ENTER-transfer

D.T1.2.3 Identification and assessment of the prospective successors and transfer of knowledge

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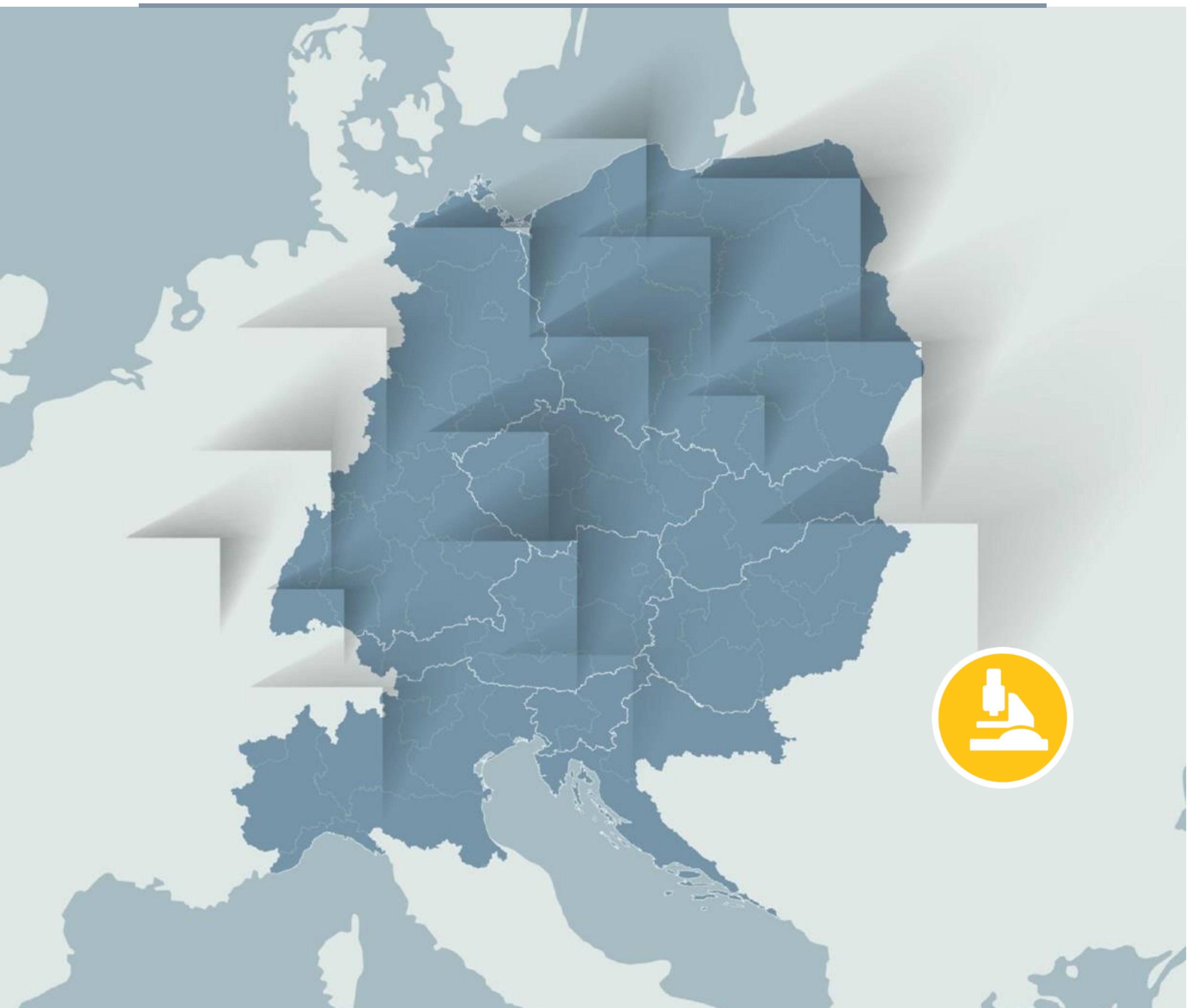

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1. Objectives

This report describes ways of identification and assessment of the prospective successors and transfer of knowledge. The focus is set on key desirable qualities of potential business successors and assessment of which traits are to be preferred over others.

