

LEADERSHIP DEVELOPMENT AND SUCCESSION PLANNING

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What Is the Current Environment?

- Laboratories are strained.
 - » We are entering a second three-year round of Protecting Access to Medicare Act (PAMA) reimbursement cuts.
 - » Laboratories face issues with a shortage of skilled or experienced personnel.
 - » Laboratories are constantly challenged to do more with less.

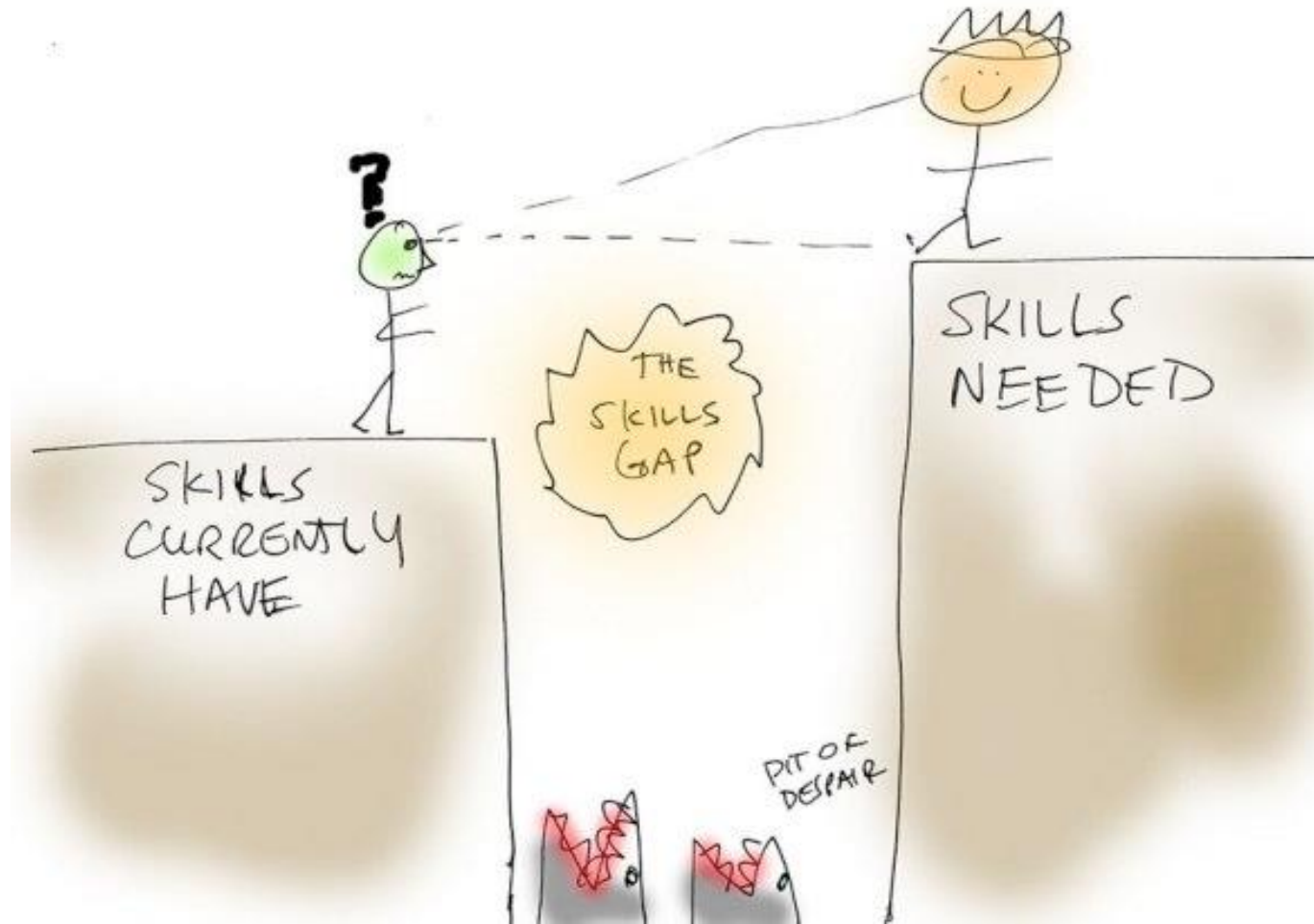
Staffing Concerns

- The Bureau of Labor Statistics reports that employment of medical laboratory scientists and technicians is expected to grow by 13%, from 330,600 in 2010 to 373,500 in 2021.
- This translates into about 11,300 openings annually.
- Fewer than 5,000 individuals are graduating annually from accredited medical laboratory science (MLS) and medical laboratory technician (MLT) programs. The number of Histology Technician and Cytotechnologist programs is limited.
- We have known for some time that the current workforce is getting older. In 2020, the mean age of laboratory personnel was 49 years.
- Results show that the projected retirement rate for supervisors and managers is higher than that for testing/bench-level staff.
- Sources:
 - » Lab Testing Matters, April 4, 2017
 - » ASCP, June 2021
 - » Annual ASCP Wage and Vacancy surveys

Importance of Retention

- There are traditional, direct factors that we think about (wages, benefits, etc.).
- Don't overlook the impact of soft factors such as feedback, letting someone know how they are doing, clear expectations, and acknowledging employee contributions to improvements.
- *Employee development, training, continuing education, and mentoring can prove beneficial in retaining staff.*

Our Goal/Purpose



<https://trcstaffingblog4.files.wordpress.com/2011/10/6a00d8341c6d1353ef00e5519458c18834-800wi.jpeg>

What Is Succession Planning?

