



## APPENDIX A

### TEMPLATE—SUCCESSION MANAGEMENT PLAN INSTRUCTIONS

# IT Succession Management Plan

(Template)

Month, Year

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*Below is a template for the IT Succession Management Plan (SMP). For each topic, there is a description to assist in completing each area. Keep in mind that these are guidelines to assist in the completion of your Department's IT SMP, your Department may decide to do some things differently, depending on what works best for your specific Department. Please see **Appendix B** for a sample of a Succession Management Plan.*

## **PURPOSE**

*The purpose statement describes the purpose of the IT SMP and provides an overview of how it will assist management in filling key management positions when they are vacated, how to identify the required skills, potential talent and supplemental training. Include the dates when the IT SMP will be implemented and include the activities of the IT SMP that will be on-going activities.*

## **INTRODUCTION**

*The introduction should include information giving some background on how the IT SMP fits into your department's strategic plan. In this section, provide information explaining why a IT SMP is needed, the information that will be included, the factors that will be addressed in the IT SMP, issues that have been identified, and the expectations of your department's management. In addition, include information on the effect of losing key leaders, without planning for their replacement.*

*Explain what your department plans to do to successfully transition and maintain continuity when key leaders leave the department. Some factors to include in the IT SMP would be:*

- *Key Positions Included*
- *Skills and Competencies Required of each Key Position*
- *Potential Internal Talent*
- *External Recruitment Strategies*
- *Career Development and Training Plans*
- *Inherent Risks*
- *Successful Implementation Factors and/or Measurements*

## **IDENTIFICATION OF THE KEY POSITIONS/FUNCTIONS**

*Identify the key positions that your department has chosen to be included in the plan. Each department will need to decide for themselves how best to determine what positions their IT SMP will focus on. A few suggestions for identifying and*

*determining key positions are: management discussions, future known vacancies, anonymous survey to all staff (gathering information such as when someone plans to retire, what classification they are in, etc), and conducting analyses of possible positions at risk.*

*A few questions to consider are: Where is your Department likely to lose employees in the coming years and which positions would be most difficult to fill or train for? Consider using a graph to display information.*

*Consider including information about the positions that were not included and why.*

*Once the chosen positions have been identified, state the scope of the IT SMP (i.e., IT senior managers only, all 4C employees, or all IT staff). Identify phases, if necessary. (Senior level first, next level after).*

## **CORE COMPETENCIES**

*In this area, describe what is important to your department for ensuring staff members are equipped for current and future leadership, management and technical challenges (i.e., skills assessment, training plans).*

*A few of these activities or processes include:*

- *Skill assessments and gap analyses*
- *Annual training plans*
- *Appropriate training budgets*
- *Utilization of budgeted training funds*

*The first step would be to identify the core competencies required for each of the positions identified. Some resources to assist in identifying core competencies are: obtaining copies of duty statements, position statements, conducting internet research, obtaining input from the leader/manager that is currently in that position, etc. Consider including competencies in the following areas: project management and business training, (such as budget planning, recruitment training, strategic planning), and any goals/values important to your department.*

*Document these competencies for each position using a Skill Assessment. See **Appendix C**. The skills assessment for each position will facilitate recruitment of potential internal and external candidates who have the skills necessary for the positions and to conduct gap analyses which will be a basis for the development of individual training plans. Organize the skill assessment in a logical sequence*

*and order. (i.e., separate the management competencies from the technical competencies).*

## **CANDIDATE/RECRUITMENT STRATEGY**

*After the detailed skill assessments are completed, the next step is to identify candidates with the potential talent and competencies to fill the key positions.*

*Describe the methodology for identifying internal and external candidates for the key positions. The identification of internal candidates could be accomplished by: senior management brainstorming sessions, discussions with managers, and self-nomination. See **Appendix F and H** for samples of Management Competencies Required By Position and Technical Competencies Required By Position. These documents may be helpful in conducting a preliminary review of potential candidates.*

*An external recruitment plan should cover the purpose of an external recruitment strategy for use in instances where the selection of internal candidates may not be feasible. The recruitment plan should include the challenges that may have an impact on hiring external candidates, and the various strategies planned to recruit external candidates.*

