

SUCCESSION PLANNING POLICY

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1. INTRODUCTION

The aim of the policy is to define Milnbank Housing Association's (MHA) approach to succession planning and how talent is managed to ensure there is a continued supply of suitably qualified staff and committee members to satisfy the future growth of the Association.

Succession Planning is a process for identifying future human resource (HR) needs and supporting the development of internal people with the potential to fill positions in the organisation, either in the short or the long term, to ensure such future needs are met. It is a critical component of risk management and an essential aspect of business planning.

2. THE AIM OF SUCCESSION PLANNING

Succession Planning is an on-going process which is used by MHA to: -

- Identify potential internal successors to key positions.
- Identify HR risks and gaps, i.e. no suitable successors.
- Identify staff posts which may require to be filled externally.
- Identify development programmes/career paths to ensure potential internal successors are in place who possess the required knowledge, qualifications, skills and experience.
- Provide a link between the processes of personal development planning, training and the organisation's future HR needs.
- Encourage the Management Committee and Senior Management to consider the wider issues associated with Succession Planning and future business needs.

3. BENEFITS OF SUCCESSION PLANNING

The benefits of Succession Planning for both staff and committee are: -

- To encourage a strategic approach to the development of MHA's HR linked to the organisational Business Plan.
- To minimise disruption arising from future changes.
- It ensures that MHA is genuinely planning ahead and pro-actively safeguarding the unexpected (e.g. resignations, long term sickness etc.) and also the expected (e.g. retirements) natural wastage.
- To maintain the spirit of volunteering within MHA and the wider community controlled housing association movement.

4. SUCCESSION PLANNING REVIEW

Following the staff job reviews and committee skills audit, a Succession Planning Review will take place annually with the outcomes linking into the organisational Training & Development Plan Review. The annual Succession Planning Review will assess the following:

- The future needs with regard to key positions within MHA and the supply of people to meet these needs.
- Through an open and fair assessment, identify people with the potential for further development/promotion.

- To check that identified people are being developed sufficiently to enable them to fill future key roles/vacancies effectively.
- To identify learning and development needs for each individual.

5. THE SUCCESSION PLAN

Following the annual Succession Planning Review, MHA's Succession Plan will be amended to take account of the future needs of the organisation.

a) Considering the Association's future objectives in relation to future committee and staff competencies and capacity

In order to effectively target future succession needs it is important to consider MHA's future Committee and staff resource competencies and capacity in relation to its future objectives. MHA will therefore consider firstly, the strategic issues (e.g. "where are we going") as an Association to ensure that targeted succession planning and managing talent accurately reflects the Business Plan objectives.

MHA will examine its current strengths and weaknesses. It will also consider what external factors may affect its future direction (e.g. environmental, legislative etc.).

The strategic planning issues will be assessed as part of MHA's annual Business Plan review which is jointly reviewed by Committee and staff.

b) Identifying MHA's future Committee and Staff resource

Having considered and reviewed future organisational objectives, MHA will be in a position to consider how this will impact on its Committee and staff resources.

MHA will make use of Personal Development Plans (PDP) for staff and the Skills Audit for committee to ensure that relevant development needs are identified and that everyone is given every opportunity for training and development that is focused towards MHA's current and future needs. MHA uses a range of learning and development tools which are set out within the above plan and include: - Conferences, attendance at Forums, coaching, mentoring on the job training, shadowing etc.

Using the above methods, MHA will be in a position to address such issues as: future organisational structure, identifying skills and competencies which are required in the future, addressing skills deficits etc.

In addition to considering the future organisational objectives, line managers will be required to look at succession planning to identifying talent within their own functions. In view of this, line managers need to be highly knowledgeable about how the business

is likely to evolve and how such change might affect succession planning in terms of the number and skills set of their function as a whole. The line managers should identify an emergency successor and any possible future successor. This information will be provided using a checklist (Appendix A). The information gathered from individual line managers will be co-ordinated at a senior management level and will be incorporated into the MHA's overall Succession Planning Strategy.

c) Format of the Succession Plan

Although not exhaustive, the Succession/Talent Management Plan will contain the following: -

- Current MHA Committee and staff organisational structure.
- Possible future Committee and staff structure (if required).
- A list of key staff positions. This will include information on the current post holder and job description, a list of possible emergency short-term, longer-term internal successors and a potential successor profile for each key post identified.
- Legal and governance compliance (e.g. employment, Scottish Housing Regulator)

6. TALENT MANAGEMENT

Talent Management focuses on attracting highly skilled workers, integrating new workers, and developing and retaining current workers to meet current and future business objectives.

