INFORMATION CAPSULE

Research Services

SUCCESSION MANAGEMENT

AT A GLANCE

Succession management has become an increasing concern for organizations of all kinds, including school systems. The nation's labor force is growing older and millions of workers will retire in the near future, resulting in the availability of fewer people to accept positions in all occupations, industries, and economic sectors. The identification and retention of talented employees are essential to the continued success of any organization. Succession management programs are gaining popularity as a way to encourage individual advancement and ensure continuity in key positions. This information capsule summarizes the characteristics that research shows are shared by effective succession management programs and reviews Miami-Dade County Public Schools' succession management programs.

INTRODUCTION

Succession management has become an increasing concern for businesses and organizations of all kinds, including school systems. In 2002, the U.S. Department of Labor, Bureau of Labor Statistics estimated that, by 2010, there will be 10 million more jobs than people in the labor force available to fill them. The nation's labor force is growing older. Increasing numbers of the baby boom generation are becoming eligible for retirement, resulting in millions of retirements in the near future by workers from all occupations, industries, and economic sectors (Rothwell et al., 2005).

Leadership succession is an issue for school systems because large numbers of educators are retiring each year (Maryland State Department of Education, 2006). Fink and Brayman (2006) reported that the pressures of the standards agenda, mobility, and the aging of the baby boom generation have produced an increasingly rapid turnover of educational leaders and an insufficient pool of qualified replacements. The National Association of Secondary School Principals attributed the failure to attract quality leaders to "increased job stress, inadequate school funding, balancing school management with instructional leadership, new curriculum standards, educating an increasingly diverse student population, shouldering responsibility that once belonged at home or in the community, and then facing possible termination if their schools don't show instant results" (Fink & Brayman, 2006, p.1).

Because the identification and retention of talented employees is essential to the continued success of any organization, succession management programs are gaining popularity as a way to encourage individual advancement and ensure continuity in key positions (Province of Nova Scotia, 2005). Succession management is the "development of a pool of talent with the skills, attributes, and

experiences to fill specific, often high-level positions" (Howe, 2004, p.1). The goal of succession planning is to match an organization's present available talent to its future needs, ensuring a consistent supply of high-performing executives over time (Corporate Leadership Council, 2006; Hargreaves et al., 2003).

Succession management serves both the organization and the employee by providing the organization with a continuous supply of talent and keeping high-performing employees challenged and motivated. Succession programs can target only the most senior executives or they can encompass leadership development at all levels within the organization. They can take a specialized approach, addressing gaps in specific job categories, or a generalized approach, focusing on the preparation of employees for advancement in all job categories (Province of Nova Scotia, 2005; Fulmer & Conger, 2004; Taylor & Bennett, 2002).

Implementing an effective succession management plan provides organizations with many benefits, including (Province of Nova Scotia, 2005):

- increased opportunities for high potential employees;
- diversity in the workforce;
- increased talent pool of promotable employees; and
- an opportunity for the organization to assess its future direction.

The Maryland Department of Education (2006) offers the following questions to guide the promotion process:

- Who participates in making promotion recommendations?
- What attributes are we looking for as we consider candidates for leadership positions?
- What are the determining factors when deciding who will be promoted to a leadership position?
- To what extent do we examine each potential promotion to ensure that we are meeting our systemwide standard of excellence in instructional leadership?
- How can we encourage effective leaders to accept positions in challenging schools?
- What time of year are promotion decisions made?

- Do promotion procedures ensure equity, consistency, and transparency?

CHARACTERISTICS OF EFFECTIVE SUCCESSION MANAGEMENT PROGRAMS

Research has shown that many successful succession plans have certain elements in common. The identification of these characteristics was based mostly on experiences with large businesses but they have also been found to apply to nonprofit organizations, including school districts. While the succession management process looks different in every organization and while the methods for measuring success vary, effective succession programs share certain universal characteristics (Fulmer & Conger, 2004; Howe, 2004; Charan, 2000). The succession management programs that work include many of the following strategic actions and processes.

