

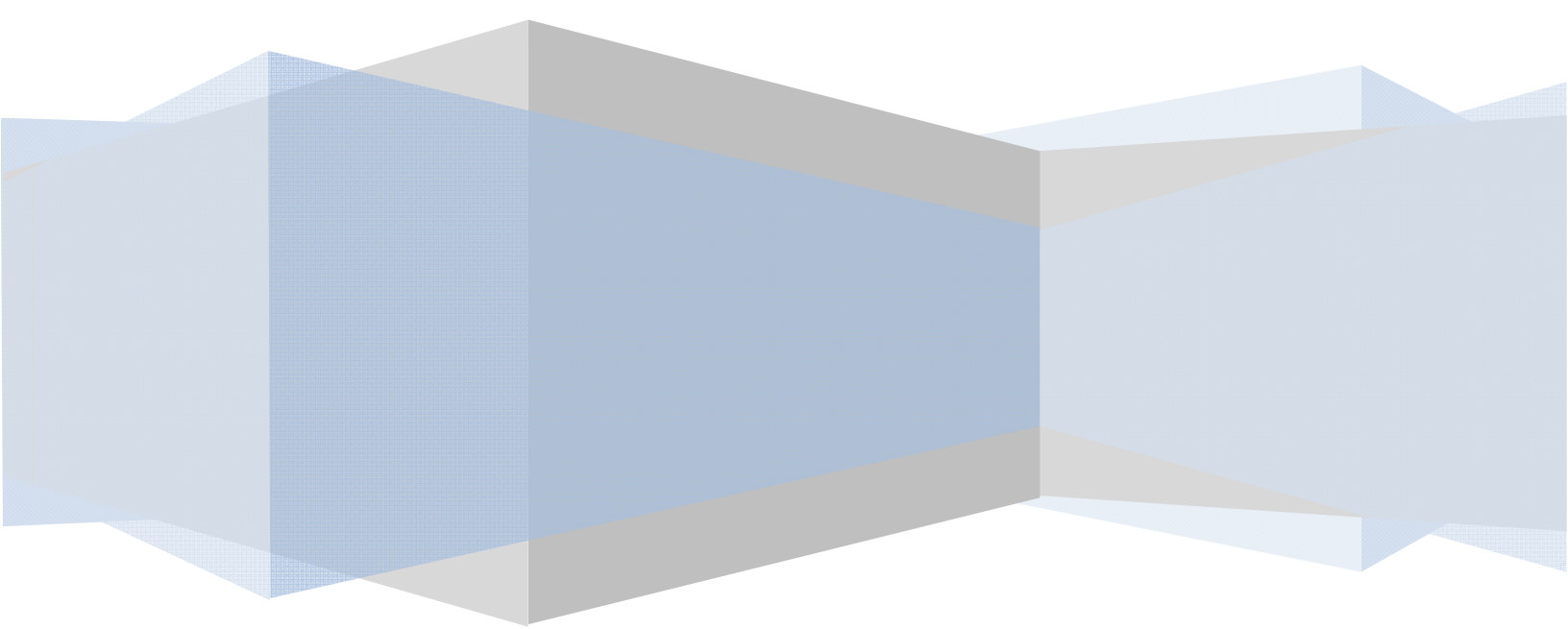


The Critical Need for Succession Planning During an Economic Downturn

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The current economic conditions have created unprecedented challenges for a new generation of organizational leaders. Many companies are now being forced to make difficult employment-related decisions including reorganizations and hiring freezes. While these changes mean fewer organizational resources, pressures from continued momentum in the global economy, as well as customer demands, results in increasingly heavy workloads for the individuals who remain. As a result, organizational leaders are seeking to answer the question – How can we use our valuable, yet scarce resources to continue to achieve our strategic objectives?

viaPeople consultants have worked with many organizations that are grappling with talent-related challenges in these difficult times. We explore a few of these scenarios below, as well as discuss how we have helped organizations to leverage succession planning practices and technology tools to more effectively execute their talent strategies.

Organization A: Talent Redeployment

Situation:

- Broadened positions due to decreased head count and significant shifts in strategic objectives.
- Difficulty staffing newly created positions from within. Employees being assigned to new positions without any analyses of the position requirements or a thorough assessment of capabilities.
- Poor staffing decisions, especially at higher organizational levels, were disastrous and threatened to throw the organization off course.

