



# Season to Task

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**Need a dash of challenge for one employee and a sprinkle of incentive for another? A formal succession plan can be a recipe for professional advancement.**

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By Sandra R. Sabo



# Leadership in Transition

## SUCCESSION AND RETIREMENT PLANNING

Let's say you win the lottery today and, excited about your unexpected good fortune, resign your position tomorrow. What's the likelihood your institution will have one or two current employees that you've seasoned to be ready and able to step into your hard-to-fill shoes?



Pretty low, suggests Patrick Sanaghan, president of The Sanaghan Group, an organizational consulting firm based in Doylestown, Pa. "I've been on a lot of board retreats where the leaders talk about the issue," he says, "but it's rare to find a campus with a formal succession planning model, complete with an org chart and list of people.

"Succession planning is the rigorous, disciplined process of making sure your internal pipeline has the talent you need to be successful in the future,"

Sanaghan continues. "But unlike the corporate sector, which builds 80 percent of its talent from within, higher education tends to bring in people from outside the institution."



All those executive searches, however, consume valuable resources. "Recruiting has a high cost, when you're paying 20 to 30 percent of someone's salary and taking up people's time to evaluate candidates," says Chester "Chet" Warzynski, senior advisor, strategic financial initiatives, at Carnegie Mellon University, Pittsburgh, and a consultant to numerous universities (see sidebar, "Starting Gate for Systematic Talent Strategy" for an example of Warzynski's consulting projects). "When you have a pipeline, you don't have to do as many searches."

In fact, when Warzynski was director of organizational development at Cornell University, Ithaca, N.Y., six years ago, he estimated the university could save about \$2 million on searches annually by instituting succession planning. In addition to saving money, says Warzynski, developing a professional bench of diverse internal talent, based on predetermined ingredients, ensures business continuity by providing backup support and provides incentives for individual employees to grow through professional development opportunities.



"To increase staff productivity while decreasing costs, you have to challenge, develop, and empower people—and succession planning does all of those things," Warzynski believes.

### Spice Up Staff Skills



From personal experience, Melissa Trotta knows what can happen on a campus with limited talent development initiatives. Now associate dean for executive education and strategic initiatives at the Johns Hopkins University School of Advanced International Studies, Washington, D.C., Trotta often saw high-potential co-workers

at other institutions walk out the door when they did not see viable career paths internally.

“In many instances, I witnessed talented individuals leaving for positions at other colleges and universities, for opportunities in the corporate sector, or, in some cases, without subsequent positions identified prior to their departure,” she says. “The academic, social, and personal development of students are core functions of a university. By extension, it is ironic that so little personal and professional development of administrative employees takes place on most campuses.”

Trotta herself left one administrative position after seven years because of minimal institutional support and no clear opportunities to advance. She notes, “While I engaged in extensive networking around campus as a means of identifying a more senior role in another part of the university, no such positions emerged, despite more than a year’s effort on my part.”

Stories like Trotta’s can have happier endings both for individuals and the institutions that employ them. To retain your own talent—especially the people specifically recruited for their ability to perform at a high level—lay the foundation for solid succession planning and staff seasoning with these steps.

## Grooming Possible Successors

When the day comes for Mary Lou Merkt to stop working at Furman University, she believes it is her responsibility to leave behind colleagues who could take her place. “It’s up to me to mentor these folks and present them in the best light to the president and the trustees,” says Merkt.

As Furman’s vice president for finance and administration, Merkt counsels those on her staff interested in moving up to hone management skills, complete master’s degrees, and become active in the regional association of college and university business officers. She assigns broader responsibilities to colleagues with the needed skills and the desire to advance within the organization; she views cross-training as another important aspect of leadership development.

Merkt acknowledges that she risks losing the employees she is grooming, as they become more visible to leaders at Furman and at other schools looking for top talent. “That’s just the chance I have to take,” she says. “If they do fly away, I have to remember I was the one who gave them their wings.”

