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Vichetera Rajagani@ Diya and Mahaliza Mansor

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Review of History Succession Planning: Replacement Planning, Talent Management and Workforce Planning

Vichetera Rajagani@ Diya and Mahaliza Mansor

Department of Educational Management, Faculty of Management and Economics,
Universiti Pendidikan Sultan Idris, 35900, Tanjong Malim, Perak, Malaysia

Abstract

This study aimed to explore the issues and challenges of implementing succession planning in the Ministry of Education Malaysia. Besides that, this concept paper is also intended to look at factors that contribute to the implementation of an effective succession planning. The sample of this study is focused on the Education Service Officers, Ministry of Education Malaysia. The succession planning is seen as an important factor for the well-being of an organization. Transformational leadership, transactional leadership and organizational culture are seen as contributing factors to the implementation of effective succession planning. Thus the focus of this concept paper is to discuss in depth the research problem and the needs of succession planning implementation related to the contributing factors.

Keywords: Succession Planning, Replacement Planning, Talent Management, Workforce Planning, Human Resource Management.

Introduction

Succession planning is a continuous, systematic effort to ensure continuity of leadership, protection, intellectual capital development and knowledge for the future of the organization and to promote individual development (Hassan & Nasibollah, 2016). Additionally according to Rothwell (2010) an organization's succession planning involves two things: preparation of future leaders and career development. A closer look at succession planning can help achieve organizational goals through leadership development programs. Although there are numerous previous studies that have shown success in succession planning, recent researchers have given less attention to succession planning studies (Rohana Ahmad, 2016; Syeda & Abida, 2014). This is in line with the views of Joyita and Shivaji (2015) who state that although initiatives on succession planning are practiced in some companies in India, studies on succession planning are still lacking (Joyita & Shivaji, 2015).

History of Succession Planning

Succession planning mean that any effort is made to ensure that the performance of the organization, division or department remains effective through the implementation of

development, succession and strategic planning of key positions over time (Rothwell, 2005: p. 10). In addition, succession planning are also defined as actions to ensure that the appropriate successor is ready at the time needed to effectively manage the organization and to meet the future challenges of the organization (Abdulla, 2008). Succession planning was actually introduced by Henri (1918) who believed that if the succession plan were interrupted, the organization would not be ready for the necessary transition (Rothwell, 1994). In 1916 Henri published the book *Administration Industrielle et Generale*, in which he developed 14 principles related to administration. In the book Henri states that the management of an organization has a responsibility to ensure the long-term stability of the workforce and if that stability is threatened, then important positions in the organization will be filled by unprepared workers. Furthermore Henri (1918) states that the strength of an organization depends on its employees and that when workers become more skilled and ready, the organization will reap the benefits.

Next, the most popular scholar in the field of succession planning was Rothwell. Rothwell (2015) states that organizations that do not have formal succession planning face issues such as important positions are not filled in the required time, key vacancies take place, key positions are filled with leaders outside the organization, there is always a turnaround for key positions, no there is the provision of a replacement for potential leaders, a lack of skills among the successors in the organization and no retention of talent in the organization. According to Rothwell these problems are problems faced by organizations due to the absence of a succession planning.

In addition, the human resource succession planning is a systematic effort by the organization to ensure the continuation of the workforce that is critical and to promote individual progress (Rothwell, 1994, p. 28). Of course, the succession planning allows the organization to be prepared in the event of a vacancy, death, if a worker is retiring or laid off. Consequently, succession planning actually provide a cultural continuation and evolution of the skills required of an organization (Blaskey, 2002; Husting & Alderman, 2001; Carey & Ogden, 2000; Arnott, 2000; Schein, 1999; Swanson, 1994). According to David (2005), essentially, succession planning ensures that there is a suitable workforce, sufficient to replace it in the event of any significant vacancy or absence, and develops the successor with new responsibilities as quickly as possible with minimal deficiencies. David also points out that succession planning is a holistic process in which it involves the development of individual careers.

Accordingly, Fulmer and Conger (2004), and Rothwell (2005) have identified ten key components for success of an organization's succession planning. The ten components are organizational commitment, transparent process, assessment of organizational needs, retention of organizational knowledge, skills and abilities, assessment of individual talent, development of individual development planning, individual feedback, accountability, evaluation process and integration process in the organization. It can therefore be concluded that the ten components mentioned above can help an organization implement succession planning successfully.