*See **Appendix J** for a sample of an External Recruitment Strategy.*

*Once potential candidates are identified, an assessment is needed to determine if their present skills, knowledge, and abilities meet the core competencies as stated in the Skill Assessment for that position. See **Appendix L** for a sample of a Potential Candidate Rating Sheet.*

## **CAREER DEVELOPMENT/TRAINING**

*Describe the career development activities and training required to successfully manage the replacement of leaders in the key positions. Each potential candidate must prepare a career development plan. The development of this plan will direct the specific training and development activities necessary to prepare the leaders to meet their future goals.*

*The career development plans must include:*

- *Assessments that have been completed that identify the candidates' strengths, challenges, gaps, and future goals*
- *Potential job reassignments*
- *Necessary management training*
- *Measurable performance goals*

*To be fully effective, a leader must also have management training and experience.*

- *Describe how the internal management and leadership training available through your department will be leveraged*
- *Include in your plans the incorporation of external training options. There are numerous external training associations that offer certificate programs and include classes in Management, Leadership, Communication, Project Management, Finance, Human Resources, and Training*
- *Identify additional methods that are planned for in achieving the needed skills, such as coaching and mentoring from management, job-shadowing, and rotational and developmental assignments*

*Finally, to ensure appropriate progress is made, monitor the candidate's progress on a regular basis (i.e., quarterly) to identify whether goals are being achieved and gaps are being closed as planned. Include the evaluation plan and timeline.*

See **Appendix N** for a sample of a Training Plan.

