

**SUCCESSION PLANNING:**  
A GUIDE TO  
TRAINING AND  
RETAINING  
TALENT





*Do you know where your company will be in five years? What about 10 years? Who has the potential to lead, and how are you going to find them? Succession planning, or the strategic grooming of current team members to eventually lead, is the key to successfully planning for your company's future.*





First, let's explore the right approach to succession planning. Even your most loyal, top executives can't stay at the company forever. Whether it's for retirement or a move elsewhere, when a high-level executive leaves, companies risk experiencing a power vacuum if a successor is not already prepared.

According to the [2014 Report On Senior Executive Succession Planning And Talent Development](#), it typically takes companies about 90 days to replace a senior executive. That's a long time to halt productivity, and the lengthened search is often due to the following challenges:

- Executive-level candidates are not always a guaranteed match with your company
- Compensation issues often arise when it becomes necessary to pay premiums for outsiders
- Internal candidates may not be prepared

So, how do you mitigate the power vacuum that finding a new executive causes? How do you minimize the challenges faced during the selection process? Proactive succession planning, or preparing an internal candidate ahead of time, is the ideal approach. There are a number of benefits to promoting your employees, including:

- Their knowledge of your processes
- Lower compensation costs
- Cost savings on training
- Your display of loyalty to employees

But, the aforementioned report also states that 39% of companies have no candidate ready to step into senior executive positions immediately if they were vacated, which shows that many companies are failing to groom internal assets to move up. There are two ways to prepare your internal candidates: performance training and employee retention.



## Training

If you ever want to hire from within your company, performance and management training for your employees is a priceless investment. When assessing your current training or looking for future options to prepare your employees, take the following guidelines into consideration.

- **Offer management training opportunities not only to current managers, but also to future prospects.** To help team members rise through the ranks of your company, provide as many development avenues as possible. When you offer performance training to everyone, you have a better chance of identifying leadership qualities in unexpected areas. Perhaps you'll see an employee who was hired for an entry-level position use his or her

training to move up to a management role and then eventually to the top tier of your company's leadership.

- **Regularly assess how employees use their training in order to provide a better snapshot of the best succession candidates.** When they leave the classroom, are they employing the principles they've learned in their performance training programs? Meet with team members at incremental periods following the completion of a training program – 30, 60 and 90 days, for example – to discuss their progress. And, don't limit the assessment to their performance alone. Also evaluate the effectiveness of your training program based on their feedback. Are they getting the training they need? Are they able to put that management training into practice?
- **Train for the future of both your company and your team members.** When you're participating in succession planning, identify the qualities that your leadership team should embody and outline the skills your ideal leader should possess. When you've identified what is needed to hire for the future, build your training programs around those concepts. If strong communication skills are a priority, include a communication course in your management training program. A thoughtful investment in your current training program may be an investment in your future executive team.

## Retaining

Retaining winning talent is another beneficial way to prepare for the future. For most companies, employee retention is a struggle. When it comes to succession planning, though, you want to keep the finest employees under your roof. To do so, there are some steps you should follow.

- **Create a culture of open communication.** To show your team members that you have an interest in their future and want them to stay with the company, you need transparent communication. When communication is treated as a two-way street – with a leadership team that’s ready to listen – you’re able to promote respect and trust. Give your employees a voice, and see employee retention rates rise.
- **Identify assets and nurture them.** The candidates with the most potential for leadership should be invested in and rewarded for their high level of performance. Take notice of workers who display the necessary skills to move up. If they are doing excellent work, show your gratitude with

promotions, raises and other perks. This gives them an incentive to stay with your company, and it’s a demonstration of how much you value talented employees. If you’re treating your assets the right way, they’re unlikely to look for other positions.

- **Set an example.** If you want to retain winning talent, your own leadership skills need to be the highest example for the company. When you display skills like successful job coaching, delegation, motivation and more, your team is exposed to the kind of leadership traits that your company values. A successful leader has a great impact on the happiness of the team and on employees’ willingness to stay with the company. Be the leader you want your employees to emulate in order to elevate employee retention.

When you’re focused on completing your daily work, succession planning probably isn’t a top priority. But, there’s a high return on the time you invest in it. By focusing on management training and retaining winning talent, you’re able to make smooth transitions and afford your employees the opportunity to succeed.



**Want to learn more about succession planning and how management training improves your workforce?**

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