

The background of the slide is a photograph of a green field with a line of trees under a blue sky with light clouds. The text "Succession Planning Guide" is overlaid on this image.

Succession Planning Guide

SIGMA's Succession Planning Guide outlines a straightforward process for identifying and developing individuals within the organization to replenish existing talent when roles become vacant.

The guide takes users through SIGMA's six-step succession planning process to: identify critical leadership roles, build SIGMA Success Profiles™, nominate high potential talent, assess development needs, develop talent, and measure your organization's progress.



A proven succession planning process provides a roadmap for success. It ensures consistency despite change, creates clear steps for success, and enables leaders to communicate the plan across the organization.

SIGMA's Succession Planning Guide was created to introduce you to our [six-step succession planning process](#), a framework that has helped leaders from organizations across industries and around the world create comprehensive and effective succession plans.



In this guide you will find helpful instructions, tips, and links to succession planning tools that you can use to get started.



Succession planning is one of the most important strategic processes your organization will undertake. However, proper succession planning can be incredibly time consuming.

If you need help getting your succession plan done, SIGMA's [Succession Planning Sprint](#) was designed specifically for you. Our experts will help you get six months of work done in one four-hour session.

To learn more, [send us an email](#) or book a call today.

[Book a Call](#)



INTRO: What is Succession Planning?

The first step to building a robust succession plan is understanding what succession planning is and why it is important.



INTRO: Succession Planning vs. Replacement Hiring

Succession planning is often confused with replacement hiring. Before we dive into SIGMA's six-step succession planning process we compare and contrast these two processes to make sure you understand what succession planning is, and what it is not.



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STEP 1: Identify Critical Roles

There is typically no shortage of need when it comes to succession planning. However, it is important to take a measured approach when integrating succession planning into an organization. The first step is to identify which roles demand immediate attention, focusing on their importance to the business.

TOOLS/TEMPLATES: Critical Role Identification Questionnaire (p. 12)

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STEP 2: Build Success Profiles

Once critical roles have been identified, organizations must focus on understanding the requirements of each role. SIGMA Success Profiles™ are used to define the talent composition required for success based on present and future needs. This step creates a target to aim for when selecting and developing future leaders.

TOOLS/TEMPLATES: SIGMA Success Profile™ (p. 15)



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STEP 3: Nominate Successors

Using SIGMA Success Profiles™, organizations are able to nominate candidates for succession. At this stage a formal, transparent process is imperative for combatting perceptions of favoritism. Results from SIGMA’s nomination survey are used to populate a draft Succession Bench that groups successors based on their readiness and provides an “eye-test” measure of bench strength for the incumbent's role.

TOOLS/TEMPLATES: Nomination Survey, Succession Bench (p. 18)

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STEP 4: Assess Development Needs

Once succession candidates have been nominated, it is important to add objectivity to the succession planning process through scientifically validated leadership assessments. The assessments complement, rather than replace, a candidate's history and experience, providing an unparalleled depth of insight. Any succession planning process should incorporate an objective assessment to measure the talent profile of each succession candidate.

TOOLS/TEMPLATES: LSP-R™, Candidate Profile (p. 21 & 22)



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STEP 5: Develop Talent

Following the assessment phase, individual talent development plans are created for each succession candidate. Based on a comparison between the candidate's assessment results and competencies on the SIGMA Success Profile™, development plans can be tailored to address key gaps in skills and experience necessary for individuals to be ready to assume critical roles when the time comes.

TOOLS/TEMPLATES: Development Actions Form (p. 25)

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STEP 6: Measure Progress

Tracking measurable progress indicators and sharing results with key stakeholders demonstrates the value of a succession plan and keeps its importance top of mind. In time, leaders will be able to demonstrate year-over-year progress. It is best to begin with metrics that can be easily measured given the numbers that are already available. Progress should be measured, reviewed, and communicated every six months.

TOOLS/TEMPLATES: Talent Progress Scorecard (p. 28)



TIPS: Common Pitfalls

Learn from the mistakes of others; SIGMA's consultants share common pitfalls in succession planning to help you know what to watch for and avoid common mistakes before they materialize.



