

Succeeding at succession through talent management to retain intellectual capital for business continuity

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Abstract: *Succession planning can be defined as a purposeful and systematic effort made by an organization to ensure leadership continuity, retain and develop knowledge and intellectual capital for the future, and encourage individual employee growth and development. This paper introduces the topic of succession planning and suggests process for implementing a succession plan. It explores leadership challenges and highlights the elements of a successful leadership development program that uses technology to support processes and practices. It details the challenges organizations typically face when executing a business relevant talent management strategy. It provides foundation of an effective organization-wide talent strategy that provides a framework for selection, development, performance management, and succession processes. This study examines the issues that can arise when assessment and development are separate, explore the important advantages of integrating them, and present a framework for combining them.*

Keywords: *Succession planning, Talent management, Strategic alignment, Assessment strategy, Development strategy, Leadership language, Leadership coaching, Leadership skills and Competence models.*

I. Introduction

It is indisputable that all organisations need leaders with a range of experience. Management training programmes alone cannot provide the knowledge and experiences that are crucial in making future leaders. Succession planning is the only way of managing the alignment of individuals to the future needs of the organisation and providing them with the skills, knowledge and experiences necessary for them to take on future leadership roles. More successful businesses are embracing succession planning to deepen their talent pool and ensure top talent at every level of the company. Succession planning has evolved into a powerful tool focused on proactive and ongoing assessment, promotion, and retention of key performers throughout the business. And the benefits are huge: higher performance, improved morale, and a boost to the bottom line.

Succession management is too often viewed as crisis management; a key person has left the business, and there is no one to replace them with. Today many organisations are especially focused on the short-term which only exacerbates the problem. The most effective organisations however have a view that is three to five years in the future as well as having an eye on the present and plan their succession management strategically.

II. Succession planning

Succession planning is a process by which one or more successors are identified for key positions in the organization, and career moves and development activities are planned for these successors. Successors may be ready to do the job (short-term successors) or seen as having longer-term potential (long-term successors).

Succession planning is a systematic approach to:

- Building a leadership pipeline/talent pool to ensure leadership and business continuity
- Developing potential successors in ways that best fit their strengths
- Identifying the best candidates for categories of positions
- Concentrating resources on the talent development process yielding a greater return on investment.

Succession planning cannot exist in isolation and has to exist within a much wider set of human resource activities:

- Organizational, human & management strategies
- Performance management
- Recruitment & selection processes, and
- Leadership, management assessment & development programmes

2.1 Importance of succession planning

In the past, succession planning was something companies did to plan for the worst-case scenario: replacing senior leadership due to retirement or career change. Nowadays, companies are waking up to the fact that there are costs and pain associated with not having a succession planning strategy in place. The stress of

scrambling to find replacements when a key contributor walks is high. Or the financial impact of hiring, in terms of time and lost productivity when people are pulled away from their “real job” to interview candidates. Many companies end up going external (using headhunters) to replace a key contributor, which is clearly expensive.

The recent emergence of ongoing talent reviews for employees at all levels of a company has helped reshape corporate thinking. Much like performance reviews, this process gives companies a qualitative snapshot of the talent pool and readiness of individual employees to step up to leadership roles. And since today’s workforce is more transient than ever, it becomes critical to assess employees from both a talent and performance perspective and openly provide career development opportunities to ensure the right people stay.

2.2 Factors indicating company to implement succession planning

There are several different factors that indicate when a company needs to implement or re-evaluate succession planning.

- Employee turnover becomes critical: The number of high-potential workers leaving is higher than average workers leaving.
- Employees feel undervalued: When a majority of the employees feel that there is no room for advancement because of too many outside hires, there is a succession-planning problem.
- There are no replacements for key talent: If a valued member of staff suddenly leaves, there is no one able to take his or her place.
- Managers notice that there are not many candidates for promotion: Employees who are not developed for leadership will never be promoted.
- The time to fill metric is high or unknown: The time to fill metric is the average length of time that it takes to fill a position. A high number means that the company needs to focus on succession planning.
- The retention risk analysis is high: A risk analysis uses different factors to determine the potential number of employees who will leave. These will factor in retirement and other trends.

2.3 Succession planning requirements

Succession planning strategy requires recruiting qualified talent, creating a talent pool, and instilling loyalty. It also looks for

- Identify the long-term goals and objectives of the business. The long-term goals directly relate to succession planning. Questions like “Is the company’s goal to grow or maintain its current position?” “Will it expand into other fields?” needs to be addressed before creating a succession plan.
- Understand the developmental needs of the company and identify employees who fit these needs. The responsibilities of employees change over time. Some positions may be eliminated in the future while others will be added.
- Recognize trends in the workforce and engage employees to build loyalty. Understanding workforce trends will help to predict the needs of the organization. For example, are the key employees nearing retirement? Have the organisation invested in talented employees to take on additional roles?