Succession planning is not open-position related – it is an ongoing process.

- Preparing your best employee for promotion

True

False

- Identifying the best person to replace you

True

False

Succession Planning vs. Replacement Planning

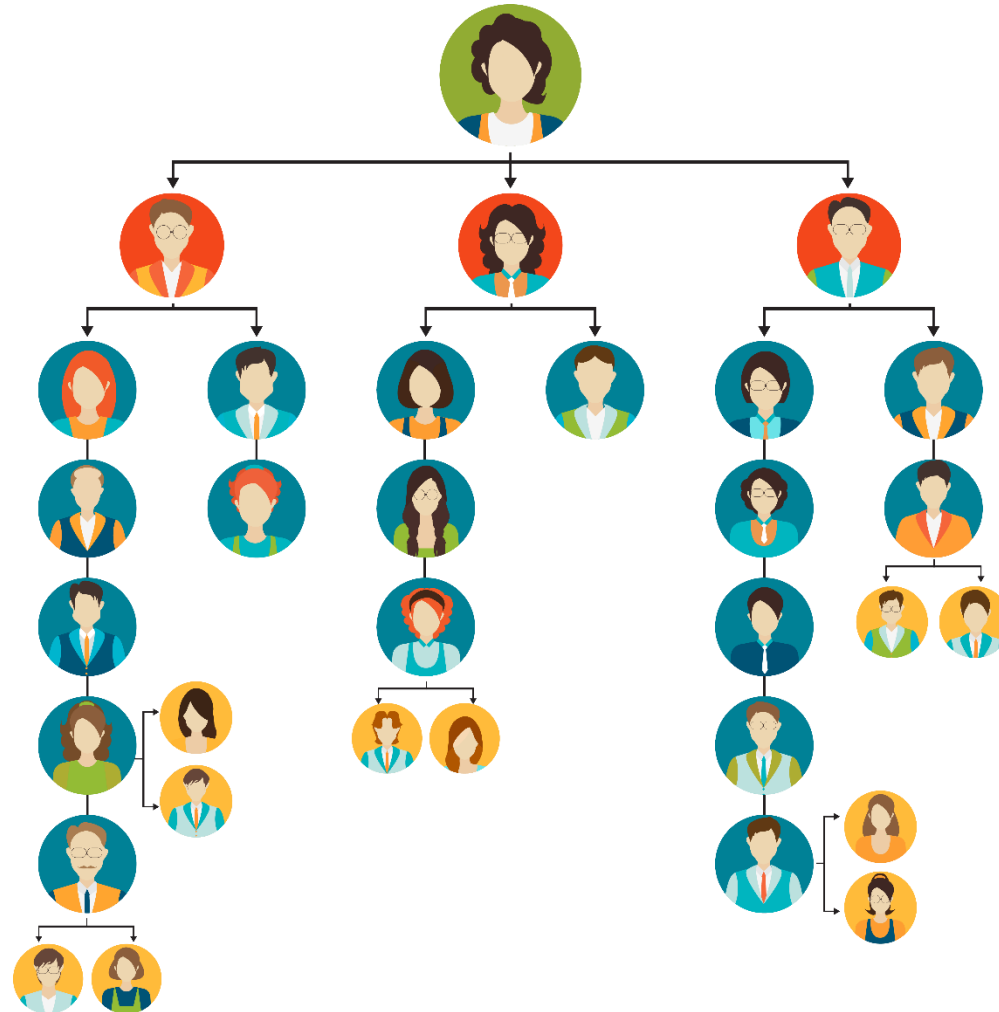
Replacement Planning

- Reactive
- Form of risk management
- Substituting
- Narrow approach

Succession Planning

- Proactive
- Planned future development
- Renewing
- Broader and organized

