

# **Succession Planning and Talent Management: Supporting the Business Strategy**

**July 17, 2012**

**David Brookmire, Ph.D.**

# Objectives

- Participants will be able to outline the steps to implement succession planning.
- Participants will learn about best practices in the implementation of succession planning.
- Participants will be able to apply the content in ways to improve their own succession planning efforts.

- What are the key drivers in your company that create the need for succession planning?
- What's unique about the baking industry as it relates to succession planning?

# What is the Research Telling Us?



Bringing Leaders to the Next Level

- 65+ population increasing 79% from 2010 to 2030
- 25% of your high potentials intend on leaving when the economy rebounds
- 70% of top performers lack the abilities to be high potential
- 60% of companies have a leadership shortage today

Corporate Leadership Council Research Study

You have been hired by the CEO to advise him on his talent management strategies in light of his business plans. He would like answers to the following questions:

1. What are the three most important steps he should take to prepare the company for his departure?
2. What are the top 2-3 barriers he will face?

# Succession Planning Process

## Phase I

### Business Alignment

- Linkage to business
- CEO and senior leader involvement

## Phase II

### HR Functional Excellence

- Broadcasting competencies
- Multi-faceted talent assessments
- Employee input
- Rigorous management of talent

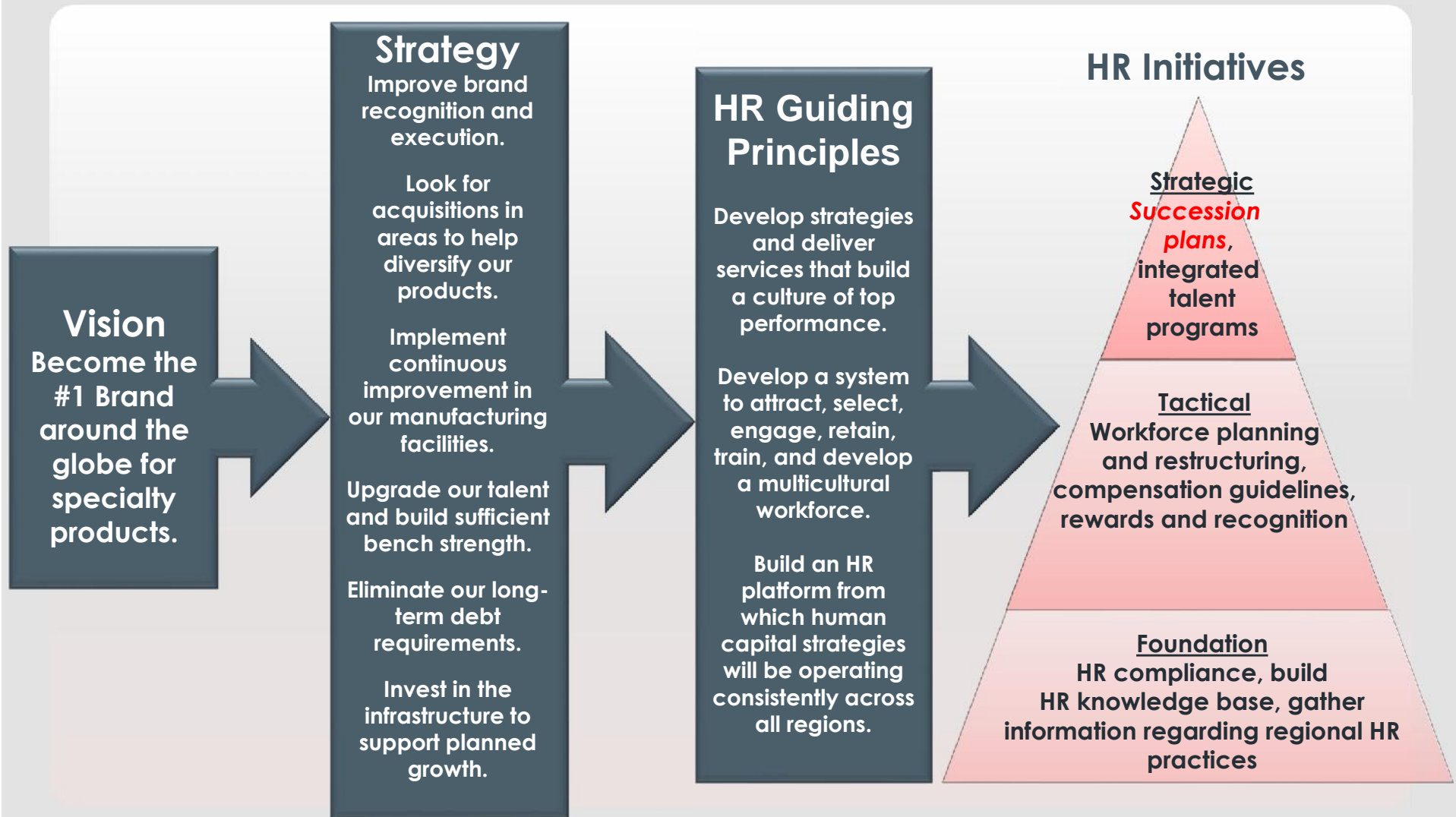
## Phase III

### Implementation

- Multiple methods of leadership development
- Measure leader results
