

Succession Planning Executive Overview

Developing Georgia's Future Leaders



What is Succession Planning?

A systematic effort and process of identifying and developing candidates for key leadership and professional positions over time to ensure the continuity of management and leadership in an organization



Observations

Over the next five years the State of Georgia will hire 66,500 new employees but...

- Only 40% (26,600) of new hires will work more than five years
- 12,500 state employees are expected to retire over the next five years
- The applicant pool is shrinking
- Emerging workforce



Why Succession Planning?

- Ensure business & leadership continuity
- Retain “institutional memory”
- Become an “Employer of Choice”
- Be Proactive - Address shortages ahead of time

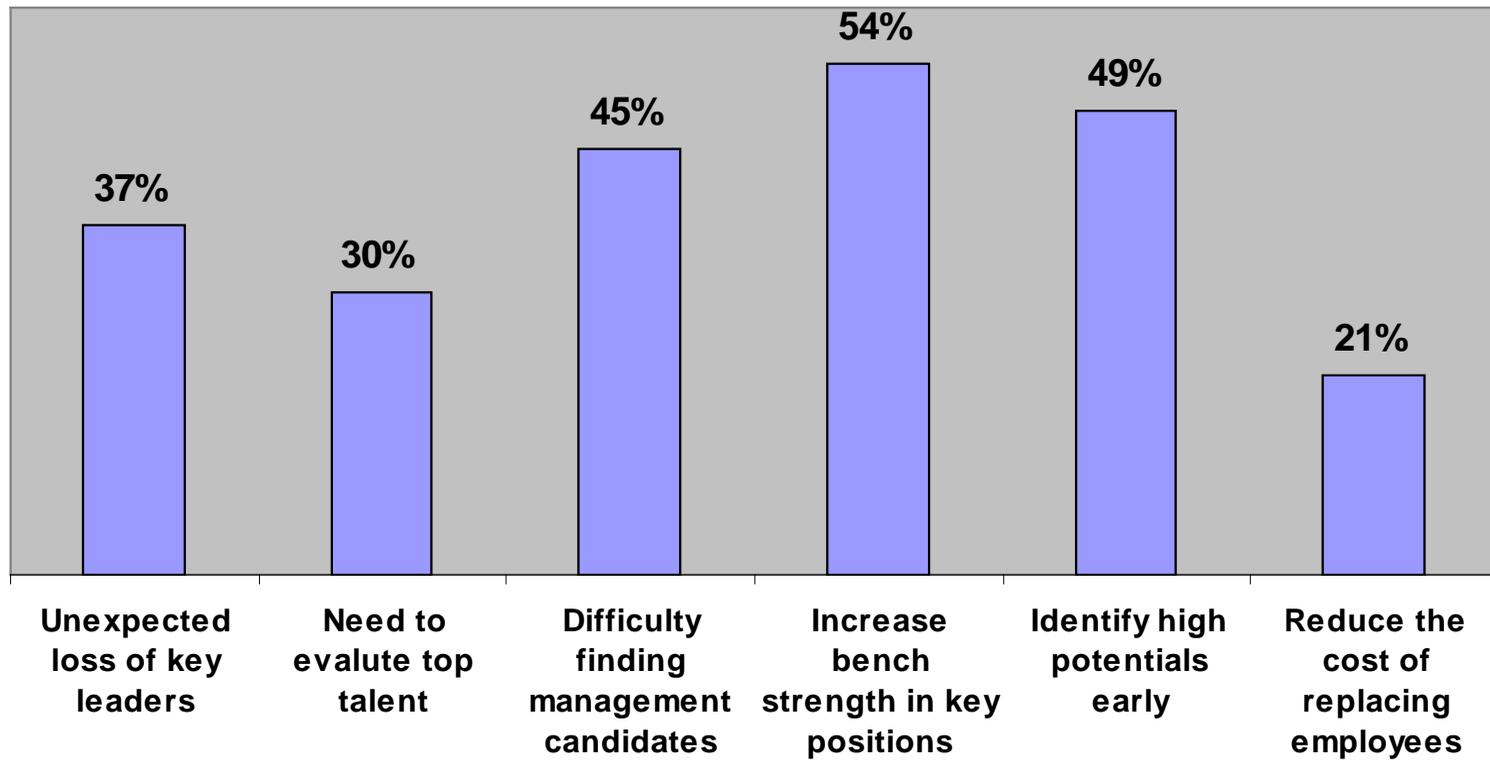


Why Succession Planning?