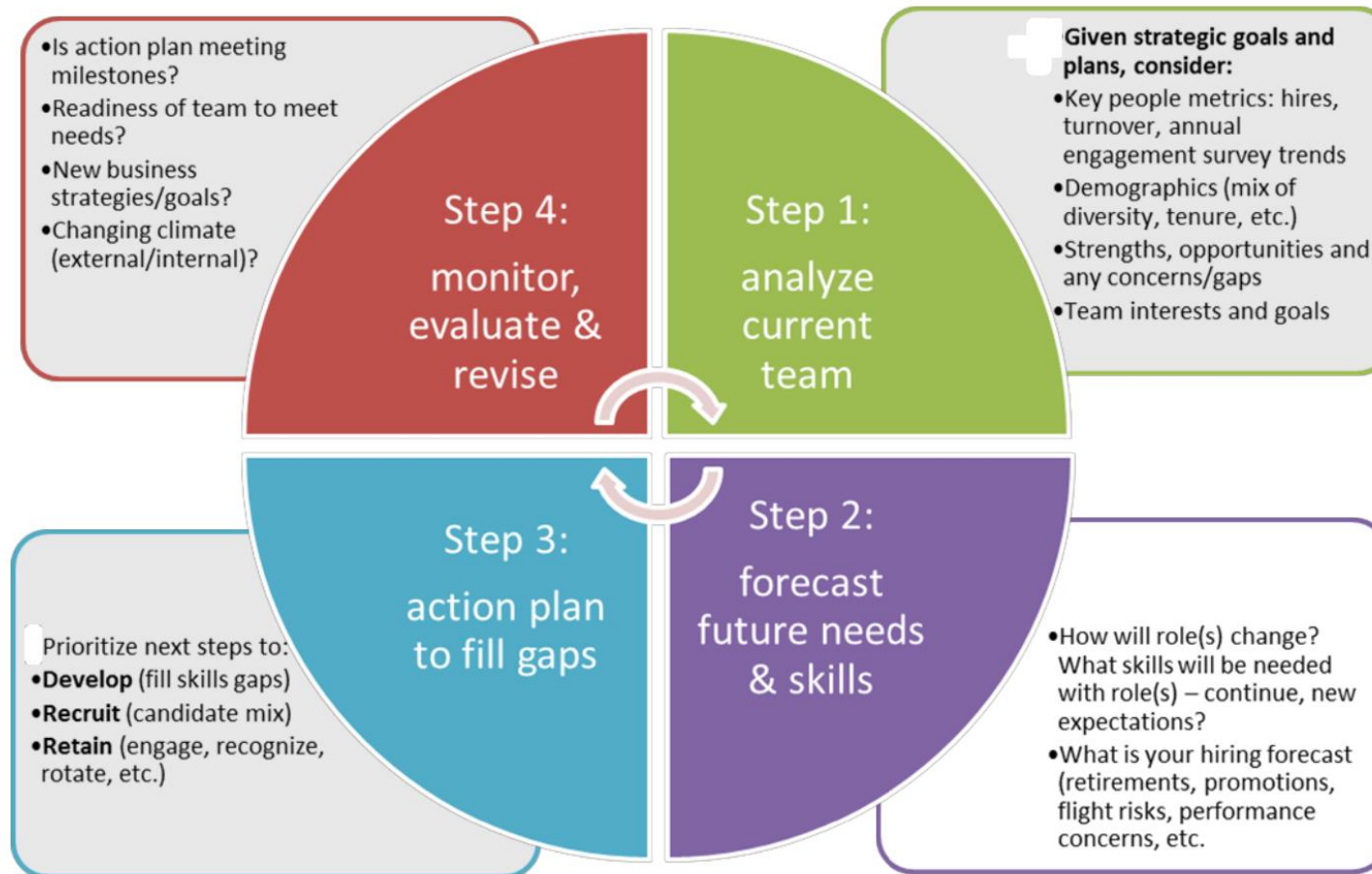
Changing Our View on Succession



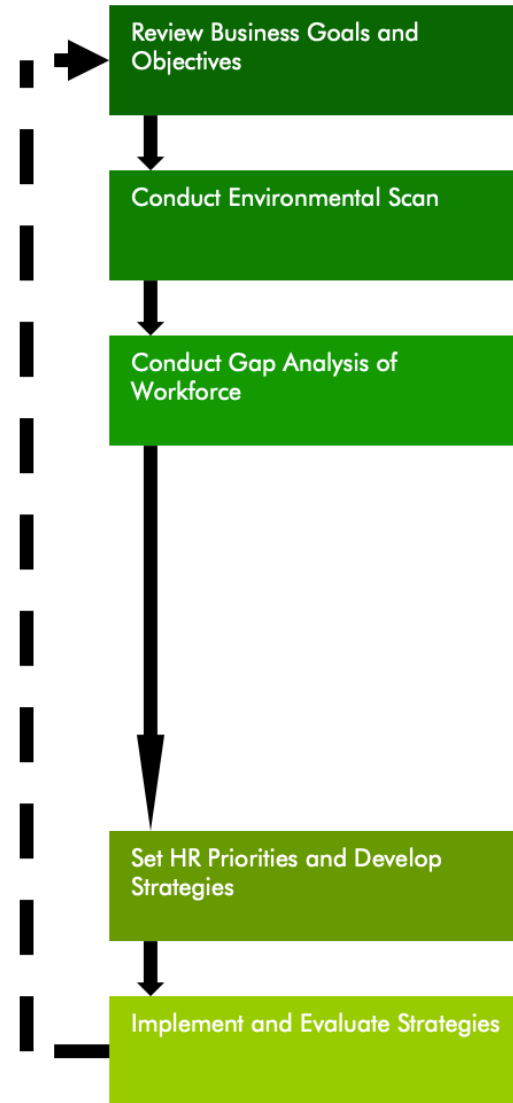
Business Case for Succession Planning

- Reasons for engaging in succession planning include the following:
 - » Adapting to demographic changes and talent scarcity
 - » Identifying skill gaps and training needs
 - » Retaining institutional knowledge in a knowledge economy
 - » Boosting morale and retention by investing in employees
 - » Replacing unique or highly specialized competencies

