



What is succession planning and is it something we should consider?

Let's begin with a definition. "Succession planning is a process whereby an organization ensures that employees are recruited and developed to fill each key role within the company". Many believe that succession planning is a complex process and a practice restricted to the largest organizations. **Not so!** Succession planning can be of great value to small and medium sized organizations with fewer resources available for structured development of employees.

- **First things first.** Identify the key leadership positions within your company. Too many leaders today do not think about filling key positions (including their own) until unexpected turnover, early retirement or sudden tragedy strikes.
- **Get buy-in.** You must have Senior Management and/or the Board of Directors buy-in for succession planning. They must be able to clearly communicate the company's goals to employees and be committed to training and development. They must be willing to commit sufficient resources in terms of budget and personnel.
- **Identify key talent.** Look within the organization to see who could move into a leadership position. Clearly define company career paths, and blend performance appraisals and testing with personal development training.
- **Evaluate your talent.** New technology can bring many efficiencies to your succession planning. An inexpensive online performance appraisal system (PAS) is a key component to a good succession planning strategy. An experienced HR technology partner like the Hamilton Group can help you implement a simple PAS. They will work with you to establish the core values and key objectives/competencies required for each position, then allow you to blend the subjective performance appraisals your managers complete with objective development testing. The result is an ideal mix of subjective and objective data in one database that can help you make promotional decisions.

What about Senior Executives? Should they be treated differently in succession planning? The answer is a resounding YES.

Executives need to be treated differently because of the value each brings to the organization. For example your GM is planning to retire and the CFO, COO and VP have all expressed interest in the top job. Only one of the three can ultimately move into the GM role, but you do not want the two who were not selected to feel disgruntled or worse yet leave the company! Senior Executives must see the selection process as thorough, objective and fair. So for Senior Executive succession planning, it is best to work with experienced and objective outside source that can assist you in selecting who should get promoted into a key leadership position.

Conclusion: So who should we promote? A question you may be asking in the near future. Succession planning enables your organization to identify talented employees and provide education to develop them for future higher level and broader responsibilities. Get buy-in, identify your talent and utilize a performance appraisal system. This will lead to a more organized, consistent and effective approach to overall workforce planning. When dealing with Senior Executives, an objective outside firm can replace much of the subjectivity of traditional promotions. They can bring expertise and tools to provide substantial justification for Management's promotional decisions. Following these guidelines can build a leadership pipeline, enhance the probability of promoting top performers, and insure your organizations long-term success.



AgRecruiter specializes in leadership level search and succession planning. Pictured L to R is Terry Lebo, Director of Recruiting advising Steve Unverferth, President & CEO of Unverferth Manufacturing Company, Dave Unverferth, Operations Manager for the Delphos Division, Mark Miller, Director of Human Resources, Carl Kahle, Sr VP of Operations and Larry Unverferth, Director of Ohio Manufacturing Operations.



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