

# PLANNING FOR INEVITABLE PERSONNEL LOSSES

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# SUCCESSION PLANNING-DEFINED

The process whereby an organization identifies key in-house personnel with a potential to take up a top leadership position and developing them with the hope that they will undertake such roles as they become available. <sup>1</sup>

# SUCCESSION PLANNING-THE REALITY

Eddie, regarding Sammy Hagar: “Bottom line: his work ethic sucked. If he wanted to be in this band and be a team player, he’d be here right now, OK?” Alex, regarding David Lee Roth: “I think it’s important to remember that the 1984 Dave is a lot different from the 1996 Dave. It would not only have embarrassed the band, it would have insulted the audience.”

*- Alex And Eddie Van Halen On Reunion Odds (via MTV Week in Rock, 1996)*

# SUCCESSION PLANNING- IF IT'S SO GREAT WHY DON'T WE DO IT?

- Succession planning often results in the selection of a weaker representation of yourself. — *Peter Drucker*
- Why do I need succession planning? I'm very alert, I'm very vibrant. I have no intention to retire. — *Sheldon Adelson*
- It seems like something you do when you have free time, and no one has free time.
- No money.
- Do not want to commit. What if it doesn't work out?
- We have no viable succession candidates.

# SUCCESSION PLANNING-10 GOOD REASONS WE SHOULD DO IT

1. Like it or not, people move on, die or retire and have no obligation to give you advance notice, leaving you in the lurch. Lurches cost time, resources and morale.
2. Local government process moves slowly and requires more built-in time to replace leadership. Budgeting for a new position or for additional training and development may require more than one budget cycle.
3. Managers are retiring and are difficult to replace due to a small and shrinking pool of candidates.
4. It allows for smooth transition of power and operations and promotes continuity and workforce retention.

# SUCCESSION PLANNING- 10 GOOD REASONS CONT'D

5. Promotes development opportunities within the workforce.
6. Increases competitive recruiting.
7. Easy access to assistance to create a succession plan. There are literally millions of internet resources, books and outside consulting. Because it is a concept familiar to corporate America, and less familiar to local government, the League is building out resources in this area for local government.
8. The process can be scaled to suit the size of the organization. Performed over time and integrated into part of your HR practices, the time commitment and dollars are spread out and bear fruit well into the future.
9. Prepares you for long term changes and quick, unforeseen position replacement decisions.

# SUCCESSION PLANNING- 10 GOOD REASONS CONT'D

10. Because while it's good to keep the band together, it is as good to have new, competent band members.



# SUCCESSION PLANNING- INITIAL STEP

## 1. Needs assessment:

- Organizational structure
  - What does it look like now and 5, 10, 20, 25 years from now?
- Who will lead the process of creating the succession plan?
  - Manager, committee, consultant



# SUCCESSION PLANNING- INITIAL STEP

## 1. Needs assessment:

- Identify the resources needed
  - Decide what the plan looks like
- Identify legal barriers
- Identify both long-term and short-term needs



# SUCCESSION PLAN-CREATING THE PLAN

## 2. Board/Council Approval

- Create a timeline
- Create a budget
- Create a process calendar
  - public meetings, hearing notices, budget submissions
- Identify gaps, needs, or positions in areas of the organization
- Outline short-term needs
  - Position replacement
- Outline long-term needs
  - Succession planning

# SUCCESSION- IMPLEMENTING THE PLAN

## SHORT-TERM

1. Immediate needs with no solutions
  - Others in the organization with hidden or partial experience
  - Gaps?
2. Interim measures
  - Retirees
  - Temporarily using union employee to perform management functions

## LONG-TERM

1. Identify positions within the organizations that are candidates for succession planning, e.g. manager, police chief, director of public works, controller/finance.
2. Build position descriptions:
  - Obligation for on going training of successor
  - Identify position as a feeder position for management.
3. Feeder Positions (training, trial runs and evaluation)

# SUCCESSION- IMPLEMENTING THE PLAN CON'T

## SHORT-TERM

3. Communication
  - Set Expectations

## LONG-TERM

4. Communication
5. Hiring process/structure
  - Eye toward succession (every hire in key/feeder positions)
  - Compensation analysis
  - Adding positions

# SUCCESSION PLANNING-COMMUNICATION

Communicate to employees about the plan.

- This should be a candid conversation about the opportunities for succession.
- It should not be a secret from the employee/candidate that he or she is a part of a succession plan.
- Learn how to have the tough and tricky conversations



# SUCCESSION PLANNING-TRAINING AND DEVELOPMENT

Identify training and development opportunities necessary to move the identified employees into the target positions.

- In-house training and shadowing
- Trial runs
- Leadership and management courses and conferences
- Mentorship programs and trade memberships
- Subject-specific training
  - e.g., human resources, finance, operations, etc.

This needs to be a *real and funded* effort.

# SUCCESSION PLAN-FEEDER POSITIONS OR SUCCESSION CANDIDATES

- Identify leadership needs and characteristics and memorialize them in the position description and in the review or evaluation process
- Identify employees within the organization who possess characteristics consistent with the leadership needs and gaps within the organization
- Considerations when using union represented employees for interim and permanent succession planning



# SUCCESSION PLANNING-COMMUNICATION

Tough and tricky conversations:

- “When do you think you will retire?”
- “Hey I heard you turn 65 soon?”
- “How old are you?”
- “You’re just filling in.”