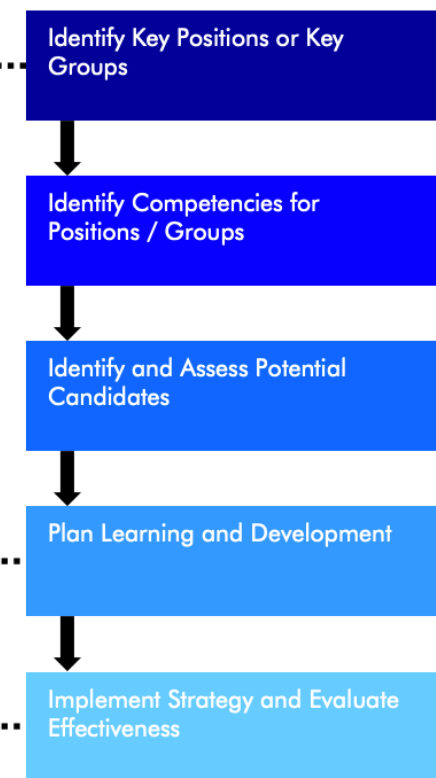
Steps in the People Planning Process



Human Resource / Workforce Planning



Succession Planning Process



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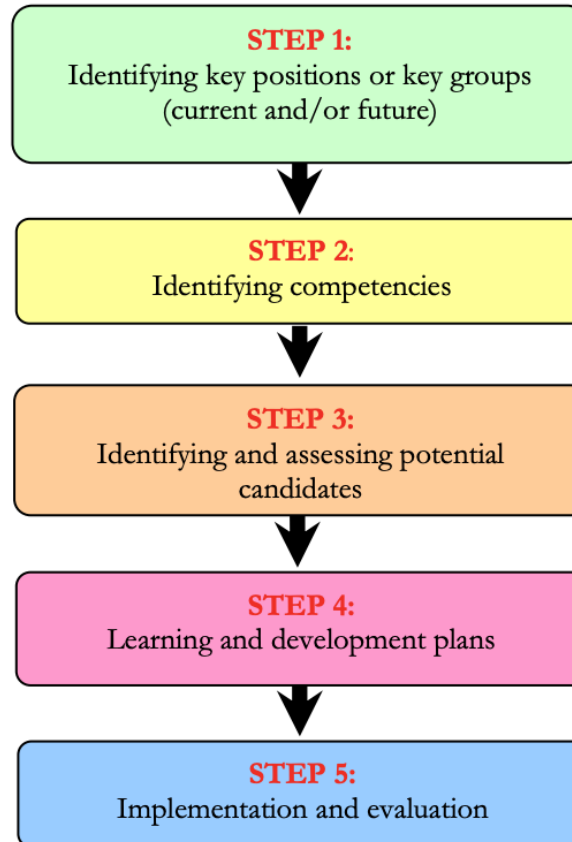
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Keys to Succession Planning

- Start with a strategy.
 - » Goals, values, needs, scope
 - » Determine how to measure.
- Focus on the entire organization.
 - » Look at all levels.
 - » Larger, long-term talent pool
- Develop a talent pipeline.
 - » Focus on hiring, mentoring, and communication.
- Consider all factors—comprehensive assessment.
 - » Who is responsible for process? Lab leader plus HR?
 - » Timeline

Succession Planning Process

It is important to acknowledge that succession planning will vary slightly between organizations. Different resources, different organizational designs and different attitudes all mean that succession planning should be flexible and adaptable in order to accommodate varying needs and achieve business continuity. However, there is a general framework that departments can use as the basis and guide for their succession planning activities. This framework involves:



