

A good succession plan reduces the risk of promoting or hiring the wrong person. It stabilizes profitable growth by having great people just when you need them.

“Not having a succession plan is insane.” – Brian Baker, CEO of Sentry Equipment

Growing capacity for success at all levels

Succession planning isn't just for CEOs. It should fill all planned and unplanned gaps in the future organization chart *and* develop managerial talent. Other benefits are:

- Helping the board meet its fiduciary responsibilities of oversight and vision
- Promoting diversity, equity and inclusion
- Cutting turnover and attracting talent by supporting career advancement
- Reducing recruitment costs and failures
- Keeping growth from stalling when managers leave unexpectedly

The Center creates plans that include managers, executives and the board. A good plan is particularly important to protecting ESOP valuations and for family-owned businesses, but *everyone* profits from having talented managers at the ready.

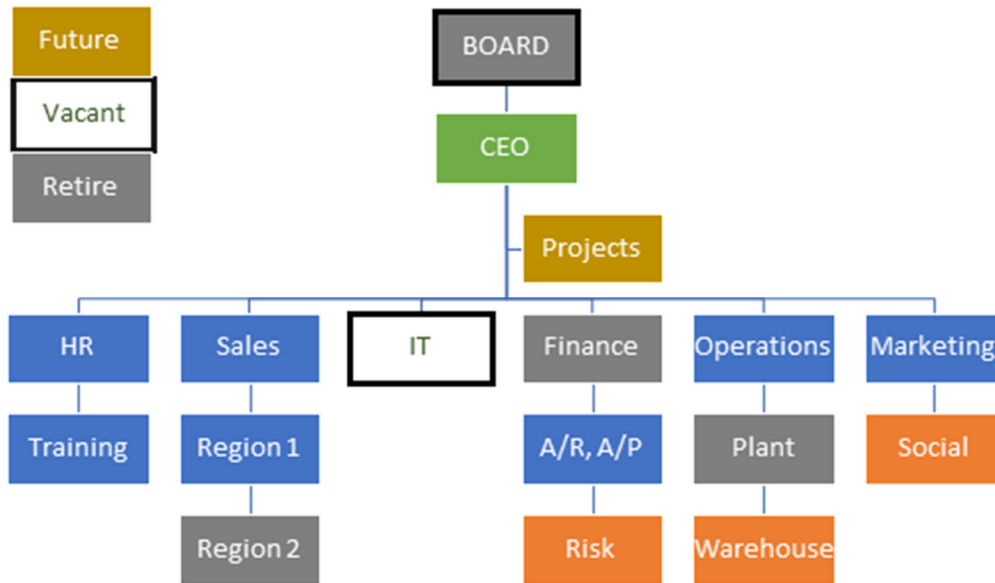
Basically, a dynamic gap analysis

While every organization is unique, there are well-established phases and tools for updating or creating succession programs.

- 1. Establish goals and principles.** The organization declares its commitments to its people, such as transparency, promoting from within, diversity and compensation philosophy. The chief executive and board should have active oversight roles.
- 2. Assess current state.** This phase might include reviewing strategic plans, performance evaluation systems, unit performance, job descriptions, current development programs, turnover, and culture assessments or engagement studies.
- 3. Define future state.** Assess needs in vacancies, new roles and unplanned attrition. Consider any changes in reporting structure. Address CEO and board succession as needed. *Summarize gap in future organization chart (see reverse).*
- 4. Create development programs to fill gaps.** Assess current managers for Potential, Readiness and Interest using the Milwaukee Model of Manager Development. Create mentoring, training and coaching programs and confirm the budget.
- 5. Communicate, evaluate and evolve.** Engage everyone, including learners, supervisors and the board. Your organization's needs and its pool of managers will change constantly, so a system is needed to review progress regularly.

Getting started: Marking up the current chart

An integrated succession and development plan begins by analyzing the gap between today's management capacity and what's needed in the future. We can help you start marking up today's organization chart for tomorrow's needs.



“The Center’s tools and process helped us accelerate the development of a high-potential manager to take over a position from a senior executive planning to retire. We’re now assured of a smooth transition at a critical time of our growth.” — Center member and CEO

The Center for Management Terms & Practices oversees the standard practices, tools and terms of management, which connect all its training, coaching and communities. See **The GMs Index**: www.theindex.net. See also our Trainers & Coaches page for background on our succession advisors.

Using **The Milwaukee Model** of Manager Development ensures consistency in titles, skills and knowledge. Collaborating with the **Lubar School of Business** Executive Programs lets us support programs for any size organization.

We help people achieve great things together.

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