Linked to the Strategic Direction and Unique Needs of the Organization

The succession planning process should be directly aligned with the organization's overall strategies and highlight areas where there are potential shortages of talent. The succession program should be tailored to the organization's unique needs, culture, and history. It should not be a template or prefabricated plan (Province of Nova Scotia, 2005; Howe, 2004; Hargreaves et al., 2003; Ritter, 2003; Fulmer, 2002; Wherrett, 2001).

Organizations should start with an organizational chart that identifies key staff and their expected retirement dates to determine the organization's succession needs. Specific information, including identification of positions that need to be filled and assessment of internal talent, should be gathered. Once succession planners have a clear understanding of the organization's readiness and planning priorities, they can develop objectives that will reinforce the organization's goals and objectives (Province of Nova Scotia, 2005; Hargreaves et al., 2003).

Continuous, Simple, and Transparent Process

The most successful succession management systems are built around continual reinvention. The skills and abilities an organization requires may

change over time so the process must remain flexible (Hargreaves et al., 2003). Staff responsible for succession management must be actively engaged in the continual improvement of the process. Researchers found that organizations they studied did not fully succeed in their initial efforts at succession management, but continually refined and adjusted their systems as they received feedback and monitored the process (Fulmer, 2005; Fulmer & Conger, 2004).

Research has shown that the most effective succession management systems are simple and easy to use (Fulmer & Conger, 2004; Howe, 2004; Taylor & Bennett, 2002). Wherrett (2001) stated that "there is no greater impediment to succession management than a complicated or bureaucratic decision-making process that no one . . . is willing or able to use" (p.4). Studies show that successful systems are uncomplicated processes with a unified approach that ensures consistency and maintains objectivity throughout the organization (Fulmer, 2005).

The basis upon which succession decisions are made is often a mystery to employees, with promotions and new appointments often viewed as good luck or favoritism rather than the result of succession planning. Research has found that the most effective succession management plans are transparent. The process should be one of openness, where work requirements, competencies, and success factors at all levels are identified and communicated. Employee input should be sought to ensure that the process is seen as fair and credible (Province of Nova Scotia, 2005; Fulmer, 2002; Taylor & Bennett, 2002).

Focus on Leadership Development

Succession management should identify and develop employees' leadership capabilities, instead of concentrating on specific job requirements. Successful programs focus on developing many people so they have the capacity to be effective leaders in a variety of positions, rather than developing one person for each key position. The candidates in the talent pool should be given development opportunities that will accelerate their preparation for any number of leadership positions (Province of Nova Scotia, 2005; The Chief Executive, 2004; Taylor & Bennett, 2002).

Utilization of Human Resources As a Coordinating Hub

Research has shown that succession management programs operate smoothly when the Human Resources department houses all of the critical information on potential leaders. Effective systems require Human Resources to maintain a database of all leadership candidates, identifying and documenting their credentials, qualifications, recommendations, performance appraisals, career interests, and other information utilized in succession planning. When Human Resources acts as the coordinating hub, departments within the organization are more likely to make consistent, informed, and equitable decisions (Maryland State Department of Education, 2006; Fulmer & Conger, 2004).

Hargreaves, Moore, Fink, Brayman, and White (2003) caution that succession plans should not be turned over to Human Resources with little involvement from the rest of the organization. Unless departmental supervisors communicate with Human Resources staff on a regular basis, the process will be seen as secretive and its legitimacy will be questioned.

Supported by Top Executives

Research shows that succession plans are successful when they are actively supported by all levels of administrative staff. Hargreaves, Moore, Fink, Brayman, and White (2003) found that the active support of senior level staff is one of the most important factors in starting a successful program because their involvement communicates the importance of implementing the plan to all employees. The top executive and his or her team should show they are committed sponsors of the process by participating in determinations of talent and by supporting the process through their fiscal, personnel, and procedural practices (Fulmer & Conger, 2004; Howe, 2004; Ritter, 2003; Rothwell, 2002; Taylor & Bennett, 2002).

