



# Succession Planning

Michigan School Business Officials  
Up North School Finance 2024

Friday, October 18<sup>th</sup>, 2024  
Treetops, Gaylord, MI



# Agenda

**Todd Surline**  HIRING  
SOLUTIONS LLC

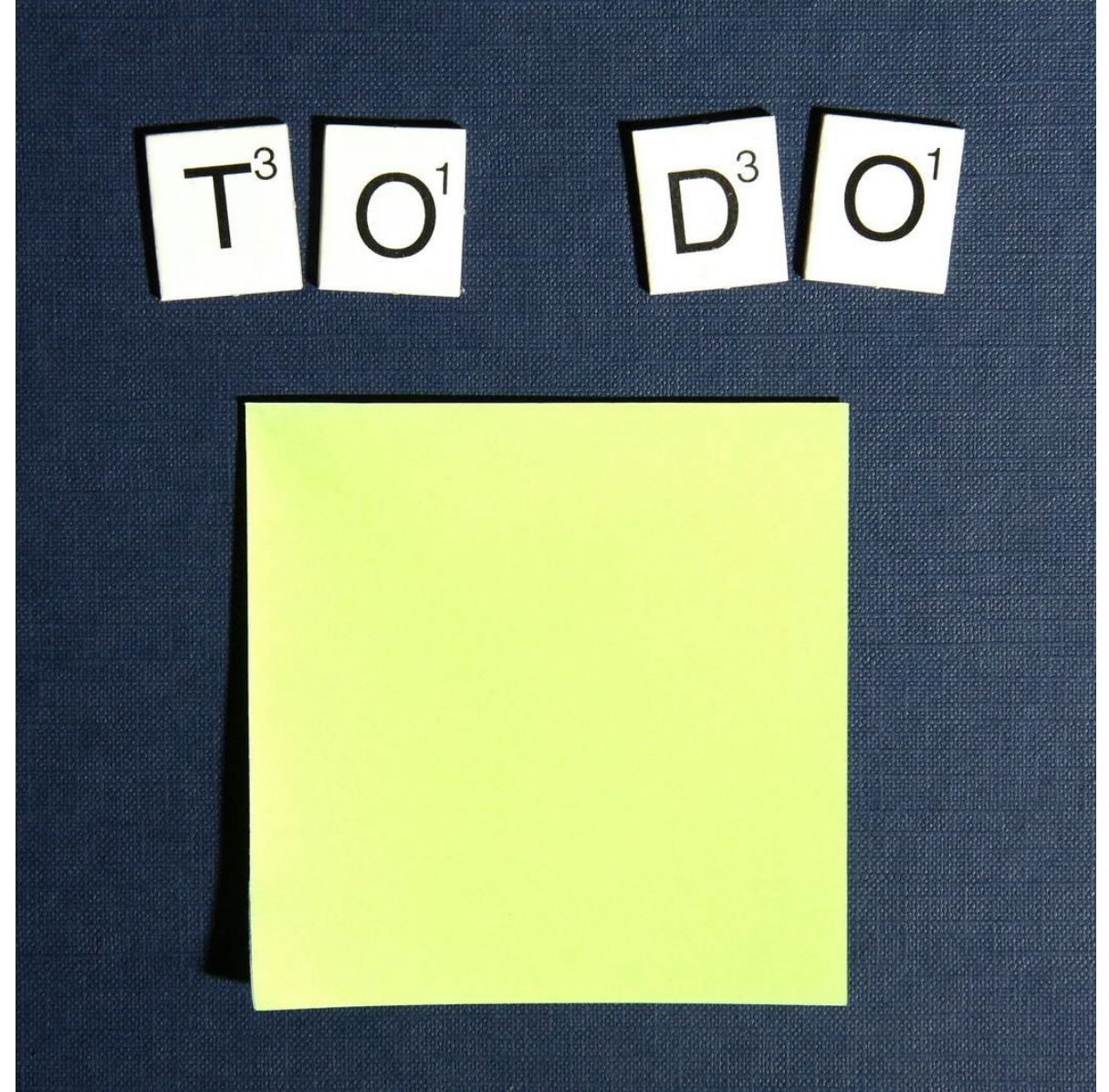
Succession Planning  
Introduction and  
Concept

**Bob Dwan**  MSB

Background and  
potential benefits for  
MSBO Members

## Background

- ✓ Succession Plan needs in schools and ISD's
- ✓ Basics of succession planning
- ✓ MSBO Position Statement introduction
- ✓ Resources for future use





# Succession Planning



# MSBO Position Statement

- MSBO Board of Directors
  - July 2024 Board Retreat discussion
- Adoption of Succession Planning Statement
- What comes next?



