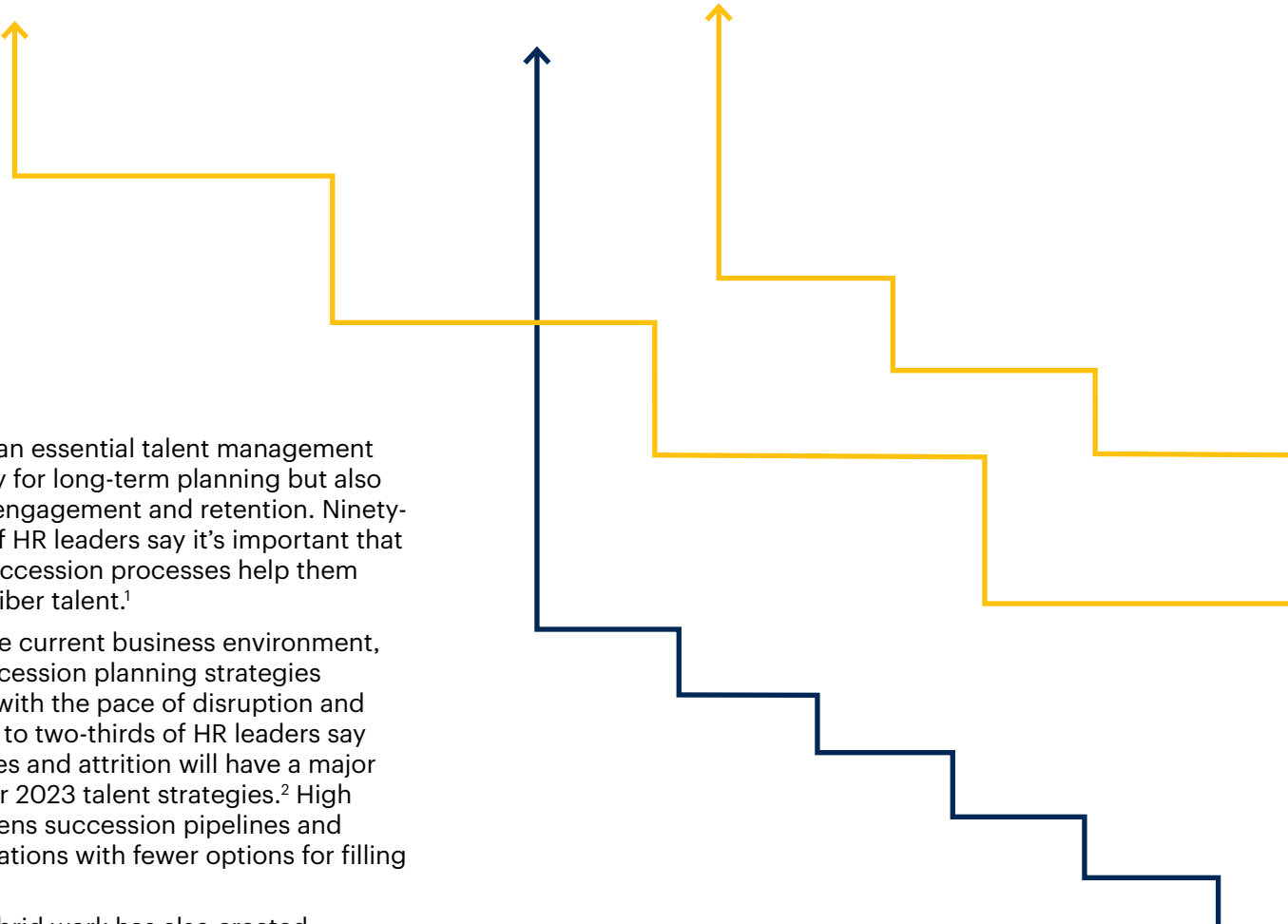


Strategies to Improve Succession in a High-Disruption Environment

By Kelly Armstrong

In the wake of work environment changes, traditional leadership succession processes are ill-equipped to produce and retain the best successors. Talent management leaders can use this research to learn best practices for building strong leadership pipelines amid disruption.





Succession is an essential talent management tool — not only for long-term planning but also for employee engagement and retention. Ninety-four percent of HR leaders say it's important that their formal succession processes help them retain high-caliber talent.¹

However, in the current business environment, traditional succession planning strategies can't keep up with the pace of disruption and change. Close to two-thirds of HR leaders say talent shortages and attrition will have a major impact on their 2023 talent strategies.² High turnover weakens succession pipelines and leaves organizations with fewer options for filling critical roles.

The shift to hybrid work has also created succession challenges. Underrepresented talent is often less visible in a hybrid environment, and leaders may be unaware of many potential successors. Fifty percent of HR leaders say their organizations require employees to work in the office at least once per week;³ however, on-site work requirements are unlikely to solve disparities in visibility between employees who primarily work outside the office and those who spend more time in the office.