Solution:

viaPeople consultants worked with organizational leaders to create a Talent Assessment, as well as to develop role requirements for critical positions. The viaPeople Talent Assessment tool was employed to analyze the skill sets, business experiences, leadership potential, and readiness for promotion of the workforce. The combined data formed a new talent database where organizational leaders could readily search for and view internal talent with specific skills and experience profiles using the viaPeople Succession Planning module. The new system has added structure and significant decision support to ongoing selection, promotion, and redeployment efforts. Managers are making more informed placement decisions and strategic decisions about external recruitment to fill specific talent gaps.

Organization B: Engaging and Retaining High Performers

Situation:

- High-performers not being identified or recognized with valuable career development opportunities and incentives.
- Struggling to find ways to incent and continuously engage the organization's most valuable resources.
- Great fear and concern that high-performers will be lost and, when the economy improves, the organization will not be able to successfully emerge from this challenging time.

Solution:

viaPeople consultants created a Top Performer Profile containing all of the behaviors which differentiated top performers from other employees. This profile was based on statistical analyses of behavioral assessment data and operations/sales data. Key positions within the organization were then identified and position requirements were defined to include detailed skills, experiences, developmental paths as well as the behaviors surfaced in the Top Performer Profile. The organization used viaPeople's Career Pathing and Promotion module to identify employees who met these position requirements and were eligible for promotion and incentives. This organization is now able to recognize high performers for their performance and development, keeping them engaged during these challenging times.

Organization C: Building the Leadership Pipeline

Situation:

- Significant industry and economic changes creating an unknown future for the marketplace.
- Need for a focus on developing pools of talent that can be utilized to take on emerging leadership roles and new individual contributor roles – roles that may never have existed before.
- Training and development efforts under extreme scrutiny and significant budget cut-backs – a tough environment to introduce new tools/processes.

Solution:

viaPeople consultants worked with organizational leaders to analyze current and forecasted marketplace conditions, and outline the capability and skill requirements that would be required in the future. Criteria were determined for identification into talent pools (i.e., high potential, high performing expert). Using the viaPeople Talent Assessment and Succession Planning modules, the organization was able to assess the internal workforce and identify employees for placement into talent pools. In addition,

the viaPeople consultants created developmental career paths for the talent pools that emphasized cross-functional organizational exposure in order to increase the breadth of experience and maximize development in place for all employees. The viaPeople Development Planning module allowed the organization to monitor the development plans, activity and progress of individuals within talent pools to ensure the building of talent throughout the organization.

In each of these cases, viaPeople consultants used a combination of best practice processes as well as technology tools to target the succession related issues and address key challenges. In particular, technology can provide the organization's leaders with an easy and comprehensive way to review in-house talent, identify areas of the organization which may have talent "gaps" and redeploy employees to other parts of the company to best utilize their skills and fill the most critical talent "gaps". We have outlined a few of the major technology solutions available for facilitating the succession planning process below:

Talent Assessment

The viaPeople Talent Assessment module allows the organization to build a comprehensive talent database by collecting data on employees across a multitude of criteria. By collecting this type of talent data and aggregating information from multiple sources, the organization is able to create robust talent profiles for all employees, identify talent "gaps" that may exist, and make decisions regarding key the strengths and development needs of the business based on accurate information, versus intuition. Figure 1 displays a sample Individual Talent Profile.

Technology-based Talent Assessment typically includes:

- Employee work history, both within and external to the company
- Professional and Personal areas of expertise (e.g. educational degrees, publications, conference presentations, languages, etc.)
- Leadership experience, including level and responsibilities (e.g. budget, department size, offsite/global team experience, etc.)
- Career accomplishments and aspirations (e.g. level of satisfaction, advancement opportunities of interest, cross-functional exposure, etc.)
- Relocation preferences, including interest in international assignments
- Performance history and areas for growth/development
- Succession Information (e.g. potential for specific roles, readiness for advancement, etc.)