## **Michigan School Business Officials Succession Planning for Key School Administrative Positions**

The Michigan School Business Officials (MSBO) recommends succession planning as a best practice to promote business office and operational administrative stability in a school district.

Succession planning is a strategic process that identifies and develops personnel to fill key positions. Succession planning will vary from district to district, although there may be some commonalities.



# Introduction

## Review:

- What it is?
- Who should have one?
- How to develop, maintain & evaluate one?

- ❑ Background and Basics
- ❑ Succession Planning Steps



# Succession Planning = Success Planning

*“Failing to plan is planning to fail” – Benjamin Franklin*

## People / Position Insurance

- Insure other assets- property, liability, health, life, etc.
- Plan for other critical events:
  - Weather,
  - IT/business interruption,
  - financial, etc.
- Strategic/business plans
- Why not plan for the inevitable loss of your most valued asset?

## Risk mitigation:

- Lessen negative impact of talent loss on staff, students, programs, etc.
- Reduce economic risk
- Reduce reputational risk
- Minimize Board/public loss of confidence in administration

# What is Succession Planning?

Identifying high-potential employees, evaluating and honing their skills and abilities, and preparing them for advancement into positions that are key to the success of business operations and objectives.

- Succession planning involves:
  - ✓ Understanding the organization's long-term goals and objectives.
  - ✓ Identifying the high-potential candidates and their respective developmental needs.
  - ✓ Determining workforce trends and predictions.
  - ✓ *Not* a guarantee of promotion or permanent position



# The Importance of a Plan

- To avoid extended and costly vacancies in key positions.
- Ensure the stability of business operations.
- To provide meaningful developmental opportunities for both the organization and its employees.
- To help develop a diverse workforce by enabling decision-makers to look at the future makeup of the organization.





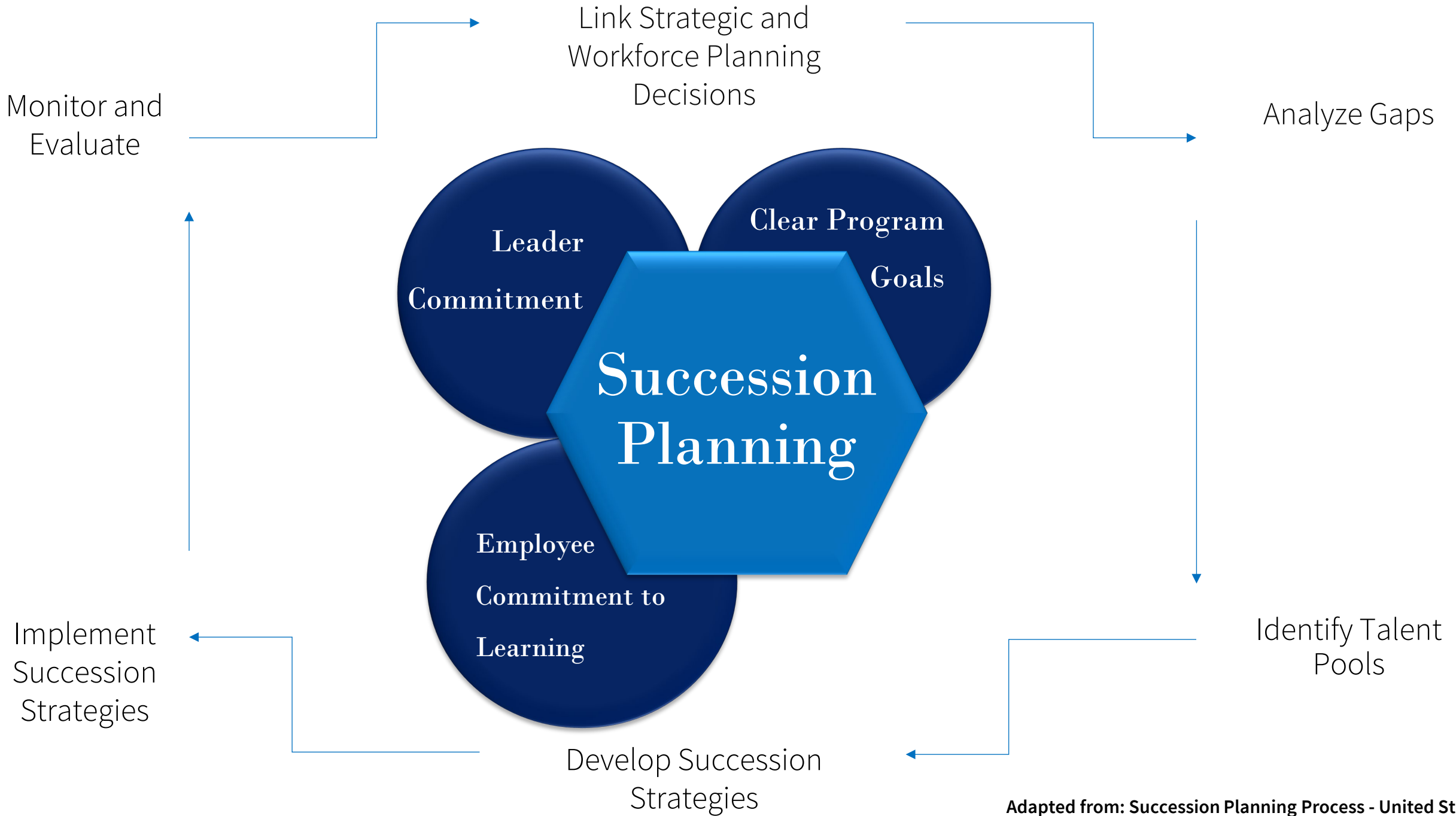
# Succession Planning vs. Replacement Planning