- Accountability
- Tracking key metrics

# Linking HR with the Business

Bringing Leaders to the Next Level



## How many days per year does your CEO spend in talent development?

- Less than 2 days per year
- 3 – 5 days per year
- 6 – 9 days per year
- 10 – 15 days per year
- 15+ days per year



## How many days per year does your CEO spend in talent development?

- Less than 2 days per year
- 3 – 5 days per year
- 6 – 9 days per year
- 10 – 15 days per year
- **15+ days per year**

# Broadcast Competencies

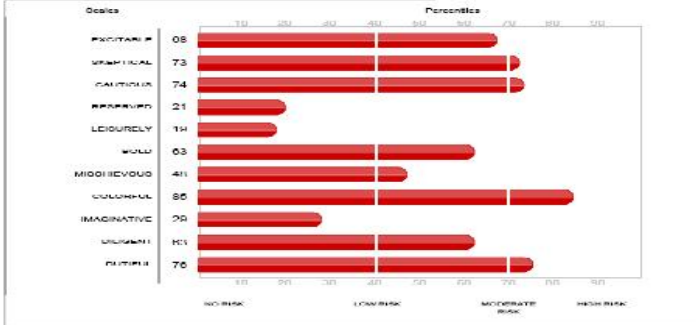
Financial Acumen	Talent Development	Teamwork
<ul style="list-style-type: none"><li>• Effectively manages full P&amp;L.</li><li>• Grows the bottom line by both increasing revenue and controlling costs.</li><li>• Gives proportional attention to both the Sales and Operations side of management.</li><li>• Analyzes financial data to solve problems and identify opportunities.</li><li>• Helps others improve their financial acumen.</li></ul>	<ul style="list-style-type: none"><li>• Diagnoses others' development needs.</li><li>• Creates development plans for others.</li><li>• Monitors and assesses progress toward completing development plans.</li><li>• Arranges for staff development needs (e.g., time, budget, approval).</li></ul>	<ul style="list-style-type: none"><li>• Subordinates personal goals to those of the team.</li><li>• Actively participates in team activities.</li><li>• Supports, not competes, with team members.</li><li>• Willingly offers to help others without waiting to be asked.</li><li>• Shares credit with others.</li><li>• Identifies with the team and is proud to be known as a team member.</li></ul>

