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## Building Organizational Leadership Through Succession Planning: Can a Standardized Management & Employee Model Assess and Develop Line Level Employee Leadership?

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# **BUILDING ORGANIZATIONAL LEADERSHIP THROUGH SUCCESSION PLANNING: CAN A STANDARDIZED MANAGEMENT & EMPLOYEE MODEL ASSESS AND DEVELOP LINE LEVEL EMPLOYEE LEADERSHIP?**

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There's a familiar adage, "People don't leave companies; they leave managers." This can be a concerning thought for a manager, especially when an exit interview reveals that the manager is a contributing factor to the employee's exodus. Organizations have a firm grasp of the costs associated with turnover and the need for growth and development of their current workforce. With this in mind, it's clear to see why companies spend so much time and money in developing employee skill sets. "On average, organizations spend \$600 per year per employee for their development." (Zenger, Folkman et al., 2006) To further support this on-going need, a recent survey of HR Professionals identified the following as critical HR priorities for 2006: "74.2% Talent Management, including staff retention, development and succession planning; 60.7% Employee engagement and enhanced productivity; and, 59.8% leadership training and development at all levels of the organization." (Anonymous, 2006) These areas of concern meld together, driving companies to place greater emphasis on their employees' career paths. For example, "WellPoint, an Indianapolis-based firm with more than 42,000 employees, is one of many big companies making succession planning a higher priority and a catalyst for broader talent development. Companies increasingly recognize that preparing for high-level turnover and grooming new leaders are crucial, in part because business conditions in many fields are growing and more turbulent." (Frauenheim, 2006)

Within the Service Industry, the need for retention and succession planning is an equally critical focus. After all, "This sector will continue to enhance its dominance by almost eclipsing the 130 million job mark by 2012 and increasing its total employment (share) to 78.2%." (Berman, 2004) This growth is

staggering, and a large portion of these new jobs will be within the restaurant industry. The restaurant industry, including drinking establishments, added 33,000 jobs in March '06, resulting in 231,000 new jobs in this year alone. (BLS, 2006) With these growing numbers, the need to attract, hire and retain committed employees is paramount. Yet, there is an equally growing trend in the industries inability to retain these same employees. For example, within the casual-theme restaurant industry, "9.6% management employees voluntarily terminate the position due to unhappiness with their supervisor. Another 3% of managers leave due to lack of advancement/promotion opportunities. More disturbing, 11.5% of managers leave without any notice or communication with their supervisor." (People Report, 2005) We are left only to speculate as to why these individuals chose to quit their job with no notice. However, there is one glaring fact; in whole or part, the employee did not value nor trust the relationship with their manager to communicate issues or the reason for their departure. In short, 24% of management employees chose to leave their current employer due to their relationship with their supervisor or their lack of advancement prospects within the company.

Based on current turnover trends and the realization from HR professionals, the need to have strategic, people oriented leaders becomes vital to any organization. Couple this with the impending boom in the service sector, and a leadership epidemic and employee shortfall may soon be approaching. Management leadership skills are paramount in the retention and development of employees for both operational and succession planning purposes. After all, "...companies with retention and succession plans showed a lower cost per hire and a lower cost of separation per employee." (Anonymous,

2006) However, despite the analysis, managers aren't capable or willing to utilize the appropriate leadership style in the further development of their people. This is evidenced by research conducted by The Elliot Leadership Institute, which "confirms the existence of a leadership development void in the foodservice industry." (Van der Does & Caldeira, 2005) However, within the restaurant industry there is an abundance of line-level employees capable and willing to take on new and greater roles within any organization. The challenge lies in identifying skill sets of these individuals, and the ability to develop them into these new roles. Therefore, there must be a greater focus on providing managers with a process to identify and develop future leaders within their organization. As such, can a standardized management & employee model assess and develop line level employee leadership?

Upon exploring the subject of leadership and succession planning, like many management theories, there appears to be an overabundance of information for organizations and managers to decipher and implement. I was challenged in identifying common themes and processes, which could be enhanced into the development of a single model, granting managers with a developmental tool in cultivating employees to become future leaders of the company. My research encompassed management theories and practices in the areas of leadership, succession planning, training and development as well as exploring industry (restaurant) specific strategies and needs.

### **LEADERSHIP PIPELINE – A POPULAR MODEL**

The core of my research involved the leadership succession planning process known as the Leadership Pipeline (Charan, Drotter et al., 2001). This process addresses the method for building a leadership pipeline by assessing potential and performance at different stages of an individual's development. Using this as the root of my research, I focused primarily on the stage of developing non-exempt employees into exempt leadership roles within an organization. This focus is instrumental in exploring the

possibility of developing managers/leaders within the restaurant industry. The Leadership Pipeline sets the parameters in developing a leadership, succession planning process to address this shortfall.