## Replacement Planning:

- Program to identify trends in turnover or growth, develop plans to recruit employees to fill the needs before they occur
- Identifying individuals within an organization who would be best equipped to serve as backups for the current employees
- Designed for more routine turnover, leaves of absence, vacation & sick absences
- Broad application, both key and non key positions

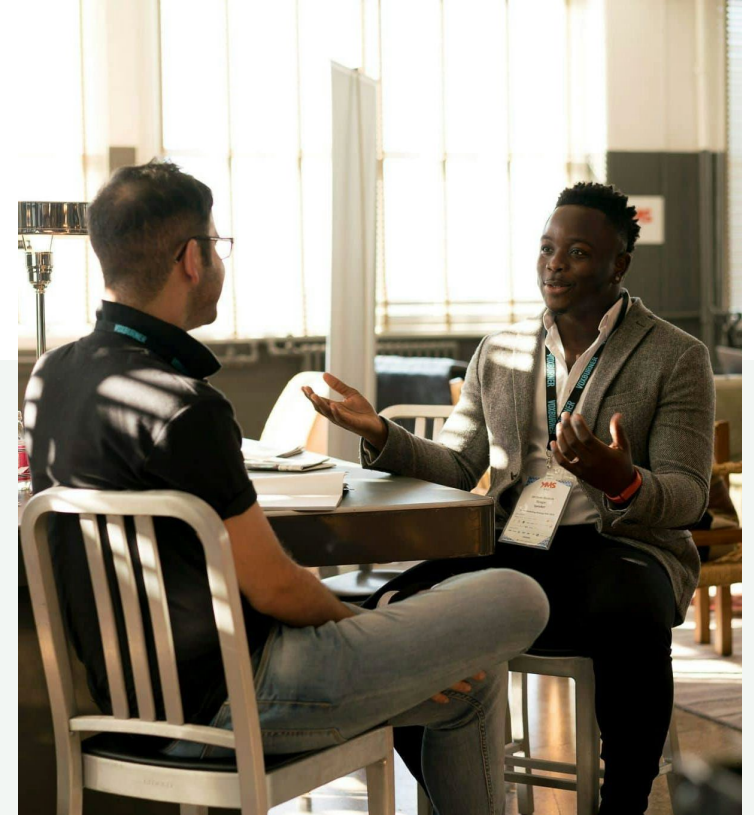
## Difference

- Succession planning focuses on a limited number of Key Positions.
- Replacement planning may include all positions