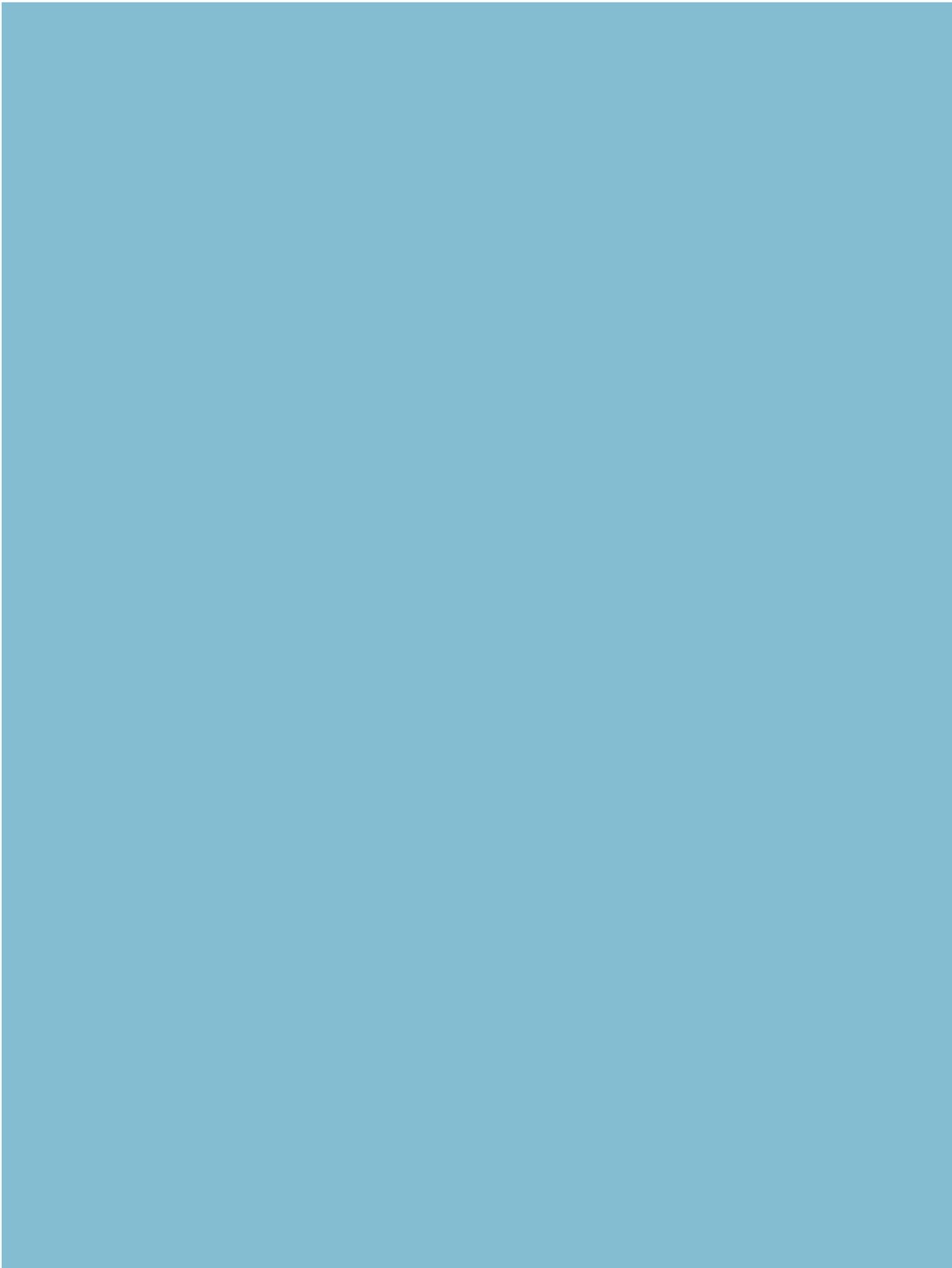
## **IMPLEMENTATION**

*Develop a timeframe (approximately 18-36 months) to implement the IT SMP. Identify and document the steps, including all deliverables (i.e., skill assessment, recruitment strategy, career development plans, training), including a timeline for each entry. Attach a copy of the implementation plan and timeline to the IT SMP.*

See **Appendix P** for a sample Implementation Timeline.

## **APPROVE/DISAPPROVE:**

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## APPENDIX B

### SAMPLE—SUCCESSION MANAGEMENT PLAN

# Information Technology Services Branch

## Succession Management Plan

February, 2006



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## PURPOSE

The purpose of the California Public Employees' Retirement System (CalPERS) Information Technology Services Branch's (ITSB's) Succession Management Plan (SMP) is to clearly identify and document the methodology, approach, and processes to be followed in order to carry out ITSB's Succession Management Strategy. The SMP will help ITSB management identify the required skills, potential talent, and supplemental training needed to efficiently and effectively fill key management positions when they are vacated. The SMP will be implemented in April, 2006 and completed in January 2007 (See Attachment 1). The staff training, mentoring, evaluating and recruiting process will be on-going.

## INTRODUCTION

The CalPERS Executive Staff adopted a Succession Management Strategy in October, 2004. Proactive succession management planning was identified as a key strategy for addressing a number of critical Human Resource issues facing CalPERS over the next several years, including:

- Aging of the workforce
- Tight labor markets
- Fast-paced changes in work
- Need for a diverse workforce at all levels

The loss of key leaders, without adequate replacements can significantly impact the strategic direction, goals, and objectives of an organization, delay or alter critical decisions, and jeopardize operational continuity whether in the program lines of business or support organizations such as Information Technology. To help mitigate risk and minimize the impact of issues such as those identified above, Succession Planning is mandatory for any well managed organization. The ITSB has adopted the following SMP process to successfully transition and maintain continuity when key leaders leave the organization. The Plan must identify and address the following factors:

- Key Positions/Functions
- Skills/Competencies Required
- Potential Internal Talent
- Career Development/Training
- Inherent Risks
- Successful Implementation

The primary focus of the SMP is to develop strong management skills and attributes for several key positions within ITSB, the plan is general enough in nature to support leadership development and career planning for all ITSB employees and is based on our values of quality, respect, integrity, openness, and accountability.

## KEY POSITIONS/FUNCTIONS

ITSB identified eight key positions for inclusion in Succession Management planning. The key positions were identified as those positions which exert critical influence on organizational activities — operationally, strategically, or technically. The key positions identified are:

1. Assistant Executive Officer, ITSB
2. Division Chief, Technology Services & Support Division
3. Division Chief, Innovation Services Division
4. Section Chief, Data Center
5. Section Chief, Application Development & Support
6. Chief Database Administrator
7. Chief Architect
8. Chief Research & Developer (R&D)

## LEADERSHIP COMPETENCIES REQUIRED

To support ITSB Senior Management's vision of an adaptable IT workforce, the ITSB organization must ensure personnel have opportunities for personal development and highly relevant technical skills enhancement. Critical activities or processes for ensuring staff members are equipped for current and future technical challenges include:

- Skill assessments and gap analyses
- Annual training plans
- Appropriate training budgets
- Utilization of budgeted training funds

A skill assessment must be performed for each of the eight identified key positions. By identifying the skills required for each position, ITSB management can focus on developing annual training plans for staff's succession into these critical positions. ITSB has adequate training funds available to assist in the Succession Management program.

