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A GUIDE TO SUCCESSION PLANNING & RECRUITMENT

MOREPEOPLE



MorePeople

ABOUT MOREPEOPLE AND THIS PAPER

MOREPEOPLE IS A SPECIALIST RECRUITMENT BUSINESS FOR THE FOOD, FRESH PRODUCE, HORTICULTURE, AGRICULTURE AND RURAL PROFESSIONAL INDUSTRIES.

SINCE 2000, WE HAVE BEEN HELPING BUSINESSES IN OUR SECTORS WITH THEIR RECRUITMENT NEEDS AND BUSINESS PLANNING.

SUCCESSION PLANNING HAS BEEN A TOPIC WE'RE DISCUSSING MORE AND MORE. SO, WE HAVE DRAWN UPON OUR EXPERTISE AND REACHED OUT TO OUR CLIENTS FOR THEIR INPUT SHOWCASING REAL-LIFE EXAMPLES TO ADD COLOUR AND WEIGHT TO THIS DOCUMENT.

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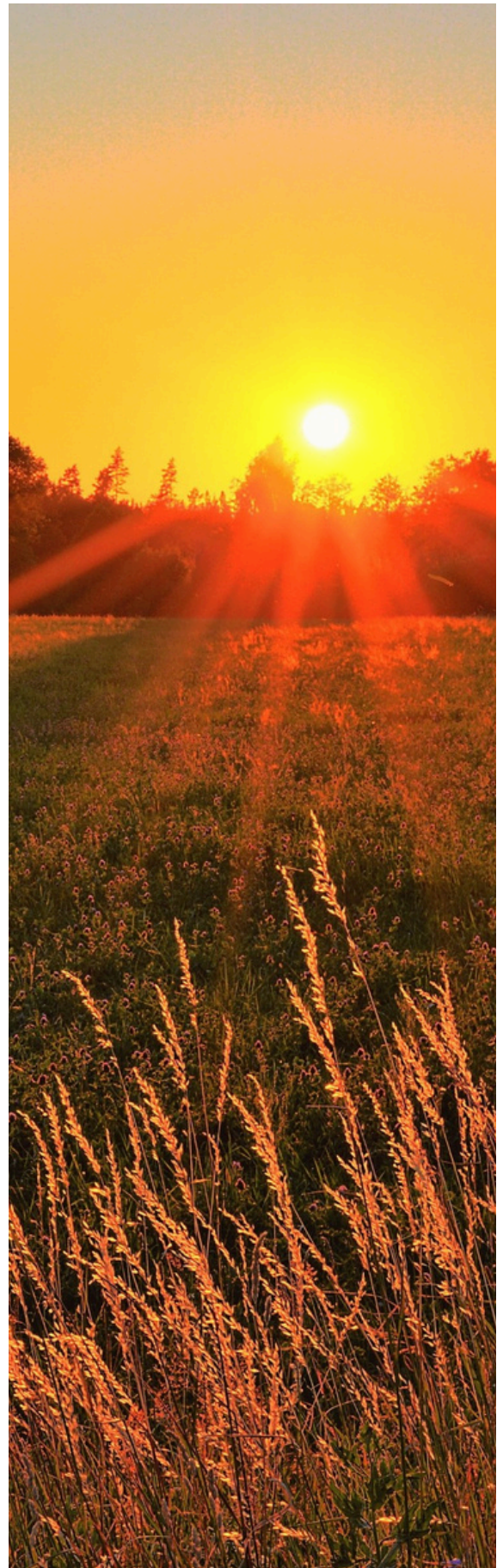
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INTRODUCTION

The ever-changing nature of workforce dynamics shaped by technological advancements, demographic shifts, economic changes and evolving attitudes towards work makes the necessity of succession planning and recruitment strategies more important than ever. Those in the pipeline to transition into critical positions need to be well-versed in current and future workforce dynamics. The shortage of talent in our sectors further exacerbates the issues surrounding succession planning.

Our report focuses on discovering the benefits of succession planning and how to create and implement an effective strategy.



SO, WHAT IS SUCCESSION PLANNING?

What do you need to be doing and what role does recruitment play in the process?

Succession planning is a strategic process that involves identifying and developing individuals within an organisation to ensure they are ready to take on key roles when the current incumbents leave due to retirement, promotion, resignation, or unforeseen circumstances.



