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THE INFLUENCE OF ORGANIZATIONAL CULTURE ON THE IMPLEMENTATION OF SUCCESSION PLANNING

BY

LORI POWERS FANCHER

A Dissertation Submitted in Partial Fulfillment
of the Requirements for the Degree
of
Doctor of Philosophy
in the
Andrew Young School of Policy Studies
of
Georgia State University

GEORGIA STATE UNIVERSITY
2007

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ACCEPTANCE

This dissertation was prepared under the direction of the candidate's Dissertation Committee. It has been approved and accepted by all members of that committee, and it has been accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy in Human Resource Development in the Andrew Young School of Policy Studies of Georgia State University.

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TABLE OF CONTENTS

ACKNOWLEDGMENTS vi

LIST OF TABLES viii

LIST OF FIGURES ix

ABSTRACT x

CHAPTER 1 - INTRODUCTION 2

CHAPTER 2 - REVIEW OF RELATED LITERATURE 23

CHAPTER 3 - METHOD 36

Overview 36
Pilot Study 41
Research Focus Questions 42
Research Site 42
Data Collection 46
Data Management 52
Data Analysis 53
Validity 55
Ethical Issues 57
Summary 58

CHAPTER 4 - DESCRIPTIVE ANALYSIS 59

Dictionary Knowledge: "What Is" 61
Directory Knowledge: "How Things Are Done Around Here" 69
Recipe Knowledge: "How Things Should Be Done" 111
Axiomatic Knowledge: "Why Things Are the Way They Are" 152

CHAPTER 5 - INTERPRETATION OF FINDINGS 171

What Cultural Knowledge of Succession Planning, If Any, Does the Data Suggest That Organizational Managers Have? 171
What is the perceived influence of organizational culture on the way succession planning is implemented in an organization? Does the succession planning process perpetuate or challenge the apparent organizational culture? 195
Organizational Trust, Commitment 200

CHAPTER 6 - CONCLUSIONS AND IMPLICATIONS FOR THEORY AND PRACTICE 207

Contributions to Theory 209
Conclusion 240

APPENDIX A: INTERVIEW GUIDE-ROUND 1 243

APPENDIX B: CONSENT FORM 245

APPENDIX C: INTERVIEW GUIDE-ROUND 2 248

APPENDIX D: INTERVIEW GUIDE-FOCUS GROUP QUESTIONS 249

APPENDIX E: QSR NUDIST FREE NODES/CATEGORIES 250

REFERENCES 252

LIST OF TABLES

Table Page

1 Sampling Plan……....38
2 Time Table of Study……..40
3 Summary of sampling parameters and data collection……..49
4 Four categories of cultural knowledge and their definitions…….59

LIST OF FIGURES

Figure Page

1 A conceptual model which represents a comprehensive review of the literature as it pertains to succession planning research was done by Kesner & Sebora in 1994.....29
2 Pieces of the succession planning process as described by participants.....178
3 Cultural Alignment as a Contingency.....209

4 Organizational Culture as a context of the Succession Planning Process.....210
5 Organizational Trust as a context for Succession Planning.....213

ABSTRACT

THE INFLUENCE OF ORGANIZATIONAL CULTURE ON THE IMPLEMENTATION OF SUCCESSION PLANNING

BY

LORI POWERS FANCHER

May 2007

Committee Chair: Dr. Carol D. Hansen

Major Department: Public Administration and Urban Studies

Succession planning is perhaps one of the hottest topics today as a result of ethical issues, compensation, development and implementation. Global organizations faced with fast-paced change can no longer afford long, lengthy internal development of an heir apparent. However, those organizations who seek faster, external executive hires have found it no panacea as organizational culture often trumps talent and industry experience. Recent research points to those who do internal succession well, with little disruption and ready change depend on their ability to *execute* plans (Charan & Colvin, 1999, 2001).

A qualitative study was conducted with 30 participants of executive and mid-level managers from a large, Fortune 500 company to investigate the influence of organizational culture on the succession planning process. The results indicate that the founder has tremendous influence on organizational processes (i.e., succession planning) via the culture which he or she created early on. According to Schein (1992), succession planning processes serve as secondary embedding mechanisms to perpetuate existing cultural values; as a result they are difficult to change.

The vast majority of research to date has utilized quantitative, positivistic methods in the study of succession planning resulting in a multiplicity of variables furthering

functionalist pursuits of predictability and generalizability rather than furthering our understanding of the process itself, situated in its natural environment. This study contributes significantly to current research in that it reveals organizational values, purpose, roles, decision-making criteria, selection, development and promotion of potential heir-apparents and how these variables play out in the implementation of a succession plan.

Furthermore, previous research suggests that the CEO has primary control over the succession planning process and its results. Although their role is indeed important, this study suggests that it is the trust, identification and commitment of an organization's members (i.e., employees) and the cultural alignment of organizational processes which ensure that the execution of the succession plan results in a "successful" successor.

Human Resource Development is therefore poised to make a bigger impact than ever before as a strategic partner to executive levels of organizations today. Exemplary development and implementation initiatives will need to be managed throughout the ranks.

CHAPTER 1

INTRODUCTION

This chapter introduces the likely problem of how organizational culture influences the implementation of succession planning, a critical requirement of organizational longevity. Organizational culture as a contextual factor in succession planning has not been rigorously researched. It is, however, an important area for study and theory generation. An understanding of the cultural context within which a succession planning system operates may serve to enhance the implementation, utilization, and change of succession planning systems in organizations.

The goal of the proposed research is to develop an understanding of the role organizational culture plays in how executives and managers influence the implementation of succession planning programs resulting in an executive level succession. This chapter introduces a conceptual model of the succession planning research to date that highlights the antecedents, events and consequences, as well as their mediating contingencies, within the succession planning process. The chapter summarizes proposed research focus questions investigating the influence of organizational culture on the implementation of succession planning in one organization and two of its subsidiaries. Finally, an overall approach to conducting a study with the purpose of building theory is included.

Statement of the Problem

Today's organizations are faced with a multitude of complex challenges including: leadership breaches in ethical and moral decision-making; competing in a

more globalized work world; perpetuating loyalty and trust among workers; retaining and developing talent; keeping pace with technological advances and industry changes; and leading within a more diversified structure. As a result, succession planning is a popular topic in organizations today. Organizations realize that in order to maneuver these turbulent, deep and unknown waters, they must have an experienced captain at the helm. However, leadership change remains extremely expensive and disruptive to the organization in terms of performance and morale (Charan, 2004; 1994)..

Not unlike the popular books of the 1980's (e.g. Peters & Waterman, 1982), much of succession research and literature employs a functionalist, pragmatic approach to succession planning promising successful business outcomes to those who can manipulate the variables linked to antecedents, events and consequences within the process (Kesner & Sebora, 1994). However, most agree that change must be made as the traditional succession processes are "broken," take too long, and are too expensive; all of which result in not meeting the needs of the organization today or into the future (Charan, 2004; Huang, 2001; Karaevli & Hall, 2003; Metz, 1998). These same authors remind us of the importance of a plan for succession, yet others suggest that the problem is bigger than any formal plan and that where plans exist, they may not represent reality. Bolman and Deal (2003) emphasize that plans may be symbolic, excuses for interaction, can become games, and they may be used as advertisements. Therefore, the planning "process" is more important than the result. Charan and Colvin (1999) as well as Conger and Nadler (2004) posit that the reason that many plans don't work, lies in their execution. Furthermore, execution problems may exist as a result of our underestimation of organizational culture and the role of members, top management, the incumbent and

the board (Cannella Jr. & Lubatkin, 1993; Denis, Langley, & Pineault, 2000; Kets de Vries, 1988; Schein, 1992; Schein, 1997).

Although the large majority of traditional successions in American organizations have been a result of the "relay process" or through the internal development and selection of candidates, we are now seeing a trend, that some have found alarming, toward the recruitment of outsiders (Charan, 2004). The suggestion is that a company's failure to grow its own quality "heir apparents" has led to the need to search elsewhere, with unsuccessful results. More than 37% of the Fortune 1,000 companies are run by external recruits (2004). More importantly, 55% of outsider CEOs who left their positions in 2003 were forced to resign by their boards as compared to 34% of insiders. Succession frequency is on the rise not only through the increase of mergers and acquisitions, but also with the purchase of smaller, founder-owned and run companies (Wasserman, 2003).

What we do know from the literature, is that the incumbent CEO is held largely responsible for the selection and outcome of the succession process (Anonymous, 2004; Charan & Colvin, 2001; White et al., 1997). In addition, the Board of Directors as well as the top management team can, and do, play an integral role as well (Bickford, 2001; Cespdes, 2004; Charan, 2004; Conger & Nadler, 2004; Kets de Vries, 1988; Kirby, Eisold, Soder, Kahn, & Elson, 2004). It has been suggested that the very nature of this process may perpetuate the need to keep it somewhat secretive in order to maintain authority over the process, avoid internal conflict; and avert ethical and legal questioning. Vancil (1987) describes the problem eloquently using the following metaphor:

> "On the broad landscape of corporate management there is one small piece of turf that has not been systematically explored. The reason is simple: it is forbidden

> territory for all but a few selected members of the corporate tribe. There, almost like witch doctors retreating to a secret cave to conjure up a new elixir, those few develop and act out a ritual that ultimately produces a new CEO" (p. 7).

A recent study titled, "Assuring Ethical and Responsible Leadership" surveyed and interviewed Board members and CEOs in 120 publicly-held companies and found unsettling results. Of those who participated, only 53% said that they have an effective succession management plan in place. Furthermore, 66% of CEOs (usually responsible for succession) as compared to only 27% of Board members, felt that their executives were making ethical business decisions (Scott, 2004). The fear is one of perpetuating destructive behaviors by the incumbent's selection of successors that are like him or her self.

More recently, literature shows that a key indication to stakeholders of an organization's capability is whether or not the organization can produce a viable heir-apparent (Charan & Colvin, 1999). If organizations are not able to recognize internal talent and retain it, competitors are apt to benefit (Cappelli, 2000). It is the responsibility of Human Resource Development (HRD) practitioners to aid in the identification, development and selection of leaders who are able to make ethical and moral decisions on behalf of the organization (Scott, 2004).

HRD consultants and all levels of leadership have made little progress in the creation of a viable succession planning process which can guide most organizations in meeting the demands of the future. The succession planning process, including executive development, is the most important responsibility that HRD leaders have when contributing to strategic business success (Cabrera & Bonache, 1999). The lack of theory development surrounding organizational culture and the succession process can

potentially lead to the recruitment of talent that does not meet the needs of the organization; the retention and expensive development of high-potentials who will not be promoted to executive levels; development strategies which may not adequately prepare high-potentials and various levels of leadership for executive roles; a talent pool which is too large or takes too long to grow; or, at the worst, organizational decline.

Conceptual Framework of Succession Planning

In this study, the concept of succession planning is considered from two perspectives: 1) the process itself; and, 2) the way the process is implemented. Succession planning in the broadest sense can be defined as the formal or informal process of preparing future leaders for executive positions (Karaevli & Hall, 2003).

The literature suggests that the definition of the succession planning process is unique within each organization and therefore questions remain as to the impetus, stages, length of time, participants, support, outcomes and measurement of the success of this process (Karaevli & Hall, 2003; Kesner & Sebora, 1994; Vancil, 1987). Driven by the desire to unveil the truth behind the mysticism, previously known to only those in power, succession researchers have been creative in their approach to approximating how the process unfolds. Succession research to date circumvents the problem of access to covert, informal or secretive processes by simply defining the process from an event perspective, usually at the point in which the selection of the successor has been made (Datta & Rajagopalan, 1998; Holbeche, 1999; Karaevli & Hall, 2003; Pitcher, Chreim, & Kisfalvi, 2000; Scott, 2004). This information is readily found in archival data such as public records of corporate activity, newspapers and business journals.

The selection event as described by Vancil (1987) “begins with the selection of an heir apparent and ends with his [her] validation when he [she] receives the CEO title” (p. 3). There seems to be a more recent trend which describes the succession planning process as “succession management” in an attempt to broaden the focus beyond the selection itself (Conger & Nadler, 2004; Everton, 2004; Huang, 2001; Kur & Bunning, 2002). This trend is more promising as it suggests that the succession process begins early on, perhaps even with the hiring of an employee, and may end when the succession event can be adequately measured via organizational results, usually within two years of appointment.

Sharma et al. (2003) define the succession process as one that takes place over a long period of time and includes many activities and suggest that there is an overlap in the definition of succession planning and succession process. The succession process includes not only the identification of a pool of potentials, the designation of successor, the notification of that successor and others of the choice made; but also, the selection and training of the successor, the development of a vision or strategic plan for the firm following the succession; the definition of the role of the incumbent and the communication of the decision to key stakeholders. In Sharma et al. (2003), another study (Dyck, Mauws, Starke & Mischke, 2002), describes the relay process as one which includes sequence, timing, technique and communication.

Friedman (1986) gives us a system perspective by suggesting that succession systems exist separate from the succession process. He suggests that these systems provide rules and procedures that form the context for a typical succession event and include executive development and placement practices. Friedman indicates that the

process is the means by which decisions are made and lists a four-stage model consisting of: 1) establishing the need; 2) determining the selection criteria; 3) selecting the candidates; and 4) choosing among them. However, in a more recent publication, Friedman and Olk (1995) suggest that succession begins when candidates and selection criteria are considered and ends with a new CEO in office. Kur and Bunning (2002) state that the process has only two steps: 1) identification of candidates and 2) development.

Although there is much discrepancy in the literature as to the definition of the succession process-its start, the events, and when it ends, most agree that the process is systematic and includes the development of high–potential individuals (Kur & Bunning, 2002). In a study conducted by Friedman (1986) which included information from 148 companies with regard to the succession process, only 27% said they use some formal procedure for the identification and criteria of candidate nomination; 54% provided follow up on development plans; 88% reported the upper echelon was involved in the selection stage while only 70% of this same group was involved in the nomination stage; two thirds have staff function responsibility for succession plans yet still have little in the way of formal procedures and only 68% have a plan (18% of those are less than two years old). In a survey of 500 organizations conducted by Caudron (1996), only 22% responded favorably to the statement, “my organization has a well-developed management succession system.” Karaveli and Hall (2003) report that companies are moving away from traditional approaches (by either moving from formal ones to informal ones or vice versa) in search of answers.

Organizational Culture

Culture is a complex phenomenon and there remain many competing views of the construct of organizational culture (Martin, 2002). Smircich (1983) suggests the problem may lie within the attempt to combine the construct of culture with the construct of organization. Mead (1949) describes culture as the ethos of an organization, much as personality is the ethos of an individual. Culture, as representative of ethos and personality, suggests a complex and dynamic system rather than a static, organized one.

A unified and widely accepted definition of "culture" itself still evades the literature, resulting in as many as 164 different definitions generated from the field of anthropology alone (in Block, 2003). Trice and Beyer (1993) present the common characteristics of these definitions as: collective; historically based; inherently symbolic; dynamic and inherently "fuzzy." Langan-Fox (1997) elaborates using four factors which reflect culture in organizations: organizational culture is relatively stable and resistant to change; it is taken for granted and less consciously held; it derives its meaning from the organization's members; and it incorporates sets of shared understandings.

There have been many attempts to understand the construct of culture using various theoretical perspectives. Lineberry and Carleton (1999) present a behaviorist perspective of culture. Schultz (1995) offers three prevalent perspectives of organizational culture: symbolism, rationalist and functionalist; and Sackmann (1991) offers three different ones: holistic, variable and cognitive.

Martin (2002) suggests that the lack of consensus found in cultural studies are linked to the duality and incommensurability of concepts used to direct and analyze the research such as: objectivity versus subjectivity; "emic" versus "etic" research (Pike,

1966); generalizability and contextuality; focus and breadth; and level of depth. Smircich (1983) states that organizational culture is viewed through these various perspectives or paradigms, as either comprised of variables or "root metaphors." The former views organizational culture as something an organization "has" and the latter as something an organization "is."

A Behaviorist Perspective

When employing a behaviorist perspective, culture is evident in the way people in the organization behave as they go about their work (Lineberry & Carleton, 1999). Not surprisingly, norms, expectations, rewards and consequences drive certain behaviors while extinguishing others. However, behavior is also values-driven in that underlying sets of beliefs and assumptions derived from the organization provoke an individual's behavior. The disadvantage in the practice of this theoretical perspective is that it assumes behavior can be changed with a change in rewards and that by simply changing behaviors, the organizational culture will change.

Symbolism, Rationalist and, Functionalist

Another theoretical perspective employed in studying culture is symbolism (Schultz, 1995). Culture viewed through this theoretical lens is seen as a pattern of socially constructed symbols and meaning (Frost, Moore, Louis, Lundberg, & Martin, 1985; Geertz, 1973). Studying complex patterns of symbolic actions leads to an understanding of their underlying meaning. A disadvantage in the practice of this theoretical perspective is that it relies heavily on "etic" (Pike, 1966) or researcher perspective, excluding the "emic" or insider's view.

Another theoretical perspective presented by Schultz (1995) is a that of a rationalist. The rationalist lens reveals culture as a means to an end (Deal & Kennedy, 1982; Peters & Waterman, 1982). Organizational culture here can be defined by its variables which can be manipulated and changed by an organization's leadership. A disadvantage in the practice of this theoretical perspective is that it discounts the complexity of culture and assumes that all the variables can be readily identified.

The functionalist perspective presented by Schultz (1995) is perhaps the most popular perspective represented in the literature on organizational culture. It is largely based on Schein's (1985) contributions to the study of culture. From this perspective, organizational culture is analyzed according to the functions which culture takes on within the organization to ensure organizational survival. According to Schein (1992), in order to survive, an organization must resolve two fundamental problems: 1) survival in and adaptation to the external environment; and 2) integration of its internal processes to ensure the capacity to continue to survive and adapt (p. 51). As these problems are addressed, group learning takes place which (if it produces effective results) is shared, retained and embodied first in values and then in tacit basic assumptions. I discuss some advantages and disadvantages of this perspective below.

Schein and Organizational Culture

Although there remains a lack of consensus among anthropological, sociological and organizational researchers as to a singular definition of culture, arguably the most widely cited in organization research is that of Edgar Schein (1992). Schein posits that organizational culture is

> "A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well

> enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems." (p. 13)

Schein's (1992) definition of the construct of organizational culture attempts to incorporate multiple theoretical paradigms mentioned above, bridging purist and pragmatic positions and the emic and the etic by viewing culture as both, what an organization "is" and what an organization "has" (Smircich, 1983). Furthermore, Schein's definition embraces both an anthropological, sociological and a social psychology point of view (1996) while embodying characteristics of culture as unique, collective sources of sensemaking (Weick & Roberts, 1993), socially learned, emotional, unconscious, historical and dynamic (Trice & Beyer, 1993). His definition of organizational culture acknowledges that culture is complex, multi-dimensional and contains multi-level constructs (Pettigrew, 1979).

Schein (1992) posits that there are three levels of culture: artifacts; values; and basic assumptions. Artifacts include the visible organizational structures and processes. Values (espoused) include the strategies, goals and philosophies of the organization. Basic assumptions are the unconscious, taken-for-granted beliefs, perceptions, thoughts and feelings held by individuals of the organization. Although basic assumptions cannot be understood fully through research alone, the study of artifacts and values using primarily qualitative methods can reveal much in our understanding of them. Although we cannot adequately address all of the agreements and disagreements of Schein's definition of culture here, the popular and most recognized ones are described below.

The primary arguments behind this definition are: that it is monolithic; implies a leader-generated, leader-centered approach; assumes values and beliefs must be shared;

manifests itself in three levels which can be understood; and is based on specific assumptions or dimensions which make up culture (Martin, 2002; Sackmann, 1991).

Monolithic Cultures

Schein's (1992) definition of organizational culture is argued by many to be invalid as it implies a monolithic approach to organizational culture and does not consider the role of sub-cultures as potentially competing and disruptive coalitions (Martin, 1993; Meyerson & Martin, 1987; Trice & Beyer, 1993). Martin (2002) suggests that Schein's model of organizational culture represents only one theoretical framework for the study of culture, which she terms "integrated" and that there are two other frameworks, termed "differentiated" and "fragmented" which can also be utilized to study organizational culture.

Schein's response to this argument is that sub-cultures evolve as a natural result of organizational growth and the need for differentiation, however "organizations have [overarching] common assumptions that come into play when a crisis occurs or when a common enemy is found" (1992, p. 15). Therefore, Schein acknowledges that both integration and differentiation exist. However, Schein does not support fragmentation in the study of cultures as it juxtaposes the critical characteristic of collectivity and shared values (Schein, 1996). Furthermore, he states that organizational culture is learned via the process of socialization, self-reflection, and the efforts of other organizational members resulting in a form of social control. Without learning and experience, values may be represented as "espoused" and evident in practices but are not part of unconscious, underlying basic assumptions.

Trice and Beyer (1993) further the theoretical framework of differentiation by suggesting that there are multiple subcultures within which an organizational member belongs including religious, occupational, national, etc. which can be competing rather than complementary to overarching organizational culture. Sub-cultures represent "symbolic domains" which members may subconsciously switch among. The most highly recognized in organizations is most likely that of occupational culture (Hansen, Kahnweiler, & Wilensky, 1994; Trice & Beyer, 1993). The occupational cultures embody values and beliefs which are transported into the organization yet have their origins in the external environment. Unique to occupational cultures are the characteristics of: consciousness of kind; reliance upon others in their occupational culture as reference points in meaning making; emotional relatedness; and occupational identities which are perpetuated by their work. These identities are extended and enforced beyond the organization. Trice and Beyer suggest that the strength of these characteristics may lead to ethnocentric views of work and life.

Leader-generated/Leader-centered Culture

Another argument of those questioning Schein's (1992) model of organizational culture is that of leader-generated/leader-centered culture. The concept posed by Schein is that founders have a profound influence on the creation of culture via creation of values which are subsequently proven successful and thus become basic assumptions. Basic assumptions are difficult to change and therefore long-lasting even to the detriment of the organization. In addition, Schein states that leaders perpetuate existing culture and have the propensity to change it utilizing primary embedding mechanisms (e.g., what leaders pay attention to, measure, and control on a regular basis) and secondary

articulation and reinforcement mechanisms (e.g., organizational systems and procedures, rites and rituals, stories etc.).

Although the majority of leadership and organizational culture studies today acknowledge the importance of the role of the leader in sustaining and managing the organizational culture, Martin (2002), and others, suggest that this approach underestimates the role of member agency, competing sub-cultures and the external environment (Campbell, 2004; Kell & Carrott, 2005; Meyerson & Martin, 1987; Sackmann, 1991; Schultz & Hatch, 1996). What remains is a lack of empirical studies to better understand the role of leadership in culture (Block, 2003).

Shared Values and Strength

An additional disagreement with Schein can be found with regard to assumption of widely shared values. Although many agree that shared values must occur in order to form a cohesive group, some suggest that not all employees will share all organizational values resulting in various degrees of cultural strength (Peters & Waterman, 1982). Although largely already addressed above by the theoretical frameworks posed by Martin (2002), the role of leadership may be challenged during times of ambiguity (Meyerson & Martin, 1987) and crisis resulting in a turning point when shared values may become weakened and/or abandoned.

The recent work of Karahanna et al. (2005) reveals issues surrounding value strength. They position the role of values and practices within a broad integrated view of levels of culture. Various levels of culture of competing value are at work in the practices of an individual. These internal competing values differ in priority and type which thus influence practice. For example, supranational, national, professional, organizational and

group cultures intersect with varying degrees of influence between values and practices. Building on Hofstede's (1990) work, Karahanna et al. (2005) suggest that supranational, national and professional values are increasingly more important, in this order, over organizational values and group practices. In addition, as the values decrease in importance, their influence on practices increases. Although empirical evidence is lacking to support this conceptual model, the work does provide insight to discussions of cultural strength, integration, differentiation and fragmentation.

Sackmann and Organizational Culture

Supporting the argument as to shared and competing values, Sackmann (1991) suggests that the problem with Schein's (1992) definition of organizational culture is that it views the structural components of artifacts, values and basic assumptions as static and therefore measurable within any given point of time instead of the notion that they emerge, change or develop over time. In addition, she argues that although the construct of norms is easily understood in the literature as rules for behavior; values, espoused values and basic assumptions are convoluted and less widely understood (Sackmann, 1991).

Finally, Sackmann (1991) argues that there exists a problem of a priori dimensions which vary in number and kind, yet are imposed on each study of culture. She suggests that researchers should address the dimensions or framework they employ in terms of its purpose and its use (Sackmann, 1991). Sackmann's (1997) conception of culture resolves the issue of assigning certain dimensions or concepts to represent culture:

> The core of culture is composed of explicit and tacit assumptions or understandings commonly held by a group of people; a particular configuration of assumptions and understandings is distinctive to the group; these assumptions and

> understandings serve as guides to acceptable and unacceptable perceptions, thoughts, feelings, and behaviors; they are learned and passed on to new members of the group through social interaction; and culture is dynamic – it changes over time, although the tacit assumptions that are the core of culture are most resistant to change. (p. 25)

In summary, it is reasonable to expect that beliefs, values, and norms regarding succession planning embody both tacit and explicit assumptions rooted in the culture of the organization. As a result, Sackmann's (1991) model of culture will be used to investigate the cultural knowledge organizational managers have of succession planning as a basis for this research. More about the use of this model can be found in the section labeled "Method."

Overview of Proposed Study

The overall purpose of this study was to examine the perceived linkage between organizational culture and succession planning within an organization. Knowing that it may not be correct to assume that a large organization has a monolithic culture (Martin, 1993; Schein, 1992), four potential subcultures were included: corporate headquarters, Ground Operations, Air Operations and a logistics subsidiary to discern the unique aspects of each subculture and any shared aspects of organizational culture. Sackmann's (1991) qualitative research methods were adapted to develop a cultural knowledge map of one organization using succession planning as the issue of focus. The cultural knowledge map is designed to investigate four levels of cultural knowledge: 1) dictionary (e.g., What is occurring?); 2) directory (e.g., How is it occurring?); 3) recipe (e.g., What should occur?); and 4) axiomatic (e.g., Why is it occurring?).

A qualitative research approach to the study of succession planning within the context of organizational culture was chosen as the most fruitful for several reasons. The vast majority of research to date has utilized quantitative, positivistic methods in the study of succession planning resulting in a multiplicity of variables furthering functionalist pursuits of predictability and generalizability rather than furthering our understanding of the process itself, situated in its natural environment. Furthermore, these variables are event-focused, not process-oriented. They rely on fixed, subjective measures (e.g., performance is synonymous with return on equity (ROE), subjective "risk" quotients, variations of shareholder value, etc.) which are driven by an "etic" (Pike, 1966) pursuit of the truth through archival data types such as *Forbes* and *Wall Street Journal* publications. Additionally, CEO demographics strongly linked to succession antecedents, events and consequences, lack "rich, thick" description (e.g., statistics fail to reveal real reasons for "early retirement," mask power and political strength, fail to reveal personality and leadership styles in decision-making, etc.). Additionally, there is an unclear understanding as to the type, length and magnitude of disruption associated with the succession event. More importantly, since Kesner and Sebora's (1994) comprehensive literature review of succession, there remains a call for alternative methods to answer questions of "process" and link variables previously studied into a theoretical model of succession which can be used to build theory (Ashcraft, 1999; Pitcher, Chreim & Kisfalvi, 2000).

What we know is that the founders and CEO shape culture (Schein, 1992). They in turn, make decisions to perpetuate the organizational culture by hiring and promoting others like themselves often sub-consciously (Hansen & Kahnweiler, 1997; Kets de

Vries, 1988). Therefore the process of succession planning is not likely to be understood without an insider's point of view.

Qualitative ethnographic data was collected from managers at various levels through ethnographic interviews. Interviews are appropriate because much of any culture is encoded in language (Bate, 1990). Language is the primary means of passing culture from one generation to the next or from veterans within a culture to newcomers (Spradley, 1979). Language serves not only as a means of communication about reality but also as a tool for constructing it. Schein's research (1992) on the influence of organizational leadership on work cultures guided the decision to collect qualitative data from executive managers who are charged with the responsibility of implementing succession planning within their areas of control.

