

## Topic Overview: Succession Management

Succession management is the process for identifying and developing employees with the potential to fill key roles within the organization. Through the succession planning process, an organization recruits superior employees, develops their knowledge, skills, and abilities, and prepares them for advancement or promotion into ever more challenging roles. Succession planning increases the availability of experienced and capable employees that are prepared to assume key roles as they become available. The output of succession planning informs leadership and professional development plans, staffing and promotion decisions, and external recruiting plans.

Article Citation Author (Last, First Initial), Publisher, Title	Summary	Type
<b>Most helpful</b>		
1. Conger, J. and Fulmer, R., HBR, Developing Your Leadership Pipeline  Available Here: <a href="http://bit.ly/199ZDnX">http://bit.ly/199ZDnX</a>	The article defines succession management as succession planning and leadership development combined in a comprehensive process for finding and grooming future leaders at all levels of your organization. The authors argue that effective succession management comes when you adopt a talent mind-set, which involves making time for an in-depth talent assessment, differentiating between strong and weak performers, and giving challenging assignments to inexperienced but high-potential managers. The article is written for organization leaders.	Best Practice
2. Cohn, J., Khurana, R., and Reeves, L., HBR, Growing Talent as if Your Business Depended on It  Available Here: <a href="http://bit.ly/1aHPIJC">http://bit.ly/1aHPIJC</a>	The authors advocate an integrated leadership development program, in which everyone in the organization feels ownership. In this program, senior leadership create plans for succession, the board actively identifies rising stars, and managers create the space and time for top performers to gain cross-functional experience through projects in other departments. The authors argue that this system will attract talented leaders, develop the organization's staff to effectively execute the mission, and boost external confidence in the organization. They also state that the organization needs to develop a program that suits its unique needs, as an approach that works in one organization may not work in another. An organization that fails to be intentional about leadership development risks losing talented employees. The article's key points and strategic insights have been applied effectively by nonprofits, particularly mid-size to large and growing organizations.	Best Practice

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3. Wolfred, T., Annie E. Casey Foundation and CompassPoint, Building Leaderful Organizations.  Available Here: <a href="http://bit.ly/16B9pC7">http://bit.ly/16B9pC7</a>	This best practices article written for nonprofit leaders emphasizes the importance of succession planning as sound risk management, shared leadership, and a way to involve the board meaningfully in the organization’s work. The article outlines three types of succession planning: strategic leader development, emergency succession and departure-defined succession planning. For each type, the author describes when and how to begin it, key steps and the board’s role. The author also describes how to handle the emotional aspect of succession planning, including how a leader can know it’s time for new blood, grooming successors, off-boarding leaders, and understanding generational differences in leadership styles.	Best Practice – Nonprofit focus
<b>Further Reading</b>		
4. Citrin, J. and Ogden, D., HBR, Succeeding at Succession  Available Here: <a href="http://bit.ly/1a0ynui">http://bit.ly/1a0ynui</a>	The authors conducted a study of 300 CEO transitions at corporations, and found that hiring a successor externally is not necessarily better or worse than hiring internally. What matters is the health of the organization at the time of hiring. Healthy organizations typically do better with internal hires who are likely to already be high performers. Organizations needing radical change do better with an outside hire who bring a fresh perspective and have license to make change. Moreover, candidates who were hired from the organization’s board outperform all others because they have inside knowledge paired with outside expertise. Thus, the authors advise that having a potential CEO successor on the board of the organization first is an invaluable way to prepare them for the CEO role. Contrary to popular belief, the study found that those who are hired externally into interim senior management roles to observe the incumbent CEO and then quickly promoted to CEO are the least successful because their reporting line to the CEO starts them off in a less influential position. Though the study was conducted using corporations, the conclusions have proven to be valuable to nonprofits planning for or tackling leadership succession. In particular, the board has served as an important leadership pipeline for many nonprofits.	Best Practice
5. Lafley, A.G. and Tichy, N., HBR, The Art and Science of Finding the Right CEO	Using A.G. Lafley’s succession plan at Proctor and Gamble as a case study, the authors argue that succession planning for the next CEO must begin even as the current CEO begins work. In grooming leaders internally for CEO succession, the authors describe the following best practices: define competencies and measure against them, involve the board early and often,	Best Practice

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Available Here: <a href="http://bit.ly/1boXaFF">http://bit.ly/1boXaFF</a>	make it the CEO’s responsibility to develop the organization’s next leaders, adapt the development process to address the changing issues faced in senior leadership positions, explore multiple scenarios and contingencies, and remain flexible but focused. Lafley notes that this process not only helped P&G identify and develop his successor as CEO, but also a number of top-level positions. This article is useful for the CEO, leadership team and board.	

**Questions for Discussion:**

1. What is succession management and what role does it play in talent development?
2. How do these principles fit with our beliefs about effective practice? Do we agree with the principles in these articles?
3. How can succession management be applied to our organization?
4. What should our leadership team be doing to put these principles into practice?