The primary goal is to create a pipeline of talented and skilled employees who can seamlessly transition into critical positions, minimising disruption and ensuring the continuity of organisational success.

Succession planning typically involves assessing current talent, providing targeted training and development, and actively preparing individuals for leadership roles.

It's about replacing a leader with someone prepared for the role, with the potential to succeed, who can shift into the position both quickly and successfully (with added emphasis on successfully).

HOW DOES RECRUITMENT PLAY A PART?

Recruitment is the process of actively identifying, attracting, and acquiring qualified individuals to fill job vacancies within an organisation. It involves a series of activities, including sourcing candidates, mapping the market, understanding motives and skills - often talking to candidates and building rapport and knowledge over years. This results in conducting interviews, and making job offers.

The objective of recruitment is to bring in individuals with the necessary skills, qualifications, and cultural fit to contribute to the organisation's success.

Effective recruitment strategies consider the current and future needs of the organisation, involve various channels for talent acquisition, and aim to build a diverse and skilled workforce.

Recruitment plays a crucial role in meeting organisational objectives and maintaining a competitive edge in the market by ensuring the right people are in the right positions – including recruiting those who can move up into those critical positions as part of succession planning. Many companies will have their own recruitment teams or will source external help from agencies.

At MorePeople, this process of candidate sourcing is ongoing in one form 24/7/365. We have a team of 35 people talking to passive candidates every day - a massive asset to our clients.



THE BUSINESS CASE FOR SUCCESSION PLANNING

There are many benefits to having a well defined succession plan;

CONTINUITY OF LEADERSHIP

A succession plan ensures a smooth transition of leadership when key executives or leaders leave the organisation. This helps avoid disruptions and ensures that the company can continue its operations seamlessly.

TALENT DEVELOPMENT

Develop potential leaders within the organisation. This process encourages the cultivation of a strong talent pipeline, allowing employees to grow and advance within the company. This can boost morale and motivation among the workforce.

“

Succession should be high up on the agenda of every business owner, particularly in the current economic climate. Meticulous planning that is fully embedded into your business strategy ensures future-proofing and strategic continuity. It's imperative that business owners think about their options and take control of their exit route before it becomes forced.

Lee Humble, UK Head of Corporate Finance, Azets

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Fewer than one in ten UK businesses have succession planning fully integrated into their strategy, despite 30% of companies demonstrating a widespread recognition of its importance.

The Azets Barometer January 2024 Survey

KNOWLEDGE TRANSFER

Senior leaders often possess valuable institutional knowledge and experience. A succession plan facilitates the transfer of this knowledge to the next generation of leaders, preventing the loss of critical information and skills.

CRISIS MANAGEMENT & RISK MITIGATION

In times of crisis, or unexpected departures, having a succession plan in place allows the company to respond quickly and efficiently and help mitigate these risks. This is crucial for maintaining stability and confidence both internally and externally.

COST SAVINGS

Recruiting and onboarding external leaders can be expensive. Succession planning reduces the need for external hires by developing and promoting internal talent, potentially saving the company recruitment and training costs.

Organisations vary considerably in how far ahead they look when planning and taking action on current and future workforce requirements. 30% don't look beyond six months, while 17% are planning for over three years into the future.

Just 31% collect data to identify skills gaps and 28% to identify retention issues within the organisation. Fewer collect data to forecast hiring demands (21%) or to assess the availability/supply of talent in the market (16%)

EMPLOYEE ENGAGEMENT AND RETENTION

Knowing that there are opportunities for career progression within a role can enhance employee engagement and retention. Employees are more likely to stay committed to a company that invests in their development and provides a clear path for career growth.

ALIGNMENT WITH STRATEGIC GOALS

A well-structured succession plan is aligned with the company's strategic objectives. It ensures that the leadership team is capable of guiding the organisation toward its goals and adapting to changes in the business environment.

ADAPTABILITY TO CHANGE

In a dynamic business environment, companies need leaders who can adapt to change and drive innovation. Succession planning helps identify individuals with the skills and mindset necessary to navigate industry shifts and emerging trends.

ENHANCED BOARD AND STAKEHOLDER CONFIDENCE

A well-executed succession plan demonstrates organisational preparedness to stakeholders, including the board of directors, investors, and customers. This can enhance confidence in the company's ability to manage transitions effectively.



In comparison, there are many factors at risk without succession planning. Some worth noting...