TIPS: The Importance of Implementation

Understand the importance of implementation and how you can set your organization up for success in this last critical phase of the succession planning process.

TOOLS/TEMPLATES: Succession Planning Checklist (p. 34)



what is succession planning?

succession planning *is the process of developing internal talent to fill critical roles when vacancies arise*

- a good succession plan will:
 - ✓ build a pool of qualified candidates for each critical role
 - ✓ provide employees with opportunities for growth and development
 - ✓ help your organization attract and retain top talent
 - ✓ increase company loyalty, engagement, and job satisfaction

- succession plans are important because they provide your company with a **road map for continuity** when changes occur

succession planning vs. replacement hiring



- succession planning is often confused with replacement hiring

Replacement Hiring

- Reactive
- Selects the best person available
- Tries to replicate the incumbent
- Often uses input from only the incumbent and the supervisor
- Selects one successor
- Somewhat based on being in the right place at the right time
- Hiring is done as needed

Succession Planning

- Proactive
- Prepares the best candidates
- Chooses the best candidate, even if they are different from the incumbent
- Uses feedback from multiple sources
- Creates a bench of candidates
- Selection and promotion is objective, based on abilities and competencies
- Hiring is integrated with recruitment, development, and diversity initiatives

SIGMA's six-step succession process



<p>i identify critical roles</p>	<p>Identify which roles your organization should target through its succession program.</p>	<p>Critical Role Identification Questionnaire</p>
<p>b build success profiles</p>	<p>Describe the talent composition required for each critical role at the present time and according to your organization's future needs.</p>	<p>SIGMA Success Profile™</p>
<p>n nominate successors</p>	<p>Identify and select candidates for critical roles by creating a bench for each position.</p>	<p>Nomination Survey Succession Bench</p>
<p>a assess development needs</p>	<p>Summarize the talent profile of each succession candidate and identify gaps to target through development.</p>	<p>Leadership Skills Profile - Revised™ Candidate Profile</p>
<p>d develop talent</p>	<p>Outline or update development plans for each candidate and track recommended and completed development activities.</p>	<p>Development Actions Form</p>
<p>m measure progress</p>	<p>Update the scorecard, tracking various indicators of improved succession planning outcomes.</p>	<p>Talent Progress Scorecard</p>



identify critical roles

the goal:

identify the roles your organization should target in its succession planning program

the steps:

- list the roles that you think are critical to your organization
- start with lynchpin roles, including leadership and administrative roles, as well as areas with high dependencies or specialized skills
- rate each role on five criteria:
 - urgency: will the role be vacant soon?
 - impact: what impact would a vacancy have on the business?
 - skills: does the role require any specialized knowledge or skills?
 - internal talent: are there any internal candidates ready now?
 - external talent: how difficult would it be to hire for the role?
- calculate a total score for each role and star the roles that will be critical to include in your succession plan



identify critical roles

SIGMASuccession
critical role identification questionnaire

	1 Not true of this role	2 Slightly true of this role	3 Somewhat true of this role	4 Moderately true of this role	5 Extremely true of this role		
Role	Urgency <small>This role is likely to be vacant soon</small>	Impact <small>A vacancy would immediately impact business</small>	Skills <small>Role requires specialized skills or knowledge</small>	Internal Talent <small>No internal candidates are ready for this role</small>	External Talent <small>Hiring externally for this role would be difficult</small>	TOTAL	★
Your Role:	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>
<input style="width: 100%;" type="text"/>	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>
<input style="width: 100%;" type="text"/>	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>
<input style="width: 100%;" type="text"/>	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>
<input style="width: 100%;" type="text"/>	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>
<input style="width: 100%;" type="text"/>	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>
<input style="width: 100%;" type="text"/>	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>
<input style="width: 100%;" type="text"/>	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>
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<input style="width: 100%;" type="text"/>	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>
<input style="width: 100%;" type="text"/>	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>
<input style="width: 100%;" type="text"/>	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>
<input style="width: 100%;" type="text"/>	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5		<input type="checkbox"/>

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download SIGMA's [critical role identification questionnaire](#)



identify critical roles

IDENTIFY CRITICAL ROLES

Are you pressed for time? SIGMA's consultants provide [critical role identification services](#) that can help you kick-start your succession planning process without taking time away from other priorities.

