

SUCCESSION PLANNING WITHOUT JOB TITLES

Do you have the right people working on the right things to achieve superior results for your organization? If you have not taken an inventory of your existing talent and aligned your succession planning with your business strategy, there is a good chance that you do not. When organizations do succession planning, they usually focus on job titles. That is a focus on the past, not on a strategy for the future. Focusing on the requirements for specific jobs misses the big picture. Greater flexibility is required to refocus business strategies to deal with rapidly changing conditions. Succession planning should concentrate on competencies needed for the business to accomplish its competitive goals.

Organizations Must Become Future-Oriented

Driving this new way of looking at succession planning is the pace of change brought about by the increased use of technology and the globalization of the economy. Increased competitiveness, with increasing demands for quality and value-added products and services, requires organizations to become future-oriented and flexible. Throw in the scarcity of talent and the shortage of labor, and we face a chaotic, dynamic economic environment in which to practice succession planning.



While many companies have given up on traditional succession planning, a successful business must identify and develop the right people with the right skills for the organization to compete effectively. Succession planning requires us to review our business strategy as goals change in order to pinpoint the skills and competencies required of our employees. It should not focus on specific jobs, but rather on the actions and strategies necessary to reach the goals. These actions and strategies then become the basis for developing a leadership competency model.

Developing a Competency Model for the Future

What skills and competencies are needed for the future? Obviously, organizations need bright and flexible employees who are comfortable with technology and change. These employees must have an entrepreneurial bent and global awareness, as well as the ability to partner and to build business alliances. In addition, new leadership approaches are required, with emphasis on the abilities to facilitate

rather than direct and to work with diverse individuals and organizations. Because the talent pool is shallow, leaders must be able to develop others and to have strong critical thinking and problem-solving skills.

A competency model provides the right criteria for determining which of your managerial and professional staff exhibit the right qualities or show the promise of developing those qualities in time to help you achieve your business goals. Only after you have articulated the strategic objectives for your company and identified the important competencies required to achieve these objectives should you begin the process of sorting out and marshalling your talent pool. PSP's assessment services allow companies to inventory their existing talent as well as to identify their developmental needs. With an assessment of your talent, you can learn if your employees have the necessary skills and competencies or, if not, what they need to develop. Thus you can plan your career development programs for maximum return on your investment of time and money. You will also learn when to seek talent from the outside to meet critical strategic needs.

Don't Wait to Begin Succession Planning

Unfortunately, most organizations wait too long to do succession planning, acting only when there are obvious problems or after top-notch talent has left. Use of a competency model moves succession planning away from job titles and traditional experience and focuses on the qualities necessary to lead the organization. Often a person with the right competencies currently works in a different functional area than expected. Recently, for example, companies have been successful moving people from human resources and accounting into operations and line management. What these employees lacked in traditional job experience they made up for with the right skills and leadership competencies.

Relying on what we have done in the past seldom assures success in the future. Putting off or ignoring succession planning will have severe consequences when the existing talent pool lacks the right skills and competencies to drive the business. Companies who focus on strategic initiatives without assessing the capabilities of their staff often find, to their distress, that progress is not being realized and targets are not being met.

Succession planning must change because jobs are changing. The key skills and competencies required to adapt to a changing marketplace are driven, not by traditional precedent, but by strategic requirements. Planning succession based on competencies, not job titles, will provide the flexibility necessary to have the right people in the right places doing the right things at the right time to reach the right goals.