

The Importance of Succession Planning

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Passing The Baton

The lack of succession planning is an issue most organisations faced when a key employee leaves. Many companies recognise succession planning as an important issue but not many has done anything to address it. Is it because it is difficult to design and implement a succession planning framework? The issues happening in the world today surfaced the need for organisations to have a succession plan ready.

The COVID-19 pandemic has struck leaders in companies as well as key government personnel in some countries. The Prime Minister of the United Kingdom, Boris Johnson, was found to be tested positive for COVID-19. Other ministers in some countries have also contracted the virus as well. Do they have plans for someone to take over their responsibilities while they seek treatment? I am sure they have.

Taking The First Step

If a key position in your organisation is not able to function due to attrition or inability of the incumbent to fulfil the role, regardless of reasons. Do you have someone to step up immediately to perform what is required of the role? A big number of companies do not have succession planning in place. Many reasons are given for not having one, such as:

- ▶ *"My company is too small to talk about succession planning"*
- ▶ *"The next level of employees are too junior or inexperienced to be considered as successors"*
- ▶ *"There is no need to have succession planning, I will just hire externally when there is a need"*
- ▶ *"I want to have a succession plan, but I do not have the luxury to do so", etc.*

Many companies do not realise or choose not to acknowledge that when their key people leave, and because of the lack of succession plan, activities grind to a halt; projects, collaborations, etc. This affects the progression and revenue of the companies.

YOUR BDO CONTACTS

ROGER LOO

Executive Director
Management Consulting Services
rogerloo@bdo.com.sg
+65 6829 9604 | +65 8157 5587

CHRISTOPHER ZEE

Manager
BDO Consultants Pte Ltd
christopherzee@bdo.com.sg
+65 6829 9650 | +65 9830 5450

BDO CONSULTANTS PTE LTD

600 North Bridge Road
#23-01 Parkview Square
Singapore 188778
Tel: +65 6828 9118
Fax: +65 6828 9111

www.bdo.com.sg

All organisations, regardless of size, need to have a succession plan. You may not immediately have successors to every key positions, but it is important to start the process and think about it. Thereafter, plan who are potentials to succeed some of the positions that do not have successors. Map out the action plans required to ensure they can step up into the positions in the future. The **three** important factors to consider when designing a succession planning framework are:

1. Simplicity

It is important to keep the framework simple so that it can be implemented. I have heard of succession planning framework that is so complex, which requires requiring the performance appraisals for ALL employees to be considered and grouped into various job levels for follow-up actions. If the framework is too complex, will there be adequate follow-up? Will it become just another paper exercise? Who should follow up on the actions to be taken?

2. Development Plans

Once the successors for various key positions are identified, there must be follow-up actions and development plans to ensure the identified employees are groomed so that they are ready to step into these positions seamlessly in future.

3. Big Picture

The company also needs to have a framework for enabling successors to be identified from other departments. One of the reasons succession planning fail is because some head of departments do not want their employees to be identified to be successors for other departments. They want to keep these promising or high potential employees for their own departments. It is disappointing that senior leaders have such mentality. They need to think of the company rather than just of themselves or their own departments. How can the company encourage leaders to actively plan for their successors?

written by

CHRISTOPHER ZEE
Manager, BDO Consultants Pte Ltd



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