Managers have been regarded as the key informants of an organization's culture in other studies (Rentsch, 1990). The study conducted here focused on staff/function operations level, state operations level and regional level managers. These managers typically have longer tenure and have been socialized as to the succession process as well as played a role in it. The levels of cultural knowledge should vary among these various levels of management as does their decision-making authority. While all managers may belong to a number of cultural frames (e.g., national, organizational, occupational, and gender), this study focused on the organizational, sub-organizational, and occupational frames. Additional qualitative data was collected through participant observation and related organizational documents.

In this study, raw data (interview tapes, field notes, contact sheets) was processed, stored, and managed using the software program QSR NUD*IST (QSR Non-numerical

Unstructured Data Indexing Searching and Theory Building, version 5.) The qualitative data was analyzed using coding procedures starting with categorization as dictionary, directory, recipe, or axiomatic cultural knowledge. The cultural knowledge map was used as the basis for conclusions and theory development regarding culture as a contextual factor in succession planning.

QSR NUD*IST software can be used to track “number of mentions” (or the number of times a word has been used in a particular context) and therefore allows for some quantitative analysis of the qualitative data collected. For example, if several informants describe organizational culture as “militaristic,” the researcher is able to capture the number of times the term “militaristic” is used within each context or theme while identifying the particular informants who have used the term.

Key terms or phrases, identified by the researcher as frequently mentioned within a particular context, are tracked by the software. The key terms are then coded by the researcher according to context and were used to construct a particular theme(s) category. A search of these key terms or phrases allowed for comparison and contrast among the various theme(s) or categories.

This software also provided for the use of “free nodes” which allow the researcher to apply a grounded theory approach to the coding of qualitative data. “Free nodes” are theme categories which are without permanent title or placement within the analysis framework. As these themes emerge and are compared and contrasted by the researcher, they can be manipulated into different graphical positions within a hierarchal “node tree” which represents status, connection, theme titles and sub-titles to support or refute subsequent interpretations of the qualitative data by the researcher. Each node retains all

of the data assigned to it; including any memos, field notes and document images. This node tree is pictorially similar to a family tree. When a concept is “born,” it is temporarily “free” until the proper parent, sibling and/or child (legitimate or not) can be found. This representation of the qualitative data can be easily graphically manipulated in rank and position and is useful in developing theoretical models which tell the researcher’s interpretation of the organization’s story.

QSR NUD*IST software was used to track informant demographics. Comparisons and contrasts of key themes were available via the lens of informant managerial level, experience, tenure, etc. As a result, separate “node trees” could be created as the qualitative data is manipulated to reflect rank and position of informants.

The software was able to produce reports of the various results discussed above and some of these reports (along with links to their origin) were saved for future reference. This software saved a considerable amount of time, space and paper during the qualitative data analysis phase of this research.

Research Focus Questions

The study sought to answer three general questions: 1) What cultural knowledge of succession planning, if any, does the data suggest that organizational managers have? 2) What is the perceived influence of organizational culture on the way succession planning is implemented in an organization? and 3) Does the succession planning process perpetuate or challenge the apparent organizational culture? These focus questions do not constitute testable hypotheses. They were used to guide and help focus the study with the goal of generating, rather than testing, theory about how organizational culture influences

the implementation of succession planning in an organization. No previous studies have taken this approach to examine organizational culture as a contextual factor in the implementation of succession planning.

This introductory chapter provided an overview of the gap in research and theory relative to how organizational culture impacts the implementation of succession planning in organizations. The pervasiveness of succession planning as a fundamental human resource management and development practice in organizations supports the notion that human resource professionals and organizational managers could benefit from an understanding of organizational culture as a likely contextual factor in developing, implementing, and changing succession planning processes. This chapter also summarized the focus questions and overall approach to a qualitative study on this important topic.

CHAPTER 2

REVIEW OF RELATED LITERATURE

The purpose of this chapter is to review current literature related to the topic of succession planning in the context of organizational culture. The first section explores current research and practice in succession planning processes with an implicit link to organizational culture. The second section explores how various researchers have conceptualized and studied organizational culture in a variety of settings.

Succession Planning – Variables Toward a Model

Kesner and Sebora (1994) present the most comprehensive literature review of succession planning to date. What we currently know about succession research does not differ significantly from their findings. Succession research is primarily driven by quantitative methods using archival data (Cannella Jr. & Lubatkin, 1993; Datta & Rajagopalan, 1998; Haveman, Russo, & Meyer, 2001; Lauterbach, Vu, & Weisberg, 1999; White, Smith & Barnett, 1997; Zhang & Rajagopalan, 2004) despite calls for innovative, qualitative approaches (Pitcher et al., 2000). The research thus far focuses on the more salient and immediate issues in the hope of predicting outcomes by linking cause and effect to seemingly quantifiable measures of typical yet “fuzzy” business results linked to profit and shareholder values (Kesner & Sebora, 1994; Lauterbach et al., 1999; Pitcher et al., 2000; Zhang & Rajagopalan, 2004). The result are studies surrounding the significance of CEO demographics and characteristics (Bigley & Wiersema, 2002; Datta & Rajagopalan, 1998; Fondas & Wiersema, 1997; Hambrick & Mason, 1984; Keiser, 2004; Shen & Cannella Jr., 2002; Smith & White, 1987; White et

al., 1997), organizational size (Fiegener, 1996; Kesner & Sebora, 1994; Lauterbach et al., 1999), insider versus outsider selection (Dalton & Kesner, 1985; Friedman & OIk, 1995),firm performance (Friedman, 1986; Kesner & Sebora, 1994; Lauterbach et al., 1999; Shen & Cannella Jr., 2002), industry standards and regulatory changes (Datta & Rajagopalan, 1998; Haveman et al., 2001), and organizational strategy (Gifford Jr., 1997; Luoma, 2000). A promising, and more recent, trend is the increase of interest in the role of the board to ensure ethical leadership considerations in the development and selection of CEO (Charan, 2004; Karaevli & Hall, 2003; Scott, 2004). It is important to note that an overwhelming majority of the above research has been situated in the large publicly-held organizations, despite calls for small to mid-size organization studies and family-owned businesses (Haddadj, 2003; Le Breton-Miller, Miller, & Steier, 2004; Sharma et al., 2003).

Demographics and Characteristics of a CEO

In the desire to find the perfect candidate to succeed as CEO, there have been many studies of the links of demographics and characteristics to strategy, performance, industry and organizational fit (Bigley & Wiersema, 2002; Datta & Rajagopalan, 1998; Fondas & Wiersema, 1997; Keiser, 2004; Shen & Cannella Jr., 2002; Smith & White, 1987; White et al., 1997). The majority of these studies were conducted by auditing public sources of corporate records to indicate links in education, tenure, previous industry experience, age, etc. with conflicting results. In many cases, socio-political systems, powerful coalitions, and even the degree of socialization proved to mediate the results (Denis et al., 2000; Fondas & Wiersema, 1997; Friedman & OIk, 1995).

Insider versus outsider selection and performance

Motivated by a competitive market, shareholder demands, industry regulatory change, globalization and socio-political forces, insider versus outsider selection remains an important focus of succession research. A large portion of the research with regard to insider versus outsider selection attempts to link the choice to firm performance either as the antecedent or as the consequence (Cannella Jr. & Lubatkin, 1993; Lauterbach et al., 1999; Shen & Cannella Jr., 2002; Zhang & Rajagopalan, 2004). Haveman (2001) suggests that repeated performance failure is necessary to instigate a change in the selection process to that of an outsider. Fondas (1997) posits that an insider selection (usually means that the insider has been employed two or more years and/or has served on the board) versus outsider (externally hired as CEO successor or has been employed for less than two years) indicates to key stakeholders the extent of the change to be anticipated. If the initial choice is an insider then the status quo prevails, if an outsider is selected, then change most likely will ensue.

Firm performance studies have largely utilized “fuzzy” variables to measure good and poor performance. In addition, they have focused on measures of a given point in time which may not lend themselves as adequate in determining performance outcomes (Pitcher et al., 2000). We have little empirical evidence which would lead us to understand performance success in the eyes of shareholders and organizational members. Many researchers support the notion that an outsider is chosen during times of poor performance to bring about necessary change resulting in improved firm performance (Dalton & Kesner, 1985; Lauterbach et al., 1999). Others suggest that firm performance is unrelated to the decision of outsider versus insider and that either choice can result in

improved performance (Bickford, 2001; Cannella Jr. & Lubatkin, 1993; Shen & Cannella Jr., 2002). More recently, research suggests that the selection of an insider successor leads to improved performance (Zhang & Rajagopalan, 2004).

Organization size, structure and life cycle

Trice and Beyer (1993) as well as others (Schein, 1992; Wasserman, 2003) suggest that the initial founder succession may tend to seek an outsider to pave the way to formalization, the next stage of the organizational life cycle. Fiegner (1996) and Lauterbach (1999) posit that organization size mediates the decision. The choice of insider versus outsider is also driven by the availability of a quality candidate (Bigley & Wiersema, 2002; Sharma et al., 2003).

Organizations have found it difficult and expensive to develop and maintain the large pool of candidates suggestive of an effective insider succession process. Furthermore, the process which was once usually lengthy, (CEO tenures of 10-14 years), is shortening, (Charan, 2004; Karaevli & Hall, 2003) and in the end, only a few are chosen from the pool, thus ushering in the problem of talent retention (Bickford, 2001; Cannella Jr. & Shen, 2001; Cappelli, 2000).

Insider versus outsider selection and politics

Powerful coalitions, top management and the Board also play a role in the decision-making process of insider versus outsider selection (Bickford, 2001; Kirby et al., 2004; Ocasio, 1994; Sharma et al., 2003; White et al., 1997). Dominant coalitions within an organization can undermine the authority of the CEO in the selection of a successor,

refusing the legitimacy of his or her appointment and thwart his or her execution performance (Cannella Jr. & Lubatkin, 1993; Denis et al., 2000; Friedman & OIk, 1995).

Some agree that problems exist with insider selection particularly when the incumbent owns the selection process. Kets de Vries and others (Charan & Colvin, 1999; Haveman, 1993; Kets de Vries, 1988) posit that the CEO tends to choose and develop, often unconsciously, those who are most like him or her self in attempts to retain control or to perpetuate their legacy. This approach has been described as incestuous and usually results in the status quo (Cannella Jr. & Lubatkin, 1993). More recent research suggests that perhaps insider selection remains less risky, less disruptive and more beneficial than outsider selection (Charan, 2004; Conger & Nadler, 2004; Friedman, 1986; Karaevli & Hall, 2003). Regardless of the plethora of studies as to insider versus outsider selection, there remains a lack of empirical evidence to support the decision as one which leads to definitive success.

Heir apparent development

Scholars and CEOs agree that the it remains the primary responsibility of the incumbent to produce a qualified successor candidate (Peak, 1997; Vancil, 1987). Furthermore, a succession that is deemed successful in the eyes of stakeholders is an indication of the overall performance of the incumbent. Much of the research surrounding executive development suggests that there needs to be more involvement of the incumbent, the Board, the top management team, human resources and even the front line managers (Cappelli, 2000; Charan, 2004; Friedman, 1986; Hall, 1989; Karaevli & Hall, 2003).

Although much of the literature already mentioned suggests ideal executive development approaches and programs, we know little about the actual practice of them, when organizations begin executive development programs, how candidates are chosen, how long the development process is, what it entails and how it is utilized in the selection process.

Industrial and Regulatory Change

Studies of the role of industry and strategy as antecedents and consequences to the succession event utilize archival data as well, with similar limitations of a temporal bounded myopic view. What is most notable about these studies is that the professional affiliations of the incumbent and/or the successor within the industry as well as the education and experience specific to the industry may play a large role in the selection process (Datta & Rajagopalan, 1998; Smith & White, 1987). Furthermore, industry and regulatory change may stimulate succession activity (Haveman et al., 2001).

Organizational Strategy

Although organizational strategy is viewed by many to be an antecedent to the succession process as well as a consequence, its effects on succession events themselves are often complicated by the preferences of the incumbent, the Board, and/or powerful internal coalitions (Cannella Jr. & Shen, 2001; Cespdes, 2004; Hambrick & Mason, 1984; Smith & White, 1987). These authors suggest organizational strategy plays a mediating role in the succession planning process and that it is of more importance in the development of candidates rather than in the actual selection (Karaevli & Hall, 2003).

Organizational Culture as a Contextual Factor in Succession Planning

In Kesner and Sebora's (1994) comprehensive review of succession planning literature, they called for future research which directed the synthesis and clarification of all that has been done piecemeal to date. The authors used the metaphor of a puzzle without a place to describe the culmination of research efforts with regard to succession. The succession process is defined as "calculated, systematic and political" (Kesner & Sebora, 1994) yet we know little more about the specifics of the process than this (Kesner & Sebora, 1994; Pitcher et al., 2000).

KEY: Bold = Substantial Research
Regular = Some Research
Italics = Little/No Research

- Industry Issues
  - Life Cycle Stage
  - **Performance**
  - *Type*
  - Uncertainty
- Organizational Issues
  - Age
  - Candidate Availability
  - Culture
  - Ownership Type
  - **Performance**
  - **Size**
  - Strategy
  - Structure
- Selector Issues
  - Board
    - Composition
    - Size
    - Expectations/Values
  - Incumbent CEO
    - Power
    - Tenure

CONTINGENCIES

SUCCESSION ANTECEDENTS

- Organization Issues
  - Initiating Force
    - Voluntary Departure
      - Promotion
      - Resignation
      - Retirement
    - Involuntary Departure
      - Death
      - Termination
  - Preparation
    - Degree
    - Formality
  - Responsibility
    - Board
    - Incumbent CEO
- CEO Office/Role Issues
  - Office Structure
  - *Role Expectations*
- Candidate Issues
  - Characteristics
  - Origin
  - Quality

SUCCESSION EVENT

- Process Issues
  - Formality
  - Pattern
  - **Rate**
  - Stages
  - Type (Develop/Select)
- Candidate Issues
  - *Character*
  - Competence
  - Experience
- Choice Issues
  - *Criteria*
  - *Process*
  - *Justification*

SUCCESSION CONSEQUENCES

- Organization Issues
  - **Effectiveness**
  - **Performance**
  - Strategy
- Stakeholder Issues
  - Internal
    - Executive officers
    - Non-Managers
  - External
    - **Shareholders**
    - *Other Fiduciary*
    - *Non-Fiduciary*
- *Evaluation Issues*

Figure 1. A conceptual model which represents a comprehensive review of the literature as it pertains to succession planning research was done by Kesner & Sebora in 1994 (Kesner & Sebora, 1994, p. 364).

Kesner & Sebora's (1994) model of succession (see *Figure 1*) attempts to consolidate previously researched succession variables in hopes of gaining a more cohesive understanding of the process as well as to spur further research. Their model was formed by grouping variables identified through succession research into one of four categories: 1) succession antecedents 2) succession events 3) succession consequences or 4) contingencies which serve as mediators or potential predictors to succession process outcomes. Using this model, Kesner & Sebora (1994) list organizational culture as a "contingency" placing it under the realm of organizational issues which can affect the succession antecedent, event, and/or outcome. A review of the tables used to summarize the studies, however, does not identify the term "culture" as a specific context in which succession planning was studied. Nevertheless, organizational climate, organizational context (e.g., impetus or the degree of need for change), and shared beliefs (e.g., consensus and politics) were listed.

Since the succession literature review of 1994 (Kesner & Sebora, 1994), no known empirical progress has been made to study the link of organizational culture and succession although most authors allude to its importance for a successful outcome (Charan, 2004; Denis et al., 2000; Friedman & OIk, 1995; Kell & Carrott, 2005; Le Breton-Miller et al., 2004). Therefore, we can perhaps best understand succession processes via the studies of the role of leaders in shaping organizational culture and studies suggesting organizational processes as symbolic artifacts of culture.

Leaders and Culture

Executives are organizational heroes (Deal & Kennedy, 1982), who are symbolic (Pfeffer, 1981). They create, change, embody, and integrate organizational culture

consciously and unconsciously (Deal & Kennedy, 1982; Schein, 1992; Trice & Beyer, 1993). Even though they may facilitate cultural change, the change will not endure without qualified successors to further their visions.

Kell and Carrott (2005) found corporate cultures, influence leadership styles more than any other aspect of their job according to a survey of executives in over 100 corporations. In support of the apparent importance of culture in succession, they state, "A Board of Directors overseeing a turnaround and the appointment of a new CEO must be vigilant. Changing the top leader is tough enough; changing the entrenched behavior of hundreds or thousands of other leaders to gel with the new style can be a mammoth task" (2005, p. 24). They suggest that culture is often blamed (and rightly so) in instances of failed mergers, employee turnover and failed successions of external candidates.

Leaders, Life Cycles and Culture

In a young organization, design, structure, architecture, rituals, stories and formal statements are cultural reinforcers, not new culture creators. Once an organization has matured and stabilized, these same mechanisms come to be primary culture-creating mechanisms that will constrain future leaders as they become less conscious of the basis of their decision-making (Schein, 1992).

A study conducted by Denis et al. (2000), closely linked to succession and organizational culture, focused on the integration and socialization of a new CEO within a large, mature and complex organization. The succession position spanned two different organizational domains, a professional side of the house (physicians in the hospital) and the administrative side of the house (those who managed the hospital). This study revealed the difficulties inherent in leading two overriding sub-cultures. Degrees of the

new CEO's integration waxed and waned in an unfolding process of assimilation, infiltration and finally representation in the clinical side of the house. However, the administrative side of the house unfolded in phases of confrontation, mutual adjustment and, finally, realignment and stabilization.

The study utilized company documents and case study interviews over a two-year time frame to better understand the integration process of a new successor. The process of integration varied in each side of the house with the credibility and legitimacy of the new CEO's actions as seen through the respective and competing professional sub-cultures. Overall the findings indicate that different methods of learning, persuasion, power consolidation and leadership style are necessary to build organizational support within various powerful sub-cultures. Organizational members and dominant coalitions are key to successful executive leadership change.

Executive Leadership as Sub-culture

The top management team plays an important role in succession planning and can be viewed as a sub-culture. Senior managers share a common set of interrelated beliefs which drive their decision-making (Hansen & Kahnweiler, 1997; Schein, 1992). We know that organizations are often reflections of their top managers and the decisions that they make (Hansen & Kahnweiler, 1997; Kets de Vries & Miller, 1986; Schein, 1992). Succession planning research has found that the top management team can influence the candidate chosen and hinder or support their ability to execute strategy (Hall, 1989).

Whether leaders are conscious of it or not, the way they develop mid-life organizations culturally is by assessing the strengths and weaknesses of different subcultures, and then biasing the total culture in favor of one of the subcultures (Schein,

1992). Leaders do this systematically by promoting people from a favored subculture into power positions at senior levels. This is consistent with succession research which found that successors often come from the same professional (e.g., occupational) sub-culture as the incumbent (Smith & White, 1987).

Karaevli & Hall (2003) state that the biggest problem in the succession process is the "widespread practice of selecting high-potential managers on the basis of their past performance and current fit with company needs (needs which are determined by current strategies and environmental requirements). The result is future leaders who have the same skills as those of the past. Respondents in their study suggested that being selected into the high–potential pool is partly influenced by whether a person happens to be in a certain high-powered business unit and social network (Karaevli & Hall, 2003).

These same authors (Karaevli & Hall, 2003) suggest that the problem with legal and ethical questions in organizations today stems from the way that junior managers are socialized and selected for development and advancement in the firm. This is, after all, the process that creates the culture of an organization as well as the nature of the future CEO and the top management team (Schein, 1992).

Succession Planning Process as Symbolic Organizational Artifact

The succession planning process utilized in an organization is learned over time as a result of successful outcomes (Haveman, 1993). According to Schein (1992), the succession process might be viewed as an artifact within an organization. The succession process, like other processes in the organization, becomes an important vehicle to communicate values and beliefs among employees as to what is necessary to be promoted. Furthermore, Schein (1992) suggests that initial selection decisions for new

members, followed by the criteria applied in the promotion system, are powerful mechanisms for embedding and perpetuating the culture, especially when combined with socialization tactics (i.e., high potential designation and leadership development programs) designed to teach cultural assumptions. Basic assumptions are further reinforced through the criteria of who does or does not get promoted.

A dynamic analysis of organizational culture makes it clear that leadership is intertwined with culture formation, evolution, transformation, and destruction. Culture is created in the first instance by actions of leaders; and culture is embedded and strengthened by leaders and must be unlearned when it becomes dysfunctional to learn new assumptions (Schein, 1992). Sometimes deliberate, conscious destruction of cultural elements takes place (Hemp & Stewart, 2004). As recent authors suggest, the problem is not in the existence of a plan, but in its execution (Charan & Colvin, 1999).

This chapter examined the current literature related to the topic of succession planning in the context of organizational culture. Research and practice in succession planning with particular emphasis on organizational culture as an important contextual factor was reviewed. There are no studies to date which specifically investigate how organizational culture apparently influences the implementation of succession planning therefore, research was reviewed which suggests leaders shape culture and organizational processes may be symbolic artifacts of organizational culture. Researchers have employed primarily quantitative means to study succession planning using archival data and surveys with an exclusive focus on top management.

CHAPTER 3

METHOD

Overview

This study explored the apparent influence of organizational culture on the implementation of succession planning in an organization. Succession Planning is defined as the process of identifying, developing and promoting candidates for a "C" level position (e.g., above region level or corporate function level manager), either as CEO or as a member of the top management team. To do that, it is necessary to understand as well as possible, the culture, or "acquired knowledge that people use to interpret experience and generate social behavior" (Spradley, 1979, p. 5). Qualitative inquiry seeks to understand human and social behavior from an "insider's" perspective or what is called an "emic" perspective (Pike, 1966). The emic perspective is that which is lived by participants in a particular social setting such as an organization. My perspective as the researcher, an "etic" perspective, sought to understand what is really going on within the culture through description, explanation, and interpretation.

There are five traditions of qualitative methods which include: biography; case study; phenomenology; ethnography; and grounded theory (Creswell, 1997). Of these, a blended approach of ethnography and grounded theory was chosen as the most appropriate.

Ethnography is most concerned with the "emic" perspective missing in succession planning research today. This method reveals patterns of daily living and assumes an idealistic versus materialistic approach to the study of culture (manifested in what people

do, say, make and use, including process). The results of an ethnographic approach to this study would answer questions as to which variables, if any, are perceived to be relevant and to whom as well as how they are measured by organizational members and stakeholders. In addition, the ethnography would tell us much about espoused theory versus theory-in-use and help us to understand the "what," "why" and "how" of the language of succession, the enculturation processes and the role of leadership values and beliefs in the implementation of succession programs.

Grounded theory is particularly useful for studying processes (Strauss & Corbin, 1998a) and its systematic, process-oriented, constant comparative approach would allow for theory building by revealing variables and categories which are not a priori but are field based.

Some limitations of pure ethnography include the length of time required to conduct the study, resistance to "go native," as well as the management of researcher-imposed biases. A limitation of grounded theory may lie in its systematic approach and somewhat formulated method to the discovery of theory with a proclivity towards a more "etic" than "emic" approach.

Sackmann (1991) offers a theoretical framework which best employs both of these approaches. Sackmann's work has been utilized successfully most recently in a similar study of the role of culture in the implementation of succession planning (Magee, 2002). Advantages of this model are that it is comprehensive and specific; and it combines structural aspects with culturally historic and dynamic ones to be studied (Sackmann, 1991). This model utilizes four categories of knowledge: Dictionary (What is

occurring?); Directory (How is it occurring?); Recipe (What should occur?); and Axiomatic (Why is it occurring?).

The dictionary level is synonymous with espoused values; directory and recipe with norms and their reflections of rules of behavior and the “ought to” nature. Axiomatic is linked to Schein’s (1992) “basic assumptions” and is traced to executive leadership, although Sackmann (1991) supports the notion that it is not, in and of itself, the most important category of knowledge. These four categories overcome problems of static assessments of culture and recognize the structural as well as the developmental nature of cognition employed and the importance of member agency.

The overall design of the study was that of successive comparisons through five phases of the study: 1) generate qualitative data about insider knowledge of values, beliefs and norms surrounding succession planning via interviews, observation and analysis of cultural artifacts, rituals, ceremonies, etc.; 2) extract themes from this data using insider descriptions of what is occurring and what is valued, as well as how it is occurring and why, personal field notes, memos and cultural notes; 3) further probe these themes for clarity and understanding using follow-up interviews, triangulation, references to supporting literature, and focus groups; 4) probe the validity of emerging conclusions and theory; using member checks, feedback from colleagues, a frame interview, current research; and 5) analyze and reanalyze all collected qualitative, conceptual, archival and quantitative data. The result is a balance of an “emic” and “etic” perspective, which has lent itself to theory building that links organizational processes and cultural knowledge while acknowledging their fluidity.

Qualitative data around succession planning and organizational culture was collected using participant interviews, participant observations (e.g., informal meetings and site visits), related organizational documentation and cultural notes. This same qualitative data was categorized as dictionary, directory, recipe, or axiomatic knowledge. This formed the basis for a cultural knowledge map to conceptualize the organizational culture. My analysis as a researcher has sought to interpret and explain the qualitative data collected to generate a theory of the likely influence of organizational culture on the implementation of succession planning.

The sampling plan consists of six data sets which are represented in the table below:

Table 1

Sampling Plan

Field Operations Managers			Corporate Function Managers		
Regional Level	State Operations Level	Staff/ function Operations Level	Regional Level equivalent	State Operations Level equivalent	Staff/ function Operations Level equivalent

The managers represented in these data sets are those who have been identified by corporate headquarters as responsible for the decisions made within the succession planning process. The succession planning process begins with the identification of Staff/function Operations Manager candidates and above. The process involves the selection, development and promotion of a candidate to a “C” level position on the Executive Management Committee. Promotions of levels below that of state operations manager level are handled via a separate process, termed “Career Development.”

State operations level managers select candidates for promotion and determine their development plans along with local Human Resources. These managers are typically responsible for a multi-million dollar operation and several thousands of employees. Regional level managers monitor, coach, mentor and choose state operations level managers who will then be presented to the top management team (the Executive Management Committee) as viable candidates for executive leadership succession. These regional managers are responsible for all state operations managers. The Executive Management Committee made up of Presidents and Vice Presidents meets monthly to review the candidates presented to them by Corporate Managers and Field Operations Regional managers to determine which ones may be considered for Executive Management Committee positions (i.e., CEO, COO, CIO and other “C” level positions) in the future. Ground Operations and Air Operations have relative autonomy in the selection of candidates and will report their selection to corporate. However, senior Corporate Function and Subsidiary Managers have a vested interest in developing these candidates who will then represent their political interests on the Executive Management Committee. Candidates who are successors to the Executive Management Committee team usually make this move from the position of Senior Corporate Function Management.

Table 2

Time table of study

Activity	**Total researcher time + time for committee review**
Write chapters 1-3	90 days
Pilot study: 3 interviews and analysis	14 days
Defend prospectus	1 day
Round 1 data collection: 28 interviews and analysis - Initial observations - Document collection	179 days
Round 2 data collection: 8 follow-up interviews and analysis - Observations - Document analysis	30 days
Round 3 data collection: 2 small focus group and Analysis	14 days
Write chapters 4 – 6	60 days
Prepare final dissertation	30 days
Defend final dissertation	1 day

Pilot Study

A pilot study (Denzin & Lincoln, 1998) was conducted in which two participants were interviewed from two of six data sets: managers from corporate and managers from field operations. These participants represent staff/function operations managers or their corporate equivalents. The pilot study served two purposes. The first was to validate that the topic, succession planning, could be used as an issue of focus to elicit cultural knowledge. Sackmann (1991) prescribed three criteria for an issue of focus: 1) it has organizational relevance and meaning to most employees; 2) it is sensitive to culturally specific interpretations; and 3) systematic biases in data collection can be avoided.

Succession planning met the first two criteria, and the pilot study validated that interview participants were willing to talk openly about succession planning rather than providing "politically correct" answers, because the topic is of personal concern.

The second purpose of the pilot study was to test and refine the interview guide (see Appendix A) and interview procedures. The data collected during the pilot study was tape-recorded and transcribed. The data was then used to experiment with coding within the data management and analysis software tool in preparation for larger amounts of data. Some initial categories emerged within the four types of cultural knowledge (i.e., dictionary, directory, recipe, and axiomatic) that were then used as a starting point for the post-pilot data analysis.

