SURVEY RESULTS
Succession Planning / Management Study
About i4cp

i4cp is a research firm that discovers next practices in human capital. Our member organizations rely on i4cp to ensure that their efforts will make the greatest impact on the business today and in the future. Through superior research, peer collaboration, tools, and data, we provide insights that help organizations better anticipate, adapt, and act in a constantly changing business environment.

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Thanks to Human Resource Executive

Many organizations are transforming their succession management process—expanding to cover new roles, seeking to have a more diverse pipeline, further integrating with talent development efforts to advance high-potential leaders, among other changes.

Human Resource Executive partnered with the Institute for Corporate Productivity (i4cp) on this major study to explore how organizations are approaching succession planning and management, what is changing, and what the emerging or next practices in the field look like.

A report that explores key findings and next practices will debut over the summer at i4cp.com.

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Survey Responses

1. Does your organization have a formal process aimed at identifying and developing successors for key roles?

- Yes, we have one process that is consistent enterprise-wide: 21.4%
- Yes, but that process varies by business unit and/or geography: 22.3%
- No, we approach succession planning in an ad hoc fashion: 44.4%
- No, we don’t perform succession planning at all: 10.0%
- Don’t know: 2.0%

n = 2,931
2. Which of the following best describes your organization’s process for identifying and developing successors?

- Succession planning: an annual or one-off event focused on identifying successors for specific roles (39.8%)
- Succession management: an ongoing process that considers a holistic view of organizational talent across the enterprise and at multiple layers by creating talent pools from which to draw (35.4%)
- Wishful thinking (24.9%)

n = 2,551
3. To what degree is planning for succession a priority in your organization?

- Very high priority: 6.2%
- High priority: 23.5%
- Moderate priority: 45.4%
- Low priority: 19.8%
- Very low/no priority: 4.2%
- Don’t know: 0.9%

n = 2,551
4. Does your organization have a specific function responsible for its succession planning / succession management process?

Yes: 40.6%
No, but it's something we have plans to put in place: 27.0%
No, and we have no plans to pursue: 28.0%
Don't know: 4.4%

n = 2,543
5. To whom (or where) does your organization’s succession planning / succession management function report directly?

- The board of directors: 3.0%
- The CEO: 19.3%
- A committee comprised of select members of the board of directors and executive leadership: 9.3%
- The head of human resources: 43.1%
- The head of talent management: 13.0%
- The head of organizational development: 5.5%
- Don’t know: 2.0%
- Other (please specify): 5.0%

n = 1,027
6. What are the primary objectives of succession planning / management in your organization? (Select up to three)

- Improve identification and selection of future leaders: 54.6%
- Improve engagement and retention of high-potential employees: 48.8%
- Retain our current leaders / top talent by providing a succession path: 37.8%
- Create opportunities for internal advancement at multiple levels: 28.0%
- Better prepare for anticipated demographic changes (e.g., a retirement wave): 23.7%
- Better prepare for unanticipated changes (e.g., unwanted attrition): 20.0%
- Fulfill our board's desire to outline succession for the top of the organization: 15.1%
- Increase leadership diversity: 14.4%
- Strengthen culture based on promotion of leaders who embody the organization's values: 13.6%
- Support growth (into new regions, product / service lines, etc.) that requires leader...: 11.0%
- Respond to regulatory requirements: 4.4%
- Other (please specify): 1.7%

n = 2,500
7. How effective is your organization at each of the following?
(Percent of respondents indicating “highly effective” or “very highly effective”)

- Filling key/critical roles from external sources: 28.6%
- Identifying high-potential employees within the existing workforce: 27.7%
- Filling key/critical roles internally with identified successor candidates: 26.0%
- Agreeing on ready-now or ready-enough candidates: 22.6%
- Retaining current leaders and top talent by showing them clear succession paths: 22.3%
- Ensuring that internal succession candidates who take on new key/critical roles are well-positioned to succeed: 18.7%
- Ensuring that external successors (i.e., new hires into key / critical roles) are well-positioned to succeed after joining your organization: 16.9%
- Retaining employees designated or considered high-potential by showing them clear succession paths: 16.5%
- Adjusting the succession planning process to meet evolving needs of the organization: 16.3%
- Developing high-potential employees into ready-now or ready-enough succession candidates: 15.5%
- Having a diverse talent pool of succession candidates: 13.5%
- Preparing for anticipated demographic changes (e.g., a retirement wave): 12.9%
- Preparing for unanticipated changes (e.g., unwanted attrition): 8.9%

n = 2,395
8. Which of the following pose the most significant barriers to the effectiveness of your organization’s succession planning / management process? (Select up to five)