In addition, one of the critical elements of the succession planning identified is the identification of key positions in the organization (Fulmer & Conger, 2004; Rothwell, 2005). In addition, Rothwell identifies six strategies that can be used to identify key positions in the organization: job vacancy analysis, organizational committee charts, discussions with senior leaders, past experience when job vacancies arise, network charts (identifying

communication pathways), or a combination one or two approaches. The conclusion is clear that succession planning can be of great benefit to an organization if they take into account the essential components and critical elements of the implementation of the succession plan as discussed above.

Key Elements of Succession Planning

According to Rothwell (2010), there are several other terms related to succession planning but which have different meanings to succession planning. These terms are replacement planning, talent management and workforce planning. These three terms are an important element of succession planning and are closely related to succession planning. However, there are significant differences between these terms and succession planning.

Replacement Planning

Berke (2005) states that replacement planning is an effort focused on identifying successors for key positions, especially two or three key levels within the organization. According to him also replacement planning is the easiest replacement process. It means managing risks by replacing employees (Rothwell, 1994). Compared to replacement planning, succession planning focuses on systematic and strategic capabilities and capacity building. In addition, succession planning are strategies, using goal setting and ability analysis to develop plans for successful strategy changes from a capable individual to their successor. In addition, a formal succession planning not only involves the replacement of the crisis but also emphasizes strategic philosophy (Fairfield-Sonn, 2001). Instead, replacement planning focuses on the maintenance process. It does not have a formal plan because replacement planning focuses on unforeseen events (Fairfield-Sonn, 2001).

According to Cosack, Sabine, Guthridge, Matthew, Lawson and Emily (2010), replacement planning focuses specifically on identifying candidates for senior management positions. Focus is on the retention of key employees and the possible consequences to key employees in the company. A closer look at replacement planning is seen as a process of identifying substitutes for short or long term so that organizations have alternatives to take responsibility for critical positions in times of emergency (Rothwell, 2011). Individuals identified as successors are not promised promotion, rather, they are willing to carry out the job for critical positions for a long time while organizations are able to find an internal or external replacement that is appropriate and appropriate for the job (Rothwell, 2011). Instead, succession planning focus on the development of individual groups that can be considered for promotion or talent management focusing on the acquisition, development, employee movement and retention of the best individuals in the organization (Rothwell, 2011). Thus it is clear that although replacement planning is associated with succession planning, replacement planning carries a different meaning

Talent Management

Another notable concept in the literature review of succession planning is talent management (Rothwell, 2010). According to Rothwell (2005: p. 16) talent management is an important strategy for hiring and developing talent for the organization (Rothwell, 2005: p. 16). Gay and Sims (2006) defined talent management as an effort to identify, develop and mobilize employees and leaders to enhance retention of key talent within the organization. In fact,

talent management is the process of selecting and hiring, developing employees and referencing strategies related to activities in the organization (Rothwell, 2015). According to Rothwell, the term talent management is often replaced by other terms such as replacement planning, human capital management, and human resource planning and employee performance management. In conclusion, it can be argued that although talent management and succession planning are interrelated (Krauss, 2007), technically the two concepts have different meanings.

Workforce Planning

Workforce planning is one of the most challenging human resource issues for 2018 (Beth, 2018). According to Rothwell (2015), workforce planning refers to comprehensive planning for the entire workforce in the organization. In addition, a more general approach to workforce planning is to fill positions when vacancies arise or when there is a need for people to perform certain tasks (Rothwell, 2015). In conclusion, the succession plan does not carry the same meaning as any of the above concepts, although they are related to each other. Succession planning can be formulated as an effort by management within an organization towards the preparation of future leaders and individual career development to maintain organizational performance and sustainability.

Conclusion

In conclusion, the three terminologies discussed above are replacement planning, talent management and workforce planning. The three terminologies discussed above are closely related to the succession planning. However, the three terminologies have different meanings and there are clear differences with succession planning. Compared to these three terminologies, succession planning carry a broader meaning in which it is a systematic process towards the preparation of future leaders and individual career development (Rothwell, 2005).

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Corresponding Author

Vichetera Rajagani @ Diya

Department of Educational Management, Faculty of Management and Economics, Universiti Pendidikan Sultan Idris, 35900, Tanjong Malim, Perak, Malaysia

Email: diyaphd@yahoo.com

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