2.4 Benefits of succession planning

Effective Succession Planning helps the organisation to:

- Maintains leadership in key positions
- Ensures business continuity
- Retains and develop intellectual capital
- Encourages individual development
- Decreased turnover
- Increased employee satisfaction
- Improved commitment to company goals
- Enhanced image of the organization

Key benefits include:

- **Strengthen the talent pool:** By helping managers identify potential skills and competency gaps, companies can proactively train and groom talent across all key positions in the organisation.
- **Better career development:** Succession planning facilitates genuine development of employees for both their own benefit and that of the organisation.
- **Time savings:** The time and stress involved with interviewing, hiring, and ramping up a new employee is a burden to any company.
- **Cost savings:** There are two primary ways that succession planning delivers measurable cost savings. The first one is to avoid expense incurred by using a third-party placement agency or headhunter. The second

way is more subtle, and often unrecognized: the cost of reactively focusing on hiring and ramping-up a new employee.

2.5 Building a foundation for effective succession planning

Many companies see the value of building a succession planning strategy but simply do not know where to start. The first step is to assess what the organisation is doing to take care of the future talent. These questions can help to gain insight into potential liabilities of the current process, and validate the importance of investing in succession planning:

- What is the average age of the employees? What percentage of the employee base is retiring within the next five years?
- What is the current process for identifying employees with a high potential to take on leadership roles?
- How internal candidates are identified who may be ready to step into key roles today?
- How to ensure that right individuals for the leadership roles are trained and measured?
- What if a key contributor or member of the executive team left unexpectedly?

2.6 Expectations of succession planning

In a changing environment with flatter structures and a shifting emphasis in employer and employee expectations succession planning is now expected to achieve a number of objectives for a wide range of organisations:

- Provide greater security in being able to fill key positions with talented individuals that are known to the organisation
- Establish an identified 'talent pool'
- Positively develop successors through active planning of work experiences and development activities that they will need for the future
- Develop a corporate culture in which people share key skills, experiences and values that are important to the future of the organisation

It is also increasingly seen as a vital element that will enable the attraction and retention of the 'best' people. Given these objectives, organisations often have high-level expectations for the outcomes of succession planning:

- Retention of talented individuals
- Development & training that is aligned to the organisation's future
- Preparation for leadership
- Employee satisfaction
- Enhanced commitment to work and the organisation
- Improved corporate image

2.7 Challenges of succession planning

If succession planning is a key organizational tool for securing the future why is it that organisations or entire employment sectors still end up with critical shortages in the supply of top managers and leaders?. Succession planning presents a number of organizational and policy challenges which, if left unresolved, will undermine the concept:

- How to balance the aspirations of individuals with those of their employing organisations?
- What is the focus for a succession plan?
 - focus on key positions that are difficult to fill or critical to business success
 - focus on particular people with potential for advancement
 - focus on high-potential people who could move into any leadership positions within the organisation
- How to balance existing competency frameworks with the need to look to the future competency needs of the organisation?
- Are there distinctions between leadership and management?
- How the alignment of the succession plan can be ensured with the future of the organisation?
- How to ensure that the processes are open and fair?
 - employees need to understand the succession process
 - the methods used to judge potential successors, and
 - objective assessments of all available candidates
 - the need to ensure that the talents of all are properly developed
- Managing the risk of focusing talent management efforts for the top few at the expense of the wider development needs for the rest of the organisation.

- How to balance the needs for ‘new blood’ with providing the experiences and opportunities for ‘home grown’ talent to progress?

2.7 Success factors

There are several factors typically found in successful succession planning initiatives. For example:

- Senior leaders are personally involved.
- Senior leaders hold themselves accountable for growing leaders.
- Employees are committed to their own self-development.
- Success is based on a business case for long-term needs.
- Succession is linked to strategic planning and investment in the future.
- Workforce data and analysis inform the process.
- Leadership competencies are identified and used for selection and development.
- A pool of talent is identified and developed early for long-term needs.
- Development is based on challenging and varied job-based experiences.
- Senior leaders form a partnership with human resources.
- Succession planning addresses challenges such as diversity, recruitment, and retention.

III. Succession planning development

Effective succession planning relies on three best practices, regardless of the industry:

1. Defining a process
2. Continuous review
3. Technology

3.1. Define the process

There are several key elements to design a process that is both comprehensive and tailored to the company. The first step is the assessment of key positions. What are the roles in the company that are critical to the business? This is a thorough survey of key positions across the company from a top software programmer to a manufacturing supervisor and from a line of business manager to a vice president of sales. Once key positions are assessed, the next step is to thoroughly assess the key talent in the organisation.

Once these first two steps are completed, development plans can be generated for grooming individuals and strengthening the positions in all the critical areas of the business. The focus must be on high potential employees, how to develop and retain them. It also allows identifying areas of improvement.

