Title:
6 Succession Planning Myths...Debunked

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Summary:
Of late, the topic of succession planning has sparked much concern. However, it seems few organizations have heeded the warning. According to a Human Resource Planning Society and Hewitt Associates study, fewer than 60% of companies have a succession plan in place. Learn some of the top myths and tips for creating a succession plan for your organization.

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Article Body:
Of late, the topic of succession planning has sparked much concern. However, it seems few organizations have heeded the warning. According to a Human Resource Planning Society and Hewitt Associates study, fewer than 60% of companies have a succession plan in place.

Below are some of the most common myths about succession planning.

Myth #1: If there are no imminent retirements, succession planning needn’t be a top priority.

According to a survey conducted by Capital H, nearly 22 percent of respondents expect to lose between 10 percent and 25 percent of their top performers to retirement within the next five years. These top performers play a significant role in a company’s success, often serving in high-level, supervisory roles. For successions to progress smoothly, the people chosen to fill these roles need to be prepared and adequately trained. That process takes time.

Myth #2: Succession planning is only an issue for big companies.

85 to 95 percent of all the companies in the United States today — more than 10 million – are family-owned or family-controlled. The smaller the business, the greater the impact is felt from a replaced employee. This is especially true of

any employee succession in a sales or operations leadership role, as a poor month or two can mean disaster for a small company. Small companies need to plan early and invest in the training necessary to help the new or promoted employee succeed. For smaller companies, this may mean researching outside learning opportunities and setting aside a budget to cover them.

Myth #3: There need only be a succession plan for C-level team members.

During the recent recession, employees were often asked to broaden their lists of responsibilities. The Economic Policy Institute reports that employee productivity has increased 4.1% each year. Manager and director-level professionals have been asked to take on more duties than ever before. As such, it is important to look at a cross-section of departments to ensure proper succession plans are in place for each division.

Myth #4: Succession planning should be handled on a case-by-case basis.

Continuity works best. Allowing each department to come up with its own unique process for succession planning, can be a troublesome and time-consuming endeavor. Organizations, instead, should create a company-wide process that could then be used by each individual department.

Myth #5: Good talent is easy to spot.

As an employee moves up the corporate ladder, soft skills become more necessary and valuable components of success – management skills, emotional intelligence, leadership ability, and so forth. However, these skills can be difficult to quantify. To spot and cultivate employees with these skills, an organization needs an instrument to help measure and assess talent. According to a recent report by Pepperdine University’s Graziadio School of Business and Management, organizations like Lilly, Dow and Dell have long-used talent assessment as part of their succession planning processes.

Myth #6: Succession planning only pertains to baby boomers.

According to SHRM and CareerJournal.com’s 2005 US Job Recovery and Retention Survey, 76% of all employees are looking for a new job. This means that your top performers may be leaving sooner than you imagine. As such, it’s important to think about succession planning – not as a one-time effort – but as an ongoing process to continually grow and develop your organization.