Book a complimentary call with one of our consultants if you would like to discuss what identifying critical roles could look like for your organization and your team.

[Book a Call](#)

**b**

build success profiles

the goal:

describe the talent needed in each critical role, both now and in the future for your organization

the steps:

- include basic demographic information for the role
- use existing job descriptions to list position criteria (e.g., education required, skills needed, and duties to be aware of)
- develop the SIGMA Success Profile™ by considering:
 - skills commonly needed for success in leadership positions
 - anticipated future requirements for all senior leaders
 - specific characteristics needed for the core role
 - potential skill requirements for this role in the future
- use validated measures to ensure complete and accurate success



b

build success profiles

SIGMASuccession
SIGMA success profile™

Succession Position	Current Incumbent	Expected Vacancy	Priority
			☆☆☆☆

Position Demographics

Location

Level

Area

Leadership Profile

Leadership: Current Competencies		Core Role: Current Competencies
Leadership: Future		Core: Future

Position Criteria

Edu

Exp

Exp

Exp

Know

Skill

Skill

Skill

Skill

Duty

Duty

Duty

Duty

Duty

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download the [SIGMA Success Profile™](#) template

**b**

build success profiles

BUILD SUCCESS PROFILES

Are you pressed for time? SIGMA's consultants provide success profile development services that help you define what success looks like for each critical role in your organization.

Benefit from our objective, standardized process grounded in scientifically developed tools that your organization can trust. To learn more, book a call with one of our consultants below.

Book a Call



nominate successors

the goal:

gather feedback from organizational leaders to determine potential succession candidates for each critical role

the steps:

- list the name of each candidate and their current position
- for each candidate, indicate when you think they will be ready for the position
- provide relevant additional information on the candidate to add context to your evaluation
- gather ratings from multiple sources, including:
 - the current role incumbent
 - the senior leadership and succession advisory teams
 - leaders, peers, and direct reports of the succession candidate
- complete this survey for each critical role



nominate successors

SIGMASuccession

SIGMA success profile™

Succession Position	Current Incumbent	Expected Vacancy	Priority
			☆☆☆☆

Position Demographics	Leadership Profile			
Location	Leadership: Current Competencies	Core Role: Current Competencies		
Level				
Area				
Position Criteria				
Edu			Leadership: Future	Core: Future
Exp				
Exp				
Exp				
Know				
Skill				
Skill				
Skill				
Skill				
Duty				
Duty				
Duty				
Duty				
Duty				

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download SIGMA's [nomination survey](#) and [succession bench](#) template

**n**

nominate successors

NOMINATE SUCCESSORS

Are you pressed for time? SIGMA's consultants provide succession candidate selection services that help you nominate successors using scientifically developed tools and objective decision-making processes.

Book a call with one of our consultants to learn how SIGMA can help you facilitate this crucial step in the succession planning process in an equitable and efficient way.

Book a Call



a

assess talent

the goal:

identify gaps between role requirements and candidates, and assess opportunities for growth

the steps:

- indicate target position information
- report candidate demographics, education, and experience
- provide position criteria gathered from SIGMA Success Profiles™
- use validated assessments to evaluate candidates on qualities required for the target role, as indicated in success profiles
- list gaps between current candidate skills and those required for the target position in each category
- use the candidate profile worksheet to identify priorities for candidate growth and development opportunities

**a**

assess talent

Are you looking for a valid and reliable talent assessment?


SIGMA's flagship leadership assessment, the [Leadership Skills Profile – Revised™ \(LSP-R\)](#) is a great place to start.

Book a call to learn more about how the LSP-R can help you maximize your people potential.

Book a Call



assess talent


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candidate profile

Succession Position	Candidate Name	Current Position

Candidate Demographics		Candidate Training	
Location		Education	
Level			Experience
Area			

Focal Role Criteria	Leadership Profile Assessment Results		
●	Strengths	Leadership Competency Gaps	Role Competency Gaps
●			
●			
●			
●			
●			
●			
●			
●			
●			

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download SIGMA's candidate profile template

**a**

assess talent

ASSESS TALENT

Are you pressed for time? SIGMA's consultants provide [talent assessment services](#) that provide you with customized candidate profiles for each individual in your succession planning process. Profiles are developed objectively using scientifically validated assessments and indicate the next steps for talent development.

