

# SUCCESSION PLANNING GUIDE



**Connecting today's workforce with tomorrow's demands.**

## INTRODUCTION

In September of 2017, the Secretary of State issued an [audit report](#) evaluating Oregon state government's succession planning. The report highlights the many challenges our workforce will face in the coming years. According to the audit, "[t]he lack of a succession planning framework increases workforce risks, such as not developing or retaining knowledgeable and skilled employees to perform critical functions."<sup>1</sup>

What will be your legacy at the state? If you or one of your team members moved on today, would projects reach a satisfactory close or remain incomplete? Succession planning ensures the work we do remains valuable by capturing and transitioning skills and knowledge. Succession planning is critical to the state so agencies can ensure business continuity to Oregonians now and in the future.

There are thousands of unique jobs at the state, each with a set of roles and responsibilities that must be fulfilled to ensure the safety, continuity of business, and general enjoyment of our beautiful state. Many positions require special skills, and some are specific to the public sector. This means these skills may not be readily available which, in turn, may make the positions difficult to fill.

Developing a sustainable succession plan is a priority. The following guidelines are intended to provide general instructions to help agencies assess, identify, develop and evaluate a succession planning process. The guidelines cover how to identify critical positions, assess your team's needs, and determine both position and employee competencies. You are encouraged to work with your HR Business Partners to answer specific questions related to position descriptions, critical position evaluations, position management, classifications and any other issues that may come up during this process.

Visit the DAS CHRO Succession Planning website at:

<http://www.oregon.gov/das/HR/Pages/success-plan.aspx>

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<sup>1</sup> See, Secretary of State Audit, Audit Highlights #2, September 2017

## WHAT IS SUCCESSION PLANNING?

Succession planning is the strategy of assessing and forecasting workforce needs by identifying critical positions and developing competencies (knowledge, skills, and abilities) to meet those needs. It begins even before a vacancy exists through agency strategic planning and budget processes. It touches every aspect of a position's lifecycle.

Succession planning connects important positions at risk of vacancy with capable position candidates through recruitment plans and employee development.

Through a careful assessment of your workforce, you will be able to do the following:

- Assess positions critical to the functions of your team, division, or agency by identifying position competencies
- Meet with employees to discuss goals and development necessary in both the short and long term for potential succession into critical positions
- Assess gaps in your workforce
- Identify individuals capable of assuming critical positions during a critical position's vacancy
- Align a succession plan for current and future business needs
- Evaluate your succession plan and adjust competencies, employee goals, and recruitment strategies, if necessary
- Develop recruitment plans targeting the competencies needed to best fill the position
- Ensure incorporation of affirmative action, diversity and inclusion responsibilities in agency recruitment plans

Succession planning is the essential groundwork to maintain the day-to-day work and support for appropriate workforce strategies.

## THE FOUR STEPS TO A SUCCESSFUL SUCCESSION PLAN

Succession planning will vary slightly from agency to agency. Different resources, organizational designs and business focus all mean succession planning should be flexible and adaptable in order to accommodate varying needs and achieve business continuity. However, the agency can follow the four-step succession planning process to guide succession planning activities.

<b>STEP 1</b>	<b>ASSESS</b> Assess and communicate the agency's or team's mission and vision for the current and future workforce
<b>STEP 2</b>	<b>IDENTIFY</b> Identify critical and highly critical positions and competencies
<b>STEP 3</b>	<b>DEVELOP</b> Create employee plans for competency development
<b>STEP 4</b>	<b>EVALUATE</b> Adjust competencies, employee goals, and recruitment strategies, if necessary

## SUCCESSION PLANNING SUPPORTS WORKFORCE PLANNING

Strategic succession planning should not be done in isolation from the broader workforce planning process. Specifically, a detailed review to discover workforce gaps helps identify key positions and employees for development. It is also important to understand the difference between succession planning and workforce planning.

Workforce planning is a set of procedures an agency can implement to maintain the most efficient employee/management team possible. Workforce planning falls into two broad categories – operational and strategic.

Operational workforce planning involves streamlining day-to-day operations. Examples include:

- Optimizing work schedules and employee hours
- Identifying functional needs and hiring new employees to meet those needs
- Identifying obsolete functions and reassigning work, as necessary
- Ensuring managers are clearly communicating the vision and expectations

Strategic workforce planning deals with broad-based issues that evolve over months and years and can influence all areas of the agency. Examples include:

- Establishing or developing a framework for anticipating vacancies (succession plan)
- Looking ahead at what the future workforce needs
- Anticipating budget impacts
- Sharing knowledge with other parts of the agency and providing developmental opportunities for employees to cross train

Without a succession plan in place, workforce planning becomes a reactive process – hiring someone who is in the right place at the right time versus proactive process – hiring the right someone, at the right time, in the right place, in the right position. When both plans work together, you have established competencies for specific positions along with employee competencies and development plans to support the work being done both today and in the future.