Research Focus Questions

The study sought to explore three research questions:

1. What cultural knowledge of succession planning, if any, does the data suggest that organizational managers have?
2. What is the perceived influence of organizational culture on the way succession planning is implemented in an organization?
3. Does the succession planning process perpetuate or challenge the apparent organizational culture?

Research Site

The site for this study was a large Fortune 500 shipping logistics, supply chain management and package deliverer in the transportation industry. The company is a global leader in its industry, and has a presence in over 200 countries and territories. The

company was founded in the early 1900s and remained privately held until recently with a primary focus on domestic and international small package delivery.

The company's overall mission is to enable world-wide commerce via the flow of goods, information and capital vis à vis businesses and their prospective customers thus growing shareholder value. Therefore, the company is interested in developing frontiers of logistics, supply chain management and e-Commerce. Supply chain services is a subsidiary created by the parent company, to provide logistics, global freight, financial services, mail services and consulting to enhance customer business performance and improve global supply chains. It is currently the fastest growing aspect of the business with over 15 acquisitions of its own in the last six years and a presence in 175 countries. In sharing company expertise via supply chain services, customers are able to compete better in the global market.

The company's corporate headquarters and its fastest growing subsidiary are co-located in one city location. Ground Operations consisted of two city locations within two separate states in the southeast region. Air Operations was located in the southeast as well although it is governed separately from Ground Operations. This enabled data collection in the headquarters (i.e., corporate) functions, ground and Air Operations units and an actual business unit largely responsible for collecting and supporting strategic long-term business planning thus allowing for comparisons and contrasts among them.

The company culture has been described as one which is based on manager ownership with the notion that managers will behave as shareholders in protecting their investments and interests. Future goals of the company are: to preserve the consistency in revenue and earnings growth; grow market share in the global small package arena;

increase operating profit in domestic, international and supply chain management; and to consider social, environmental and economic consequences of doing business.

Managers within this setting who have been employed for seven or more years are loyal and are said to be part of the cultural fabric of the organization. They are committed to hard work and long days with an expectation of “cradle to grave” employment. Their rewards are not immediate and those who last are patient. Promotion rates slow as position openings narrow. For example, there may be hundreds of staff/function operations level managers but only 1/8 of that number represents the number of state operations level positions available. Promotions from state operations level to regional level are even more difficult, as there are approximately six potential regional level positions. Additionally, the estimated tenure of a state operations level manager is likely over twenty years. Finally, there are only twelve executive management committee level members (recently increased from nine) and the average tenure has been 7-10 years.

External hires are considered “outsiders” and their acceptance as one who is trustworthy, is established via the acquisition of long tenures and field operations experience. New hires are often required to drive a truck and/or deliver packages during peak holiday season to gain operations experience and a core understanding of the business. New management hires are also expected to view legacy films and books of the company founder and receive a policy book to read from when conducting business meetings. This policy book is much like a company “bible” in that it contains core company values and philosophies of work, ethics and respect for one another as deemed appropriate by the organization’s founder. Excerpts from the policy book as well as legacy books are read by management prior to all formal meetings.

The environment has been described as “militaristic” and for many years, the organization’s motto represented one of order, quality and detail to the degree found only in the military. It is difficult to penetrate this environment without the support of well-respected corporate sponsors. However, once one becomes accepted as a veteran of the ranks, you are always considered a veteran, provided integrity and loyalty remain intact.

As a former employee of this company, the sites were somewhat familiar and corporate contacts made them relatively easily accessible. Rapport was established and data gathered which directly related to the research topic. However, employment at this company ended approximately eight years ago and therefore any subsequent policy changes made in the parent company as a result of its diversification were unfamiliar.

Taylor and Bogdan (1998) note that although they generally advise students to avoid settings to which they are closely related, a number of exceptional studies have been done by participants in the settings they have observed and used in their research. Magee’s (2002) study of organizational culture and performance management, Becker’s (1963) study of jazz musicians, and Roth’s (1963) study of a tuberculosis hospital are examples of studies conducted by researchers who were participants in the research setting. There is also value in personal experience with the subject matter of a study. For example, Karp’s (1996) study on depression used the researcher’s personal experience to understand the perspectives and experiences of others. Karp used his own 20-year struggle with depression as a point of departure for his interviews with others on the effects of depression on identity, relations with family and friends, and other topics.

Data Collection

The material culture (Hodder, 2000) in the form of company publications related to policy and succession planning was collected and examined. Computer software programs used in identifying, tracking and managing the development of potential candidates as successors were briefly reviewed. Company publications included a career development training manual, forms, process maps, policies and procedures and legacy books. Key informants were helpful in the explanation of how the materials were used to share cultural knowledge in the organization. The material culture (i.e., policy books, company publications, training materials, etc.) is important as it is written down, it endures, and it represents what the organization wants to explicitly and formally convey about succession planning to organizational members. These items were used to compare the material culture gathered to what managers actually said and do relative to succession planning. A request for access to the company intranet was denied; instead, the company website was utilized. This website contains senior executive leadership speeches which are available for public viewing. These speeches were compared with what managers said and do with regard to succession planning.

Cultural notes were captured which describe the work setting, research participants and informants, jargon used, likely rituals, ceremonies, rites of passage and other apparently cultural relevant artifacts and values. For example, descriptions of the environment, quips, quotes, stories, sarcasm and humor are logged there to aid in the discovery of tacit cultural knowledge held by individuals. These notes aid in data

analysis, interpretation and theory building. They are also used to capture detail necessary in the validation and communication of research findings to others and is helpful in re-creating the setting for those who wish to interpret the research findings.

Qualitative data was gathered through ethnographic interviewing and participant observation. Ethnographic interviewing is appropriate as much of any culture is encoded in language. Language is the primary means of passing culture from one generation to the next or from veterans to newcomers (Spradley, 1979). Language serves not only as a means of communication about reality, but also as a tool for constructing reality as we develop classification systems to describe experiences and concepts. This is better known as the Sapir-Whorf hypothesis (Carroll, 1956) and relates directly to Sackmann's (1991) dictionary knowledge (i.e., definitions and labels for things and events). The interviews were with managers from the corporate functions, a local subsidiary, air and Ground Operations units.

Interview participants were sought through a previously established network of Human Resource managers and participants were asked for recommendations of others who should be interviewed. Due to the secretive nature of the culture of this company and the nature of the topic, with the exception of four interviewees, the sampling parameters were largely chosen by the key informants and their contacts in Corporate, Ground Operations and the subsidiary. In the Air Operations unit, interviewees were selected by an additional key informant responsible for Succession Planning in this unit. Although a letter was received authorizing the research data collection, it was difficult to gain entry to any interviews other than those specifically provided by three key informants in the Ground Operations, Air Operations and Corporate sites. A list of the research data

collection requirements and timeline was provided to these key informants and interviewees were chosen according to fit and availability. Staff level managers, state operations managers, regional managers or their equivalents with at least five years with the company as a manager were obtained. In addition, an interview with a senior VP of Human Resources who had recently retired and who could lend personal insight into the succession process was obtained. These managers resided in either a corporate setting or in a field operations setting. A staff/function operations manager has at least two direct reports and is considered a mid-level manager. A state operations manager is usually largely responsible for a corporate function or a large operational unit (e.g., the state of Georgia may be the responsibility of a single state operations manager). A regional manager is the highest-level manager within a corporate function or a person who is responsible for one multi-state region (e.g., Southeast, Midwest, Northeast, etc.) in the United States. A senior VP usually resides on the Board of Directors, is responsible for an entire function company-wide, and is a peer on the Executive Management Committee along with the CEO. It is important to note that titles of the above referenced data sets were altered to further ensure anonymity.

Participants fit into one of six data sets or cells: (a) staff/function operations level managers within a corporate function; (b) state operations level managers within a corporate function; (c) regional managers or senior executives within a corporate function; (d) staff/function operations managers within field operations; (e) state operations managers within field operations; or (f) regional managers within field operations. It is important to note that the Supply Chain logistics subsidiary (the fastest growing area of the business) will be represented as a corporate function and has equal

representation as do other corporate functions, on the management committee. The Air Operations unit and Ground Operations unit have been combined to comprise the field operations data set and they have equal representation as do other various regions, on the executive management committee.

There were three rounds of interviews. In the first round, a total of 29 interviews were conducted. The interviews were conducted with one participant representing an executive senior VP and thirteen participants (representing the three data sets) from each corporate function and fifteen (also representing three data sets) from the field operations with the purpose of initial data collection and initial coding.

Seventeen participants are known to have their Bachelors degree. Six participants are known to have their Masters degree. Sixteen participants are white males; six are white females; two African American males; one African American female; and two Latin males. Most participants are 40+ years of age. Some participants are 50+ years of age.

The second round of follow-up interviews were conducted with at least six of the participants from the corporate data sets (one of each) and five of the participants from the field operations units for a total of eleven interviews with the purpose of further probing relevant issues, posing emerging questions, and beginning to validate themes that emerge from round one interviews (Appendix C). Theoretical sampling (Glaser & Strauss, 1967) was used as the means to determine which participants were included in round two. Theoretical sampling is a procedure whereby the researcher consciously selects cases according to their potential for developing new insights or expanding and

refining those already gleaned. It is important to note that seven additional participants were contacted for participation and no response was received.

The third round of interviews were in the form of two focus groups with representatives from at least four of the six data sets (Appendix D). Two of these participants were not interviewed previously. They were chosen as a means to further triangulate the findings due to the sampling strategy imposed by key informants. The additional participants were chosen based purely on location, rank and availability. The purpose of the focus groups were to serve as member checks for analysis from the first two rounds of interviews and other qualitative and quantitative data gathered. Participants were able to work off the ideas of each other as part of a group discussion (Rubin & Rubin, 1995).

Table 3

Summary of sampling parameters and data collection

	Field Operations Managers			Corporate Function Managers		
	Region Level	State Operations Level	Staff/ Function Level	Region Level equivalent + Sr. HR	State Operations equivalent	Staff/Function Level equivalent
Round 1 Interviews	3 planned 2 completed	4 planned 4 completed	4 planned 9 completed	8 planned 3 completed	8 planned 3 completed	8 planned 8 completed
Round 2 Interviews (for validation, checks & clarity)	1-2 planned 0 completed	2-3 planned 2 completed	2-3 planned 3 completed	4 planned 1 completed	4 planned 2 completed	4 planned 3 completed
Focus Groups (for checks & clarity)	1 planned 0 participated	1 planned 1 participated	1 planned 2 participated	1 planned 0 participated	1 planned 1 participated	1 planned 2 participated

A key informant (Spradley, 1979) was identified in one of the three corporate function data sets as well as two key informants for two of the three field operations data sets. These participants are respected and knowledgeable people who have provided in-depth information about the setting and the topic, introduced the researcher to others, and participated in member checks throughout the study.

Participant observation was another means of collecting data. Bernard (1995) noted that participant observation is critical in the study of cultural groups for a number of reasons. Participant observation makes it possible to collect different kinds of data, and it reduces the likelihood of people changing their behavior because they know they are being studied. Participant observation can also give the researcher an intuitive understanding of what is going on in a culture, thus allowing the researcher to speak with confidence about the data. There was limited capability to conduct participant observations due to the nature and confidentiality of the topic. However, informal meetings related to the planning of meetings to select high potentials, discussions of succession software problems and individual career development were observed.

Field observation notes were further extended by completing contact summary sheets (Miles & Huberman, 1994) after each observation. The contact summary sheet is a single sheet with focusing and summarizing questions about a particular field contact. Its purpose is to capture a perspective that combines immediacy with a reflective overview of what went on in the contact. These contact sheets serve to form part of the overall audit trail (Huberman & Miles, 1998) for the study.

Data Management

The software tool QSR NUD*IST (Non-numerical Unstructured Data Indexing Searching and Theory-Building), was used to store, manage, and support the analysis of the data collected in this study. QSR NUD*IST has been used in the past as part of research projects investigating the role of culture in organizational decision-making and has been found to be efficient and relatively easy to use.

QSR NUD*IST appears to have the best built-in capability in the following areas: (a) coding: the capability to segment data and attach codes or key words to the segments; (b) search and retrieval: the capability to search for material using simple or complex search criteria; (c) database management: the capability to store and retrieve data from multiple sources including interview transcripts; (d) memoing: the capability to reflect on data, mark it up, write memos about it, etc.; and (e) theory-building: the capability to help clarify ideas via rule-based or logical approaches and through building semantic networks. While other software tools may be able to meet these requirements through creative work-arounds, QSR NUD*IST has them built-in for ease of use.

The following data and data analysis work in the software tool (Miles & Huberman, 1994) was stored, retrieved from, and retained: partially processed data; write-ups with specific codes attached; the coding scheme in its successive iterations; memos or other analytic material; search and retrieval records showing which data segments were looked for during analysis and the retrieved material; and data displays. Raw materials (e.g., field notes, tapes, site documents); documentation of what was done, step-by-step, to assemble the displays and write the analytic text; successive drafts of what were written on the design, methods, and findings of the study; and a general

chronological log of data collection and analysis work in organized files were stored, retrieved from, and retained. All materials related to this study were indexed and saved for future reference. Collectively, they form an audit trail that another researcher could follow of the study from start to completion.

Data Analysis

Data analysis is a process of inductive reasoning, thinking, and theorizing (Taylor & Bogdan, 1998). Taylor and Bogdan outline three distinct activities in data analysis: identifying themes and developing concepts and propositions, coding the data and refining one's understanding of the subject matter, and seeking to understand the data in the context in which they were collected. Data analysis was approached as a continuous, iterative enterprise (Miles & Huberman, 1994) by beginning to analyze data as it was collected.

Equivalent themes and their patterns were isolated and examined. Data was first categorized as dictionary, directory, recipe, or axiomatic knowledge. Descriptions of succession planning, including definitions and labels of things, events, or roles, were coded as dictionary knowledge. Expectations about cause and effect relationships and theories of action regarding succession planning were coded as directory knowledge. Statements about improvements or repair strategies relative to succession planning were coded as recipe knowledge. Statements reflecting fundamental beliefs and assumptions about succession planning were coded as axiomatic knowledge. Additionally, emic categories were developed through coding within each type of cultural knowledge to reflect the conceptual structure of the participants and a separate category for areas of

specific participant emphasis or concern regarding succession planning, as this is another important aspect of cultural knowledge. Coding was grounded in the data, i.e., developed in interaction with and tailored to the understanding of the particular data being analyzed (Glaser & Strauss, 1967). Specific incidents were continually compared in the data to refine concepts, identify their properties, explore their relationships, and integrate them into a coherent theory. This is referred to in research literature as the constant comparative method (Glaser & Strauss, 1967; Strauss & Corbin, 1998a, 1998b).

Raw data in the form of interview transcriptions, field notes, and documents were reduced through the use of contact sheets (Miles & Huberman, 1994). The contact sheets served as a way to summarize main issues and themes from the contact (i.e., interview, observation, or document), information related to target questions, any salient or particularly interesting things about the contact, and ideas for follow-up and probing for the next contact. Data reduction was an on-going process of selecting, focusing, simplifying, abstracting, and transforming raw data that appear in written field notes and transcriptions (Maxwell, 1988).

Analytic memos and cultural notes were written and utilized while doing data analysis to capture thinking about the data (Maxwell, 1988) and emerging themes. These memos were dated; titled so that key concepts are evident; linked to relevant field notes, previous analysis, or summaries; and kept separate from data files. The memos and the cultural notes facilitated the move from empirical data to a conceptual level, to assist in refining and expanding codes further, to enable the development of key categories and their relationships, and to help me build a more integrated understanding of events, processes, and interactions (Miles & Huberman, 1994).

Data displays were also generated to assemble organized information into an accessible, compact form to see what is happening and draw conclusions (Miles & Huberman, 1994). The cultural knowledge map is one such display.

Validity

Relative to qualitative research, (Maxwell, 1996) defined validity as “correctness or credibility of a description, conclusion, explanation, interpretation, or other sort of account” (p. 87). An important consideration in this study is that the perspectives of the participants and the meanings they attach to their words and actions (i.e., emic perspective) are accurately captured and portrayed. A number of strategies were employed to bolster the study’s validity. These strategies included the following: (a) triangulating methods and data (Denzin, 1978); Janesik, 2000); (b) participating in a frame interview prior to data collection and a review of study findings with that interview data during data analysis; (c) taping and transcribing participant interviews; (d) taking detailed, concrete, and chronological field notes; and (e) asking participants and colleagues to validate descriptions and interpretations. A key informant from corporate was also asked to read chapters 4-6 verbatim and provide edits and remarks throughout.

Triangulation is collecting data from a range of participants and settings using a variety of methods to increase the validity of the study’s findings and conclusions (Maxwell, 1996). Six data sets were developed in this study, three in the organization’s corporate headquarters setting and three in the operating units. Three methods to collect data were used: participant interviews, observation, and related written company

information about succession planning. Triangulation reduced the risk of chance associations and allowed a better assessment of the generality of explanations.

Researcher bias can occur if the researcher selects data that fit her own existing theory or preconceptions or selects data that stand out to her (Miles & Huberman, 1994) and bases conclusions on only that data. The purpose of a frame interview is to highlight preconceptions and assumptions about organizational culture and succession planning before embarking on data collection. A dissertation committee member conducted and recorded the frame interview. The interview surfaced previously held assumptions and biases so that periodic checks could be made against them with regard to subsequent analyses and findings. Being aware of and documenting personal frameworks and assumptions also helped to bracket them during data collection and analysis.

Valid description relies on accurate and complete data. Two strategies were employed in this area. The first was to audio record and transcribe participant interviews. Although the use of a tape-recorder may initially inhibit participants, it is essential to capture the participant's own words, use of silence, and tone of voice. Spradley (1979) notes the importance of recording "native terms" verbatim as a way to discover the inner meaning of culture. The verbatim transcripts were used during data analysis, and, of course, the tapes remained available for reference throughout the study. The second strategy was to take detailed, concrete, and chronological notes during observations (Spradley, 1980) and then expand these field notes beyond immediate observation through the use of contact summary sheets and cultural notes (Miles & Huberman, 1994); (Silverman, 2000).

The most serious threat to the theoretical validity of an account is not collecting or paying attention to discrepant data, or not considering alternative explanations or understandings of the phenomena under study (Maxwell, 1996). To counter this threat, member checks (Lincoln & Guba, 1985) were used to validate and refine researcher interpretations. This clearly did not guarantee their pronouncements as valid but provided support that the account was valid. Interview participants were asked to read and validate the analysis of data that they provided. Key informants were also used to check other analyses throughout the study (i.e., a key informant could be asked to validate the relevancy or meaning of a company communication on succession planning for instance). One key informant read and provided editing remarks throughout sections related to findings, interpretation and theory development. Also, through writing reflective and analytic memos (Miles & Huberman, 1994), lists of alternative explanations were generated and supporting and discrepant data were examined to assess whether it was more plausible to retain or modify conclusions. The help of others who were distanced from the study (e.g., dissertation committee members and professional colleagues) was sought to challenge draft analyses and conclusions.

Ethical Issues

To protect privacy and confidentiality, neither the organization's identity nor the identity of any participants were revealed. The organization was briefly described in terms of its industry, size, and revenue. Participants remain anonymous; their taped interviews are kept secure and labeled with a pseudonym. Participants are referred to by pseudonym and direct quotes are attributed to the appropriate pseudonym.

Additionally, participants were given an informed consent agreement (Appendix B). This agreement has met the requirements for its use and was approved by the Georgia State University Institutional Review Board. The agreement was briefly reviewed with each participant and includes: the overall purpose of the study and procedures to be used; the voluntary nature of participation; the time and effort involved in participation; guarantee of anonymity and confidentiality; and any risks and benefits of participation.

Summary

This chapter outlined the method to be used for the purposed study of the impact of organizational culture on the implementation of succession planning. The design of the study is based on the method developed by Sackmann (1991) and utilized more recently by Magee (2002). This design combines aspects of grounded theory research and ethnography. Qualitative data was collected through participant interviews, observations, and related organizational documentation. A computer application, QSR NUD*IST, was used to manage the data and aid analysis. Specific strategies to ensure validity were outlined including triangulation, frame interview, and member checks. Additionally, the chapter included discussion of two strategies to mitigate potential harm to the organization and the study participants: anonymity for both the organization and study participants and a detailed informed consent form for the study's participants.

CHAPTER 4

DESCRIPTIVE ANALYSIS

This chapter includes a description of the data categories and content that emerged from interviews, written follow-up questions and answers, observations, documents, and physical artifacts. The original categories, or free nodes, developed in NUD*IST are listed in Appendix E.

All participants with the exception of three, have 20 + years of service. Six participants have over 30 years of service. Furthermore, fifteen of the participants, 55% of the sample, started with the company as part-timers while attending college. An additional seven participants, 26%, began with the company as full-time drivers immediately following college graduation. Five participants, 19%, started with the company as full-time in positions other than that of a driver upon graduation from college. Only four of the participants, 15%, regardless of college education, joined the company in a management capacity. Most of the participants stated that they started with the company due to the rate of pay.

The majority of the participants cited the development opportunities and the ability to try out diverse jobs was a source of primary motivation to stay with the company. Some participants said the flexible hours necessary when one is in college and/or the organizational/personal fit were a primary motivator for employment.

Ten participants or 34%, have experienced 1-2 relocations during their career. Eight participants or 28%, have experienced 3-5 relocations during their career. Five participants or 17% have experienced 6-7 relocations and one participant has experienced 10 relocations.

Descriptive data are separated into the following four broad categories of cultural knowledge as defined by Sackmann (1991): dictionary knowledge, directory knowledge, recipe knowledge, and axiomatic knowledge (see Table 4). Each category is defined and described at the beginning of each section. The descriptions and analysis within each category include data from all sources. Data collected from participants through interviews are summarized across all six groups of participants: staff/function operations managers from corporate, state operations managers from corporate, regional managers from corporate, staff/function operations managers from field operations, state operations managers from field operations, and regional operations managers from field operations. Results are presented in the order of strength of agreement on a particular topic: "most shared" equates to two thirds or more of the participants, "majority shared" equates to half or more of the participants, and "shared by some" equates to one fourth or more of the participants. Negative instances in the data are presented at the end of each topic and are explained relative to differences found between or among data groups (i.e., corporate versus field operations and each manager type versus another manager type).

Table 4

Four categories of cultural knowledge and their definitions

Dictionary Knowledge	"What is"	Definitions and labels of things and events
Directory Knowledge	"How are things done around here"	Expectations about cause and effect relationships, theories of action
Recipe Knowledge	"How things should be done"	Cause and effect relationships of hypothetical events, improvement and repair strategies
Axiomatic Knowledge	"Why things are this way"	Fundamental beliefs and assumptions

.

Dictionary Knowledge: "What Is"

This section presents data collected that pertains to dictionary knowledge or descriptions of succession planning including definitions and labels of things and events. Participants were asked, "How would you describe what succession planning is in general?" and probed for meaning and purpose of terms participants used. The following two subcategories are presented: 1) definition of succession planning, 2) purpose of succession planning. Within the definition of succession planning, the following sub-categories were developed: a) What is the difference between succession planning and career development? b) What is the difference between succession planning and promotion? c) What is a high potential? and, d) When does succession planning start and when does it end?

Definition of Succession Planning

Participants were asked, "How would you describe what succession planning is in general?" Most participants were unable to *define* it but were able to *describe* the concept as a process rather than an event which includes identification/selection, career development and promotion. A state operations manager said,

> ... Succession planning is early identification in that person of the talent that that person has, ... What's the long range view of that individual, once that's, ... determined, ... how do we get them into the appropriate steps, slots, positions, whatever, to get them the mentoring that they need, the training that they need and

> then get them in the environment so their needs work best for the organization. And I, ... think that's succession planning right there.

One participant amended this statement during round two interviews by adding that identification of a candidate may occur later in a person's career, during development opportunities. Most participants described succession planning as an informal process. One said, "It's gone on forever whether anyone knew it was called that or not. And, it worked well. I mean, you know a company this old and this big, it has worked well."

Most participants said the process was relatively new. One stated, "I would actually think that succession planning here is relatively new, at least that terminology, yet it has always been there..." The majority defined the process in terms of its purpose, preparing for the future and promotion to two levels or more above. The majority also defined succession planning as a process which deals with staff/function levels of management and above.

One said, "Well they said there was always a plan ... as far as career development and ... maybe you just don't hear ... about it as much until you get higher up the food chain. You know." Another stated,

> Well we, we do succession planning. You're typically thinking about that at the manager and [staff/function operations manager] level, ... Below that we probably call it management development [which is], you know taking hourly people, young supervisors and getting them all the skills, experiences and education that they need.

Some shared the view that succession planning was a system driven by the organization to meet its strategic future resource needs. A state operations manager in corporate described it as a generator,

> Succession planning needs to be an engine that never stops, it provides the electricity, it runs the lights, the cafeteria, the hot water, the air-conditioning. It's a generator. If you shut it off, you might be able to get along for awhile. You know you can do without [if] a tree causes a power outage ... or some other service that you lost for awhile... but eventually, you find you can't. There's a big price to pay at some point in time with not having a generator running. It's usually a little longer term but you know ...but with the electricity being out in your house, you know, sooner or later it catches up with you.

How is it different from Career Development?

Participants were further probed as to how the term succession planning differed from the term career development. Most participants said that the terms were overlapping or adjoined, running simultaneously together. A regional manager described it as,

> Yeah. I ... think ... it's really one and the same. You know, you do career development and succession planning. [Another question] But there's no boundaries is there? [He said] Right. I don't think so ... There shouldn't be... the reason why you try to ... [rate people by their] experiences is so that they're prepared to take the next level of responsibility. And, what that infers is they're going to succeed somebody. You know, so it's succession planning...We never used that term, we just said career development but what we were doing was planning for the future you know...

The majority described career development as a component of the succession planning process. Some said that career development stopped where succession planning takes over.

...Career development and succession planning. Career development I think basically is a road map as to the things, the skills, the experiences, that a person needs in order to develop themselves and to contribute more to the organization. ...succession planning, is that once that occurs, and you know you give this person all this career development, ...the experiences, the training and you now, you see how well this person does, and I think succession planning begins ... once you see how this person evolves, you know you target this person possibly for future opportunities and then it kind of works into the succession planning piece. I think we have to understand what [and] where we're going to have gaps; what skill sets are needed; and I think we have to start probably further up the road than what we do in identifying who's going to take ... what person's place and, ... start to work on that. I don't think we do ... or we haven't [done] ... a good job of ... succession planning you know as far as getting people in the loop and having them do rotational or experiences that would get them prepared for another assignment.

A corporate headquarters staff/function operations manager attempts to distinguish succession planning from career development... "Succession planning typically deals with, ... people who are candidates for VP or higher, ... [Some] people will use the word successor for ... a [grade] 18, not necessarily [always], although some functions consider that, but ...succession planning, ... is dealing with the top 200 critical positions within the company ..., versus the career

development [and] promotion which deals with the supervisor to manager, manager to [staff/function operations manager] or even the different grades in between ...

How is it different from promotion?

When asked to distinguish succession planning from the promotion process, most said promotion is a piece of succession planning. “I think promotion is part, as a piece of succession planning, ‘cause it, ... is what ...it is. ...I think succession planning is a long ... long process. I think it’s purely an identification process, quite frankly, and I think it, ... ought to ...be, an early identification process and a piece of that process is promotions. So you really identify someone to take on larger responsibilities in the company including I think, it should be early identification of people that sit on the management committee. And then you, ... give those people experiences and you promote people to greater responsibility to fill that succession plan so ...I guess promotion’s a piece of that (staff/function operations manager, field operations).” The majority said that promotion differed from succession planning in terms of the length of its process or scope. “I know what I think it should look like and we’re slowly getting there. I mean [the] succession plan, ... has changed. We went from what we called the promotional process to the succession plan which I think was extremely important. Promotional process is the promotion to one level to the next as far as I’m concerned. A succession plan to me is end to end, from birth to death as the saying goes (state operations manager in corporate).”

One said promotion can be a way to weed out those in the succession planning process. “Succession plan, ... promotions [is] a piece of that...it’s also... a way of

...disqualifying someone. Cause you have a vision of some... person. You think you know their capabilities. You think they have the right leadership qualities, critical skills, etc.; and you move them to higher levels of responsibility and sometimes you find out that, you were wrong."

When asked to draw the relationship of these three processes (succession planning career development and promotion), two corporate informants drew them as linear, with succession planning as either an instigator of career development and promotion or a result. One participant drew the three processes as a ladder of ground-up positions with career development and promotion running parallel until the top three levels of the organization, where succession planning takes over.

