



Succession Planning Standard

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Document Control

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1 Statement of Standard

The future success of the company largely depends on the early and proper identification and development of talented employees. It is through consistent and methodical succession planning that we are able to match performance, potential and aspirations of the individuals, with the right opportunities, at the right time and in the right place. It is the role of the HR function to manage and administer the succession planning process, providing the knowledge and advice upon which Line Management can select the best candidate whenever an opportunity arises.

2 Objectives

The objective of this standard is to provide the Personnel Function with the required knowledge to support Line Management on identifying talents and creating succession planning for key positions, thus maximizing the benefit to the individual and the business. Specific responsibilities include:

- Ensuring that the value and potential of all employees is properly assessed.
- Identifying candidates for the succession of all key organizational positions.

3 Scope

This Standard is intended for the use of the Personnel Function and Line Management in relation to succession planning for all parts of the organization, including Operations, REMS, Segments and Functions.

4 Definitions

High Value Employees

High value employees are those individuals within the organization who play or have the potential to play a key role in the current and future success of the business. Their identification is important for matching individual expertise with specific organizational needs and for ensuring the proper recognition, support and development of these employees. Individuals are considered High Value if they demonstrate any of the following qualities:

- Key Technical or Functional expertise.
- Outstanding sales performance.
- Substantial coaching and mentoring ability.
- Recent positive business impact.
- High Potential as Managers.

High Potential Employees

High Potential employees are those High Value individuals within the organization who demonstrate the skills and qualities to take on future responsibilities beyond their current role. Their identification is important for sustaining management leadership within the organization and for ensuring that the proper development opportunities are given to the right people. Employees with high potential require more demanding and frequent new challenges, in order to sustain their motivation and development aspirations. Individuals are considered High Potential if they demonstrate both of the following qualities:

- Excellent and consistent all round performance in their current assignment with the rating “Exceed Expectations” as a minimum
- Capacity to advance above their current level of (managerial) responsibilities.

All High Potential employees are by definition also High Value employees. Employee value and potential are evaluated during the Employee Value and Potential Summary (SLP-4) process.

Key Technical Expertise (KTE)

Key Technical Expert employees are those strong contributors currently assigned to a technical role (i.e. roles requiring them to work in a technical capacity for at least 50% of their time), meeting either of the following conditions:

- Have critical technical knowledge that would take many years to develop and replace (typically recognized in the SETC technical ladder) or
- Are developing their technical expertise and are perceived to have significant future potential as KTE's (this should be reflected in their flagging as being KTE-1 or KTE-2)

In general, a KTE is not:

- An employee in line management or in a non-technical staff function such as in Personnel, Marketing & Sales, Finance, Supply Chain, or HSE (unless he/she has been technical and is temporarily in a non technical role for development)
- Any employee doing an above expectations job or considered to be a key member of a team

Key Functional Expertise (KFE)

Key Functional Expert employees are those Individuals with consistently strong performance having in depth knowledge of their function that would take many years to develop. Some examples of a Key Functional Expert are:

- An HSE professional with key environmental or regulatory expertise.
- A Supply Chain Management expert.
- A recognized expert in a particular domain (i.e. finance in tax or treasury, HR in C&B, Legal etc).
- Someone with local / country knowledge on legal/compliance issues.

Key Functional Expertise employees may or may not have higher management potential.

Outstanding Sales Performance

Employees can be considered to be Outstanding Sales Performers when they achieve consistent superior sales results or play a key role in a significant business success. Some examples of Outstanding Sales Performance are:

- A manager whose business outperformed the market in a down activity cycle
- A manager having strong customer relationships, where the client would move their business based on this individual
- A sales team who won a strategic tender

Outstanding Sales Performance employees may or may not have higher management potential.