In addition to technical training, the ITSB organization can more effectively align with the business areas by providing business training for ITSB staff; particularly those staff engaged in improving business operations. Business training will help IT staff better understand customers' business challenges and needs in the following areas:

- Strategic Planning
- Communications
- Financial Management
- Hiring Practices & Accountability
- Project Management
- Mentoring

Future ITSB leaders should possess a commitment to values, learning ability, and management and/or supervisor competencies. They should consistently demonstrate CalPERS core values, have the ability to learn and perform new skills, possess competencies at a level beyond their current roles, and demonstrate excellent performance across varied assignments.

Comprehensive IT strategic planning is critical for ensuring that ITSB utilizes technology to best serve our clients' ever-changing needs. Strategic planning identifies future IT needs and goals and provides a clear roadmap for ITSB to achieve those goals. Recently, ITSB developed a Strategic Information Systems Plan (SISP) which is currently driving the Enterprise Architecture, major projects, and direction of ITSB for the

next few years.

Effective verbal and written communication skills are also necessary in order for ITSB's leaders to not only communicate internally with the ITSB staff, but also communicate externally with our clients, Executive Staff, and the CalPERS Board. ITSB implemented a Communication Plan that the eight key positions must embrace and support. In order for the Communication Plan and the Succession Management Plan to be successful, the key positions must communicate the goals, importance, and impact of the Succession Management Plan on internal and external staff.

ITSB maintains a multi-million dollar budget and is responsible for the purchase and maintenance of all CalPERS hardware and software. Efficiently procuring strategic technology products, successfully utilizing ITSB resources, effectively managing large Enterprise projects, and effectively managing the IT budget require strong financial and project management skills. Therefore, it is critical that ITSB leaders be trained and skilled in each of these areas.

The ability for ITSB Management to hire and retain qualified and motivated staff members is critical to our success. Therefore, our leaders must demonstrate their abilities to effectively execute our recruitment and retention processes including:

- Identifying and hiring qualified staff members. This includes carefully reviewing resumes and effectively conducting interviews prior to providing hire/do not hire recommendations;
- Establishing performance goals and objectives to facilitate staff members' professional growth. In addition, proactively assisting staff members in achieving their goals and objectives;
- Holding staff accountable for their actions including providing positive reinforcement to staff members when warranted and providing guidance/counsel when staff members are not performing according to expectations;
- Encouraging staff members to participate in professional development opportunities such as training and certification programs;
- Fostering a positive, team-oriented, high-performance work atmosphere;
- Leading by example (such as by personally following ITSB's policies, procedures, and standards);
- Avoiding 'favoritism' (or the appearance of favoritism). Providing an environment where staff are solely evaluated and rewarded on the basis of the performance of their work (per their job function) and their contributions to the ITSB organization.

ITSB leaders must understand how to effectively manage information technology projects and ensure they are completed on-time, within budget, and meet or exceed CalPERS program area customers' expectations and ITSB's standards. The leaders must understand and follow a structured project management approach such as the methods defined by the Project Management Institute's (PMI's) Project Management Body of Knowledge (PMBOK). The approach must include formal mechanisms for managing:

- Risk, Issues, and Actions
- Quality
- Configuration/Change
- Schedules
- Communications
- Resources
- Financials

In addition, the leaders must demonstrate that they can effectively manage projects utilizing automated project management (PM) tools to:

- Identify project phases, tasks, and activities;
- Define task/activity interdependencies;
- Assign/load resources in a 'balanced' manner;
- Estimate task/activity durations;
- Assign and schedule key project milestones;
- Establish appropriate review cycles;
- Ensure the project timeline and resource loading are feasible and the project can be completed as planned;
- Track project performance using metrics and project management concepts such as 'earned value'.