# Multi-faceted Assessments

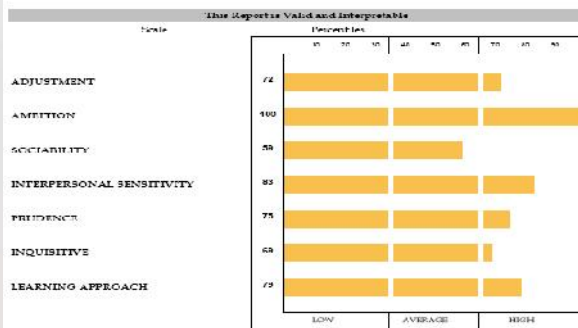
Bringing Leaders to the Next Level

## HOGAN LEAD CHALLENGE

### LEADERSHIP CHALLENGE PROFILE



### LEADERSHIP POTENTIAL PROFILE



## Competency Summary

Sam Cox, 2/20/2009

Summary of all competency groups sorted by Rater group.

### Communicating With Others

Manages meetings effectively; Builds confidence and inspires support through a convincing presentation style; Uses communication as a strategic tool; Makes a personal connection with the audience when communicating; Adapts communication to diverse audiences



### Leading Effective Teams

Solicits the input of others who are affected by plans or actions and gives credit and recognition to others that have contributed; Accepted by all team members as an effective leader; Clearly outlines roles and responsibilities and deals with conflicts and overlaps; Critiques the team's performance and implements actions to build effectiveness; Puts together the right mix of people to achieve success



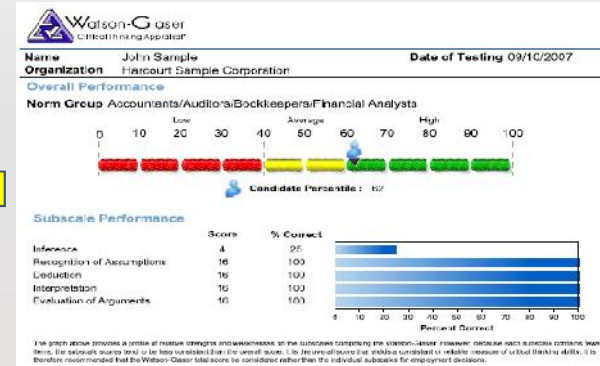
### Applying Broad Perspective

Displays global thinking; Articulates the broader impact of actions beyond the unit or organization; Investigates relevant outside trends and factors that impact the organization's plans; Pursues and supports opportunities for expansion beyond the organization's products/services and geographic boundaries



### Leading Change

Looks for ways to make changes work rather than identifying why change will not work; Communicates compelling need for change within one's department, group, and organization; Generates commitment to the change process; Identifies and enlists the support of key individuals and groups to move the change forward; Serves as a personal model of the change that one expects of others



### SAMPLE - INDIVIDUAL PROFILE

Name: Chris Sample | Title: Controller | Potential: Seasoned Pro | Date in Title: 3/1/03

Performance: Outstanding

Short Term (1 Year): Stay in current position  
 Intermediate Term (3-5 Months): Stay in current position  
 Long-Term: Stay in current position

Exceptional Strength:  Strategic Vision,  Thought Leadership,  Strategic Planning/Presentation,  Project Execution,  Vision Development,  People Development,  Strategic Thinking/Problem Solving,  Business Acumen,  Business Savvy,  Passion for Success

Needs Improvement:  Strategic Vision,  Thought Leadership,  Strategic Planning/Presentation,  Project Execution,  Vision Development,  People Development,  Strategic Thinking/Problem Solving,  Business Acumen,  Business Savvy,  Passion for Success

Demonstration:  Strategic Vision,  Thought Leadership,  Strategic Planning/Presentation,  Project Execution,  Vision Development,  People Development,  Strategic Thinking/Problem Solving,  Business Acumen,  Business Savvy,  Passion for Success

SUMMARY:

- Significant career vision development and alignment; need to understand organizations for value.
- Clear forward and long-term vision; strong objectives.
- Strong goals and can create plans that position the organization for future growth.
- Needs to develop consistency on the timely delivery of projects, paperwork and commitments.
- Needs to understand how to effectively manage teams and create incentives of key critical or "mission" employees.
- Needs to continue develop relationships of various business and social situations.
- Can be flexible and understand organizational needs.
- Can be make the necessary transition of time applications and needs to make an executive level?

