HR Tools & Succession Planning

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Introduction

Effective human capital management helps organizations plan staffing, track HR metrics, and onboard new hires for long-term success.

This is not an exhaustive list of HR tools and practices, but utilizing these tools will help uplevel your human resources function.

What You Will Learn

Staffing Plan
Formalize workforce needs by year and role

HR Metrics
Build a strategic, visible measurement system

Onboarding
Structure a 30/60/90 day plan

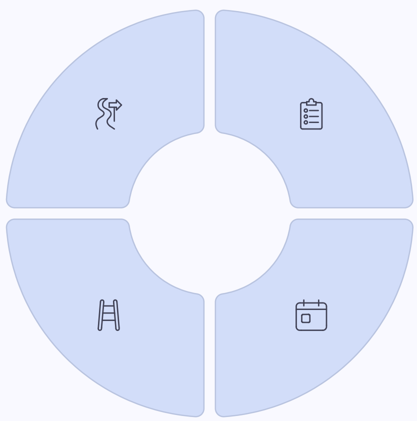
Succession Planning
Identify and develop future leaders

Staffing Plan

A staffing plan is a critical component of a forward-looking strategic plan. It formalizes and quantifies staffing levels by department, role, and year – informing key budgeting decisions and preventing out-of-budget hiring that misaligns with strategic priorities.

> A staffing plan is not just an HR document – it is a financial planning tool that connects people decisions to revenue and profitability targets.

What a Staffing Plan Provides



Career Pathing
Promotes clearer career pathing, professional development, and training programs.

Job Clarity
Defines clearer job descriptions and salary parameters, ensuring better compliance and fair hiring practices.

Succession Basis
Serves as the foundation for a succession plan, ensuring leadership continuity.

Resource Planning
Identifies resources needed to execute key projects and allows just-in-time hiring to anticipate seasonality.

Skills Gap Assessment

Many companies conduct a skills gap assessment before building their staffing plan. The fundamental question your plan must answer: Which people will need to be hired in the next three years?

1. **Agree on Core Competencies**
Gain management team alignment on your company's core competencies – e.g., creativity in a tech firm or attention to detail in manufacturing.

2. **Develop a Skills List**
Build a list of skills aligned with those competencies. These same attributes should be rated in the performance management system.

3. **Rate Departments**
Have managers rate their departments on these skills, or launch an electronic survey of staff to gather their feedback.

Sample Staffing Plan: Manufacturing

Your staffing plan should maintain labor as a percentage of revenue at par with or lower than past years. Below is an example of a phased hiring plan for a manufacturing company:

Year	Planned Hires
Year 1	10 factory employees (direct), 3 supervisors (indirect)
Year 2	1 Director of Quality

Each phase is driven by strategic priorities and projected revenue growth, ensuring hiring stays aligned with the company's financial goals.

HR Metrics

Employers cite recruiting and retention as their most significant competitive threats – yet many organizations focus metrics on operations while neglecting human capital. Harvard professors Robert Kaplan and David Norton advocated for "learning and growth" metrics in *The Balanced Scorecard*, recognizing that people development must be measured with the same rigor as financial performance.

A System of Measurement Should:

1. **Be Strategically Significant** – Metrics should reflect what matters most to your company's strategy – a high-growth services firm in San Francisco has very different priorities than a mining operation in West Virginia.
2. **Balance Predictive & Lagging Measures** – Drive behavior by combining forward-looking indicators with historical data. Occur as close to real time as possible.
3. **Be Visible & Educational** – Measures must be in public view and used to teach people why the metrics are important. Balance customer, operational, learning, growth, and financial measures.
4. **Public View** – Use as a tool to educate and inform mid-management.
5. **Measure with Frequency** – Track and review metrics on a regular, consistent basis.

Common HR Metrics: Advantages & Limitations

Not all HR metrics are created equal. The following are the most commonly tracked – along with their limitations:

Turnover

Most studied HR metric, but may not truly reflect employee satisfaction. First-year retention is often more meaningful given the disproportionate level of separations during that period.

Safety & Workers Comp

Often measured but not used predictively. A lost-time accident is a lagging indicator and may not drive behaviors that promote safety.

Learning

Learning management systems may measure activity but not results – a critical distinction for evaluating true development impact.

Overtime

Measures the expense associated with productivity, but is not truly a measure of the effectiveness of people.

Building Meaningful HR Metrics

To build a metrics system that actually drives performance, organizations should follow these five steps:

1

Consider Strategic Implications

Frame HR through a financial lens. For example: labor spend is 40% direct and 20% indirect – target 38% and 15% to achieve company financial goals.