Another important skill for ITSB managers to possess is the ability to effectively mentor other staff. In order for the Succession Management process to continue, we must have leaders who can effectively train, share knowledge with, and mentor other staff in the technical and management competencies. Succession Management must be a continuously evolving process in order to facilitate individual advancement while addressing the need for critical backup resources for the key positions.

The leadership competencies identified above must be incorporated into a performance management process such as the Metrics system currently being implemented throughout ITSB. These competencies, and the measurements of them, can be used to facilitate the identification of our future managers, supervisors, and leaders.

***Timeline:*** A detailed skills assessment for each of the key areas will be completed by September 30, 2006.

## POTENTIAL TALENT/RECRUITMENT STRATEGY

After the detailed skills assessment is completed, the next step in ITSB's Succession Planning process is to identify candidates with the potential talent and competencies to fill the key positions. The Executive Staff's long-term goals are to grow the capabilities of the current leadership team, develop new leaders, and maintain and build the intellectual capital of the organization. Not only will ITSB develop internal leaders, but it is imperative that we recruit external new candidates as well. The skills assessment for each key position will facilitate ITSB's recruitment of potential internal and external candidates who have the skills necessary for the positions.

ITSB will partner with the Human Resources Services Division (HRSD) to utilize the 360° Leadership Feedback Survey, Leadership Skills Assessments Program, and Leadership Acceleration Workshops for identified internal candidates. These three programs will assist ITSB in identifying the existing skills of current staff, understanding their desired career paths, and initiating the training process to fill any skill gaps.

The 360° Leadership Feedback Survey provides feedback on areas of strength and areas for improvement. The program enables leaders to work with a coach to develop leadership goals and action plans which promote work effectiveness through self-awareness and honest communication.

The Leadership Skills Assessment (LSA) is a development activity which helps in the evaluation of managers' readiness to lead. Managers identify their strengths, weaknesses, and requested career paths. A leadership group then discusses and evaluates each participant to rate his/her readiness to lead and identifies the experience/training necessary for the participant to become a viable leader. At the completion of the LSA program, leaders should enhance their executive/management development through on-the-job experiences and training programs.

Leadership Acceleration Workshops help managers develop strategic thinking, decision-making, and leadership skills. The workshops will help ITSB Senior Management identify and support the potential internal talent to take over the key leadership positions when needed.

Finally, external recruitment will provide ITSB with a strong candidate pool for the identified positions. By utilizing the skills assessment process and partnering with HRSD for broad recruitment needs, ITSB will be able to find the best candidates for the positions.

***Timeline:*** *ITSB management will meet and discuss potential candidates for the above programs by December 31, 2006. From that point, the identified potential candidates will participate in the appropriate leadership identification and advancement programs offered by HRSD. In addition, the candidates will participate in the career development/training activities identified in this plan. Open recruitment for key positions will be on-going.*

## CAREER DEVELOPMENT/TRAINING

ITSB must identify career development activities and additional training required to successfully manage the eventual replacement of leaders in the key positions. The career development plans must include:

- Completed Leadership Skills Assessment
- Potential job reassignments
- Necessary management training
- Measurable performance goals

Each potential candidate must prepare a career development plan. The career development plan will include the completed Leadership Skills Assessment that identifies the candidates' strengths, challenges, gaps, and future goals. In addition, job reassignments may be necessary in order to improve leadership development over cross-functional areas.

One of the most important aspects of IT career development is effective management training. Most IT leaders have strong technical backgrounds; however, staff management training and experience is crucial for a leader to be fully effective. There are numerous external training associations that provide certificate programs in Management & Supervision. The training associations offer certificate programs that include classes in Management, Leadership, Communication, Project Management, Finance, Human Resources, and Training. Also, VanWrite, a writing communication class, is currently being taken by all ITSB management.

In addition, CalPERS All Staff Training provides management courses that can be leveraged for the potential candidates' career development plans. CalPERS All Staff Training offers three different leadership classes:

- L.E.A.D.E.R.
- Lead By Example
- Maximum Results

The internal classes provide IT management with CalPERS-specific management and supervisory training. These classes, when appropriate, will provide additional insight and training for the candidates.