Figure 1. Individual Talent Profile

SAMPLE INDIVIDUAL TALENT PROFILE	
Identifying Information	
Employee Name: Susan Sample Employee ID: 30932	Manager Name: Bob Smith Employee ID: 30932
Current Position	
Title: Marketing Manager Management Scope: People Manager	Division: East Time in Current Role: >24 months
Prior Work Experience	
Company: ABC Marketing Title: Lead Marketing Consultant	Position/Level: Manager Time in this Role: <24 months
Background Information	
Education: BA Marketing, MBA University:	Languages: English, Fluent French, Basic
Career Accomplishments: Project Green for Acme Marketing Team Membership in Elite Marketing Mentors Program	
Leadership Experience	
Leadership Roles: Manager 50-100 pp/organization \$400,000 annual budget	Responsibilities: P&L 5 Subordinates International Team Media Liaison
Career Aspirations	
Role Satisfaction: Satisfied, 1-2 more years Relocation: Yes, US or Expat	Advancement: Larger Leadership Role
Performance History (Manager)	
Performance Rating 2008: Exceeds Expectations (EE) Performance Rating 2007: Exceeds (E) Performance Rating 2006: Exceeds (E) Overall Competency Rating: 4.80 Areas for Growth: Financial Acumen, Strategic Planning	
Succession Information (Manager)	
Potential Next Career Move: Marketing Senior Manager Readiness: Short-term (6-12 months) Retention Risk: Yes; seeking promotion Replacement/Successor: Jane Jones	

Succession Planning

Organizational leaders looking to redeploy staff for new and/or expanded roles in a more strategic manner can use the viaPeople Succession Planning module. This module enables Human Resources and other business unit leaders to search the organization's talent database for specific skills, capabilities and experiences that match certain role requirements across the organization. Once this list of internal candidates is identified, the leadership team has a highly qualified pool of talent to draw from within the organization, thereby saving a tremendous amount of money on recruiting fees, internal orientation training, and downtime as leaders

move up the learning curve. The viaPeople Succession Planning module makes identifying current and future talent easy through robust search capabilities (see Figure 2). The search platform allows organizational leaders to easily identify individuals with a specific profile of skills, experiences and capabilities, as well as create saved searches to automatically flag individuals who meet key talent criteria.

Figure 2. Talent Search

Identifying Information
Career Planning
Succession Planning
Performance
Experience

Background

<p><u>Education:</u></p> <input type="checkbox"/> BS; BA; EE; etc <input type="checkbox"/> MS; MA; <input type="checkbox"/> MBA <input type="checkbox"/> Ph.D.; J.D.; etc	<p><u>Professional Recognition:</u></p> <input type="checkbox"/> Certifications <input type="checkbox"/> Licenses <input type="checkbox"/> Patents <input type="checkbox"/> Awards <input type="checkbox"/> Publications <input type="checkbox"/> Conference Presentations	<p><u>Language Ability:</u></p> <input type="checkbox"/> Chinese <input checked="" type="checkbox"/> English <input type="radio"/> Any <input type="radio"/> Basic <input checked="" type="radio"/> Fluent <input type="checkbox"/> French <input type="checkbox"/> German <input type="checkbox"/> Japanese <input type="checkbox"/> Russian <input type="checkbox"/> Spanish
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Work Experience

Leadership roles held within the last 10 years:

CEO
 CFO
 COO
 CTO
 EVP
 Sr. VP
 Corp. VP
 VP
 Fellow

General Manager responsible for P&L: -- Select One --

Management Experience/Scope: -- Select One --

<p><u>International Experience:</u></p> <input type="checkbox"/> International Project Management <input type="checkbox"/> Managed International Teams or Organizations <input type="checkbox"/> Expat Assignment <input type="checkbox"/> International Customer Engagements	<p><u>Acquisition Experience:</u></p> <input type="checkbox"/> Due diligence process <input type="checkbox"/> Integration of newly acquired company <input type="checkbox"/> Management of newly acquired business	<p><u>Experience with Internal and External Stakeholders:</u></p> <input type="checkbox"/> Executive Staff <input type="checkbox"/> Board of Directors <input type="checkbox"/> Shareholders <input type="checkbox"/> Financial Analysts <input type="checkbox"/> Venture Capitalists <input type="checkbox"/> Media <input type="checkbox"/> External Customer Executives <input type="checkbox"/> External Customer Contacts
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Functional Work Experience:

Engineering: -- Select One --	Finance: -- Select One --	Information Technology: -- Select One --
Marketing: -- Select One --	Business Development: -- Select One --	Legal: -- Select One --

Dynamic and innovative reporting tools allow organizational leaders to view the talent pool in ways that will assist them in making important decisions. Figures 3, 4 and 5 provide examples of the flexible and robust reporting tools available in viaPeople’s Succession Planning Module.