Finally, creating a consistent, ongoing monitoring and review process is crucial to solid succession planning. A well-designed succession plan requires ongoing review and scrutiny from senior-level executives and other key leaders as well as HR. Figure 1 illustrates the key elements for effective succession planning.

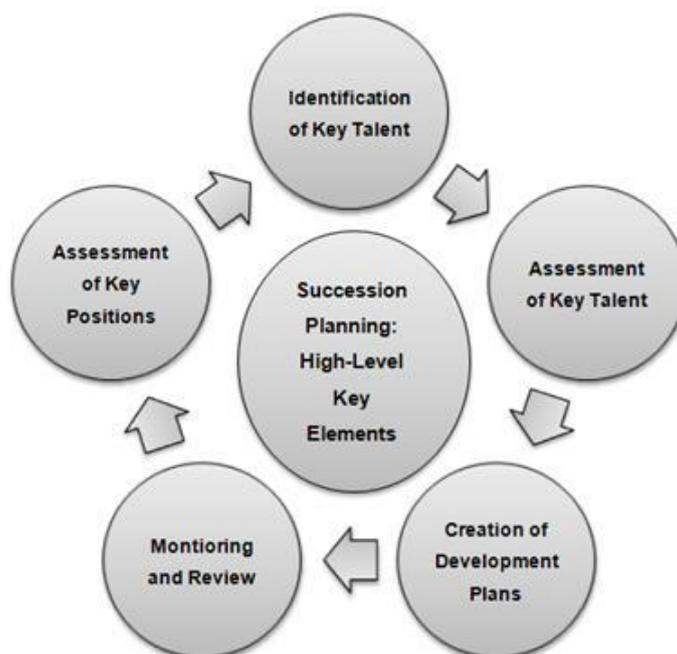


Figure 1. Key elements for effective succession planning.

3.2. Continuous review

Once the process of assessing and identifying employees at all levels of the company has taken place, managers should have a good idea of the depth and scope of available talent. The next most critical step is discipline. While succession planning can effectively guide identification, development and retention, the process breaks down if the data is not analysed, evaluated and updated continuously.

One way to reinforce a consistent succession planning process is to tie a talent review process to performance reviews. This allows adding an important insight: simultaneous measurement of current performance against a talent assessment helps to validate decisions and planning for those employees who will be of most value to the organisation. In fact, the full benefit of a performance review process is not received, if actions are not taken to address gaps surfaced during the review and to develop the skills of the employees who have to succeed in their current or future roles.

3.3 Applying technology

Designing, implementing, and executing an effective succession planning process can be time consuming and challenging. A paper-based system is not viable because there are simply too many variables to be assessed. Just collecting and analyzing data on its own to drive assessments for every employee is alone a massive undertaking. Once information is collected, keeping it current, centralized and easily accessible to managers with the right permissions is very difficult when documents are kept in binders or file drawers throughout the organisation.

Fortunately, there are innovative performance and talent management technology solutions available that dramatically facilitate the entire succession planning process. And, applying technology allows managers to have intuitive and easy to understand views of their team — including readiness and risks of someone leaving — as well as greater access to successor candidate pools through flexible search tools. But this comprehensive view of a company’s talent pool and bench strength is only possible using today’s powerful technology designed especially for succession planning.

3.4 Leadership development Steps

The elements of the program should include a strategy and execution of the seven-step process for effective succession planning as represented in Table 1.

Table 1. Leadership development steps.

| Steps | Leadership development steps |
|-------|---|
| 1 | Determine the best leadership style for the organisation |
| 2 | Identify current and potential leaders within the company |
| 3 | Identify leadership gaps |
| 4 | Develop succession plans for critical roles |
| 5 | Develop career planning goals for potential leaders |
| 6 | Develop a skill roadmap for future leaders |
| 7 | Develop retention programs for current and future leaders |

3.5.1. Determine the best leadership style for the organization

There are many theories about and techniques for determining the right leadership styles for an organization. The situational leadership theory, for example, argues that the best type of leadership is determined by situational variables and that no one style of leadership pertains to all given workplace situations.

The leadership style, for instance, that is required by a head of corporate security would obviously be vastly different from the leadership style of an art museum director: authoritative versus creative or charismatic. Identifying the leadership style for an organization by using this approach includes identification of the type of work, the complexity of the organization, and the qualifications of the followers.

Additional leadership styles include pluralistic leadership that revolves around group decision-making, a style that values the opinions of others. Whatever style is best suited for the CEO of an organization, a variety of leadership styles may be required to lead different groups such as manufacturing operations, marketing, finance, and creative services within a company.

3.5.2. Identify current and potential leaders within the company

To evaluate potential leaders in the organization, a leadership program needs to identify the expected leadership skills and competencies. Table 2 represents the fundamental differences between the role of a manager and a leader.