Within the SACUBO region, Merkt serves as a mentor to others who would like to become CBOs. One such relationship had a real-world component. After conversations with an aspiring CBO about resumes and interviews, Merkt extended an invitation to spend time in her office at Furman. She recalls, “The first two days, he joined me for meetings and participated in all other aspects of my job, to see how to solve problems day to day and maintain relationships across campus. Near the latter part of his visit, he worked independently, so he could be the vice president and see how it all works.”

**Engage in workforce planning.** Narrowly defined, succession planning focuses on identifying and preparing current employees to eventually move into a handful of key, mission-critical leadership positions, such as CFO and

CIO. Both Warzynski and Sanaghan recommend a more comprehensive approach, one that aims to develop leaders at all levels.

“You can create a pipeline to develop talent for key positions while also offering opportunities for growth to other interested employees. A career planning program linked to succession can be a way of covering the entire organization,” says Warzynski.

For Mark Coldren, associate vice president of human resources at Ithaca College, Ithaca, N.Y., succession planning starts with identifying key leadership competencies, no matter what the position. Although Ithaca does not yet have a succession plan, it is moving in that direction by first building solid staffing plans for the future. “Be pragmatic about your core competencies, being careful that they don’t turn into an exhaustive list,” Coldren advises. Characteristics might include such attributes as strategic thinking, ability to manage, business knowledge, and valuing diversity. ➤

## Flashback ... 8 Years Ago

**In a January 2006 *Business Officer* article on workforce development ...**

“Managers also have a specific goal in their performance plans that focuses on developing employees and providing them with career opportunities well beyond their current position so they can have a satisfying career at Yale—either growing within their position or moving up within the organization. In finance and administration, senior managers work toward this goal by holding talent planning sessions where they share ideas about emerging stars who might be ready to advance and long-term employees who may flourish with the challenge of a special project.”

**JANET LINDNER, associate vice president for administration, Yale University, New Haven, Conn., and JANET CASTRICUM, vice president, organizational consulting, Right Management Consultants, Stamford, Conn.**

## Starting Gate for Systematic Talent Strategy

The State University of New York (SUNY) recently launched a pilot program to develop a competency-based succession planning process for its 64 institutions, including research universities, community colleges, and academic medical centers.

Through the pilot program, SUNY will develop, test, and refine a system to ensure that it continues to attract, develop, retain, and place employees in positions where they will have the greatest impact on the system's strategic mission and plan. And the pressure is on, as SUNY estimates that 44 percent of its staff—or more than 26,000 people—will become eligible for retirement within the next five to 10 years.

Chester “Chet” Warzynski, senior advisor, strategic financial initiatives, at Carnegie Mellon University, Pittsburgh, serves as a consultant for the pilot program, which involves representatives of 10 SUNY campuses. “In the end, the ideal would be for every SUNY institution to have a succession plan for key positions and a pipeline of diverse candidates,” he says. “That would enable each institution to select people throughout the system, providing incentives for staff to grow, learn, and advance.”

One tool Warzynski finds useful is a talent management matrix (see table), which helps managers and senior leaders to assess other would-be leaders by comparing current performance with future potential—and taking appropriate actions as noted in the table. The top right corner of the matrix will apply to your best performers with the most potential—those whom the institution would do well to further train and motivate.

SUNY's pilot program will focus on answering eight key questions, which other institutions might find helpful in developing or revising their own succession planning process.

