



# Ready to Lead:

## Succession Planning & Talent Management Advice for HR Leaders

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By: Ashley Leopold, Consultant, Knightsbridge Robertson Surrette

The year 2011, marked the first year in Canada's history that the number of people in the typical retirement age bracket (those aged 55-64) exceeded those at an age associated with workforce entry (15-24 years of age). In fact, 42.4% of Canada's working population fell between the ages of 45 and 64, a record high proportion according to data from Statistics Canada's 2011 Census. The Canadian population, as a whole, is getting older and Atlantic Canada's population is among our country's oldest. Between out-migration, aging boomers, lower birth rates, and our region's recent track record of retaining immigrants, looming talent shortages seem inevitable in Atlantic Canada. What does this mean for your organization?

With many workforce contributors approaching retirement how will your organization handle the loss of knowledge and experience? And how will the changes to the demographic landscape impact your ability to attract new talent? Increasingly organizations recognize the need to look within to develop strong leaders and successors for pivotal roles. But the answer to how organizations execute an effective succession plan is less obvious.

Before tackling the "how" of succession plan execution, it's important to clarify the "what". As Tony Case, Senior Consultant with Knightsbridge Robertson Surrette, often reminds clients, succession planning is really only a part of an overall talent management strategy. It should not be confused with replacement planning which is a response to an immediate need. If a key employee wins big in the lottery tomorrow, your replacement plan allows your organization to continue relatively seamlessly while long term planning takes place. In contrast, succession planning is about charting your course for the future. A strong plan takes a critical look at the talent you have now, what they do and what they could do. It requires thinking strategically about what your future needs will be in light of your organization's strategic objectives and mapping a plan for how to develop your team to reach those goals.

Succession plans play a critical role in mitigating risk to ensure the continued success of an organization. Given the important role succession planning plays in determining who will be next to lead one might think it would be a priority for every organization. However, Human Resource professionals know otherwise. Numerous obstacles have hindered the best of intentions from many an HR leader. A recent panel discussion hosted by Knightsbridge Robertson Surrette and moderated by Tony Case centered on the topic of succession and talent management; it provided attendees with diverse perspectives from experienced HR leaders who have successfully led talent and succession planning in their respective organizations. Panelists Cheryl Fraser, Chief Talent Officer of Crombie REIT, suggested leaders face two main challenges; perception and fear. Leaders are often fearful of the risk to their own role in identifying their potential successors. Fear of transparency also abounds, as organizations debate how much information employees should receive about their potential opportunities within an organization.

**Are a significant proportion of your top leaders or subject matter experts within 10 years of retirement?**

Similarly, perception of employee capabilities, interests, motivations and aspirations can derail an effective succession plan. Open dialogue, assessments, development, and a sense of urgency in planning will be the ingredients to success. In the absence of a sense of urgency and with so many potential distractions, some HR leaders find it difficult to gain traction with the topics of talent and succession around the boardroom table.

The risks associated with the lack of a solid talent management strategy that includes succession are very real. Whether exits are planned or unplanned, organizations are vulnerable to major interruptions in business continuity unless they have solid bench strength on the team and 'ready now' candidates to fill the shoes of an exiting leader or subject matter expert. It can take months for an 'outsider' to gather a full understanding of your organizations culture and business priorities, which translates into months of learning at the expense of efficient performance. So, is your organization at risk? Consider these questions:

1. Are a significant proportion of your top leaders or subject matter experts within 10 years of retirement?
2. Does your senior leadership team lack a solid understanding of the importance of succession development, or the commitment to action?
3. Does your organization lack a quality performance management system or a feedback process to help you build your succession pipeline?
4. Is your organization struggling to identify the pivotal roles that impact business continuity – does the task just seem too daunting?
5. Does your organization lack a culture that is open to providing constructive feedback to all employees at all levels?
6. Is your organization challenged to create a culture that is supportive of developing future leaders by providing new experiences that truly stretch them?
7. Are your leaders and subject matter experts dissatisfied with their roles?
8. Are candid conversations with employees to understand their career plans avoided? (For example, does an employee wish to retire at 65 or do they want to stay with the organization but decrease their responsibilities?)
9. Does the leadership team of your organization hold specialized knowledge that is difficult to recruit for or would take substantial time for someone outside of the organization to become fully functional in?
10. Does your organization struggle to identify a clear set of leadership capabilities that help to define what key behaviours your future leader needs to develop in order to help the organization achieve its strategic objectives?

If you have answered yes to any of these questions then developing a solid bench strength in your organization should be a top priority. The time for developing the next generation of specialists, managers, directors, and senior leaders is now, but making talent management a priority for your organization can be challenging, particularly in the case of succession planning.

“Succession is about charting a course for your future.”