The Leadership Pipeline process was developed to address an individual's performance and potential in navigating through specific roles within any organization. These roles, termed as 'passages', occur in six unique stages in an individual's turn, growth and mastery through an organization. (Charan, Drotter et al., 2001) This becomes a cyclical process; where the employee makes a 'turn' from one role to the next, they then experience 'growth' in that role until they develop 'mastery' in their current role. From there they will experience yet another 'turn' when they are prepared, through measured potential and performance, to assume a new role (passage). The six passages identified within this model include: "Manage Self, Manage Others, Manage Manager, Functional Manager, Business Manager, Group Manager and Enterprise Manager." (Charan, Drotter et al., 2001) The Leadership Pipeline model suggests that the navigation through each passage "requires that people acquire a new way of managing and leading and leave the old ways behind," (Charan, Drotter et al., 2001) within the following three areas:

- Skill requirements – the new capabilities required to execute new responsibilities
- Time applications – new time frames that govern how one works
- Work values – what people believe is important and so becomes the focus of their effort (Charan, Drotter et al., 2001)

In order to assess these individual requirements, the authors suggest an insightful diagnostic of each individual's performance and potential to include the following:

- Identify the individual's behaviors and work production through observing and talking to the individual – focusing on skills, time and value

- Discover the persons impact on others
- Overlay this information on the Pipeline model
- Determine the level at which someone is working versus the level at which they should be working
- Create a development plan that is value focused (Charan, Drotter et al., 2001)

These points, in essence, become the process steps to the Leadership Pipeline model, a framework of steps toward the development of individuals. Additionally, the authors provide a simplistic matrix, necessary for creating a succession plan grid for plotting potential leaders (Figure 1).

**Figure 1**  
Leadership Development Matrix

	Exceptional Performance	Full Performance	Not Yet Full Performance
Turn	Exceptional/Turn Box One	Full/Turn Box Three	Not Yet Full/Turn Box Six
Growth	Exceptional/Growth Box Two	Full/Growth Box Five	Not Yet Full/Growth Box Eight
Mastery	Exceptional/Mastery Box Four	Full/Mastery Box Seven	Not Yet Full/Mastery Box Nine

Source: Charan et al., 2001

**Expanding the Leadership Pipeline**

However, I’ve found that the process as well as its tools, lacks specific direction and ease of implementation. This was a primary consideration; after all, my focus is providing managers with the ability to meet the development needs of the individual as well as the ability to achieve strategic industry outcomes. Perhaps the authors realized this; after all, they recommend, “tailoring the Leadership Pipeline model to fit your organization’s succession needs.” (Charan, Drotter et al., 2001) As such, using the Leadership Pipeline as well as research and methodologies from additional resources I have developed a Leadership Planning & Development model (Attachment 1) and Succession Planning Grid (Attachment 2). Furthermore, this thesis focuses on line-level growth and their mastery of Manage Self to the turn and growth in Managing Others. After all, “Meeting new challenges of succession planning

requires going much deeper in the workplace an, instead of just spotting high producers, identifying employees with high potential and guiding them along the path to achieving their full promise.” (Robb, 2006) Once again, with the growth within the restaurant industry and current turnover trends, non-exempt employees must be a focus in satisfying growing manager/leadership needs. Through personal experience, as an HR professional in the restaurant industry, there are many engaged and committed employees capable of making such a transition. This model provides organizations and its’ managers to not only have a standardized process to follow, but a succession grid allowing them the availability to categorize and further develop these employees.

**LEADERSHIP PLANNING AND DEVELOPMENT MODEL - OVERVIEW**

The Leadership Planning and Development model, utilizing the Leadership Pipeline as its’ core, focuses upon three segmented processes, defined as; Current Behavioral Outcomes (CBO), Required Behavioral Outcomes (RBO) and Behavioral Change Management (BCM). The segments were developed consistent with the fundamentals of Analyzing and Diagnosing Behavioral Problems. (Scholl, 2002) These processes drive the organization to analyze organizational and individual leadership potential by addressing the following questions:

- 1)What is the current behavioral patterns for employees (CBO)?
- 2)What is the expected behavioral patterns for employees (RBO)?

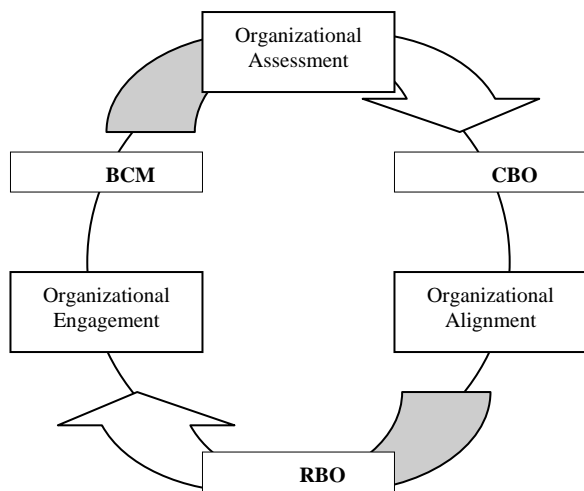
Analyzing behavior in respect to these two questions will aid in identifying possible diagnosis in creating a change in behavior. This diagnosis requires the consideration of the last question,

- 3)What is the required change in behavior (BCM)?