- Rapid turnover of staff
- Projected retirements
- “Buy” strategy may not be feasible

Driving Forces to Invest in Succession Planning

Source: Succession Planning Strategies - Aberdeen Group

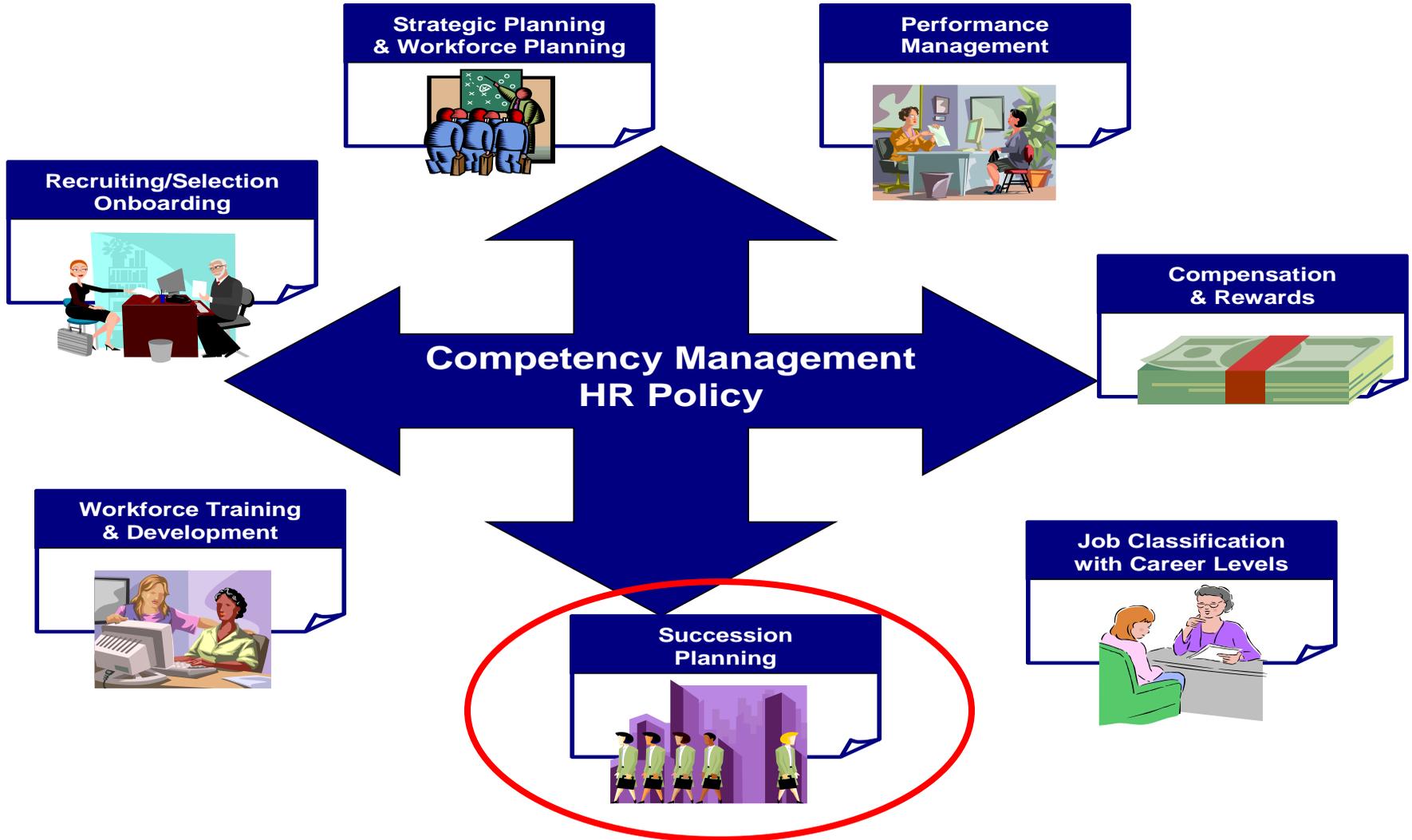




Observations in Succession Planning

- 74% of companies are investing or plan to invest in succession planning
- Greater success rates for CEO's promoted from within the company
 - 55% of CEO's from "outside" the company left or were asked to leave
 - 34% of CEO's promoted from within the company left or were asked to leave