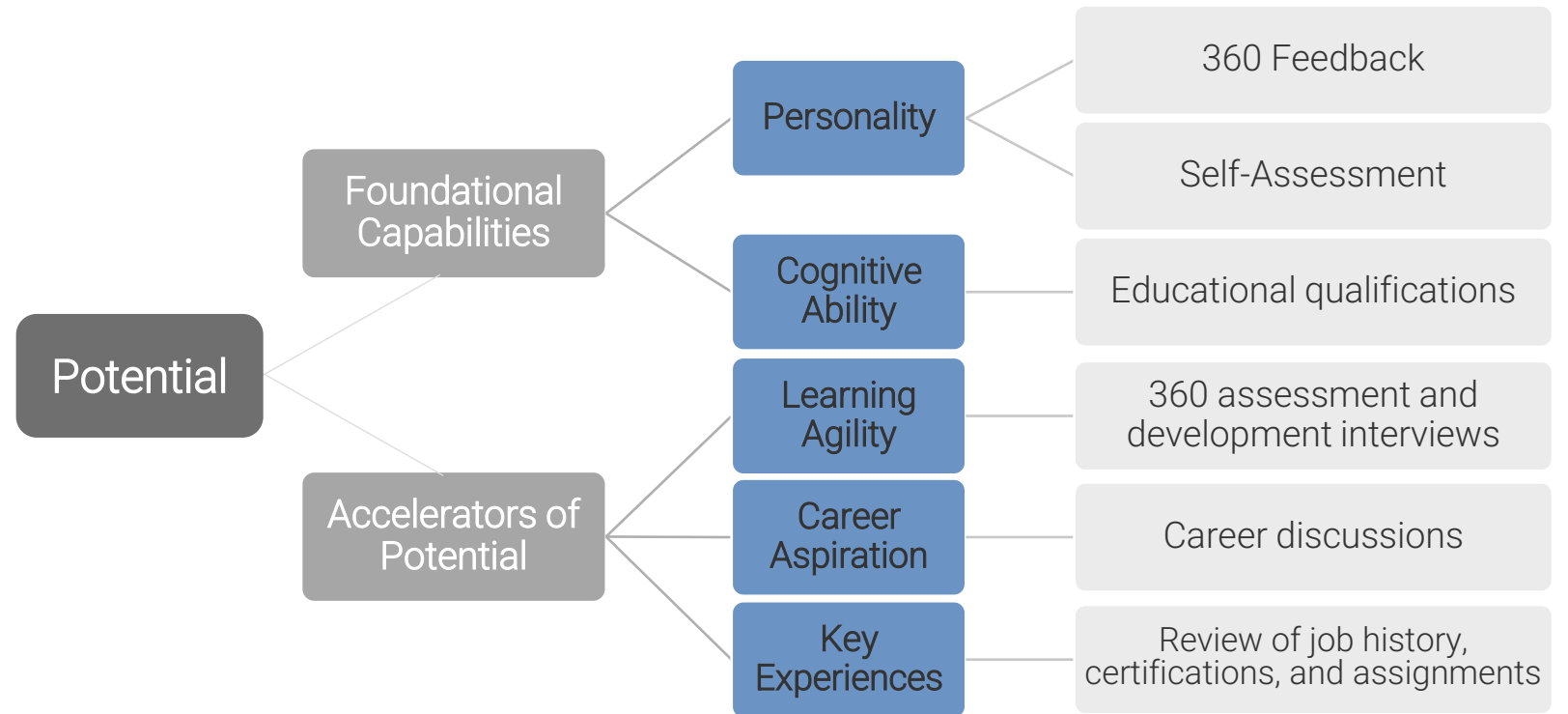
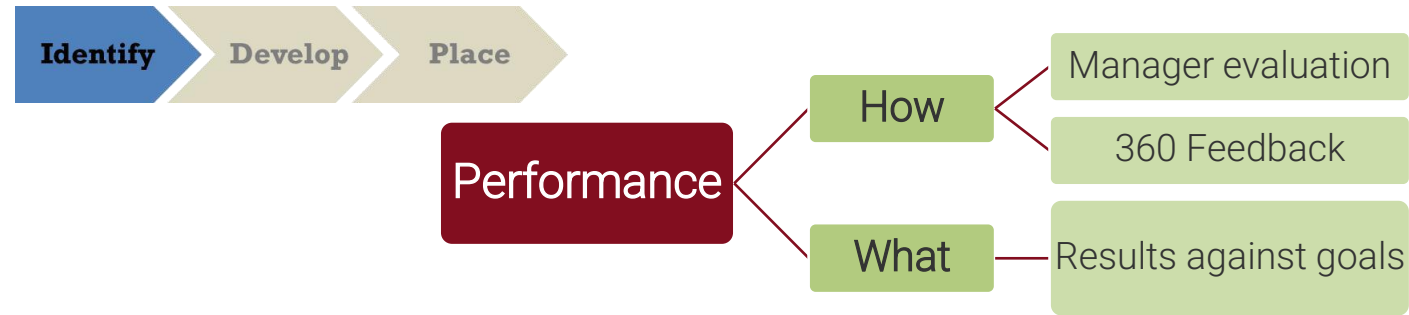
Succession Planning Framework



Succession Planning Framework

- Identify purpose/goals/objectives: Identify specific goals for the succession planning effort.
- Define competencies (knowledge, skills, abilities, and personal characteristics) that are essential for the role(s) targeted for the succession planning effort.
- Assess employee performance/potential, often referred to as a “talent review.”
- Identify candidates.
- Accelerate development.
- Build support system.
- Evaluate succession program.

Identify



Ongoing Process



- Conduct career development discussions
 - » To assess potential and confirm aspirations
- Conduct mini talent review
 - » To review/calibrate data and plan next steps
- Build development plan
 - » To develop critical requirements for next level

Pick the **RIGHT LEADERS** for Tomorrow's Game

Every leader should invest in identifying and developing their organization's next generation of leaders. However, some roles are so critical to the organization's future success that they warrant a formal succession plan.

Health care organizations that don't have an effective succession planning process face two risks. First, these organizations may fail to achieve their strategic priorities because critical roles are vacant. Second, senior leaders may select future leaders who aren't necessarily the talent the organization needs for tomorrow's challenges.

