

SUCCESSION PLANNING IN SAN MATEO COUNTY: MENTORING A FUTURE GENERATION

Jeffrey Lewis*

EXECUTIVE SUMMARY

My findings indicate that Bay Area social services agencies will soon face a major crisis in human resource management. The retirement of the “baby boomers” and economy driven factors will impact staffing levels, thereby making succession planning a priority. The departure of senior managers en masse will cause problems with depletion of institutional memory.

This paper focuses on the need to implement succession planning and mentoring as a matter of urgency.

Succession planning is preparation for the loss of key workers who represent a high proportion of the intellectual experience within an organization. As the name implies, the strategy hopes to provide a planned replacement with a seamless transition and the minimum of disruption, thus providing continuity of service and agency goals.

I chose San Mateo County for my project, as I was aware that their Human Services Agency (HSA) was actively engaged in succession planning and mentoring. As far back as July of 2000 the HSA's executive team identified and agreed upon a set of key leadership competencies for the agency. They decided to use these competencies for recruitment, succession planning, and leadership development programs for directors, managers and supervisors.

THE VISION:

Develop a framework and support structure for the creation of sustainable leadership.

Some counties will need to make radical changes in the way that they mentor, train and promote. In general employees have not been encouraged to seek promotion, and eventually, organizations and individuals accept this as a normality. Popular opinion has invested the promotion methods of management with a sinister but justified reputation.

THE SOLUTION:

Implement a succession planning and mentoring program by identifying the key criteria specific to one's own agency. Among other requirements, it will be necessary to do the following:

- Identify expected vacancies.
- Determine critical positions.
- Identify current and future competencies for positions.
- Develop a recruitment strategy.
- Create assessment and selection tools.
- Identify gaps in current employee competency levels.
- Develop individual development plans for employees.
- Develop and implement coaching and mentoring programs.
- Assist with leadership transition and development.
- Create a culture of professional advancement (CPA).

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INTRODUCTION

In the course of my research in Santa Clara County, I realized that many of the senior managers and supervisors would reach retirement age within five to ten years. It occurred to me that, considering their knowledge and range of experience, we would encounter difficulties replacing them. It was not until I examined the demographics of Santa Clara County Social Services as a whole, that I realized the extent of the problem and the critical nature of the situation.

I was interested to see whether other counties were facing a similar crisis, or whether they were even aware of inevitable events. I learned that San Mateo County was already ahead of the field in making provision for the loss of key staff. They had been working with succession planning since 2000, and had formulated a mentoring program.

Developing a succession planning and mentoring program builds sustainable leadership for the organization and allows for inevitable evolution in a conscious and purposeful manner. Succession planning involves preparation for the loss of certain key workers who represent a high proportion of the intellectual experience within an organization. As the name implies, the strategy hopes to provide a planned replacement with a seamless transition and the minimum of disruption, thus providing continuity of service and agency goals.

Although much of this paper is directed towards vacancies created by retirement, succession planning and the illustrated mentoring programs are crucial elements to any organization, at any time.

This paper was prepared during my internship with San Mateo County Human Services Agency (HSA), and much of the data on the mentoring concept is specific to that county. However, the issues raised and the solutions available are common to most authorities within the Bay Area Social Services Consortium. If no other message is acknowledged, I would urge all social services agencies to review their demographic profile and produce a synopsis of the turnover, recruitment and promotion factors that affect that profile. The findings indicate that this agency will soon face a major crisis in human resource management, making succession planning a priority. The departure of senior managers en masse will cause major problems with the depletion of its institutional memory.

BACKGROUND

I realized that some agencies could be faced with a crisis due to the exodus of many senior supervisors and managers. I realized also, learning from past history, that when this occurred, there would be a tendency to seek a replacement from a pool of individuals who may not necessarily be the best prepared candidates available.

It is a widely accepted practice throughout government and industry to promote as a reward for seniority. This can result in less than perfect candidates, who in turn may produce less than perfect service delivery.

Having understood that much of our corporate intellect would be gone within the next five to ten years due to the retirement of the "baby boomers" and

other factors, I saw an urgent need to plan executive succession. I realized that this planning would be critical to the level of service provided by my agency.

I envisioned a plan to provide a seamless transition from the outgoing individual to their replacement. I also recognized that current staff, under the correct conditions and with correct training, could be an ideal source for those replacements. They could be selected and mentored based on their management potential, and prepared in advance for possible promotion.