2

Annual Needs & Gap Analysis

Survey key constituents and internal stakeholders regularly. Identify pain points and benchmark HR service levels year over year.

3

Customize Your Metrics

Map metrics to each block of your HR value chain – recruiting, onboarding, performance management, and incentives.

4

Solve Problems

Use metrics to address specific issues. Scorecarding performance review completion, for example, highlights accountability gaps.

5

Create Scorecard Visibility

Include HR measures in executive-level KPIs, financial packets, or scorecards that management reviews regularly.

Suggested HR Scorecard Metrics

HR metrics should align with your company's strategic plan. Publication of measures is equally important – they are not meaningful if not regularly shared with the management team.

3x

more likely to outperform peers when tracking HR metrics

82%

of companies say people analytics improves hiring decisions

2x

faster time-to-productivity with structured HR scorecards

People & Cost

Labor costs, recruiting cost per employee, training cost per employee, benefits cost as % of payroll, cost per hire, overtime hours, and compensation ratio vs. market.

Retention & Growth

Retention and turnover rate, first-year turnover, internal promotion rate, offer acceptance rate, time to fill, applications per vacancy, and length of staff retention.

Learning & Development

Training hours per employee, leadership training participation, LMS utilization, competency levels, time to productivity, development plans, mentorship participation, and new innovations generated.

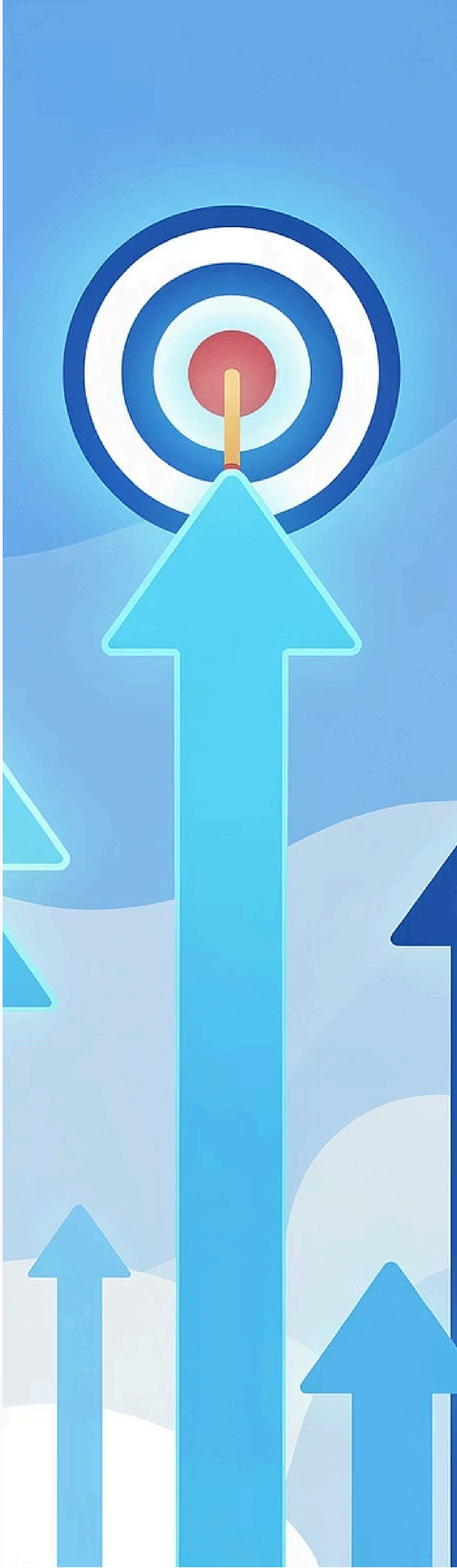
Safety & Compliance

Lost-time accidents, OSHA recordable incident rate, near-miss reporting, reviews completed, compliance training status, harassment/discrimination complaints, and employee satisfaction.

Engagement & Culture

Employee Net Promoter Score, satisfaction survey scores, absenteeism rate, manager effectiveness, voluntary vs. involuntary turnover ratio, and completed performance reviews.

Use this scorecard as a starting point. Customize the metrics to reflect your company's strategic priorities and ensure they are reviewed at least monthly by the management team.



Succession Planning & the 30/60/90 Day Plan

After hiring, companies often fail to provide a roadmap for success. Management teams regularly report inadequate onboarding – and it is estimated that **52% of turnover happens within the first year of employment.** A structured 90-day plan creates clarity, connectivity, and competitive advantage.