Table 2. Fundamental differences between the role of a manager and a leader.

| Managerial functions | Leadership skills |
|--|--|
| Plan and budget | Create vision and excitement |
| Coordinate, control and executive activities | Set a direction, motivate and inspire people to follow |
| Organize and staff | Align people |
| Work within existing structure | Build new relationships and structures |

Competence models

Competence models can be used to identify leadership potential during performance reviews and career counseling sessions. Commonly used eight leadership competencies are:

- Creating and conceptualizing
- Analyzing and interpreting
- Leading and deciding
- Interacting and presenting
- Adapting and coping
- Supporting and cooperating
- Enterprising and performing
- Organizing and executing

When companies develop a competence model of their own, they need to define the success measurements and build them into their performance management system. This will assist in setting the evaluation criteria and the competence standards from a must-know and must-demonstrate perspective.

Leaders can be found both internally and externally. Companies must weigh the cost and timing of developing internal leadership against the cost and availability of hiring from the outside.

Identifying internal leaders through performance management: Based on key leadership competencies, capabilities are tested and evaluated during the performance management review process. During the performance appraisal process, managers can assess goals and development plans, solicit 360-degree feedback, and rate the individual's progress to date.

Advantages of developing internal leaders: One of the key advantages of developing leaders internally is that they achieve productivity almost 50 percent faster than external candidates. When leadership positions cannot be filled from within the company and the company's strategy is to create a pipeline of future leaders, recruitment should use the same measurements to test the existing competencies or future potential of candidates and to assess internal candidates.

Identifying leaders through the recruitment process: One way to ensure a consistent flow of leadership talent into a company is to recruit the right people in the first place. Online pre-assessments and full assessment testing can help ensure that the right candidates are on the short list.

Online pre-assessment tools can also be used to accelerate the filtering process, by eliminating from consideration those candidates who do not pass a minimum threshold score in the preassessment screen. Unqualified candidates are automatically filtered out, not on the basis of their résumés but, rather, on the basis of a self-administered online test or questionnaire. The short list creation activities in the recruiting process are streamlined. Significant amounts of time can be saved on each job requisition, enabling the recruiter to focus time and attention on the more promising candidates.

The advantage of using assessments is that they help to avoid wasting time during the filtering process, it typically takes 80 percent of the time to get to a short list. That leaves only 20 percent of the time to invest with quality candidates. Automated prescreening provides up to a 42 percent increase in recruiter efficiency.

Longer assessment tests can qualify candidates for existing positions or identify potential talent to build bench strength for future leaders. Traditional formal assessment testing is not generally used for senior-level executives but can be useful for future rising stars during campus recruitment, management training, or leadership development programs.

Internal coaches often provide lower cost of services, exhibit more consistency in methods and understand the organizational culture. However, they may also be perceived as less credible. Leaders may consider internal coaches to be less confidential. External coaches can bring greater objectivity, fresher perspectives, higher levels of confidentiality and experience in many different organizations, industries and business environments.

3.5.3. Identify leadership gaps

The identification of leadership gaps is an assessment of both the individuals and the readiness of the organization. To help fully recognize leadership gaps, companies should

- Determine current and future leadership requirements
- Compare those requirements with the current leadership team

- Identify current leaders who may be at risk of leaving
- Identify succession plans for those at risk of leaving or planning to leave
- Look at the leadership development pipeline
- Identify gaps in skills and the time required to fill those gaps

3.5.4. Develop succession plans for critical roles

Creating a succession plan for critical roles should not be confined to executive roles. As part of the leadership program, companies should evaluate critical leadership roles throughout the organization. Yet, an i4cp pulse survey found that whereas more than 70 percent of large companies have succession plans at the director level, only 41 percent have them at the manager level.

Coaching and mentoring: The apprentice model has seen resurgence for grooming leadership. Coaching and mentoring have been gaining favor as elements of succession planning programs. Using social media in mentoring programs is beginning to be a popular way to support external mentoring programs.

Technology to support succession planning: For the greatest efficacy, succession planning should be supported by technology systems that provide the ability to

- Create backfill strategies that use data captured in the recruiting and performance review processes, coupled with individual career plans
- Add multiple candidates to a succession short list and view all the best options, without necessarily adding them to the plan
- Display multiple talent profiles from C-level executives to individual contributors side by side to quickly identify the best fit
- Track candidate readiness based on skills, competencies, and performance; promote top candidates based on relative ranking and composite feedback scores

3.5.5. Develop career planning goals for potential leaders

Career planning used to be considered the responsibility of an individual. However, research shows that companies that support career planning for their employees gain in retention, engagement, and protection of the leadership pipeline. If companies do not provide employees with career planning and advancement opportunities, their competitors will. Self-service career planning will help motivate and retain talent, by empowering employees to view a career plan and generate their own within the company.

Combining employee development with career planning enables employees not only to explore potential career paths but also to monitor and progress through the development activities necessary to attain them. Competencies can then be tied to relevant development activities, thereby incorporating development planning right into the performance review process, which supports career development and succession planning.