1

LEADERSHIP VACANCIES

Without a succession plan, the sudden departure or retirement of key leaders can create leadership vacuums (when many people agree a problem exists, but there is no obvious person to solve this problem). This can lead to disruptions in decision-making, strategy execution, and overall organisational performance.

2

REPUTATIONAL DAMAGE

Poorly managed leadership transitions or a series of unexpected departures can harm the company's reputation among employees, customers, investors, and other stakeholders. This may erode trust in the organisation's stability and management capabilities.

3

LOSS OF INSTITUTIONAL KNOWLEDGE

Senior leaders often possess critical institutional knowledge and expertise. Neglecting succession planning increases the risk of losing this knowledge, making it challenging for the organisation to navigate challenges and capitalise on opportunities. It's so easy to say X person deals with this, and before you know it this one person has set up a whole process, been trained in relevant systems and how they are set up, that no one else knows.

4

SHORT-TERM FOCUS

The absence of a succession plan may lead to a short-term focus on immediate operational needs rather than long-term strategic planning. This can hinder the organisation's ability to build a sustainable and adaptable leadership team and hinder the growth of a company. Recruitment processes also take time, searching for candidates, multiple interview stages and notice periods can take months.

EFFECTIVE SUCCESSION PLANNING

I know why we need a succession plan, but where do I start?

- 1 Identify critical positions within your business
- 2 Identify talent
- 3 Develop future leaders

The overall timeframes and plans for succession planning should not be underestimated and businesses should factor in a minimum of 3 - 5 years ahead.

There should be full honesty and humility from the employee exiting, have the plan and have the discussions. The plans should be continually reviewed, making sure everyone in the process is clear on expectations and time frames.

Have forward thinking plans for the person who is leaving - can they be an ambassador, alumni, non-exec...?

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The purpose of a plan is never to deliver the plan.

The purpose of a plan is to deliver alignment and momentum to get people heading in the right direction and get moving so they go about delivering something meaningful

Sean Sankey

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HOW TO IDENTIFY CRITICAL POSITIONS WITHIN YOUR BUSINESS

Essentially, you need to identify which roles would have the greatest impact on your company's performance, and would also be the most difficult to replace. One tactic is to question each of your senior roles;

- **Is this role likely to be vacant soon due to retirement or impending promotion?**
- **Would this role being empty immediately impact day-to-day business operations?**
- **Does the person in this role require or have a unique skillset or knowledge base? Especially if it's a system an individual has built or the only person that has had specific training on**
- **Can you identify current employees who already possess the background and expertise to step up into this role?**
- **How difficult would it be to find external hires for this role, and how long would it take?**

Knowing the answers to these questions should clearly identify key areas to focus on.



*With critical roles we'd split them into which ones have a high degree of trained technical competency required (**specialist**) and those that require more transferable skills (**generalist**)*

- *Dovetails into combined Succession Planning and New Blood Strategy*
- *Getting the 'correct' balance between succession planning and new blood must be considered*
- *External talent pools of some roles are incredibly shallow*
- *Can be exacerbated by locality*

The Worldwide Fruit Exec team has 4 members who were promoted internally and 2 who joined from external businesses



TALENT IDENTIFICATION AND ASSESSMENT

To identify high-potential employees to step into critical positions you've now discovered you may look into;

- **Performance Reviews**
- **Career Development conversations with career pathways**
- **Feedback and continuous monitoring**
- **Personality profiling**
- **Considering the need for a multi generational workforce**

“

Being great at your job and being ready for the next job are two different things. A key skill is can they/will they be able to line manage people? We think this is hugely important.

Steve Maxwell *WORLDWIDE*  *fruit*

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Maybe you can't identify quite what you need, and you'll need to look at recruitment strategies to bring in the kind of talent you require. This can be a great way to find people who have the behaviours and traits required who also aspire to reach the positions you are planning for.



CREATING A SKILLS OR COMPETENCY MATRIX

A skills, or competency matrix is a framework used to map employees' skills and allows businesses to identify potential skills gaps within teams. It can be used to manage, plan and monitor existing or desired skills for certain roles, teams or projects - or an entire company - so perfect for succession planning and recruitment strategies - it allows us to see what kind of skill set we're looking for.

The matrix is usually used by HR Management to understand available knowledge in the company, identify gaps and plan accordingly.



CREATE A SKILL DATABASE

Define required skills for a role, department or project by gathering and grouping them into different categories and even subcategories. Be as specific as possible when determining what skills are needed, soft skills such as communication, teamwork and reliability are just as important as hard skill sets like knowing the technology and techniques.