I chose San Mateo County for my project, as I was aware that their Human Services Agency was actively engaged in succession planning and mentoring. Also, the factors that necessitate succession planning in San Mateo also impact Santa Clara County, since they share many logistical features. Although San Mateo's mentoring program is in the early stages of development I thought it important to observe the elements considered by the executive team to implement such a program from inception to implementation.

As far back as July of 2000, HSA's executive team identified and agreed upon a set of key leadership competencies for the agency, which they had decided to use for recruitment and succession planning, as well as leadership development programs for directors, managers, and supervisors. Competencies are defined as knowledge, skills and personal attributes that manifest themselves in the observable behavior of an individual and lead to successful performance and results in the workplace. By identifying these core factors, it is possible to apply a common standard for supervisor and manager development.

As an adjunct to those competencies, the tools were provided whereby individuals could assess their own performance strengths and weaknesses, and create an individual development plan. The use of developmental assignments and skill-based training are amongst those tools. While it is fair to say that some managers consider themselves to be generalists, others feel that the range of specific knowledge and experience needed in a replacement would make that recruitment difficult.

CAUSAL FACTORS

As expected, the concentration of employees in San Mateo County over the age of 45 continues to grow. Twenty three percent of the managers are between the ages of 51 and 55, and 35% are in the 56 to 60 range. By this time next year, most of the 51-55 age group will graduate up to the 56 to 60 group, leaving an even smaller percentage of younger managers.

It is understood that HSA will experience an unprecedented transitional change in personnel during the next five to ten years. As an agency delivering critical services to an increasing number of at-risk clients, they must be prepared to replace a substantial part of their institutional memory and leadership resources.

Although it is inviting to examine the patterns of projections based on known factors and criteria, this would be misleading. Consider the situation if the continuing economic downturn in the San Francisco Bay Area necessitates a reduction in the workforce. Retirement rates in the future will be pro rata much higher than predicted.

As an example, outside of social services, 34% of the federal civilian workforce is over 50 years old.

By 2003, over one third of the federal workforce will be eligible for retirement. When one third of your workforce retires, who replaces these valuable, experienced employees, and who replaces the organizational culture and leadership values?

Downsizing or a sustained hiring freeze may have reduced the number of internal candidates, and when attrition rates and a tight labor market are factored in, it is clear that human resources departments will have their work cut out for them.

DARWIN'S THEORY OF PROMOTION

Darwin's theory of promotion states that if you have survived in an organization long enough, you automatically qualify for selection for a vacant post! All too often, when a vacancy arises, there is a scramble to find a replacement. The replacement may be unsuitable because they have not been groomed for the position prior to selection. Often they are the only candidates considered from a certain level of employees. Mostly, they are chosen by management to be eligible for selection merely because they have been in the agency for many years.

The culture of many organizations rewards longevity rather than ability, which may not always produce a suitable candidate. The person chosen may have been treading water, just waiting for retirement, so why should they exchange job maintenance for innovation? There is no advantage to them to take risks or implement change. In a few years they will be retiring and there is no way they want to risk that for the sake of trying something new.

San Mateo County HSA is seeking to avoid these problems by implementing a succession planning and leadership development program. By using innovative techniques and isolating core competen-

cies they seek to identify potential managers and develop a structure for mentoring. In this way, they hope to have an abundant supply of competent and motivated staff to carry them through the next years.

Some of the core competencies required may include, but are not limited to:

- Demonstrates vision and leadership
- Exemplifies high professional and ethical standards
- Promotes personal and professional growth for self and others
- Promotes the highest level of service delivery
- Values and promotes diversity and cultural competence
- Communicates effectively and seeks understanding
- Empowers people and builds commitment
- Builds a strong organization.
- Works effectively as a team leader/member
- Delivers results

MY FINDINGS

This paper is based on a review of the existing profile of San Mateo County HSA and a synopsis of the turnover, recruitment and promotion factors that currently exist. The main conclusion of this research indicates that the agency could soon face a major crisis in human resource management.

A review of nationwide demographics shows that similar patterns are developing throughout the workforce. The number of people expected to retire may very soon exceed the number of young persons available to take their places, and hence economy-wide labor shortages might be expected in years to come. The county could well experience difficulties in recruiting or retaining younger employees.

Tomorrow's leaders are already yesterday's executives: An article by Stuart Crainer and Des Dearlove in *Management Review* (July/August 1999) states that, on a global scale, business is arguably facing a convergence of serious and unprecedented demographic, sociological, and organizational factors. They further state that by 2002 there will be more U.S. workers in their late 40's than in their late 20's. The number of 40-59 year olds in the United States, which stood at 53 million in 1990, will reach 73 million by 2000, and 83 million in 2010. Many American companies are already suffering a shortage of executive talent.