Top Tier Employees (TT)

Top Tier employees are a sub-group of High Potential employees who most clearly demonstrate the performance and potential to progress into senior management, functional and technical leadership positions in the company. [Refer to Appendix 2 – Employee Top Talent Management Procedure.](#)

Employee Value and Potential Summary (SLP-4)

The SLP-4 is a documented summary of the High Value employees identified within the organization. The identification process is facilitated and driven by the HR function, gathering recommendations and input from across the supervisory levels of the company, including Areas, Segments, REMS, Functions and Technical Domains. The SLP-4 is a key source of reference for recognizing, developing and rewarding employees. It is also a key reference used in the candidate selection process. [Refer to Appendix 1 – Employee Value & Potential Summary \(SLP-4\) Procedure.](#)

Succession Plan (SLP-1)

The SLP-1 is a summary of the names of possible replacements, either ready immediately or in the future, for employees in key organizational positions. The SLP-1 is maintained by the HR function containing recommendations and input from across the supervisory levels of the company including Areas, Segments, REMS, Functions and Technical Domains. [Refer to Appendix 3 – Succession Planning \(SLP-1\) Procedure.](#) The SLP-1 is a key reference used for developing employees and for supporting the candidate selection process. SLP-1 summaries are prepared across the organization to cover Operations, Segments and REMS Management as well as all major functional roles (Finance, Legal, Marketing, Personnel, HSE, Quality, IT and Supply Chain).

Technical Succession Plan (TSP)

The TSP is a summary of the names of possible replacements, either ready immediately or in the future, for employees in key technical roles or with critical knowledge. The TSP is maintained by the HR function, containing recommendations and input from across the supervisory levels of the company, including Technical Domains, REMS Métiers and Line Management. [Refer to Appendix 4 – Technical Succession Planning \(TSP\) Procedure.](#) The TSP is a key reference used for developing employees, for supporting the candidate selection process and for identifying gaps of technical expertise. TSP summaries are prepared to cover mainly the PTE Technical Domains and REMS Métiers.

Career Profile (Development Plan)

The Career Profile contains the key factors that define the compatibility of any career opportunity with the candidate under consideration. This includes performance, experience and competency, as well as management recommendations and the personal preferences and considerations of the employee. The Career Profile is consolidated by the HR function and used as the basis for candidate selection and employee development planning. Management and Employee input are provided through the following channels ([Refer to Performance Management Standard SLB-HR-S023 and Career Orientation Review Standard SLB-HR-S024](#)):

Succession Planning Standard

Standard SLB-HR-S029



- Performance and Short-Term Development Plan (SLP-3).
- Employee Considerations and Career Related Comments (Career Center).
- Management Input on Employee Development (Manager's Comments).
- Career Network Profile (CNP).
- Career Orientation Review (COR).
- Employee Development Plan (EDP).

Candidate Selection

Candidate Selection is the decision making process by which people are assigned to open positions ([Refer to Candidate Selection Standard SLB-HR-S030](#)). Line Management is responsible for making all such decisions, with the support and guidance offered by the HR function. It is the careful and continuous attention by the HR function to the succession planning process that ensures that candidate selection is successful, matching the right people to the right career opportunities for the combined benefit of employee and company. The SLP-1, TSP, SLP-4, and Development Plan are the foundation of knowledge from which Candidate Selection is performed.

Talent Management Process Timeline

At the beginning of each year, SL Personnel HQ prepares a detailed calendar outlining the timing of all the Talent Management related activities for the year, including SLP-3, SLP-4, SLP-1, etc...

5 General Responsibilities

There are currently no General Requirements relating to this standard.