3.5.6. Develop a skill roadmap for future leaders

Once the high-potential employees have been identified, a skills roadmap should be developed for the future leaders. Because people learn and develop new skills both inside and outside the classroom, a development program needs to support both traditional and nontraditional learning. To support less-formal learning, activities such as coaching, rotational assignments, job shadowing, mentor relationships, and project leadership should also be part of an employee's development plan. At the core, the very definition of learning should reflect today's nontraditional learning and incorporate social networking tools into the development process.

3.5.7. Develop retention programs for current and future leaders

Monetary as well as nonmonetary rewards can be used to improve the retention of any employee, but particular attention needs to be paid to high performers and future leaders. Linking pay to performance can be a motivator for an employee, but goal alignment helps potential leaders stay focused on what is important to the company. Recognize excellent performance, and base the upside of bonus potential on the success of both the employee and the company. Another way to retain and motivate future leaders is to involve them in the decision-making process. This teaches them the stated mission, values, and goals of the organization as well as how they contribute to the success of the business.

IV. Integration of assessment and development

In a succession planning environment the development of successors is aligned uniquely to the needs of the individual, the organisation and their future potential roles. A successful way to achieve this is through the use of Development Centres that interface with critical career transition phases. Development centres are primarily focused on observing, assessing and identifying potential. Using projects, case studies, exercises,

discussions and psychometrics they assess core competencies as well as identifying intangible qualities in potential successors. The outcome of each stage will be an individual development programme tailored to the needs of the individual in the context of their career stage, aspirations and future organizational potential. Participation in the succession planning process is both a choice for the individual and the organisation.

1. The New Entrant. As part of the initial induction and integration processes early development needs are identified and career aspirations discussed
2. Potential successors. As individuals move towards supervisory or middle management roles their potential and willingness to join the talent pool is assessed
3. Potential leaders. High level managers are assessed against defined leadership skills and qualities
4. Leadership. An assessment stage that identifies how ready the individual is to take on a significant leadership position
5. Beyond leadership. Established leaders look towards their long-term impact on the organisation

4.2.1 Assessment and development must be integrated to realize their full potential and value

The combination of assessment and development should be tightly aligned with the organization's business drivers and talent strategy—and with each other. Assessment-driven development initiatives often feature individualized development planning or coaching as a follow-up strategy to the assessment. These initiatives are defined by both pluses and minuses. On the plus side these assessments typically feature in-depth tools, diagnostic precision, and the opportunity for deep personal insight—a critical starting point if true leadership growth is to occur. On the minus side, however, these efforts often run the risk of placing more emphasis on initial assessment activities than on issues like rigorous development planning, access to learning resources/support, and development accountabilities. An integrated approach of assessment and development is needed, and it is best guided by an integrative architecture grounded in the needs of the business.

4.2.2 Reasons for assessment and development can (and should) work together

When a business-focused architecture guides both assessment and development, there is clarity about why the individual or group is being assessed, whether it's to identify potential, inform promotion or placement decisions, get a snapshot of a leadership team's combined strengths and growth areas, or pinpoint an individual's strengths and development needs. Similarly, an integrated architecture can make clear what action needs to be taken on the assessment data. When assessment and development work in concert, these data form the basis of an individual or cadre development plan. If this connection is absent, valuable assessment data never gets fully used.

Another characteristic of a guiding architecture is that the right amount of assessment can be employed for each purpose and level. For instance, the assessment process for a high-potential leader targeted for accelerated development will require both depth and rigor to ensure that he or she gets the exact development needed—and to ensure that the organization's significant investment in developing that leader can be optimized. Alternatively, there may be some development efforts intended solely to raise broad awareness rather than facilitate deep transformative change. In that case, a lighter assessment approach may be sufficient.

4.2.3 Avoiding the risks

When assessment and development aren't properly aligned, the organization can face significant risks. If the organization's assessment and development initiatives aren't aligned with these critical business needs, the effort will struggle to have the leadership capability to drive the transformation.

Assessment and development systems and structures created separately and/or at different times can lead to disconnects that cause confusion, consume resources, and require reverse engineering of some of the designs previously put in place. Ultimately, the goal of development in talent management is to grow talent to propel leader and executive readiness. The business and its leaders deserve an efficient and well-thought-through framework to make the most of what high-quality assessment and development have to offer.

V. Building an integrated development architecture

A framework is outlined to bring assessment and development together, highlighting the essential component parts of integrated thinking (see Figure 1). Addressing all of the components of the framework will lead to much greater success in fully realizing leadership development and growth.

5.2.1 Strategic alignment and governance

The first part of the strategy framework includes important strategic considerations about how the overall process is aligned and how it will be governed. Before getting into discussions about assessment techniques or development solutions, it's critical to understand the problem to be solved, which the stakeholders are, what success will look like, and how the solution will be kept alive on an ongoing basis. Many times

initiatives have great momentum in the beginning but then falter when priorities and focus shift to the more “urgent” issues? Too often, the result is an initiative that dies due to a lack of governance, accountability, and sustainability.

