SUCCESSION PLANNING
Newsletter of Organizational Effectiveness Strategies
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From the President's Desk

DEVELOPING THE FUTURE

Suzanne Miklos, Ph.D.

Planning for leadership talent is a never-ending cycle for successful organizations. With the markets and economy doing well, many leaders are retiring on time with financial security. While many will find ways to remain involved in some capacity, the cascading effect creates opportunities for promotion and new hires at senior levels down through frontline leadership.

The first consideration is understanding what must be protected in the culture and team environment as leaders are brought in or moved up. We find that organizations are taking a hard look at all their data on senior leaders to validate and tweak competency models and "fit" factors important to the culture of these successful leadership teams. How extensively collaboration is expected, how much risk leaders are permitted to take, and how much data is included in a normative business case can differ by industry and company. Is it preferable to ask for forgiveness or to consult every stakeholder before making a move? Cultural fit on a few key items can make or break new hires or those promoted into a new group of peers.

The second consideration is where the leadership culture and capabilities need to be stretched. Identifying competencies or characteristics needed to evolve the organization's capabilities is another element of developing leadership talent. AI-assisted work is becoming more customer-facing and impacting a broader set of work tasks. Security and risk management have evolved, and innovation has become a skill set in conservation. A company may be looking for a new technical competence to expand business lines or integrate business units. Having people who can introduce new mindsets and tools can be highly valuable.

Finally, the organizational structure should be examined. The way senior-level roles evolve often contains assumptions and historical artifacts that are no longer valid. Some roles may be broken apart or combined to enrich developmental experiences and better match skill sets in the market. Reorganizing to align resources and value chains can also be instrumental in talent development and acquisition.

With an upfront analysis, assessing leaders against must-have cultural elements before evaluating the new talent they bring prevents falling in love with candidates who will ultimately destroy team value. For internal candidates, gathering 360 observations and testing skills against next-level expectations can be done well before a transition, allowing time for formal development programs and progress evaluation.

One client in a high-growth company split a now too-large role into two requiring different strengths. An internal candidate was selected for one, while an external hire brought fresh thinking to the other. The incumbent retired but now serves as a consultant mentor. These thoughtful moves are facilitating a smooth transition to the next generation of leadership.

CULTIVATING TALENT: HOW TO GROW AND RETAIN YOUR BEST PEOPLE

Tim Jesurun, Ph.D.

As a manager, there have been times when you wished to hold onto your best talent instead of seeing them promoted out of your team or, worse, leaving the organization. While your best outcome is for them to stay and remain productive, that may not necessarily align with their personal goals or those of your organization. Talented employees seek challenging work and appropriate compensation for their high-quality contributions. Your organization needs these skilled individuals in critical roles where they can thrive, rather than allowing them to merely coast when they are capable of achieving more.

The challenge for you is to develop talent that not only adds value now but also enhances the organization's effectiveness in the future and reduces the likelihood of them seeking employment elsewhere.

To nurture your current talent, provide feedback that helps them understand both their strengths and areas for improvement. It's essential to recognize the type of feedback that is most effective for each individual you lead. Some team members respond better to a more encouraging approach that includes praise for good work, while others may prefer direct, straightforward feedback. The O. E. Strategies assessment process captures whether a person benefits from a gentler feedback approach that includes praising good work or a more direct approach.

As a person's skills grow to meet the demands of their role, some may begin to coast. However, the high-potential employees we assess are likely to seek new challenges. If they can't find these challenges within your organization, they will look elsewhere. To retain these individuals while fostering future talent, consider the following strategies:

- Give them stretch assignments and offer new challenges to help them build their capabilities.
- Encourage lateral moves and cross-training that broaden their experiences and keep them engaged in novel tasks.
- Discuss their career plans to demonstrate how remaining with your organization can provide the opportunities they desire.
- Think about how they could be a strong successor for you as you approach your next role. Provide opportunities for them to shadow you and take on some of your current responsibilities in preparation.

Employees are less likely to seek opportunities outside the organization when they have new prospects and a clear path forward within the company.

After all this development, you may still worry about whether they will leave for their next role. They might consider leaving if there are no further opportunities available within your organization, so help them see how staying can lead to achieving their goals. Additionally, they may leave if they do not fit the organizational culture. If your team is developing a culture that aligns with their values, make this clear; otherwise, it may be best to let them pursue other opportunities.

As people enhance their skills, they not only become greater assets to you and your organization, but they also become ready for new challenges. If you can provide those opportunities and present a future where they feel they belong, they are likely to stay with you.