CREATE A GRADING SYSTEM

A grading system is used for ranking the competence or skill level of users - when you have your list of skills you need to define how you will grade them in a way that makes sense for your business. You may have beginner, intermediate, experienced, or scores out of 10, for example.



EVALUATE YOUR EMPLOYEES' SKILLS

Using points mentioned on the previous page, you can grade your employees. You can also offer employees to self-evaluate, and even add an option for employees to select their preferred skills that they'd like to improve.



VISUALISE DATA AND REVEAL INSIGHTS

Using graphs and tables, or even looking into specific systems for this activity can provide you with clear, visual information of what skill gaps your business has as part of your succession planning. There are many competency matrix templates available online to get you started!

LEADERSHIP DEVELOPMENT PROGRAMS

Now you've identified and/or recruited your high-potential employees, how do you ensure you can develop them to the standard required, and retain them?

Encourage your employees to seek leadership opportunities – take on roles or projects to gain practical experience. This can be supported with;

- Training opportunities
- Coaching and mentoring
- Networking and relationship building
- Continuous learning & reading

Key skills to focus on:

- Delegating
- Decision making
- Conflict resolution
- Time management



fairfaxmeadow
putting great meat on the menu

“ Having mindset/emotional intelligence training available for a greater proportion of the business can help foster growth mindset.

Coaching and mentoring programmes should be included for both current incumbent due to exit and the person coming on board/being developed for that role - ensuring all parties are aligned - it's not to be underestimated the impact of the person exiting.

Ensure that the 'chosen' candidates have plenty of opportunity to have challenging opportunities so you can exploit their potential in different ways and see what they're made of.

Suzanne James, FairFax Meadow”

ALIGNING SUCCESSION PLANNING AND RECRUITMENT

Know how these two processes can work together and the importance of understanding the market.

Like any good recruitment process, it's important to have an agreement with stakeholders on what good looks like.

Failure to have a unified approach will, doubtless, lead to issues at offer stage (or worse, after a new candidate starts in post).

It would be easy to think that you can recruit your way out of any internal succession problem but in reality, this mightn't be the case. The more challenging and niche the role, the longer the role may take to fill so aligning any external succession plans with recruitment reality is going to be vital.

Understanding the mechanics of the candidate market will help with any recruitment strategy.

For our sectors, we have to recognise that we are in candidate-short markets. Therefore, when candidates do consider a move, they are likely to be blessed with many options (plus the inevitable counter-offer from their existing employer).

If we can recognise these dynamics then you can think about how to pitch your business, the career opportunities and the benefits that the company offers.

It is crucial that you showcase all of these things when you have the opportunity to meet a candidate.



HOW CAN RECRUITMENT CONSULTANCIES HELP?

When it comes to succession, we can think about the moves around the chess board months or years in advance.

Sometimes, to torture that analogy, we are able to plan several moves ahead. Get it right and, checkmate. This process sometimes takes years but it's what we are here for.

WE KNOW WHATS HAPPENING IN THE MARKET

Naturally, we are engaged in conversations with thousands of candidates and hundreds of businesses every single day. So we are a great barometer of what is happening in the market.

WE KNOW WHAT CANDIDATES ARE LOOKING FOR

We are attuned to candidate's needs and the trends for employee benefits, training and development.

WE KNOW WHAT SKILLS ARE HARDER TO COME BY

We have a heightened understanding of the availability (or usually scarcity) of candidates with certain sets of experience or product knowledge. This allow us to advise accordingly and plan to timescales.

WE CAN UTILISE THE STRENGTH OF NETWORK, QUICKLY

Most of the candidates we talk to are what we would call 'passive'. Ie they aren't looking to move jobs today but we get to know their aspirations and motives so that we can be in touch when the right role comes up.

USING PERSONALITY PROFILING IN THE RECRUITMENT PROCESS

Personality tests can significantly enhance succession planning by providing insights into the personal attributes and behavioral tendencies of potential leaders. These tests typically measure traits such as extraversion, agreeableness, conscientiousness, emotional stability, and openness to experience.

PREDICTING FUTURE PERFORMANCE

By understanding the personality traits of current leaders and comparing them with those of potential successors, organisations can better predict which individuals are likely to succeed in leadership roles.

