

How to prevent succession planning from triggering discrimination complaints

Many companies design succession plans so they can spot the next generation of leaders early and develop current employees to their full potential.

If your organization is involved in such a process, step back and look: Does everyone who is tapped for special treatment come from the same race or gender? Or does the chosen group exclude older workers or the disabled?

If so, you could be setting yourself up for a discrimination claim.

A little bit of strategic thinking goes a long way toward designing a succession-planning process that identifies all good candidates for promotion and doesn't leave out employees who might later sue for discrimination.

Turnover and succession

Any succession plan must first look at who among the current workforce is leaving—and why. That information is the baseline on which to build a plan for developing future leaders.

Are certain jobs prone to turnover while others are stable? Are workers lured away by a competitor's higher pay or better benefits? Or are they driven away by poor management and little chance for advancement?

Exit interviews are the best way to find out. They help managers identify organizational weaknesses and threats.

Employers also should talk to long-term employees to understand why they have stayed and what they like about working for the company. Those interviews reveal strengths and opportunities.

Employers should use this information to look for warning signs that could lead to discrimination lawsuits. Any red flags should be passed along to legal counsel, who may recommend changes in policies or practices based on the information.

Succession is not cloning

Next, employers must look at workforce demographics. Experienced baby boomers are heading en masse for retirement, leaving some companies with record turnover figures. Succession planning allows employers to develop a pool of well-trained candidates to fill the shoes of boomers.

Advice: The candidate pool you choose to move up the management ladder should look like your hiring pool, not the existing management team.

That means considering the demographics and abilities of the entire workforce—in all its racial, ethnic, gender, disability status and age diversity.

Training older workers

As the careers of baby boomers undergo rapid transitions, age discrimination has become a succession-planning issue. Someone who is 40 years old today must wait until age 67 to collect full Social Security benefits. Older workers are a fact of life that succession planning must take into consideration.

Under the Age Discrimination in Employment Act (ADEA), employers may not exclude older workers (those 40 and older) from succession planning solely on the basis of age. To keep your plan out of court, focus on *likely* retirement dates and statistical data.

The 5 keys to success in succession planning

A good succession plan ensures that your workforce is prepared to meet your organization's future challenges. It also makes sure everyone, regardless of protected status, can be part of that success. Succession planning involves:

1. **Preparation.** Ensure current job descriptions are up-to-date. Define key positions. Have employees complete career-planning assessments.
2. **Identifying high-potential employees.** Ask execs to ID top performers.
3. **Preparing a leadership development plan.** Have top management identify development concerns that will affect the company in the future.
4. **Providing development opportunities.** Design skill-building techniques, job rotation and cross-training opportunities to develop employee skills.
5. **Evaluation.** As the plan takes hold, continually evaluate participants to learn if development opportunities have improved skills and job performance.