

Are You Prepared?

Best Practices for Retaining and Developing your Leaders

While I didn't recognize it at the time, I learned a valuable lesson while working on my dissertation many years ago. I didn't own a computer as a graduate student, so I had to use the one at the hospital where I was doing my residency.

Needless to say, writing this dissertation was a challenging undertaking. At one point, I had to rewrite three entire chapters. I completed the task but forgot to save my document to a floppy drive and didn't realize this until I was instructed by my committee chair to rewrite one of the three chapters again.

Consequently, I lost about 25 hours of work on several chapters. I was devastated. The sinking feeling I had at that time reminds me of the daunting task many of my clients experience. The task I speak of is replacing leaders when they get derailed, move on, or are lured away by the competition.

We have all lost data on our computers at one time or another because we didn't have a back up in place. This is both alarming and troublesome. Likewise, when you haven't planned for a leader vacancy, you and your company can be caught in a very precarious situation. Replacing a leader is one thing, but planning for a successor requires more than building a 'leader on the shelf' warehouse. The next generation of leaders has to be identified and integrated into a very organic and ever changing workplace.

As a leadership consultant the past ten years, I believe that succession planning is one of those 'good ideas' that few people follow through on. It is one of those processes that everyone agrees should be on the 'to do' list, but is rarely implemented. I strongly urge you to consider the question below and equip yourself with the best practices nuggets that follow: Do you have a group of potential leaders to draw from in case you lose one or more unexpectedly?

Likely outcomes when succession planning is in place:

1. High levels of talent engagement.
2. Savings in executive search dollars.
3. Savings in training of external hires.
4. High retention rate; less turnover costs.
5. Strong brand development and promotion.

Five Best Practice Guidelines:

1. Building a 'farm league' of home-grown talent is by far the preferred methodology. Hiring externally should be used in unique situations when the talent in your own system is not available or an outside perspective has a specific benefit to the organization.
2. The CEO or lead person is critical for developing an effective bench. Delegating this to HR or other departments is strongly discouraged, especially as it relates to executive development.

3. Most consultants and executives advise that you tie succession planning into your annual review process. This provides a yearly talent audit that is hardwired.

4. Development-based succession plans are the ideal approach. If you are simply building a replacement plan, it does not reflect the inevitable fluidity of the everchanging workplace. Keep your people growing to meet the speed of change.

5. Create a process that is thorough enough to overcome the obvious 'if they were successful at one level, they will be successful at the next level' thinking. Well done succession planning does not make this type of assumption; rather, it includes an assessment of job skills needed for the next level and has multiple points of evaluation projecting their success.

Three Best Practices for Succession Planning:

1. Define and create a process: It is imperative to determine leadership competencies, define scope, establish measurements and build sequence.
2. Develop your talent: Define the gap, design the plan, and implement that plan before promotion occurs.
3. Hold continuous talent reviews: It is important that you hardwire in your system ways to observe, document, and evaluate talent development progress. This is critical because some of your employees may be in development for 3 to 5 to 10 years.

If you don't know what you want to improve, you won't see results!

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