Book a call to learn how SIGMA's consultants can help you efficiently and effectively assess talent in your organization.

[Book a Call](#)



d develop talent

the goal: create a development plan for each succession candidate by outlining the types of development activities they will be offered

- the steps:**
- list each candidate from the Succession Bench and indicate their readiness level, based on their position on the bench (e.g., level A, B, or C)
 - record the types of development activities you think each candidate should complete; the types of activities selected may depend on:
 - the candidate's position on the bench
 - the candidate's specific development areas
 - your organization's development program offerings
 - create one development tracker for each candidate in your succession plan



develop talent

SIGMASuccession

development actions form



Succession Position	Candidate Name	Current Position

Top Development Areas	
1.	4.
2.	5.
3.	6.

Development Actions			
Development Area	Action	Timeline	Progress / Comments
3-6 Months			
6-12 Months			
12+ Months			

Notes



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download SIGMA's [development actions form](#)

**d**

develop talent

DEVELOP TALENT

Talent development is the most time-consuming step in the succession planning process. However, it is also the most important. Without an effective talent development process, succession plans remain just that: plans.

If you are pressed for time, SIGMA's consultants can help you implement a robust talent development process that prepares succession candidates for critical roles. We offer a customized [talent development service](#) that will prepare your leaders for tomorrow. Book a call with one of our consultants to learn more.

Book a Call




m measure progress

the goal: review program outcomes across important indicators

- the steps:**
- choose organization-specific indicators of success for your program
 - look for ways to add objective, impactful numbers (e.g., money saved, time delays prevented, or improvements made to existing HR processes)
 - gather information from other worksheets, such as the Succession Bench, and from HR tracking systems
 - update this scorecard every six months (at a minimum)
 - use this scorecard to communicate success to senior leadership, succession candidates, and across the organization




measure progress

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talent progress scorecard

Talent Progress Scorecard
 Monitor and review the following metrics to measure the success of your plan and help identify areas that may require adjustments.

Indicator	Date			
	Baseline			
Level 1: INDIVIDUAL				
Level 2: PROGRAM				
Level 3: ORGANIZATION				

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download SIGMA's [talent progress scorecard](#)



measure progress

MEASURE PROGRESS

Are you pressed for time? SIGMA's consultants provide succession planning implementation and progress measurement services. To learn how we can help maintain momentum and ensure accountability in achieving your succession planning objectives, book a call with us below.

[Book a Call](#)



organizations often *make the same mistakes* when creating their succession plans

- the most common pitfalls include:
 - ✘ focusing exclusively on the executive level
 - ✘ failing to document the process and/or update the plan
 - ✘ keeping the succession plan a secret
 - ✘ delegating all tasks to HR

If you would like to speak with a consultant about how to avoid these pitfalls book a complementary call with us today

the importance of implementation



67%

**of well-formulated
strategic plans fail due
to poor execution¹**

1 in 3

**leaders rate their company as
“poor” or “very poor” at
implementing strategic plans²**

- when it comes to strategic planning, implementation is often the hardest part, and succession planning is no different
- companies may take the time to form a succession plan, but many fail to develop talent and adequately prepare candidates for succession
- this is where working with a coach or consultant can help

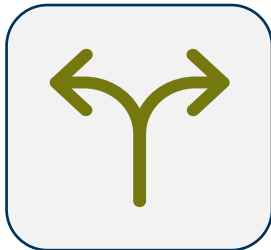
¹ Ordenes, P. (March 13, 2020). 51 Strategy Statistics And 3 Key Lessons To Help You Succeed. Cascade. Retrieved from <https://www.cascade.app/blog/51-strategy-statistics>.

² Cascade. (2022). 51 Strategy Statistics And 3 Key Lessons To Help You Succeed. Cascade. Retrieved from <https://www.cascade.app/blog/51-strategy-statistics>.

benefits of working with a consultant

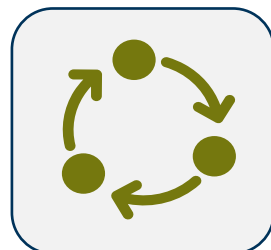


Consultants can give you...