Those responsible for succession management should also cultivate the support of supervisors and support staff. In order for all employees to accept succession decisions, supervisors must demonstrate their commitment to the process and be actively involved in identifying leadership candidates (Hargreaves et al., 2003).

Identification of Leadership Candidates

Succession management identifies various talent pools within the organization to match the future needs of the organization to the advancement potential of available employees. When identifying candidates, the organization must first define talent and determine what skills and behaviors define leadership. In addition to basic managerial qualities (interpersonal skills, ability to manage others, understanding organizational dynamics), organizations should consider other important factors, such as the candidate's ability to multitask in ambiguous situations, maintain a consistent temperament and energy level, manage a team to meet specific objectives, and sustain team morale (George, 2005; Fulmer, 2002).

The selection of leadership candidates is usually based on performance appraisals and consultations with other departmental staff. Candidates should demonstrate good performance across varied assignments. Examples of desired leadership competencies include problem solving, priority setting, dealing with ambiguity, initiative, innovation, and technical capability. Succession planners should also look at the candidate's potential, not only his or her past performance. Candidates must show an ability to grow into a job and adapt as circumstances change (Hellbusch, 2006; The Center for Exceptional Leadership, 2004; The Chief Executive, 2004; Fulmer & Conger, 2004; Fulmer, 2002).

It is important to be inclusive with respect to diversity. In effective succession plans, all employees feel they have been treated fairly because they know their inclusion in the talent pool was based on objective factors (Province of Nova Scotia, 2005; Taylor & Bennett, 2002).

Selection of Objective Criteria for Advancement

In the past, many succession management programs lacked objective criteria for identifying potential leaders. The process by which individuals' names entered the talent pool was based almost entirely on subjective factors. As a result, there were no consistent performance standards and candidates often received training and development that did not match the skills needed in their future positions (George, 2005).

Potential leaders should be judged on objective criteria rather than subjective measures. Successful systems depend on the development of objective competencies for each job. The competencies should specify the talent to be developed at each level, as well as the skills, values, behavior, and attitudes required to succeed (Fulmer, 2005; Rothwell et al., 2005; Hargreaves et al., 2003).

Research has found that competency models help to eliminate biases and increase the likelihood that the talents of women and minority groups will be recognized and developed. Taylor & Bennett (2002) reported that minority groups benefitted from an objective implementation model. Clearly defined criteria for advancement, linked with concrete development opportunities, provided diverse groups of employees with a clear indication of what the organization rewarded in terms of career progression.

Provision of Individualized Developmental Activities

Once future leaders have been identified, the succession management process must provide each individual with developmental support. An assessment of the employee's knowledge, skills, and competencies should be used to create an individual development plan. Individual plans should be created for each employee to identify the activities that will help him or her prepare for future leadership positions. The individual development plan should address how to strengthen existing skills and competencies, as well as any skill or competency gaps. Career preferences and interests should also be matched to career development (Wheeler & Hayes, 2006; Fulmer, 2005; Rothwell et al., 2005).

When succession plans are well managed, developmental activities do not differ dramatically from one type of organization to the next. Organizations provide a variety of developmental activities, tasks, and projects to engage potential leaders and extend their capabilities. These activities place potential leaders in situations where they can experience job challenges, obtain organizational knowledge, develop competencies, and overcome any negative personality traits (for example, arrogance, volatility, or lack of perceptiveness). Developmental activities provide organizations with information about the employee's

strengths and weaknesses in terms of skills, knowledge of the organization, and range of experience. They can also provide valuable insight into the individual's personality (The Chief Executive, 2004; Byham, 2002; Rioux & Bernthal, 1999).

