

# CALIPER

S U C C E S S I O N  
M A N A G E M E N T



## *Planning and preparing for a company's critical future needs by developing today's talent into tomorrow's leaders.*

Have you identified all your high-potential talent? Do you have a strategy to develop and retain them? Is there a high turnover rate among your top talent? Do incumbents choose successors like themselves? Have you missed business opportunities due to the lack of the “right talent?”

The ideal solution is to have a pool of internal candidates who are ready to step in – and step up- to take on a leadership role and move your organization ahead. These internal candidates will already be trained, well versed in your corporate culture, and best of all, available immediately.

Caliper's Succession Planning and Management program will enable you to identify and develop talented leaders within your own company to drive your competitive strategy, reinforce your values, and successfully secure the future of your organization.

### Current Climate

- Baby boomers are retiring, and we are experiencing a shortfall of next-generation leaders.
- In general, employees are not especially loyal – even though organizations are trying to build engaging work environments.
- Competencies required for success are rapidly changing and growing.
- Now the “War for Talent” is not about a shortage in the number of people available, but in the number of “right people” who possess the required advanced skill sets.
- Most companies have zero viable internal CEO candidates.

### *Succession Management is crucial for many reasons:*

- Strategic success is a function of having the right leaders.
- Retaining and developing leadership talent is both a strategic and economic necessity.
- The company must be prepared to deal with unexpected losses of key leaders.
- Filling positions internally cuts down on hiring costs, ramp-up time, and lost productivity.
- Decisions about filling positions are more accurate and the long-term success rate is higher when candidates are pulled from within the organization.
- The right leaders have a positive effect on the organization's reputation and brand.

### *Caliper Client Success:*

**Johnson & Johnson** went from hiring 90% of their Quality Leaders from outside the company to promoting internal candidates to 90% of the leadership positions.

**Franciscan Health System** reduced turnover among high-potential talent to less than 1% - as compared to 7% previously. In addition, more than 70% of program participants have been promoted.

**Dave Lawson, former Vice President of Human Resources, Franciscan Health System**, stated, “Our Caliper consultants acted as our partners in providing structure and focus to help us accomplish our goals. Together, we created a program that has already resulted in an internal appointment to the executive leadership team.”

### *What Is Succession Planning and Management?*

The Succession Planning and Management (SPM) process recognizes that key positions in the company are too important to be left vacant or filled by any but the best, most qualified individuals. When effectively implemented, SPM is critical to organizational success and creates an effective process for identifying, developing, and retaining top leadership talent.

For some companies, SPM is a strategic process that minimizes leadership gaps for critical positions and provides opportunities for top talent to develop the skills necessary for success in future roles. Other organizations find SPM to be a constant struggle, viewed as an administrative exercise rather than a competitive advantage. In strong economic times, it is easier to ignore deficiencies in the SPM process. However, in the current economy and complex, competitive environment, the need to identify and develop top talent for key roles has never been more important.

### **Succession Planning and Management is a systematic approach to:**

- Building a leadership pipeline and talent pool to ensure continuity within management
- Developing potential successors in ways that play to their strengths
- Identifying the best candidates for categories of positions
- Concentrating resources on the talent development process to yield a greater return on investment
- Creating a custom report that is specific to your role

## ***Proven Best Practices in the SPM Process***

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1. **Executive Participation and Support** - Nothing sends a stronger message about the importance of SPM and leadership development than top-management involvement. This is one of the best opportunities for executives to really understand their talent and bench strength.
2. **Assessment of Potential** – Understanding the potential of your employees is fundamental to the success of the SPM process, because it allows you to predict how a person is likely to perform in a future role. Past performance does not guarantee that a person will succeed in a new position.
3. **Identification of Future Talent Requirements** - As the needs of the business grow and change, the competencies for success change as well. Caliper can help you develop a robust system for determining and documenting the competency requirements for critical positions. The use of assessments for determining potential and identifying future talent requirements facilitates the detection of critical talent gaps.
4. **Developmental Focus** - We know that leaders develop through experience. The most effective organizations provide individualized, experience-based development opportunities for high-potential employees. These Action Learning programs allow for the transformational development of individuals while they are involved in real-life stretch assignments as well as provided with mentoring, coaching, feedback, and team support. In addition, the important performance perspectives gained through 360-degree feedback cannot be underestimated.
5. **Open Communication** - Traditionally, SPM was considered a secretive process whereby individuals, even those identified as having high potential, were not informed of their status. When handled appropriately, open communication concerning SPM has been shown to have many benefits. The public nature of open succession planning can help to ensure a rigorous process and increase the visibility of and respect for leadership development within the organization. In addition, leaders are far more likely to realize their potential if they are involved in and take ownership of their development.

## ***Why Partner with Caliper for Your Succession Management and Planning Initiative?***

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Succession planning should be a simple process. Forms and administrative paperwork should be minimized and time should be spent developing high-potential talent. Understanding the key principles of an effective SPM initiative and working with Caliper consultants who have a proven track record will ensure that this critical initiative meets all of your organization's objectives. When companies apply the best practices described above, great things can happen. However, it's important to begin this initiative with a thorough understanding of the process, including the critical success factors and potential obstacles.

### **Caliper consultants have a great deal of experience and expertise regarding SPM and can provide:**

- Advice on structure and process
- Assessments of leadership potential
- Leadership development support, including world-class Action Learning programs, leadership workshops, and coaching and mentoring techniques
- Implementation support in areas such as crafting communications, developing role definitions, training managers and mentors, and facilitating meetings

***We want to meet your needs, not ours. Caliper will work with you in a flexible manner to determine a process that works best for your company. We can provide as little or as much support as you need to ensure that your Succession Planning and Management process is successful.***