What is a High Potential?

When asked to define the candidates within the succession planning process also known as "high potentials," most said they're the ones who are ready to advance two or more levels. Many described these individuals further as possessing key leadership and/or people skills rather than simply technical skills and ability.

> ...and it's the desire to want to do better, it doesn't matter what they're doing, whether they're working or driving down the road or running down a neighborhood, it's their desire to want to do better. That competitive spirit. That's the individual with high potential. [They] really have... heart... and know what they want in life and all you got to do is just give them the opportunity and the venue and they'll make you successful." The majority said that they were hardworking, humble and honest. Some described a high potential as a high performer. "They're one and the same." One said, high potentials can't be

> defined. “No, I don’t think there is [a high potential]. ...to me, high potential is people ... that have the highest possibility of moving up with us. Now how you measure that is very hard. I measure it by the same things I got promoted [for], effort, speaking skills common sense. Is it ‘1-3’ [years]? It might be. Is it ‘ready now’ [to be promoted]? It might be. I mean, I’ve seen some high potential [and] in my gut I know some part time supervisors that we promoted to full-time supervisors that have high potential but do they mirror me? No. Do they get the exact same thing done? No, but I can tell by the way they talk and they’ve got ambition of what they want. They’ve got a hunger.

When does it start and when does it end?

As an attempt to further define succession planning, participants were asked, “When does it start and when does it end?” Most participants responded with, it starts when you’re hired. When asked, “How early can you identify that person or should you identify that person for succession?” A state operations manager said, “I think the day they walk in the operation.” The majority of participants stated that it starts at the staff/function operations level.

> I think it starts [or]...there’s more emphasis on it at the [staff/function operations manager] level just because there’s fewer opportunities you know at this level and up. I think that at the supervisor level it’s easier, I wouldn’t really call it succession planning, it’s more just development because you can move. There’s the whole ...lateral opportunities ... It’s like the pyramid, I mean you’ve just got a much smaller base the further up you go and I think we really start to drill down

> and focus on [you] once ...you reach the [staff/function operations manager] level and that's when I think it starts to kick in.

Some said it starts when you enter management. A state operations manager in corporate defined the boundaries. "...I consider [when] you start, [as when you're] born at [the company] and [it ends] when I retire at [the company]...[That's] the two ends. So when you're born, when you come in... I mean it's somewhere where you first enter management ..." Most participants said it never ends. A state operations level person said, "It's always in play."

Purpose of Succession Planning

Most said the purpose of the succession planning process was to prepare potential leaders for leadership positions as they come open. "Well, the succession planning process is a process designed to provide future qualified leadership here for the company in a nutshell, I mean, that's it." The majority said that the purpose of succession planning was to prepare someone to take over your position.

> So who's gonna take your place? I mean and...that's almost the attitude that you have to have...Managers many of times have taught me to get your replacement waiting because you may not leave if your replacement's not ready to go. So... the early signs were always there. For the organization to ...sustain itself, we have to ensure that we've got people out there that are ready for the next layer of responsibility...

One said succession planning was preparing someone to take over your specific position whereas promotion was preparing them for the next level, whatever that may be.

> I think my job is [and] one of my primary things in my position would be to ...take and groom the people below me to be able to take my job at any time. That's the way I look at it. Uh, if I were out tomorrow for 6 months for whatever reason, one or both of my supervisors would be able to step in and be able to continue to do the job that I'm currently doing. That to me could be succession... [but] promotion, ...would be different because I would be trying to groom them and get them ready to be able to put their names up for those other different type of positions.

Directory Knowledge: "How Things Are Done Around Here"

This section presents data collected that pertains to directory knowledge or the expectations about cause and effect relationships and theories of action regarding succession planning. Several questions were asked to solicit directory knowledge about succession planning. Participants were asked, "How does succession planning work here?"; "How did you learn about succession planning and what to do as a manager?"; "How do you know when it's working well?"; "What kinds of things do you use to help you make decisions in the process and who decides?"; and "Tell me about your journey from when you were first hired to where you are now?" The categories resulted in the following: Steps in the Process, Process Outcomes/Measures, Tools, Learning and Roles. Subcategories within Steps in the Process include: Personal Journey, ID Selection, People Meetings, Development and Promotion.

Steps in the Process

ID/Selection

This subcategory, within the broader category of Steps in the Process, focuses on how candidates are identified and then how are they selected into the process. It is important to note that these subcategories are not sequential steps within the succession planning process. For example, development and promotion may have occurred first before a candidate is selected and then placed in the talent pool and tracked as a potential future leader. Initially, these two categories were placed together as the data seemed to suggest that identification *was* selection. However, upon further analysis, identification becomes selection with validation from peers and others usually within the framework of people's meetings as discussed below. Finally, it is also important to note that participants had the most to say about this step in the process.

One participant suggested that this step, in and of itself, defined succession planning.

> Now to me, the succession plan isn't, you know the mechanics of things going on, it's the end result, it's the product, it's the piece of paper that says this is the succession plan you know, [Joe] ... has done all these things and ...he could fill this spot for us if we needed it and as a matter of fact, he's ...done this, this and this and he's even had experience at the subsidiary.

What triggers this step?

Some participants responded that the corporate succession planning begins, or is triggered, by the identification of those who will retire. A state operations manager said:

> ...yeah, and part of it's age, that you get to be a [regional operations manager] and you're a certain age, well, you know, we all retire at 55 so you know, you can start to say, well, that person's a [regional operations manager] and they're 53, chances of making the management committee are slim because they want somebody who has more time, so you know those are the kinds of things and skills, you look at...

During round two interviews, participants said that the only trigger to a succession event is retirement or illness. No member of the executive management committee has left for any other reason in the company's history and rarely have any executives reporting to them ever left for any other reason.

Candidates are Internal to the Organization

Most agree that candidates are promoted from within rather than hired externally. This is consistent with the company's policy of "promotion from within" which originated from its founder and is also stated in the company's Policy Book, which is distributed to every manager. The Policy Book and/or the Legacy books are read from aloud, much like a bible would be, prior to every meeting. A policy or legacy quotation is shared which correlates to the topic and reflects the founder's perspective relative to the topic to be discussed. The policy book states that promotion from within is the primary means of promotion, however, when there is a specific skill set needed which cannot be found in the organization, they may choose to hire externally.

Most participants stated that the best candidates were those who had excellent people skills such as being a team player, being humble, able to resolve conflict, get others motivated, etc. A staff/function operations manager said when asked,

> Now how is that talent identified? How do you know? ...that's kinda [tough], ...in a brand new person ...[pause] I guess it's the way they carry themselves, the way they handle the situation that they're in, the way they respond to stress, the way they respond to pressure, the way they respond to challenges, ... course there's the intelligence quotient, ...do they have the ability, ... I mean they may be able to handle the stress and they may be able to handle the pressure but keep coming up with the wrong answers, so it's an overall look of ... what somebody brings and the way they carry themselves.

A state operations manager in field operations said,

> [referring to management committee members] ...I know both of them personally. I've worked for both of them ...growing up as young managers, they were both inspirations to me...one of them ...was just down to earth. You could walk in his office and talk to him anytime. He melt (figuratively speaking)...he made me feel like he was another one of the guys. When I talked to him, he talked to me at my level...There was a certain level of trust with him...and there was a certain level of confidence that he bestowed in me and just the way that he motivated [me]...Even to this day, now that ...we've both moved into the ranks of the organization, he still treats me the same way. There's no difference in him that I've noticed, even though ... now he's a senior vice president ...of the organization. [I guess that] would be his title, I'm not sure... [but] he still treats me with respect. He doesn't look down at me.

A state operations manager in corporate said,

> What I found [is] that people with good sports backgrounds and adequate scores in IE [Industrial Engineering] were the [same] people that became very, very successful with us. Why? Because 1) the competition 2) the team playing and people don't go with sports to lose so they're driven by the need to win; and I found out that 85-95% success rate was related to people with [a] sports background in [this company's] management.

Another staff function operations manager in corporate said,

> Characteristics of people ... to be promoted. Now, succession planning I think you have to ... look at the people who have the most ... talent, [and] experience weighs in on this but certainly talent, experience and, ...excelling in certain critical skills [are important]...Names such as managing up and being flexible and those ...kinds of things [come to mind] ... but, ...I don't think succession planning can be who likes someone the best and ...it can't be a big fraternity, it has to be looking at positions and the most capable people to fill those positions. ...I think succession planning needs to consider what kind of thinkers people are and if they need to be visionary thinkers as ...we look to move people to higher ...level jobs ...and [they need to be] kind of 'what if' people.....Now the best person may not be the top most talented person because you can be the most talented person but still not have good people relationships and ... those kind of things which I think are tremendously important to success... I think, you ...want the most talented person with consideration of other things such as those critical skills ... we talked about.

Most participants said they come from within the company versus being hired externally. A regional operations manager in field operations said,

> Yeah. Well ...I think a big part of it is, we don't go out on the street and hire ...a bunch of PhDs and bring them in and say okay you're the department manager. We hire them and you're the clerk over here and when you're ready, you'll supervise the clerks and then when you're ready you'll manage the supervisors and then when you're ready, [etc.]... We don't bring you in and say well, 'Guess what? ...You've got all this.' 'Cause we don't know whether that [person's ready]... [They] know everything out of the book but, do they know how to deal with people?…[When they're hired] you're treating them ...with ... respect and almost additional admiration so that they gain confidence. 'Cause you don't...put a person in the job ...that ...[doesn't] have the innate ability to do [it]...you probably have several people who [can] do the mechanics of the job, but it's the handling of the ... people, ... emotions that is why you chose one person over another.

The majority said work experience and education were important, perhaps in that order. A state operations manager in field operations stated,

> Related to the topic you just brought up, I think the one thing that's helped me is the ability to be more of a generalist, even though my educational background ...is focused on finance and accounting and an MBA, which gives you more of a management overview of that, but still with a financial perspective...but I think at [this company], the one thing it allows you to [do] that helps you is [that] you can be more of a generalist and understand other areas of our Company, you have to

> know what goes on in other operations, what we do ... as a Company. You can't just be ... focused ...[I] think that's probably helped me more than anything. Obviously, ... a lot of people do start as a sorter or whatever and so you do get your hands-on experience at some places you might not get elsewhere...

Some said they're owners and business partners whose loyalty and dedication is determined by whether or not they hold on to their stock. A staff/function operations manager in field operations said,

> You know the word on the street is you ... don't sell [the company] stock. It's [the company], it's a tradition, it's a time-tested proof that you're better off not doing it and as a matter of fact if you do it, we probably won't think as highly of you and it could jeopardize the succession planning.

Some said that your ability to develop others is an indication of your success.

> Well, if you're a good manager, or a good supervisor you would have the ability to give people opportunities...You don't want to hold somebody back because ... the human nature [is] you tend to find somebody who can do a really good job ...and ...hang on to them cause you don't want to affect your operation...What you have to do and what you should be able to do is let them go and improve themselves.

A state operations manager in field operations said,

> The... one thing [I] tell ...everyone I do talk to is that ... first ... even though we're finance and accounting, the ...biggest thing that will either make you successful or not successful is your ability to work with and develop people and to bring them [along, and] get their support or you won't be successful. Somewhere in your

> career, whether you're seen as a contributor now or not, whether [you] work with a large group or whatever, that without being able to develop people, ...you won't go anywhere at [the company] probably unless...it's one of the skills you have to have...[We] really don't sit down and go through succession planning with ...any manager at that point but [we do] make sure they understand the importance of developing in a broad sense.

The majority also said that they're results oriented. Another staff/function operations manager in field operations said,

> I...don't think it's a gut feeling and I don't think you should go on purely gut feels, I think that results matter, I think that this ...person who has done that job and has proven themselves and has had results that are measurable and tangible; I think [those] results matter. It shouldn't just be because you've been around the company for 'X' amount of time. Longevity should have really nothing to do with it. It should be their performance; it should be results, because results matter.

Some said they're competitive and self-driven toward perfection. A staff/function operations manager in field operations said,

> I heard the term tenure trumps talent sometimes you know at [the company]. If you've been here a long time, just wait your turn, you know things like that and I think we're starting to get away from that...There is some value in tenure but you have to balance that with okay, there also has to be contribution and ... productivity and things like that so ... my key driver is initiative really. I mean [for] all the people that envision [or] that think outside the box, ... [have] flexibility for change [there is some value]. I mean even [the founder] said it way,

way back; that we're in this heat of 'constructive dissatisfaction.' You're always looking for a better way to do things. Sometimes we look too hard because if not, I mean [the company] does a lot of things the best they can be done ...but it's when we get in that mode where we think we're doing better than everybody else, we become complacent."

Some said they're creative, visionaries who think out of the box. Another staff/function operations manager in field operations said,

[Current and past executive leadership and], the former Vice Chairman was here 10 years...about half of our management group came through here and they were formerly part of the leadership and I think being in the air group teaches you to be a systemic global thinker instead of just solving the normal problem [of] your [single] building.

Some participants said that the best candidates are minorities and some said they embody the values of the organization. A staff/function operations manager in field operations said,

Yes, the cronyism, it didn't work well at all. I mean, we had a personally charismatic leader but it's really based on who has unflinching loyalty and the, the integrity matches .... So we've grown some people who are loyal to that leader but not necessarily competent or respected and then ...since that leader left, we've just seen a turnover of 32 managers in the [area operations facilities].

Some said they fit the strategic needs of the organization. A state operations manager in corporate said,

> And, I think about some of the things that I just touched on, as far as the seamless movement of the CEOs into their jobs and I kind of touched on that a little bit just in terms of what their respective areas of expertise are and the needs of the company at the right time. It was kind of the square peg and the square hole...and fortunately [the former CEO] had a strong background with labor relations and the teamsters...We've been having some serious challenges with the teamsters going back to the late 80's early 90's and when [another former CEO] left, he left a square hole and when you look at people that are probably considered for the jobs, knowing that we were going to have an uphill battle with the teamsters and you looked at the background, the experience level that [the former CEO] had... he was the perfect square peg. I mean the 5 or 6 years that he was in the job and how he handled the teamsters and even how the work stoppage that we had back in '97, I mean in these situations, maybe most of them [he was the perfect square peg].

Some said they're good communicators and lead by example. One said they have courage. A state operations manager in field operations said,

> ...what I mean by leadership is [having] the proactivity necessary to be a leader ...people who [have] courage maybe, would be a good way to put it. Leadership and courage. ...It does take courage to be a management person at [this company] out here [in field operations]. I mean, it is... a very, very tough environment in operations. It's tough on these staff functions too because they're trying to get our operators to get their people to do something. It's not for the faint-hearted...we've probably got 65 managers, 70 managers here. We will lose

> probably 10 of them this year. We lost 10 of them last year. Because it is a very tough environment we created to work in and failure is not tolerated and it is a tough, tough deal out there and they throw their hands up and leave.

A staff functions operations manager in field operations summed it up,

> Well, I think they make people feel good about what they do. They make them feel a part of it. They demonstrate by results, they lead by example, they have a vision, they can communicate it, they can articulate it, people line up behind them in whatever job they've had and you can see the results [laughs] I mean, you gotta mobilize the organization. You've gotta have people with you, you've gotta make sure that everybody that's with you that you can turn 'on' is rowing with you. Right? and you start to see that when [some] people leave; you can see [other] people start rowing ...I think leadership, vision, execution are important. Execution, extremely important.

Relationship-based

Additionally, most of the participants stated that the identification and "grooming" of candidates is relationship-based. "I would say a lot of it has to do with who you know." "We do a lot of 'I know I guy.' And we see strings of people move together where one person goes and then the next and the next and the next. There's a lot of that going on regardless of what we've done from a formal succession plan." "I think it's more relationship, that while you would hope not, more relationship-based scenario than anything else and that's worked very well for us throughout our history but I don't think that's the model that's going to work well for us moving forward." Still another said, "...what I have seen is regime, regimes change [as executive management

committee members change]...and after [current CEO] it's going to change and filter yet again."

It is secretive

The majority of participants stated that the candidates identified as potentials for promotion or succession are kept confidential. Not even the candidates themselves know that they have been selected or are being "groomed" regardless of their level.

> ...I've learned that you've got to be very, very careful at a high level of what you say to people. If I say you're in the game now, then you're high potential, it could be a dangerous thing, I mean it could be a good thing, could be blessing, it could be hey, this person recognized me and it could work very well and it could work very badly (state operations manager in corporate).
>
> These candidates are not 'corporate assets' as some companies refer to them...at least not formally, but informally they are...There are benefits to letting candidates know and then to not letting them know they are in the [top talent] pool. If we let them know, we risk de-motivating those around them or promising something we may not be able to keep, if we don't let them know, there's less risk and they could be more motivated" (staff function/operations manager in corporate).

A state operations manager in field operations stated,

> "Well, yeah at [this company] there's a network that, and a guessing game that goes on about who's gonna take the next chair in any particular job on the management committee and there's usually a fairly transparent positioning that

> goes on for 9 to 12 months. People aren't being handed things or ...being positioned in a closet, they're being positioned in a very open forum.

The majority stated that successors are usually not a surprise and that regardless of the secretive nature of the process, they are able to tell who is a potential candidate and who is not. Participants were asked, "How do you know a candidate and how do you know they are being "groomed" to become a candidate?" Most participants said that there were "boxes checked," "indicators" and "milestones" which were accomplished. The majority also stated that challenging assignments and special assignments were usually signs. Some said that "public speaking opportunities" were another indicator as to a potential heir-apparent. Another indicator was relocation. A staff/function operations manager in field operations said,

> Cause they, they know there's a plan, they don't know ...when [they're going to] move ... [and] we're not gonna tell them, well in a year from now, you're gonna get out of there... But they know the reason why they got moved is because we are taking a look at them. You know it's like when I got moved...I was told there was no promises. You still got to do your job. If you do well, we're gonna put your name in the hat.

A staff/function operations manager in field operations said,

> I guess it's how fast they're moving up in their career. You know if you see somebody moving up,...being promoted every two years, going from a manager, [staff/function operations manager], operations manager, [state operations manager], [regional operations manager], you know that this ... person at some point, that's where his or her path has been drawn to...I guess I would say special

> assignments would be another indicator. You know, being in the region staff, the corporate staff [with a special assignment]. That would be ... the people ... that at some point [are] being looked at to replace ... somebody in the management committee.

When probed as to when these candidates were selected, most participants suggested that they can be identified as early as the day they walk into the operation (per a state operations manager). When asked how they knew that they had this kind of potential early on, most participants stated that it was a "gut feel." A senior regional manager in field operations said, "It's an intuitiveness. It's intuitiveness based on observation... you just don't guess, ... you can see two people dealing in an environment." Another said, "There are no guarantees unfortunately, that's why we hire people that aren't successful. I think the best tool that I have is my gut (staff/function operations manager, field operations).

People's Meetings

People's meetings are those meetings which are held throughout various levels (supervisor through regional managers) and functions of the organization on an annual or bi-annual basis. A state operations manager in field operations said,

> They call them people meetings, I guess ...everybody .... gets their whole world turned upside down because they're afraid they're going somewhere which is disruptive in and of itself but, ...I mean if you wanted to say that, ...in this ongoing [promotion] process, that's the check, address, and continue to move forward [you could]...people progress, people learn, people ...who you might never suspect

> would have the leadership capabilities ...come out in them and you see that ... people get wider experiences and they grow and that's normal and I think that gets recognized in those [people's] meetings...you have to guard against the bias that comes with knowing the people and having had them work for you...and I think we do a pretty good job of that because we do ask [and we try to] have an environment in which people feel free to say what they want. And what I mean by that is not, me as the boss creating the environment as much as it is, each individual being able to say what they think to each other without being too worried about offending each other (state operations manager).

Another said,

> ...the regions and [area operations facilities] actually have their own people meetings ... and the information just rolls up...[from the state operations] to the region. The region information rolls up to the management committee and the big management committee meeting is every June. So they'll have their ...people's meetings throughout the year and ... all that will then roll up to the big meeting in June. And that's where the pool is reviewed and/or changed ..(staff/function operations manager, corporate).

These meetings are utilized to discover and validate talent, formulate development plans and/or promotion plans, discuss performance of each individual manager and gain consensus as to a career path for that individual. A state operations manager in corporate said,

> Sometimes it's like ... five people or four and it might be three or four [who vote] 'against' ... but, ... the important thing and we always talk about this in the people

meetings; if there [is a] five [who are 'for' and three people 'against' and the person gets the job, ...at the end of the day, we leave the room as a united front...So, I might be one of those [who] cast [a] contending vote...I may have said, 'Man, I didn't think [she] would be great for that job.' Obviously I was overruled or outnumbered. Most people thought that she was ready for it. But, when I leave that room, we as a staff, we as a group, we make the decisions that [she]'s ready for that job and we're going to put her in it and ... even though I may have cast a dissenting vote, I'm going to support her and I'm going to do whatever we can [or whatever] we need to do to make sure that she's successful in that job even though I may have cast the dissenting vote.

Another said,

...They have a people's meeting and the people's meeting gives everybody ...in the [area operations facilities] the opportunity to know what the talent is out there...For example, if your department needs a specific talent, you may not find that with the people that you have ...At the people's meetings you may find ... somebody whose talent is a match or a fit for over [another function] and [that function] may add something that's a fit for [yet another function]. So, it gives ... the staff an opportunity to talk about all the individuals and to let people know who's out there and what their abilities are and what they have to offer [staff/function operations manager].

The same participant told this story:

I'll give you a story on that one. Have you got a sec?...I had worked three years in the hub after I got promoted and I just felt like I wanted my career to be

> something different. I was working the night shift and the twilight shift and I had gone to my [staff/function operations manager] and asked my [staff/function operations manager] 'What's the likelihood of getting moved out of the hub and try something new?' and I say, 'I don't know what it'll be.' And, he asked me at the time, 'Well, what do you want to do?' And, I've worked nights and twilights for three years and I'm not sure what to say other than 'I'll take whatever opportunity comes my way, I'll leave that to you.' So, he told me he went to a people's meeting and he reported back to me. I give him a lot of credit because he said, 'People don't know who you are in the rest of the [area operations facilities]...and I know how [the company] works, I said, 'Well, I don't know what you mean by that, should I call people up and say 'Oh, by the way, I'm [states his name].' because I don't see myself doing that. But, the way the people's meeting works, maybe you could put my name out there and whatever you see that out's there, just go out there and see if anybody bites on it.' So, the next people's meeting, he did exactly that and they said, 'o.k., this is what ...I see [as an opportunity/fit]' and ...so when he did, I [was moved]... But without that process where you get out there and say you know, 'I have a hole over here. I need somebody. Does somebody know anybody that possesses these particular skills?' They say, 'yeah maybe this person'll work.' But without that process that couldn't have happened I'm sure (staff/function operations manager).

The information gathered at these meetings is then channeled up through the ranks and into corporate data bases to be used for tracking, developing and identifying the performance of managers.

> There's a succession planning system that we use that requires specific steps ...that the regions and [area operations facilities] and then the regions have to go through before someone is ... nominated which doesn't make them a 'candidate.' The management committee is the ...group that makes them an actual ... 'nominee' rather than just a 'candidate' (staff/function operations manager, corporate).

The primary person responsible for introducing talent is the employee's manager. Other managers within the state or region or corporate locations weigh in on the discussion as to whether the person is a high potential, ready for a promotion in 1-2 years, ready for a promotion in 3-5 years or ready for promotion now. Discussions of lateral moves or relocations are also held for development purposes. These meetings are facilitated by Human Resources staff/function operations level people or above. Materials in the form of individual profiles with a picture of the employee are prepared and displayed at these meetings. They are highly secretive and usually held off site. One participant said,

> I think we've got a very robust people meeting process here...We go and talk about it at least two or three days and all we do is talk about our people. But the ...real challenge after that is, all the plans you put in place there, the people that you think need a lateral assignment, that need to ...develop in this area [over there] to move here, is you have to come out of those meetings and ...execute. And then the other component is, you've got to get people that are willing to get in the fast ... lane, if they want to keep on moving up to the higher leadership positions (state operations manager).

Most participants stated that decisions are consensus-based. HR serves as facilitators and managers of these meetings. “The HR managers are a very dominant player or a referee and make sure that we do the right things for people.[state operations manager]” Criteria included in these profiles include the willingness to relocate and/or travel abroad. If the employee is not willing to relocate, most participants have said that they will not be a viable candidate for the talent pool. These meetings are also about “rounding out” an employee by discussing opportunities which exist in the current geographic location or in another for an employee to gain exposure to other functions. Most participants said that the candidates in the talent pool who are valued most highly are typically those who are generalists although that is beginning to change.

Development

Most participants said that their number one job was to develop their people. Development of candidates is tracked and managed by corporate using the succession planning software tools called “talent management” system. This system includes a “career development” tracking program and the identification piece of “succession planning.” These plans are updated by the various state and region locations, international locations and subsidiaries, company wide. One suggested that these tools provide “organized visibility” to the management committee members. One participant described it this way,

> Sort of like when people tag, I don’t know, sharks in the wild, you know the sharks you catch or the fish you catch, you put a tag on so now you can follow that shark wherever it goes you know, through technology. There’s a lot of them

> out there who are never tagged and if you never receive a tag, nobody is going to be able to follow you. So, the tag is the relationship piece. They put that tag on it. They follow it and see what it does. We're going to watch its behavior. So if you get tagged, you're going to do well.

Beginning with staff/function operations manager's level, potential candidates are given a battery of assessments, individual and multi-rater which include Myers Briggs, Hogan personality, Watson Glaser and others to look at leadership qualities not readily self-evident. These assessments or software tools can be used to identify areas for further development. A majority also state that these tools are helpful but not the primary means by which decisions are made, experience, "gut" and relationships play a much larger role.

Development has been described as a series of "checking off the boxes" which indicate a traditional, generalist pattern which began early on in the company's life. The majority have said that these "check the boxes' or rotations are perfunctory and that one may not have time to be successful in them. The generalist approach is valued in that it legitimizes your authority and ability to lead others because you understand and have once performed the job. Most participants stated that development often takes place in another location so that "another pair of eyes can take a look at you." One stated that relocation was necessary to prevent a breakdown in the system and avoid a return to the "good ole boy system" which used to exist.

> I don't know how they do this but I think they've always done it. Typically, ...lets take the geographic area over here, if you succession plan with just the people here, you're going to have the good ole boys club created that's to the nth

> degree by the time 20 years goes by. But if you're picking people all throughout the entire organization, we'll say domestically, you continue to have ...it broken up and I don't think that's the only reason. There's other reasons: It develops people, ... because they learn to work in different environments and build new relationships and all that stuff (staff/function operations manager in field operations).

The development opportunities in the form of relocations, rotations and special assignments are kept confidential up until the point of departure perhaps because of their significance as indicators that the person may be given special status or is a potential candidate for the talent pool. The employee may be asked to relocate as early as the following day, without knowing their assignment, destination, or person to whom they report to. A staff/function operations manager in field operations said,

> ...think that's ... where [the company] has done a very, very good job and ...I think, when you get to a certain level, [the company] succession planning really kicks in and maybe it's one level above me, I don't ...think it starts at this level, that they really start drilling down and focusing on individuals but ... the higher up you go, ... it becomes very, very selective and they put you through all the different tests and trials and tribulations and develop you into ... wherever they want to put you, that little place and it's also a place I think, where you ... can one way or another convey an interest you know. I don't think [the company] necessarily puts you somewhere where you don't want to be, unless they do it for development purposes ... for the long-term. The caveat is for the long-term. I mean they'll ... put you in to run an [area operations facilities] or package center

you know, 1, 2, 3 years but it's really, I mean most people don't realize at the time, but it is to develop them you know.

A state operations manager in field operations said,

I get into the job and I look at the jobs at [the company] they assign us; [it's] like ... [kind of] an electrical current. An electrical current ... used to call them oscilloscope. [It] is a wave that goes up and down and that's the way the job and assignments are at [the company] because some jobs are outstanding, they're great. And, other jobs, you're wondering if you're going to survive it. And, ... I, in my personal experience, I've had that. When I was the operations manager for the [area] region, [with more than 10 states]; when I got there and I asked the people that I worked with, 'Well how much territory do you cover?' And they give you an answer such as 'everything west of the Mississippi, above, and 39th parallel, and you go all the way to Russia.' 'That's a big piece of territory.'