Feedback on this matter will be also collected at the stakeholder meetings, asking for opinions and real life experiences. These will be processed and put into the final report of stakeholder meetings in this project period (D.T1.2.8).

2. Identification and assessment of prospective successors

“In every position, over the years people develop skills and knowledge. If we don’t find ways to gather and retain that knowledge, then it all just walks out of the door when someone retires or leaves.” (Simpson, DOPLNIT)

Employers need to find candidates who:

- Meet the minimum requirements
- Have the potential to learn the rest
- Have desire to take on the position

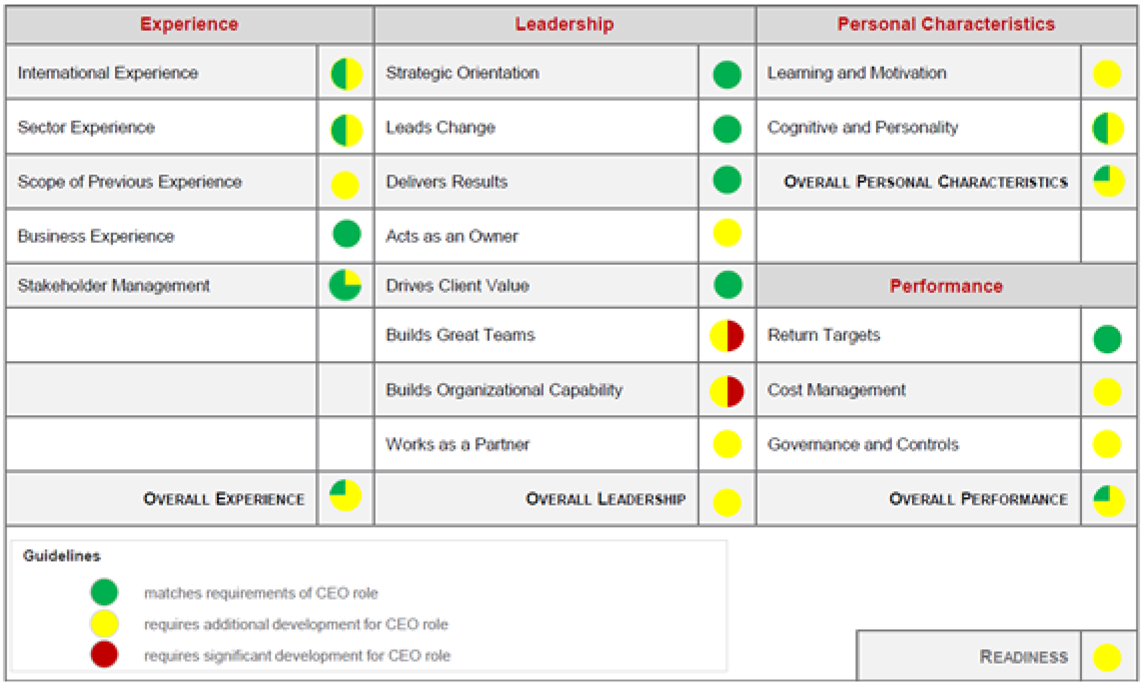
“I think one of the most important things any organisation can do is create opportunity for people to feel challenged, to feel like they’re making a difference”. (Simpson, DOPLNIT)

The following are some documented sources on employees that could be used as tools to identify potential candidates:

- Performance ratings and reviews
- Specific accomplishments
- Feedback from supervisors and managers
- Skills assessments
- Technical and professional designations
- Past work experience
- Short-term trial projects

The best source for identifying potential candidates may be our own employees. Employees who see and equitable and fair succession plan in action are often eager to participate. They also more often express their interest in moving to more challenging roles

In order to make well-informed and successful promotion decisions, business leaders need to conduct and maintain in-depth assessments of both the position’s required skills as well as potential internal successors. This way, the organization has a clear understanding of its needs, its in-place talent assets, as well as an understanding of how individuals’ skills and characteristics compare to former successful CEOs and to one another—in the event that the CEO slot opens.