To strengthen leadership benches in this environment, talent management leaders must move beyond traditional models and evolve their succession processes to be more adaptive, equitable and human. These three attributes are the foundation of a succession strategy that meets employees' evolving expectations while developing and retaining leaders who are equipped to handle a fast-changing set of business needs.

Engage in Adaptive Succession Planning to Meet Changing Needs

In an environment of constant change and disruption, succession processes must be resilient. Talent management leaders should

build opportunities throughout their succession planning processes to make critical adjustments as business needs change.

Roles often change with business needs, so assessing role design should be a regular part of the succession process as well. Bridgestone, for example, has adapted its approach to succession planning to reflect this reality.

Talent management leaders should regularly reevaluate their organizations' succession plans by integrating conversations about succession planning into natural business rhythms. For example, they might encourage business leaders to invite HR business partners (HRBPs) to key recurring business unit meetings. This approach facilitates discussions about how strategy changes affect the business unit's succession plans. Or, if a successor is involved in a critical project, talent management leaders could ask HRBPs to gather information on how the project affects the successor's readiness for the future role.

Succession should be a continuous conversation to fully integrate the organization's talent and business strategies.

Case in Point:
Agile Succession
Planning
Bridgestone



Before discussing who should fill a critical role, Bridgestone's HR and business leaders analyze the role itself and consider making changes based on current and future business needs. They ask questions like, "If the person in this critical role leaves, would we keep this role?" and, "Knowing our strategy and future goals, do we need this role as it looks today?" If a change is needed, Bridgestone's leaders eliminate the role, split it up based on potential successors' current capabilities or redesign it based on strategic goals.

To prepare its talent to step into roles as business needs change, Bridgestone creates pools of potential successors for roles that are duplicated across multiple business units. (For example, multiple business units may have a vice president of finance.) These cross-business talent pools increase the number of available successors for a given role, which makes it easier to fill critical roles if someone leaves suddenly (see Figure 1). Having more successors to choose from also makes it easier to pick the right person for a critical role to fit the organization's needs.

To be placed in a talent pool, employees must:

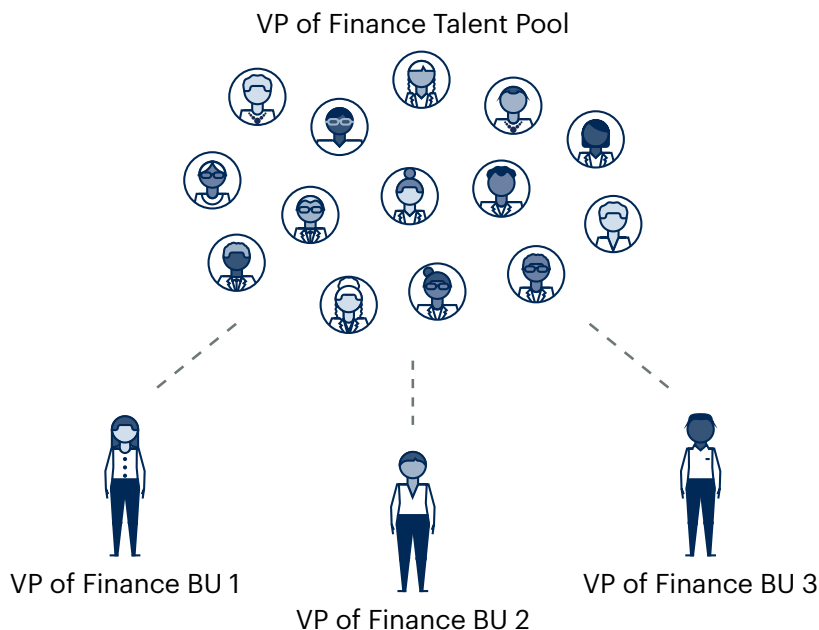
- Have high-potential status.
- Have relevant experience and skills for the associated role.
- Be willing to move across business units.
- Have learning agility (adapt well to new situations).

These criteria ensure Bridgestone's succession process is adaptive and identifies leaders who are adaptable.

Facilitate Equitable Succession Planning With Relationships and Advocacy

Organizations want more diverse leadership benches, but succession pipelines are not currently diverse. The second most common challenge for HR leaders in succession planning is that they lack a diverse set of succession candidates.¹ To advance diversity within the organization, senior leaders must be aware of, and advocate for, underrepresented talent, as leaders are often the driving factor in progressing diverse talent. But it's even more difficult for leaders to be aware of underrepresented talent in a hybrid world, as employees spend less time face-to-face with colleagues outside their immediate teams. This lack of direct interaction may cause leaders to prioritize candidates with whom they work more frequently in succession decisions, overlooking other qualified, diverse candidates.