A staff functions operations manager in corporate said,

...but one of the really positive things I thought about ... my beginning career at [the company] is that we ... were always taught that we were generals so when I talk about that idea that when you go ... to management, you talk about kind of turning your career over to the company and having that ... confidence and trust ... that good decisions will be made for ... you. We have this general's philosophy where you know, you may start in operations; you may go for a stint in HR; you may go in BD [Business Development]; you may go, you know, ...in industrial engineering for a while; ...where you move people ... into different assignments. It certainly gives them different experiences; it adds; it gives them the opportunity

> to work with different people; but, it also identifies what their niche might be. ...I never thought I wanted to work in HR and as I said ... I really was unhappy when I found out that I thought [I] was almost being penalized for something when I was ... put in HR. I really thought of it as a 'bad thing' but as it turned out, not the entirety of HR but at least a piece of it really, I mean, really, worked well for me. It ... was a good niche for me to ... go. And, I think, I would have never discovered that, if I hadn't kind of been ... forced kicking and screaming to ... go in that. It doesn't mean that I don't think its possible time-wise to get every individual that goes into management exposure to every job to find out what their ... best niche is but I do think it needs to start early on...I think that they have to experience a variety of different assignments and see where they excel; see what they like; and what they do well at. And, then start to you know, as their career develops a little bit more ...be able to kind of fine tune them down one ... direction. I think that's worked; ... that's worked well for us.

One person described the community internship program as a key development opportunity,

> You know, that community internship is one of the programs that [another corporate manager] does. ...It's a program, and I'll just tell you very briefly; but we take managers, grade 18s ... and above out of their normal job for six weeks stints. There's various locations across the country and really ... I'm probably not doing justice ...to explaining it; ...but there are ... different places, whether it be down in ... Harlem in New York or in you know, ...there's a site near the Mexican border right now. But you take them completely out of their comfort zone, out of

their regular environment. They go and they live with those people; and, its some project that's already ... orchestrated and running... They, whether it's visiting people in prison or serving on a food line or whatever it is, [help] people build ... homes. They're really immersed in that; and people come back generally pretty remarkably changed from that. Anyway, I thought I'd already seen a lot of changes in this one ... guy after he spent the time in HR and gone back. He kind of became the disciple ... [and realized] that it was that important to give other people the experience [from] when he went to [a] community internship. I think ... that's part of succession planning; and that's part of the development, career development part ... for, I should say succession planning... [It's] part of career development ... for grade 18s that we ... do ... a pretty good job of tracking, to make sure that people have that opportunity ... to go... I had found it really [makes] a remarkable difference. The problem is I think at [the company] that although most of us in management came from a more working class background, that's what gave us the work ethic to ... become successful and to get where we've gotten. After you've been in management for 20 years [or a little less] which is ... the average ... for getting to an 18, ... and enjoyed some of the comforts of ... being in management for 15 or 20 years, I think you sometimes forget about ... the people that struggle for a living ... every day that don't have the things that ... we tend to take for granted; and this is a reality check...but even though they often go kicking and screaming, a lot of times people come back pretty transformed... [It creates] a very different empathy for the frontline people... [staff/function operations manager, corporate].

If a relocation is to take place, the families will generally follow once the appropriate arrangements are made for them to move. If it is a special assignment, families will not be moved and employees will be required to travel every week until the assignment has been completed. These special assignments are also opportunities for increased visibility. They are typically highly visible, strategic and challenging projects. Development opportunities are matched with potential employees usually in the people's meetings via consensus; however, as opportunities arise, informal meetings occur in which decisions are made to place managers. Some participants stated that the development process also has built-in "escape routes."

> I'm not too narrow on approach, I need multiple options in case a person fails in one development opportunity. I need to be ready to have a backup and move them into another, as we still have a business to run. This is the challenge; to run the succession process and run the business (state operations manager in corporate).
>
> Another state operations manager in corporate said,
>
> And then, you start finding out, this isn't quite what I envisioned ... the responsibilities are more than my level is. It can't be a pass/fail situation. By escape routes, [I mean] how do I get that person out of that environment into something that person can be more successful at, more skilled at. Because in most of management and what we do, is mental. Once you start branding yourself as a failure or once you start questioning your abilities and once the organization starts labeling you as a failure your career gets totally interrupted and that's what I'm saying [about] having escape routes. How I can get out of some of these predicaments, save the person, save the company...I only guess right 80% of the

> time and even when I career development and succession plan people, 20% of what I think is going to transpire, isn't going to transpire the way I thought it was and the people are the same way. But they're very good. I don't want to lose anybody... I liked my lifetime guarantees [for] those that worked for me, Once you've worked for me, part of me is with you the rest of your career. I'll continue to watch. I'll continue to see what's going on and you should know that you have the ability and the opportunity at any time anywhere to give me a call. If you're stuck, have some trouble or have a question, then you call me... I owe that to people an escape route is to make sure that a person doesn't get into trouble. I very seldom recruit, hire and move people up that are bad. That's a rarity that you make mistakes. That's a rare case as far as I'm concerned.

When asked, "How do you know if someone is being groomed?" Most participants listed relationships, past promotions, rotations, geographical and high visibility assignments, and speaking abilities as non-verbal indicators/communications as to upward mobility. A staff/function operations manager in corporate said,

> I guess that ... as vacancies ... and openings occur that there are people that are ready to step into them [and] I've always judged [the company] when an announcement is made about a ... promotion ... for someone [by] the response of ... their peer group ... and maybe even by ... the level that's now gonna report to them...

The process is lengthy. Several participants compared the length of time for developing a candidate for the talent pool with that of a brain surgeon.

> I think we're still exploring that. I mean, how long is too long? We have the old analogy in Industrial Engineering that ... it takes 12-14 years to get somebody from supervisor up to [area operations facilities] IE manager level. So, grade 13 to a grade 18, takes about 4 steps in between. I mean it takes almost as long as it takes to become a brain surgeon or a heart surgeon (state operations manager, corporate).

It is important to note that during round two interviews and a corporate focus group, most participants suggested that there is a new shift to more of a specialist approach to development. To address the issues of talent retention, promotion/growth rate, cost reduction and the drive for more highly educated, specialized professionals within the business, the company is slowly changing its development policy toward a more specialized workforce. As a result, there are less opportunities for rotation and relocation than in the past.

Promotion

Promotions are strongly driven by the organization's "promote from within" policy. A state operations manager in field operations said,

> I'm sure that at one point, it was [the founder] who started the original 'promote from within.' So, I think that's why the entire succession plans motivate [people]. The seed to start to do it has to be from that; the original [founder as] ....the driver there, said 'promote from within' ... that's just a culture that stayed within the organization because that's all we've ever done. So, that's all that everybody knows... and that kind of drives our succession planning; so... if we're only going

> to promote from within, we have a talent pool that we've got to identify internally so we've got to have some mechanisms to do that.

Participants had less to say about promotion than development or ID/selection. Promotion within in the succession planning system is discussed in the people's meetings as well as informally when an opportunity arrives for development or additional challenges. Most participants said that promotion is typically for those candidates who are not only ready for the next level, but perhaps two levels above that. The majority of participants have said that promotion of a potential candidate for the talent pool usually takes place every two years. It is highly confidential and promotions are not discussed with the employee until immediately before the promotion takes place. Promotions are often to another location so that "others can take a look at you." They, more than development, are rarely found taking place in the same geographic location perhaps to prevent biased decision making in the form of a "good ole boy" system.

Promotion is often confused with succession planning suggesting the newness of the latter term. Promotions typically have well-defined paths within a function or operation. Within the succession planning process it is seen as a tool for development driven largely by the needs of the organization rather than the individual. Promotion, like development and selection is relationship-based.

> If ... an executive manager identifies the right person [and] they see that probably the initial manager planted [the seed], it took root and ... others [agree that] 'it is good,' that person in all likelihood will be considered for promotion in the system; irregardless of anything that's going on in the succession planning pieces (staff/function operations manager, corporate).

Another state operations manager in field operations said,

> We have two succession planning processes here. We have the documented formal succession planning, which I think from a paper perspective is great. That we really look at who's out there and what their skills are and how we move people through the organization and when we have openings and we look at people and how we move them. Then, I think we have a very strong informal Succession Plan; 'I know a guy' and we do a lot of 'I know a guy.'

Promotions to state operations manager level must be approved by the executive management committee. Relocations which typically only involve staff/function level managers and above are approved by the executive management committee as well; more than likely, as a means of tracking cost and talent. Although you should move every two years if you're successfully progressing, a move from a [area operations facilities] to a region doing the same job is viewed as a promotion as well. A person typically doesn't receive training when they make a move. Part of the reasoning is that local managers know that you are surrounded by others who are capable of helping you and they want to see if you can forge new relationships, produce results within a reasonable amount of time and come up with innovative ideas to make the business better. The values of "train yourself up," were instilled by the founder. He suggested that everyone should be motivated to seek their own training rather than take time away from those above him or her. It is viewed as one means of demonstrating dedication and initiative. "We have meetings every week to discuss promotions because it's that active" (state operations manager, field operations).

> Myself, I mean what I've always considered, I never promoted somebody for the level I was promoting them to, I've always looked at somebody that had the potential capability of at least two levels up if not three because I really don't want to stonewall a person in the next level and we've been very successful in this organization by continual promotion from within and moving up through the ranks. You get a lot of people blocking at any level within the organization, you do not have that movement. No doubt the movement can attract a good, hungry type people that want to get ahead. That's, I think, probably one of our successes because we've always had very good movement up the ladder. So, like I said, that's one of the biggest things, I always promote for at least two levels above. If I had a choice, I'd make sure I had three or four people of what I call 'on the bench' so just like in pro-basketball, if I need somebody to go in play center, I don't have to go over and look at the bench to see how many 5 foot people I've got, I've got at least a couple of 6'9", 6'10" good managers. Same way with my bench, I always made sure that my bench was diversified enough and had the skill level across that I could pick somebody that could be that person. I think that most of our Succession Planning, our succession results, [and] some of the failures we had was we didn't have a broad enough bench. And we did end up sending a 5'10" person into the game to play center against somebody that was 6'10." Doesn't work. (state operations manager, corporate).

It is important to note that in Round Two interviews, participants stated that the criteria used to consider a person for promotion was different from the criteria used to consider someone as a high potential. When asked, "What criteria do you consider in

candidates for promotion?," participants are generally describing a candidate who is capable to move one-two levels beyond their current position. High potentials are distinguished in that they are already performing beyond expectations at a level which is far beyond their current level in their approach to work, their innovative ideas, their results and in their ability to lead versus just manage.

Process Outcomes

Process Outcomes is a category developed by the following two questions: "On a scale of 0-100, how well is succession planning working today?" and "How do you know it's working well?" Most participants used a grading system to apply a score (i.e., A = 90, B = 80, C = 70, etc.). The majority gave it a score of 70-80 with the primary reason being unresolved issues with relocation and the lengthy process of traditional promotion from within.

> Why a B+? Umm, I would say there, there's always a little bit of the good ol' boy and uh, and I'll say good ol' boy, not just gender-specific and things like that, I'll say good ol' boy if you didn't grow up on a ground side [versus one of the subsidiaries or air operations] and you really can't do all these things here...But I think we need to get out of this box that you have to have grown up on the ground side before you can completely go to the top and I think we've got a little bit of that in us still and we need to broaden ... our scope. I think we need to be careful about that (state operations manager, field operations).
>
> I think that because we're so big and we are very structured that there's ... advantages and disadvantages to being so 'promotion from within' oriented. I

> think that the reason I would probably not give it a better score is that we tend to go off of [the company] experiences and I don't think enough managers are broader in their thinking at looking at skills beyond, you know, ... how well do they hit the preload pieces per hour and a lot of the operational capabilities. I think ... most people within [the company] have only had the experience of [the company] their entire career so just, I think there's new and different values and traits that we need to look at people. We need to be more flexible in our thinking, whether it's relocation [and] it used to be ... you couldn't move because you had a personal situation ... (regional manager, corporate).

Some of the participants gave the succession process a score of 60 or below citing reasons of inconsistency in the decision making perhaps as a result of the confidentiality within the process and the human subjectivity involved. "While we think we have a process, in some aspects, we [don't]. I think we have a process but it's not adhered to because people are involved" (staff/function operations manager, corporate).

> [It's] 60...Because I think we have not embraced the tools that we currently have and I think we're still promoting people who are just like us. And I mean, not on racial terms but behave like we behave so if I'm a manager, I'm going to promote someone who behaves just like me. I'm going to promote another [mentions self] which is not what we need. So I don't think we do a good job of promoting people who can help us deploy our new strategies. We're promoting people to do what has already been done which is outdated the day we promote them (staff/function operations manager, corporate).

It's important to note that one regional manager refused to give me a score. He said, "I just can't [demonstrated sealing his lips]." It's this researcher's opinion that it would have been a failing score.

When asked, "How do you know when it's working well?" Most participants said, by the performance results. The majority of participants said, you can tell by the level of disruption which takes place afterwards and whether or not people are satisfied and not surprised by the move.

> Whenever somebody leaves the organization, [you ask] 'What's ... the impact?' ... If somebody leaves the organization for whatever reasons, they retire, they move on for other personal reasons or maybe ... they just leave the company, whatever those reasons are, you gotta fill the position. [You need to ask,] 'How long does it take you to fill the position?' ...how ... you truly know it's working is [by] how many moves ... it takes to fill that position. Sometimes what you find is that well, we can't put him there because he's not ready, but we can take her and put her over there but in order to put her there, then I got to move him over, there [and] the domino effect kicks in. How many moves do you have to make to fill that slot? Now ... if you're doing musical chairs to fill one position, the succession planning is not working (state operations manager, field operations).

Tools

This category emerged as a result of participant's discussion of how they utilize tools within the succession planning process which aid in tracking, managing and decision-making in the selection and development of potential candidates. Most of the

participants said, that although the tools are helpful, relationships and a “gut feel” play a large role in the decision making.

> I think [the tools are] well needed. For you to make a good decision, you gotta have the facts. The tools that we have in place track the employees’ history, track the work history, uh, tracks their evaluations, we track their performance [and] how well ... they [have] been performing. We track how well they do with ... dealing with people...We look at the [people skills] with the surveys that are conducted on their workgroups. Does a person have... good ... feedback from the people that work for him? What are the surveys saying about that individual, you know, so sometimes the individuals that we know that are ready for those positions, there’s other signs out there saying they may not quite be ready to [move]. So ... I think you got to pull all that together and [put] all the facts on the table and ... make a conscious decision then... I think it’s still experience and consensus. I don’t think we’re quite there yet (state operations manager, field operations).

Another said,

> [It’s a] gut feel. At the end of the day, I can test you, I can give you a bank of behavioral type interview questions, you know tell me about a time when... but, even through all that, I think you have to go with your gut. Does it look right? If it doesn’t ... sound right; if it doesn’t feel right; it’s probably not. And that’s really my experience that I’m relying on there (staff/function operations manager, corporate).

The majority of participants said that the system belongs to and is managed by Human Resources (HR). HR prints off the reports which are then reviewed and utilized by managers in the people's meetings. The MAP system is an assessment tool utilized for those seeking promotion to a supervisor level. The career development system is primarily for supervisor level through staff/function operations manager. The succession planning piece is new and incomplete. It takes over once participants enter the talent pool and/or at the state operations manager level and above. This system contains the results of at least four sets of assessments which reveal personality and leadership qualities important to the organization. Some of the participants suggested that they feel that the assessments are inaccurate in their ability to detect leadership qualities and predict performance in managers. Some participants stated that the talent management system "increases visibility" to the executive management committee. Some of the participants said that they use a binder to track their manager's development. One participant said that he was warned not to take the assessment. It is this researcher's opinion that he was referring to a suspicion that it may be used against him.

It is important to note that during a Round Two interview, a participant stated that the "high potential" category which is one outcome of the Hogan assessments, is not published so that those who read the results of the assessment do not know whether the candidate achieved this rating or not. When probed further, the participant said that it was a decision of the management committee members to not publish this result as they wanted to avoid "labeling" the candidate as such (staff function operations manager, corporate).

How is it learned?

The creation of this category came about as the result of two questions, “How did you learn about succession planning?” and “What advice would you give me if I was a new manager responsible for succession planning?” In addition to these two questions, a question evolved as a result of initial interviews which probed into “How do you know when a person is going places, to make it all the way to the top?” Most participants said they learn about the succession planning process by watching promotions and successions take place.

> Trying to avoid that word osmosis, but you watch it happen, you watch it happen. For example, you come into the organization right around the same time as others. You have people who are kind of at your same, your peer level. You’re the same age. You [have the] same experience level ... and you watch things happen to them. Some folks you get promoted in front of; some folks get promoted in front of you. But, those folks [that] get promoted in front of you, you watch what happens to them (state operations manager, corporate).

The majority of participants said they learn about the succession planning process when they have reached the level that enables them to attend a people’s meeting.

> ...So, the first time that I heard of that, let’s see, it was probably, 4 or 5 years into my career, I think when I fully understood. The first two years as a driver, I really wouldn’t have had any reason to know anything about that...I was a union employee ... It just didn’t, it wasn’t even on the radar screen. When I got promoted to a supervisor, ... the first year or two you’re getting in there and you’re just really ... kind of doing the job and you start paying attention to that

> and there was no [succession planning process]. I mean I was there for a while, and I was going to be [busy] learning that particular job. You don't really see how that works until after you go through it a cycle or two [managers go to a] people's meeting and [others around you start asking], 'Bob is gone, Sheryl is gone.' 'Where'd they go to?' Well as a result of the people's meeting they went over here and somebody else is in now. And then you start ... to ask the questions ... 'How's this all affecting me?' and, 'What does all this mean?' [At this point in my career] I didn't attend the people's meetings, what I did, I was observing the outcome of the people's meetings and then with the outcome of the people's meetings, if so and so had moved on to a different job and somebody else has filled their spot, well, 'How did that happen?' Then, you ask questions of your manager at the time, 'Well what happened here, can you explain this?' and you know, you get told that somebody's getting their career 'rounded out' ... (staff/function operations manager, field operations).

Some of the participants said they learn about the succession planning process by experience, rotations through HR or having a mentor. A participant was asked, 'Where does that come from? How did you learn that?' He replied, 'It comes from ... I've lived [it's just a ... culmination of ... experiences and knowledge. And, ... mostly experiences ... being able to observe reactions and ... learn from reactions...you [may] say, ... 'What course did you take to learn this stuff?' Well, you don't, you don't need [to] *You live life and that's how you learn'* (emphasis added) (regional manager, field operations).

Another participant said,

> This company forces you to learn by, 'learn[ing] through the ranks.' ... I'm not saying you have to have done the jobs to manage them but you have to some inclination of what's going on out there...and I think that helps you move along in your career (state operations manager, field operations).
>
> Well you do have written material, which I find is dry. So, usually what I do, I usually sit down and talk to the person; then I have the person also talk to someone in HR to give the person my vision and have HR give the person theirs. Thank God in every case we've married, I mean we pretty much talk the same way. I think you're going to learn by what we say and I think you're going to learn more by what you see and what you hear. I mean, I can tell you everything you want about Succession Planning but when you go out and work with your peers, [if] what you hear is totally opposite than what is being said, then you have a huge gap in a huge company (state operations manager, corporate).
>
> I'm trying to think. I would have to say [I learned it from] my boss at the time, not every boss, but you know one of those individuals who took the time to explain the process. [He] was the people developer, was the mentor, you know and not everybody does that (staff/function operations manager, corporate).

One person said that they learned about it from their parents who modeled a hard work ethic when they were young. One person said that they learned about it through a management leadership school.

Roles

This category emerged as a result of probing questions surrounding who participates in the people's meeting, who provides information for the meeting, feedback about candidates and the role of Human Resources. Most participants said that it's everyone's responsibility to identify and develop talent. Without a replacement for your job, the "promotion from within" policy is impossible.

> ... if succession planning begins very early on, it's the responsibility of the front line supervisors to be able to identify talent in their employees... they have an obligation and a responsibility at that point to push that information to their next level so that they're aware of the potential candidate for a supervisor's job. Of course, we get [to] the supervisor job, it's the responsibility of that person's manager just to use the terminology of [the company]; next supervisor is the manager. [It's their responsibility] to recognize the talent and you know push that on to the next level and quite frankly, it doesn't have to end there... People interact with other departments and one person can identify a 'Jim' [the founder], you know a diamond in the rough where one [company] manager that that person works for can't see that. So, I guess it's kind of everybody ... looking at [whether] you have the ability to do [the next job]. In some cases that's not always possible but, in a lot of functions it is become [easier] to come in contact with other people and say, 'You know that guy or that gal did a great job for me in this particular thing.' You ... open somebody's eyes up to the potential or ... what lies out there. I've seen that plenty of times. It's not just the manager by that person's self or the supervisor by himself/ herself [that's responsible] (staff/function operations manager, field operations).

A majority of participants stated that it is the individual's responsibility to communicate interests and desires and influence career path choices. Some participants stated that career path choices are made at [the area operations facility] level [and] people's meetings as to skills and opportunity "fit." Most participants said that it is the manager's responsibility to coach, provide feedback, mentor and develop their employees to become a candidate in the talent pool. Most participants also said that it is the manager's responsibility to present an employee for possible promotion consideration. The majority said that [state operations managers] are responsible for providing rotational opportunities. Some said [state operations managers] are responsible for arbitration in people's meetings and have ultimate veto power. A majority said regional managers have responsibility to nominate candidates for the talent pool reviewed by the management committee. They also have veto power. Some said it is the management committee's responsibility to select a succession nominee from the candidates in the talent pool.

However, it is Human Resource's (HR's) responsibility to prepare materials for the [area operations facilities] and hold the [area operations facilities] accountable for following career development plans. It is HR's responsibility to maintain the succession planning tools and talent management system.

> So, uh, who should decide? I think definitely ... peers should be a component... I don't know what weight they would carry, but I think it ought to be at least [significant]. ... [and] maybe that's a validator more than anything but [at the company], ... I think the way we do it with consensus, [is] getting ... a lot of input from ... a number of different angles. In other words, when we go to our people meeting, if ... somebody in Industrial Engineering puts somebody up ... for the

next level, the expectations are, if there is overwhelming support, ... issues, or whatever, people need to express their opinions ... in that forum. So, ... I think, [at this company], ... from the staff on down, ... if the person has had some ... special assignments or gone out to some other ... [relocations], then that would play somewhat in there. I think the ... jobs they've had, all those things kind of play into it. (state operations manager, field operations).

One participant said,

See the way our structure is, particularly if you leave this building and you look at [state operations managers] ... or subsidiary presidents, they have a tremendous amount of autonomy or power that goes along with it so they actually ... have the ability to a certain extent, of doing things as they see fit in some areas and if you're on the individual's [side, or] if you're on the staff of someone like that, that has great power [at this company], [and] if you're not viewed as a team player, many times you will become carved out or isolated from the rest of the staff... once that happens, then you have no support. You have no infrastructure. You become a loner. Your job becomes more difficult and eventually you have to ... you just throw up your hands and say 'it's not worth it' ... Hopefully if you stick around, you'll receive a new assignment and you'll survive which sometimes you do and other times [you don't] (staff/function operations manager, corporate).

[In the people's meetings and in] the interaction of the group that's working on it, [it] has to be permissible to state your opinion ... and ... usually the [state operations manager] in the [area operations facilities arbitrates]. Whoever's

arbitrating that has to allow that to happen and also keep some semblance of order. In other words hurt feelings can't be there. You've got to set that up to begin with. And in fact, a lot of times, and again, it might be part of my personality, I [usually] have no problem with one of them saying you're absolutely wrong and don't agree with me. I've worked for [state operations managers] before who [do have a problem with openness]. [They] think that's a challenge to the authority and they can't allow that (state operations manager, field operations).

This state operations manager also said,

Now that's part of the filtering and the other part of the filtering is, is once you have identified this person that's supposed to move forward, move up, [or is] 'ready now,' [which doesn't necessarily mean they move right away]... there's some real scrutiny on the people by the staff, myself and others, and particularly myself. If somebody says that somebody's ready to go from a supervisor job to a manager job, I'm gonna actually work it out in my schedule somehow, some way to spend a little bit of time with that supervisor to get a read myself and typically [my operations guy] will, [if the move is] in operations, [still another staff member will look at him/her]... If it's a staff function, usually we get [another trusted staff/function member to look at him/her]...we would [use them] and a couple of other people that I, I feel like have good [discretion]. People with [good discretion] can cut through some stuff. [We] spend a little time...and just find out about him. Don't tell them that you're doing it (state operations manager, field operations).

> The, the only thing that's a little bit different is that usually on the lower levels of high potential, identification is done by the immediate manager of that work unit and that's really where you don't get a lot of consensus in that... that person's name will rise to the occasion based upon identification by the manager. 'Okay, I'm gonna throw that person into the pool.' Once they get in the pool, then they're viewed as a ... [being] in the succession planning by a variety of different people they come in contact with. And if sometimes we don't get an opportunity to, especially at the higher levels, to get good consensus management, we'll actually develop part of the succession plan, force an opportunity for other people to observe that person in their daily business activities for a special project or special assignments so that they can get other people's view of how successful they were (state operations manager, corporate).

Another question that drives this category is "If I were a new manager, what advice would you give me about my role in succession planning?" Most participants responded with take charge of your career by communicating your interests and developing yourself to meet future company needs.

Recipe Knowledge: "How Things Should Be Done"

This section presents data collected that pertains to recipe knowledge or statements about improvements or repair strategies relative to succession planning. Participants were asked, "In the best of all worlds, how should succession planning work?" and, "Who should decide?" "If it was up to you to create a succession planning system, what one or two things would you want to be sure of?" They were also asked,

"What are some of the challenges for the future of succession planning?" and, "Tell me about a succession plan that worked well." "Tell me about a succession plan that didn't work well and why?" When asked if there were rules within the succession planning process that just can't be broken, all participants asked, responded "no." One person said, "If anything, it's the other way around, rules can be broken."

Six categories emerged along with two subcategories. These categories included Communication, Promotion, Development, Tools, Retaining Talent, and Relocation. They are presented in order here based on the amount of discussion participants had about them, from most to least.

Communication

This category includes verbal and non-verbal communication which takes place throughout the succession planning process including: identification/selection, development and promotion. Most participants stated that non-verbal and indirect communication is more prevalent than verbal, direct feedback within the succession planning process. When asked how you know it's working well, a state operations manager in field operations responded, "Both, the people in the process, people you work with will tell you. They won't verbalize it but they'll tell you. They'll tell you in body action. They'll tell you in you know ... performance ... You'll know if it's not working." When asked how one could learn about the succession planning process, a staff/function operations manager in corporate responded,

> I think you're going to learn by what we say and I think you're going to learn more by what you see and what you hear... And so in order for you to learn about

> succession planning, you [need] ... the system in place that communicates to all the people ... so there's no disconnects. What you say is going to happen and what's going to happen is exactly the same. People that have gotten to that next level, have gotten through because of Succession Planning if all that works. I think that, more than anything else is that you sit down and you say o.k. now here's how this whole thing works and it's a story. In order for the story to become reality, it really takes input from your peers and everything else. I mean we use the ole 'we're going to 'talk the talk' and 'walk the walk.' We used to tell people all kind of strange things to get them into management and then they ... [quit] in 10-15 years.

Most participants said that communication surrounding special assignments, rotations and promotions as well as relocations is highly confidential and secretive. A staff/functions operations manager in field operations said,

> But, I'll again say that [the company] is actually trying to change how we do things, not so much for crisis mode [but] because of concern of people leaving... We're becoming an aged company, to say the least, I mean you don't find many companies that are a hundred years old... [the company], going public has changed things and ... I think we are trying to change the culture. Now, I don't know if that's good or bad to tell you the truth. I've tried to evaluate it myself and said, 'Hmm, is it going to be good that we now ... know that John Doe, sitting in the office now a supervisor, is targeted for that division level job ...' I don't know, that might, I don't know if you could say ruin things but uh...

Most participants said that you should communicate your interests and desires with regard to promotion and succession planning. A staff/function operations manager said,

> I'm a huge proponent ... of people taking control of their own careers and making sure that they tell people what they want to do; that they educate themselves; that they prepare themselves for that next opportunity. Because if a person is going to sit there and wait for someone else to create an opportunity for me or to put me where I'm best suited or where my passion is, I might be waiting for a long time.