Figure 3. Succession Planning Distribution Report

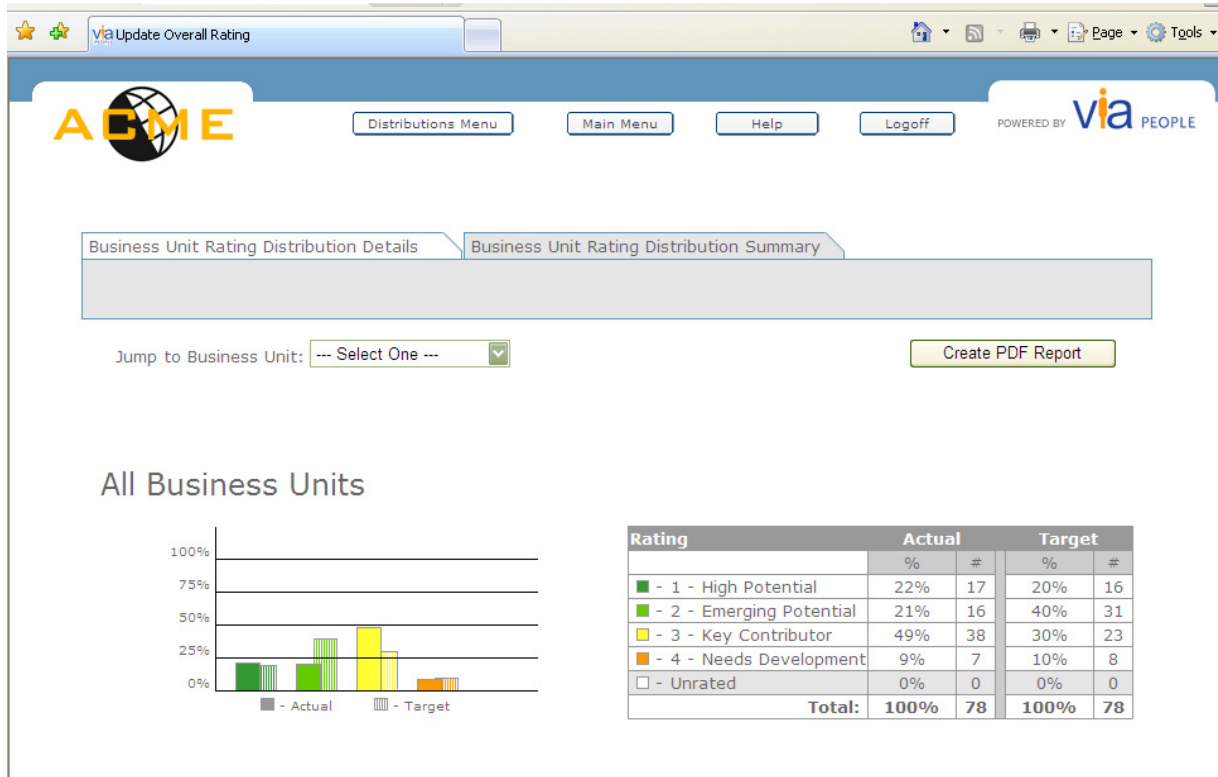


Figure 4. Succession