Collectively, the answers to these questions identify the gap in employee behavior in relation to expected organizational needs. However, the model I present does not merely consider the

employee behavioral gap, but is complemented by organizational considerations and behaviors, termed as segments, which are essential in the overall success in eliciting leadership behavioral development. These management segments are identified as the following: Organizational Assessment, Organizational Alignment and Organizational Involvement. The model then becomes a process of shared employee and management behaviors required in developing

**Figure 2**  
Leadership Planning and Development  
(Cyclical Depiction)



an organization’s leadership capabilities. As such, management takes the lead in each process of the model; after all, organizational management must not only appreciate the need for leadership development, but they must also align resources and engage behaviors in order to affect the desired change in employee behavior. Upon providing this overview of the Leadership Planning and Development model, I would also stress that the model is a cyclical process. A process that is continual and ever changing as depicted in Figure 2. This cyclical depiction identifies an assessment of organizational needs (Organizational Assessment) and an understanding of current employee behavior (CBO). From here management must identify standards of behavior and skill sets needed (Organizational Alignment) to meet the leadership needs identified earlier; this aids management in identifying necessary leadership

behaviors (RBO). Management then must plot, communicate and identify development opportunities to satisfy these RBOs. This management engagement is termed ‘Organization Involvement.’ Organizational involvement which is critical in achieving not only a change in behaviors (BCM), but a process that is viewed as legitimate and attainable in the eyes of the employees. Thus creating a trend and culture, which builds trust and hope suggesting ‘We’re all in this together’ and ‘What we say is what we do.’ (Glasser & Pilnick, 2005)

This is not a novel idea, but an understood process of continual growth and development, which will be explored further as I present each process of my model. Additionally, throughout this research presentation, I will use some terms synonymously, yet the following should be considered in this review:

Employee Behavior	Management Behavior	Succession Planning
Competence	Direction	Performance
Commitment	Support	Potential

For example, an employee possesses a certain level of competence. In order to develop this competence management will provide the employee with direction. Lastly, management will evaluate performance in order to identify where the individual fits within the organization for succession planning purposes. The same process is used in assessing an individual’s commitment. Whereas, management provides support to affect a person’s commitment. However, during the succession planning process, management determines this employee’s overall potential in regards to predetermined standards.

**Organizational Assessment**

Organizational assessment requires current leadership to conduct workforce planning as well as explore their current and future leadership needs. Workforce planning, also known as HR Planning, is an assessment of the organization. Normally considered a function of HR, workforce planning is best served when it is embraced as a combined operational and support process. “This will ensure the organization has

the right people with the right strengths in the right roles at the right time. It should challenge the business assumptions and plans and bring to the business table innovative ideas for how the organization can compete in the future.” (Macaleer & Shannon, 2003) In developing this plan, the following three broad questions that should be explored:

- Business issues: What are the major business issues we face?
- Organizational capabilities: What are the organizational capabilities required to meet our business goals?
- HR Practices: How do we leverage our HR practices to create, reinforce, and sustain these needed capabilities? (Ulrich, 1997 p.194)

These questions, as presented, are basic; yet, require much thought and analysis. For example, in exploring business issues it is imperative to consider the nature of the business, in respect to the organization’s competitive and functional strategies. A competitive strategy is determined by an organization’s point of reference in making decisions. (Scholl, 2001) Does the organization base these decisions primarily on a price, quality, service or time/availability standard? Moreover, in implementing solutions the organization must consider the functional strategy in which it will employ its’ decisions. In this instance, with a focus on leadership development, an organization may focus on utilizing an HR functional strategy. Asking the question, “Are employees performing in ways that enhance competitive Strategy?” (Scholl, 2001) This strategic analysis becomes only a starting point for continued workforce planning. Additional considerations should include, but not limited to the following: operational demands, headcount, turnover and retention, staffing needs, compensation, training, and leadership needs.

This analysis should present an understanding of what leadership roles will be required in order to meet operational strategy and demands. Keep in mind, assessing leadership needs is not a separate function of workforce planning, it is an integral part. However, for the needs of succession planning and leadership development it becomes a primary by-product of the workforce plan. As

such, identifying (leadership) headcount needs based on operational demands is the starting point for this succession planning process. An additional consideration in the planning process is time; it’s imperative to put a timeline on when these employee skills will be required. This timeline assists management to prepare, implement and follow-up with employees’ development to satisfy the predetermined leadership needs. Workforce planning will aid HR and operations in establishing “An integrated (succession) program tied to a company’s overall strategy...where ad-hoc approaches...can add little value.” (Frauenheim, 2006) From understanding the organizational structure and needs, the CBO process also analyzes individual contributions to the organization.