Onboarding: Structure by Role Type

Onboarding is not one-size-fits-all. The structure should vary based on the nature of the role:

White Collar / Professional Roles

Begin with cultural immersion and education about the company's strategic plan – ideally delivered by the CEO via video or webinar. Follow with several weeks of training, including cross-training with other departments.

High-Turnover / Entry Level Roles

Less time for training, but significant structure is essential. Every required skill should be reviewed and signed off by both the new employee and trainer(s) when practiced and mastered.

> Employers who stop investing in skills acquisition for young workers – out of fear they'll leave – ironically undermine the very thing most important to those employees.

New hire satisfaction is a provocative metric and an excellent way to measure your management team's hiring performance. The 30/60/90 day plan should be signed off by both the employee and supervisor at each milestone.

30/60/90 Day Onboarding Checklist

Each item below should be signed off by both the employee and supervisor. Use this checklist to ensure consistent onboarding across all new hires.

1 Day 1–30

Culture & Strategy Culture video; Review of Mission; Review of Values

Systems & Technology Computer & passwords; Printer assignment/rights; Software system reviews

Communications Business cards; Email protocol

On the Job / Technical Training On the job training; Technical skills review; Role-specific systems and tools.

2 Day 31–60

Role Immersion Department cross-training; Key stakeholder introductions; Initial performance check-in

3 Day 61–90

Performance 90-day goal review; Supervisor feedback session; Development plan established

Signature of Employee _________________ *Supervisor Name/Initials* _________________

Companies that invest in structured onboarding see measurably higher first-year retention, faster time-to-productivity, and stronger cultural alignment. The 30/60/90 plan is one of the highest-ROI tools available to any HR team.

Career Path / Succession Planning

A practical template for identifying, developing, and advancing the leaders your organization needs – today and in the future.

Why Succession Planning Matters

Identify Future Leaders

Catalog who is ready for advancement now and who needs more development over time.

Close Competency Gaps

Proactively develop talent before vacancies arise, reducing costly leadership gaps.

Anticipate Organizational Needs

Level-set your current state and plan how your team needs to grow over time.

Key Benefits of Succession Planning

86%

Urgent Priority

of executives say leadership succession planning is an urgent priority

3x

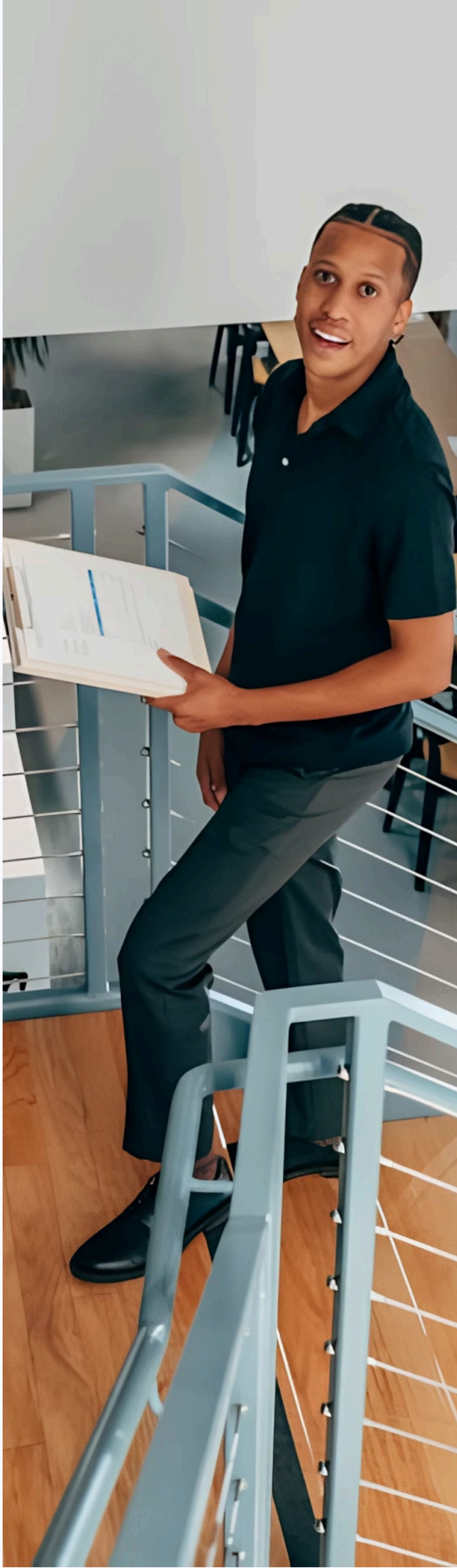
Outperformance

more likely to outperform competitors with a formal succession plan

50%

Faster Hiring

reduction in time-to-fill critical roles with proactive succession planning



Career Progression Worksheet

Purpose

A deeper dive into individual management competencies – optional but highly recommended for targeted development conversations. Best used annually or after a significant role change.