The majority of participants said that there is not sufficient feedback from the people's meeting. Some suggested reasons for the lack of feedback may be related to avoiding the notion of disparity among managers or simply to avoid confrontation or conflict in the form of negative feedback. A staff/function operations manager in field operations said,

> I think what would be helpful to some people would be a little more transparency in knowing the outcome of the people's meetings... I think there is a communication sometimes that doesn't [take place]. In order to complete the loop for succession planning, you have to complete a communication loop and if everybody knows that there's a people's meetings that's taken place, everybody interested will go, 'where do I stand?' Now in order to know where you stand, you have to have ... feedback and I'm not sure that ... that's always accomplished and so in other words some people are not really sure where they stand. So, if I could change anything I would say that that would become ... maybe a mandatory

review like an individual has to know where they are whether or not [they're] in the process ... and quite frankly some people, some managers do take the time to go through that and close that gap and make sure their people know whether they got to improve on this or whether they're doing a good job on this, and some people don't.

Another said,

I learned from my first [state operations manager], actually, so as a HR manager coming in ... I never had any experience with the people meetings, you know cause that was ... the next level up. So, the managers really didn't participate in ... the peoples meeting. So I had no idea how all that worked. I mean we had all of our assumptions that it was a big dart board and people just threw darts and people landed [in certain places]...It was just this process, right? ... There was a lot of mystery surrounding it and I think a lot of that was because there wasn't any feedback that came back after those meetings and that's what we've [tried to change]. At least when I started doing that ... years ago, that was part of the process... You had the people's meeting and then you went back to your people and you fed back that information so that there wasn't this big mystery surrounding these people meetings ...you [could] tell them exactly what happened. You can tell them what the other staff folks had to say about that person, so that it's good feedback. So, if there's some feedback at that meeting where this staff manager said, 'You know what? If ... I've been disappointed with Joe [it's] because I've asked Joe to ... get back with me on several occasions and quite frankly, he never got back to me. I could never find him...' So that's valuable

> feedback that Joe needs to know ... this staff manager that sits in that room, that makes these decisions about his future [is important]... If he doesn't see Joe in a favorable light because of some of the things that Joe has been unresponsive to, Joe needs to hear that information so that Joe doesn't continue down the road thinking, 'Why wasn't I promoted? Why wasn't I promoted?' [just] because nobody gave him the feedback outside of that candy-coated conversation that ... we had about their performance when we really don't want to say anything harsh to them. That's when you need to have those candid conversations about what people are doing well and what their not doing so well because we do Joe a disservice if Joe travels through his career thinking, 'What about me? Why didn't I ever get it, get an opportunity?' 'Maybe they discriminated against me.' Maybe, we start drawing our own conclusions based on why things never happen for us (staff/function operations manager, field operations).

A majority also said that there is inconsistency in the decision making process of succession planning. A regional manager in corporate said,

> It's lacking in the area of structure. There needs to be more parameters as far as our succession planning is concerned. It shouldn't be a process that's predicated on how dedicated the local leadership is to it. It should be ingrained so deeply into the culture that nobody would even think of not doing the process justice. Technology could also be better utilized to make the process more streamlined, simple, and understandable. ... Here's what I'm thinking about... I have worked in [area operations facilities] you know over the last 10 or 12 years where the [state operations manager]'s degree of comfort, with the career development process

really dictated, for example whether or not career development meetings were even held. In other words, I could go from an [area operations facilities unit] like in Houston where the [state operations manager] was a strong, ardent believer in the process and could go to another [area operations facilities unit] where the [state operations manager] may have felt that that process that you guys have been doing, all this career development stuff and all these meetings [are] fine, well and good, but I'm making the calls in my [area operations facilities]... [Area] A, there's a process in place and it's utilized, [Area] B there's a process in place, the [state operations manager] kind of feels like he's um still king of the throne and he promotes who he wants to... 'I'm going to promote who I want to promote.' So, that's what I mean when I say that it shouldn't be a process that's predicated on how dedicated the local leadership, or the local [state operations manager] is to it. It should be ingrained so deeply in our culture that no one would even think of not doing the process justice. Now, again I'm probably going back to the mid-90's. It's 2006, and now ... I think that the process is further along than it was in 1995 because I don't think that we have very many [state operations manager]s out there that are taking that position; but, are we exactly where we should be? Would I give us a 100%, A grade on that? Nah, probably not. I'd probably give us a 90 or a 95 something like that because I think there's still room for improvement as far as adhering to the actual process because ... I think about a [area operations facilities] staff, a [state operations manager] and his or her staff sitting down and making these decisions to the [area operations facilities] as far as who's going to be the next manager, [staff/function operations manager],

> whatever the case might be. That meeting and the candidates who are discussed at that meeting should be at that meeting because there [were staff/function operations] level ... meetings held prior to [that] and built up to that [area operations facilities] level meeting. I think we do a pretty good job of the big [area operations facilities] level meeting but the little [staff/function manager] level meetings where the candidates should be brought up and lead up to that big meeting; these meetings down here are kind of the ad hoc at best right now. So, is the process in place? Yeah, I think the process is in place. Is it adhered to 100% like it should be and is the process as robust as it could be? Probably not. I think we still have some work to do.

It's important to note that he felt that one gauge of the process working well would be to ask the question of one's self, "Would this be good enough for my daughter?" (quote is paraphrased).

Some participants said that selling your stock was an indication of a lack of loyalty and thus removal from the candidate list. Some participants said that new people (employed two years or less) as well as those in the subsidiaries do not understand what it takes to move up in the organization. Most participants said that there should be consensus in decision making. One participant even said it should include all those you have worked for and with in the past.

> So, I think we're o.k. [as] long as we have ... multiple people weighing in when people are promoted [and] I think that's what we have. I think that that is important. And, I'm not necessarily a consensus management type person but I think when it comes to promotion, we need to have several people nodding,

> saying ‘This is the right ... decision.’ (staff/function operations manager, field operations).

Some said that there is no training prior to assignments taken. The majority said that candidates don’t know that they’re candidates for promotion or that they’re high potential. Some said they didn’t know what the plan was for them. A state operations manager was asked, “And where do you see yourself going from here?” He responded, “Oh. That’s, well considering I’m about 3 levels higher than I ever thought I would be in this organization, that’s, I’m, I, I don’t know. That’s a good question. I really don’t know.”

Some said that you are limited in your exposure because your exposure is determined by your immediate manager who is gatekeeper. A staff/functions operations manager in field operations said,

> One of the biggest hindrances to that is ... people my level, we really don’t get a lot of exposure to ... those people ... that place those chess pieces, in many regards. I mean, I’ve got [my state operations manager] and ... there is a people meeting for all of us where ... I would assume they develop a succession plan then it’s [my state operations manager] and then probably guys on his staff ... we have some exposure to that group but it’s [limited]... I don’t know if it’s the same way out in ... the regular ground [area operations facilities] and regions, but ... [my state operations manager’s] really the only one that’s out there pushing for [me] or pushing for [my peer]... from that standpoint; I think it’s a little difficult, you know for him to get everyone’s name out. I don’t have any problem with it... I used to work over in the other side with a lot of those people and you know I

worked in Washington so I've worked with some pretty high level [people] but, if I was coming up through this system as most people do, it's tough to get your name out unless you've been on a high profile project or you know, had some exposure.

A staff/function operations manager in corporate said,

I don't think it should ever be a surprise ... it's interesting to me to see that sometimes it's like people barely bat an eye because everybody knew it was coming because you saw that that person's talents and abilities ... were being groomed... it just wasn't a surprise...and then there's one and you think, 'Where did that one come from?' ... I don't think that's a good sign ... when people respond ... like that, like 'Where did that one come from?' ... I think that's a sign that maybe it's not working and ... certainly ... it's never gonna be to the point where everyone knows ... what the plan is and there's obviously things that are kept confidential for reasons that I think [are necessary]. Generally, if it's working, people ... aren't surprised when someone is sent into a position and I think we do that well ... in the higher level jobs particularly. ... Sometimes still ... at the grade 16 jobs and whatever, there are some surprises and you think 'Where'd that one come from?' But, I think most of the higher level positions that we get filled, ... the fact that you can kind of figure them out ahead of time, I think is probably ... a good sign... you're looking: that person ... is ready [and] even ... their peers [are] looking at them and say[ing], 'Yeah, they're ready. They've had good experiences. They've been successful at a ... variety of different

> assignments... they've had that good exposure to ... a wide variety of different parts of the organization and they're [it]...'

When asked, "In five to 10 years out, what do you think would be some of the biggest challenges?" A state operations manager in field corporate said, [with the acquired companies in particular],

> That people will leave...due to lack of promotion, I think will be a reason...[They have] a sense [that] the organization doesn't understand their business and how the business they manage works but we're trying to take a very tightly engineered small package environment and put it into a much loser freight forwarding environment. Does freight forwarding need to move in that direction? Absolutely. But, I'm not sure that everyone agrees that it needs to move all the way here; it needs to move somewhere a little less engineered.

When asked, "So, what decisions would you make to change that if you could?" the same person responded, "I would be very conscious of that fact that we need to keep the talent that's there and make sure that they see the opportunities to move ahead with the organization, that they understand that we value the experience that they bring to us."

Finally, one said that it is the manager's responsibility to communicate company legacy to those below him or her.

A staff/function operations manager in field operations said,

> ...I think we've waited [too long] ... we wait 'til ... either [Companywide Employee Feedback Survey] scores go down or ... till people start saying there needs to be change ... We don't address it early on. We're not there on the take off, you know we get in on the landing only and it's just, we're not as proactive as

> we could be... Part of it is we, in the past, haven't really ... a consistent and concise way of communicating ... development needs [and] also desires. You know we're going to a new system now.

A state operations manager in corporate said, "We took the vision of what we wanted and now we're building the structure around it to make sure the vision works and refining some things now so people's meetings won't be an excuse to play golf."

In summary, the organization should have better communication about the succession planning process including individual performance feedback, development opportunities and promotional opportunities. Communication should be effectively performed between and among ranks to sufficiently include subordinates and peers as well as upper management. Although surprises are inherent in the process, they should be minimized. Participants also said there should be consistency within the process including how it is communicated and implemented. The process should be consistent enough and trustworthy enough to have it work for your own family member. Communication needs to be proactive to retain talent.

Promotion

Most participants referred to promotion within the succession planning process as an art and not a science. A staff/function operations manager in field operations said,

> I mean some of that [promotion] you know from experience and some of that you just know from what your gut tells you. So, do you ever really do it right? It's hard to say because I would venture to say that all of us who had a chance to be around for a long time, who have been involved in having a part of promoting

> an individual, have gone on to see that some of those promotions might not have been the best choices. More often than not, it isn't that way; but, there's some of those. So, because it's very much an art, more than a science ... it's hard to say.

A state operations manager in field operations said, "Me personally and my folks will tell you, when we make a decision, we vote. If it's all hands up, we do it. If somebody says no, then we don't." When asked, "Even just one person?" He answered, "Even just one person." Another state operations manager said,

> Because I think that there is a ... admirable attempt in this organization to prepare our people for the next level of responsibility and I say admirable because it doesn't always pan out the way that we planned. But, I think what's most important, is that the very first plan ... I think our organization has gotten a lot ... better from where we used to be ... we've jumped light years.

A staff/function operations manager in corporate said, "It goes back to that we have our own way of doing things. Many times a candidate will not be a good fit culturally and will not be successful as a result." Another state operations manager in corporate said,

> I think we got the succession plan defined but the structure within, we're still working on. Because we probably got people coming out of the pipeline that doesn't have the values ... We promoted people, that [were] what I consider a failure of the previous succession plans that we [had]. The people we produced through the pipeline did not mirror the values we wanted them to have... We have not a huge number, but a number of [regional operations manager] people who don't work for us, I won't say they got fired but they just kind of went away,

because we got people at those levels who are saying, ‘How did [these regional] people get to this level?’ They did not demonstrate and they did not have the values that the people in this organization wanted and when we had some extreme gaps, these people were in the pipeline for 20 years. So what the pipeline looked like when they got into it and what it looked like when they came out was two different things and I think we’re trying to adapt that succession plan now and it is to make sure that when people come out, and I don’t care what level it is. That’s what I’m saying, I need to understand what I need a manager to go and understand and have values besides job competence and skill level. What’s my expectation for this level, and this level, and this level? And I think we’re still defining those. We got an idea but we haven’t figured out how to get from point A to point B.

Another staff/function operations manager in corporate said,

We thought they were ready for more responsibility or that they were gonna be able to handle this and that maybe we gotta step back and say okay they need a little more of this or maybe they’re not a good candidate for this. Maybe we misjudged a little bit...

The majority of participants said that the tools were not helpful in choosing a candidate for promotion. A staff/function operations manager said,

Well, I don’t know if I really like it .... but I think it’s the right thing to do... I would absolutely require that ... know some of this profiling [and] I would build in some ... options too. I’m afraid, I’ll be truthful with you. Sometimes I wonder how well I’d do, and lots of times you get your results back and you see them, but

> you don't know whether there's other secret reports that do some real basic things that you know might not be favorable for you. But, what I've seen from taking those profiles, because I've done the same thing the [state operations manager] does, I've seen the results and I'm actually pretty o.k. with the results. But, sometimes I have to admit, I wonder whether ... that kick[s] someone out of a pool that shouldn't be kicked out?

A staff/function manager in corporate said,

> I think we have not embraced the tools that we currently have and I think we're still promoting people who are just like us and I mean, not on racial terms but behave like we behave. So, if I'm a manager, I'm going to promote someone who behaves just like me. I'm going to promote another [mentions self] which is not what we need. So I don't think we do a good job of promoting people who can help us deploy our new strategies. We're promoting people to do what has already been done which is outdated the day we promote them.

The majority of participants also said that politics clouds the decision making when it comes to choosing candidates for promotion. Another staff/function operations manager in field operations said,

> I think, we make [mistakes], because we do it to a certain extent by consensus... I'll go back to I think there are bad events where someone gets ... a promotion ... jammed down ... the organization's throat [just] because someone's got the power to do it and maybe it wasn't the best choice. And, I'm not saying they always make the best choice, but they probably make the right choice.

A state operations manager in field operations said,

But in a leadership role, I really believe you can't surround yourself with people that think just like you ... then you['ll] get diversity, ... age, gender, sex, and all, you know, all those other kind of things. And that's ... if you could ever take out the subjective piece which I don't know if you're ever going to be able to do [that], and be able to push close to perfection.

A staff/function operations manager in corporate said,

[For example] take people that you could elect ... to office; which is not necessarily ... a bad thing if you think about it. I mean today you're appointed right? You're appointed through a series of promotions and eventually appointments you are in a high position of authority. That's ... pretty narrow and that involves a limited number of decision makers. So, there's got to be a better way of either testing or assessing or you achieving a passing score in certain elements ... I think the appointment piece is still necessary. You know you have to have confidence in your decision makers that you're putting the right people in the right jobs. But, I think in addition to that you need another piece of validations that we can find a way to validate critical skill sets that ... have been previously identified to be successful in this position. I think that's kind of where we missed the boat. And maybe another piece is being ... sort of a larger 360 degrees assessment of how others view you in that position.

A state operations manager in field operations said,

There has to be a remarkable ability to not make waves. And what I mean by that is ... emulation, there's a process that you go through in Atlanta to get a

concerned voice to a group of people and it's a very elaborate dance that if you don't understand it very well ... you could screw your career up.

A state operations manager in field operations said,

Um, I would say that in the early stages of their career it was clearly based on the [the company] model of you need to work in all these different kinds of things, you need to have exposure to a lot of different areas of the company you know, you do one job well and you're on the list already of the 'ready to be promoted' to the next job, and I would say that probably holds for like you're a [staff/function operations manager] level but then by the time you become a [staff/function operations manager] level you clearly start to have people who are, who are gravitating towards [a particular area]. You know, they're in marketing, they're in ops, they're in engineering. You stop thinking so much cross functional movement and now you start to be in one area or another. Then, I think it gets to be a matter of personality [that] comes into play.

A staff/function operations manager in field operations said,

...sometimes I think ... there may be a lack of objectivity. In other words, ... for people to succeed and step up to the next level [they] need to have demonstrated results in their current positions and if they've done that they should clear ... the level... and be considered. I think sometimes we have ... [done] some subjective relationship stuff that's come into play and I think that's where the process bogs down. If there's relationships involved in making a decision that may go back to a past, or somebody's been working for somebody for ten years; I mean they're comfortable. I mean human nature takes over sometimes, I mean, right?

Most participants said that diversity was a challenge for the organization. The majority of participants also said that when a promotion fails, it's because the person was not ready. A staff/function operations manager in field operations said,

> You basically have to weigh everything together and understand that you ... do have to have some ... diversity in the workforce... Let's say their education is equal ... and let's say that the minority ... person may not be quite ... there yet, but you know they're one of the highest potential people in that grouping so, you say, 'O.k. this is what we're going to do...You justify it based on the direction that the corporation is given to increase diversity and you justify it on the fact that this other person that didn't get it who you think might have been just a little bit better, is going to get their chance.

A state operations manager in field operations said, "But in a leadership role, I really believe you can't surround yourself with people that think just like you or are just like you..." Another state operations manager in field operations said, "There's nothing wrong with diversity, that's what we should be striving for. But you shouldn't force it. When you force it, you end up putting somebody in, in a position that their not ready for and their downfall is your haste." This participant was asked, "You think that's one of the challenges?" He replied, "Yeah. Definitely."

Some participants said, they will promote a person from outside the company if the skills can't be found inside.

> No, I think we're flexible ... there are probably others that would say [about hiring outsiders], 'Ah, the heck with it, I don't care if they're a smart aleck or whatever you know, and not loyal and not care about the organization but their

smart as a tack ... I need a rock to build something higher on the rock. It's fine.' ...That occurs too and I think that's o.k. (staff/function operations manager, field operations).

A staff/function operations manager in corporate summed it up when he said,

I think that ... one of the biggest challenges to ensuring that ... succession planning is a [success, is a] diverse approach. I think diversity is going to [mean], innovation, diversity innovation. I don't think you can have innovation without having diversity and I'm talking about identifying people. I'm not just talking about ... race ... or gender, I'm talking about diversity of thinking... I think it's extremely important that our succession planning in the future looks at broad thinkers, ... visionaries but I also think ... we need diversity of thought, diversity of people ... I think that's huge ... now, I think it's got to become more significant in ... the future. We're ... a global company, we have to think globally. We have to have people in those positions who think globally. You have to have people, I think in my mind, down the road who ... understand global economics and global business, ... [and have] global experiences ... I think that becomes very important in the future...but the whole ...diversity issue and diverse thinking and diverse experiences and diverse people with diverse backgrounds, I think that [determines] ... what ... [the] success of the company [will be] in the future; much more than it has in the past.

Development

Most participants said that rotations are a key traditional component in the development process yet they are not a good model for all aspects of the business, especially within the subsidiaries, air and international arenas. A staff/function operations manager in field operations, air group said,

> Yeah, it's more unique here because you can take a [state operations] Manager from Utah or a [staff/function operations] Manager and you can put them in a package center in Atlanta, you can put them as a [state operations] Manager in Singapore and we've done that you know. So you change their environment, ... they are still managing those specific issues. But, you can't take ... a crew scheduler from here and put him in a package center in Utah. You just [can't]. And, if you do, you're going to have a difficult time replacing that person. By the same token you are going to have a difficult time helping that person understand, who is now in Utah running a package center, why you know, career development-wise, why it's good for them... All [he] wanted to do was schedule clients ...

The participant was asked the question, "So, there's limited development opportunity?" and he answered, "Yeah, within the flight."

Most participants also said that the employee should be primarily responsible for their own development.

> For the ideal world of who's responsible, everybody's responsible, including the individual {who] is responsible for their own development. [They're] not just a little ... piece of clay there that is going to let someone just shape them. Their responsibility is to shape themselves, also.

When asked what contributed to her success, a staff/function operations manager said,

> Well ...the one thing that I can tell you about my success, is that my career was intentionally orchestrated by me...It was not a career that I just let other people choose. I very meticulously, very diligently, very deliberately ... knew the rotations that I wanted to take. I turned down opportunities that would have promoted me to ... a higher level because I wanted to make sure that I got certain rotations; so that I would have a broad base of experience that I could do a whole number of things; so that I wouldn't fall into a career path that was very specialized.

The majority of participants said that it is company policy and management's responsibility to develop all employees. Promotion from within does not work without it.

> ...ideally that whole 'promotion from within,' that whole starting the career development process from the first day that person comes in the door because that package handler is not going to be [around because] that package handler may be your next CEO ... I think we always have to be mindful of the fact that ... that person that ... we hired could be the next CEO; could be the next, whatever. It's not going to be someone that we go and find from Lucent Technologies or General Electric... Its gonna be that common, that person, that someone's gonna hire, somewhere, someday...[They] are going to be these ... folks...I mean that's a pretty cool little thing. I wonder who the person was that hired like [the current CEO] ... seemed pretty cool...career development, in an ideal world, you have your vision, you know what you're going to need and you know and are very

mindful of the fact that every one of these folks that you hire for these entry level positions ... You start that development process with them, whether they're gonna be the best on-loader, ... that you've got, or whether they're going to develop to be your best ... supervisor or your best training manager or your best industrial engineering manager, or whoever that person is. But, ... not everyone is going to be a CEO... not everybody wants to be a management person. Not everybody is ... going to go that path. But, development doesn't always have to be [and] promotion doesn't always have to be a 'management route.' Development just helps that person be the best that they can be and to gain good job satisfaction in what their doing... [In career development, they feel like] they're contributing to a vision, to a mission, to an organization and they get good value because they are valued because of their contribution.

A state operations manager in field operations said,

The one thing I tell ... everyone I do talk to is that, ... first ... even though we're finance and accounting, ... the biggest thing that will either make you successful or not successful is your ability to work with and develop people and to bring them [along], get their support, or you won't be successful. Somewhere in your career, whether your seen as a contributor now or not, whether your in [this function or another], work with a large group or whatever ... without being able to develop people ... you won't go anywhere at [this company] ... It's one of the skills you have to have. [I] really don't sit down and go through succession planning with ... any manager at that point, but [I start] to make sure they understand the importance of developing in a broad sense.

A staff/function operations manager in corporate said,

As I said, I think I've worked for ... managers that not only encouraged it, demanded it in some cases, but really recognized you for producing candidates. [If] you've gotten ... six new HR managers out of your [area operations facilities], ... in that time that you've been here, ... that's a good thing and you know six might be a big number but even if you've gotten two... If you've developed two, ... that's a good thing cause it's effort to do that. It's effort to give people [opportunities to develop] ... sometimes it's easier just to do something yourself rather than to take somebody in and to walk them through it and let them stumble through it and let them make the mistakes and whatever ... Sometimes it would be easier for you just do it yourself ... I felt I had really good managers over the years that I'd rather stumble through something when I was a grade 16 helping the HR Manager ..., then when I have my own [area operations facilities] when I'm grade 18... Now I'm the HR Manager and there's really no one for me to lean on and to ... make that first mistake ... when everybody is watching, rather than under somebody else's ... guidance... I think that culturally we see it happen, we see people nurturing people and developing people and ... that's where you kind of get the lesson to do it."

Some participants said the development process takes too long referring to the development process as taking longer than it does to develop a brain surgeon. Another staff/function operations manager in field operations said,

Well, I guess there's an overlap of the term. You know you do that for everybody... really succession planning when you're thinking about it, [is about

> answering], 'Who are the future leaders? What supervisors do I have out there that can go two levels?... that can get to [staff/function operations] Manager?' Because, we need to start working on them now if you want them to be [that] Manager in five or six years. One of the guys I used to work with said ... you can take a high school graduate and you can make them a brain surgeon faster than you can make him a [staff/function] manager.

You think about it, you know? Four years of college, four years of med school, four years of residence and he's a brain surgeon and here it, it may take you twenty years to, to get to [staff/function manager] level and umm, [the CEO wants to take] people off the street and make them [staff/function] manager in six years. It's supposed to ... change the company, ... too many years of ... bad habits to do it the way we've always done it so...

Some said development is the most challenging aspect of succession planning moving forward due to the length of the process, limited opportunities and subsequent retention of talent. Some said there needs to be more feedback from managers as to areas for development. Some said development opportunities are fewer than in the past and subsidiaries such as Air and Supply Chain struggle with this. A state operations manager in field operations said,

> I think it's improved a lot over the last several years... I think one thing that makes it difficult, is ... as we integrate new business units, because we've put a strain on the system by needing people that were probably previously planned based on what we knew at the time, the organization was gonna look like. And then all of a sudden, you had a [Logistics subsidiary] or you bring in [our

> overnight operations subsidiary] which really has had a big impact with [our Logistics Subsidiary], Menlo and things like that. It ... shifts [and it] puts a strain on the planning system because you've already set [and] got things in motion going one way. Now, you have to adjust and reallocate resources and then come up with new, new people that can fill those spots... So, that's probably a difficult side of it.

Another state operations manager said, "Ten years out? Actually, ten years out and I keep talking about these baby boomers ... that'll be over... So ... you'll need really qualified people but there won't be the big mad dash ... like it appears [now] …" When asked, "And what do you mean by mad dash?" The response was,

> Well, I wouldn't say that we're cutting any corners or anything but I am saying that it's required us, it has caused us actually to have a succession planning system ... that we're following... We see how necessary it is because ... there are so many people that are ... leaving and you have to have qualified people in there to take their place. So, when I say mad dash, I mean ... you look at all the people that are retiring…And, then you look at your pool and you're going, 'We don't have ... the candidates. We don't have the talent right there.' The mad dash is getting those people up to speed quicker... when you have fewer openings, ... it's ... not as mad of a dash.

Some said development should include the assistance of a mentor and/or a coach and it should be tracked.

> So I guess in an ideal world, if you have people that will mentor you and you have strong training so that you don't just take people and plunk them into

> positions and then walk away and let them fend for themselves, that you have a well thought out process where when people move from job to job, they're not just left there to sink or swim but that you have some sort of turnover process in place so that they can be successful. We've not always been good at doing that. I mean I've been a recipient of ... rotating into positions, and absolutely having no training at all. You just have to work really hard, to try and figure all that out. So, ideally if we could really spend the time to train the person properly, and have a good turnover before that person left so that you could assume that position and you're not spending all that time trying to figure out who you call ... all these things that you really shouldn't be messing with. So I think that might be my ideal world.

Plans in the past may not have been followed due to the inability to track progress or provide feedback. This problem can be exacerbated with a change in leadership.

> I don't think that we've had the visibility that we have today ... to talk about ... talent management systems. Where now that career development is now online so that you don't lose people ... [we can track them] wherever they are in the country, wherever they rotate, they will go back into this career development and QPR... that's one of the reasons that I would give it ... a B because we didn't have that in place. Now that we've got that in place, and I think that we've got the understanding now that we are moving people much too slowly and we expect them to get too many checks and ... we need to accelerate that process... By

realizing that, I think that we've taken the next step in addition to getting everybody's number, people are visible now, they don't get lost.

A staff/function operations manager in field operations said,

Okay, so, visibility, it's got to have a database that ... you can query information so people don't get lost ... I would like to see some sort of accountability with succession planning. That when you say you're going to do something, there needs to be some sort of follow up that you actually did that, and if you didn't do it, why not. So if you put this road map together and you list 20 people that you want to rotate because they need that rotation and you only ... do something with four of those folks, well then why did you put those 20 people on the list? Why did you ... not follow your plan? ... Don't build a plan that you could be unsuccessful with. Don't say you're going to rotate these 20 people and it's going to really be an ugly [processs]... It's really going to hurt you operationally. You can't take those 20 people [on the] list. Let's truly put a plan in place and then every month, meet... at the end of the day, I think that there needs to be some accountability with the [area operations facilities] ...We put this roadmap in place, why didn't you follow it? Because the succession planning should not be just [be], we all get together and spend three days together and talk about everybody but then nothing gets done, nothing changes.

Educational and training opportunities are viewed as an expense. A staff/function operations manager in corporate said,

... in getting people prepared for tomorrow, ... we have a tendency to look at training as an event, check the box and then we don't worry about getting the

> person developed beyond certain classes or certain ... compliance or regulatory issues. I think we look at training as an expense... it is, don't get me wrong but I don't think we look at it as a return on investment like we should. It's fallen off the radar screen as a priority and I think because of that, we've struggled.