Planning 9-Box Report

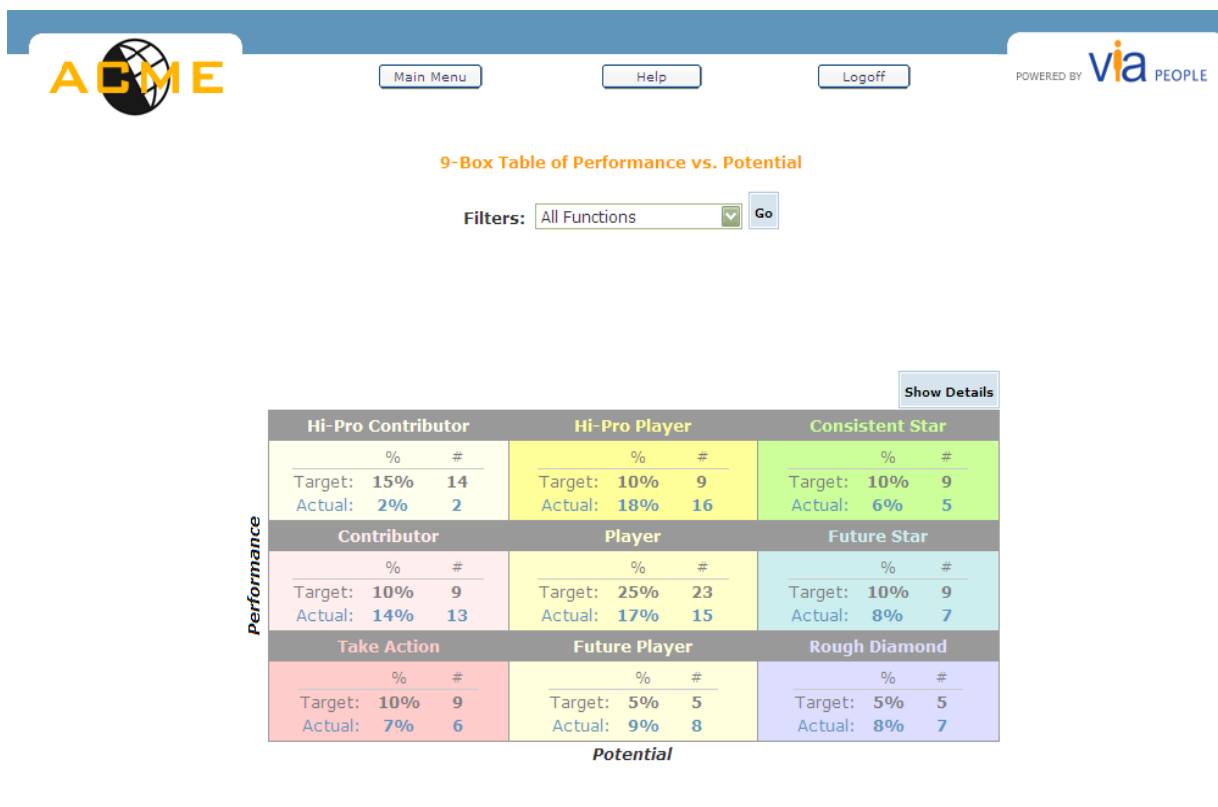
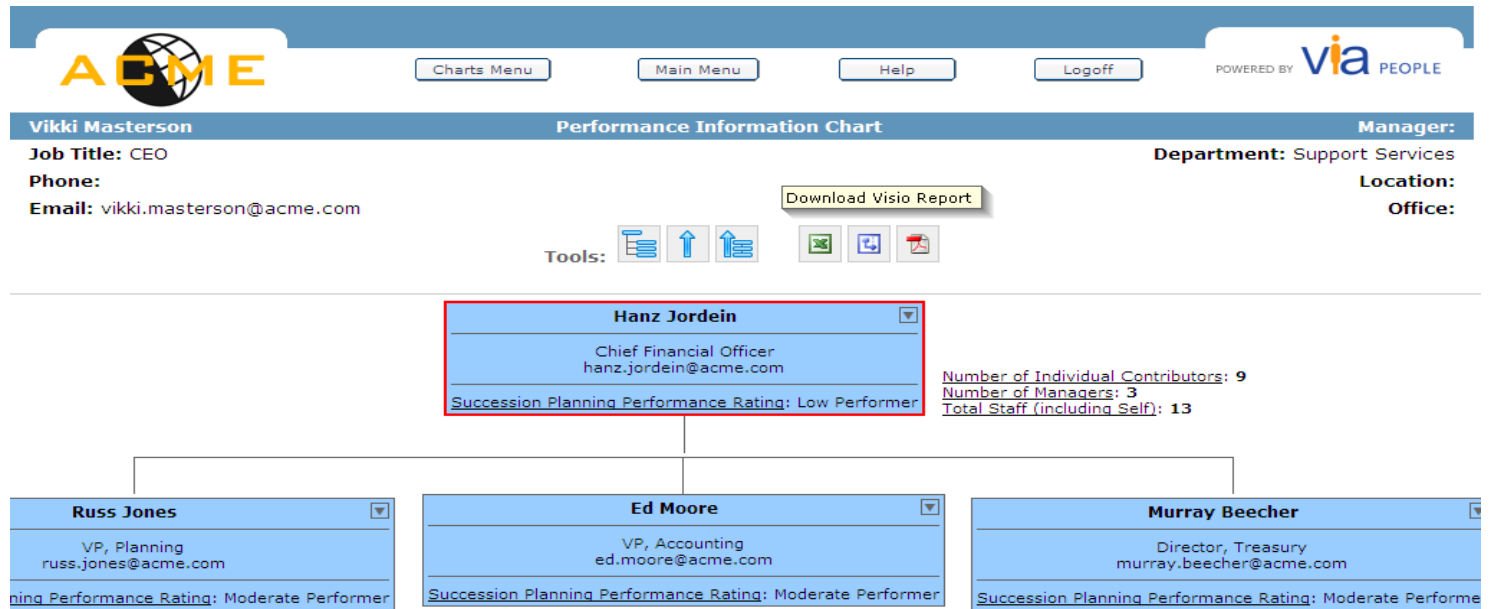


