

A Study on Succession Management Planning Automation

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Abstract

There was a time when organizations had many managerial levels, and the abundant leaders spent a substantial amount of time in strategic activities such as process improvement, training and mentoring. Employees had expectations of staying with an employer for decades and hoped that after a few years of distinguished service they might be invited to join the ranks of management trainees. With the luxury of time, supervisors had the opportunity to observe direct reports across many situations and guide employees with high potential toward future career opportunities.

Keywords: Employees-Strategies-Managerial Level- opportunities.

1. Introduction

The Human Resources Management in any organisations today is struggling to maintain the workforce and face two harsh realities of which exist at any organization: The loss of experienced rich talent, changing trends in the talent market. It's clear that, organization need talent to be able to compete in global market and hence they need to develop and retain it. Although it is very easy to assume that all organizations would be successful in succession planning and practices numerous ways to address talent gaps but in practice only select few organizations are able to practically plan for the gaps and fill them in time. Organisations struggle with forming a formal process for identifying, developing and retaining high potential people within the organization. Hence most of the organizations these days are looking for alternatives to plan who will succeed the important positions in an organization. It seems to be an easy process but actually, it cannot be achieved in few days or months. It takes time, to refine the process. Commitment and involvement from every employee is required be it the HR managers, Line managers and senior management.

Research Methodology

Succession planning methodology of around 16 organizations in ITES, Information Technology, Diversified Business, automobile and other industries were studied. Reason for choosing this wide range was not to restrict to companies of one industry but to go as broad as possible and see all possible best practices and then choose which suited us as an organization.

Objectives of the study:

- To analyse need of succession planning in an organization
- To explore well-structured are the current succession planning procedures.
- To find automation used and how can it become more useful in future. • To offer Tangible benefits from succession planning process

Collection of data

This survey was supplemented by telephonic interviews with few respondents responsible for succession planning function to gather more specific information. Sustainability reports available online and other data from trusted sources made up for secondary data. Secondary data was collected from internet, industry journals and magazines. This also helped in conducting benchmark study

Limitations of the Study

Actual universal population of the whole organization becomes too large to study hence focus was on a smaller sample group.

Hence the result reflects only overview.

- Data is gathered and analyzed in a short time months hence may not reflect the depth of study.
- Balancing of Qualitative aspects and Quantitative aspects.

Literature Review

Pondey.E (2021) throughout his book explains that an organization which does not have a succession planning system in place i.e. they lack a formal succession plan find trouble in various areas such as : key positions are not filled in an timely manner, key positions are filled by external candidates, constant horror of turnover at key positions, potential replacements are never ready and lack essential skills, most qualified talent is not retained. These are some problem areas which organizations face and never realize. It's just due to lack of formal planning

Krishna Mouly (2021) Similar ideas are shared by that not identifying key position is one of the biggest blunders which organizations make. Shares the Indian perspective and how organizations are taking this seriously as a major concern of their HCM plans. During study of literature, it was revealed that, there is lack of awareness in companies of the long-term impact of ignoring succession planning, also there is not rigid structure or model existing for succession planning, hence study aimed to incorporate a model which can capture the essence and be a fit to most organizations seeking to implement succession planning.

Vimal.T(2022) Literature review was done to identify and understand need of succession planning in various organizations had stressed on need of good leaders grown out of a company itself rather than hiring them. Hiring should be stressed at lower levels only, but leaders should grow out of an organization.

Vimalnath (2023) suggests "succession planning as a systematic way to ensure that employees in a particular organization are competent enough to develop and then replace strategic roles in organization hierarchy"

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Data analysis**Need towards succession planning**

Organizations face the need of succession planning at some stage or the other, several who already had experienced the urge to invest in latest technology. There is so much pressure on these organizations that they are trying to figure new ways to maintain flow into their talent pipelines. Organization has an outlook of developing the talent, Companies believe in the following options as need for a succession planning process: -

A Majority [66%] respondents indicate that “Difficulty in finding successful management candidates” as the key criteria/need for succession planning. Followed by “Unexpected loss of key leaders” [36%].

Why succession planning takes a back-seat

Study reveals that companies are allocating lot more money for others functions in talent management instead of succession planning. Responses which establish above are:-

This has a dual effect. Firstly, the loss of HIPO employees recognized by the organization. Secondly, all other talent management initiatives are dependent on other and hence not linking with succession planning can cause a series of failures. Succession planning does not have an immediate effect hence many organizations do not recognize its potential. It takes effect slowly and helps in long run, which many fast-paced organizations cannot appreciate.