# SUCCESSION PLANNING-RECRUITING

Every hire should occur with an eye towards succession.

- Interviews should be conducted with succession in mind
- Job descriptions should consider succession opportunities
  - “This position is eligible for succession opportunities.”
  - Characteristics of leadership, discretion, judgement should be included the description of the position
- Evaluations should carry through succession concepts

# SUCCESSION PLANNING-LOCAL GOVERNMENT

## PRACTICE TIPS #1

1. Understand how your code supports succession planning. For example:
  - Second Class Townships § 66506. General powers.

The board of supervisors may make and adopt any ordinances, bylaws, rules and regulations not inconsistent with or restrained by the Constitution and laws of this Commonwealth necessary for the proper management, . . .

**(3)** Employ persons as may be necessary for the general conduct of the business of the township . . . .
  - First Class Township Code § 56501.5. General powers.

The board of commissioners may make and adopt any ordinances, bylaws, rules and regulations not inconsistent with or restrained by the Constitution and laws of this Commonwealth as may be expedient or necessary for the proper management, care and control of the township and its finances, . . .

# SUCCESSION PLANNING-LOCAL GOVERNMENT

## PRACTICE TIPS #2

### 2. Create a compliant hiring process that includes succession planning concepts:

- Look inside the organization and think outside the box, e.g., head of public works, chief of police, secretary or administrator.
- Every hire is a successor. Think that way and soon you have a bench.
- A succession candidate is not a promise for a position. It is a career development *opportunity. Explain it that way.*
- Touch the elements of your hiring process with concepts of succession planning: evaluation processes, job descriptions, ads, and interviews.

# SUCCESSION PLANNING-LOCAL GOVERNMENT

## PRACTICE TIPS #3

3. Use your budget process to explore succession planning.
  - Begin to build a new position (assistant manager, for instance) start with a .5 position, for example.
  - Invest in training and leadership development for identified successors.
  - Budget season is a good time to start these conversations and to finance your succession plan over time, before the need is emergent.

# SUCCESSION PLANNING-LOCAL GOVERNMENT PRACTICE TIPS #4

4. Be mindful of Open Meeting and Right to Know responsibilities.
  - Developing a master succession plan, is a public process, treat it with the legally required transparency.
  - Succession of any a specific person is appropriately discussed in executive session.

# SUCCESSION PLANNING-LOCAL GOVERNMENT

## PRACTICE TIPS #5

5. Pay attention to labor issues that may be implicated in succession planning.
  - Adding and subtracting duties to a union position can have labor implications.
  - Promoting an employee from a union position to a non-union position is an opportunity but should proceed on labor counsel advice.
  - Consult your contract regarding changing positions, titles, job descriptions, etc.

# REMEMBER:

- Even superstars need to be replaced *eventually*.
- Successful Succession Planning is just one (important) part of the Journey.



1978-80: Steve Perry; Gregg Rolie; Neal Schon; Steve Smith; Ross Valory



1980-85: Jonathan Cain; Steve Perry; Neal Schon; Steve Smith; Ross Valory



2007-15: Jonathan Cain; Deen Castronovo; Arnel Pineda; Neal Schon; Ross Valory

# SMART

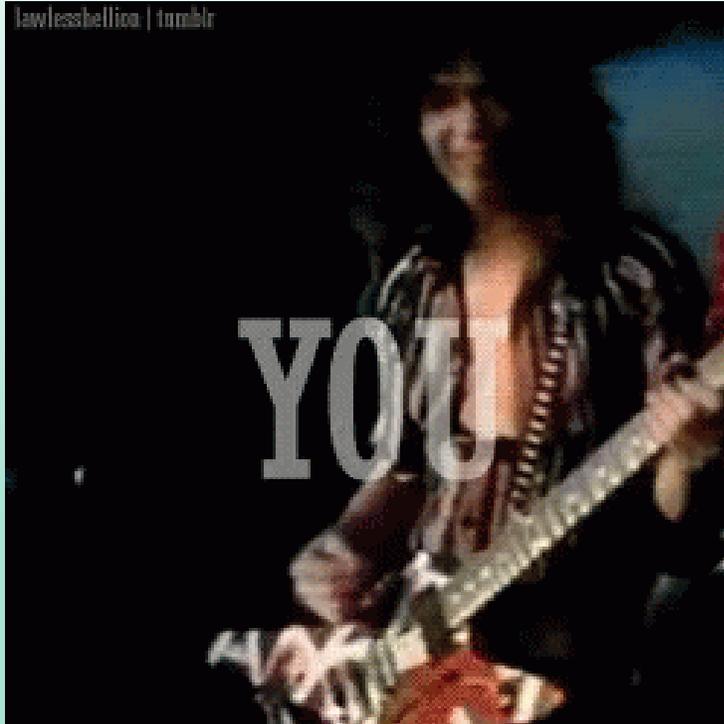
- STATEWIDE
- MUNICIPAL
- ADMINISTRATIVE
- RESOURCES
- TEAM



# END NOTES

1. The Business Professor, LLC <https://thebusinessprofessor.com/>
1. John Baldoni is an author, executive coach and leadership educator, <https://www.johnbaldoni.com/>. In this quote he speaks of author and executive coach Marshall Goldsmith, [https://www.marshallgoldsmith.com\](https://www.marshallgoldsmith.com/)
2. The steps of succession planning are modified from the work of Robert Half, Talent Solutions. <https://www.roberthalf.com>

DO



HAVE ANY  
QUESTIONS?