The probability that an employee will quit or retire at any given age is widely known. The summary is that the young have a relatively high quit rate that diminishes with age until about 54. From 55 to 59, retirement is the main causal factor, a figure that jumps again quite dramatically at the age of 60.

The retirement aspect is the most critical factor in the equation. The employees from the "baby boom" era are now reaching retirement age. The burgeoning number of employees over the age of 50, most of whom will retire within ten years from now, has become a major concern for human resource planners. The anticipation of high turnover in senior jobs has now reached the crisis stage for many branches of local government.

At first sight, the projections of a rapidly increasing level of attrition may appear to be a negative element, with the indicators of manpower disruptions and declines in productivity due to staff turnover. However, these high levels of retirements and hence vacancies will provide jobs for some of the people deemed to be redundant. This apparent opportunity for career growth should be cultivated, allowing younger workers to envisage a career in management.

It may not be possible to fill all the vacancies from existing staff, because some of the skills do not exist within the HSA. Occupations which are fairly generic are the best to be back-filled by existing staff. Some of those requiring specific credentials would most likely come from outside the agency. The retirement projections should be fairly reliable as they are based solely on the age and years of service of staff that are currently employed. While the estimate for any particular year may be off a bit due to local government policy, interest rates and other economic factors, the fact that all employees will retire by the age of 65 assures the projections. Whichever way you look at it, local government will lose approximately 4 in 10 of its current regular employees by 2013.

The Vision

Develop a framework and support structure for the creation of sustainable leadership.

In the past, succession planning typically focused on key leadership positions. In today's workforce, it is important to include key positions in a variety of job categories. With good succession planning, employees are ready for new leadership roles as the need arises, and when someone leaves, a current employee is ready to step up to the plate.

Objectives

1. Develop a strong and continuous internal recruitment pool for key positions within the Agency.
2. Embark on a succession planning and mentoring project. Accordingly it will be necessary to do the following:
 - Identify expected vacancies.

- Determine critical positions.
- Identify current and future competencies for positions
- Develop a recruitment strategy
- Create assessment and selection tools
- Identify gaps in current employee competency levels
- Develop individual development plans for employees

From the aspect of retirement, many people know when they want to stop working. However, asking such a question is sometimes taboo, and there is reluctance to volunteer this information. If you do not know when a replacement is needed, you present a problem to management and human resources.

There are certain agency positions that are considered critical. These are the people who give direction to the agency, who provide strategic impetus, and who have a big picture view of where they are all going. These are the people who inspire their staff and who cultivate pride and purpose. They are a rare commodity, and represent a serious loss if they were to go. It would be a mammoth task to replace these people, but somewhat easier if known in advance.

Start a Mentoring Program

Mentoring is defined as a deliberate pairing of a more skilled or experienced person with a less skilled or experienced one, with the mutually agreed role of having the less skilled person grow and develop specific competencies. The mentor acts as a coach, teacher and advisor, offering knowledge, wisdom and perspective that is especially useful to the protégé's personal and professional development. It is the duty of every manager

to assist with leadership transition, development and mentoring.

"Keep away from people who try to belittle your ambitions, small people always do that, but the really great make you feel that you, too can somehow become great".

Mark Twain.

Some counties will need to make radical changes in the way that they mentor, train and promote. In counties where employees have not generally been encouraged to seek promotion, organizations and individuals accept this as a normality. Popular opinion has invested the promotion methods of management with a sinister but justified reputation.

"A true learning organization can support profound changes because it supports both individual and collective thought and growth. The entire culture of the organization must be one that values and honors learning as a way of enhancing the growth and development of staff. Our ability to succeed depends on our willingness to question and challenge the old ways of doing business and be open to new ideas".

"Learning must draw upon, develop and enrich the skills, attitudes and beliefs of the learners in order to support the systemic changes currently being experienced by social service organizations." (Taken from a 1999 report by the BASSC Human Resources Committee)

The agency will need to know the competencies required for any given position now and for the future. Individuals can then be trained on new technology. Many positions have no clearly defined job specifications, and it would help to construct some written form of direction.

Recruitment should be an open and transparent process, which seeks input from the staff. Management at the same time should ensure that the selection and assessment criteria are uniformly applied, and made accessible to all individuals. During this process it will be possible to identify and address any gaps in their competency levels.