# Employee Input

Bringing Leaders to the Next Level

## AJAX HOSPITALITY INTERNATIONAL EMPLOYEE DEVELOPMENT PLAN FORM

Employee Name:

Current Position:

### Job Priorities

List the 4 – 6 top priorities for you over the next 12 months:

### Commitments and Goals

List the 3 - 5 commitments and goals you have for your role over the next 12 months:

### Career Interests/Goals

Short Term (12 - 18 months):

Long Term (18 – 36 months):

# Rigorously Manage Performance

Bringing Leaders to the Next Level

Results against plan - the “What”

Exceeds Expectations	<b>Leadership issue / future</b>	<b>Top talent</b>	
Meets Expectations	<b>top-grading possibilities</b>	<b>Seasoned pros</b>	
Does Not Meet Expectations	<b>Top-grading priorities</b>		
	Does Not Meet Expectations	Meets Expectations	Exceeds Expectations

Leadership behaviors - the “How”

# How Leaders Develop

Bringing Leaders to the Next Level

<b>Experience</b>	<ul style="list-style-type: none"><li>• Full job change</li><li>• Job restructure based on development needs</li></ul>
<b>Exposure</b>	<ul style="list-style-type: none"><li>• Special projects and assignments</li></ul>
<b>Feedback &amp; Coaching</b>	<ul style="list-style-type: none"><li>• 360 feedback and coaching</li><li>• Coaching by a skilled manager</li></ul>
<b>Education &amp; Training</b>	<ul style="list-style-type: none"><li>• Motivated self-development</li><li>• Classroom training</li></ul>



# High Potential Development

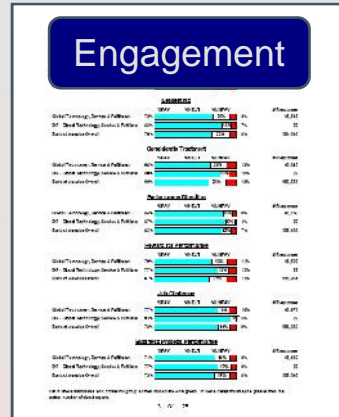
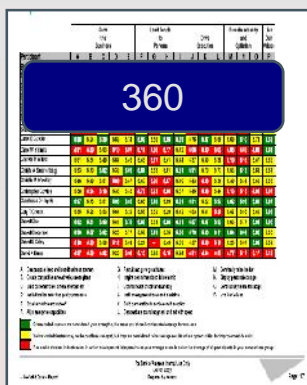
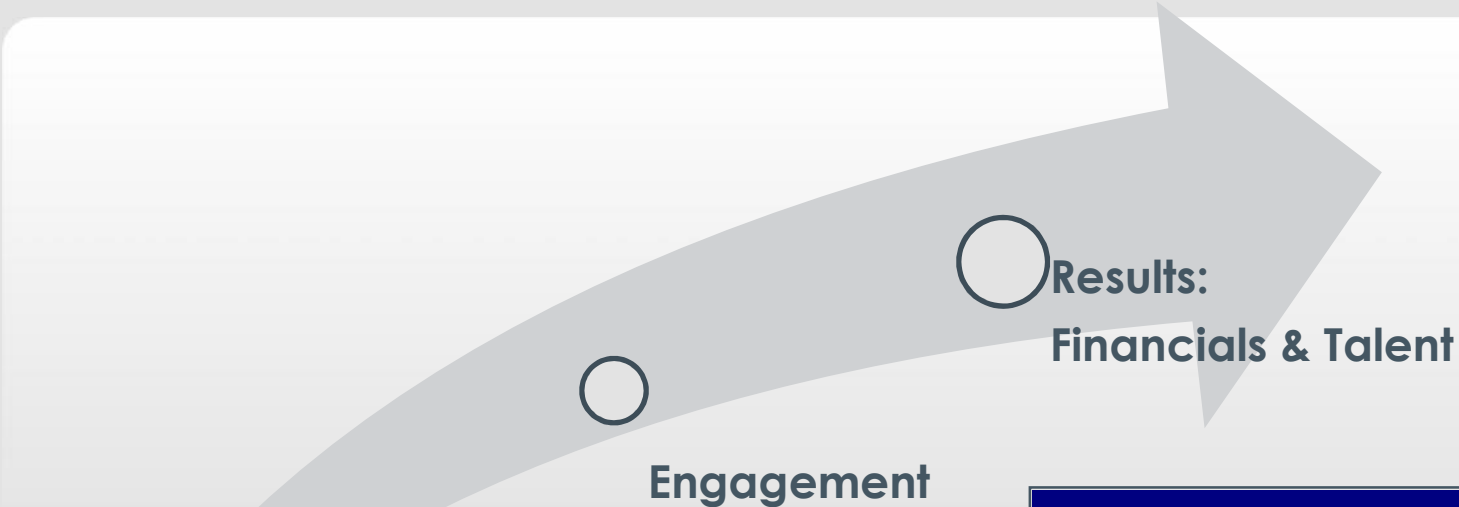
Bringing Leaders to the Next Level