The same person was asked, "So how do you prepare someone to be a forward thinker?" She responded, "Lead by example." Some said you know the development process is working when the "bench" is full of viable competent candidates.

A staff/function operations manager in corporate summed it up,

> The things that I would do, I look at succession planning sort of like an iceberg. The tip of the iceberg is the identification process, the bottom part is development and that's the part where we have our biggest challenges. We can identify people. We haven't figured out how to properly develop them and prepare them for that transition... that's the part where we have our greatest opportunities for improvement. It's the development aspect of succession planning.

Tools

Most participants said that the software tools (assessments) were not good predictors of a person's success as a leadership candidate. A state operations manager in field operations said, "I've been through that Hogan assessment and I think you could take that assessment ... and I think that we could swap assessments and nobody would know the difference."

A staff/function operations manager in corporate said,

Because, the problem that I have with that is that again, because I am somewhat aware of ... what Learning and Development ... is after, ... I see the problems in our current system about the way we identify future candidates and I understand that Learning and Development would like to be able to develop the perfect assessment that will I identify those candidates but I don't see that ever working in our culture. It's not gonna work that you're going to give somebody a test or an assessment that's going to develop [and] determine who our next candidate [is]... You said it before [it's the] relationships… Clearly, that is [key]...someone can be great on paper, but if they can't operate with the people and in that particular environment, they're never gonna make it. I mean, it's ...the higher level you go, the more its important that you get ... stuff accomplished through ... your relationship with people.

A state operations manager in field operations said,

My guess would be that they have demonstrated leadership capability. They have to go through this MAP process which is broken by the way, this ... thing is a mess ... It's not good that 50% of the people that take these tests can't pass it ... I can put any tricks out there to try ferret out people but I know personally some people that ... do extremely well in management and they can't get by the test ... I think if you talk to [state operations manager]s around the country, they'll all tell you that ... I think if the HR managers are candid, they'll tell you the same thing ... I know a lot of the operators will... we're not quire sure what the filter is... It's certainly not leadership capability. It just isn't. And, by the way, you can get inside information on the types of questions that are asked and do much better.

> So, like any other test that you take, if you prepare for that particular test, you can look better so what do you really accomplish other than preparing for a test? ... I've said many times, I think our staff should take it to see if any of us would survive.

A staff/function operations manager in field operations said,

> I don't agree with ... the new ways we're going... I think we have lost a lot of people; good, good people. That's my personal belief, I think that something has to change ... [what] if we had to take that test and it might be right ... I know we got, I mean a lot of quality people that I know bottom of my heart really that they are good workers ... and they can't pass it, they can't. They might get nervous, they might answer it the wrong way and guess what, that's it. [You've] got to wait another year so we've got all our people now, especially the department ranks, looking for new jobs and [some] just quit.

The majority of participants said that the tools and their subsequent reports were not consistently used in the decision making process. When asked, "Do you think they use the tools currently in place?" A state operations manager in field operations said, "I think they do... but it's all a matter of who's in the room at the given moment in time." When asked whether the information within the system is being used, a staff/function operations manager in field operations said,

> ... I don't know their overall situation, I don't know what all transpired ... in that conversation [the people's meeting], so I just have to believe in the process; that it's kind of like the court system; you know ... The court system's out there but heck, OJ got off, I mean, you know?

The majority of participants also said that the use of the tools was a burden to the already heavy workload of managers. A state operations manager in corporate said,

> I think a lot of our career development process when we have these annual career development conversations with our people and our QPRs and all this kind of good stuff, ... are kind of interrelated so, I think that there is software out there that could make the whole QPR and career development more streamlined, less paper ... the process could be smoother. I mean there's technology out there that could smooth the process ... cause right now [there's] still a whole lot of manual stuff being done and I don't think we've utilized technology to the extent that we can and will in the future. I think, [the company], three year, five years from now, I think there'll be a whole different way of doing things.

Additionally, some said the tools were not linked to each other (i.e., career development system not linked to succession planning system).

Some said the tools were most useful as a filter when the selection was narrowed down to two or more candidates. One participant said the talent management system was "long overdue."

To sum it up, a staff/function operations manager in corporate said,

> I think the change in the culture can get us where we need to be; maybe not quite as fast ... but I think more effectively than trying to figure out a system that's gonna identify and then kind of ... force it down... I just think that's so opposed to how our culture has done it... I know that [the] learning and development [department] believes that strongly, I just don't."

Retaining Talent

Most participants said that retention of the "best and the brightest" would be the biggest challenge moving forward. A staff/function operations manager in field operations said,

> Challenges would be to continue to be an organization that can maintain the best and the brightest, to be the employer of choice ... to have that talented pool of employees that you can draw from ... That pool of employees obviously becomes more and more and more valuable because there are lots of folks, that are, that are ... limited resource ... So, I think it's, it's very important that we ... are seen as [and] continue to be the employer of choice; where people want to come to work for us because then you're able to get the best and the brightest and you're not ... left with what everybody else has picked through... [This is important] especially being an organization that promotes from within. I think we always have to be conscious of the fact that if you want to continue to do that [promotion from within], and I certainly hope that we do maintain that type of philosophy, that we have to be able to be competitive and continue to get the best and the brightest 'cause that's our future. It's not like we're going to go to some other organization and headhunt that person to come over and work for us. We're going to back to all our folks. You're going to be homegrown.

A staff/function operations manager in field operations said, "...[We need] quality in all the people. People that are willing to do [hard work]... like we used to... I've been with the company for almost 20 years and ... I think it's slowly but surely [changing] ... it's like a unicorn." When asked, "Okay, how?" he responded,

Well, I don't think that the new generation is really willing to do that anymore, you know, to put [in] the hours; to understand [the business]; to move forward. I think a lot of the new generation is looking for more of a 'What can you do for me now?' instead of what the business [is going to] do for me when I'm 55. They want ... satisfaction ... right away, you know. I want to make the money... If I don't like it, well, I'll move somewhere else. ... I don't think a lot of the ... new people coming into [the company], are really thinking about staying with [the company] like I did. You know, I came in [as] ... a 19 year old and 20 years later... [I've] got 16 years to go and I'm planning to stay here you know 16... that's by choice.

A state operations manager in corporate said,

...the training and the perspective that we need to broaden our minds in thinking about future leaders ... can't just be on the things that worked for [the founder], you know, fifty years ago. It's not all about the mechanics. There has to be more of the, ... some people call it the soft things ... the ability to do a job and do it well ... The traits and attributes it takes are always gonna be critical but I think ... the workforce is changing and people aren't willing to work the ... seventy and eighty hours that so many of ... us have come up and done. I mean, the whole generation X thing and just diversity. So I think we're ... trying to embrace a lot of those things but I think sometimes some of those [issues] are not given enough consideration.

When asked, "Where do you see some of the challenges with it, in the future? a state operations manager in field operations said,

> Umm, we've got somewhat of an ancient workforce so we can't let up ... As we acquire these new companies that ... people are part of ... and make sure we keep the best and the brightest and ... It's kind of back to what I was saying before ... you don't have to grow up all brown to make ... an outstanding leader. So, don't discount the folks that come in from [our overnight operations subsidiary] and ... all these other companies; cultivate [them] and find your good, your real jewels.

The majority of participants said that retention problems stem from the nature of the work, viewed by many as hard work and the younger, more demanding workforce. Another state operations manager in field operations said,

> I've often wondered what this job would be like if we put it in the newspaper. If you took a typical [staff/function operations manager] and took his or her responsibility and listed it in ... a newspaper want ad saying 'this job is open.' What [would] those people ... say after ... you've told them, 'here's what you're responsible for.' ... most of them I think would say 'you're crazy.

He also said,

> So, the society of people coming to the workforce today is different. And, there's nothing wrong with that. They're really more educated people. But, in management we have to learn how to manage these people differently. Twenty years ago when I was loading trucks and the [staff/function operations manager] walked by, he said get your butt in gear and we did. If you walk out there today and do that, they'll either walk out, quit or get a lawyer and sue you. So, you have to understand that dynamics, the people, and you have to motivate those

> people. What motivated me twenty years ago or you twenty years ago, versus today, [are] two totally different things.

Additionally, the majority said that retention problems also stem from limited upward mobility. Some also said that retention problems are related to compensation. More specifically they stated that stock ownership is not as valuable as a motivator as it once was and salary is not commensurate with work when compared to other companies. A state operations manager said,

> I'm saying the process hasn't [changed] ... I don't see where the process ... would change whether your private or public... as a public company ... we had the lure of the stock. The people that you are now meeting through succession planning, don't quite see the pot of gold at the end of the rainbow, like they did before... When the company is private, I think that existing managers today that endured that [move from public to private] did see that [pot of gold] because they worked for a bunch of old [staff/function operations manager]s that said 'When I started here, I did it and I could buy a pair of shoes [and] right now I could buy the whole shoe store. So take your stock, lock it in your desk, forget about it.' ... A lot of us did that and it came true for a lot of us. Today you can't do that. Today you're talking to young people that trade stocks at night on the computers, internet cafes ... They want to manage their own finances. As a privately trade company, we used to manage our people['s] ... finances for them, even though we didn't want to admit that.

During round two interviews, a state operations manager in corporate said that stock options are a challenge internationally. International employees don't value it as

much because with exchange rates and fees associated with having stock in the United States, it's not as meaningful in terms of compensation and thus ownership. He also said that owning company stock has always been one indication of commitment and loyalty and weighs heavily on decisions about promotion.

A state operations manager in field operations said,

> Next person to go on the staff ... walked out one day and he called me and ... said, 'You know ... it's just not worth it. I can make the same amount of money (which he's actually making a little less) ... I've been making for two years, I'll take less money right now just to be able to see my kids at night.' Well, this person has a degree and he can go ... do things; whereas if you went back 15, 20 years ago in operations, there were very few people with degrees. I remember when I got my MBA, it was unusual; very unusual.

When asked, what the biggest challenge 15 years out might be, a regional manager in field operations said,

> ... economically, we're not on par with a lot of the ... top companies ... Since we went public, our ... stock ownership program is not producing ... so, retention ... and attracting the top people is going to be much more difficult... I think retention is going to be even more [a problem] than attract[ion] ... My son has a masters in engineering. I have probably 30 folks that work for me that [have] masters in engineering. My son's a year and a half out of college and he makes probably 25% more than folks that work for me that are tenured with us.

When asked, “So, you think the challenge in retention is ... a specific group, it’s [within] the younger people?” He responded, “Which means, you know, the top level is going to get weak and this will be less helpful.”

Some said the problem is exacerbated with the exodus of baby boomers.

> Now, it’s almost like we’re recruiting. We’re recruiting them to come in. Before they were beating the door down... [If] I go back to 27 years ago, [there were] 200 people in line, trying to get 20 jobs. Today, there’s 200 recruiters trying to find 20 people; so society impacts that. (state operations manager, field operations)

A staff/function operations manager said,

> Well, ... I think it’s good ... It’s time to turn the reigns over if you will ... and let some of the newer ideas kind of rise to the surface ... and not maybe continue to say ‘Well, we’ve got to do it this way because we’ve always done it this way.’ ... you know we can afford to lose some chiefs, but we can’t afford to lose the Indians and right now, we have a higher attrition rate with the Indians than we do with the chiefs.

A state operations manager in field operations said,

> I see the management committee looking at our organization and realizing [a problem]... Several years ago, we had an early retirement and we were asking management people to leave, and a lot of them left; .... and now we’re seeing ... that there’s, (because of the wealth some of our people have gained) some of these folks who moved a lot quicker than we thought they would. Retirements were happening a lot quicker than we thought we would have. I think our

> organization kind of looked around and said, 'You know what? We don't have the skill and the experience that we had. We don't have the depth that we used to have ... in the bullpen. So now, you know what? We've got to go back and make sure that these young people that are coming up, or that next generation coming up, [has] got all the tools... because ... I think we skipped a generation by letting a group of people go... I think our organization looked at it [and said,] 'You know we got all these old managers around here. It's time to clear some of these guys out and gals out.' Well, you know what? They leveraged a lot of experience. People would go to them and ask them, 'How do we do this? What's going on here? How can we do ...?' And, they gave us good knowledge. They gave us a wealth of knowledge. Now all of a sudden those folks have moved on and you turn around and you look behind you and here comes someone that's only been with the company for 6, 7, 8 years. That's not enough experience.

Relocation

Most participants stated that relocation was no longer a useful indicator in the decision making of whether or not to promote or select a candidate for the talent pool.

> ... From a planning standpoint, since we moved in here in 1985, I've had the opportunity to do all those jobs and do all those things and not have to relocate which is extremely fortunate in [a] career ... The relocation is very much a part of the [the company] culture; and I will say, an old culture. [The company] ... is not catching up with the times the way it needs to with multiple ... spouses ... and with both spouses having to work and juggle careers. It's more the old days of you

need to move, and if you move, you get rewarded and if you don't move, then you're not a good person. That's problematic. It's difficult when you've got such a huge campus of people here, very highly qualified smart people and you ... basically put a "must relocate" to get to certain levels... There's not a lot of relocation out of here and back. So, in the old days, 15 years ago, you could see a path of what a relocation might get you in that function. So, if I did this and I did this, and I did this, I got these opportunities or these different available branches and that's not quite the same as it used to be. There's still a lot of opportunities but if people can't see a path to what a relocation could possibly get them, and a clear journey that someone else has taken, it becomes difficult. (staff/function operations manager, field operations)

With regard to problems surrounding relocation, he also said,

...There's been some [instances] where people just haven't risen to the occasion ... They've got to the point where the motivation that you saw as a two unit person didn't manifest itself when they got to [staff/function operations manager] level... [That] person just kind of says, 'O.k., well I got to this level' and now they've kind of just put the 'woes' on it a little bit ... You know you lean back and kind of try to cruise. And, sometimes I think people do that because they don't want to be in the spotlight for a relocation, or in the spotlight for something else. They get warm and happy where they're at and don't exert themselves to the way that they could or that you thought that they would. That's probably the most disheartening. I have seen that happen a few times.

The majority found relocation as a challenge within the future of succession planning from a cost, time and opportunity standpoint.

> Let me give you an example and this is where a cultural divide is occurring I think. [The company] in the past, would fill [staff/function operations manager]s spots from you know, somewhere outside that geographic area of responsibility... My belief is (and I may be a traditionalist) is that that's a good thing. You need a new set of eyes. It breaks up the old, ... 'good ole boys club' by bringing new people in. You have to start over with relationships and the like. So, how can we succession plan within that same geographic area? If you do that, you're going to create a good ole boys club over a 20 year period. (staff functions operations manager, field operations)

The majority of participants said that relocation is usually a very secretive process.

> I was becoming a [company man] like they wanted me to. And, one day I walked in, to my point, I mentioned this, you go back and listen to that tape, is that you don't know it's coming. You sense it's coming. You don't get any notice. It's probably a Friday afternoon. You walk in, report to work. You get a new uniform and they say, 'You're down in Gaithersburg, or down in Rockville driving out of [another city] Monday. You report to Jim.' Just like that. (staff/function operations manager, field operations)

Most participants said that you are rewarded when you relocate.

> But you send a loud message when you don't do the [relocations]. To those people that are looking for that ... they know ... the box has got to be checked [or]

> they may not be in the works for something better and then you've got the retention issue. (state operations manager, field operations)

One person said,

> Well, we have a tendency to compensate people for [relocations]... I think one of the biggest [problems with relocations] ... is budgetary constraints ... We compensate people, we're structured that if you take a relocation, you're moved to another part of the company. We have a special little compensation package that we give you that follows you for the rest of your career in terms of dollars just because you have moved from Atlanta to Philadelphia. You're now going to make more money than all your peers for that move. You'll get, it's called just a 'package,' but it's dollars that follow you forever. Then, if you move again, [you'll get more]. ... our theory behind that is, because you're moving you're becoming a better manager or supervisor. So, if you have six moves in your career, you will have received a very handsome compensation package but I don't understand what that has to do with your ability as a manager (staff/functions manager, corporate).

Relocation is used to prevent a good ole boys network from forming but it's also used to allow others to "take a look at you" and for development purposes. When asked if there was a specific reason for the move that contributes to development, the participant answered,

> It's to open new doors. Yeah, there's a reason behind it. I told my friends in [a southern metropolitan area] 'So, look... I came from [a southern metropolitan area] as a manager, I didn't get any promotion. Usually when they move you, they

> give you a promotion... But I think it was more than anything, to see how we'll react being outside [our] comfort zone. Being in [the previous metropolitan area] 90, 80% of Hispanic population, I come here to the [more rural state]... it's totally different... How do you react to it? (staff/function operations manager, field operations)

Another said,

> [The] change process is ... a critical experience that people get [here]... I think we get that [critical experience] ... by the fact that we do move people around so much that personally you have to deal ... with change and ... adapting to a new situation. But, I think adapting a group of employees or an organization ... to a change and leading them through that change ... is an important experience as well. (staff/function operations manager, corporate)

Axiomatic Knowledge: "Why Things Are the Way They Are"

This section presents data collected that pertains to axiomatic knowledge or statements reflecting fundamental beliefs and assumptions about succession planning and the organizational culture of the organization. Participants were asked the following questions: 1) "Research tells us that most succession plans are derived from ideals instilled by the founder of an organization. Other long-tenured top executives and board members can also influence the succession plan by recognizing values which are more relevant to leadership in more recent times. Which of the CEOs or executive leaders of this company do you think have influenced the succession planning process today the most? How? Why?" 2) "Why do you think succession planning does/doesn't work as you

think it should? Are there rules that just can't be broken?" 3) "This company has seen a lot of change in recent years going from privately to publicly-held and with the acquisitions and diversification of other companies. Thinking back, are there any aspects of succession planning being done differently as a result (now or anticipated)? Why do you think that is?" 4) "You described organizational culture as a person earlier in this interview. On a scale of 0–100, does succession planning today reflect the description you gave of this person? Why?" The following subcategories are presented in the order by the amount of discussion participants had of them: traditional promote from within; culture matches succession planning; culture as personality; founders-leaders influence; and values for personal success.

Culture Matches Succession Planning

When asked whether the participant's description of the organizational culture as personality matched succession planning on a scale of 0-100, most replied with scores in the 80's and 90's with an average score of an 85% fit. The discrepancies here came about with the introduction of the human element or subjectivity which inherently lives in the process as well as the challenge to hold on to promotion from within. A staff/function operations manager in field operations said,

> Well, I think that succession planning ... prior to the acquisitions ... was more focused around obviously ... [the core business] and our package business ... whether it's ground, air, what have you. Over in our logistics business it was focused on you know, logistics... So, being one company, how do you now combine a succession process? How do you mix all the skills up that you know were important in logistics [and] that were important in our package business and

> say ... that people now in [a] logistics discipline can ... start to cross-pollinate into package and bring new ideas, new thoughts and innovative, new leadership ideas. And, by the same token, how do we take people over in our package discipline and some of those great attributes that we had around from heritage and begin to bring those into logistics business? I think it creates a huge issue and it is a challenge right now for us to manage.

A staff/function operations manager in corporate said,

> Number one, ... keep that [traditional succession planning]. [In] ... keeping the [traditional] succession planning [though] ... this is the key. As we expand and we have to take people from the outside of the organization [we must be] able to infuse them in the system, right? Not lose the values that we have... the way I look at it, and I'll talk common persons language here is ... we gotta be able to brown them. But not brown them so much that we lose their entrepreneurial skills or what they're gonna bring [as] ... value to the organization. That's the challenge, is to take those people in, make sure that they fit into the system, but we don't want them to fit into the system so much where we lose the expertise that they can bring to the organization.

When asked how the move from a privately held organization to a publicly held one influenced the succession planning process, a state operations manager in corporate said,

> I don't think that had a tremendous amount of sway to it. I mean our people with vision and our people with understanding of where we want to get to, is strictly compatible with what the outside organizations think. We didn't have anywhere,

some weird private sub-culture, that we had to worry about being ashamed about when we went public and we had to do something about it ... I don't think the Succession Planning is going to change that much, I mean yeah, we might go to the outside and it wouldn't surprise me down the road, but then again, [among] ... the viable number of management [we've] got at [the company], ... very few of them strive to want to be here and become CEO. So, it's not going to mess anybody's mind up if there's [a] going to the outside to get a CEO. It's not going to destroy this whole Succession Planning because it's really probably only a handful of people that in earnest really want to get to that position in the first place. And, I don't think anyone from the outside will change the succession plan. I don't think they'll make dramatic changes to what we're trying to do other than maybe trying to influence more outside management folks [to come] into the process... and that's one thing we don't have [now] in the Succession Planning. How do you branch out and bring highly qualified people from other companies here to help continue to define what we want to do?

A staff/function operations manager in corporate said,

Now some of that's just ignorance. They don't know the person, they don't [know] the person's experience... there's prejudices ... built-in, ... there's, all those things, ... at [the company], and [the company] culture. Either that [promotion] decision will be truly, be proven as a good decision or bad decision. But what I'm saying is when, if it's a, how did, I know that person didn't have the integrity, back when that person was a [staff/function operations manager] and now look at, he's being or she's being promoted for this higher, high level position. If that is

> the case, those people always shake out in this culture and they always shake out in the succession planning and it may take them longer than we would like it to but ... if you can say for sure that, that person lacked integrity, for example, that's a key one, and people just didn't see that who are making these decisions about this person, it always shakes out in this company. And that's the beauty of this company.

Some gave the score a 70%. The primary discrepancy here was the inconsistency in the process and the inability to accommodate subsidiaries. Another primary discrepancy was the promotion of those most like themselves. As a result, two participants gave it a score 60% or below. [We're producing] "clones." One person refused to respond with a score perhaps because he was approaching retirement. My opinion, based on his entire interview, was that he was not supportive of those who sat on the management committee who did not come up through the ranks in the traditional manner. A staff/function operations manager in corporate summed up the challenges for the future when he said,

> I don't think being a public company changed the culture. I think it was a change, as far as succession planning goes, I think you had to look at people who you were moving up to higher levels, in a different way... they have to become much more public people, therefore how well do they interact with the public? And, I'm talking about public, politicians, I'm talking about, you know, associations. I'm talking about ... analysts ... What kind of public figures are they? ... when you're the CEO, you're a huge public figure. Back in the old days, ... it didn't matter... You could have people in that job who couldn't ... get up and give

> a speech. It really ... didn't matter, ... all that much... They had other skills sets about the business. They knew this business intimately. They may have not even been all that well versed in the business world, but they knew this business, and they moved this business along. But, becoming a public company I think, caused us to look at succession planning in a sense that there are certain ... personality traits and skill sets that people ... would need. The public became more important and therefore the person had to be able to handle the public factor.

Personal Values for Success

Most participants said their values for success within the organizational culture came from their parents and their upbringing. A state operations manager in field operations said,

> You know, what in the world drives an individual to do something like that? Something really special. It's not financial... It may seem that way and in the end, it turns out to be that way; but it's to drive that individual. It's [the company]. It's this company, affording you the opportunity for you to take some basic instincts that you grew up with; basic instincts that ... in my opinion ... that your parents taught you ... your parents always taught you to work hard for something right ... and it'll come back to you. I think a lot of us come with ... that premonition here and we work hard and we see that people believe in us and they give us opportunities and it doesn't matter if you are a driver or loader or pick-off person or whatever ... whatever it is that your boss has asked you to do, your gonna do it to the best of your extent... I think the culture at [the company] broadens you to do that.

It was within this category that participants reflect on values of hard work ethic, conservatism, humbleness, pride, loyalty, honesty and integrity. A state operations manager said,

> Okay. well, I was born ... of very poor parents. I was born ...in a third world country... only lived there for six years, but as a young child I remember what poverty was all about and first of all the United States has no poverty. And the people here don't understand that-poverty [and what] it's all about... I remember where I came from and I never forget it; and not so much [from] my childhood, [but] even in my job today. When I go out and talk to drivers, ... [I talk] as if I was a driver 'cause I was. When I go and talk [to front-line] people, talk to loaders, I talk to them as if I was a loader that day; which I used to do that job. When I go and talk to a group of part time supervisors, I talk to them as a part time supervisor. I try to remember where I came from. Sometimes ... too many times in this organization, people in positions that I hold, act like they're above everybody and technically from a status company, they are. But don't act it. When you talk to a person ... that makes $10,000 a year and depends on that check, the $150 a week, and doesn't have a real nice car or a real big home, you talk to them on their level without making them feel [different].

A staff/function operations manager said,

> I don't know if ... others might not know [this about me], but I think part of it is what happened [to me] prior to coming to [the company]. You know ... the things that were instilled in me by my parents... Just work ethic, ... honesty, ... morals,

> ethics, those types of things. So, I think that was there before I walked in the door...

The majority of participants said they were competitive and driven to achieve results in the face of challenges. A state operations manager said,

> ... Cause what I've learned at [the company] is that we will train you to do the job but you got to be trainable. You got to come in without preconceived notions. You've got to set aside, ... your personal vain. I'm looking for someone that has heart. Someone that has the work ethic, ethics; someone that has discipline; someone who will do what we ask them to do. [I'm] kind of like looking for the raw recruit; someone that you're gonna mold to do that job.

Another staff/function operations manager from field operations said,

> I came from nothing. And I don't take anything for granted. I don't forget where I came from. I think that's sometimes people as they keep climbing the ladder, they forget where they came from... every morning I make a point to go and shake their hands, the loaders; you know, get dirty. It's okay to get dirty. There's nothing wrong with that, to sweat a little bit. You know you don't have to come in the office and hide in the office. That's what I think. It makes me different than other people, you know.

Some said work/family life balance was a critical value to success. A state operations manager in field operations said, "In my personal opinion if your personal life is not in check, your business life, professional life will never be in check."

Culture as Personality

Most participants described the culture as conservative, hard working, high integrity, loyal, rigid and structured. Integrity was described as 'doing the right thing for the right reasons.' The majority of participants described the culture as traditional, one who cares about the community, is consensus-driven, performance-driven, focused, honest, and methodical. Some participants described the culture as dedicated, demanding, disciplined, forgiving to a degree, somewhat inflexible, humble, militaristic, proud, regimented, results driven, risk adverse, and as one having high work ethics.

A staff/function operations manager in field operations said,

> [It's] deep-rooted ... in tradition, very much building on past success ... of the company and the organization; very much looking for the same type of personality or individual that the company's personality portrays... I guess it boils down to rewarding the type of behavior that has served the company well ... by promoting that sort of style of management and then from that personality standpoint, it's a going on in and out of business everyday. It's a 'we've got to do it this way. This is how we're going to do it.' It's a very strict, regimented personality that is not a real bending, flexible type. It's kind of 'my way or maybe the highway.' However, in the same regard, we are generally willing to support the partners; willing to basically say, 'O.k. since you are part of the family and part of the team, you might have messed up here a little bit, let's don't do it again and let's move forward.' I don't know if that makes a lot of sense or not. The personality's from the standpoint of being culture, that's a very interesting question. It boils down to regimented, structured, maybe more telling then

listening, things of that nature. This is how it is at [the company], and if you want to be part of the family um, that's great. If you don't, well, I guess you don't.

A regional manager in field operations said,

I would say ... blue collar, ... very ... straight laced, ... value more than ... fluff... [you] never have to worry about your back... [The company] would be the type of person that ... if you, you know this is going to sound probably rough, but, if you needed a foxhole type of person, you would want this person to be [in the foxhole with you].

A staff/function operations manager in field operations said,

Yeah, well if you look at the extremes of the Silicone Valley type of culture or ... the Marines ... we're a lot closer to [the] Marine Corp. And we don't do flex time. We don't do long hair. We don't do beards.

When describing the company, a staff/function operations manager was asked, "What do you mean by diverse?" He responded,

Well, ... it takes a community to make [the company] work and [the company] draws on so many different parts of itself, that we can't say that there is one voice to [the company]... I don't know of a better way to say it, I don't think.... I've been involved in situations, ... either through reading or outside [the company] where you have one, one idea and people [who] tend to follow one idea often fail, because you don't have anything else to ... draw off of. My experience at [the company] and the people that I've worked for is that ... a dissenting idea may not be a bad thing. It just causes other people to rethink where they are. So ... by

accepting those different thoughts, those different views ... I think diverse is the best way to describe that.