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6 Specific Responsibilities for Implementation and Monitoring

Line Manager responsible for the Location / Organization

Line Manager in every location has the overall responsibility for initiating and leading succession management efforts of her/his location/organization. This will normally be the GeoMarket Operations Manager or GeoMarket, REMS Center, Region Manager. Their specific duties would include:

- Providing management input to the SLP-4 and SLP-1 summary reports
- Reviewing and approving the final summary reports
- Input management comments into Career Profile
- Leading the COR process for the location

Area, Segment Presidents, VP EMS and CTO

Area, Segment Presidents, VP EMS and CTO have the overall responsibility for initiating and leading succession management efforts related to their organizations, specifically for all direct and functional N-1 reports. Specific duties would include:

- Setting strategic direction
- Providing input to Top Tier and SLP-1 summary reports
- Reviewing and approving Top Tier and SLP-1 summary reports
- Dedicating time to knowing Top tier employees within their organization
- Reviewing and approving EDP for TT employees

Personnel Manager responsible for the Location / Organization

The Senior Personnel Manager in every location has the overall responsibility for supporting the succession planning process. This will normally be the GeoMarket, REMS Center, Region or Location Personnel Manager, or Career & Staffing Manager. Specific duties of the Senior Personnel Manager include:

- Facilitating Management input to the SLP-4 and SLP-1 summary reports.
- Notifying the appropriate Area and Segment PMs of any planned personnel movements.
- Ensuring that Managers Comments are captured on the Career Profile.
- Encouraging Employees to maintain their CNP and Career Center Input.
- Promoting and supporting the COR process for the location / organization.

Area and Segment Personnel Managers

The Segment Personnel Managers have overall responsibility for all succession planning related to the Segment organization, specifically for all the direct and functional N-1 reports to the Segment President. The Area Personnel Managers have the overall responsibility for the succession planning of all direct and functional N-1 reports to the Area President (Management and Functions). Specific duties of the Area and Segment Personnel Managers include:

- Ensuring that Talent Management procedures are properly followed.
- Screening and validating the overall SLP-4 and SLP-1 inputs from the field.
- Generating the SLP-1 for their respective Area / Segment Presidents.
- Identifying the Segment / Area Top Tier employees' list
- Dedicating time to knowing all Top Tier employees within their organizations.

- Defining with their respective Presidents the most suitable EDP for TT employees.

Operations, Group and REMS Personnel Managers

The Group, Operations and REMS Personnel Managers have the overall responsibility for the quality and completeness the SLP-4, TT and SLP-1 summaries for their respective organizations (Segments, Businesses / Areas / REMS Centers), as well as generating the SLP-1 for the direct and functional reports of their respective Presidents / Vice Presidents / CTO.

SL Career & Staffing Manager

The SL Career & Staffing Manager has the overall responsibility for all succession planning activities (SLP-4, TT, EDP for TT, SLP-1) ensuring that procedures are thoroughly followed and timeline is respected. Some specific duties would include:

- Coordinating Succession Planning activities for the Company (SLP-4, TT, SLP-1)
- Maintaining and communicating Talent Management Timeline
- Consolidating and validating all the inputs in TT and SLP-1 summary reports
- Reviewing and validating TT EDPs for the quality and completeness
- Supporting to generate the SLP-1 at Executive Management level
- Organizing and supporting SLP-1 reviews at Executive Management level

7 Design and Implementation of Procedures

This standard is supported by global procedures contained in [Appendix 1](#) thru [4](#) as listed below. The procedures are maintained by SL Personnel HQ. It is the responsibility of the Senior Personnel Manager in all locations / organizations to ensure the implementation monitoring of these procedures.

8 Appendices

- Appendix 1 – Employee Value & Potential Summary (SLP-4) Procedure.
- Appendix 2 – Top Talent Management Procedure (HR Restricted).
- Appendix 3 – Succession Planning (SLP-1) Procedure.
- Appendix 4 – Technical Succession Planning (TSP) Procedure.

9 Documents and References

- Performance Management Standard (SLB-HR-S023).
- Career Orientation Review Standard (SLB-HR-S024).
- Candidate Selection Standard (SLB-HR-S030).

Appendix 1 – Employee Value & Potential Summary (SLP-4) Procedure

1 Timing & Coordination for SLP-4 Flagging

The SLP-4 is an online record of employees' value and potential. Changes to the summary are only permitted during a one month window per year, known as SLP-4 flagging period, defined as part of the Talent Management Process timeline at the beginning of each year. During that period, the HR function together with Line Management will record and update all input to the summary.

