

# How to start the succession planning conversation you need to have



Succession planning is a critical element to ensuring your organization's longevity, but it's the conversation none of us want to have. Whether we don't know how to start the discussion, or what to do with the list of successors once we do, it can be easy to delay having, or not have at all.

However, succession management is a key piece of talent management. It allows you to plan for the future by taking a proactive approach to developing employees for key leadership roles. Additionally, it encourages HR and company leaders to think proactively about the company's future and whether there's someone to lead in the future. The recent pandemic has made succession planning even more important. Leaders may be out for extended amounts of time on sick leave or even choosing to retire. Others have decided to sell their companies.

Companies that avoid succession planning do so at their own peril and risk not having a leader ready to take over when current leadership decides to move on. After all, many events can't be predicted and so it's best to always remain prepared just in case. Fortunately, getting started can be a simple task. By following the right steps, you can begin the process of securing your company's future through skilled and stable leadership.

## **Schedule the planning conversation**

The biggest step you can take is scheduling the conversation annually. If you're a business owner, schedule time with your human resources lead. If you're in human resources, schedule time with the company's leader.

Starting to proactively think about future leadership can be scary. But, if not managed, it can be even scarier to think about what would happen if no one is designated and prepared to lead. Companies fail when no one's prepared to lead. This can mean job loss, profit loss, and the loss of the previous leader's legacy.

## **Tell potential successors about your plans**

Some companies are diligent in having these conversations regularly but fail to loop in potential successors. Successors shouldn't be left in the dark. Talk to them about how you see their leadership as critical to the long-term success of the company. Having this conversation may be what they need to hear to see a career path and feel motivated in achieving that. Alternatively, it could do the opposite — which is also good. The conversation may encourage them to think about their career overall and realize that they may not see themselves in a larger role. This can help company leaders refocus their efforts on someone who's more interested.

## **Track plans and progression**

Having annual succession discussions and looping in successors is important, however, it's also critical to monitor successor development. We can't assume that someone will magically be ready to lead if they don't get proper development on an ongoing basis. Their development towards a role can be tracked via a human capital management system (like Workday) or an alternative system, as long as it's being done. Not only does it show the company's commitment to preparing this person, but also helps this person actively grow. This may also require investing time and/or money to enroll this person in a course, hire a coach, or give them stretch assignments to grow.

## **Assess your current talent and future needs**

Another critical element is calibrating current talent, thinking about the future, and defining what leadership skills will be needed to lead in the future. Having a clear view of what your current employee's skills are and how they tie into the company's success is critical. Using that as a baseline, then having the succession conversations can help leaders define where there are gaps. This highlights what skills a potential successor may need to develop or what skills to look for when hiring.

## **Think Creatively**

For small companies, finding the right successor may be a challenge. This may be because there's no one internal fit to takeover. If a family business, no one in the family might be interested. This means HR and current leaders need to think creatively about securing the organization's future. There's no way to know this without first having the conversation about succession planning. From there, you may realize you need to consider other options like hiring someone from the outside, trying to sell the company in the future, or creating a sunset plan to allow people and customers to transition appropriately.

## **Getting started**

The first meeting can be unnerving. Consider starting with the following questions to facilitate the conversation and get the ball rolling.

1. Do we have someone in mind ready, or somewhat ready, to lead if something were to happen, or if you decide to retire?
2. What skills and attributes do we need a future leader to have and why?
3. What skills does the organization need to ensure our company's ongoing success?
4. If we can't locate a potential successor, what are other options can we consider?
5. Where else do we need to make investments in our successors and other employees?
6. What company knowledge should we start co-training others on to ensure our employee base is well-

versed on our products and services?

7. How do we communicate these messages to potential successors and employees over time?

After starting the conversation, HR leaders can begin to strategize further and start preparing for the future.