You can build an effective succession planning process for your organization by following these four steps:

- 1 Pinpoint future leadership gaps
- 2 Identify top talent
- 3 Customize high-potential development
- 4 Personalize onboarding for internal promotions

Here's your game plan for how to implement these four steps.

Pinpoint Future Leadership Gaps

Challenge

- 45% of health care executives are over the age of 55, so many will be approaching retirement age soon
- Retirement risk alone won't tell you which positions need succession plans—you also need to consider each position's future importance

Sample Tactics

- Identify a short list of leadership positions that are critical to the organization's success—roles where the organization would face serious strategic or operational shortfalls if the position was vacant for more than two weeks
- Prioritize critical positions that have a high vacancy risk and would be difficult to fill quickly

Customize High-Potential Development

Challenge

- To prepare for next-level roles, high-potential staff need a variety of opportunities that may be unavailable within the current scope of their responsibilities
- Senior leaders have a rational incentive to hoard talent and may not be willing to free up their best people for a new opportunity

Sample Tactics

- Expose high-potential talent to various career paths and development opportunities across the organization—not just within their own department
- Develop a slate of successors for critical positions; include talent outside of the incumbent's department or facility
- Give supervisors a "cheat sheet" of opportunities to help them customize a development plan for their high-potential staff

Identify Top Talent

Challenge

- Due to rating inflation, performance evaluations alone rarely identify top-performing leaders
- Leaders often use their own definition of "high potential" when considering which people could succeed in next-level roles—meaning some high-potential talent will be missed (and some employees identified as high potential may not be)

Sample Tactics

- Limit your high-potential pool to no more than 10% of the leaders you want to prepare for next-level roles
- Develop a standard assessment of potential and host a talent calibration discussion to identify top talent
- Help diverse staff navigate barriers to promotion with peer cohorts and sponsorship

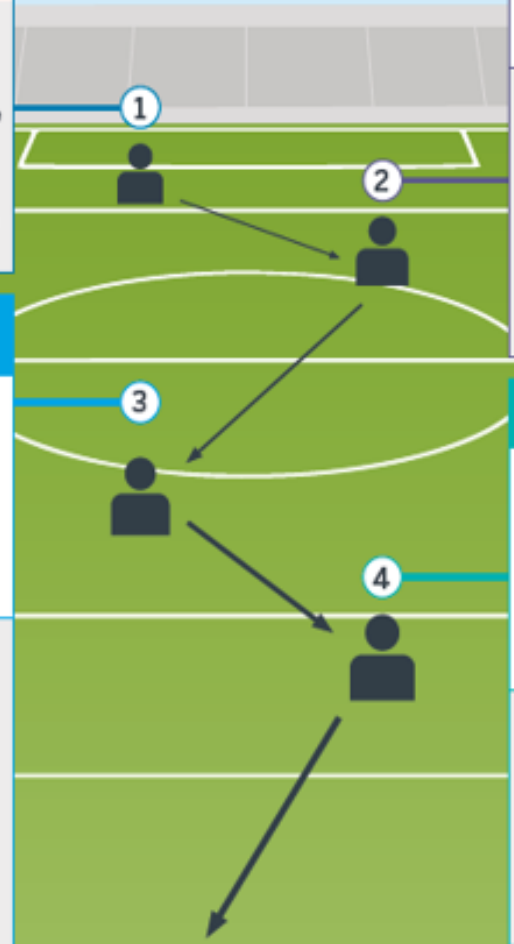
Personalize Onboarding

Challenge

- Executives may assume newly promoted, high-potential staff are already set up to succeed, so they may not communicate critical information about the leader's new role
- Newly promoted leaders have a new set of peers and may not know whom to ask for help

Sample Tactics

- Interview key stakeholders to gather information on team dynamics and staff expectations to share with the new leader as he or she joins the new team
- Assemble an onboarding team that includes peers who can offer functional expertise to the new leader



Advisory Board – HR Advancement Center (January 11, 2018)

Career Discussion

Name _____ Position Title _____ Department _____

Performance History (Three-Year Record)

Current Rating _____ Last Year's Rating _____ Previous Year's Rating _____

Educational Qualifications (Degree Programs)

Last Degree Completed _____ Degree in Progress _____ Estimated Completion _____

Passion: What is most rewarding about your career?

Experiences: What key experiences are you most proud of?

Aspiration: What are your career goals?

Short-Term Goals

Long-Term Goals

Skills: What skills would you like to leverage/develop?

