



NEW YORK STATE SUCCESSION PLANNING

A Guidebook for Local Officials

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**Environmental
Finance
Center**

Syracuse University





PREFACE

This guidebook is intended to aid local officials in understanding the benefits and process of succession planning. Succession planning and its usefulness are expressed for small-scale municipalities, through a step-by-step process guide. This tool was created by the Syracuse University Environmental Finance Center (Syracuse EFC), with support from the USDA Rural Development.

Information for this guide was derived from both government and private sources. Succession planning can be completed at many levels; from small businesses to large government sectors, therefore various sources of information were tailored to meet the needs of small, rural municipalities in the creation of this guide.

Located at the Syracuse University Center for Sustainable Community Solutions (CSCS), Syracuse EFC enhances the administrative and financial capacities of state and local government officials, nonprofit organizations, and private sectors to make change toward improved environmental infrastructure and quality of life.

Syracuse EFC facilitates the development of sustainable and resilient communities throughout US EPA Region 2 (New Jersey, New York, Puerto Rico, the US Virgin Islands, and eight tribal nations), across the US, and internationally.

More information can be found at efc.syracusecoe.org/efc/



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WHAT IS SUCCESSION PLANNING?

Succession planning is the process of identifying high-potential employees, assessing and enhancing their skills and abilities, and preparing them for advancement into positions which are key to the success of an organization's operations and objectives.¹ Succession planning is an important, ongoing process that will prepare a municipality and its workforce for the next several years. The overarching goal of succession planning is to seamlessly transition employees' responsibilities as vacancies emerge to ensure continuity of service. **In short, succession planning will get the right people in the right jobs at the right time.**

Vacancies are expected to occur due to retirement, given the aging population in the workforce, illness, resignation, or even death. Individuals leaving the workforce will take with them years of experience and knowledge that is beneficial to the organization and future employees. Therefore, succession planning is a tool to "ensure that someone is always available to fulfill any particular job in the municipal service."²

A crucial component of succession planning is the identification of methods for knowledge transfer of key information between individuals or groups. Having replacements prepared is beneficial to employees and the municipality so that a seamless transfer of responsibilities can occur. Therefore, succession planning may include (but is not limited to, nor required) recruitment, selection, management performance, mentoring, cross training, professional development, and retention to ensure that the municipality has candidates whose present and future potential contribute to their individual success and the success of the municipality.

Small municipalities have varying degrees of employees, with total employment being small, therefore succession planning should focus on leadership positions and other positions that would be difficult to replace.

Succession planning → **workforce planning** → **strategic staffing**



BENEFITS OF SUCCESSION PLANNING

Succession Planning is beneficial as it ensures skilled employees for key positions for the employer in the short, mid and long term. Planning can provide employees with skill development and new opportunities to advance, and provide taxpayers and citizens with continuous service by employees that are reliable and knowledgeable.

Plan development will determine individual and municipality competencies. Competencies are skills, behaviors, and attributes that employees possess and that are linked to strong job performance. Literature pertaining to succession planning may sometimes refer to competencies as “skills, knowledge, and abilities” or SKAs. Employee competencies correlating to high job performance and success within leadership positions are important to identify for future success of individuals training for that position.

Creation of a succession plan prior to leadership roles being vacated is important. Employees in leadership roles may be invaluable in terms of communicating their knowledge and job duties prior to retirement or termination. Also, providing an opportunity to employees for knowledge sharing and development may build camaraderie, where employees feel as though they are being invested in.³

THINGS TO CONSIDER

The following is a list of items to consider prior to the development of a succession plan. Considering these items will help in the development of a plan and in streamlining the plan process:

- 1** Determine the urgency of succession planning. For example, is the position empty now and needs to be filled now, or will it need to be filled in six months, one year, two years?
- 2** Identify work functions that are anticipated to change in departments due to technology, changing economic climates, reorganizations, or political changes should be acknowledged and considered.