<table>
<thead>
<tr>
<th>Barrier</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of clear succession paths</td>
<td>50.7%</td>
</tr>
<tr>
<td>Longevity of leaders dampens the potential of succession</td>
<td>43.9%</td>
</tr>
<tr>
<td>Inaccurate / incomplete view of skills/capabilities enterprise-wide</td>
<td>42.3%</td>
</tr>
<tr>
<td>Successor development programs are insufficient or outdated</td>
<td>42.2%</td>
</tr>
<tr>
<td>Leaders hire who they want rather than someone from an agreed-upon successor slate</td>
<td>26.9%</td>
</tr>
<tr>
<td>Leaders are reluctant to let top talent move internally</td>
<td>24.1%</td>
</tr>
<tr>
<td>Lack of diversity on succession slates</td>
<td>22.2%</td>
</tr>
<tr>
<td>Selected successors are not adequately assimilated into their new roles</td>
<td>20.0%</td>
</tr>
<tr>
<td>Lack of diversity among selected successors</td>
<td>16.3%</td>
</tr>
<tr>
<td>Successor requirements are outdated (e.g., don’t reflect new ways of work)</td>
<td>13.7%</td>
</tr>
<tr>
<td>Inability to retain top successor candidates</td>
<td>13.5%</td>
</tr>
<tr>
<td>Top talent is unwilling to make the geographic moves the business requires</td>
<td>12.5%</td>
</tr>
<tr>
<td>Disagreement on succession candidates</td>
<td>11.9%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>6.3%</td>
</tr>
</tbody>
</table>

n = 2,395
9. For which roles does your organization have a formalized process to identify and develop successors? (Select all that apply)

- CEO: 38.3%
- Positions reporting directly to the CEO: 47.3%
- Positions reporting directly to the CEO’s direct reports: 40.6%
- Mid-level leaders: 37.7%
- Frontline or first-level managers: 25.9%
- Non-leadership critical roles: 19.2%

n = 2,366
10. How often do decision makers in your organization formally meet to discuss people in the succession pipeline and their stages of readiness and/or development?

- **Ad hoc (discussed/scheduled only as needed)**: 35.6%
- **Once per year**: 24.6%
- **Twice per year**: 10.9%
- **Quarterly**: 8.1%
- **Monthly**: 2.9%
- **Don’t know**: 13.8%
- **Other (please specify)**: 4.1%

**n = 2,316**
11. Which of the following practices does your organization employ to optimize diversity when identifying and / or assessing high-potential talent and / or succession candidates? (Select all that apply)

<table>
<thead>
<tr>
<th>Practice</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide training (e.g., unconscious bias training) for managers / raters</td>
<td>46.9%</td>
</tr>
<tr>
<td>Broaden the sourcing of talent for succession (e.g., widen the talent pool internally and externally)</td>
<td>36.1%</td>
</tr>
<tr>
<td>Track / measure the diversity of succession candidates</td>
<td>25.0%</td>
</tr>
<tr>
<td>Review for potential bias (e.g., bias from similarity, experience, location, etc.)</td>
<td>21.8%</td>
</tr>
<tr>
<td>Set goals on diversity of succession candidates</td>
<td>19.4%</td>
</tr>
<tr>
<td>Provide transparency in the succession planning process (e.g., publishing the process, requirements, etc.)</td>
<td>16.4%</td>
</tr>
<tr>
<td>Audit the succession process (e.g., compare results with relevant demographic numbers, industry benchmarks, etc.)</td>
<td>15.9%</td>
</tr>
<tr>
<td>Intentionally focus on the development of underrepresented classes for potential succession</td>
<td>15.0%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>14.0%</td>
</tr>
<tr>
<td>Include diversity in succession as part of the performance management process</td>
<td>12.7%</td>
</tr>
<tr>
<td>Incentivize movement of diverse talent through relocation benefits</td>
<td>5.6%</td>
</tr>
<tr>
<td>Include an expert diversity and inclusion coach in talent assessments</td>
<td>4.1%</td>
</tr>
<tr>
<td>Use artificial intelligence (AI) to help eliminate bias in the succession planning process</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

n = 2,316
12. Beyond the obvious (e.g., an individual’s annual performance rating, individual accomplishments, etc.), which of the following are the most important factors that your organization considers when determining successor readiness? (Select up to five)

- Subject matter expertise: 72.0%
- Relationships/connections across the enterprise: 59.5%
- Experience working in multiple functions or business units across the organization: 51.0%
- Experience or relationships with customers/partners: 50.0%
- Ethics and integrity: 40.4%
- Results from assessments (e.g., personality profiles, 360s, professional assessor interviews, etc.): 21.6%
- Behaviors that promote inclusiveness or belonging: 20.5%
- Diversity of race, gender, orientation, age, abilities, etc.: 12.7%
- Proclivity to use digital/advanced technologies to enhance business outcomes: 11.7%
- Experience working in different geographies: 9.9%
- Behaviors that promote well-being (career, mind, and body): 9.6%
- Experience leading or sponsoring employee affinity/resource groups: 8.3%
- Other (please specify): 3.9%

n = 2,285
13. From which of the following sources does your organization typically find its most successful successor candidates? (Select up to three)