Figure 1: Bridgestone's Talent Pools



Source: Adapted From Bridgestone

Case in Point:
Talent Profiles
Corning



HR leaders at Corning created talent profiles that leaders throughout the organization can view, improving the visibility of the global talent market (see Figure 2). These talent profiles and scorecards facilitate talent planning meetings as well as conversations among HR, managers and employees about succession, career pathing and development. Corning also developed an advanced talent search tool, enabling HR



and managers to discover talent and potential successors from throughout the global organization.

Employees and managers update these profiles throughout the year, making edits on Corning's HR information system platform. The frequent use of the talent profiles and scorecards for talent conversations helps create social pressure to have up-to-date data.

Figure 2: Corning's Talent Profiles
Illustrative



Sam D., Boston, MA, Director of Engineering

 Employee Talent Profile		 Employee Talent Scorecard	
Employee-Entered Information Visible Across the Organization		Manager-Entered Information Visible to Select Managers and HR	
Work History (Corning)	Glass engineer	Talent Designation	Emerging talent
Work History (Pre-Corning)	Materials engineering, tech industry	Performance History	2020 — Fully met expectations 2021 — Exceeded expectations
Significant Career Accomplishments	Led design of cutting-edge glass tech	Strengths	Relationship Building, motivating others
Career Aspirations (Limited View*)	VP, engineering, display	Areas of Development	R&D management, visibility across the organization
Development Objectives (Limited View*)	Drive innovation across team	Possible Future Positions	Senior director, VP
Mobility (Limited View*)	Willing to relocate globally	Succession Plans	VP, engineering (ready-future)
Skills Profile	Critical reasoning, leadership		

Source: Adapted From Corning

* Limited View = Visible only to the employee's manager and HRBP



Talent management leaders can counteract this reduced visibility by sharing data on equity gaps and making it easier for leaders to address them. Talent management leaders should ensure leaders are aware of all the great talent within the organization by making it easier for leaders to compare succession candidates with whom they work less frequently.

Talent management leaders should also encourage leaders to form relationships with a diverse set of high-potential talent. Such relationships enable leaders to advocate for those individuals during succession conversations. Advocacy can improve the visibility of talent working in remote environments.

Leaders can form such relationships, for example, by organizing a formal networking framework that empowers employees (both remote and not remote) to build and manage networks effectively.

Craft a More Human Experience to Retain Successors

Retaining high-caliber talent is HR leaders' most important succession planning objective. To maximize the retention impact of succession planning, talent management leaders should consider it not just a process but an opportunity to enhance the successor's employee experience. This successor experience should build upon the organization's employee value proposition and deliver a more human deal that focuses on making successors feel trusted and cared for by the organization.

To show successors they are trusted, talent management leaders must be transparent about the succession planning process. Currently, only 29% of HR leaders share with successors how the succession planning process works.¹

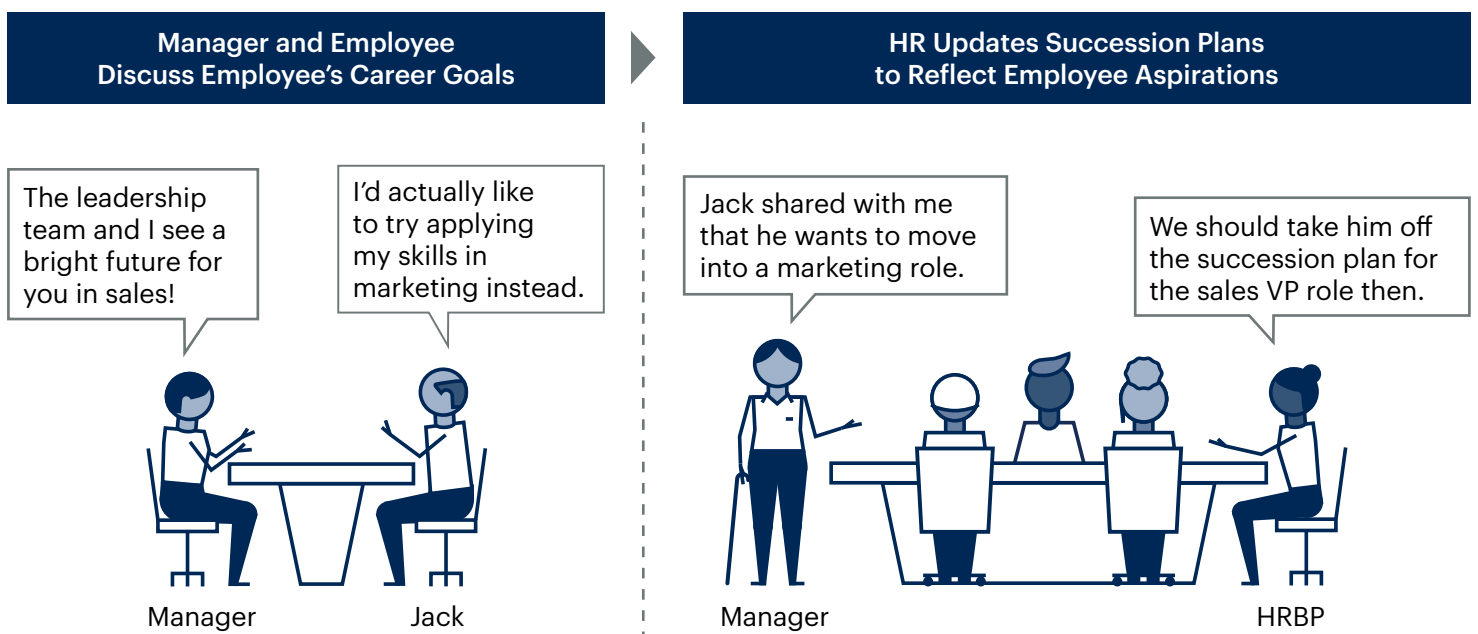
For example, after recognizing that its employees were unsure of the value of talent profiles, Corning launched a new video campaign to be more transparent about the talent planning process and why talent profiles matter. These videos answered questions such as “How is my talent profile used in talent planning?” and “Why is talent planning important?” Corning clearly outlined the steps and intentions of its talent planning process and used various visualizations (such as animation and business leader testimonials). It also incorporated incentives, such as a gift card lottery, in its communication campaign.