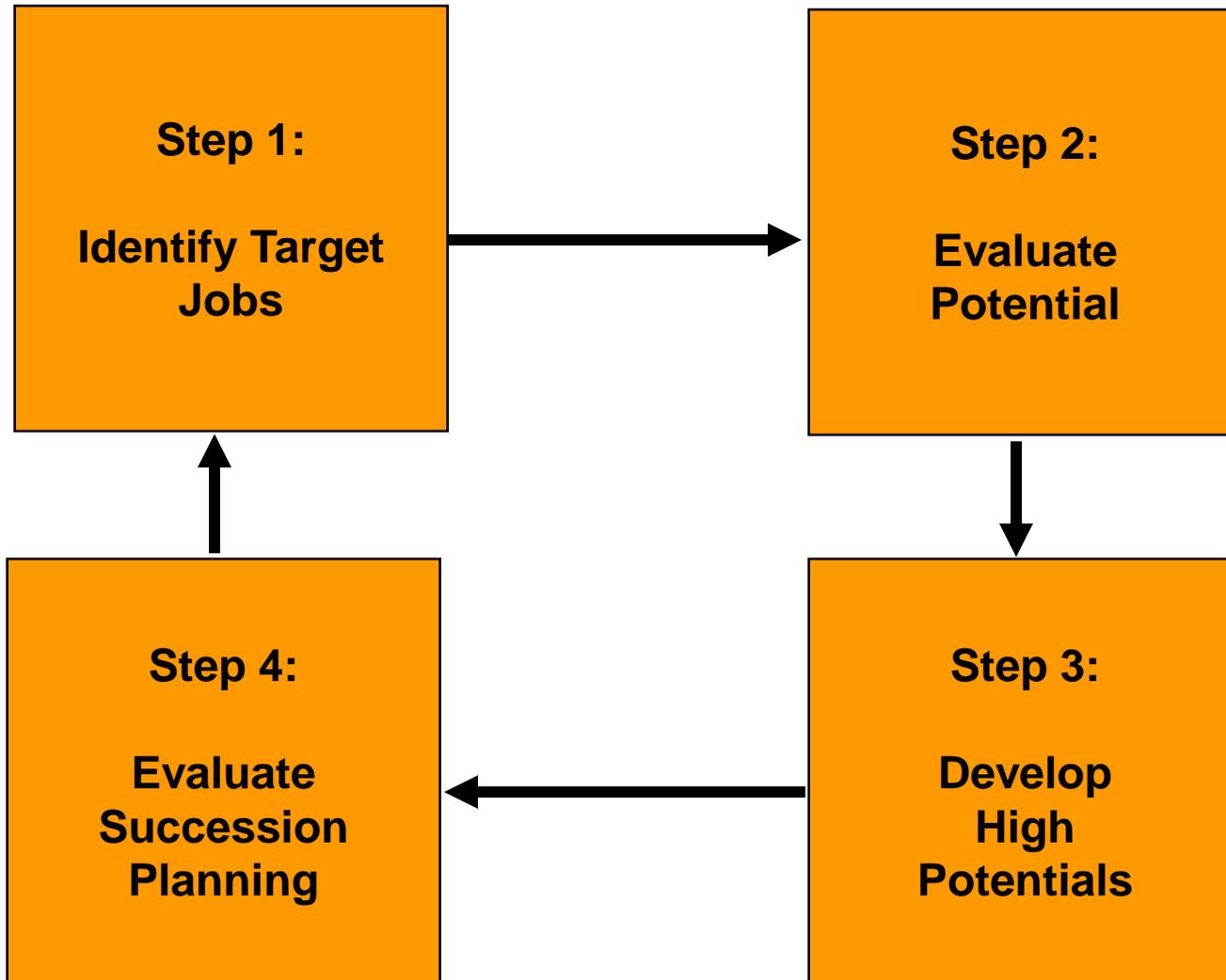
Source: Harvard Business Review





Keys to a Successful Program

- Management buy-in
- Align with strategic plans
- Systematic
- Focused on the future
- Collaborative effort
- Living progression
- Targeted for success
- Measurable outcomes





STEP 1:

IDENTIFY TARGET JOBS



**What positions are vital to
your organization's success?**



Identify Leadership Characteristics

Scope

Competencies

Leadership Results



STEP 2:

EVALUATE POTENTIAL



Provide Information Regarding...