# Measure And Track Leader Results

Bringing Leaders to the Next Level



**Rank Ordering of Executives**  
360 - Associate Engagement - Talent Mindset Data

Overall Rank Order	Last Name	First Name	LOB	360 Rank Order	Associate Engagement Rank Order	Talent Mindset Rank Order	Overall Score**
1	Palmer	Sarah	Technology	4	3	1	8
2	Bake	Doug	Operations	1	1	7	9
3	Evers	Mike	HR	2	2	6	10
4	Donaldson	Janice	Sales	3	4	5	12
5	Stevens	Don	Finance	5	5	4	14
6	Wilson	Tom	Logistics	6	8	2	16
7	Thomas	Ed	International	8	6	3	17
8	Keller	Bob	Marketing	7	6	8	21
9	Jones	Sam	Division	9	9	9	27

\*\*Overall Score/Rank determined by the sum of 360, Associate Engagement and Talent Mindset Rankings



# Senior Leader Accountability



Bringing Leaders to the Next Level

President	Executive VP	Regional Vice President	Plant President
			Cummings, Dan
			Element, Chris
			Gibson, Mark
		Bill Bradley	Pickens, Tim
			Edwards, Ed
			Boyles, Scott
			Thompson, Troy
			Walker, Lem
			Christie, Warren
			Kreeger, Matt
		Alex Maras	Gown, Gary
			Peabody, Eric
			Mills, Pat
			Pearlberg, Dan
			Sabity, Pete
			Clemens, David
			King, Kurt
Bill Elliott	Sam Wicks	Jim Downs	Boone, Jim
			Allred, Mike
			Zemo, Jim
			Calhoun, Art
			Demke, Mark

Promotable  
Seasoned  
Pro  
Hold in Place  
Too New  
Manage Out

## Results

- Strength of leadership: 95+% meet or exceed objectives – Business, Engagement, Retention, and Competencies
- Year-over-year diversity improvement
- 90+% of positions with strong back-ups
- 95+% retention of top performers

## Process

- Development plans in place for all leaders
- 100% of low performers on improvement plans

# Succession Planning Process

## Phase I

### Business Alignment

- Linkage to business
- CEO and senior leader involvement

## Phase II

### HR Functional Excellence

- Broadcasting competencies
- Multi-faceted talent assessments
- Employee input
- Rigorous management of talent

