

Many Organizations Fail at Succession Planning, Says New XpertHR Survey

XpertHR Identifies Business Risks in Succession Planning

New Providence, NJ (October 7, 2015) – Nearly half (40%) of respondents to a new [XpertHR survey](#) do not engage in succession planning, which can compromise their competitive market position, engender a reactive business environment, and unnecessarily increase talent acquisition costs. Over 500 CHROs, CFOs, General Counsels, business owners, consultants and assistants from various industries took part in the [survey](#).

Of those organizations that do have a formal succession planning process in place, 20% reported having a formal succession planning process for roles critical to the organization, while 8.7% have a process in place for executive-level positions only. In addition:

- One-fifth of respondents (20.2%) said they were not confident that their workplaces have adequate talent pipelines for critical positions.
- Sixteen percent of respondents indicated that their organizations do not plan to develop a succession plan.
- Encouragingly, about a third of respondents confirmed that their organizations are in the process of creating a succession plan.

“Succession planning helps organizations ensure business continuity and performance when top talent exits, skills gaps are identified, or tragedy strikes,” says Marta Moakley, JD, Legal Editor, XpertHR U.S. “Implementing a succession plan helps ensure an organization’s bench strength, solidifies the viability of a corporation beyond certain charismatic executives, and may inform future acquisitions.”

Engaging in succession planning can reduce potential risks to an organization by addressing likely openings in a proactive manner. If done well, succession planning integrates a number of other internal processes, such as talent management and employee retention initiatives, and includes an ability to measure the plan’s results.

HR must take the initiative to ensure that senior management is on board with the process and understands the business risks inherent in failing to engage in succession planning. But it may be difficult to address this topic with management, especially in an unregulated industry with no succession planning requirements for any roles.

“The greatest risk in succession planning is failing to engage in the process at all,” explains Moakley. “A major obstacle could be a reticence to discuss the subject of succession planning, which requires an organization to embrace the inevitability of change inherent in employee retirement, turnover and separation.”

Visit XpertHR to download a free [Succession Planning ebook](#).

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Please include a link to XpertHR's succession planning report in your coverage, <http://bit.ly/1PMeSuf>

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