- Potential for greater leadership
- Strengths
- Areas for development

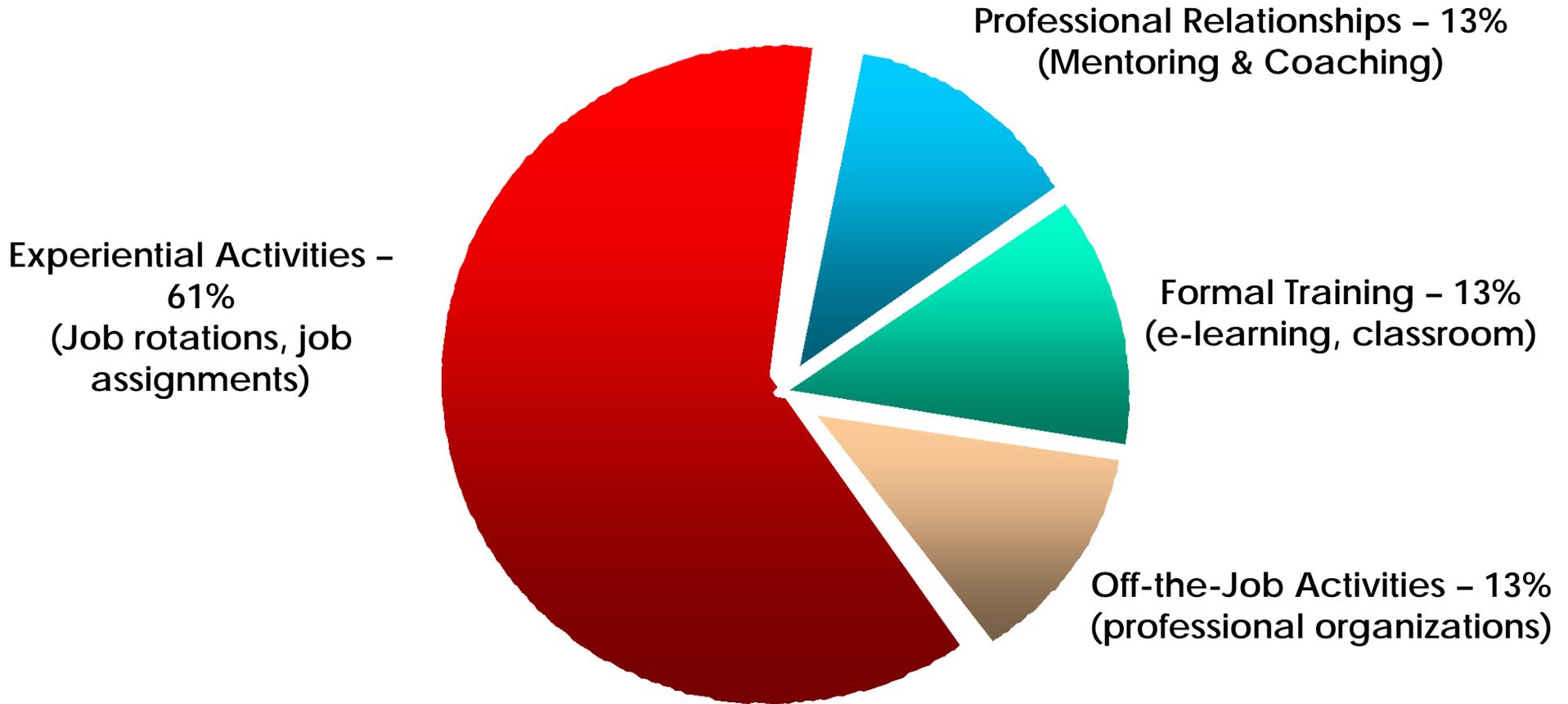


STEP 3:

DEVELOP HIGH
POTENTIALS



Development Approaches





STEP 4:

EVALUATE SUCCESSION
PLANNING



Possible Measures

- How many successful promotions?
- How many failures?
- Changes in turnover rates?
- Has bench strength increased?
- Changes in employee morale?



Succession Planning will allow the State to...

- Retain “institutional memory”
- Be Proactive
- Become an “Employer of Choice”
- Ensure business & leadership continuity

Governor’s Vision - “Best Managed State”



Georgia™