<table>
<thead>
<tr>
<th>Source</th>
<th>For Non-CEO Leadership Roles</th>
<th>For Non-Leadership Critical Roles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing employees</td>
<td>61.6%</td>
<td>61.0%</td>
</tr>
<tr>
<td>People who work on a contract basis with the organization</td>
<td>8.4%</td>
<td>18.6%</td>
</tr>
<tr>
<td>Former employees</td>
<td>10.3%</td>
<td>17.3%</td>
</tr>
<tr>
<td>New hires</td>
<td>37.4%</td>
<td>44.7%</td>
</tr>
<tr>
<td>M&amp;A (employees from acquired companies)</td>
<td>10.8%</td>
<td>12.6%</td>
</tr>
<tr>
<td>Partners (e.g., organizations that contribute to go-to-market strategy, suppliers, distributors, etc.)</td>
<td>9.2%</td>
<td>12.1%</td>
</tr>
<tr>
<td>Competitors</td>
<td>24.9%</td>
<td>25.9%</td>
</tr>
<tr>
<td>Industry experts / influencers (e.g., academics or analysts within the industry/market)</td>
<td>15.8%</td>
<td>14.2%</td>
</tr>
<tr>
<td>Organization does not track this</td>
<td>13.9%</td>
<td>15.1%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>9.9%</td>
<td>9.6%</td>
</tr>
<tr>
<td>Not applicable</td>
<td>4.3%</td>
<td>4.7%</td>
</tr>
</tbody>
</table>

n = 2,260
14. What is the approximate current balance of successor candidate sources for your organization?

- Internal:
  - 0%: 3.0%
  - up to 25%: 27.4%
  - up to 50%: 18.0%
  - up to 75%: 20.0%
  - 100%: 10.0%
  - Don't know: 33.2%

- External:
  - 0%: 0.6%
  - up to 25%: 16.8%
  - up to 50%: 10.5%
  - up to 75%: 10.2%
  - 100%: 3.7%
  - Don't know: 0.0%

n = 2,255
15. Which of the following practices does your organization employ to promote transparency of the succession planning process? (Select all that apply)

- Make all job openings visible to all employees: 69.7%
- Make clear the skills/capabilities / experiences required for each job opening: 66.1%
- Allow any employee to self-nominate for an open position: 57.5%
- None, we are not transparent: 15.5%
- Make high-potential designation criteria visible and clear to all employees: 13.4%
- Report internally on diversity in succession candidate pools: 12.3%
- Make diversity data public (e.g., percentage of women or people of color in leadership roles): 10.4%
- Make the status for every relevant succession opening clear to designated successor candidates: 8.9%
- Make a list of employees designated high-potential visible and clear to all employees: 4.5%
- Other (please specify): 2.4%

n = 2,239
16. Which of the following issues impede transparency of your organization’s succession planning process? (Select all that apply)

- Concerns about employees not designated high-potentials (e.g., disputes about who is designated or not designated a high potential, possible decrease in productivity, increased turnover, etc.) - 47.4%
- Too much reliance by the organization on subjective rather than objective selection criteria - 41.6%
- Concern about high-potential employees’ perceptions (e.g., unrealistic expectations of fast advancement, sense of entitlement, implied promise of advancement, etc.) - 39.0%
- Fear of overlooking high-quality potential candidates - 18.6%
- Regulatory or legal concerns - 15.7%
- Concern about placing undue pressure on high-potential employees - 10.3%
- Other (please specify) - 10.0%
- Fear of making our diversity data public - 6.5%

n = 2,239
17. Which of the following measures are used to assess the effectiveness of your organization’s succession planning process? (Select all that apply)

- Organization doesn’t measure the effectiveness of its succession planning process
- Retention / attrition rates of succession candidates
- Percentage of key / critical roles filled by those in the succession pipeline
- Percentage of key / critical roles with at least one ready or one future successor
- Don’t know
- Percentage of ready-now versus ready-with-development candidates on succession plans
- Percentage of diverse talent on succession plans versus targets for gender, ethnicity, etc.
- Success rate of successor candidates after they take on their new roles (e.g., 90- or 180-day, or first year)
- Percentage of employees identified as high-potential talent versus target
- Percentage of internal versus external candidates on succession plans
- Movement rate of those in the succession pipeline (i.e., to ensure this top talent doesn’t experience...
- Percentage of key / critical roles filled by people from under-represented groups
- Percentage of employee population identified as high-potential versus industry benchmarks
- Other (please specify)

n = 2,225
18. To what extent are the following true of your organization’s succession planning process?