How to Use It

Use this form to assess which competencies need development and identify resources – training, mentoring, classes, and more – to help managers reach their goals.

Succession Planning Matrix Template

In an executive meeting or off-site, have each manager complete the row for their department. Fill in the Position column with the role to fill – every senior manager should have a delegate identified.

Position	Current	Ready Now - Skills Needed	1-3 Years - Skills Needed	5+ Years - Skills Needed
VP Finance	Leslie	Tim - Excel, leadership training	Daniel - Analytical software	Karen - Financial reporting

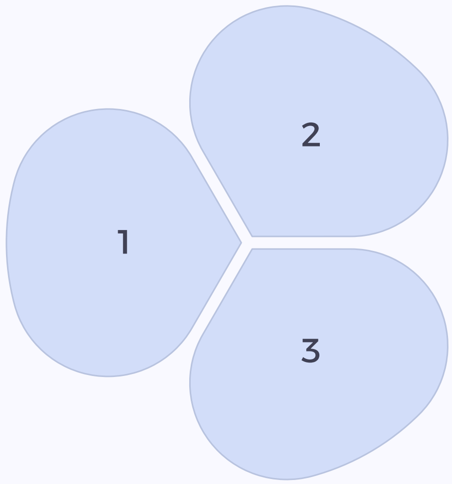
Career Progression Matrix Template

Succession Planning Assessment / Development Worksheet

Manager / Supervisor:	Department:
Employee:	Job Level:
Position:	Date of Hire:
Date in Current Position:	Open to Relocation?

Employee Background & Competency Rating

Employee Background



Education / Professional Programs

List degrees, certifications, and professional development programs completed.

Skills / Knowledge

Summarize key technical and interpersonal skills relevant to advancement.

Past Relevant Experience

Note prior roles, projects, or assignments that demonstrate leadership potential.

Competency Rating Template

Use the rating scale below to evaluate the employee on each leadership competency.

> S = Strength | P = Proficient | D = Developmental Opportunity

Leadership Competency	Rating (S / P / D)	Comments / Actions
Customer Focus		
Trust and Integrity		
Teamwork		
Communication		
Business Judgment / Problem-Solving		
Leadership / People Development		
Planning and Execution		
Results Focus and Accountability		
Creativity / Innovation		
Intellect / Knowledge		
Overall Performance		

Developmental Opportunities & Promotion Readiness

Recommended Developmental Opportunities Template

List each developmental opportunity identified above and suggest activities to address it – including internal/external programs, classes, seminars, assignments, and coaching.

Developmental Opportunity	Developmental Activity	Timeframe

Promotion Readiness / Career Assignments Template

List positions the employee can successfully fill. Use the readiness rating system below to indicate timing.

CP = Currently Promotable | P1 = Promotable in 1 Year | P2 = 2 Years | P3 = 3 Years

Position	Readiness (CP, P1, P2, P3)

Building Your Leadership Pipeline

A strong succession plan ensures your organization is never caught off guard. By regularly completing these worksheets, managers can proactively develop talent, close competency gaps, and build a resilient leadership bench.

Assess Regularly

Review succession readiness at least annually or after major organizational changes.

Develop Continuously

Assign targeted developmental activities to close identified competency gaps.

Advance Intentionally

Use readiness ratings to make informed, timely promotion and assignment decisions.

Key Takeaways

This white paper has covered the essential HR disciplines that define the operational readiness of any high-performing organization. Below are the most important principles to carry forward:

Plan Your Workforce Strategically

A formal staffing plan aligned to your strategic priorities prevents reactive, out-of-budget hiring and supports succession readiness. It is both an HR document and a financial planning tool that connects people decisions to revenue and profitability targets.

Measure What Matters

HR metrics must be strategically significant, visible, and customized to your organization's value chain – not just operational defaults. Publish them regularly, tie them to executive accountability, and balance predictive and lagging measures.

Invest in Onboarding

Structured 30/60/90 day plans reduce first-year turnover, build engagement, and signal to new hires that they are part of something larger than themselves. With 52% of turnover happening in the first year, the ROI on onboarding is among the highest available to any HR team.

Build Your Leadership Pipeline

Succession planning is not a one-time event – it is an ongoing discipline. Use the Career Progression Matrix and Competency Rating tools to identify high-potential employees, close skill gaps, and ensure every senior role has a qualified successor ready at each time horizon.

About Optimize

Optimize helps companies establish the vision, align people to the strategy, and measure for results. The Strategy Solution for the Mid-Market.

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