Skills to Leverage

Skills to Develop

Career Discussion Form

Name _____ Position _____ Unit/Dept _____

Highest Education Completed _____ Current Education (Degree Pursued) _____

Current Performance Rating _____ Previous Year's Performance Rating _____

<p style="text-align: center;">Passion: What is most rewarding about your career?</p> <ul style="list-style-type: none"> • If you could do any job in the world, what would that be? Why? • What do you find most rewarding about your job? • What type of work do you enjoy most? • What makes work meaningful to you? • What motivates you? • What is most important to you at work/in life? • What achievements/accomplishments have given you the most satisfaction? What about these were most satisfying? 	<p style="text-align: center;">Experiences: What key experiences are you most proud of?</p> <ul style="list-style-type: none"> • What key experiences are you most proud of? • What previous experiences have been most useful to your career/job? • If you look back in the last 12 to 24 months, what would you say is your biggest accomplishment? • What other areas of the organization would you like to explore and gain more experience/exposure in? • What would you like to do as a next assignment? • What developmental experiences do you think will help you progress toward your career goals?
<p style="text-align: center;">Aspiration: What are your career goals?</p> <p><i>Short-term Career Goals (1-3 years)</i></p> <ul style="list-style-type: none"> • What are your short-term career goals? • What are the ways in which you want to grow in your career – horizontal/lateral vs. vertical (being an in-depth expert/SME vs being a leader in higher levels of management)? <p><i>Long-term Career Goals (>3 years)</i></p> <ul style="list-style-type: none"> • Where do you want to be in next 3-5 years? • Where do you see yourself in 5 years? 10 years? • What are your long-term career goals? 	<p style="text-align: center;">Skills: What skills would you like to leverage/develop?</p> <p><i>Strengths to Leverage</i></p> <ul style="list-style-type: none"> • What are your key strengths? • What are the things/areas that you know/have been told that you are very good at? • What knowledge/skills do you often find yourself teaching/coaching or helping others with? • In what areas do you often get compliments/recognition? • How can you use your strengths to add more value to your role or the organization? <p><i>Areas to Develop</i></p> <ul style="list-style-type: none"> • What do you think are your areas for improvement? • In what areas do you feel you can enhance your knowledge/skills? • What are two or three things/areas that if you improve, will have significant benefits to you personally and professionally? • A year from now, what do you want to be different in your skill set? • What are the organizational requirements and expectations you can better meet?

Career Discussion

- Key message: The employee is valuable and critical to the success of the organization.
- The goal is to help develop, grow, and assist employees in achieving their career aspirations within the organization.
- Growth opportunities and career development are key contributors to employee engagement.
- Why do we conduct these career discussions?
 - » To improve understanding of the staff member's career aspirations
 - » To provide more focused and individualized development
 - » To gain better alignment between organizational needs and individual career aspirations
 - » To provide data for succession planning
 - » To increase retention

Career Discussions

- The first step in exploring career aspirations
- Focus should be on meaningful conversation vs. completing the form
- Rollout will include training and a tool kit:
 - » How to conduct effective career discussions
 - » Communications about the initiative
 - » Frequently asked questions (FAQs)



Critical Requirements

Clinical/Technical

- Clinical/technical expertise
- Evidence-based practice
- Quality improvement
- Patient experience
- *Patient care models*
- *Patient safety*

People/Interpersonal

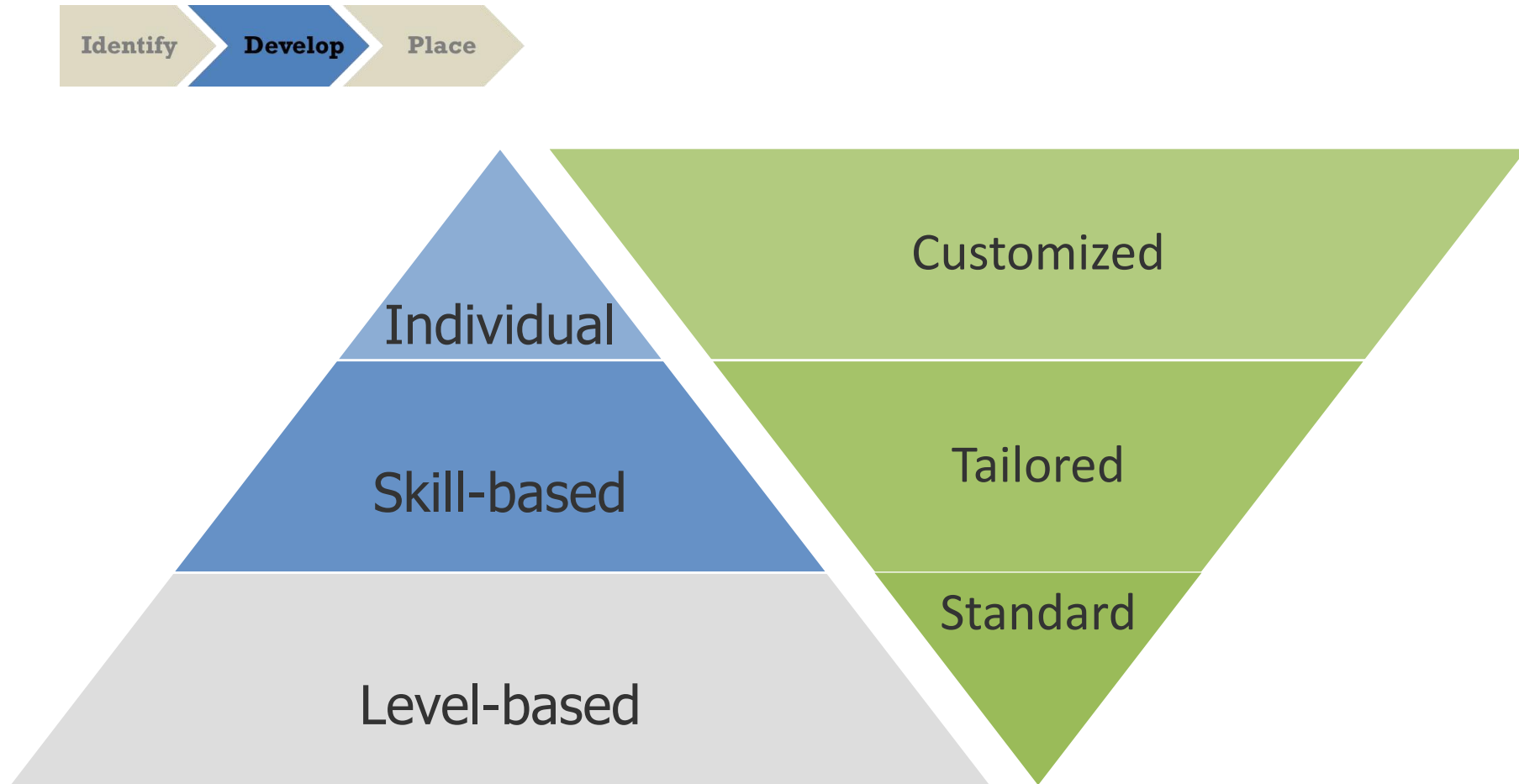
- Communication
- Ownership and engagement
- Change management
- Performance management
- Conflict management
- Career development



