

SCRIPT – STAKEHOLDERS IN TALENT MANAGEMENT AND SUCCESSION PLANNING

Cover Page – Slide 1

I welcome you all to this exciting session on Stakeholders in Talent Management and Succession Planning.

Come along with me.

Learning Outcomes – Slide 2

At the end of this session, it is my belief that we would have achieved the following Learning Outcomes:

- Identify the stakeholders in the talent management and succession planning process.
- State the assumptions and premises for talent management and succession planning, and,
- Examine roles of each stakeholder in the talent management and succession planning process.

Introduction – Slide 3

For any organisation, the right talent in the right role is key to success. Succession planning is one part of ensuring that an organisation can meet its future needs for people.

Talent management' is now a common umbrella term for the attraction, retention and development of people with potential. Succession planning certainly comes under that umbrella.

A good succession plan often includes ways to smoothly manage people out of key positions if they turn out to be unsuited for them.

Proactively identifying high potential individuals is central to effective succession management. This means developing talent further down the organisation than currently envisaged; to use a sporting metaphor, ensuring that the organisation has “a strong bench”, (Stomski, 2021). Always trumped but perpetually problematic, in some organisation's succession planning and talent management focus only on senior leadership, while others choose to apply the same concepts and processes to broader groups of jobs and people.

Developing the right talent in the first place is an underrated aspect of succession planning. After all, the ability to pick out employees with potential is only as useful as the number of employees who have potential.

Whatever job groups are addressed by succession planning, it is essentially concerned with identifying individuals who can be viewed as short-term and/or longer-term successors for these types of jobs. Its main value lies in planning tailored career and skill development for these individuals to prepare them for the future. The succession planning process typically also checks that agreed development actions are taking place and influences wider workforce planning and resourcing strategies.

Each organisation needs to fit its approach to succession planning to its own business needs, culture and workforce situation (Hirsh, 2007).

Business Case for Talent Management – Slide 4

The rewards for putting in place a robust succession plan include the confidence that an organisation has longevity built into its core. ***“Developing top talent is more than just the next step in a succession planning programme,” says Stomski (2021): “it represents a tremendous opportunity for competitive advantage.”***

Any organisation that does not develop its top talent can be sure that its competitors will be seeking to attract them instead. The organisations which do this most effectively tend to also do the following and ultimately it is a stakeholder thing:

1. Hold sessions to work out who should be in the leadership programme several times a year.
2. Ensure clear accountability and transparency in the talent review process.
3. Actively involve senior management.
4. Give everyone in the organisation an individual development plan so that each employee knows which areas they most need to focus on.
5. Customize the training they offer so that each employee can receive training in the area they most need to improve.
6. Use annual developmental events to offer tools, provide a focal opportunity for training, and motivate employees.
7. Ensure career development meetings result in action items.
8. Focus on building a pipeline of talent 7 to 10 years before executive level. This results in:
 - Reducing costs, risk, and uncertainty.
 - Building agile workforces adaptive to change.
 - Creating competitive advantage.
 - Ensuring the success of the organisation and its legacy for future generations.

Business Case for Succession Planning – Slide 5

Reasons for engaging in succession planning include the following:

- Adapting to demographic changes and talent scarcity.
- Identifying skill gaps and training needs.
- Retaining institutional knowledge in a knowledge economy.
- Boosting morale and retention by investing in employees.
- Replacing unique or highly specialized competencies.

Stakeholders And Their Roles – Slide 6

There are several stakeholders in the talent management and succession planning process, internal and external.

We shall examine them and their roles, namely:

- Senior Management.
- Human Resource.
- Frontline managers.
- Board of directors.
- External Executive Recruiters.
- Government Stakeholders, and,
- Community of the organisation.

Senior Management – Slide 7

The succession plan is ultimately the responsibility of senior management and the board of directors, who need to invest time and effort to ensure its significance, is understood within the organisation.