**TABLE Talent Management Matrix**

<b>POTENTIAL</b>	<p>May be new in the job. May be in the wrong job/wrong manager.</p> <p><b>ACTION:</b> Give time for development or needs intervention</p>	<p>Valued talent; capacity for advancement after further potential has been realized.</p> <p><b>ACTION:</b> Look for opportunities for growth and new experiences.</p>	<p>Capacity for immediate advancement. Potential for senior succession.</p> <p><b>ACTION:</b> Look for opportunities to promote. Give top-level assignments. Partner with executives. Reward and recognize.</p>		
	<p>May be new in the job or organization. May have lost pace with the changes in the organization.</p> <p><b>ACTION:</b> Continue orientation. Give time for development. Challenge with clear expectations.</p>	<p>Steady and dependable performer, but capable of more. May not understand changes in the organization.</p> <p><b>ACTION:</b> Challenge, allow opportunities for growth and new experiences.</p>	<p>Capacity for immediate, one-level advancement. Consider best track—individual contributor, project manager, or general manager.</p> <p><b>ACTION:</b> Look for opportunities to expand role and challenge, reward, and recognize. Engage in decision making.</p>		
	<p>Has reached job potential and is underperforming.</p> <p><b>ACTION:</b> Manage performance, set clear improvement plan, or exit organization.</p>	<p>Steady and dependable and has reached career potential.</p> <p><b>ACTION:</b> Engage, challenge, focus and motivate.</p>	<p>Excellent performer; has reached career potential.</p> <p><b>ACTION:</b> Engage in training others. Challenge, reward, and recognize.</p>		
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<b>PERFORMANCE</b>				

**The Talent Management Matrix, developed by Cornell University and based on a nine-section model used by GE and others in the corporate sector, can help institutions identify performance gaps, professional development opportunities, and candidates to prepare for promotion.**

- What are the characteristics and components of an effective competency-based succession management system?
- What are the key positions at our institution to include within a succession planning process?
- What criteria or competencies should we use for selecting high-potential leaders for key mid- and senior-level positions?
- What best practices are used by top corporations and universities in competency-based succession management?
- How would line managers identify, develop, and select people for succession to key positions?
- How would senior leaders hold managers accountable for identifying, developing, and advancing high-potential leaders to replace people in key positions?
- How will the institution know when its competency-based succession management process is successful? What metrics would be used to evaluate and determine success?
- What are the barriers and obstacles to implementing a succession planning process at the institutional level [and at the system level]? How would they be resolved?



Next, he says, “You look at the individual positions. For the chief business officer, for example, what other financial or strategic competencies would you add?” In 2013, Ithaca followed the competency exercise with a workforce plan—looking at the talents and skills within the entire organization as it currently exists and considering what positions and competencies will be needed in the next few years to fulfill the institution’s strategic objectives.

“Ideally, every time you have an opening, you take a step back and look at your plan before immediately posting the same position,” Coldren notes. “Maybe your three- to five-year analysis of talent and needs will point to not filling that same position but absorbing the work somewhere else and creating a new position. And maybe you can promote someone into that new position, for a totally different opportunity.”

“Every hire we make has to be strategic, rather than taking someone just to fill the slot,” concurs Mary Lou Merkt, vice president of finance and administration at Furman University in Greenville, S.C. (see sidebar, “Grooming Possible Successors”).

### **Identify and assess potential leaders.**

Merkt encourages her group’s managers to think carefully about every position and how they would fill it should a sudden vacancy occur. Who, for example, acts in a leadership role even if not currently in a position of responsibility?

“When you have that discussion as a group, it’s pretty easy to see right away that you might have great leadership possibilities in IT, for example, but not in finance—or vice versa,” she says. Based on existing attributes, assessments of current and potential skills, and other performance indicators, you can identify ways each employee can maximize his or her potential within your institution.

According to Sanaghan, those who bubble to the top as future

## **Cultural Changes Underway**

Over the past few years, the University of California, Davis (UC Davis), took a hard look at the demographics of its workforce by job groups. Based on years of service, age, and other data, the university determined that chief administrative/academic officer positions posed the biggest risk for retirements within the upcoming five years.

About the same time, the University of California System conducted a staff engagement survey. The results revealed that employees had a high interest in receiving more support from supervisors and managers and wanted to better understand the opportunities for career development and progression within the organization.

“When we coupled the survey results with the highest-risk positions for exits, and looked at the internal feeder pool, two programs came out of it,” says Susan Gilbert, associate vice chancellor, human resources, at UC Davis.

**Administrative Officers for the Future.** This program, launched in 2013, is intended to build bench strength. Based on the competency model UC Davis developed for chief administrative officers, the seven-month program blends classroom instruction with e-learning, assessments, writing assignments, team projects, and individual development planning. It culminates in group project presentations, which are critiqued by a cabinet of UC Davis leaders.