Developing a mentoring program involves both mentor and protege in a learning process. "When one person teaches, two people learn". The process depends on the compatibility of both parties, but they have a choice, and within a short time both parties know whether it will work.

Wayne Gretzky, the hockey player was once asked the secret of his playing skills. He remarked that he anticipates where the puck will be and heads there. In the same way, we must anticipate what will happen and plan ahead accordingly.

San Mateo HSA asked their Human Resource and Development Manager to research the issues created by the departure of senior managers and supervisors. As a result HSA is currently in the process of formulating career development, and a number of proposals are currently under consideration.

The VIP Program

Recently, a leadership development study called "Values in Practice" (VIP) was formulated. It was intended to create a development culture to assist employees in achieving career advancement goals that are aligned with the direction and needs of the agency.

The VIP project is a Human Services Agency leadership program that offers new and existing supervisory staff, access to individual and group activities.

It offers resources in addition to skill-based workshops. The program is firmly based in reality, and if implemented, will effectively face the issues of succession planning and mentoring.

The agency is seeking to establish and convene a VIP steering committee to provide recommendations and advice on the core and ongoing program components. This would involve the creation of skill-based workshops, and individual development plans, with access to both agency and outside mentoring.

The mission of the VIP program is to offer opportunities for all staff to develop careers and enrich their personal lives through succession planning, mentoring, career planning, alternative career opportunities and educational development.

Even though San Mateo is advanced in its concept, they do not have a working program in force. Consequently, no results can be calculated or compared.

Culture of Professional Advancement

I suggest a new mind-set that encourages all staff to utilize their ability and experience for the purposes of advancement. I call this the Culture of Professional Advancement, or CPA. It will need to be created by senior management and maintained by human resources as an ongoing project with the encouragement of all levels of management.

Such a project is up and running in San Francisco Human Services Agency, and was implemented by the current director who has successfully used this model in private industry, and now in a local government setting.

Individuals are encouraged to cross train or mentor with a supervisor or manager. After an initial period

of mentoring, the individual is tested on a set of criteria which are more broadly based than the key competencies identified in the San Mateo model, and which place more emphasis on job skills. If the individual does not pass the test, he/she can try again at a later date.

Staff can see that they are valued and that there are opportunities for social mobility. This has resulted in reduced staff turnover and improved morale. Human resources recognizes that individuals who promote from within the department or agency are likely to be grounded in the job specifications and work philosophy which is important in public service.

Staff are advised that mentoring will not automatically lead to promotion or guarantee career advancement, but still, many look upon this as a way of broadening their range of knowledge. This mentoring program was conceived long before succession planning was a "hot topic", and has been successful to the extent of its purpose.

The performance objectives and success indicators include the following:

- Reduction in workers stress and burnout.
- Increased retention of existing workforce.
- Identifies candidates for the succession planning and mentoring programs.
- Increases direct reports satisfaction with supervision.
- Increased employee satisfaction in current position.
- Increased customer service satisfaction.

The only constraints are ones of budgeting and having staff find time among their other commitments. Despite these caveats, the program has been successful.

As we are now aware of what is in store for us, we can plan and make provision for the inevitable. Many private organizations are not sufficiently prepared, and according to a survey by the National Association of Company Directors, 45% of companies with sales in excess of \$50 million have no meaningful process for grooming potential CEO's.

This means in practice that promotions are based on favoritism or subjective preferences rather than an objective assessment and systematic selection process. Leadership development is introduced at an advanced stage in a career, if at all, rather than making it a continuous process throughout a career.

The world is changing so fast today; it is impossible to know and to plan future development. Rather than develop talent to fill specific positions, it is prudent to develop general competencies, create flexibility and leadership potential at all levels of the agency.

HOW ARE OTHER COUNTIES AFFECTED?

My research has shown that the factors affecting San Mateo County are pandemic, and affect all counties in all states, and indeed all countries. I believe that the effects will resound through industry and government for many years to come, and will have a profound effect on the future development of local government. By having a plan, San Mateo and the other counties can be prepared for the challenges ahead.

FISCAL IMPACT

It is not certain what the fiscal implications of a succession planning project would be. What is certain, however, is that the cost of not taking action will result in high staff turnover, low morale, and

possible loss of many key staff to private industry or other county agencies.

TIMELINE FOR IMPLEMENTATION

At the concept stage of this paper, I envisioned a transition time in which to implement changes. This timing was based on known factors and projections based on established principles. I have since revised my timeline. We can no longer rely on these established principles, and the time to act is now!

