



DESIGNING SUCCESSION PLAN: A STRATEGY FOR ORGANIZATIONAL CONTINUITY

AN OFFICIAL CLIENT UPDATE OF PT HEADHUNTER INDONESIA



Stability of operational activities is crucial in order to keep the company floating. The key point lies in various aspects such as people, operation, and finance. Although these three key points are equally important, some companies still think that people are the most "compensable" aspect which resulted in lack of anticipation to its dynamics. People have their limitations, imagine if an employee was forced to manage several tasks exceeding their capabilities or skills because their previous co-worker resigned from the job and that position is important, no matter how bright they are, the output will not be at maximum level.

To succeed in a competitive market, organizations must plan ahead. One aspect that has big implication for continuity and success is a succession planning. This strategy is to identify vital business roles and create talent pipelines so the position will constantly handle. The objective is to ensure the smooth transition when leaders or employees leave, hence optimizing the overall organizational activities. Succession planning is important for all business within different range of size and industries, considering the uncertainty of challenges and and climate, the risks of business especially talent management are more likely open wide. Let's take a look back three or four years ago when unexpectedly, COVID-19 hit and became pandemic around the globe, which placed many businesses in a rough situation. Supply chain disruption, talent crunch, market downfall, and financial difficulties have altered the viewpoint towards work. Many people are considering early retirement or looking for better opportunities in a safer workplace that most

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likely had minimal impact caused by the pandemic. The result is businesses that are vulnerable left by their employees and must rely solely on their “loyal” one. In addition, according to [Forbes](#), there are 48 million people who quit their job to find better and safer opportunities.

Despite all the causes of employee’s turnover, companies must improve their ground strength at all organizational levels, including management and executives. Failure to do so, critical roles in business might be endangered due to lack of leadership or person in charge, therefore succession planning is necessary to tackle that situation. Succession planning helps leaders plan for the future and also helps them to keep top talent and provide a career path for highly-potential employees. This strategy can also create a snowball effect by increasing retention, engagement, and productivity. Succession planning also creates a diverse talent pool and helps to boost efficiency in the recruitment process.

Assessment

Succession planning is a resource-demanding strategy; hence companies are not required to plan all positions in the organization at the same time. Identifying key business challenges in the next 1-5 years is a good start to understand which critical position that might need stability upon attempting to win the market competition. After finding challenges that might happen in the near future, management should start mapping the position that could carry the organization to adapt. By understanding the challenges, companies can specify which competencies, skills, or knowledge that are essential for that specific position. For instance, At [Sonstegard Food](#), where the HR team identifies key position that are crucial for the company’s operation, such as dryer operators and plant maintenance workers who know how to make products and maintain specialized equipment, and these people possess an ability for mechanical, electrical, pneumatic, and computer system. The key is to know the specific skills that are essential and might be difficult to find in the competitive market of talent.

Evaluation

Succession planning is about readiness and preparation for incoming talent crunch, it can either develop potential existing internal employees or take a look for highly skilled talent outside the company.

Regardless, there is always a competency gap that needs to be fulfilled. Work dynamics are varied and different from one company to another in spite of the fact that those individuals are working in the same position and industry. Cultures, technology, peers, and specific skills are some aspects that usually become a gap for new people to fill in the required position. After carefully evaluating the highly potential employees and competency gaps that need to be reduced, management can start to predict and find a strategy to attract these talents. This strategy may vary from internal and external perspective, such as employer branding, company culture, compensation & benefit, and many more.

Development

The last step of succession planning is development, where companies carefully assess their potential employees’ abilities and compare it with the gaps, and what room of improvement that needs to be done. This process is very important because in the future, every individual has a different approach to develop themselves and companies should know that to make sure that learning and adaptation process is smooth. Through precise scrutiny, companies could in parallel prepare to develop targeted career development strategies, whether it is more feasible with management trainee program, leadership program, exchange, or even one-on-one coaching.

Conclusion

Continuity of an organization is very important for the business. Many companies wasted hundreds of thousands on inefficient hiring and retention processes because of lack of succession planning. By doing the opposite, a company can secure their organizational stability and minimize the gap that might happen if someone prior on a critical position is resigned. This strategy also helps to increase the company’s competitiveness in the market by keeping the institutional knowledge in the company.

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