“In the future, when key positions become available, we want to have a pool of highly qualified internal candidates for consideration by the hiring managers,” Gilbert explains. “The program will continue as long as the organizational need associated with turnover and vacancies exists, then we will move to another program directed toward a different career path.”

**Managers and supervisors initiative.** Based on the data analysis, the university now asks management to initiate a professional development discussion during each employee’s annual performance evaluation. It’s a deliberate attempt to allow managers to better understand their employees’ career goals, and then provide them with development experiences or refer them to a career counselor dedicated to serving UC Davis employees.

“With these first two activities, we hope to socialize discussions and terminology related to succession planning. They are precursors to future programs that will focus on human resources as a strategic capability across the entire organization,” Gilbert explains. “We know where we want to be with succession planning, and we’ve just begun the journey—which will lead to a big culture change.”

For example, she says, UC Davis had not placed a lot of programmatic emphasis on internal career progression. University employees have commented that external candidates are being hired for many high-level positions. Consequently, staff are seeking ways to develop their own skills to be competitive candidates for those jobs.

“Building our bench strength is one motivation, but also going externally to fill positions causes people to feel marginalized and not valued. This can lead to lower levels of engagement, which can result in a lack of motivation for giving 100 percent of effort,” Gilbert says. “We’d rather provide developmental opportunities to boost the engagement level and leverage that energy.”



leaders—known in the corporate sector as “high potentials”—usually represent the top 5 percent of employees. They require specialized attention, including a plan for developing their readiness skills to move up, through, or across the organization as needed.

When you select the people with the highest potential to succeed campus leaders in the future, Sanaghan offers two points of caution. First, he says, make sure you don’t fall into the trap of “comfortable cloning”—choosing people who are just like you in terms of race, gender, personality, areas of strength, and so forth.

“Also, remember the ‘stylistic invisibles’—the quiet, thoughtful, and maybe introverted people who have the competencies to do a job well but are often overlooked in favor of more charismatic, articulate extroverts. Those quiet and shy people need to be developed, too,” says Sanaghan.

If you don’t currently have anyone on your staff to train or mentor into readiness for a future position, have a plan in place for external hiring. “You have to be prepared to start a search quickly, which means keeping the position description up-to-date, knowing which search firms you’d consider using, and knowing when and where you’ll advertise,” says Merkt. In a succession plan, she advocates including a list of outsourcing solutions, such as firms specializing in interim placements.

**Provide a rich menu of development opportunities—and the rationale behind them.** As executive director for university organizational and professional development at Virginia Tech, Blacksburg, Va., Lori Baker-Lloyd oversees the university’s Executive Development Institute (EDI)

and Management Academy. The former identifies and grooms high-potential senior leaders for the university, while the latter focuses on developing future leaders (middle to upper-middle managers).

For both annual leadership programs, vice presidents and deans make the nominations;

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Baker-Lloyd’s unit works with a senior management committee to select the participants; and the president’s office provides the funds. The nominating unit, however, is expected to provide funding and support for additional development opportunities.

Since EDI’s introduction in 2008, 121 employees have completed the seven-month program. Of those out of the program more than a year, almost 40 percent have been promoted or taken on expanded responsibilities; only 11 percent have left the university, primarily for personal rather than professional reasons. Baker-Lloyd keeps EDI alumni active and visible by (1) circulating their names when senior leaders form task forces, and (2) asking them to mentor Management Academy participants.

To manage expectations, Baker-Lloyd emphasizes the importance of open communication with EDI participants. “We are very clear about Virginia Tech wanting to develop bench strength, so that we have people trained and ready when opportunities become available,” she says. “We are beginning to emphasize that, by completing the program, they become well-equipped to be viable candidates for future positions—but that there are no guarantees.”

Having researched internal leadership programs within higher education for her dissertation, Melissa Trotta underscores the need for such communication. When

interviewing alumni of leadership programs, for example, she discovered some had no idea why they had been nominated to participate. Others thought the program was remedial and meant to address a performance shortcoming rather than expand learning opportunities.