During the panel discussion entitled “Ready to Lead: Succession & Talent Management Advice for HR Leaders” valuable insight was provided by Joanne Brown, Executive Vice President of Human Resources, High Liner Foods; Kathleen O’Regan, Vice President of Human Resources, O’Regan’s Automotive Group, and Cheryl Fraser, Chief Talent Officer, Crombie REIT. When asked how to successfully develop and implement a succession and talent management initiative, the discussion focused on five key factors.

- 1. Be courageous.** As an HR leader, you are the individual responsible for ensuring your people strategy is aligned with the business’ strategy and future needs. As Cheryl Fraser puts it, when it comes to succession and talent management “you need to be courageous”. “You’ve got to believe in it and you’ve got to sell it. If you let anyone tell you it’s not for us, not right now, or put it on a back burner, it’s never going to work.” Without courageous conversations at the most senior levels, your organization will be left with a significant business continuity risk. So, you need to make it clear that “the organization’s talent strategy needs to be just as important as the organization’s business strategy”.
- 2. Have buy-in at the top.** To ensure success, ownership needs to start at the Executive level. Joanne Brown recommends you “have your CEO and leadership at your side”. Without buy-in from the top tiers of the organization the initiative is often doomed for failure. It is imperative that senior leaders assume visible, supportive roles in the succession and talent management process and integrate leadership development into risk management discussions.
- 3. Know your business.** As an HR professional you can likely rattle off HR policies and best practices, but do you really know the business? Do you understand how the money is made and spent? And are you able to link business strategy to employee development and training in a compelling way? Having a complete sense of how the business works builds credibility with senior leaders and employees alike. It also better enables HR professionals to develop initiatives aligned with the business needs and successfully sell that initiative to the rest of the organization with authority.
- 4. Build the business case.** Kathleen O’Regan, encourages HR leaders to put the case for a strong talent management strategy and succession plan in terms that resonate with leaders, “dollars and cents.” To ensure buy-in among senior leaders it’s critical that the plan clearly links to the organization’s strategic imperatives and, ultimately, the bottom line. Having a solid, dollars-driven business case ensures the rationale for spending time and energy on talent management is indisputable.
- 5. Hold yourself and others accountable.** As with any goal, whether personal or professional, holding yourself (and others) accountable to achieve what you set out to achieve is key to success. Succession and talent management goals should be treated as any other organizational goal with clear metrics, measured over time and all individuals’ should be held accountable to the targets across all HR practices, including performance management and compensation incentives. Senior level development should clearly link to the development of the talent pipeline. At High Liner Foods, succession plans have been addressed in the company’s public strategic goals, and everyone on the senior management team had succession tied to their own professional goals, because, as Joanne Brown says, “accountability overall drives success.” Increasingly organizations require that the Board, CEO and senior executives be committed to and accountable for identifying and developing future leaders.

A visible succession plan helps to protect the long term future of your organization and facilitate business continuity and growth. It provides assurance to clients, customers, and stakeholders and preserves their confidence in your organization.

By focusing on developing talent from within your organization, your top talent and employees will strive for excellence, knowing that with training, exposure to mission critical experiences and coaching, they too could have the opportunity to move into key positions and progress in their careers.

This white paper represents the collective opinions expressed during panel discussion held in May 2015, hosted by Knightsbridge Robertson Surrette.



**Panelists:**

**Kathleen O'Regan, Vice President, Human Resources, O'Regan's Automotive Group**

Kathleen is the 3rd generation to work in a family business that is today a Platinum Member of Canada's 50 Best Managed Companies, and was a winner of Canada's 10 Most Admired Corporate Cultures. The year 2015 marks 100 years in business for the organization which has grown to a team of 850 employees.



**Joanne Brown, Executive Vice President of Human Resources, High Liner Foods**

Joanne began her career with Farmers Cooperative Dairy where she worked in increasingly senior roles to the level of VP, before joining High Liner Foods, the leading North American processor and marketer of value-added frozen seafood. Since she joined High Liner Foods, the company has grown from 500 to 1,600 employees through 5 acquisitions.



**Cheryl Fraser, Chief Talent Officer, Crombie REIT**

Cheryl has significant experience in the public and private sectors. She has held various leadership roles with the public sector, including Chief Human Resource Officer and Assistant Commissioner of HR for CRA before moving east to join Crombie, one of Canada's leading national retail property landlords, with over 256 investment properties across the country.



**Moderator:**

**Tony Case PhD, Senior Consultant, Knightsbridge Robertson Surrette** | [tcase@kbrs.ca](mailto:tcase@kbrs.ca) | 902.430.9480

Tony has over 20 years' business and consulting experience in the U.S. and Canada, working with clients across a wide variety of industries. He is a successful leadership consultant, coach, and facilitator with an extensive track record of enhancing employee and organizational development, performance, and growth.



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Ashley is a certified practitioner of a wide assortment of psychometric assessment tools and has extensive experience in talent management, employee engagement, team effectiveness and leadership development. Ashley holds a Master of Science in Applied Psychology (Industrial/Organizational) from Saint Mary's University.

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