

# Succession Management and Leadership Development

**Chris Murray, City Manager**

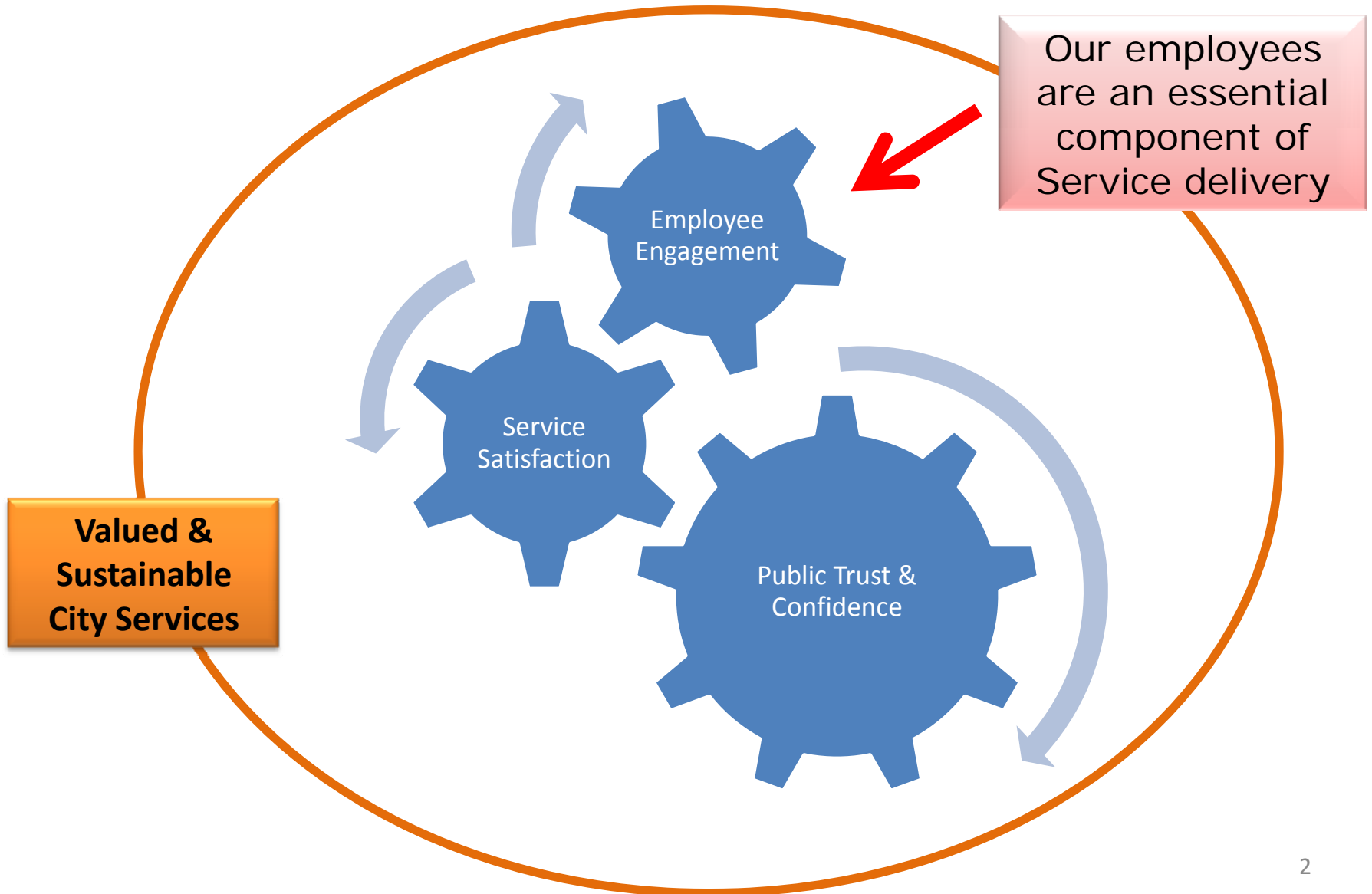
**Audit, Finance & Administration Committee**