During the creation of each candidate's career development plans, their strengths, gaps, and career plans will direct the specific training and development activities necessary to prepare the leaders to meet their future goals.

In order to ensure that the career development plans and training are successful, the following must occur:

- Set measurable performance goals
- Coach and mentor
- Evaluate goal attainment

Each potential candidate that is interested in participating in ITSB's Succession Management Plan must set measurable performance goals that will close the gaps in and/or strengthen existing skills and competencies. The candidates will develop performance plans, similar to the Career Executive Assignment (CEA) plans, which identify their goals, timeframe, and success criteria.

ITSB Senior Management and Executive Leadership must coach and mentor the candidates for continuous improvement. Continuous discussion with the candidates will

exert a positive influence in their motivation, performance, awareness for improvement, and development and will help them be as effective as possible.

The goals defined in the performance plans will be evaluated on a quarterly basis to ensure appropriate progress is made. The evaluation process will identify whether goals are being achieved and gaps are being closed as planned. Some candidates may drop from the “potential talent” category if appropriate progress is not being made while other candidates may be added to the pool.

**Timeline:** *After candidates are selected, career development plans with measurable performance goals will be developed by each individual with review and input provided by ITSB Management. The career development plans will be completed by June 30, 2007. The evaluation of the plans will be performed on a quarterly basis beginning in September, 2007 as the first quarter review. Coaching and mentoring will be performed on an on-going basis by the Senior Management and Executive team.*

## IMPLEMENTATION

Rapid implementation of the SMP is critical to ITSB’s future success. Therefore, an aggressive, yet achievable, implementation timeline will be followed to ensure the SMP is fully and successfully implemented by the end of 2006. Once implemented, the plan will enable ITSB to better manage the replacement of leaders who leave key positions by proactively identifying the skills needed for the positions and determining the best potential candidates to fill the positions. In addition, the plan will foster improved retention of existing employees by providing them with expanded growth opportunities and professional challenges. Finally, the plan will facilitate the attraction of new talent by providing potential candidates with clear career path opportunities and a structured process for advancing within the ITSB organization.

Following is the SMP implementation timeline:

<b>Deliverables:</b>	<b>Timeframe:</b>
1. Detailed skills assessment for key positions	September 30, 2006
▪ Interview staff in existing key positions	30 days
▪ Identify necessary technical skills	30 days concurrent
▪ Identify necessary management skills	30 days concurrent
▪ Determine whether skills are ‘required’ or ‘desired’	15 days
▪ Develop written skills assessment for each position	90 days
▪ Review/Modify with ITSB Senior Management	15 days
2. Potential Talent/Recruitment Strategy	December 31, 2006
▪ Identify potential internal talent for each position	15 days
▪ Map potential talent’s skills to requirements for key positions	15 days
▪ Identify gaps (no viable internal talent available)	7 days
▪ Develop external recruiting strategy	30 days
▪ Obtain ITSB Senior Management approval	15 days
▪ Notify internal talent of candidacy for positions	7 days
▪ Begin executing external recruiting strategy	On-going
▪ Partner with HRSD on Leader Training	Immediate

3. Career Development Plans/Training	June 30, 2007
▪ Identify candidates' strengths, challenges, gaps, and future goals	30 days
▪ Determine potential job reassignments	15 days
▪ Prepare career development plans (candidates)	30 days
▪ Complete Leadership Skills Assessment	HRSD schedule
▪ Complete training plans (including CalPERS All Staff training offerings, technical training, and management training required)	60 days
▪ Establish performance measures and goals	30 days
▪ Include performance goals in metrics system	15 days
▪ Conduct coaching and mentoring	On-going
▪ Evaluate progress toward goal attainment	Quarterly

After completion of the potential candidates' career development plans, ITSB Management will provide the candidates with reviews, training, and mentoring on an on-going basis to ensure continuous improvement of the candidates' skills, knowledge, and capabilities. In addition, a clear recruitment strategy for new talent will enable ITSB to more easily entice and attract the best people for these critical positions.

#### **APPROVE/DISAPPROVE:**

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Gloria Moore Andrews  
Deputy Executive Officer, Operations

#### **ATTACHMENT**

*Attachment 1: Succession Management Plan Implementation Timeline*