RECOMMENDATIONS

Focus on Long-term Strategic Requirements

Old principle: Identify a group of candidates for positions which may be open in six to twelve months.

New principle: Develop a leadership cadre whose strengths and abilities will allow you to run the agency as it should be, not necessarily as it is now. By understanding the future needs of the agency it is possible to identify gaps or overuse of staff in any given area. By developing a five-year plan, and knowing where you want to be at that time, it will be possible to groom individuals for those positions.

Consider Current as well as Future Required Job Competencies

Old principle: Assume that the position requirements stay the same.

New principle: Develop future leaders with the experience to prepare them for the agency, allowing you to get the right person in the right job at the right time. By knowing the job requirements you can gauge the range and level of the competencies

that will be needed. Ensure that individuals are coached in multidisciplinary skills, thereby giving both management and the candidate flexibility. By reviewing the future goals as envisioned by your director it will be possible to structure those competencies accordingly.

Focus on Leadership Requirements

Old principle: Emphasize specific functional skills and industry experience.

New principle: Use job analysis techniques to develop objective criteria for a broader and more flexible future.

Utilize Objective Assessments

Old principle: Use assessments that were based on the judgment of an individual manager.

New principle: Use 360-degree feedback that is more accurate and reliable than the rating of a single manager. Ask managers what they feel are the strengths and weaknesses of a particular individual and then ask similar feedback from other managers or supervisors. Ask the individual what they feel their strengths and weaknesses are.

Keep the Process Open

Old principle: Shroud succession planning in mystery and secrecy.

New principle: Keep managers and staff aware of succession planning. Invite their input and participation in the process, and ensure that the process is transparent. Enable managers and supervisors to take more responsibility for their careers, and allow all staff to know they are valued, and that there are

possibilities that they can rise to management, and only be held back by their own hand.

Enable Managers to Take More Responsibility for their Careers

Old principle: impose a top-down planning strategy with little input from the candidate.

New principle: Place the responsibility for career progression on the individual by providing support in the form of dialogues with candidates, candidate mentoring, training and education. Let individuals know that mentoring is open for all levels, and encourage staff to make their aspirations known.

PLAN OF ACTION FOR SANTA CLARA COUNTY

Based on the research results from San Mateo, San Francisco and available material, I would advise Santa Clara County Social Services to act as follows:

- Agree on the composition of an exploratory committee to implement mentoring, ensuring that all levels of staff are represented.
- Make staff aware of the mentoring potential, and allow them to come forward and express their desire to participate. Protégés should submit a resume that will assist the selection of the most appropriate mentor. Protégés will often have in mind their choice of mentor, and where possible that choice should be respected. At the same time, ask all managers to identify individuals in their division who they consider suitable for the program, and if possible do outreach to these individuals.
- Agree upon a set of criteria among qualified candidates that effectively matches mentors and mentees, and allow for changes if the match is

not successful. Mentor and protégés should sign a Mentor/Protégé agreement committing both parties to the program for its duration.

- Assign the protégés with development assignments that stretch and challenge them. By requiring new thinking and behavior these mind-stretching exercises offer an opportunity for assessment and feedback as well as support.
- Provide one-on-one mentoring and peer coaching, together with in-service customized skill-based training.
- Share knowledge and information with a protégé, while providing feedback on performance, and recognizing achievements. Monitor the program by feedback sessions, and ask protégés to complete a report at the end of each feedback meeting. They should state what they have gained so far, and what their expectations are at further meetings. This information should be used at the mid-point of the program to evaluate strengths and weaknesses.
- Give individuals permission to fail while at the same time treating them with respect.

The organizational benefits of mentoring extend to the protégé, the mentor and the Agency itself. The benefit to the protégé is personal growth, professional maturity, career development and leadership/managerial skills. The benefits to the mentor are just as real. Being a mentor contributes to personal growth, and as mentors coach and guide their protégés, they stay focused on their own skills.

Mentoring is found to be an effective succession planning strategy that will benefit the agency in numerous ways. Mentoring programs can be valuable tools in recruitment, retention, knowledge transfer and workforce development, and may lead to diversity in the organization. They offer a relatively low-cost opportunity to serve the needs of the

protégé, the mentor, and the agency. Many studies have supported the benefits of mentoring programs. It should be remembered that people are not developed, they develop themselves, and a motivated individual given the right tools is a powerful force.

Our agencies represent an almost limitless resource of talented and dedicated individuals who are drawn to public service by the desire to help their communities. Through building on their abilities and with effective mentoring, we are creating the managers and supervisors of the future.

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