## Phase III

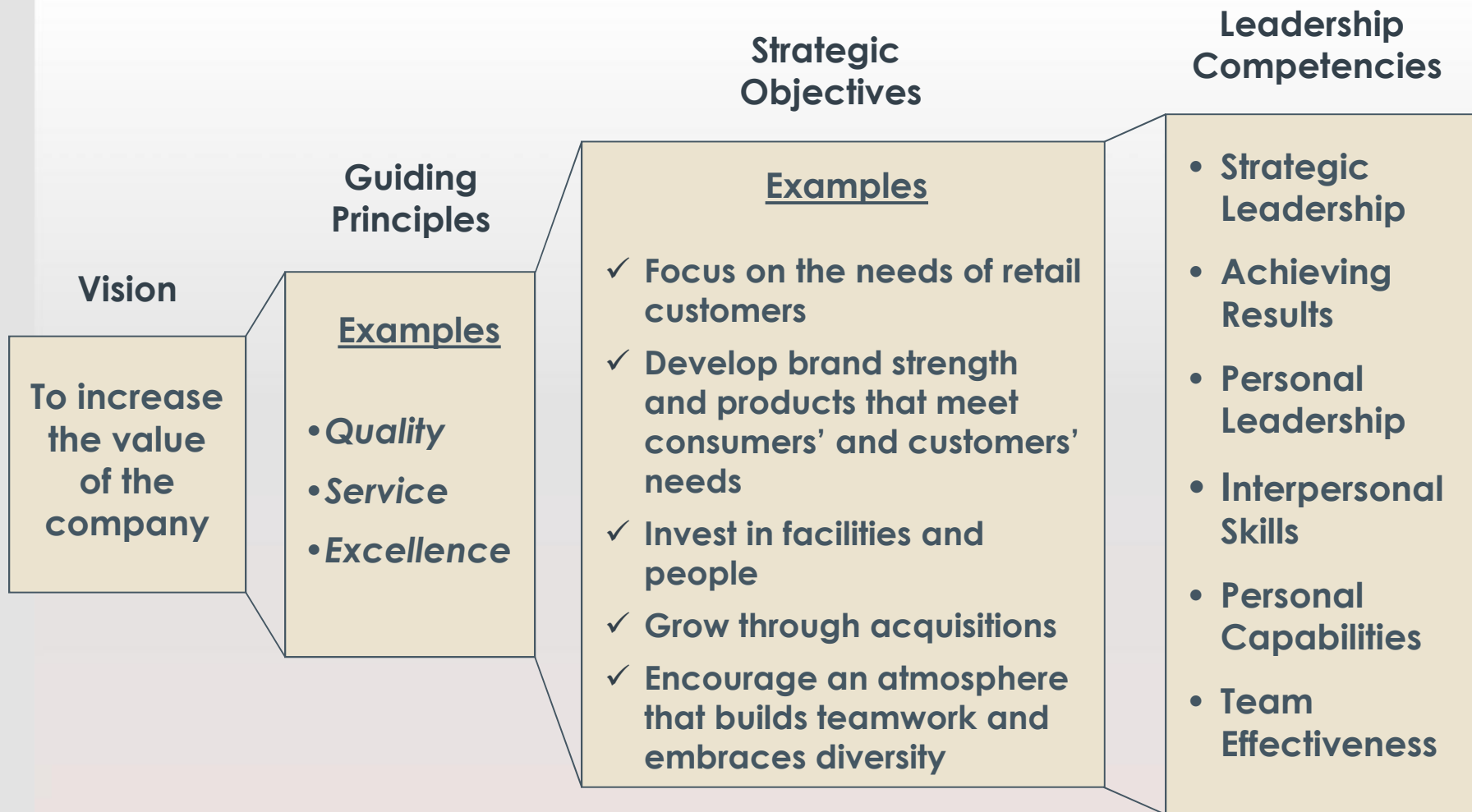
### Implementation

- Multiple methods of leadership development
- Measure leader results
- Accountability
- Tracking key metrics