# Steps Involved in Succession Planning

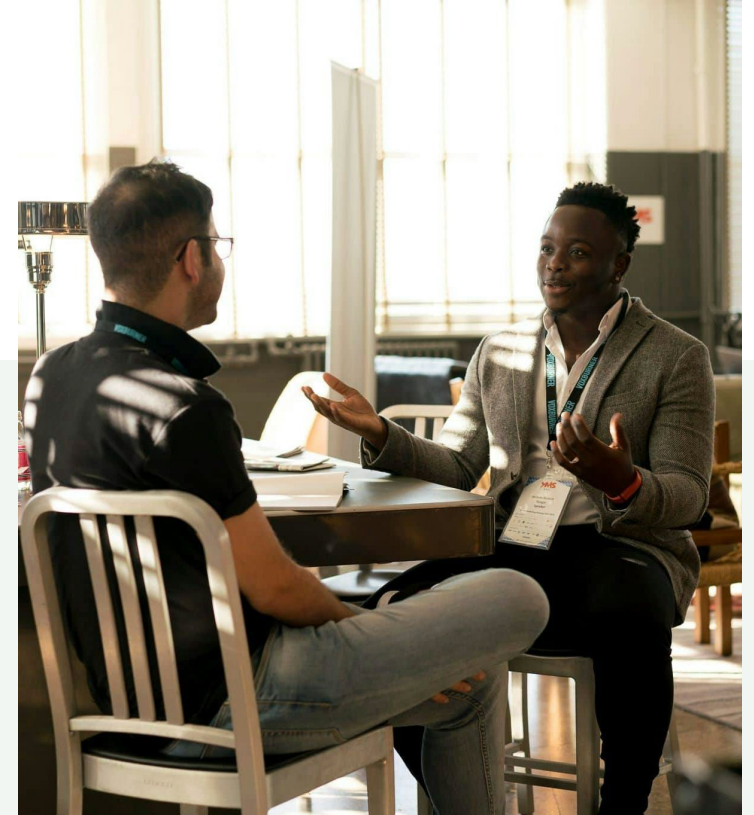
1. Identifying legal and diversity issues to consider.
2. Establishing present and future leadership roles and objectives.
3. Selecting key employees.
4. Evaluating the strengths, weaknesses and readiness for succession in key employees.





# Steps Involved in Succession Planning (cont.)

5. Planning for the individual development of and ways to retain key employees.
6. Identifying emergency positions without successors.
7. Planning for positions that cannot be filled internally.



# Step 1:

Identify Potential  
Legal and Diversity  
Issues

- When positioning employees for succession, avoid “like-me” approaches.
- Top-performing organizations rely on diverse workforces and leadership.
- Discrimination laws require inclusion of all employees regardless of race or gender.

## Step 2:

Ask questions to  
assess what  
tomorrow's school  
district and roles  
may look like:

- How will the state of schools and the economy today affect the business operations of the next one to five years?
- Which operations are critical to the future of the district?
- Will workload change?
- Will staffing levels change?
- What skills and abilities will be needed?



# Step 3:

Selecting Key  
Employees

- The incumbents in key positions identify employees available for succession into their positions.
- Develop a profile of candidates: a history of performance reviews and accomplishments, including years of relevant experience, education and credentials.
- Cross-departmental leadership/key decision-makers must be involved throughout the planning process to represent their selections and discuss concerns with one another.

# Selecting Key Employees (cont.)

- Temporarily or permanently close identifiable gaps in the event of an emergency replacement of a candidate in another department.
- Selection is based on available candidates. Some available candidates will be ready, whereas some will not meet the demands of critical positions. In some cases, no identifiable candidate will be available for succession.



# Step 4:

Evaluating the strengths, weaknesses and readiness for succession in key employees.

- Once you identify candidates for succession and the skills required for current and future succession, you can use assessment tools to determine skill deficiencies that may presently exist.
- Approaches include:
  - 360-degree surveys.
  - Leadership evaluations by an independent third-party consultant.
  - Existing performance review information and feedback



# Step 5:

Planning for the  
Individual  
Development and  
Retention of Key  
Employees

- Create action plans for developing strengths and reducing weaknesses.
- Common action plans include:
  - Leadership development programs and skill-specific educational programs, such as finance for nonfinancial managers.
  - Internal mentoring program

# Develop a Plan to Train and Mentor Employees

- What gaps were uncovered when analyzing the work and people needed for the future and evaluating potential?
- Determine current supply and anticipated demand.
- Internal employees should be provided with an Individual Development Plan (IDP) to narrow gaps between what the individual does now and what they must do in the future to function at a higher level of responsibility.



# Step 6:

Identifying  
Emergency Positions  
without Successors

- Emergency positions are those in which no successor is available or no successor with developmental potential exists.
- When a succession plan has a vacancy, the organizational operations may be at risk in the event of a departure.



# Step 7:

Planning for  
Positions That  
Cannot Be Filled  
Internally

- If no successor exists, the district will need to consider external recruitment strategies and develop a recruitment plan, and in the interim, consider cross-departmental succession opportunities.
- This situation can be beneficial in that it allows the employer to bring fresh and diverse talent into the district.

# Keeping the Plan Current

- How will the plan be kept current?
- Develop a recurring time frame, whether semiannually or annually.
- Determine the effectiveness of the existing plan.
- Determine whether the current plan still meets the organizational objectives.
- Determine whether the candidates have changed and make necessary adjustments in the plan.
- Assess and develop new candidates.



Thank you for your participation!

THANK YOU!