<table>
<thead>
<tr>
<th>Statement</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leaders accept/plan for advancement of their top talent</td>
<td>18.6%</td>
</tr>
<tr>
<td>Effects on teams headed by incoming or outgoing leaders are considered</td>
<td>16.3%</td>
</tr>
<tr>
<td>Emphasis is on building succession talent pools as opposed to focusing on a single successor (i.e., succession pools vs. 1:1 succession)</td>
<td>16.0%</td>
</tr>
<tr>
<td>Leaders are held accountable for ensuring development of those on succession plans</td>
<td>13.1%</td>
</tr>
<tr>
<td>The succession planning process is future-focused with job descriptions consistently modified to align with future expectations for each role</td>
<td>12.0%</td>
</tr>
<tr>
<td>The organization actively helps candidates not chosen for current succession by developing them for more appropriate internal roles.</td>
<td>8.5%</td>
</tr>
<tr>
<td>The number of high-potential talent and/or succession candidate designations is balanced with number of anticipated opportunities</td>
<td>8.0%</td>
</tr>
<tr>
<td>Succession pools reflect a desired proportion of diverse candidates</td>
<td>8.0%</td>
</tr>
<tr>
<td>Contingency plans exist to address situations where the succession candidate is no longer available (e.g., chose to accept a different position, leave the organization, etc.)</td>
<td>7.8%</td>
</tr>
<tr>
<td>The organization considers its external ecosystem of stakeholders (e.g., partners/customers) to help non-selected succession candidates find their next role</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

n = 2,196
19. Which of the following employee/candidate practices are part of your organization’s succession planning process? (Select all that apply)

- Succession candidates are encouraged to be accountable for their own development (52.3%)
- Individuals are permitted to self-nominate as succession candidates (34.2%)
- Development plans are highly personalized for each succession candidate (31.3%)
- Organization focuses on the skills candidates will need to advance (i.e., program looks beyond those “next in line”) (27.4%)
- High-potential employees and/or succession candidates may opt out of designated development programs (25.2%)
- Our organization does not follow any of these practices (22.4%)
- Organization actively provides support to assimilate successors into their new roles (21.1%)
- Individual/network connections are recommended for each succession candidate (19.4%)
- Organization maintains an up-to-date, company wide skills inventory (10.7%)
20. How likely is your organization to make the following changes to its succession planning process in the next 12-24 months?

<table>
<thead>
<tr>
<th>Change</th>
<th>Very likely</th>
<th>Somewhat likely</th>
<th>Not very likely</th>
<th>Not at all likely</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve the diversity of candidates in the succession planning process</td>
<td>20.6%</td>
<td>18.0%</td>
<td>10.9%</td>
<td>18.0%</td>
<td>37.9%</td>
</tr>
<tr>
<td>Take a more future-focused approach to succession by including both current and anticipated roles and / or skills</td>
<td>19.2%</td>
<td>17.5%</td>
<td>12.8%</td>
<td>9.8%</td>
<td>36.8%</td>
</tr>
<tr>
<td>Ensure talent planning is part of every business planning conversation</td>
<td>18.3%</td>
<td>20.8%</td>
<td>11.5%</td>
<td>12.6%</td>
<td>36.8%</td>
</tr>
<tr>
<td>Eliminate tenure (i.e., time in current role) requirements for succession readiness</td>
<td>18.1%</td>
<td>20.9%</td>
<td>19.6%</td>
<td>18.9%</td>
<td>36.8%</td>
</tr>
<tr>
<td>Create talent pools vs. focusing on 1:1 succession</td>
<td>15.1%</td>
<td>23.6%</td>
<td>20.0%</td>
<td>12.6%</td>
<td>28.8%</td>
</tr>
<tr>
<td>Broaden the pool of talent in succession plans beyond existing full-time employees</td>
<td>13.8%</td>
<td>25.2%</td>
<td>21.9%</td>
<td>14.3%</td>
<td>31.3%</td>
</tr>
<tr>
<td>Eliminate numeric ratings or rankings</td>
<td>13.5%</td>
<td>22.3%</td>
<td>21.9%</td>
<td>14.7%</td>
<td>27.7%</td>
</tr>
<tr>
<td>Change from multiple, time-based readiness levels to ready now and ready with development designations</td>
<td>9.9%</td>
<td>24.0%</td>
<td>21.9%</td>
<td>22.7%</td>
<td>24.7%</td>
</tr>
<tr>
<td>Eliminate the use of nine-box talent models as an output of the succession planning process</td>
<td>8.6%</td>
<td>9.6%</td>
<td>24.4%</td>
<td>20.7%</td>
<td>36.8%</td>
</tr>
</tbody>
</table>

n = 2,184
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