Experience		Leadership		Personal Characteristics	
International Experience		Strategic Orientation		Learning and Motivation	
Sector Experience		Leads Change		Cognitive and Personality	
Scope of Previous Experience		Delivers Results		OVERALL PERSONAL CHARACTERISTICS	
Business Experience		Acts as an Owner			
Stakeholder Management		Drives Client Value		Performance	
		Builds Great Teams		Return Targets	
		Builds Organizational Capability		Cost Management	
		Works as a Partner		Governance and Controls	
OVERALL EXPERIENCE		OVERALL LEADERSHIP		OVERALL PERFORMANCE	
				READINESS	

Guidelines
- matches requirements of CEO role
- requires additional development for CEO role
- requires significant development for CEO role

Figure 1: Identification and assessment of criteria required for succession

Source: Bush M., *Identifying critical roles and targeting successors*

By assessing positions and potential successors, organizations can more strongly support their high potential employees as they build accelerated succession development plans. Assessment reports help ensure that employees recognize their strengths and areas of focus to actively develop the right skill sets for the next job and preserve the organization’s ongoing success.

To identify potential successors, these key factors should be considered in a candidate:

- Strong track record of performance
- Demonstrates initiative, drive and persistence to reach higher
- Understands the people side of the business and demonstrates strong interpersonal and communication skills
- Learning agility with strong desire to grow and develop
- Understand organisation dynamics (up-down-across) with the ability to communicate with and influence key stakeholders
- Readily seeks out and accepts feedback for self.development
- Improvement focus/mentality (self, team, business) with the ever willingness to change behaviour and embrace changes
- Gravitas and leadership presence with strong communication skills
- Strong work ethic and the willingness to go above and beyond
- Strong drive to succeed and continuous improvement

It is also important to differentiate between “high performers” and “high potentials”. High performance employees are very good at performing their job, while the high potential employees have demonstrated measurable skills and abilities beyond their current jobs. The real damage is done, when the high-performance employee is promoted to a managerial spot, in which he feels uncomfortable and struggles in the new role. This results in high levels of stress and anxiety, causing them to quit.

To find a prospective successor, based on mentioned traits and factors, we therefore need to look at the person as a whole.

Figure 2: The whole person view

Source: Stevenson J.E. et al., Strive for a Four-Dimensional Perspective When Assessing and Developing CEO Successors

3. Transfer of Knowledge

Knowledge transfer is the process of capturing skills and information and sharing them between employees and also between parts of an organization. The goal is to make that knowledge available for current and future workers. Knowledge transfer applies to knowledge that is obvious and easily defined. It also applies to knowledge that is harder to define or articulate. Knowledge transfer is an important part of the succession planning process; it is how employees get much of the information and skills they need to move into key positions.

"In every position, over the years people develop skills and knowledge. If we don't find ways to gather and retain that knowledge, then it all just walks out of the door when someone retires or leaves."

Retaining the knowledge held by key employees and passing it on to potential replacements is an essential part of succession planning. It is important for employers or business owners to start small and simple and trust their common sense.

Popular method are for example peer training, where workers teach each other tasks, and cross-functional training, where they actually learn each other's jobs, to help share knowledge within the workforce. Knowledge sharing also saves money. "If you don't teach your employees new ways to do things, if you don't learn from the older employees so everyone has stronger knowledge base, you run the risk of losing money when somebody retires. It also means people aren't learning from other people's mistakes. Knowledge transfer is risk management."

Basic strategies for transferring knowledge

There are some quick and low-cost strategies that will help potential successors gather the knowledge needed, regardless of the size of the company or the industry it is active in. Some of the things are commonly done without companies even realising or considering the activity to be part of knowledge transfer.

Communicating with staff

Communication is key to transferring knowledge in your workforce. It builds relationships and trust, both of which are necessary to promote the transfer of knowledge. Communicating can be as easy as walking around and chatting informally with your employees, co-workers, or family. Ask them what they're working on, how their processes work or even how things could be made easier for them.