### **Current Behavioral Outcomes (CBO)**

Individual performance is evaluated based on two factors, ‘Competence’ and ‘Commitment.’ These factors drive management’s perception of each employee’s contribution to the organization. “Commitment is a function of knowledge and skills, which can be gained from education, training and experience. And, competence is a combination of confidence and motivation. Where, confidence is a measure of a person’s self-assuredness - a feeling of being able to do a task well; whereas, motivation is a person’s interest in and enthusiasm for doing a task well.” (Blanchard, Zigarmi et al., 1985) An employee’s competence and commitment become the driving factors defining the role each individual plays in an organization. The role an individual assumes within an organization can be classified as ‘self, team and/or organization.’ As presented earlier, the Leadership Planning and Development model focuses on line-level employees making the transition from managing self to managing others.

Self-management is revealed by the individual’s “confidence in self, renewal of energy and perspective, and custom-fit communications.” (Eblin, 2006) Where, ‘confidence in self’ relates to the employee’s perspective that they “can contribute at the next level.” (Eblin, 2006) Additionally, employees

capable of greater leadership roles must continually present themselves as energetic contributors who can view the larger organizational strategy and act accordingly. (Eblin, 2006) Lastly, these same candidates must adapt their communication style to convey appropriately (effectively and efficiently) to supervisors, subordinates, peers and customers. The employee capable and willing to manage themselves in regards to these standards, sets themselves apart from their colleagues and prone to greater roles and responsibilities; for example, a bartender who not only does their day-to-day duties, but someone who exemplifies the behaviors of self-management; thus, impacting the team as well as the organization. In this example, behaviors may manifest as the ability to provide direction and support to peers. Identifying and implementing changes to meet operational objectives may be another exhibit of necessary behaviors. In short, the employee is performing outside of their established duties, exhibiting behaviors consistent that embody a leader; initiative, integrity, commitment and operational savvy. Management cannot simply rely on perceptions of behavior. Behavioral assessments must be substantiated through objective performance measures. Objective measures to include the use of performance appraisals, feedback and individual discussions. Employee/employer relationships are fostered through honest, open dialogue. One-on-one communication is paramount in understanding an individual's goals, motivation and role perception. Conversely, this dialogue provides management with the opportunity in communicating career paths for their employees.

The CBO process takes into account individual behavior prior to consideration for leadership development. I believe, and my Leadership Planning and Development model will further explore, not all employees need to be considered for greater leadership roles. The CBO process provides management with the availability to identify only those individuals who are competent and committed to assume greater leadership responsibilities. However, as the process is cyclical in nature, individuals may

be reassessed if their competence and commitment improves over time.

### **Organizational Alignment**

The Organizational Alignment segment is comprised of two required management functions – Developing Standards and Leadership Behavior Assessment. These two functions are essential in further analyzing the collective behavioral, leadership gap. In developing standards management must focus in identifying what behaviors look like and how they will be measured, based upon those behaviors identified within CBO. “Clear, detailed, unambiguous standards will greatly enhance both your succession and development planning. They provide direction for people who want to grow as leaders. They offer managers better ways to communicate with subordinates who are underperforming...” (Charan, Drotter et al., 2001, p.174) In order to develop these standards, it is imperative to identify behaviors of current leaders, and critique those behaviors that work versus those that don't work. Additionally, management also needs to identify behaviors that may not currently exist within the organization, yet necessary to achieve strategic goals. Defining these standards lays the groundwork for defining how these standards will be measured. “Measurement is not defined using vague terms such as ‘create more effective communication.’ Rather, measurement is defined by concrete and active terminology such as, ‘encourage dialogue that leads to conflict resolution.’ Actionable measurement terms...help guide, support the team to establish a foundation for predictive capability.” (Bayerlein, 2005) When these standards have been developed they, in essence, become a filter which management uses to calibrate current employee leadership behaviors to the established standards.

### **Required Behavioral Outcomes (RBO)**

Once standards have been developed, management can then conduct a Leadership Behavior Assessment. Although this assessment is the second management function within the Organizational Alignment segment, the output

of such determines the RBOs. The assessment is accomplished by using objective, individual performance data, obtained within the CBO process. The Leadership Pipeline focuses on three broad areas; skill requirements, time applications and work values. Although the Leadership Pipeline model focuses solely on these behaviors, I feel these areas are broad enough to encompass many behavioral elements. Therefore, based on my model, additional behaviors, in respect to restaurant employees, will be considered. These behaviors may take the form of new behavioral roles (Table 1).

**Table 1**  
**Role Considerations**

Skill Requirements	Time Applications	Work Values
Shift Supervisor	Expeditor	ChiliHead
Pre-meal meetings	Crisis Manager	Customer Measurements
Training Champion		Shift Owner

What I propose is that beyond exhibiting leadership behaviors, line-level employees must also assume unique roles, which set them apart from their peers. These new roles also prepare them to exercise behaviors; consistent with those we are seeking to develop. Furthermore, the availability of new roles provides management with an avenue to further assess leadership behavior, and develop standards to measure that behavior. Management must evaluate and create these roles to provide line-level employees with a means to exhibit required behaviors as well as a visible career progression ladder. However, apart from skill, time and work factors, I believe this model neglects to further develop two additional, important elements to the development process: motivation and power.