“Leaders are on the front lines, involved in the identification, assessment, and development of their high potential talent. They know who the rising stars are, what their needs are, and how they are performing at any given time” adds, Miller (2015).

Human Resource – Slide 8

A company's human resources department plays a vital role in the succession planning process. While not necessarily responsible for the initiation or creation of the succession plan, HR is ultimately responsible for much of its implementation.

Working hand in hand with Senior Management, here are some key roles HR should play in succession planning process:

1. **Employing high-quality individuals for all positions** to maintain a deep bench of potential succession candidates for the organisation.
2. **Developing quality evaluation programmes** that provide timely and meaningful feedback to employees as well as a means for the company to track employees' history and success within the organisation.
3. **Being the catalyst** in making sure evaluations are delivered by the appropriate supervisors in a timely and professional manner, with a focus on areas to grow and improve performance.
4. **Assisting in the maturation of succession candidates** by helping to plan individualised management training programmes that will provide a well-rounded, tailored approach to skill development.
5. **Evaluating and recommending appropriate compensation** for fast track performers to make sure they are being properly rewarded for their performance.
6. **Reviewing and developing employee retention programmes** to ensure the best and brightest are retained by the organisation.
7. **Developing reporting mechanisms** to apprise upper management and the board of individual candidates' progress.(Miller, 2015). These are actually in the HR's “Tour of Duty”.

Frontline Managers - Slide 9

They are the people who are supervising the largest group of employees. They are also often employed or promoted into their roles because they have shown expertise in meeting job responsibilities and not because they have proven leadership qualities.

" Frontline managers are **critical** to developing an engaged workforce, executing strategies and meeting organisational goals. **They are assigned the role of "action hero" in the business**, responsible for making things happen through leadership, says Bhalkikar, (2018).

External Executive Recruiters – Slide 10

The sudden departure of a key business leader or a skilled specialist in a niche area can leave an organisation exposed, both operationally and commercially, as internal morale and external perception are influenced by the perceived skills or leadership gap.

Ideally, a successor should be ready to step in, with as little disruption as possible. The reality is more of a challenge however, as potential internal replacements may lack key competencies required to perform the role or an external candidate could be on a notice period of several months.

As part of a retained process, ***an executive search firm with strong networks in the required area or sector is able to benchmark internal talent, in conjunction with comprehensive market mapping and confidential approaches to selected individuals.***

Board of Directors – Slide 11

The Board of Directors should always be in contact with the Chief Executive asking very revealing questions in relation to the talent of the organization such as, which talent segments at the company are most critical for success? Where do we face the most scarcity?

- What are the top one or two talent-related levers management is pulling to drive business performance?
- How well are we doing on talent (e.g., leadership potential, quality of hire, engagement) relative to our competitors?
- How are we differentiating our value proposition for talent relative to competitors? And,
- Do we have the right talent bench for the next three to five years?

Community Stakeholders – Slide 12

There are certain government regulations governing employment and therefore talent pipeline. For instance, it is required that organisations that are public and federal, reflect the federal character in their employment and succession.

Private organisations located in localities must express a sense of social responsibility to such localities by employing certain percentages of their workforce from such communities especially for lower cadre, low skilled positions, all of which add to the dynamics of who gets into what position (Nmadu,2013).

All the key stakeholders play an important role in succession planning.

Conclusion – Slide 11

Hey, so in the past few minutes, we have been able to look at:

- Business cases for Talent management and Succession Planning.
- Stakeholders and their Roles in Succession Planning

Attracting and developing tomorrow's leaders is increasingly becoming a board-level priority, as well as senior managers at every level of the organization. – Organizations that prioritize talent development as an ongoing discipline often see that their talent pipeline is ready for the natural – expected as well as unexpected – need to name a successor in key roles. The succession plan is ultimately the responsibility of senior management and the board of directors, who need to invest time and effort to ensure its significance is understood within the organization, as the HR department drives the plan's implementation. It is a stakeholder thing.

Thank you and Stay Safe. Bye