It is always good to start with the business context and identify the critical few business drivers that are essential for organizational success. These business drivers have direct implications for the kinds of skills required for executives and leaders to achieve the desired outcomes. For example, if the organization wants to drive aggressive global growth, the executives and senior leaders need to be skilled in areas such as strategic capability, global acumen, and entrepreneurship. Considering high priority business drivers helps to isolate the specific capabilities, attributes, and experiences that will enable success.

A fourth broad consideration within strategic alignment and governance is the need to define the resources available to participants as they advance in their development journey. For example, will there be a curriculum? If so, what kind? Will there be a need for developmental or rotational assignments for key participants and high potentials? How will those assignments be made available? Will internal mentors be enlisted to support the leaders’ development? If so, who will be involved, and how can it be assured that these mentors have the capabilities and preparation to make the most of their role and assignment?

5.2.2 Assessment strategy

The next component of the framework concerns the creation of the assessment strategy. When thinking about the integration of assessment and development, the first two questions to be considered is, “What’s the purpose of the assessment?” and “How will the data be used?” For example, is the organization looking for an in-depth, robust assessment that gives participants deep insight into their capabilities and their attributes, or do an assessment is needed that’s lighter, less costly, and provides only a broad view of strengths and development needs?

The answer should lie in how the data will be used, but also in the degree of the development effort’s rigor. Development aimed at making incremental improvements to a general set of skills may only warrant a light assessment, whereas deeper transformational leadership development, characterized by multiple development methods and tools, will require the precision of higher-quality, more in-depth assessment, which include simulations, personality measurement, and interviews.

Once the purpose of the assessment and the amount of needed depth is determined, the next step is to create alignment between business needs and the capabilities to be assessed. This means not just accepting the existing competency model (which may eight to ten years old, or older), but also challenging the process by investigating the criteria that will be needed for future success and ensuring that this is part of the assessment design. Today, conditions and strategies change more rapidly than ever. Using the business drivers to forge alignment between the business and assessment criteria is a key place to start.

It is critical to consider who is to be assessed when crafting the assessment strategy. The methods used for senior leaders will need to be different from those used to assess first-level leaders. It’s best to carefully consider the communication strategy, as well. As assessment is one of the first phases of an effective development process, participants will need to know what is being assessed, why, and how the data will be used in their development journey. This is in addition to other important communications they must receive related to the broader development program and implementation.

There is also information that must be communicated to other stakeholders, including senior sponsors and talent management staff. How will they receive feedback on the assessment data? How will they leverage that data as talent analytics? And, what will be the process for participants flowing through the assessment phases? What handoffs will be needed between different players who will support learners’ development efforts? There are many potential questions, and it is a good idea to have thought through the answers ahead of time.

5.2.3 Individual and cadre development strategies

When considering the overarching leadership development strategy, both individualized and cadre or group-based development efforts are crucial to help leaders grow their capabilities. It’s also helpful to distinguish between these (integrated) pathways.

Individualized development approaches include in-depth, personalized development based on the participant’s assessment findings. This personalized development planning process includes documenting the specific learning goals, actions, learning methods, applications, timelines, measures, and support to create a game plan for each participant’s unique needs and learning goals. Cadre development is best thought of in terms of common curricula and other group-based learning methods, such as action learning teams and peer learning consortiums.

Individualized and cadre development strategies are examined separately.

Individualized development strategy

A strategy for individualized development is needed to ensure leaders have clear execution plans for their development and the right environment in place to support achievement of those plans. An individual development plan should be a rich, detailed, and specific learning plan with timelines and accountabilities spelled out. It should also have how participants get the coaching and support they need

The strategy should provide a sufficient variety of development alternatives, including those that are self-driven (readings, webinars, interviews with experts), curriculum-driven, and experiential. Experiential options include special projects, assignments, rotations, and access to internal experts who can serve as coaches. The availability of these resources should be communicated ahead of time so that the participants have the options at their fingertips when assembling their learning plans.

The biggest mistake often made in an individualized development planning effort is not placing enough emphasis on supporting development over time. There are many cases in which assessment feedback is delivered and development plans crafted, but then stakeholders shift their focus elsewhere, with the result that the plans never get executed and development never takes place. For this reason, accountability is probably the most important element of the process. It's necessary to think about the standards participants should adhere to in terms of the rigor of their development plans, and there needs to be an established, ongoing process for reviewing, checking progress, and, ultimately, completing the learning plan. While participants need to be accountable for their development, managers, talent management professionals, and others supporting the process will also need to be held accountable for their own roles and responsibilities.