Within my Leadership Development and Succession Planning model, motivation becomes a further consideration in assessing an individual's work values. This focus on motivation is focused on management behaviors in the understanding and "Whether it is research and development, company management or any other aspect of business, the active force is people. And people have their own will, their own mind, and their own way of thinking. If the employees themselves are not sufficiently motivated to challenge the goals of growth...there will be no growth..." (Senge,

1990) Although, management cannot simply assume that leadership development will motivate an individual. By far, management must understand the sources of motivation and identify if this opportunity is a motivating force for selected individuals. In order to fully understand what may or may not motivate individual, consider the Sources of Motivation and Motivational Inducement Systems (Scholl, 2002):

- Intrinsic Process Motivation – Individuals will engage themselves in activities that they consider fun
- Instrumental Motivation – Individuals engage themselves in activities that believe will result in specific reward outcomes; such as, pay and recognition
- External Self Concept-based Motivation – Individuals performing to meet the needs or expectations of a group that they associate with, primarily for those individuals externally directed
- Internal Self Concept-based Motivation - Individuals performing to meet the needs or expectations set by themselves, primarily for those individuals internally directed
- Goal Internalization – Occurs when an individual adopts a goal as their own, and behaves consistently in pursuit of that goal because it is consistent with their own value system

To complement the manager's knowledge of the sources of motivation, they must also consider what motivational systems they will need to employ. "Inducement systems are those design aspects of an organization which act to energize, direct or sustain behavior within the organization." (Scholl, 2002) These systems are comprised of "Reward, Managerial, Task, and Social." (Scholl, 2002) Applying these sources of motivation to the Leadership Planning and Development model enhances the manager's understanding of an employee's motivation to assume a greater leadership role, where the Leadership Pipeline fails to do so. For example, during the CBO process, I suggested that part of the process is engaging the employee in conversation to determine one's performance



and potential. This conversation will help identify whether an individual values ‘Instrumental Motivation,’ the perception that promotion and pay (a reward inducement system) associated with increased leadership responsibilities will be a motivating factor for them. (Scholl, 2002) Perhaps it will be discovered, through conversation, the individual has a need to be further challenged in their current role or a desire for empowerment; also known as Internal Self-Concept-based Motivation. (Scholl, 2002) In this instance, a task or managerial inducement system may work best. Much too often managers assume that what motivates them personally also motivates others; when in fact, we all have differing sources of motivation dependent upon the situation. Furthermore, this helps in identifying whether the individual would even consider assuming a greater leadership role. Despite their level of commitment and competence, and behavioral alignment with the established standards, they may be content in their current role.

Where motivation is an internal, employee factor to consider, management must also understand the power an individual is perceived to embody. Power is the “resource that enables a person to induce compliance from others or to influence them” (Hersey, 2001).

This consideration becomes essential, especially in exploring the possibility of individuals becoming first time leaders. In assessing an individual’s personal power, managers should consider a person’s ‘referent’ and ‘expert’ power bases. Referent power is the perceived attractiveness of interacting with the individual (Hersey, Blanchard et al., 2001). In the restaurant industry, when we identify a person to move from the hourly ranks into a management role, we consider the individual’s confidence, trust and rapport with fellow employees. This becomes a vital consideration, does the person’s colleagues perceive them as someone they could take direction and expect support from? Referent power goes hand-in-hand with the soft skills associated with a person’s potential (commitment); whereas, expert power complements the individual’s

performance (competence). Expert power is the perception that the individual has relevant education, experience and expertise (Hersey, Blanchard et al., 2001). Basically, employees must perceive that a newly promoted manager (leader) had assumed that role due to their skill, knowledge and abilities. People are more apt to follow a leader who they perceive has the knowledge and experience to make decisions. Identifying individuals who possess these two power bases will provide management with the availability of further refining the population of individuals capable of assuming a leadership role.

To this stage, the RBO process has provided a means for management to identify individuals who possess the capacity to assume a greater leadership role in relation to the following: skill requirements, time applications, work values as well as individual motivation and power perceptions. Management must now assess, in respect to the established standards; behaviors that meets, exceeds or falls below the developed standard. This is measured based on an individual’s performance and potential. Performance is determined by the employee’s skills, knowledge and abilities as it relates to previous performance; however, potential is not as clear-cut, but it is becoming a greater focus within succession planning. “The better (succession planning) systems now incorporate assessment of the individual’s leadership capabilities, adherence to the organizations values and capacity for development and learning.” (Fulmer & Conger, 2004, p.48) This suggests that potential is much more than simply an individual’s motivation, but there capability as well. For this purpose, it becomes imperative that behavioral standards address potential as well as performance.

Additionally, this assessment needs to be task specific, as an individual may exemplify a level of performance inconsistent with the standard, yet has the potential to overcome this inconsistency. For this purpose, my model is developed similarly to the Situational leadership II model (Blanchard & Zigarmi, 1985) in evaluating a person’s competence and commitment. Addressing whether, in task

situations, an individual's Performance (competence) is either high or low will dictate the level of direction you provide this person. Conversely, the level of support an individual is given will be determined to what extent (low or high) their potential (commitment) is perceived.