It is aimed to identify the potential of each individual and within the workforce as a group, to allow MHA to manage training and development to maximise the internal talent to the full. Also, to encourage Senior Management to consider the wider issues associated with Talent Management including the future business requirements of MHA.

The benefits of Talent Management are to ensure that MHA continues to develop its people and their personal competencies to match future needs in terms of organisational requirements. This applies throughout MHA; however, specific emphasis will be on identifying those individuals with potential to assume greater responsibility and to ensure they are developed.

Line managers should, as part of every annual review, identify the main development areas necessary to prepare individuals for possible future posts and potential achievers who are capable of performing at a higher grade should an opportunity arise. Line managers must take responsibility for managing performance and for identifying and developing talent in their own areas and also see talent as a corporate rather than a local resource.

7. REVIEW OF POLICY

MHA will review its Succession Planning Policy on a biennial basis to ensure that it continues to meet the Association's aims and objectives.

STAFF PLANNING NEEDS CHECKLIST

CURRENT SITUATION

1. CURRENT STAFFING WITHIN YOUR FUNCTION

Including the line manager, please complete the following table for succession planning for your function.

NAME	POSITION	SALARY	AGE	ROLE CRITICALITY (High, Medium, Low)

2. JOB REVIEW PROCESS

2a. Are the PDP's, updated following each Job Review, being acted upon and followed through with regular work place support sessions for all members of your function? Yes/No

2b. If not -What is the reason for this?
- What action are you taking to address this?

3. STRENGTHS/AREAS FOR DEVELOPMENT

Including the line manager, what are the strengths and the potential problem/areas for development you have identified within your function?

EMPLOYEE	STRENGTHS	DEVELOPMENT	FUTURE POTENTIAL

4. SUMMARY OF CURRENT SITUATION

4a. What does the above analysis of this information indicate regarding the current staffing situation within your function?

4b. What is the impact on results in terms of problems and possible solutions identified following this analysis?

4c. What is the current annual cost to the Association of employing this structure?

4d. Could any savings be made and how much by making better use of the skills and knowledge of individual staff or by reviewing systems/processes?

FUTURE REQUIREMENTS

5. What will the effect of the Association's future plans (i.e. Business Plan & Functional Plan) have on staffing needs and skills levels in your function?

6. Looking to the future will there be a requirement for increased/decreased/

different skill or people within your function?

7. Have you identified as a result of this analysis, any key jobs which are critical to performance/results for the future?

ACTION REQUIRED

8. What action are you presently taking to ensure that future staffing needs in your function will not cause disruption?
9. What, if any, additional information regarding your staff do you need to establish/generate and consider prior to formulating your future plans?

10. Emergency cover

Name the key staff in your function	
Who would replace key staff in an emergency?	
How prepared would the replacement staff be?	
How effective would this replacement(s) be in terms of achievement of your function's results?	

11. Succession for line manager

a) Is there someone within MHA who could currently become the line manager or would your post have to be recruited externally?	
b) If internally, what are you doing now to develop your successor to ensure that he/she is as prepared as possible to do the job now?	
c) Which member of your function would you choose to assume your responsibilities, if for whatever reason you were unable to continue in your role from tomorrow?	
d) What are your objective reasons for you choosing this person?	
e) What is your estimate of this individual's current performance?	
f) Is there a gap? g) How big is the 'gap' between ideal and actual performance? h) What specifically is the cause of this gap? i) What action is planned/being taken to close this gap?	
j) Do you have a 'second choice' of an individual with appropriate skills for succession needs for the post in question?	