Cadre development strategy

Cadre-based development initiatives often target either high-potential leaders, leaders transitioning through new milestones in their careers, or in-role development for leaders within a particular level or business unit. The most common approach to develop these cadres is the offering of a curriculum or a broader learning journey consisting of courses, action learning, and other group level experiences intended to foster learning partnerships and networks. Cadre development strategy should encapsulate factors such as alignment with business strategy, alignment between assessment and individual development, senior leader advocacy, learner communication and engagement, application sustainability, and measuring return on investment.

Among the host of considerations in getting a cadre-level development program off the ground are communication, engagement, alignment to audience and culture, and ensuring sustainability. Cadre development programs require sizable investments of time, energy, and commitment beyond the financial costs. Alignment to audience and culture is another critical success factor. What are the unique needs of the learner audience? What kinds of learning programs and designs "work" in the organizational culture? Answering questions such as these will help to confirm that the learning design, timing, and modalities will be the right fit. Similarly, it's critical to take steps that ensure sustainability of development and ultimately allow for establishing a return on the investment. Key questions include: What will be participants' required follow-up steps? Who will be accountable for what outcomes? And, how will the organisation measure success and impact?

VI. Succession planning implementation

In reality the range of activities that will support the implementation of a succession plan will extend through virtually every aspect of the organisation that has an impact on the people who make up the organisation. Identified successors should be involved in detailed feedback on their assessment outcomes and discussions about their aspirations and development needs. A series of discussions should be facilitated between relevant leaders, groups and teams to obtain input on developmental opportunities within the organisation. All successors should be supported by a designated coach or mentor. Even when a pool of successors has been chosen and is being developed, the succession-planning process should be regularly reviewed and updated.

6.1 Leaders as coaches

The most experienced leaders may be the worst coaches. They may need additional training on delivering messages in small, timely chunks; active listening; and showing appreciation. One profession that does not require ongoing training is leadership. However, research shows that experienced leaders lack critical coaching skills. The fundamental skills and concepts of coaching remain constant, even as leaders gain experience and change roles. Even a leader with a strong foundation of coaching skills must adapt and further hone his or her approach as the workforce and workplace evolve.

To be an effective coach in today's turbulent environment, the following is required

Good coaches use time: The days of leading sit-down conversations across the conference table for a 30-minute coaching discussion are gone. Today's most effective leaders know how to coach "on the fly." These leaders coach by phone, by e-mail, and even by social media when appropriate.

The coaching messages may be delivered now in smaller bites, but they still have purpose and importance. The leader connects the discussions and guides the employee through the coaching process over a series of conversations. Most leaders do not develop this skill on their own.

Good coaches ask insightful questions: A key part of coaching involves asking high-gain, insightful questions. While effective coaches will balance “seeking and telling,” great coaches make the most of the seeking opportunity. They remember to ask clarifying questions, those that will help employees discover insight into themselves, the situation, and the other people involved. These strategic questions lead to better solutions. They also foster higher levels of commitment to taking action in a coaching situation, whether it’s proactive coaching or reactive coaching. It works both ways.

Good coaches show appreciation: Effective leaders find ways to genuinely and regularly show appreciation for their employees. The use of the “STAR” approach is used to provide relevant behavioral feedback. Using this model, a leader describes the Situation/Task (ST) the individual or group handled, such as a problem, opportunity, special challenge, or routine task. The leader also notes the Action (A) the person or group took, including what they said or did, as well as validating the positive Result (R). STAR appreciation goes beyond behavior and recognizes who the person is, as much as what he or she does.

The STAR acronym also can be used as a shorthand reference to an especially effective model for showing appreciation:

- The Situation over Time (ST): The leader has noticed the individual having an impact.
- The relevant Attribute (A): What is it about the individual the leader knows he or she can count on?
- The Result (R) or impact of the person’s attributes.

VII. Discussion

Companies look only at the present rather than the future when it comes to succession planning. A business ought to have a pool of skilled people that it is looking to develop for the future at all times. It is not enough to simply be grooming one person for the job the next rung up the ladder and there should be range of people in the business who have been identified as having the potential to step up to more senior levels.

Recruiting externally, while sometimes necessary if looking for a new skill set or fresh ideas, is on the whole more expensive than promoting internally and brings with it different hazards. Numerous studies have shown that internal promotions have a greater success level. One study found that senior executives fail on the whole 34 percent of the time when hired externally and 24 percent of the time when hired internally. Another found that organisations that rely on external candidates to fill middle-management positions (more than 25 percent from external sources) have almost double the turnover of organisations that rely on internal promotions.

Studies have found that the cost of derailment of a senior executive is high without including indirect costs. The costs include search firm fees, assessment costs, signing bonus, relocation costs, training and severance package. This does not include the indirect costs of lost productivity and lowered morale. As a general rule, there should be a pool of potential candidates because when it comes to promotion some may leave, some may not be ready when needed and others may decline for personal reasons. Once suitable internal candidates have been identified it is necessary to develop a plan to fill in any gaps that are apparent.