Figure 5. Organizational Charting



Career Pathing and Promotions

viaPeople works with organizations to develop and implement career pathing and promotion systems that facilitate fair and data driven decision making, as well as support the retention of high performers. The viaPeople consulting team assists organizations in identifying the requirements for critical positions and determining the criteria necessary to move through career paths within those positions. Data can be integrated from multiple systems (i.e., quantitative and qualitative performance data, competency ratings, training completion) and updated on a regular basis through seamless data file transfers and periodic talent assessments. The viaPeople Career Pathing and Promotions module translates the criteria into business rules and algorithms that are used to mine the talent database and automatically identifies all individuals eligible for promotion to a new career level or position on a regular basis. Workflow technology facilitates the approval of all promotions and the payout of increases, bonuses and/or other incentives.

Development Planning

Retaining high potentials is of the utmost priority in this business environment. Information about who are the high potentials, as well as their capabilities, interests, and personal career goals are of high value to organizational leaders. To ensure high potentials are being fully utilized, organizations must understand their experience and skill sets and align these capabilities to high priority roles/tasks. Once high potentials are identified via a Talent

Assessment, managers and/or mentors can work collaboratively with these individuals in the viaPeople Development Planning module to build development plans that are aimed at enhancing their capabilities and linked to their career goals. Figure 6 displays an example of a technology-based high-potential development plan.

Figure 6. Sample Development Plan

The screenshot displays the 'Development Plans' interface. At the top, there is a navigation bar with 'Main Menu' and 'Log off' buttons. The ACME logo is on the left, and 'POWERED BY via PEOPLE' is on the right. Below the navigation bar are 'Save', 'Submit', and 'Go Back' buttons. A sidebar on the left contains a menu with options like 'Weight NA', 'Add an Objective', 'Add a Plan', 'Hide Inactive', 'Hide Completed', 'Minimize All', 'Maximize All', 'Print', 'PDF', 'HTML', 'Jump To: Objectives', and 'Development Plans'. The main content area is titled 'Development Plans' and has a 'Minimize/Maximize' button. It is divided into two sections: 'Definition section' and 'Tracking section'. The 'Definition section' includes fields for 'Title of the Development Plan' (Enhance Leadership Effectiveness), 'Development Plan Category' (Career Development Plan), 'Details of Development Plan including Success Criteria' (Work with my newly assigned direct reports; Inspire their confidence and earn their trust), 'Action Plan' (Weekly one-on-one's Strategic goal alignment), and 'Target Date' (2009-06-30). The 'Tracking section' includes 'Comments and Updates' (Scheduled first group meeting) and 'Completion Date'. A checkbox at the bottom indicates the plan is not yet completed. A link at the bottom of the form says 'To add a Development Plan click here or click 'Add a Plan' on the side menu'. The footer shows 'Done' and 'b2c.viapeople.net'.

Summary

These economic times call for creative approaches to effectively execute organizational strategy with fewer resources. Due to an increasingly uncertain future, developing bench strength is a key long-term strategy for many organizations. While downturns typically result in cost-cutting, organizations must continue to think creatively and strategically about the way they devote resources to talent. Rather than halt all spending on talent management activities, leaders should use this opportunity to invest in processes and tools that will enable them to more effectively redeploy their workforce. Organizations that are able to effectively implement such a talent initiatives will be poised for a stronger return and faster growth once market and economic conditions begin to change.