**April 15, 2013**

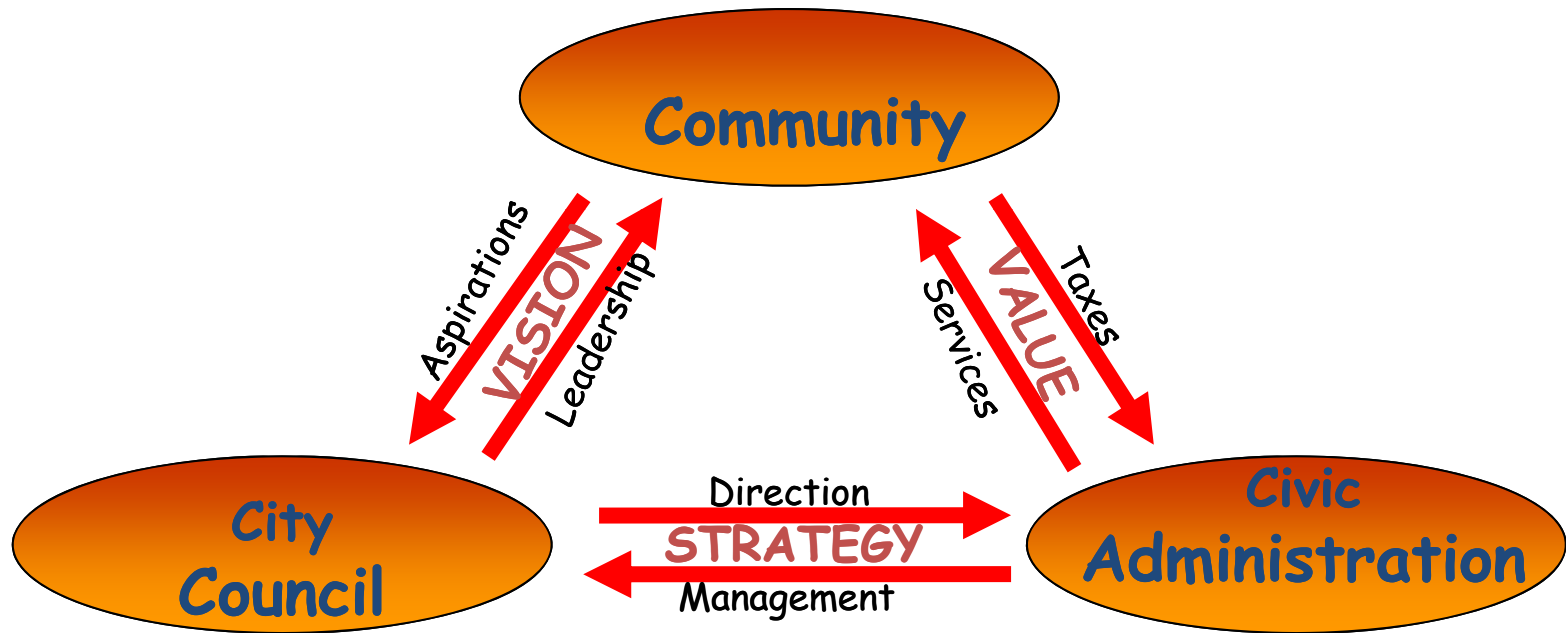


Hamilton

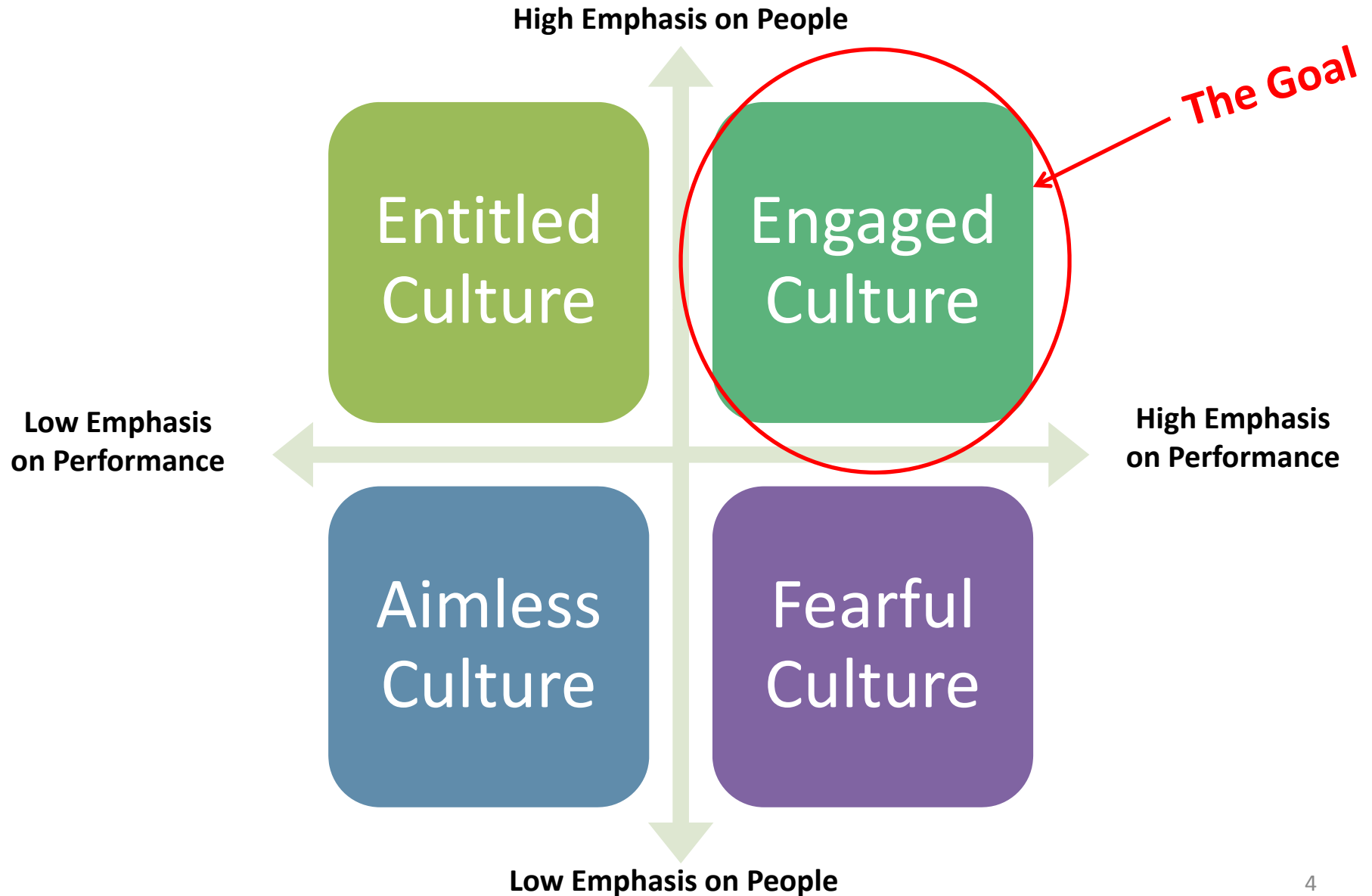
# Public Service Value Chain



# Our Relationship



# City of Hamilton Workforce Culture



# Framework of Our People System



# 2012-2015 Strategic Plan

## LEADERSHIP & GOVERNANCE

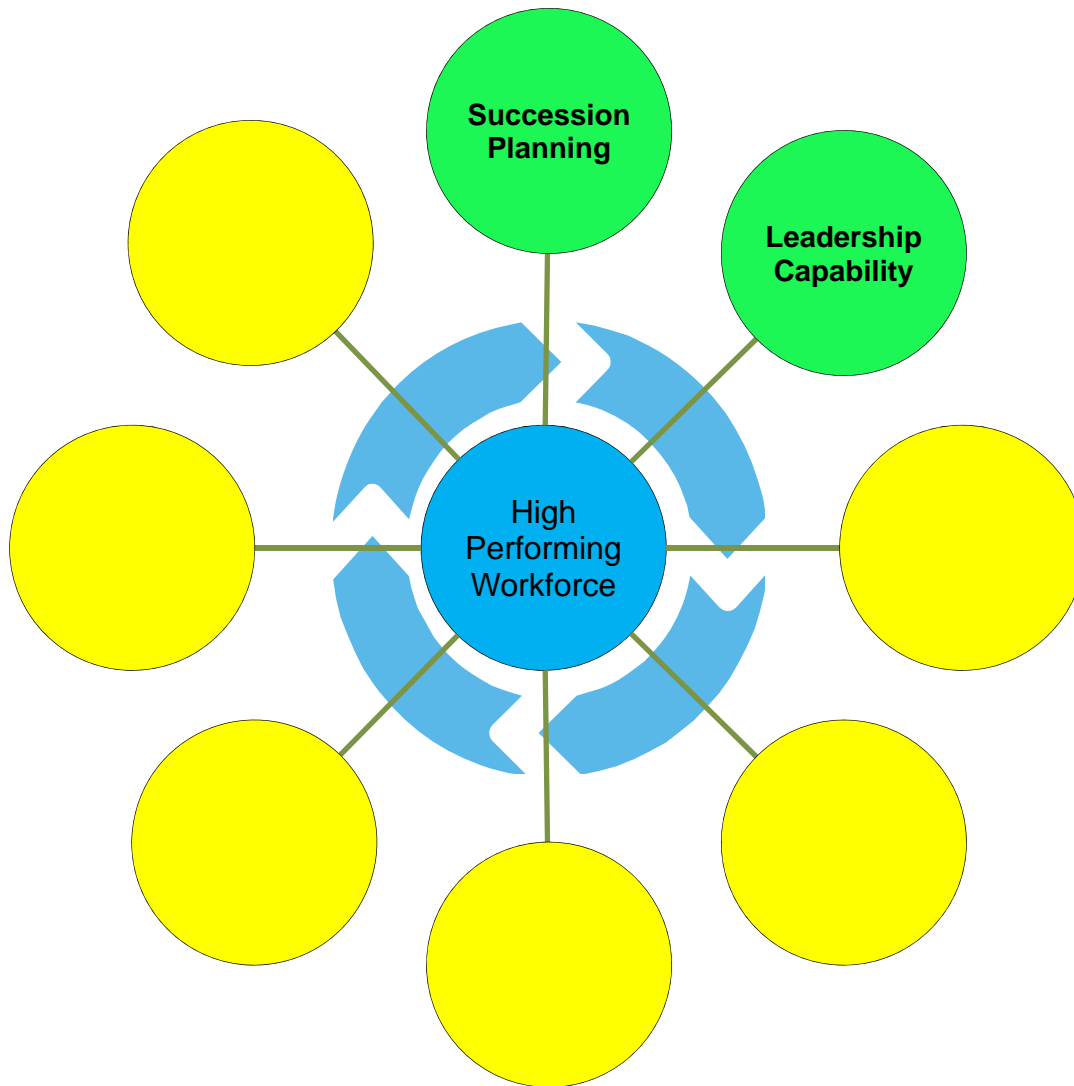
### Strategic Objective 3.2

***Build organizational capacity to ensure the City has a skilled workforce that is capable and enabled to deliver its business objectives.***

#### Strategic Actions:

- i. Implement a workforce management strategy
  - Succession planning program for leadership & critical need positions
  - Leadership and Management development plan
- ii. Revise the existing performance management system and implement across organization

# Today's Focus



## **Succession Planning**

focuses on leadership & other critical roles that have greatest impact on business strategy. Purpose is to build bench strength & groom talent over 6 months – 3 years

High performing organizations need **Leadership Capability**. Good leaders perform now and build for the future

# Our Challenge

- We have an aging workforce - Directors, Managers & Supervisors are aging together; average age of retirement is 61 years
- In 2012, 308 permanent employees left organization, 43% of this turnover was due to retirements
- By 2015 - projections are 387 retirements, approximately 130 per year; 65 of these will be manager & above
- Management hires are more competitive, taking longer, business continuity disrupted, on-boarding takes 6 months to 2 years
- External hires more costly than internal hires
- Barriers for current talent pool to advance



# Making it work



# SUCCESSION MANAGEMENT

A key component of **OPS Talent Management** that involves:

- Prioritizing positions for attention and investment
- Identifying successors at varying levels of readiness
- Developing successors to ensure they are ready to take on the position in the future