Time

by using streamlined methods to save administrative efforts



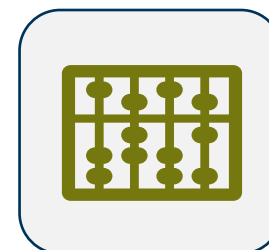
Process

that has been tried and tested by organizations facing similar challenges



Accountability

by acting as strategic partners that will hold you accountable to your goals



Objectivity

through unbiased decision-making that can help you identify the best candidates



Expertise

by drawing on the experiences of many clients who have been in your shoes in the past

are you ready?



Are you ready for succession? Use SIGMA's Succession Planning Checklist to assess the strength of your plan.

SIGMA's [Succession Planning Checklist](#) is a quick measure of the maturity of your succession plan and what areas need to be improved, including:

- Executive Support
- Process
- Communication
- Documentation
- Accountability
- The Long Game



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Are you engaging in succession planning?



Are you truly engaging in strategic and sustainable long-term planning, or just pursuing a quick fix? While approaches to succession planning vary, they tend to take a longer-term perspective than replacement hiring, which focuses on filling vacancies as they arise. Find out if your succession plan has matured beyond replacement hiring with our quick and simple checklist.

Planning

- Do you know who will replace each position on your senior management team?
- Do you know who will fill the vacancies left by those who move into leadership roles?
- Do you prepare candidates for their new position with job shadowing or in-role training before they are promoted?
- Do you have options of candidates to choose from when a role becomes available?
- Are your candidates aware of their status as high-potentials?

Integration

- Do you hire with leadership or promotion potential in mind?
- Is in-house training available for your employees to ensure candidates are developed over time?
- Does your organization offer a budget for external training opportunities?
- Are leaders encouraged to initiate conversations with staff about their career aspirations?
- Do you provide high-potentials and succession candidates with regular opportunities for growth, such as stretch assignments, added responsibilities, or promotions, to retain their interest and engagement?

Decision Making

- Are succession candidates evaluated for readiness based on the role requirements of the focal position?
- Were these role requirements determined with objective assessments?
- Are candidates chosen on factors outside of their similarity to the current role incumbent?
- Do you involve multiple stakeholders in the candidate selection process?
- Do you use validated assessment tools to ensure the right candidates are considered for the right role?

Success

- Is your company able to retain top talent?
- Do your employees show growth and skill development during their tenure with your organization?
- Are you able to find suitable candidates from within the organization?
- Does the person chosen for the role reflect the long-term goals and planning for the organization?
- When a role becomes available, is a candidate ready to take it on immediately?

Your Score

-
- 0–6 Heavy reliance on replacement hiring**
Implement succession planning to adopt a long-term focus
 - 7–13 Demonstrates need for improvement**
Consider how your company can be more strategic in its succession planning
 - 14–20 Mature plan with few adjustments required**
Focus on further developing plan for long-term success

Regardless of your score, SIGMA can help. Our *Succession Planning Launch Series* takes only two half-days of your time, and delivers a comprehensive full-year implementation plan for each member of your executive team. Find out more [here](#).

resources

download SIGMA's [succession planning checklist](#)

SIGMA's succession planning solutions



Do you need support implementing a robust succession plan? SIGMA can help. Explore our succession solutions below:



Succession Planning Template Library



Succession Planning Training



Succession Planning Sprint



Customized Succession Planning Consulting

[Learn More](#)

WHY PLAN FOR SUCCESSION?

Succession planning helps organizations to plan for the future. A robust succession plan offers employees a chance to develop their skills while providing leaders with a clear path for the stability of their organization.



Despite knowing how important succession planning is, less than 1 in 4 boards have a formal plan in place.

SIGMA CAN HELP



accomplish six months of work in a single, four-hour session



receive a detailed 12-month succession plan in just 30 days



engage in personalized consulting with our succession planning experts

YOU WILL RECEIVE

- ✓ customized 12-month succession plans for every member of your leadership team
- ✓ an executive summary for key stakeholders
- ✓ access to SIGMA templates and worksheets



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