## **STEP 1 – ASSESS: YOUR MISSION AND VISION**

Grounding your succession plan in your agency's mission positions the agency to better endure future challenges and take advantage of future opportunities. Once the mission is clear, make sure to communicate the direction, so everyone is able to follow. Please use the following questions to start the assessment process. For additional tools, please see the CHRO's Succession Planning website.

- What is your mission? And how and what does your team do to support it? (e.g., maintain the flow of transportation on major roadways for the safety, efficiency and sustainability of our customers.)
  
- What functions or positions are at the core of how your team accomplishes its mission? (e.g., collects, researches, analyzes and converts new and unique tabular and spatial water resource information; Water Resource Data Technician 2)
  
- What fundamental competencies are necessary to fulfill your team's mission? (e.g., accuracy, efficiency, planning and organization, compliance, equipment operation and safety - competencies can be found on the CHRO's Succession Planning website and in Workday)
  
- How does succession planning (the strategy of maintaining these competencies and positions) fit into your team's mission and goals? (e.g., the team has required training and a mentorship/peership-based approach to ensure team members discuss and share knowledge, experience and workload transition.)

## **ASSESS: AGENCY'S FUTURE WORKFORCE <sup>2</sup>**

Instructions: Think broadly about the agency's future needs and challenges. The constant evolution of technology and innovation will change the way we conduct future business. A competent new hire for a critical position today may not fit the position in ten years, five years, or even one year.

Effective succession planning anticipates changes and ensures a ready bench of capable candidates for every critical position. Please use the following questions to start the assessment process. For additional tools, please see the CHRO's Succession Planning website.

- What potential challenges will the agency face in the next five years? In the next ten years? (e.g., implementation of new programs for Oregonians that requires specialized knowledge not currently utilized.)
  
- What potential challenges will your team/division/agency face?
  
- What competencies, skills or resources will your team, division and agency need to effectively deal with these challenges?
  
- As of today, to what extent are these competencies available within your team? What about within the agency as a whole?
  
- Did you identify any gaps in future need and current availability? How would you prioritize resolving these gaps in competencies, skills and/or resources?

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<sup>2</sup> The State of Alaska, Division of Personnel originally developed the concept of "defining the future" as an initial step in workforce planning. The questions included in the workforce planning report inspired these questions.

## STEP 2 – IDENTIFY: CRITICAL POSITIONS AND COMPETENCIES

Identifying critical positions and competencies is crucial to an effective succession plan. It provides the agency with a full-scale look at how it conducts business, identifies workplace gaps and allows for managers to understand the risks of vacancies in certain areas.

A critical position, if vacant, creates a significant impact within the team, public or agency. The vacancy would impact things like safety, fiscal responsibility, project implementation, responding to customer demands, equipment maintenance, etc. A review of all positions to determine vacancy impact allows the agency to be better prepared when vacancies, both anticipated and unanticipated, occur.

When doing the critical position analysis, make sure you focus on the duties and competencies of the position, not the person filling the position. If you are clear on the position’s purpose, the competencies come naturally. To help agencies determine a position’s critical measure, the chart below and tools on the CHRO’s Succession Planning website will help narrow in and focus on the specifics.

<b>NOT A CRITICAL POSITION</b>	<ul style="list-style-type: none"><li>• Vacancy would cause limited impact</li><li>• Limited specialized knowledge or skills required</li><li>• Strong recruitment potential</li><li>• Competitive compensation package</li><li>• Limited direct promotional opportunities</li></ul>
<b>CRITICAL POSITION</b>	<ul style="list-style-type: none"><li>• Vacancy would cause an impact</li><li>• Some specialized knowledge or skills required</li><li>• Challenging recruitment</li><li>• Moderately competitive compensation package</li><li>• Skill set in demand</li><li>• Promotional opportunities</li><li>• Anticipate vacancy within the next 1 to 5 years</li></ul>
<b>HIGHLY CRITICAL POSITION</b>	<ul style="list-style-type: none"><li>• Vacancy would cause a significant impact</li><li>• Specialized knowledge or skills required</li><li>• Very challenging recruitment</li><li>• No competitive compensation package/compression issues</li><li>• Skill set in high demand</li><li>• Promotional opportunities</li><li>• Anticipate vacancy within the next year</li></ul>



**Competencies** sometimes go beyond the minimum qualifications (a set of knowledge, skills and abilities expected to fill the position) or position description. Competencies are skills necessary to successfully complete the duties of a position. There are two types of competencies: non-technical and technical.

- Technical competencies are practical skills or licenses necessary to fulfill the required job duties, such as a commercial driver's license or typing a certain number of words per minute.
- Non-technical competencies are fundamental professional and leadership skills.

While you may have a good idea about the position's competencies, you should also talk with the incumbent to consider the incumbent's observations. Those observations may identify other competencies not currently reflected in the job description. If other competencies are identified, make sure to check in with other employees in the same position, if possible, doing the same body of work to ensure consistency in competencies. If obvious differences arise, you are encouraged to talk with your assigned HR Business Partner to ensure the position's proper classification.