Job assignments are the most significant developmental activity. Other situations, tasks, and projects that organizations use to develop employee competencies and foster continuous learning include (Hellbusch, 2006; Fulmer, 2005; Province of Nova Scotia, 2005; Taylor & Bennett, 2002):

- special assignments, including departmental and interdepartmental projects and task force assignments;
- Web-based courses and developmental activities;
- exposure to senior executives;
- job shadowing;
- formal education, including external courses and in-house training sessions;
- attendance at conventions; and
- professional development.

After job and training activities are assigned, succession management staff should meet with leadership candidates to discuss how the assignments fit with their career priorities and interests. In this way, leadership candidates will understand the specific competencies and challenges they should focus on in their new assignments. Constructive feedback should be provided to all leadership candidates. Studies indicate that regularly scheduled coaching and mentoring sessions have a positive influence on employees' motivation and performance and increase their awareness of the areas in which they may need improvement (Hellbusch, 2006; Maryland State Department of Education, 2006; Wheeler & Hayes, 2006; Province of Nova Scotia, 2005; Byham, 2002).

The Maryland State Department of Education (2006) offers the following questions to guide the development process:

- How do we make sure staff are receiving continuous learning experiences?
- How do we differentiate learning experiences according to individuals' needs and interests?
- What mechanisms are in place to assess needs, determine interests, and provide

access in order to differentiate leadership development opportunities?
- How do we structure professional development opportunities?
- Who is responsible for the implementation of the leadership development program?
- What process will we use to provide constructive feedback to candidates? How and by whom will constructive feedback be provided to successful as well as unsuccessful candidates regarding their performance during each stage of the promotion process?
- How do we ensure an appropriate budget for the development of potential leaders?
- What are the potential funding sources to support leadership development?

Evaluation of Leadership Candidates

Evaluating leadership candidates requires a substantial amount of information regarding the individual's achievements and experiences and an understanding of the candidate as a total person. Succession management incorporates a wide range of standardized performance evaluation methods and involves gathering information from multiple sources. Evaluation techniques can include performance appraisal data, multi-rater feedback instruments, personality testing, analysis of work samples, job simulations, employee profiles, education, and work history (Fulmer & Conger, 2004; Taylor & Bennett, 2002).

The evaluation tools vary between organizations but researchers recommend that techniques be validated and transparent. Multi-rater feedback instruments are considered an essential source of information for succession assessments. These instruments supplement subjective judgments with independent objective data. In addition, they ensure that the views of supervisors, subordinates, and peers are included in the assessment process and compared across a set of identical competency dimensions (Fulmer & Conger, 2004; Rioux & Bernthal, 1999).

Evaluations should also include discussions with employees regarding their career interests and any concerns they may have about the leadership development process. The evaluation should produce a set of career options for each candidate that outline the next two or three job moves for the individual within the next one to five years (Fulmer & Conger, 2004).

Effective Use of Technology

Technology plays an essential role in the succession management process. Rothwell, Jackson, Knight, and Lindholm (2005) suggest that organizations establish a competency inventory. A system that inventories and catalogs all available talent enables organizations to quickly find qualified candidates when job vacancies arise. Information technology also makes it possible to maintain a database of leadership candidates' qualifications and pertinent background information; monitor and update leadership candidates' developmental activities on a timely basis; and consolidate the multiple sources of data used to evaluate candidates' performance (Fulmer, 2002; Cataline et al., 2001).

Monitoring and Assessment of the Program

Organizations should monitor and assess their succession management programs to gauge their success. Monitoring and assessment help to determine if the right people are moving into the right jobs and provide valuable information about how well the succession program is working and what enhancements need to be made. Organizations with effective succession management systems employ a variety of qualitative and quantitative methods of measurement to ensure that desired outcomes are achieved and to provide a broad range of perspectives on the system's effectiveness (Fulmer, 2005; Chief Executive, 2004; Fulmer & Conger, 2004).