Succession Planning Challenges

These challenges fall under two categories: challenges which arise due to the process also the technology related issues. Various issues which occur in process can be non-formation of talent pool and lack of clarity in future needs. Meanwhile, lack of assessment tool came out to be examples of technology challenges. These issues which arise in succession planning are a smaller part of the bigger pie also known as HCM, i.e. acquiring the talent that is needed and at the same time addressing talent requirements for the future. All [100%] respondents agreed that creating a talent pool was a major challenge in succession planning. Followed by inability to identify future needs was also observed in majority of responses [96%].

Technology Usage.

When asked about various tools and usage following responses were recorded. Respondents were also asked about whether the whole process is automated or partially automated, majority of companies seem to be using partially automated system.

Responses	Number	Percentage
Fully automated	3	12
Partially automated	22	88

Partial automation refers to, either one part or more than one part of the process is done by some means of technology. Companies having a more formal process find it easy to automate certain segments in it. A fully automated system requires a rigid system which has been in use [time-tested] hence automating it becomes more feasible.

Linkage

Succession planning is just not one exclusive process, but it needs to be linked with other processes like Individual development Plan, Career aspiration mapping, Manpower forecasting etc. Such linking makes succession planning wholesome and more efficient; most of the companies do not link it completely. Most of companies are linked to either one process or not at all linked. Even though there is awareness about need of linking, but it is not done yet in 36% of the organizations studied. Even though most of them had linking with at least one process but none had linking with all three. Such linkages are required to make the whole system robust and sustainable in long run.

Criteria	%study group satisfying criteria	Majority of org.	Remark
Talent Pool	80%	No	Other than top few, no other follows this
Competencies Defined for each Role explicitly	26.7%	No	Even though most of companies in study group don't do this, but this a requirement to setup a formal process.
Key role Identification	80%	Yes	Identification of critical roles, and key roles while succession planning

Gap Analysis

Scope

Criteria	%study group satisfying criteria	Majority of org.	Remark
Succession Planning at Senior Management Level	100%	Yes	Succession planning at senior management level is practiced in all the organization studied.
Succession Planning at mid Management Level	93.3%	Yes	Mid management level Succession planning
Succession Planning at Executive level	66.7%	No	Most of the companies in study group are doing succession planning even for the executive positions

HIPO Identification

Criteria	%study group satisfying criteria	Majority of org.	Remark
Appraisal	100%	Yes	Appraisal review is linked with succession planning in every organization evaluated in the study.
Assessment Centre	93.3%	Yes	Assessment centre in some form or the other forms an integral part of succession planning input. Some organization has assessment centre and 360 degree in a combined format.
Automation Tool	13.33%	No	Any HIPO identification automated tool, or approach to identify HIPO
Separate Program	33.33%	Yes	Only a handful of the organizations have a separate program.
360 Degree	620%	Yes	360 degree format is exercised in some format or the other in majority of the organizations, some don't take sub-ordinate review, but peer review and separate supervisor review are done.

Linkage

Criteria	%study group satisfying criteria	Majority of org.	Remark
Individual Development plan	46.7%	No	Linking of succession planning to IDP.
Career aspiration Mapping	46.7%	No	Linking of career aspiration mapping
Manpower Forecasting	33.3%	No	Linking of Manpower Forecasting
All 3 above	20%	No	Only 3 companies do linkage with all three.

These gaps were then analyzed, i.e. the time outlook in which they need to addressed and the relevance of the gap to the organization.

Suggestions and Recommendations

After studying the existing practices and models researchers suggested following points to strengthen the existing succession planning process and a model for

Creation of a talent pool from initial level

The management should consider creating a talent pool at initial level, which can be developed over time to meet talent needs. Preparing your mid management level and low management levels to take on responsibilities of higher levels.

Proposal

The talent pool should be based on two aspects, i.e. performance and potential of employee. Performance rating can be used as input for performance. For gauging the potential of employee following approaches can be followed: • One day workshop/assessment center. • Supervisor and unit HR review on a small questionnaire. • New tailor-made program according to organization specifications to be made with HR team. This would be roughly for 60-70 employees based on following calculations of a renowned IT company with employee strength of 1,60,000 employees.

Conclusion

Succession planning is one such process which cannot be ignored keeping in mind the competitive industries. Strengthening this process directly impacts the organization as it is the nourishment of talent. this activity cannot be carried out as an ad-hoc exercise but needs to be a systematic approach. It can be further fine tuned varying from organization to organization and different industries but the major structure remains same. We need to ensure that key positions in an organization are always filled with capable talent and this pipeline keeps on churning out seamlessly. The landscape has totally changed if we compare to what it was a decade ago and

hence the approach has to evolve, rather than being reactive and shedding flab later, pro-active approach needs to be followed where we are capable enough to chalk out plan of individual in an organization keeping in mind the macro picture. Succession planning not to be considered just an exercise, but focused upon so much that succession planning can be converted into succession development hence developing the talent pipeline and hence achieving organizational goals.

Reference

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