

LaForest
COACHING & CONSULTING



Succession Planning

More than Just a Replacement Strategy

Tony Kubica and Sara LaForest

www.laforestconsulting.com

805.710.3066



*Helping
executives and
entrepreneurs
achieve results
through a
people-centered
approach*

Who Am I and Why Can You Trust Me?

I am Sara LaForest, an entrepreneur, consultant, coach, instructor, and author with comprehensive experience in the private, nonprofit, education, and government sectors.

I am on a mission to empower entrepreneurs, executives and leaders to grow their businesses and help them create flourishing workplace environments. If you share this mission, these articles will introduce my approach. I believe you will find them helpful and pragmatic.

For more than a decade, I have grown, managed, and nurtured my own companies specializing in leadership consulting, organizational development, and executive and performance coaching. My focus is on the critical—yet often overlooked—interdependencies of strategy, branding, culture, and talent necessary to foster and propel growth. My high-touch, personalized approach helps leaders improve company performance and team functioning at all levels, while facilitating a positive and productive workplace culture.

How am I different? What new perspective do I bring? My strength is combining company growth with an emphasis on the personal growth and well-being of the people with whom I work and serve. My deep-rooted commitment to human advancement is my advantage.

This article, along with many other national and international published works, was co-written with my retired partner, Tony Kubica. Our book, *Organizational Gravity: A Guide to Strategically Growing Your Company's Brand, Culture, and Talent*, is available on [Amazon](#).

To learn more about my services, publications, and speaking engagements, please visit [LaForestConsulting.com](#). You can contact me directly at Sara@LaForestConsulting.com or via [LinkedIn](#).

There are three reasons to do a succession plan, and identifying a replacement for the CEO and select top executives is only part of one of these reasons.

The three reasons are:

- Replacement for key employees
- To support anticipated growth
- To address and deal with talent shortages

Unfortunately, however, succession planning is too often considered an exercise, a means to an end, a human resources task to be checked off and moved into the done pile. This is absolutely the wrong way to think about succession planning.

Succession planning is a talent and organizational improvement initiative that enables a business (i.e. your organization) to grow and thrive now and in the future.

Businesses and organizations can neither succeed nor grow without management talent. It's really that simple. What's not as simple is developing, nurturing, and grooming your talent pipeline.

We are coming out of the worst economic downturn since the Great Depression. Sure, the unemployment rate is still high, which makes some executives believe that the talent pipeline is strong ... when they need a management/executive resource, all they will have to do is pick up the phone, post an ad, or look on sites like Monster and CareerBuilder, and snap, their talent needs will be resolved. Heads up: many of your competitors are seriously positioning themselves for growth and are truly hoping you continue to believe this.

Good talent is hard to find — in both good and bad economies. It's hard to find because talent is a combination of skills, behaviors, motivation, organizational fit, and passion. And that is truly hard to find, especially when a fast hire is needed —yesterday.

Consider the three reasons for a succession plan in more detail.

Reason One: Replacement for key employees

Many people we've talked to believe the only reason to do a succession plan is to have a replacement picked for the CEO and perhaps one or two key executives. This is clearly one of the reasons to do a succession plan. The more complete reason is to have replacements identified (and in the process of being prepared) for all key positions within the organization, not just the CEO and key executives. This is often referred to as "planning several levels deep," that is, executives to departmental managers and division leaders; those roles that are necessary (even if not obvious) to keep critical business going.

Remember, executives set strategy, and managers implement strategy. You need strength in both areas to succeed.

Executives and managers will leave. They may leave to take another job; they may be fired; they may retire, they may become ill, they may leave because of a spouse's relocation. When an executive or manager's vacancy is anticipated, a smooth transition is possible, simply because there is time to manage the transition. It is when the vacancy is unexpected that a challenge exists. Maintaining continuity is important and it results in less cost and less service disruption. As the economy improves,

*Improving
Performance*

*Navigating
Transitions*

*Accelerating
Results*

*Helping
executives and
entrepreneurs
achieve results
through a
people-centered
approach*

growth will occur and an organization can only support and sustain growth if it has the talent to manage the growth.

Reason Two: Support anticipated growth

This is different than the replacement strategy noted above. In this case, new positions are needed to support growth initiatives. For example, growth initiatives could be:

- Expanding current products or services into new markets;
- Creating new products or services to introduce into the marketplace;
- Initiating new ways to market (i.e., viral marketing) your products or services

When anticipating growth, identify internal talent and also build and maintain a talent network comprised of viable candidates who currently work for other organizations.

Reason Three: To address and deal with talent shortages

Talent shortages occur even in a down economy. Examples include pharmacy managers, nurse managers, engineers, and sales representatives. If a pharmacy manager resigns in a hospital, research shows that finding a replacement can be extremely difficult. How will the organization respond? What strategies will be put in place to avoid a lengthy leadership void? This may require promoting candidates before they are fully ready for the position. While this will only be done when there are no viable options available, who you select and how you support the candidate's transition should be thought out in advance. Knee-jerk placements — fast hires and "not ready for prime time" (unless there is an integration strategy) hires — do not often fair well.

Succession planning is a process and not an event, and it is a process that is critical for all organizations whether they are anticipating turnover and vacancies, planning for growth, or working to adjust to talent shortages. To manage the process effectively, we recommend the following steps:

- Assign responsibility for succession planning to the executive team members (and make its success part of their evaluation process)
- Identify needs/key roles currently and in the future that reflect several layers deep
- Develop and use methods/tools/techniques for identifying employee competencies and aspirations
- Implement a structure for developing potential successors
- Implement a structure for transitioning successors to and in new role(s)
- Identify and emergency or interim process to fulfill a role if for some reason the potential successor does not work out.
- Align your recruitment initiative to succession planning by forecasting key needs and interviewing for growth orientation and adaptability
- Evaluate plan effectiveness and update the plan as required, at least annually.