Making learning part of organisation culture

If learning will become part of the organisation culture, knowledge transfer will become part of everyday duties. Demonstrate that learning new procedures and improvements on current practices a priority in the company. Take time to discuss with workers and family the importance of succession planning and sharing of knowledge.

Lead by example

Others will feel more comfortable if they see their leaders sharing knowledge. To help lead by example, take steps to get all of the organisation's leaders on board. IF the leaders in the organisation are setting the expectations and transferring knowledge, then the other employees will notice that and be more willing to do it themselves.

Staff discussions

One-on-one discussions can be an effective way to share information between employees or family. This information can be gathered as part of the startup of a new initiative, during debriefings after major projects, during regular performance reviews or during exit interviews. You can gain valuable information from retiring or departing employees. Employees can learn that their opinions are sought and valued and can also feel encouraged to share the information.

Employee mentoring

Mentoring is a formal or informal relationship, in which an experienced employee (mentor) shares knowledge, skills and experience with a co-worker or, in our case, family member. Mentors often find they learn nearly as much as the person they mentor – they can look at issues from a different perspective and experiment with new technology or methods.

The downside of mentoring is, that it usually required a tremendous time commitment on both sides. In the environment of small and medium sized family businesses however, the bonds between the members are of higher standard, which can make the mentoring proves easier and make it an effective tool for knowledge sharing.

Cross training and job rotations

Training employees to do different types of work within your organization is called cross training. It can be a great way for employees who are interested in learning and expanding their horizons to share their knowledge. One way to cross train is by actually rotating employees through different positions, otherwise known as job rotation. Cross-trained employees can fill in when others are ill, are on vacation or leave unexpectedly. In business succession it also gives the successor experience and possible empathy and understanding with the employees and better control over the business as he knows how much work and time each kind of work requires.

Workplace communities

Getting together a community of people who share the same workplace challenges or interests can be a great way to transfer knowledge and brainstorm new and valuable ideas. Workplace communities can be created to:

- explore ways of working
- identify common solutions
- share good practices and ideas

Communities can happen naturally over lunch or in other casual settings, or they can be created more formally. Most communities tend to have a fairly loose structure with a leader and perhaps an organizer. Because they include a variety of workers with different levels of experience, communities are great for transferring knowledge between generations. They could be face-to-face or in other formats, such as online forums.

Post-project and after-action reviews

Post-project reviews are meetings held after a project is completed. They give workers a chance to discuss what went wrong and what went right during the project. These meetings can help pass on the knowledge learned during the project and improve future performance of workers. Sometimes, however, an event or a problem will pop up during a project. In this case, an after-action review can be used to quickly break down the issues and create solutions during a break in the workflow. This way workers can get back to work quickly with a few key lessons in hand, and the new knowledge is universally shared among others.

Documentation

When done effectively, documenting knowledge can pass on detailed work information from one person to as many other workers as needed, regardless of time or space. For example, if an employee who was involved in a business deal suddenly leaves, another employee can step in and pick up where the exiting employee left off if that person documented his or her progress clearly.

Some of the more common types of documentation include the following:

- manuals
- databases
- briefing notes
- meeting minutes
- project status reports
- wiki websites

Many effective, low-tech and low-cost methods are available to help you get started:

- Create checklists for common processes at your workplace.
- Standardize and document key processes that are used repeatedly. Make the documents available in an obvious location in your office. This way, if you are away or if they need to be used by others, they are easily accessible.
- Create facts sheets for the knowledge routinely used in your workplace and make them available to all staff.
- Develop a list of commonly asked questions and answers and make them available to everyone.
- Schedule special “file days” to file the electronic and paper documents in the workplace.
- Arrange for an overview or training in administrative duties to ensure all staff know how basic administrative operations are handled in your organization.
- Write up quick project updates and circulate them.

- Have employees provide updates and reflections on completed project work to share what worked well and what could be done differently to improve the process in the future.
- Circulate materials received from conferences or training sessions or give a verbal or written briefing on the content. You may want to consider publishing information to a database, computer network or other electronic medium. Technical strategies for giving many people access to the same data, such as cloud computing, are becoming easier to use. All come at a cost and need to be implemented carefully.

4. Literature

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