- 3 Determine the amount of time that each department or office will need to contribute. Also determine if the planner has the time to review and plan for or with each department or office. Succession planning is most successful if there is broad engagement, and available tools and resources.⁴
- 4 Identify if there is an existing strategic plan (or possibly a comprehensive plan) for the department or office so that the succession plan can be aligned with it.
- 5 Determine who will be responsible for updating the succession plan and ensuring statistics are up to date. Typically, the responsibility for succession planning does not rest with one person, instead is the responsibility of management, Human Resources, and employees.²
- 6 Understand gap analysis, or the comparison of actual performance with potential performance.⁵
- 7 Determine what barriers to succession planning exist, and ways to minimize these barriers. Common barriers include budget restraints, hiring freezes, or “traditional requirements of selecting and hiring civil service employment that can limit flexibility.”⁴
- 8 Understand that succession planning is most effective if there is constant monitoring and evaluating.⁴

PLAN DEVELOPMENT

Step 1: Set goals

What are the goals of the employer? Goals should align with the mission, vision and values of the public service, which may be clearly stated in the strategic or comprehensive plan, should one exist. Expectations for succession planning should be clearly stated as measurable results lead to continued support.⁴ A targeted amount of time should also be identified and feasible for completion of the plan.

Example goals for succession planning:

- a Development competencies and provide experiences to those that can move into key roles.



- b** Gather data which can be used to make better staffing decisions for key jobs and ensure continuous talent for key positions.
- c** Meet career development expectations of existing employees in order to retain talented employees.

Step 2: Gather and Compile Data

This step will result in the understanding of the current situation of the municipality, the identification of key/critical positions and the identification of competencies for those positions. The description of each position will therefore be more accurate and clear on the essential services of the position. Identification of competencies is helpful for future training programs and employee compensation.

“A critical position is one that, if it were vacant, would have a significant impact on the organization’s ability to conduct normal business. The significance of the impact could be considered in terms of safety, operation of equipment, financial operation, efficiency, public opinion, and so on. Retention risk refers to positions where the departure of an employee is expected (ex: retirement) or likely (ex: history of turnover).”⁵

The following information should be obtained, if it does not already exist within a workforce data base: workforce statistics, employee evaluations, employee names and positions, time in positions, time with organization, birth date, estimated retirement date, training records, educational records, survey data, strategic plan, job descriptions, and the impact of each job in the department. Information may be obtained from employees themselves through a survey. Surveys should be optional, the results confidential, reasons for why the information is important to the organization should be communicated, and it should also be communicated that the information obtained will not be used to make employment decisions or to discriminate against employees. Retirees may also be valuable sources of information in terms of competencies needed for critical positions.



Identify the condition and availability of resources and systems required for each position. Resources may include, but are not limited to, maps, policies/procedures, and training guides. Determine if resources and systems are up to date and which systems are currently in use.

Using this data, organizational charts can be made showing who is currently in each position, and critical positions can be clearly identified. Create lists with and without names using the information obtained.

The following questions can be used to identify critical positions:⁵

- a** What jobs, if vacant, have the potential to prevent the organization from achieving goals and objectives?
- b** What jobs have a direct impact on the public?
- c** What jobs would be difficult to fill because of required expertise or because the exiting incumbent possesses a wealth of unique and/or corporate knowledge?
- d** Is there a projected labor market shortage for relevant job skills?
- e** Is there a need to plan for anticipated positions that do not currently exist?

Step 3: Competency Gap Analysis

After gathering data and determining competencies for critical positions, this information can be used to help identify high potential employees and match employees to future positions. In determining required or desired competencies, employers can “establish minimum requirements for job success, create a baseline for assessing interesting potential candidates, and identify appropriate learning and development opportunities.”⁵ A gap analysis identifies the gaps in the incumbent’s ability to apply these competencies during job performance. Future requirements for services such as future demand, customer expectations and regulations should also be considered. Also worth consideration here is how technology will change resource needs.