Whenever an employee is flagged as High Value, he/she will remain on the SLP-4 summary for 12 months; they will automatically drop off the list on the last day of the following SLP-4 flagging period.

Direct access to updating the SLP-4 is restricted to members of the Personnel Function and Line Managers at the GeoMarket / Function Level (e.g. GM Operations Managers, REMS Centre Managers and Functions Managers).

Operations / Group and REMS PMs will maintain access to the SLP-4 throughout the year, being able to exceptionally flag employees at any time; regardless when the flagging is done, it will expire on the last day of the following SLP-4 flagging period (i.e. may last less than 12 months).

2 Flagging High Value Employees

The **PM responsible for the location / organization** will advise Line Management on the criteria for flagging High Value Employees and ensure that all high value employees are identified according to the following criteria:

- **High Potential:** Constitute the future backbone of Schlumberger management.
- **Key Technical Expertise:** Have unique / valuable technical knowledge for current/ future business that would take several years to develop.
- **Key Functional Expertise:** Have a key functional competency that would take many years to develop.
- **Outstanding Sales Performance:** Gain additional business due to their strong customer relationship and sales skills.
- **Coaching and Mentoring "Star":** Have a positive impact on the organization by supporting the development of a high number of employees.
- **Recent Business Impact:** Played a critical role in achieving outstanding business result recently that impacted the organization.

Where employees qualify for flagging under more than one of the above criteria, they should be recorded in relation to their strongest quality and/or the one most applicable to their current role.

3 Flagging Promotion Potential

The **PM responsible for the location / organization** will ensure proper assessment of Promotion Potential for all High Value employees, according to the following definitions:

- 0 At their limit in terms of management/technical promotion potential.
- 1 Potential to progress one more level within the organization.
- 2 Clear and likely potential to progress at least two or more levels within the organization.

By definition, all High Potential employees must have a promotion potential of 1 or 2.
All other categories of High Value employees can be flagged as 0, 1 or 2.
Promotion Potential for Key Technical Experts should be measured in terms of SETC levels.

4 Geographical and Segment Flagging

An employee can be flagged by the Geographical and / or Segment organizations independently. An employee could have two flags if identified as High Value by two organizations independently. The **PM responsible for the location / organization** should ensure that the right flag (GEO or SEG) is set in the system, according to the organization that originated the request.

In the case of REMS, an REMS Center should use the GEO flag, while the Engineering, Sustaining and Manufacturing managerial lines should use the SEG flag.

In case of Functions, the flagging done at GeoMarket or Area levels, should use the GEO flag, while the flagging done at HQ level by the Function Managers, should use the SEG flag.

5 Employee Re-Flagging

At the end every SLP-4 flagging period, all previously recorded flags will expire. The **PM responsible for the location / organization** must review, together with Line Management, all currently flagged employees, so that they can be re-flagged if appropriate.

6 Manager's Comments in Career Profile

During the flagging period, the **PM responsible for the location / organization** will ensure that updated manager's comments, including suggested future assignments, are recorded for all the employees being flagged.

7 SLP-4 Requirements

The **PM responsible for the location / organization** must ensure that the SLP-4 summary meets the following requirements:

- High Value employees should be identified among the exempt population, across grades and job disciplines, covering all parts of the field direct and support organizations, including Engineers, Specialists, PTEs, Maintenance, Functions (Finance, Personnel, Legal, IT, Supply Chain, HSE and Quality), etc.
- The total number of High Value employees should not exceed 15% of the population; The High Potential flagging should cover approximately 5% to 7% of the employees.
- Employees flagged as High Value should be rated "Exceed Expectations" as a minimum.
- Nationality and Gender should be suitably represented.
- Employees with less than 5 years seniority should be suitably represented.

The **Area / Segment / REMS PMs** must review compliance with the above requirements for their respective global SLP-4s before the closure of the flagging period. Non-compliances must be addressed.