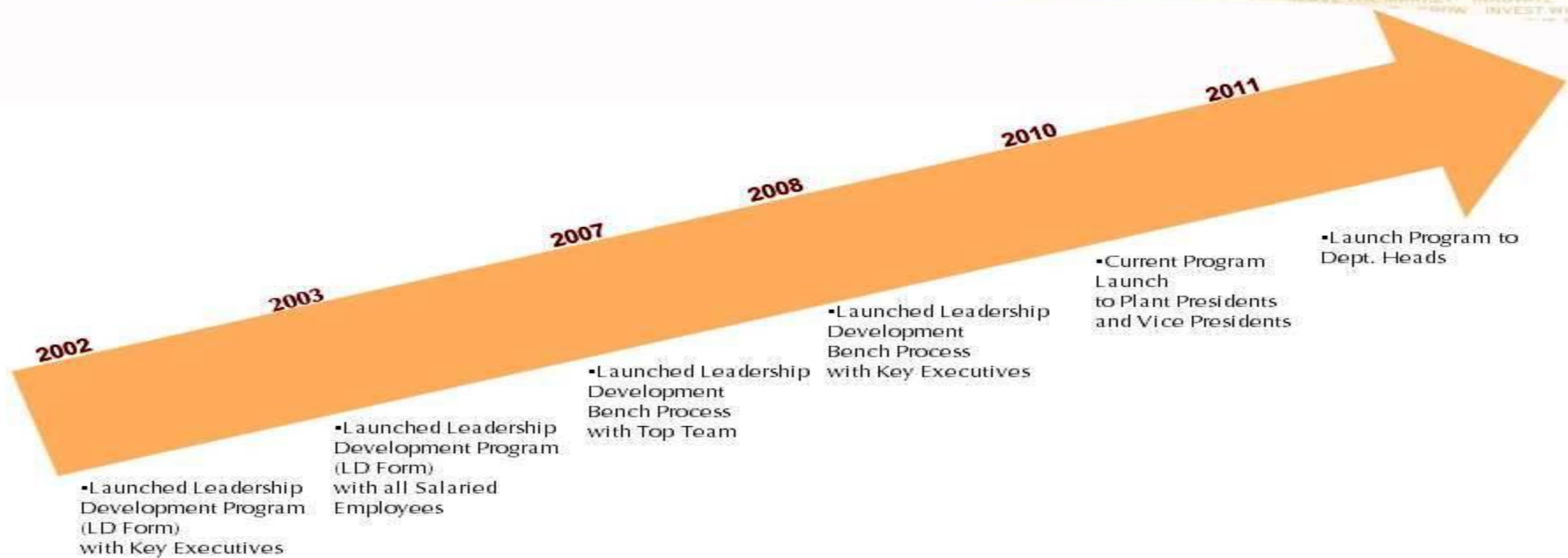
# Flowers Foods Discussion

- NYSE: FLO IPO 1968, NYSE since 1982
- Founded in 1919
- Headquartered in Thomasville, GA
- 9,400 associates
- 4,600 DSD territories
- 41 highly efficient bakeries
- 2011 sales growth of 7.8% to \$2.8 B

# Aligning Succession Planning With Business Imperatives



# Evolution of Leadership Development in Flowers Foods



- Get senior leadership involved early-on
- Communicate the successes to senior management to build momentum and support
- Customize the process to your culture
- We still have some areas that need to be improved to achieve goals
- The process works from top management to plant leadership
- Deploy the process rapidly



# Q & A

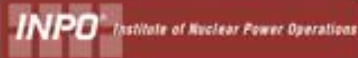
Copyright © 2012, Corporate Performance Strategies, Inc. All rights reserved.

# Where To Begin ...

- Future state – What does your business plan require in terms of numbers of new leaders and types of leaders? What happens in an emergency?
- Current state – What do you really have on your bench? How are they getting groomed and prepared to lead? What are your successes and key challenges?
- Game plan – What 4-5 specific actions steps, timelines and accountabilities will protect the assets of your company?

# Representative Clients

Bringing Leaders to the Next Level



**Please provide feedback, suggestions, and questions.**

**Dave Brookmire**  
**404-593-5001**  
**[dbrookmire@cpstrat.com](mailto:dbrookmire@cpstrat.com)**