The most common measure by which successful systems are evaluated is the percentage of openings filled from within the organization. Other metrics used to gauge the effectiveness of the succession program include (Fulmer, 2005; Rothwell et al., 2005; Fulmer & Conger, 2004; Cataline et al., 2001):

- availability of in-house employees to meet expected and unexpected vacancies;
- gap between planned and actual job assignments;
- level of diversity in ethnicity, gender, and geographic origin achieved to demonstrate that the organization is involving underrepresented segments of the workforce;
- length of time it takes to find qualified applicants (and if the length of time was reduced after the implementation of the succession management program);
- number of qualified applicants available for each vacant position (with success usually defined as a choice between two or more qualified applicants);
- assessment of the succession plan's ability to prepare candidates for their new assignments, as measured by positive employee evaluations following promotions.
- analysis of problems participants face in their career progress; and
- turnover rates.

ON A LOCAL NOTE

In September 2005, The School Board of Miami-Dade County, Florida authorized the Superintendent to "develop a succession management plan to insure the leadership continuity of key positions in the organization while providing career pathways for employees and creating a succession management team."

Miami-Dade County Public Schools' (M-DCPS) Urban Leadership Development Program (ULDP) will provide succession management programs to assist aspiring teachers, assistant principals, and principals. The ULDP will incorporate on-the-job training, job rotations, professional learning sessions, action learning, and mentor support. Recruitment efforts will target teacher leaders, aspiring principals, "junior-level" district administrators, and non-education professionals. Applicants identified as high potential will complete an assessment battery to identify leadership style and develop a career track. Based on the results of the assessment battery and interviews, a leadership profile will be created for each high potential candidate, highlighting their strengths and areas in need of improvement. The leadership profile will include a career map that outlines a specific leadership track and professional development plan for the candidate.

Aspiring leaders will follow one of four professional tracks: First Time Leader, Emerging Leader, Executive Leader, and Alternate Pathways Program. All of the succession management tracks will incorporate training in four core areas of professional development: instructional leadership, operational leadership, urban leadership, and school leadership.

The First Time Leader track will provide job-embedded and formal learning for teacher leaders, aspiring assistant principals, and new principals. The track will emphasize the development of management and leadership skills. Through partnerships with institutions of higher education, candidates will have opportunities to receive Certified Process Manager and Certified Public Manager training and pursue advanced degrees in educational leadership, public administration, and business administration. A specialized professional development experience will also be available for candidates seeking leadership positions in secondary inner-city schools.

The Emerging Leader track will target early career district and region administrators and mid-career principals and will address the enhancement of leadership and management skills required for promotion to senior staff positions in district and region offices. The professional development menu for the Emerging Leader track includes certificate programs for Public Manager and/or Process Manager and on-line programs through Harvard University that focus on specific management proficiencies. A specialized professional development experience will also be available for candidates seeking leadership positions in secondary inner-city schools.

The Executive Leader track is currently being developed for experienced district and region leaders who are aspiring to cabinet-level positions. Candidates selected for the Executive Leader track will receive a personalized profile and inventory based on critical CEO leadership skills. From the inventory results, a customized professional development plan will be created for each candidate. The plan will feature advanced degree coursework, seminars, projects, job shadowing, and executive coaching.

The Alternate Pathways Program is being developed for individuals from non-education fields to prepare them for administrative positions within M-DCPS.

For additional information on M-DCPS' succession management programs, the reader should contact Ava Byrne, Deputy Superintendent, Office of Professional Development, at 305-995-2037.

SUMMARY

As the labor force continues to age and growing numbers of the baby boom generation become eligible for retirement, succession management has become an increasing concern for businesses and organizations of all types. Succession management programs are gaining popularity as a way to encourage individual advancement and ensure continuity in key positions. Succession management serves both the organization and the employee by providing the organization with a continuous supply of talent and by keeping high-performing employees challenged and motivated. Research shows that effective succession management programs share certain characteristics, including a link to the strategic direction and unique needs of the organization, a focus on leadership development, the support of top management, the selection of objective criteria for advancement, the provision of individualized developmental activities to leadership candidates, and continuous monitoring and assessment of the program.

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