### **Organizational Involvement**

The transition from RBO to BCM comes as the organization determines capability as well as achieving the behaviors associated with Organizational Involvement. First, the organization must assess its' abilities to affect a change in behavior, defined as capability. "Capability refers to the necessary resources, support and direction from the organization to achieve effective performance. Capability implies that the organization has the processes and systems in place for a leadership principle to be executed successfully." (Armitage & Brooks et al. 2006) Too many succession planning initiatives fail because the resources are not available or there is a lack of management alignment to follow the process, continually. In order to ensure the organization is capable for this undertaking the following should be considered:

- Operational organizational systems and processes that enable performance
- Sufficient resources and organizational support
- An enabling environment and organizational culture
- Alignment of abilities and experience to position and organizational direction (Armitage & Brooks et al. 2006)

Questioning the organizations capability allows management to decide the best course of action in implementing a leadership development program. Additionally, if resources are not available, it may require outsourcing or acquiring the necessary resources.

The Leadership Pipeline (Charan & Drotter et al., 2001) provides a Leadership Development Matrix (Figure 2) as a tool in plotting employee's in respect to their leadership potential and performance. However, I feel this

tool does not provide management with an easy, fluid matrix for plotting potential leaders. My belief is that the tool, as presented, gets much to involved in the premise of turn, growth and mastery concepts. I don't discount these elements as considerations in leadership development, but I don't see the relevance in the plotting of employees, as I will explain.

My adaptation of the Leadership Development Matrix, named Succession Planning Grid (Attachment 2), focuses solely on performance and potential, as well as specific descriptions and definitions for nine categories of employees. The Leadership Development Matrix is a variation of other succession plotting tools. For example, Sonoco utilizes a nine, grid matrix using performance and promotability as their measurements. (Fulmer & Conger, 2004, p.63) Bank of America, also a nine-grid matrix, utilizes "The What" (performance results) and "The How" (leadership behaviors) in their assessment. (Fulmer & Conger, 2004, p.35) Despite the similarities, I found it more useful to depict the grid in respect to the high and lows of both potential and performance, actually flipping the grid from how it was presented within the Leadership Pipeline as well as the Sonoco models. I believe this presents the tool in a more understandable and useable context for managers.

The rationale for not focusing on the turn, growth and mastery concepts is because in this adapted grid it is now inherent within its' descriptions and definitions. These descriptions and definitions are a compilation of many succession planning matrices, terminology and personal innovation. As an overview, those individuals who exemplify high potential and performance are classified as a Ready Leader, Future Leader, or Potential Leader. Individuals who portray marginal performance and potential are classified as a Seasoned Professional, Steady Performer or maybe New in Role. Then there are those employees who present themselves as having low potential and performance; as such, they are classified as Marginal Performer, Under Performer or those individuals that will be considered for an Exit Strategy. With an understanding of Succession Planning Grid, utilizing the individual evaluation within the

RBO process. As such, management must make a determination as to where the individual is in respect to the leadership standards, identified within the RBO process.

### **Behavioral Change Management (BCM)**

Simply, plotting employees is not sufficient to the succession planning process; employees must understand where they stand and the development available to them to progress within the company. Trust between supervisor and subordinate is the foundation of this relationship. Trust is enhanced when open, honest communication takes place, on a recurring basis. It is equally important to explain to all employees how this process was developed and employed. Keeping the tools and process secretive, may create confusion and distrust. As suggested within the CBO process, managers must create a dialogue with their employees, to better understand their goals, commitment and desire for greater responsibility. Having this knowledge as a foundation, coupled with objective performance/potential data, allows the manager to provide feedback. Feedback not only in regard to their performance, but in respect to their goals and development as well. To enhance this dialogue, managers must get the employee to engage in the discussion and in the creation of their individualized development plan. Organizational leadership must, “Encourage managers to build personal education and development plans with their reports.” (Grossman, 2006) With this collaborative effort and involvement, employees will have a greater sense of ownership of the process and support from their supervisor; in turn, ensuring a greater success for development.

The development process will be varied and unique for each individual, so must the methods of development. “Just sending a bunch of people to training doesn’t necessarily improve their leadership skills or capacity to lead. Since leadership isn’t a one-dimensional phenomenon, there is no way it could happen in a one or even few day event. A successful (leadership development) program should include long-term endeavors as mentoring and learning from on-

the-job experiences,” remarks Scott Blanchard, Executive Director of The Ken Blanchard Company. (Weinstein, 2006) This focus is substantiated in a recent study by Pennsylvania based, Development Dimensions International. Their findings concluded, “The efforts behind leadership development programming often are misdirected. While formal training is the most common leader development practice, special projects or assignments prove the most effective.” (Weinstein, 2006) Therefore, a development plan must be creative, strategic and agreed upon in order to have any chance toward establishing a path for development.