Using the agreed success profile for the role different candidates’ development needs can be identified. Candidates should be stretched and provided with opportunities for development as part of the succession programme. Companies should also consider how to best keep their talent pool engaged and motivated until a suitable position becomes available. This might be through long-term assignments, professional development or job rotation. One of the most difficult things when looking at whether someone is ready for promotion is trying to gauge how they will behave in their new role. Assessment is often focused on what people have done in the past, or what they are capable of.

More and more organisations are using simulation-based assessment to get a more rounded picture of how a candidate is likely to perform in a role. By putting a candidate through a simulation of what a day in the life of their role would be like, organisations are better able to judge a candidate’s suitability. Following the simulation, any weaknesses found can then be addressed in the development plan, giving the candidate time to address these areas before they are ready to step up into a more senior role. And assessment can’t start soon enough. Habits begin early, which is why it’s also important for first time managers to have training to set them up for success in later business life.

VIII. Recommendation

A common leadership language keeps the organization focused on the right things. A common leadership language can help to alleviate this unease by addressing what leaders at all levels need to do: Collaborate and get things done through others. Indeed, critical leadership activities such as coaching, giving feedback, and resolving conflicts are most effective when everyone is using a core language that sets norms for

discussions and ensures all employees are hearing and experiencing a consistent, highly engaging work environment.

The language should be tied to a strong leadership culture based on a core set of values, including showing others respect, even in tough situations; listening to people and demonstrating that the organisation hear them; attaining mutual trust, trusting and being trusted; promoting ownership and accountability for one's work and responsibilities; and providing and receiving support to achieve goals. Good leaders also need to be able to approach each interaction in a way that will make sure it achieves its intended goal and be able to both give and receive feedback effectively.

No organization can hope to achieve its business goals if all of its leaders aren't on the same page, behaving consistently and taking the same approach to interacting with others. A common language makes leaders more effective by minimizing communication gaps and language barriers between generations, regions, or cultures. It also facilitates the creation of a leadership brand and enables leaders to become brand ambassadors and sustain the culture.

Establishing and reinforcing a common core leadership language begins and ends with how leaders are developed. Frontline leaders need a core set of leadership skills so they can have effective interactions and get the most from their people. Leaders at higher organizational levels need these same skills, too, so they can be effective in their own interactions and also reinforce and support the leaders who report to them. These skills need to be developed, applied, and reinforced across the entire leadership pipeline if a common language and culture that facilitate achieving business results are to emerge and stick. Frontline leaders need a core set of leadership skills so they can have effective interactions and get the most from their people.

Instilling a common leadership language across borders is about more than addressing the reality that leaders in different locations don't share the same native tongue. Cultural differences can prove even harder to overcome. For example, encouraging open feedback is challenging in Asia, where it's not a common practice. Respect and active listening also are demonstrated differently from one culture to the next.

These differences need to be addressed when delivering leadership training. The best way to do so is through the use of skilled facilitators who are knowledgeable about the social norms and customs of a culture, are sensitive to how best to engage a population of leaders in a development experience, and can make adjustments to the course delivery while preserving the concepts and skills being imparted. It also might mean adjusting the time needed to deliver a leadership course, such as extending it from a half-day to a full day to allow time for more discussion and participant interaction.

As a result, leaders at different levels working in different functional areas, such as finance, marketing, or IT, behave and get things done differently. These differences in leader behavior breed frustration and inefficiency and also can distract leaders and employees from the need to focus on executing strategy and realizing business results.

To establish a common leadership language, four steps are critical.

- Focus on what leaders need to do
- Draw clear connections between leader behavior and the execution of business strategy
- Begin at the top
- Commit for the long term

IX. Conclusion

A well-designed leadership development program is the key to identifying, attracting, filling, and retaining corporate leadership. The elements of the program should include a strategy and execution of the seven-step process outlined in the leadership development as represented in Table 1.

Leadership development is a critical aspect of attaining optimum output from organizational talent management and requires the effective execution of many talent management practices. Technology applications can provide the enabling platform, including recruitment, assessments, performance management, succession and career planning, and development programs.

All organizations need strong leaders in order to be successful. Talent management practices implemented with robust technology applications can effectively identify and develop, from all levels of the workforce, the leaders who will best drive business performance.

Planning and foresight in succession planning really does show clear dividends. By identifying people within the organisation who have the potential to become leaders and then working with them to fill any gaps in their skills, the organisation will be able to build a strong bench of talent. If done well, succession not only ensures stability at the top post, it can serve as a model of how talent should be cultivated and deployed for the long term benefit of the enterprise.

Although there is much to consider when seeking broadening the organization's focus toward fully integrated assessment development architecture, starting with a broad, strategic foundation will pay dividends in leadership growth and business outcomes.

In addition to facilitating integration, the framework discussed includes a consideration for target audiences such as senior leaders, high-potentials, and first level leaders. While applying the framework to different audiences is strongly recommended, it is likely that the strategies and ingredients will differ according to the needs and scale of the situation.

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