Research Article

THE POWER OF 360 FEEDBACK IN SUCCESSION PLANNING

Katie Rosneck, B.A.

360-degree feedback has become a widely adopted tool for assessing leadership effectiveness, informing succession planning, and driving organizational performance. By gathering input from multiple sources—including supervisors, peers, direct reports, and other stakeholders—360 assessments provide a well-rounded view of leadership competencies, allowing organizations to make more data-driven talent decisions.

Research has consistently demonstrated the value of multi-rater feedback in leadership development. London (1993) argued that organizations using 360-degree feedback as part of a structured talent management strategy gain a competitive advantage by fostering a culture of continuous improvement. Additionally, Smither et al. (2005) found that leaders who receive constructive multi-source feedback are more likely to engage in meaningful development activities that translate into long-term performance gains. In the context of succession planning, 360 feedback allows organizations to identify high-potential employees early, ensuring they receive the necessary development to transition into leadership roles.

Beyond individual growth, 360-degree feedback has broader implications for organizational performance. Research by Campion et al. (2011) highlights how well-designed leadership assessments contribute to stronger business outcomes, as organizations can better align leadership behaviors with strategic goals.

While 360-degree feedback is a powerful tool, its effectiveness depends on how organizations implement and follow up on the results. Research by Bracken and Rose (2011) suggests that feedback alone is not enough—structured coaching, goal-setting, and ongoing development initiatives are key to ensuring lasting behavioral change. Organizations that integrate 360 assessments into broader leadership development programs, rather than treating them as standalone evaluations, see greater improvements in both individual and organizational performance. Additionally, creating a culture of feedback—where employees view 360 assessments as developmental rather than punitive—enhances engagement and increases the likelihood that leaders will act on their results.

At O.E. Strategies, we leverage 360-degree feedback as a core component of our leadership assessment and development strategy. Our proprietary 4R Leaders 360 provides a structured, research-based approach to evaluating leadership competencies, ensuring that talent decisions are grounded in comprehensive, multi-rater insights.

Organizations that incorporate 360-degree feedback into both succession planning and broader performance management efforts are better positioned to develop agile, adaptable, and high-performing leaders. As research continues to show, data-driven leadership assessments contribute not just to individual growth but to sustained organizational success.

References

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PARTNERING WITH YOU TO BUILD STRONGER LEADERS FOR THE FUTURE

The most successful succession planning stems from a deep understanding of organizational talent and targeted leadership development. Let O.E. Strategies help you in this effort. We offer science-driven, succession-focused assessments, partnering with you to define the future state and evaluate your leaders through extensive assessment, followed by action-oriented coaching to build a development plan.

Our approach includes validated competency and cognitive assessments, in-depth simulations tailored to your industry, and competency-based interviews. These tools help candidates understand their strengths and identify gaps to advance to the next level. Our bench of coaches offer variety to match the personality and needs of the candidates. Progress is often supplemented with the 4R Leaders 360 to assess reputation and track development.

With a focus on transformational progress and leadership involvement as key stakeholders, this process not only strengthens individual leaders but also ensures your organization is well-prepared for future transitions.

The O.E. Strategies Team celebrated the season with a fantastic holiday getaway—starting with festive fun at the Hofbrauhaus, followed by an incredible performance of 'Twas the Night by Cirque du Soleil at the Cleveland Playhouse. Great experiences with even greater people!

PROMOTION ANNOUNCEMENT!

A message from our CEO:

I am excited to announce that Dr. Mike Sliter is being promoted to VP of Consulting and is an O.E. Strategies shareholder. His responsibilities have expanded to include more operational and leadership responsibilities for growing and managing our lines of business. Over the past seven years, he has grown from a practitioner to a strategic partner. It has been exciting to be a part of his growth and an honor to recognize his achievement and capability with this promotion. Please join me in heartfelt congratulations!

UPCOMING FREE WEBINAR

Identifying High-Potential Talent for Succession

Friday, March 21st, 2025 – 12:00PM – 1:00PM EDT

Join us for an exclusive webinar on identifying high-potential employees and building a strong succession pipeline. Learn expert strategies to recognize, develop, and retain top talent—ensuring long-term success for your organization. Plus, this session qualifies for one SHRM recertification credit!

CONTACT OE STRATEGIES today, and invest in your organization's leadership journey today with the 4R Leaders 360 Platform. Don't wait until tensions arise—gain the insights your team needs now to build a stronger, more cohesive organization for the future.

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