The development plan alone cannot be viewed as a contract for success. There must be continued measurement and follow-up to ensure individual development plan implementation succeeds. Effective implementation consists of four elements:

- Self-motivation of the participant
- Accountability to ensure that new behaviors are implemented
- Visibility about what takes place when people return to their job
- Follow-up tools that require people to report on what they’ve done (Zenger & Folkman et al., 2006)

Motivation of the participant was briefly reviewed within the RBO process. However, only the Five Sources of Motivation and Motivational Inducement Systems (Scholl, 2002) were reviewed. This understanding set the foundation to employing motivational inducements to elicit a change in behavior within this BCM process. During the RBO process, management conducted discussions with employees to understand what type of motivation the employee values. As such, during this process, management must continue this discussion, identifying the expected behavior as well as the motivational inducement should that behavior be achieved.

Accountability and visibility are the measures that ensure training is being implemented and behaviors are replicated within the work setting. Within Brinker International, my employer, these factors measurement are co-owned by HR and the individual’s supervisor.

On a quarterly basis, we conduct training on various HR related topics. In coordination with operations, we determine the learning objectives, based on current behaviors. HR is responsible for implementing that training curriculum and operations discusses learning outcomes with each attendee. Collectively, we ensure that behavior has been affectively kick started in the right direction. I say kick started because in order to ensure a true change in behavior takes place constant and consistent follow-up is required. "Feedback is a gift, in two ways. It's a gift to the recipient, because it provides data that can allow him/her to improve performance. But it's also a gift to the feedback giver...by giving feedback...the leader helps to ensure that the unit's overall performance will improve." (Feiner, 2004, p.52) Feedback will be exhibited in two forms of management behaviors: direction and support. Direction, also known as task behavior, is "...the extent to which the leader engages in spelling out the duties and responsibilities of an individual or group. These behaviors include telling people what to do, how to do it, where to do it and who is to do it." (Hersey, Blanchard, & et al. 2001) Where as support, also known as relationship behavior, is "...the extent to which the leader engages in two-way or multiway communication. The behaviors include listening, facilitating and supportive behaviors." (Hersey, Blanchard, & et al. 2001) Much like Situational Leadership (Hersey, Blanchard, & et al. 2001), these management behaviors are task driven and follow a continuum. So that for each learning opportunity varying levels of support and direction are ever present.

## **CONCLUSIONS**

The development of the Leadership Planning and Development model and subsequent Succession Planning Grid was created as an answer to a problem I am faced with daily, the staffing of management/leadership positions. It's evident that within the restaurant industry, growth, competition and ineffective leadership behaviors are creating a leadership shortfall. Operating managers need a process and tools to evaluate employee's performance and potential as it

relates to succession planning and satisfying these needs. Furthermore, historically, we have made incorrect promotion decisions, simply choosing the favored employee over the 'right' employee. Through much research and adaptation of this research, I feel I've developed a means to meet the needs of these operators. However, despite my optimistic view of this thesis, there are clear concerns.

I question the time and commitment operators will invest in such a process. Managers are not accustomed to evaluating their people in such a manner, and may view this process as simply an HR project. In lieu of having operators view this process as an activity, it is paramount to provide training and follow-up on the process and tools. Conducting these informational, training sessions will grant operators with a firmer understanding of their role and responsibilities in the succession planning process. After all, these managers will be required to educate their employees on the process. Which brings about another concern: employee perception.

If information regarding the process and tools is not conveyed appropriately, employees may perceive succession planning as simply, 'putting me in a box.' To dispel these concerns, communication with the employee is intertwined throughout all process steps. From CBO, conversations regarding goals and motivation, to BCM, discussions about plotting and development, the process is designed to engage the employee for greater understanding and buy-in. Despite the communication focus, employees are still left to their own preconceived notions that we may never dispel. These feelings may manifest themselves as turnover, poor performance or legal entanglements. Void of a detailed process based on objective performance criteria, employees may consider that the choices made, during succession planning, may involve a factor not associated with performance or potential. Instead, employees come to the conclusion that decisions were made based on factors regarding; age, gender, race, ethnicity or any other individual characteristic, protected by Title VII of the Civil Rights Act.

However, regardless of all these plausible issues, there remains one core concern: leadership commitment. “The difference between a plan and process which is beneficial and one which is problematic is most often directly related to the level of commitment and direct involvement of senior leaders of their organization and their willingness to make a substantial investment in the structure development of future leaders. (Redeker, 2004) Therefore, I believe, with leadership commitment and support, this model will work. The process is detailed and the tools easy to implement. With top/down support, employees will no longer question, “What does it take to get to the next level?” Management response, “Here’s the roadmap, let’s plan our career trip.”

