensuring leadership continuity and building talent from within*. 4th ed. New York: American Management Association
- Tansley, C. et al (2007) *Talent: strategy, management, measurement*. CIPD, London
- Turner,P.A. and Kalman,D. (2014) *Make Your People Before You Make Your Products*, Wiley, London
- Ulrich, D., Younger, W., Brockbank, W. and Ulrich,M. ,(2013) *The State of the HR Profession*, Human Resource Management, onlinelibrary.wiley.com/doi/10.1002/hrm.21536/abstract