Please see the tools and resources on the CHRO's Succession Planning website to help get a better understanding of how to determine both technical and non-technical competencies.

### **STEP 3 – DEVELOP: IDENTIFYING AND ASSESSING POTENTIAL CANDIDATES**

The key purpose of identifying and assessing core job competencies is to help develop the workforce for future roles.

This step of the succession planning process helps interested candidates develop the requisite skills prior to a vacancy so our workforce has the skills and abilities to help maintain the body of work during the recruitment process. Agencies are strongly encouraged to consult with their respective HR Business Partners to ensure the steps used for identifying potential candidates support decisions based on merit, equity and respect. **Understand, this process is about preparation not pre-selection.**

Some critical questions that may help prepare for this step include:

- Have there been one-on-one discussions with employees regarding their career goals and interests?
- Do you communicate developmental opportunities to all employees?
- Do employees understand the purpose and process of succession planning? Specifically, do they understand they are not guaranteed a promotion as a result of this process?
- Are employees who were not considered for a current opportunity encouraged to ask for developmental opportunities for future consideration?
- Are an appropriate number of candidates being developed for critical positions?
- How will the candidate pool demonstrate the agency's plan for employment equity and diversity?

Some key points to remember as you work on learning and development plans are:

- Plans should focus on decreasing or removing the gap between expected competencies and the current knowledge, skills and abilities of candidates.
- Manage expectations – successful succession and workforce plans are based on learning and development rather than merely filling a vacancy. Remember, be proactive, not reactive.
- There are a wide range of learning and development opportunities to consider, which can include:
  - Job assignments that develop and/or improve a candidate's competencies;
  - Job rotations; and
  - Formal training.

Ensure appropriate strategies are in place to support the transfer of knowledge to candidates for key jobs, which can include:

- Mentoring, coaching or job-shadowing;
- Documenting critical knowledge;
- Maintaining an Employee Desk Manual for key positions;
- Exit interviews/surveys; and
- Establishing communities of practice.

## **STEP 4 – EVALUATE**

Evaluate your succession planning progress using strategic performance measures. Identify limitations to meeting your workforce needs. Ensure you are prepared for a successful recruitment and transition when a critical position vacancy occurs.

Evaluating succession planning efforts will help to ensure the effectiveness of the process by providing information regarding:

1. How the process operates – the relationship between inputs, activities, outputs and outcomes.
2. Impact of the process relative to stated goals and objectives.
3. Functional strengths and weaknesses.
4. Potential gaps in planning and assumptions.
5. Cost-effectiveness and cost-benefit.

Planning to collect and assess these types of information will ensure the agency monitors its succession planning activities, appropriately measures success, and adjusts the process accordingly given sufficient evidence. Some evaluative questions to consider might include:

- Have all critical positions been identified and do they have succession plans?
- Has the succession plan improved business continuity in critical positions?
- Are successful candidates performing well in their new roles?
- What is the impact of learning and development efforts? Are employees ready to compete for a vacant critical position?
- Is the candidate pool diverse and reflective of employment equity values?
- What are the areas for improvement in the succession planning process?

Once a succession plan has been established, monitoring its efficiency and effectiveness will be essential. Thus, each succession plan should be developed within an evaluation framework in order to measure progress and success, as well as provide any evidence to support changes to the succession planning process.



## DO's & DON'Ts

### SUCCESSION AND WORKFORCE PLANNING



Succession and workforce planning are the cornerstones to consistently fulfill the agency's mission. Both provide managers with the ability to hone in on the specific competencies necessary to fill any position. It also provides an opportunity for managers to have meaningful conversations with employees on their goals, competencies and valuable work they provide every day.

Here are some do's and don'ts on utilizing the succession and workforce planning information in an effort to maximize your efforts.

**DO:** take the opportunity in one-on-one discussions to talk about an employee's goals -- both present and future -- and how you can help with their development. If those discussions lead to the employee's retirement plans, that is the appropriate time to learn more.

**DO NOT:** go around asking employees when they plan to retire.

**DO:** ensure employees of all ages and years of service are considered in the succession plan.

**DO NOT:** presume an employee's retirement plans based on age or years of service.

**DO:** treat all applicants and employees the same and fill positions with the best person for the position based on the established competencies and the applicant's or employee's skills and attributes.

**DO NOT:** pass over an employee for development or promotional opportunities based on an employee's age or eligibility to retire.

**DO:** review the list to understand where the workforce competencies are to ensure the appropriate development opportunities or recruitment strategies align.

**DO NOT:** review the list of employees and compare or discuss status with other employees.

**DO:** ensure the competencies necessary for the position match the position description and classification so you find the best fit for the position.

**DO NOT:** plan your future workforce by assuming you are going to hire someone just like the person in the position.

**DO:** take every opportunity to open the lines of communication with your employees. This helps drive the work, purpose and common goals of the team.

**DO NOT:** make your decisions based solely on data.