Appendix 2 – Top Talent Management Procedure

1 Identifying Top Tier Employees

Top Tier employees are the sub-group of all High Potential employees who show the greatest potential of all. These are the people within the organization who most clearly demonstrate the performance and potential to progress into senior management, functional and technical leadership positions in the company.

Identifying this group is the first step to ensuring they receive the levels of visibility and challenges that will fully develop and motivate them. This is also essential for their long-term retention.

The **Area / Segment and REMS PMs** are responsible for identifying and flagging 20 Top Tier employees from within the SLP-4 for their respective organizations. This exercise must be completed within the 15 days following the closure of the SLP-4 flagging period. Input must be gathered from all Senior Managers as described below:

- **Area PM** – Area President, GeoMarket Managers, Area Function Managers
- **Segment PM** – Segment President, Segment VPs, Segment Function Managers
- **REMS PM** – REMS Center Managers

2 Identifying Key Female Employees

Key Females are the sub-group of all High Potential female employees who show the greatest potential within the population.

Identifying this group is the first step to ensuring sufficient focus on their specific development and retention needs. This focus is essential for establishing long-term progress towards gender diversity.

The **Area / Segment / REMS PMs** are responsible for flagging the 20 Key Females from within the SLP-4 for their respective organizations. This exercise must be completed within the 15 days following the closure of the SLP-4 flagging period. Input must be gathered from all Senior Managers as described below:

- **Area PM** – Area President, GeoMarket Managers, Area Function Managers.
- **Segment PM** – Segment President, Segment VPs, Segment Function Managers.
- **REMS PM** – Research and Integration Center Managers.

3 Top Talent Screening & Visibility

The **Area / Segment / REMS PMs** are responsible for knowing the Top Tier and Key Female employees within their respective populations. They must ensure that they make individual contact (preferably in person) with each of them on a regular basis and at least once per year, in order to assess their potential and understand their development needs.

The **Area / Segment / REMS PMs** must also ensure that all Top Tier and Key Female employees receive opportunities to participate in training, corporate level activities (such as Interchange) and meetings involving senior management, at least once per year.

4 Employee Development Plans

The **Area / Segment / REMS PMs** are responsible for creating and maintaining Employee Development Plans (EDP) on People Management for all Top Tier and Key Female employees within their organizations.

Ownership of the preparation or update of EDPs is divided between the PMs as defined below:

- **Area PM** – Employees in the Geographical organization and Functional positions.
- **Segment PM** – Employees in Segment positions.
- **REMS PM** – Employees in REMS positions.

Input from the other PMs has to be taken into consideration when preparing the EDPs, to ensure that the plans can be implemented, given that they normally involve moves across organizations.

5 Top Talent Placement

The **Operations / Group and REMS PMs** will review all Employee Development Plans on a regular basis and use them to facilitate candidate selection for high visibility assignments.

The **Area / Segment / REMS PMs** are responsible for notifying the **SL Career & Staffing Manager** of any planned assignment changes for Top Tier and Key Female Employees. All such moves must be approved by the **SL Career & Staffing Manager** before they are initiated.

6 Top Talent Retention

The **Area / Segment/ REMS Center PMs** are responsible for notifying immediately the **Operations / Group and REMS PMs** of any personal issues or retention concerns relating to Top Tier and Key Female employees.

Appendix 3 – Succession Planning (SLP-1) Procedure

1 SLP-1 Specific Responsibilities

The SLP-1 is an online record of the names of possible replacements, either ready immediately or in the future, for employees in key organizational positions. It is maintained by the HR function. Changes to the online SLP-1 are only permitted during a one month window per year, defined as part of the Talent Management Process timeline at the beginning of each year.

The SLP-1 structure starts at N-1 level to Segment VP, GeoMarket Manager and REMS Center Manager and must be defined at all Line Management levels above, with separate structures for Segments, REMS and Geographical Organizations.