Step 4: Identifying and Assessing Potential Candidates

Determination of employees to develop competencies in should be transparent and based on merit, fairness and respect.⁵ This process should be objective and independent of personal bias, merit-based, communicated to and understood by all employees, and transparent at all stages of the process.⁵

To solicit competency information, and to assess potential candidates, employers may discuss career goals and objectives with employees, hold written exams, have simulated work exercises, and perform performance reviews.⁵

Questions which should be addressed in the creation of a candidate pool include:⁵

- a** Has there been one-on-one discussion with employees regarding their career goals and interest?
- b** Have all employees been made aware of available succession opportunities?
- c** Do employees understand the purpose and process of succession planning? Specifically, do they understand that they are not guaranteed a promotion as a result of this process?
- d** Do employees who were not considered for a current opportunity understand that they can be considered in the future with further development of their knowledge, skills and abilities?
- e** How will the organization communicate the outcome of a succession-based appointment?
- f** Have alternative career paths (i.e., relevant lateral moves) been identified for employees who were not considered for a current opportunity?
- g** Will the organization use multiple sources of information when assessing a candidate?
- h** How will the organization develop an inventory of employee skills and interests?



- i Are an appropriate number of candidates being developed for a key job?
- j How will the candidate pool demonstrate the organization's value for employment equality and diversity?

Building a leadership pipeline by identifying internal and external talent will ensure that all qualified persons are being considered for the position. Creation of a list naming current job incumbents and all possible replacements, or a Position Bench Strength Assessment Profile, will be helpful.

Step 5: Develop Individual, Learning and Development Plans (LDPs)

Identify training and development strategies for relevant candidates. Learning and development plans (LDPs) may be developed as a preemptive approach, when there are no open positions. LDPs may “make employees feel more connected to the business, and can transfer good ideas from one section of your company to the whole organization.”⁶

Learning and development opportunities can include (but are not limited to):

- Formal professional development.
- Coaching and mentoring can provide guidance, assistance and encouragement to employees regarding career paths. This can be done continuously so as to provide regular feedback to employees so that they may strengthen SKAs.
- Use cross training/multi-skilling.
- Job shadowing, so future leaders may catch nuances of seasoned employee.
- Hands on work experience such as job rotation or special work assignments where feedback is provided.
- Pilot programs, which can leverage support for expansion, if that is the goal of the plan.



Individual Development Plans (IDPs) are developed to zero in on development needs of an individual and to narrow the gap between what the employee currently knows (competencies/ SKAs) and what they need to know to achieve a higher level of specific responsibility. This type of plan is a “commitment between an employee and their manager on what they are going to do to grow.”⁷ Included in an IDP is a goal, such as preparing an employee for a new role, followed by the competencies needed for that new role specific for the individual.⁷ Next, actions to achieve competencies are identified.⁷ Last, a timeline for plan completion is made and agreed upon by the employee and management.⁷

Consideration should be given to the development of retention strategies so that employees with new leadership training will not take this training someplace else.

Leadership and development plans can be done under a tight budget, as many municipalities face. Get work done while developing future leaders by being creative; stretch assignments of some individuals, implement job shadowing or job rotation. Supervision for job shadowing could possibly be done by retirees or part-timers.

Step 6: Implementation and Evaluation

Determination of resources needed for implementation and identification of barriers to implementation is the first step. If necessary, plan components may be implemented on a pilot basis. Once barriers have been overcome, implementation can begin.

Obtaining ongoing data will help determine the effectiveness of the process and ensuring the success of the process in the future. Evaluation of the plan should occur at regular intervals and should be agreed upon by management and employees involved in the plan. Evaluation and/or data should be obtained regarding:⁵

- How the process operated; the relationship between inputs, activities, outputs, and outcomes.
- Impact of the process relative to stated goals and objectives.



- Functional strengths and weaknesses of the program.
- Potential gaps in planning and assumptions.
- Cost-effectiveness and cost-benefit.

*Post implementation evaluation and justification:*⁵

- a** Have all key jobs been identified and do they have succession plans?
- b** What is the impact of succession planning on business continuity in key positions?
- c** Are successful candidates performing well in their new roles?
- d** What is the impact of learning and development efforts? Are employees ready to compete for vacant key positions?
- e** Is the candidate pool diverse and reflective of employment equality values?
- f** What are the areas for improvement in the succession planning process?

Prior to implementation of any new succession plans, job descriptions should be update, as well as other employee statistics or information. The succession plan should be modified based upon evaluation results to ensure all information and strategies are up to date. Plan success should be both communicated and celebrated.

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