To ensure successors feel cared for by the organization, talent management leaders should incorporate successors’ aspirations into succession plans. Traditionally, HR and business leaders own the succession process and do not take employee aspiration into account. This can lead to potential mismatches, where an employee is included in a succession plan but has no interest in working that role. Such mismatches create engagement and attrition risks.

To avoid succession mismatches, Bridgestone has managers and employees discuss the employees’ career goals. Then, managers share relevant information with HRBPs and leaders, who can update the organization’s succession plans based on the outcomes of those conversations (see Figure 3). Bringing employees into the succession process and listening to their career aspirations reassures them that the organization cares about them.

High-quality career conversations will make employees feel not only cared for but also invested in the organization when those conversations are then used to alter the succession plan. On the other hand, if managers shy away from such conversations, potential successors may perceive it as a lack of trust. Organizations should not lose top talent because managers are not prepared to have high-quality career conversations or fear making talent feel entitled to certain roles. For more impactful career conversations, talent management leaders should recognize each successor’s potential, discuss that successor’s career path and focus on key experiences that will make them competitive for more senior, critical roles.

Figure 3: Bridgestone’s Process for Incorporating Employee Aspiration Into Succession



Source: Adapted From Bridgestone



Conclusion

Traditional succession processes struggle to keep up with the new demands of the work environment. These plans are too static, and they're not helping organizations retain the diverse and capable group of leaders they need now and in the future.

To address these new demands, succession planning needs to become more adaptive, equitable and human. Adaptive succession planning allows organizations to ensure their talent strategies keep up with a fast-paced business environment. Equitable succession planning helps organizations continue to meet diversity goals in leadership in more distributed environments. Human succession planning enables organizations to take every opportunity to engage and retain the best talent.

- ¹ 2022 Gartner Leadership Development HR Leader Survey. This survey was conducted online from 29 July through 29 August 2022. Thirty-three heads of talent management and 29 other HR leaders responded with representation from various industries across 14 countries.
- ² 2022 Gartner "Benchmark With Gartner: Preparing for 2023, Workforce Planning, Talent Trends and Predictions" Webinar Survey (14 December). This poll was conducted in a benchmarking webinar attended by over 330 HR leaders from around the world (the majority based in North America) and representing a variety of industries. Of these, 159 participants responded to the question, "Which trends have you been thinking about as part of planning for your organization's 2023 talent strategy?" Disclaimer: Results of this survey do not represent global findings or the market as a whole but reflect the sentiments of the respondents and companies surveyed.
- ³ 2022 Gartner "Benchmark with Gartner: Strategies to Attract and Retain Talent in Times of Economic Volatility" Webinar Poll (16 November). This poll was conducted to benchmark strategies that organizations are using to attract, retain and engage talent. The poll was conducted online on 16 November 2022 among 150 HR leaders representing a spectrum of industries. The majority were based in North America, though the perspectives and practices they shared were developed to support their global organizations. Disclaimer: Results of this survey do not represent global findings or the market as a whole but reflect the sentiments of the respondents and companies surveyed.