The **PM responsible for the location / organization** is in charge of maintaining the SLP-1 at their level. He/she should ensure that the local SLP-1 structure includes all relevant job positions, i.e. the Line Manager and all relevant direct and functional reports in Operations and Functions.

Line Management (GeoMarket Manager and above) also has access to the online SLP-1 and may choose to maintain their Succession Plan directly or delegate to their PM as proxy.

2 SLP-1 Requirements

The following requirements must be fulfilled by the **PM responsible for the location / organization** whenever updating their respective SLP-1s:

- For every position defined in the SLP-1 structure, the current incumbent must be identified.
- SLP-1 candidates should only be identified from within the local population. If no candidates exist within the local population, the online entry at that level should remain blank.
- Candidates for succession should be identified first and foremost from the SLP-4.
- A minimum of 1 and maximum of 2 candidates should be identified as “**Ready Now**” for every position.
- A minimum of 3 and maximum of 5 candidates should be identified as “**Ready in Future**” for each position, estimating the time required for them to be ready.
- Individual employees should be entered only once as Ready Now and/or only once as Ready in Future for different positions within the local SLP-1.
- All Top Tier employees should be included in the SLP-1.
- Employees included in the SLP-1 should be flagged as High Value, and rated “Exceed Expectations” as a minimum.
- There should be at least one female and one young “stretched” profile among the “Ready in the Future” candidates.
- Nationality and Gender diversity should be suitably represented.

The **Operations / Group / Area / Segment / REMS PMs** will identify candidates for the HQ level SLP-1s by considering the SLP-1 entries from within their respective organizations; however they can also include relevant candidates from outside their organizations, based on optimal suitability for the position, nationality, etc.

The **Area / Segment / REMS PMs** must review compliance with the above requirements for their respective SLP-1s before the closure of the flagging period. Non-compliances must be addressed.

Appendix 4 – Technical Succession Planning (TSP) Procedure

1 TSP Specific Responsibilities

The TSP is an online record by Domain / Métier of the names of possible replacements, either ready immediately or in the future, for employees in key technical roles or with critical knowledge. It is maintained by the HR function and should be updated once a year.

The TSP structure should only be defined globally, with separate structures for the different Métiers and Domains. The structure should be identified by the Segment and REMS HQ Level.

The **REMS Center PMs and Segment PMs**, with the support of the **Domain Career Leaders** and **Métier Managers** are responsible for ensuring that the structure of their respective TSP includes all relevant individuals (*Specific Positions*) and positions (*Generic Positions*). They are also responsible for updating the TSPs after every SLP-4 flagging period, normally in the month of May.

2 TSP Requirements

The following requirements must be fulfilled by the **REMS Centers PMs and Segment PMs**, **Domain Career Leaders** and **Métier Managers** whenever updating their respective TSPs:

- Candidates for succession should be identified from within the corresponding Domain / Métier. If no suitable candidates are identified, the online entry should remain blank.
- Candidates for succession should be identified first and foremost from the Key Technical Expert population in the SLP-4, as well as the PTE and Métier communities.
- Individual employees should be entered a maximum of one time as Ready Now and one time as Ready in Future for different positions within the local SLP-1.
- TSP should reach into the lower grades when possible to dig for technical talent

When updating the *Specific Positions* section of the TSPs:

- For every Domain / Métier, the most relevant *Specific Positions* (Key Technical Experts) should be identified, covering expertise in all sub-Domains and sub-Métiers.
- A maximum of two candidates should be identified as “Ready Now” to succeed each Key Technical Expert.
- A maximum of five candidates should be identified as “Ready in Future” to succeed each Key Technical Expert, estimating the time required for them to be ready.

When updating the *Generic Positions* section of the TSP:

- For every Domain / Métier, the most relevant *Generic Positions* (Domain / Métier related jobs) should be identified.
- A maximum of five candidates should be identified as “Ready Now” to staff each *Generic Position*.
- A maximum of five candidates should be identified as “Ready in Future” to cover each *Generic Position*, estimating the time required for them to be ready.