STREAMLINED PROCESS

Personality assessments can quickly narrow down a large pool of candidates to those who are most likely to succeed, speeding up the recruitment process.

CAREER PATH CLARITY

When employees see a clear and fair path to leadership that considers their personality traits, they are more likely to be engaged and motivated.

TARGETED DEVELOPMENT

Insights from personality tests can guide personalised development plans, focusing on areas where potential leaders need improvement or further training.

STANDARDISED ASSESSMENT

Personality profiles provide a consistent and objective measure to evaluate candidates, reducing biases that can occur with traditional interviews.

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When it comes to making important decisions, having another reference point is always useful.

We all have our biases and sometimes we trust them, sometimes we challenge them. There are a number of tools available for personality profiling – these may help figure out ‘company fit’ better than just a gut feel.

Some training may be required to interpret personality profiles accurately. And they made need to be more widely rolled out across a business to give the comparisons and reference points required to make them useful.

Like anything else, personality profiles aren’t a silver bullet but they can help.

**Andrew Fitzmaurice, CEO,
MorePeople**

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CASE STUDY AND BEST PRACTICE

From Steve Maxwell & Anna Pike

WORLDWIDE  *fruit*

Succession planning is a fundamental of business, but don't overestimate how much control you have on people's own plans. Stay Agile.

Don't forget the importance of ensuring your Succession Planning fits in with your overall People and Culture plan, to deliver on Equality and Diversity, there needs to be an understanding of, and removal of unconscious bias - everyone gets a chance.

Once in a succession pathway with your chosen employees...

- Map out the career pathway including package steps
- Don't let the fear of people leaving stop you developing them
- Be wary of creating too many 'benchwarmers' as they will get frustrated
- Engage the senior management team so they don't see this as a threat to them individually
- A talent levelling exercise should be done annually as a minimum every 6 months as people and structures changes quickly
- Where you can and where it allows, utilise the Apprenticeship Levy.



AN EXAMPLE FROM WORLDWIDE FRUIT



First step was 6 months in People & Culture working across the business - not just in Operations where naturally we have the most people.

Now, they are in Finance with a project of improving our weekly Finance Ops reporting process.



Identified an employee working as a Quality Manager who had the talent and behaviours to grow into more senior positions in the business.

Created an Accelerated Learning Professional role - a two year programme of secondments.



Next, they will be seconded to Commercial and at the end of the two years, their skills and business awareness will have been greatly enhanced for their next role.

This gives WorldWide Fruit a pool of multi-skilled, experienced employees.



FUTURE TRENDS

“We should ensure that we keep up with industry innovation – many roles required in the future will be different to those we have now.”

Suzanne James, FairFax Meadow



“

When we asked Adam White – Head of Agriculture at Barclays a question about predicting the future on the MorePeople Podcast, he gave a sensible answer;

‘If I knew how to predict the future, I probably wouldn’t be here. I’d be on a beach in Barbados’.

Predicting future trends is notoriously tough but what can be ever-present, is an attitude to learning and being prepared to adapt. It’s been shown many times before that each generation brings with it new attitudes, approaches and technology – the companies and people who can learn quickest to make the most of them are usually the ones who win.

Growth mindset over fixed mindset.

It’s been said already in this paper, that it’s unusual to find a silver bullet, so try not to expect too much from future tools. They will form a part of the massive toolkit you need to employ.

That said, I think it’s fair to expect greater candidate mobility between sectors – to help improve the overall gene pool, create greater diversity in terms of thinking and bring new methods that have worked elsewhere.

We’re also likely to see growing numbers of candidates eschewing the traditional university route in favour of something different, so workforce’s and decision-makers will have to be more cognizant of their biases when recruiting and planning and be open-minded when considering all backgrounds.

The same will be true when it comes to all diversity, working preferences or neurodivergence.

Andrew Fitzmaurice, CEO, MorePeople

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CONCLUSION

In conclusion, succession planning is a multifaceted process that requires careful planning, ongoing commitment, and the integration of innovative assessment tools. By investing in these processes, organisations can secure their future leadership, maintain competitive advantage, and achieve sustained success.

The insights and strategies outlined in this white paper provide a roadmap for organisations to build a resilient leadership pipeline, ensuring that they are well-equipped to navigate the challenges of tomorrow.

If you'd like to discuss this report further, or need any assistance on your recruitment strategy, please do not hesitate to get in touch.

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Sean Sankey, Much Clearer

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