## THE OPS SUCCESSION MANAGEMENT FRAMEWORK

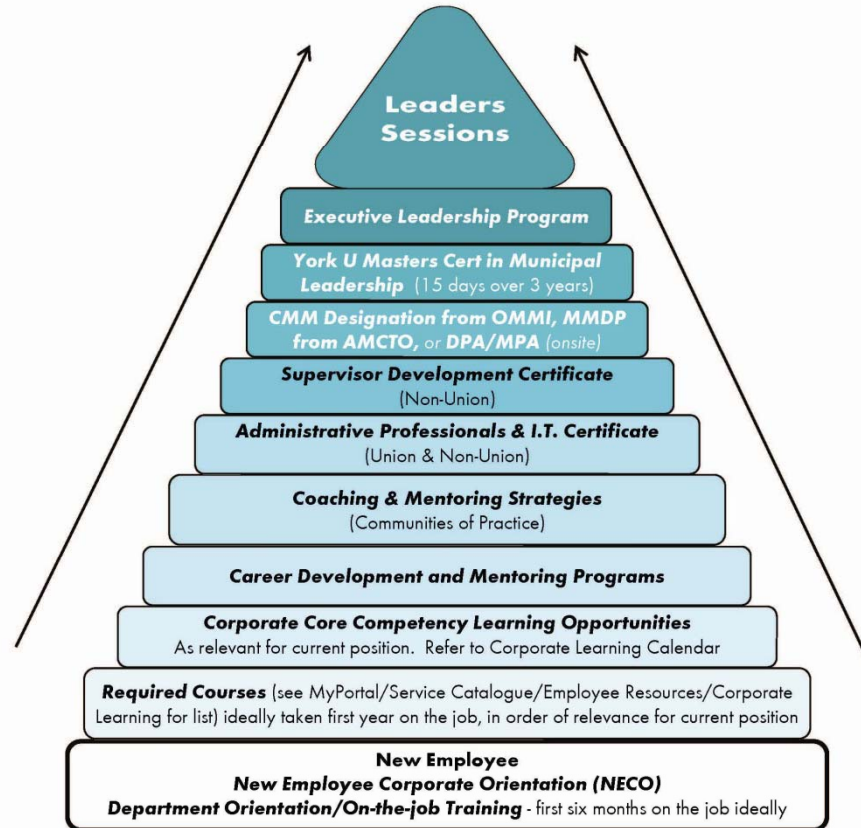




# Corporate Learning

H.R. SERVICES

## Overall Leadership Development Plan



## Progressive Leadership Development

### Progressive Leadership

#### Development is supported by:

- Instructor-led courses in Corporate Learning (CL) curriculum
- Resources for self-directed learning in the CL library
- Group/team consultations upon request
- Tuition reimbursement guidelines
- Membership policy
- Attendance at external conferences policy
- Onsite DPA/MPA Program

### Succession/Leadership Plan:

- Leadership Planning Inventory (LPI)
- High Potential Talent Pools

# Lessons Learned – Internal Experience & Best Practices of Public Sector

- Investing in our People leads to a capable, engaged & productive workforce - results have been measurable and significant in Forestry Division, Public Works
- Talent attracts Talent - high performers want to work with top talent
- Start somewhere and build steadily; it takes time to build a Talent Management System and it requires corporate HR processes, programs and technology supports
- Succession Development Program requires support of a corporate performance management system, learning and development infrastructure, a progressive organizational culture, and leadership commitment
- High potential employees look for and stay with employers who have Succession Development programs

# Future State – Succession Development Program

- A fair and transparent process, shared by management and employees, committed to performance management and continuous improvement
- Identified successors have excellent performance record in current roles and have demonstrated potential for more challenging roles
- Consistent and coordinated development opportunities for all leaders across the organization; all identified successors have learning plans
- High potential talent retained at all levels through development opportunities; prepared for increased challenges; able to adapt to continuous change

# Organizational ROI – Succession Development

- City prepared for unplanned losses in key positions
- Continuous supply of qualified people to fill key positions
- Talent available to tackle emerging critical projects
- Reduced cost to hire
- Less interruption of service delivery
- Staff who see their career paths are less likely to exit
- Better retention of our talent through internal stretch assignments and growth opportunities
- Retain the people who have unique Hamilton knowledge and know how to get things done
- Strong internal candidates hit the ground running and become more effective quickly

# Recommendations

That the City Manager be directed to:

- establish a corporate learning and Succession Development Program tailored to current and emerging workforce development needs
- allocate resources necessary to evolve City's Succession Development Program over next 2 to 3 years from within existing budgets and current FTE complement
- engage professional organizations and local educational institutions as partners
- provide the Audit, Finance & Administration Committee with an annual progress report