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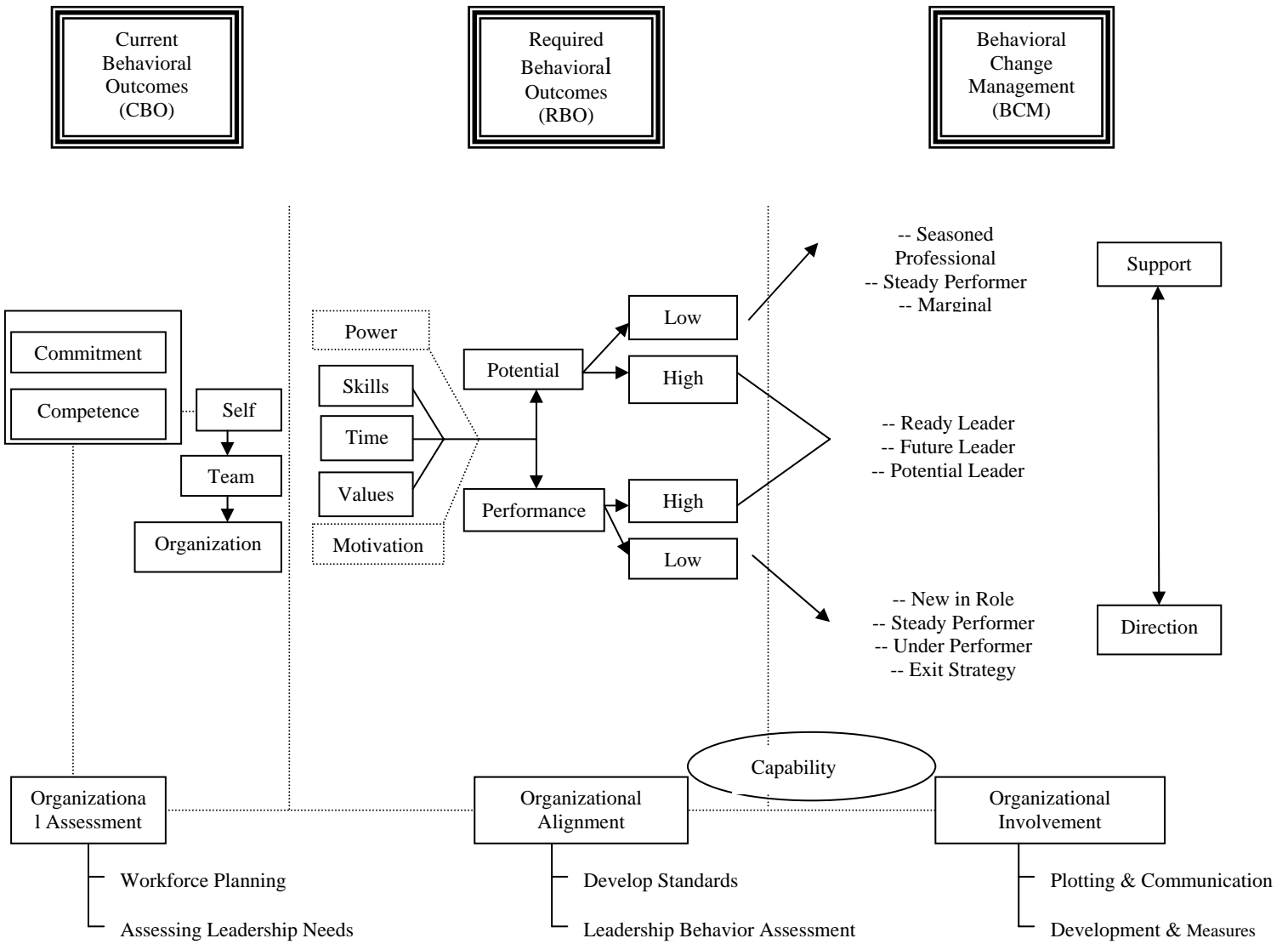
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### Attachment 1 Leadership Planning and Development



## Attachment 2 Succession Planning Grid

**High**

↑ P O T E N T I A L ↓	<p><u>New in Role</u></p> <p>Newly hired or promoted into a new role. Should not be in box beyond 6 months.</p>	<p><u>Potential Leader</u></p> <p>Fast-learners with potential to move up or take on more. Need to demonstrate exceptional performance over time.</p>	<p><u>Ready Leader</u></p> <p>Individuals who have demonstrated a combination of high performance and potential over time and are ready for promotion to the next level.</p>
	<p><u>Under Performer</u></p> <p>Someone who is overwhelmed at their current level, who is unable to consistently meet performance expectations.</p>	<p><u>Steady Performer</u></p> <p>Crossroads position for individuals showing consistent potential and consistent performance.</p>	<p><u>Future Leader</u></p> <p>Exceptional performer with the potential to take on a larger or different leadership role in the near future.</p>
	<p><u>Exit Strategy</u></p> <p>Poor hire or promotion. Performance or integrity issues that are unacceptable.</p>	<p><u>Marginal Performer</u></p> <p>Inconsistent performers. Individuals with potential issues may be comfortable with performance at this level.</p>	<p><u>Seasoned Professional</u></p> <p>Exceptional performers who may not be motivated to move up or are not ready to take on new responsibilities at this time. Could be in a specialist role with a limited career path.</p>

**Low**

←———— **P E R F O R M A N C E** —————→

**High**