Business/Management

- Strategic planning
- Operations management
- Resource management
 - Budgeting
 - Scheduling
- Compliance
- *Healthcare governance*
- *Healthcare economics*

Develop



Personal/Career Development Plan

Name _____

Date _____

Review the Career Discussion Form and select one or two career development goals to focus on. Use this Development Plan to record your goals and actions.

Goal:		
Action Steps/Activities	Target Date	Status
Anticipated or Known Barriers	Possible Solutions	

Goal:		
Action Steps/Activities	Target Date	Status
Anticipated or Known Barriers	Possible Solutions	

Sample Actions

- Request to shadow someone in the department/area
- Interview a person in your chosen profession
- Pursue further education in your desired area of focus
- Subscribe to and read a related journal/periodical
- Attend seminars or workshops related to your area of interest
- Seek feedback and ideas for your development and growth
- Identify a mentor who can help support your development
- Interview three leaders in the organization about their perspectives and ideas on ____.
- Review job descriptions for the job(s) you are interested in exploring/pursuing
- Read related books and articles

Opportunities for Development

- Grow by learning new skills or gaining new experiences.
- Be more effective in a current role.
- Prepare to take on a broader role.
- Enhance your expertise in a specific area.
- Apply a strength to more areas.
- Address an opportunity for improvement.
- Change a behavior.

Development Opportunities

- Being involved with implementing change (i.e., new instrument implementation, lab information system [LIS] implementation, developing new assay, etc.)
- Coaching opportunities
- Starting and leading projects
- Making presentations
- Formal education, workshops, etc.
- Other:
 - » Job rotation
 - » Leading a task force or serving as a member of a system-wide committee
 - » Mentoring a new hire
 - » Benchmarking

Three Best Practices for Developing a Succession Plan

- Cultivate a pipeline of talent.
- Invest in the ongoing development of leaders.
- Regularly monitor and assess your leadership bench.

Benefits of Succession Planning

- Keeping or preserving key positions, core skills, know-how
- Maintaining business competitiveness
- Minimizing the impact of short-term and long-term turnover, absences, etc.
- Efficiently, effectively, and consistently delivering on business goals
- Developing pool of qualified candidates (ongoing process)
- Improving employee engagement due to focus on personal development
- Establishing opportunity for corporate knowledge transfer

Critical Success Factors: Best Practice Principles

- Ensure process is proactive to meet individual employee AND organizational needs
- Allow staff to gain experience in key, critical areas that broaden their experience
- Foster retention—keep employees challenged and stimulated
- Ensure employee's commitment to their own development
- Ensure personal involvement of senior leaders/demonstration of personal responsibility for growing leaders

Critical Success Factors: Best Practice Principles

- Must support the organization's values and strategic plan
- Consider needs and interests of senior leaders.
- Not about identifying heirs to specific positions. It is about developing employees and supporting them in their career growth.
- Must extend to all levels of the organization
- Employees play a key role in the process by identifying their career interests, having an opportunity to be assessed, and developing their own learning plans.
- Must be integrated, with human resources (HR) as a partner

NEXT Steps

- Schedule meetings with each director, manager, supervisor, technical specialist, and other “high potential” key staff.
- Involve each individual’s current “boss.”
- Summarize information and meet with HR partners.
- Development plans: define gaps and opportunities.
- Needs to be an ongoing process—there is a domino effect when positions are filled. This is not a “once and done” process.
- Remember that succession planning needs to occur at every level of your organization.

- For more information contact Rick Panning, Senior Healthcare Consultant
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 - Cell Phone: 651-280-5909
- References:
 - Advisory Board, HR Advancement Center, 2018.
 - HealthPartners Regions Hospital, Humans Resources, 2020.