

SUSTAINING ORGANIZATIONAL TALENT AND KNOWLEDGE

Comprehensive evaluation of your organization – unit by unit; management layer by layer – can yield information illustrating the extent to which business sustainability could be at risk. Succession planning in its broadest form – understanding organizational talent and knowledge (**OTK**) – is the life blood of all businesses large or small, public or private. Few, however, take a systematic look at organizational talent to understand where potential risks might be lurking. Annual strategic planning activity is one example of a good time to do so. Incorporating such efforts with what is typically a “management” activity underscores the reality that retention of talent and continuation of the business – sustainability of **OTK** – is a leadership responsibility as opposed to an assignment given to human resources.

The matrix shown here (or a simple variation tailored to your organization) can be utilized to reveal sustainability risks. Applied to each functional unit and/or management layer, this matrix will reveal where potential risks reside and where interventions of varying sorts might be necessary.


Do not assume it is only the obvious “high fliers” who represent possible threats to business growth should they suddenly decide to leave. You probably have many individuals scattered throughout the organization who possess unique technical knowledge, internal/external customer relationships or the organizational history to simply know how things get done. It is these people as well who need to be identified.

You may find that many key people are not a risk to leave the organization; however, that does not mean they should be ignored. Rewards both financial and non-financial need to be considered – and often tailored – to keep **OTK** from disappearing.

Organizations that have taken the effort to individualize such reward systems have been surprised to learn that money is not always the key factor. Career development, new skill acquisition, cross-training or unique job assignments are often more desirous than money. Taking a targeted – customized – approach to rewarding talent can actually be less costly than assumed.

This process provides a relatively simple yet effective means of evaluating risk whether the objective is succession planning or gauging replacement risk in times of organizational change, restructure or merger/acquisition. Information produced will influence strategies toward staffing, compensation and employee development.

At VRH we have the knowledge and experience to assist your organization with succession planning strategies in general, plus we can provide comprehensive information on evaluation and development of key employees, thereby helping you sustain necessary **OTK**.

TALENT AND KNOWLEDGE RISK ASSESSMENT				
REPLACEMENT DIFFICULTY	HIGH <i>Knowledge is unique; high level; crucial to organization</i>	◆ Recognize and reward		◆ Succession planning priority ◆ Individual career development
	MEDIUM <i>Knowledge is important but shared by others</i>			
	LOW <i>Basic knowledge in functional area</i>	◆ Skill development ◆ Training		◆ Do nothing ◆ Replace with stronger talent
		LOW	MODERATE	HIGH
REPLACEMENT RISK				