Chet Warzynski encourages colleges and universities to expand beyond formal leadership programs, perhaps borrowing ideas from the corporate sector. Large companies, for example, typically offer job rotation, job shadowing, mentoring, and on-the-job stretch assignments, in addition to classroom training, experiential learning programs, and executive centers that assess and develop potential.

### **Keep your plans and programs fresh.**

“Succession plans and competency models need to be live documents, not something you never edit or revise,” believes Baker-Lloyd. That’s why Virginia Tech plans to revisit the competency model it created six years ago and use it as a foundation for its Executive Development Institute curriculum.

“The whole world has changed in that time, providing new challenges for higher education,” she continues. “In addition, we have a new president, which means



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different expectations and priorities—those related to strategy and leadership. So we might consider adding a few new competencies such as global awareness or agility.”

Warzynski notes that the workforce within higher education currently includes four generations, with more than 20 percent of employees at most institutions now eligible for retirement. Given those demographics, Warzynski suggests adapting your succession plan to welcome not only diversity but also to recognize and respond to the different leadership and learning styles of multiple generations.

Some names on the succession planning list may need to change as well, as newer and younger employees take advantage of development opportunities to increase their visibility and make their mark on the organization.

Review the list at least annually, recommends Baker-Lloyd, looking at which people took on what challenges, how they fared, and the implications. “If people aren’t performing like they were before, is it because they didn’t receive the support they needed? Are they moving in a different career direction?” she asks. “Those things are worth examining, to prevent your high potentials from walking out the door.”

She also would like to introduce “stay interviews” at Virginia Tech, as one means for managers to communicate the plans they have in mind for those exhibiting high leadership potential. Baker-Lloyd saw the benefits at her previous organization, which required its senior leadership team to regularly conduct stay interviews with the people the group identified as key talent, with the hope of averting exit interviews in the future.

Rather than simply telling an employee, “You’re on a succession planning list,” and walking away, the leader remains responsible for managing and developing that talent. “The senior leadership team uses the stay interviews to identify upcoming professional development opportunities,



review previous opportunities, discuss what the group has in mind for stretch assignments, and converse about the person’s value to the organization,” Baker-Lloyd says.

## Identify Ideal Ingredients

In some institutions, the president’s office maintains a written—and confidential—list of people considered the prime internal candidates for key leadership positions. While such a list isn’t a required component of succession planning, the demonstrated commitment from top leadership certainly is.

Without the ongoing support of senior leadership—appointing potential leaders to special project teams, sharing their expertise with up-and-coming employees, and talking about careers on campus—succession planning will have little chance of taking root. Plus, administrative funding is often needed to undertake formalized development activities and programs.

Because succession planning overlaps with leadership development, career planning, and performance management, you’ll also need HR support to help integrate those various elements. Using a talent management database or module, for example, HR personnel can easily track an individual’s competencies, skills, assessment results, and growth experiences and link that information to a personal development plan.

“Ideally, the HR person should look at all performance reviews and identify those with the highest ratings. Then the

HR person and the manager need to have some conversations about how to get that high-performing employee ready to take the next step,” says Mark Coldren.

Finally, supervisors and managers must frequently initiate career-oriented discussions with their employees. “According to the Center for Creative Leadership, the No. 1 way to develop people is through what they’re doing right now—which means you must have good supervision,” says Sangahan. “For example, are your VPs reviewing goals for staff every week? Providing feedback? Asking questions? Offering strategy and support? The point is not micromanagement but to better direct talented and dedicated people through supervision.”

With many baby boomers positioned to retire within the next five to 10 years, such conversations are crucial for shaping the next generation of leaders. Less-experienced leaders will need the time to develop a skill set for the future—one that may look different in terms of the talents and competencies valued in their institutions today.

“Everyone gets nervous about retirements in key positions, especially when people have been at their institutions for 30 or 40 years,” Coldren observes. “But if you are intentional about leadership development and have the foundational pieces of succession planning in place, those retirements really represent an opportunity for people to grow.”

In other words, all should be well. So, go ahead and buy that lottery ticket.

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