Another staff/function operations manager in field operations responded,

So my experience is [primarily] ... from a domestic groundside ... if I had ... to describe [the company] as a person, I would say that, that person is driven; person is a perfectionist. I think the person ... is action-oriented... but careful. I think we're a conservative, careful company that when we set our sights on something, we take quick and swift action. ...We are regimented. We are disciplined. We're a very disciplined organization ...We are a little bit caring. We care about the environment. We're good corporate citizens... if I paint the picture, I would, I would see almost a military person because I think a lot of our traits… and it certainly has been my experiences, we are very militaryish. We've [gotten] very disciplined, very regimented. We look very, you know a certain way. We have military guidelines when it comes to appearance guidelines...

A state operations manager said,

I would say [the company] is somebody ... that knows where they want to go. They're demanding. They don't accept less than excellence... They are forgiving... There is a giving side, more so than a lot of people really want to uh, you know admit... They, human nature is people try to look at the ... bad side but ... it is a pretty compassionate company when you get right down to it ... If you look at our benefits; if you look at [the company], the opportunities and the culture 'promote from within,' ... there is compassion there... It's ... high performance... demanding company. Honesty, integrity, I mean they've got to be

> ... cornerstone ... core values. [We] want to do the right thing ... I think in the last few years it's, ... with the ... sustainability and things like that, we want to do the right things for our environment ... you know, always try to do the right things...education, etc.

The participant was then asked, "When you say 'the right things'" you mean the, the right thing ... with regard to?"

> [As a] corporate citizen ... I mean just look at what we're doing here in town ...we're educating people, but we're also providing workers ... We look for ways [to create a] win-win too, you know... do the right things for the environment; do the right things for people ... just look at United Way.

A state operations manager in corporate said,

> I think what the core [business values] looks like ... I think it's based around equality. It's based around integrity. It's based around fairness; equitable treatment; putting our people first as our greatest asset; [and] valuing our customers. I think that's kind of what our business [does]... core ... is made of all of those traits and values that [the founder] articulated many, many years ago; treating the customer and our employees with dignity and respect, fairness, integrity, ... being the best, honor, loyalty, all those things that the boy scouts vow to do [laughs].

A staff function operations manager in corporate said,

> I think our culture is very much like a very wise soothsayer ... In many activities you think are going to the wise old man, old woman. So, we have a lot of wisdom in the company because we have a lot of people who have been here for 20 – 38

years; so it's a company with a lot of wisdom. That wisdom and that tenure sometimes, can keep us, can hinder the culture from trying new things. So, it's a culture of low risk; yet it's a culture that deeply respects what they've accomplished in the past. It's a culture that realizes that they need ... to be innovative to stay competitive but yet they refuse to let go of past traditions. It's a company, when I say of wisdom, of people that have experience; but, yet it's a company that lacks intelligence or fails to embrace education and the intelligence that can be derived from that. They're suspicious of the intelligence at times; yet it's a company that is very, very, structured. It's a company that relies upon every member of the company to do their part. It's very important. It is a company that values everyone; 'cause everyone has a place; everyone is connected; 'cause it's a network company. Georgia [operations] cannot be successful if the Tennessee [operations] is not, because we send our packages ... drivers exchange packages, semi-truck drivers do. So, everyone has to be on time and held accountable for their piece of the pie, or the customer will lose out. There is no room for a weak link in the chain. Weak links cause service failures. So it is a company where everyone's, activities, what they bring to the table, and their work ethics is very important... It's a company that is struggling with the younger generation, with their need for instant gratification. This is a company you work hard and we will reward you in the long term, and we have proven that; but now, the value proposition is changing. So, I think our culture is beginning to metamorphosize itself as we bring in the ... Y, the X's generation. But it's a company of high values, *very* high values, integrity, hard-working, stubbornness, 'we've always

done this [this way].' And, in many cases, it's one that, a lot of the change is brought about by competition. We're being forced to change. Vision is as far as we can see, not as far as we can imagine. I like that little statement, let's trademark it.

When describing the challenges in acquiring and blending the culture of acquisitions, one staff/function operations manager said,

It's started to take place and I think as it takes place, I think ... that it's important is for neither of the disciplines to come over with pre-conceived notions that that's the way it should be. So, for example ... when I was over in operations, every morning ... I had a morning report and I knew what the stops on road was, what the paid over plan was, what the excess hours were, ... what my average paid day was. I knew all that, everyday by 6:30 in the morning and then by 5:30 the next morning it showed up, so you could see all the important aspects of managing the business every single day. And that's just an example but that also permeates through the business; like the airline ... feeders and all the different aspects that are being run. At [Our Logistics Subsidiary] we haven't achieved that maturity level yet. So ... we're still creating more of that. We've got a lot to learn; a lot to benefit from our package company; so we're still learning how to put those basic controls in place on a day to day basis. So, some folks who come over [from our package operations] would say, 'Why don't you have that? ... How come you don't know that? How come you don't know it?' Because it [doesn't] exist, because it isn't there. And by the same token, like when we transfer folks over to package, and we go over and say, 'Why is that important? I don't need to

know what my paid over plan was. Why do I need to know?' So, there's this mix of cultures now that's going to take place in the next level of our company that's going to be important... We need this entrepreneurial spirit over in the [Our Logistics Subsidiary] unit more, rapid, entrepreneurial, maybe fast decision-making combined with the great engineering culture of [the parent company]. It needs to be combined. That's going to form our new culture of the future. You know, it's not going to be one side or the other, and I think rightfully so; it should be a mix of the two. You know we've got a lot of companies we need to play. (staff/function operations manager, field operations)

One person described the challenges of the culture as follows:

Comes from my upbringing... If you talk to my ops manager, he is very grateful that he has this job. Never expected to get to that level though he's got two masters degrees and is an incredible fireplug of a person that does a wonderful job... He's doing much better than his parents ever did and is very happy and grateful that [the company] provided him the opportunity to do that. Same with [me]... I mean that's the way I feel ... everybody talks about themselves and what they've done. They've talked about what the company did for this little kid that started [at the bottom] ... I've done all the degrees ... the only one I don't have is the [PhD] and I'd love to get one... if you talk to ... one of our [staff/function operations manager's], he's incredibly grateful. I think ... that creates a guilt, because we are measured so well. We measure ourselves so well, that we fail every day. And we fail much more than we succeed. Okay. I mean, if you look at all of the reports, and I really don't care where you are in America, even the

> folks that are doing extremely well, they will tell you that they're faced with failure almost on a ... hourly basis. There's some failure that your dealing with because we, you know we're managers and we manage by exception. So you're dealing with the shortcomings of others all day long. And your own, all day long. And you have to have a mechanism built to deal with that, but it does create guilt. (state operations manager)

Founder's Influence

Most participants said that the founder, himself influenced the succession planning process the most. However, the majority of participants said it was not one person which influenced the succession planning process, suggesting it was the organizational values and beliefs perpetuated in its leadership over time. Some participants attributed it to one person, the former VP of Human Resources who drove HR ownership of the more recent formal process and the subsequent implementation of the software tools and databases. Furthermore, some participants said it was the current CEO. However, most agreed that the new succession planning process was a result of a balancing act between the values of promotion from within and the current challenges of retention associated with a new and diverse workforce.

A regional manager in field operations said,

> I really don't think ... anybody in the last 90 years has had a tremendous influence on how people get promoted here. I think it was the people that were here the first 10 years .... said, you know this is the way it's gonna be done... I've been here 33 years... I can't see how anything's ever really changed.

A staff/function operations manager in field operations said,

> See I think this is one of those things that ... for some reason or another naturally occurred ... I think other organizations looked at us and said 'My God, how do you guys do that?' Because you know, [the current CEO] could disappear today and we wouldn't flinch and I don't think Wall Street would flinch whether we do a good job with Wall Street or not... nothing would change. I mean ... we would go on without missing a beat. We'd identify the next person; it would be a local guy. We wouldn't be hiring someone off the streets. I suppose that could happen one day, but boy, oh, boy, my guess is that it's way out there... I don't want to say in my lifetime because I do want to make it to 80 or 90 but ... I think that's way out there.

The participant was asked, "Well, who do you think lent the most influence over time, to the way people get promoted and to the promotion process itself?" He responded,

> Well, again, I don't know if I can answer that. Because, it just evolved, it became part of [the company] and I think people, organizations do look at us and they admire us for our ability to fill a slot without missing a beat... It's always been there.

Another staff/function operations manager in field operations said,

> It's all gonna come back down to people again and how you recognize people and how you treat people ... [the founder] always professed that if you take care of your people, they're going to take care of you and that is the core value of whatever you do. So, it sounds so simplistic to say that ... That's just what it is ... When you say it out loud, it sounds kind of silly.

A state operations manager in corporate said,

> Well, first of all, and this might be a little bit cliché but in my response, I kind of pointed the finger to [the founder] because he kind of founded the company and was the CEO and ran the company for 6-7 decades, 60 or 70 years before he passed away ... But, he was active I mean all those years. He always kept an office and everyone laughs ... at the story but he'd come in and he'd bill his expense account out each month just like the next person and he never had a private secretary and that kind of a deal but he ... made the [it] work I mean for the [original founders and former CEOs] and [the current CEO]. All those guys were followers. He laid the foundation. They all kind of took it to the next level, but it was because of the foundation that he laid and so our succession planning and the management of our people, people being our greatest asset; he started the race, in time, it got passed to the rest of those guys ... I think that it's because of him that we have this culture so deeply entrenched and value the people as we do.

A state operations manager in corporate retells the story of the struggle that [the current CEO] had in changing the [the company logo] because it was the one that [the founder] created. He said the company struggles to maintain these core values of the founder (hard workers, managers as stockholders, cradle to grave employment, etc.) and please shareholders after going public. These activities maintain culture; they aren't actually the culture, but represent it. The legacy of the founder was described as 'us.'

> We're in 'top 99% of companies whose founders influence decisions, a result of [the founder]. [The former Vice President of Human Resources] is [the] voice of the people and [she was] the 'psychological contract' we have with the people. The CEO is responsible for maintaining the culture. It's a balancing act to meet

the needs of the future and maintain the legacy of the past. [It is important that] the CEO is involved in the decision-making of the selection of Succession Plan candidates.

CHAPTER 5

INTERPRETATION OF FINDINGS

This research is based on three focus questions: 1) "What cultural knowledge of succession planning, if any, does the data suggest that organizational managers have?" 2) "What is the perceived influence of organizational culture on the way succession planning is implemented in an organization?" 3) "Does the succession planning process perpetuate or challenge the apparent organizational culture?" These questions form the basis of the research design. The previous chapter contains data which help to understand how these questions might be answered.

This chapter contains interpretations of the data as framed by the three research questions. The first question will be addressed independent from the remaining two questions and then the two remaining questions will be addressed together. The first question is relevant to a discussion of the first three levels of cultural knowledge while the remaining two questions are related to organizational culture and axiomatic knowledge, which are complementary to each other and therefore best understood when presented together.

What Cultural Knowledge of Succession Planning, If Any, Does the Data Suggest That Organizational Managers Have?

The participants in this research study have significant tacit and implicit cultural knowledge of the succession planning process as it exists in the organization. Based on a text unit count with QSR Nudist, participants had the most to say about the categories of

Directory Knowledge and Recipe Knowledge; followed by Axiomatic Knowledge and Dictionary Knowledge. The first three levels of cultural knowledge are presented below.

Dictionary Knowledge

Dictionary knowledge refers to the shared cultural knowledge that participant have regarding the definitions, labels, purpose and events associated with succession planning. This level of cultural knowledge is sometimes referred to as the "What is?" knowledge and is descriptive in nature.

Most participants appeared confused when attempting to define succession planning for a couple of reasons: 1) newness of the term; 2) flow between career development and succession planning as it relates to core values; 3) lack of clear beginning and a clear ending. However, most chose to describe succession planning as a process rather than a discrete event. Most participants described this process as one containing cyclical sub-processes rather than steps or phases. These sub-processes were described as: identification of a candidate, development, and promotion of the candidate. It is important to note that not one single participant discussed explicitly the selection of a candidate perhaps because this is the most secretive piece of the entire process or because identification *is* selection. Although the outcomes of people's meetings result in the consensus decision making of who is high potential and who is not, ultimate selection is largely left up to the management committee. Here, one might question whether there needs to be some distinguishing factors between the succession planning process and the succession planning event.

The components of the process are systemic in nature rather than systematically consecutive. For example, the identification of a candidate may be instigated during his

or her development process. The candidate may move to the development process from the promotion process. They are therefore reciprocal and cyclic in nature. When asked for clarification of the term succession planning, the majority of participants had difficulty distinguishing succession planning from the promotion process. In addition, the majority had difficulty in distinguishing career development from succession planning again, perhaps due to the newness of the term. One participant suggested that the system for succession planning was relatively new and that training and communication about the system remained incomplete.

Promotion from within has been a core value and policy since the inception of the company. It was originally instilled as a value by the founder. It was the founder's philosophy that a relationship between manager and subordinate be a closely personal one. He also felt that managers should know those they promote and have firsthand experience of their strengths and weaknesses via tests and/or challenges throughout time. Treating each other as equals, or an egalitarian approach to work, was a value originating with the founder and is evident in the reluctance of others to describe high potential as anything other than a high performer. This approach is necessary to preserve the sense that one is not perceived as better than the other and therefore less motivated to continue to perform well. As a result, egalitarianism is one of the primary reasons for a process of promotion and succession which appears shrouded in secrecy.

In one of four legacy books about the founders and leadership of the company, a former CEO describes his appointment to the position as one being met with surprise. To use the term "succession planning" would publicly acknowledge that there is a separation of classes within the organization and that elitism is occurring where special privileges

are being given to those who will eventually be executive leaders in the organization. Modesty within the process is evidenced as valuable throughout the data. As an example, the category of “high potential” as a categorical result of executive leadership skills assessments is often discounted or not reported to management committee members when selecting candidates for succession.

The modesty found in the data can be compared to that found in the military. In an article about the modesty of U.S. Army Generals, Dowd (2000) writes,

> Within a communitarian organizational and occupational context, the issue of social mobility (promotions) is particularly interesting because career military members are uniformly leery of ambition and are especially vigilant to punish any sign of careerism...These [U.S. Army] officers are more likely to understand success as a case of remarkably good fortune, rather than as the outcome of a strategic plan that they had carefully devised and implemented as they moved up through the interim steps on the career ladder (p. 184).

Within this organization as in the military, authority is centralized and maintained at the upper most levels within a well structured hierarchy. Orders, strategy and directional intent do come down from the top; however, integrity, respect and a presumed trust are of the utmost importance to ensure a successful operational outcome.

It is also important to note that the informality of the succession planning process found in the data may have had its origin in the days of the founder. The founder promoted a “Philosophy of Management.” This Philosophy of Management was based on a premise of unwritten rules and informality. He didn’t believe in rigid lines and structure, form and steps, but rather honesty of purpose and working from the heart to

gain the trust and hard work of followers. These principles are found within the remarks of those interviewed and can be evidenced in the informality and fluidity of the succession planning process. The founder summarizes this philosophy in the following quote:

> I like to think of a Philosophy of Management, rather than a plan of management...[it] must be a living thing. It's precepts must originate in our hearts...Our management is a personalized management. If we fail to provide effectively for the close associations and personal relationships so essential to the success of our form of management, it will eventually give way to the regimented methods used by some other companies and all of us will find ourselves to be only names, numbers, on a list of obscured personalities...Even though we see now a need for setting up lines of authority more definite than were necessary when the business was small, we should try to retain the good features of the old system...I would rather have a haywire plan of organization that would keep us on a personally friendly and cooperative basis than to have scientifically devised charts of authority that would fill us full of politics and ill-will...Neither can any one even hope to know personally every person in the ranks who is capable of being a manager and would be a good one if given the opportunity. But all of us together do know everybody else. And all of us together can handle functions necessary to the complete management of our business...Individuals are put under continuous test. For it has been aptly said that 'A person's value to an organization can be measured by the amount of supervision required.' If people supervise themselves well, it can be assumed that they are capable of supervising

> others. If they fail to develop themselves to the limit of their abilities, those individuals eliminate themselves from consideration for bigger opportunities. Thus we have an almost automatic process of selection among executives. (The Founder as quoted in one corporate legacy book during a speech in 1949).

Most participants said the purpose of succession planning was to ready candidates to succeed their manager's position. Perhaps this is where the confusion comes into play with regard to how succession planning differs from career development. It appears that the primary discrepancy lies within the position and/or level targeted. The result of a promotion is simply a move to the next level, whether it is in the same function or another function. The result of a succession plan is a direct move into your targeted function's manager's position. Additionally, with promotion, candidates are described as those who are high performers and good managers whereas succession candidates are high potentials and future leaders. In either case, a move to the next level is considered at the root level, a promotion and a developmental opportunity.

The founder instilled the continual development of others below you. Throughout the data, participants stated that your number one job was to develop someone to replace you. So, this principle is evident in every level of the organization, perhaps as a primary reason behind the confusion of succession planning and career development. One regional manager suggested that this policy of career development is in fact, succession planning even though it wasn't called that. Promotion is then also a result of career development. It is perhaps an event more so than any other "step" in the process.

A corporate informant responsible for the succession planning process explained that the career development process informally ends at the point the person becomes a candidate in the talent pool or a member “on the bench” of potential successors. At that point, career development is a different, a more formal and focused process. However, this same person suggested that the term “promotion process” be used when asking questions about “succession planning” which suggests that there is very little if any difference between the two terms.

Most participants shared a common view of the purpose of succession planning but had difficulty in describing its parameters, contents and characteristics. The purpose of the succession planning process is to identify and develop future leaders within the organization who match the needs of the organization at the time and into the future. However, this is also the purpose of promotion from within. Again, the primary difference between the two terms appears in the candidate selected and the targeted position.

Many participants had difficulty in defining high potential. This is perhaps a result of the egalitarian values instilled by the founder of the organization. It’s interesting that there was some confusion in the data as to high potential and high performer. Some chose to describe high potential in vague, ambiguous terms such as “they have heart,” “courage” and are future “thinkers.” Others chose to describe high potentials as high performers with more results-oriented terms such as “hardworker,” “willing to do whatever it takes,” and “produces results.” Although a mix of both descriptions in all likelihood describes those who are candidates for executive succession, the more ambiguous terms reflect the founders “Philosophy of Management” and the informality

inherent in the succession planning process decision making. These ambiguous terms are those which can perhaps be best tested by relationships built throughout one's career and reflect characteristics of leadership that is perhaps more innate than learned. When asked in round two questions whether the organization viewed leadership as innate or learned, participants suggested that it's both. Again, the results are an indication and a reflection of the legitimacy of "promotion from within" values and beliefs. From a cultural perspective, these views of promotion, career development and succession planning may be synonymous with that of the Army branch of the military as reported by Dowd (2000).

In summary, participants had less to say about the "What is?" level of cultural knowledge than other levels of cultural knowledge about succession planning. Participants did not share a common view of what succession planning was but did share a common view as to its purpose. According to Spradley, (1979) subjects often are unable to articulate a concept but can provide examples of "what is" and "what is not." This result indicates that the basic assumptions associated with "promotion from within" drive the process of succession planning such that it operates as a theory in use and is perhaps a competing concept with the newer espoused theory of succession planning.

According to Schein (1992), basic assumptions evolve from espoused theories of organizational behavior which have been tried and proven successful in producing desirable results to such an extent that they operate on a subconscious level. However, over time, if these basic assumptions are no longer effective, they may be pried to a more conscious level where they are challenged, extinguished and/or replaced by other theories which are of better use to the future needs of the organization. This may be the case with the basic assumption of "promotion from within" as some participants have stated that

they believe that the exclusive process of “promotion from within” may not be appropriate for the future.

Directory Knowledge

Directory knowledge is sometimes referred to as the “How to?” level of cultural knowledge. This level of cultural knowledge describes the cultural knowledge relative to cause and effect relationships. Participants share the knowledge they have with regard to how the succession planning process works within the organization. It is important to note that participants had the most to say about both directory knowledge and recipe knowledge versus dictionary and axiomatic knowledge. Participants consistently identified three aspects of succession planning: 1) identifying potential candidates, 2) developing potential candidates, 3) promoting potential candidates. These pieces to the succession process are informal and interrelated to the degree that they are not defined with boundaries but are rather described as concentric circles or parallel strands which cross and breech each other at various points as you move up and down them, not unlike the three strands most commonly found in models of human DNA.

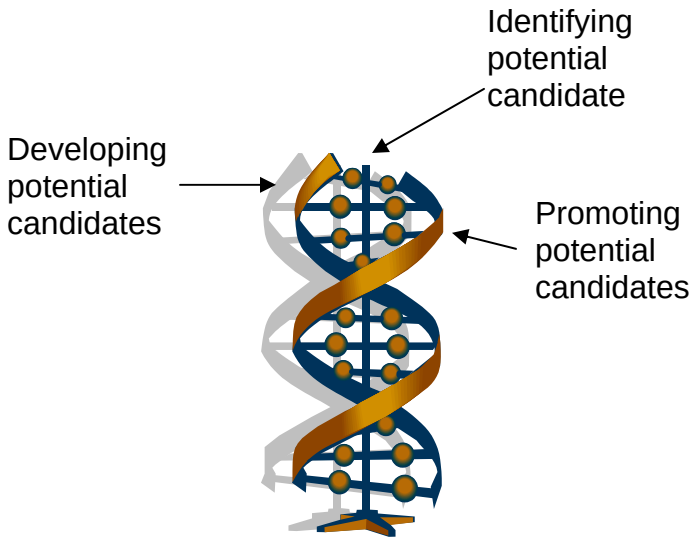

Figure 2. Pieces of the succession planning process as described by participants

It is important to note that selecting potential candidates emerged as an implicit category within identification. Participants spoke of the two (identification and selection) almost interchangeably throughout the interviews. It was only through further analysis and reflection that selection became self-evident.

Identifying potential candidates

Identifying potential candidates is the responsibility of all employees in the organization. The employees have a viable interest in perpetuating the identification, development and subsequent promotion of those around them to make further opportunities for themselves. Furthermore, the organization is relationship-based and therefore, to pick one's own, coach and develop them and have them move up the "chain of command" is to secure one's future and to gain recognition in the organization. The founder emphasized the need for continual development of others with the philosophy of "constructive dissatisfaction" or the perpetual desire to be better than before. In this sense, perfection can never be acquired. Candidates, as high potentials, can and should be identified by anyone, however they can only be selected/validated by consensus of upper management. The consensus required for decision-making can be traced to the founder and his immediate successor's value on "cooperative" rather than participative management. Whereas cooperative management as indicative of democratic societies in which consensus decision-making is ultimately validated or vetoed by the president, participative management infers a consensus vote among manager participants as an outcome.

Selecting potential candidates

A candidate is selected as such when they have been perused by others and validated by others as a result of being tested. Like the Army branch of the military, managers and leaders are presented with operational challenges in order to test their strategic prowess and creativity. These opportunities known as special assignments are similar to rites of passage.

Most participants agree that the common denominator in a candidate's selection is the credibility and reliability of his or her relationships. Relationship-based management is a phenomenon reiterated in the legacy literature (archival data) of key importance by the founders of the company. It is this "personal" knowledge of a person's values and drive, strengths and weaknesses which makes the person a trustworthy and viable leader.

The data suggests that it is the value of "knowledge as power" which drives the selection of a candidate. For example, participants were found to have a reluctance to use the corporate "talent management system" software tool. Many said they utilize their own written binder to store information about candidates, performance and development opportunities. It is this researcher's opinion that middle managers struggled for control over information about candidates for their own selfish reasons and political gain.

The data reflect the influence of F.W. Taylor (1911) and the scientific method approach to management decision-making within the organization. In this approach to management, all work can and should be measured. This approach to work was originally discovered at the beginning of the industrial age as a means to maximize output while

reducing cost in a manufacturing environment. This approach to management finds its roots in both engineering and psychology. The organization in this study has historically applied the principles of the scientific method and in particular, time studies to its philosophy of management decision-making.

According to archival data, one of the recognized “founders” of the organization introduced the military’s version of Operations Research in the 1950’s as an approach to informing organizational structure and management policies. This approach to management finds its roots in Taylor’s scientific method and is usually employed where there is a low tolerance for risk and where trust may be an issue.

According to the data, it is only through your ability to know the job, having been in it before, that lends you credibility to judge the performance and value of those coming up the ranks. If managers have done many jobs, yet specialized in one, they are valued. It is the democratic consensus of the management partners, based on calculated results which ultimately ensure success.

The people’s meetings are held once or twice a year and are attended at various levels throughout the organization. They will include the state operations manager and his or her functional staff. They will include the regional manager and his or her functional staff and finally, the management committee level with his or her staff. There will also be meetings prior to these within individual functions. For example, Industrial Engineering in an area operations facility will have their own people’s meeting to discuss candidates for promotion and or development. This information will then be presented at the area operations facility’s meetings to the state operations manager. Relative autonomy is provided to the area operations facilities in the selection of candidates. The founder

stated that it is in the management of the little things that allows the organization to be big. These state operations manager's are given autonomy to run their area operations facilities as a miniature company within a company. Some area operations facilities are multi-million dollar operations with 3-4,000 employees. The relative autonomy and authority of promotion within these decentralized units of operation is important in understanding theories of motivation, organizational trust and psychological ownership demonstrated by the participants in this study. Many participants suggested that the amount of authority and control over company results that they received early in their careers was a primary motivator over that of money alone. They also suggested that this is not the case at other companies where years of service and position titles are necessary precursors to the same amount of authority over results.

The succession event itself is triggered by the retirement age of 55. Participants said that other than health reasons, this is primarily the impetus for a succession. The reason the age is 55 is that that is when the participants receive full retirement benefits. However, the legacy literature (archival data) suggests that the founder found those who were younger than 55 to be fit for this level of leadership as they provided the youth and vigor necessary for the job. A corporate informant said that a report is printed which indicates all those managers who will retire in 3-5 years. From this report, corporate HR is able to generate a list of potential opportunities for advancement and/or development among those candidates in the talent pool. Candidates are matched as a fit for these openings based on experience and opportunity and availability for movement.

People's meetings serve as the test for the validity of a candidate's status as a high potential or future leader and viability as a candidate to be developed. People's

meetings also serve as consensus and commitment as to the candidate's development which is to take place. Once the identification of a candidate has been validated, they are in essence, "selected." At the point that they are no longer identified as a high potential, they can be de-selected or reduced in status with a rare instance of returning should they surface again as a high potential in the future. People's meetings also serve as the beginning and the basis for relationships which will ensure that the candidate is not lost, but tracked and continually tested and validated as a future leader. It is a secretive process to ensure a collegial egalitarian approach. Some participants referred to the power and politics which are not surprisingly at play during these meetings. Only those staff/function operations manager level and above are allowed to attend. The state operations manager has ultimate veto power and the Human Resources representative acts as facilitator. The data suggests that the state operations manager relies on those whom he or she trusts among the staff as the ones who have credibility when it comes to decision making. These are often members with the most tenure or those who have proven successful in their picks as high potentials in the past. Not all feedback from the representatives at the meeting may be valued equally. These meetings are the first opportunity to learn about how succession, promotion and development opportunities begin, are tracked and decided upon. As functions "put up" their picks for promotion and/or developmental rotations including relocations, they are challenged by those present at the meeting. If a consensus is reached and/or a veto is used, the candidate is notified one-on-one. Those who attend the meeting are sworn to secrecy and the candidate is not told until arrangements have been made for the change in position to take place. Ratings and rankings are also another outcome of this meeting. Using the career

development ratings of “1-2 years, 3-5 years, ready now, high potential/future leaders” candidates are given a rating based on consensus. Regardless of rating though, the opportunity for the change must be made possible. Until then, participants and their subsequent ratings are tracked usually in a binder although this information is presented to corporate via the talent management software reporting system. Based on some of the participant interviews, feedback from these meetings is desirable and important, yet it is rarely provided to the employees who were discussed at the meeting.

A retired company CEO discusses the importance of relationships in promotion with the following statement,

> Now I would like to address the second area of emphasis on this [company] conference: people relationships. I’d like to start by saying that being Chariman and CEO of our great company is a high honor that I never expected to receive. Somehow, over the years, a number of disconnected events happened, and without even being asked if I wanted the position, I was elected Chairman. (Corporate Legacy Book, 1994).

It appears that the selection of high potentials for the talent pool which consists of the top 200 contenders for a succession to the management committee, may represent what Friedman & Olk (1995) suggest as a comprehensive search. However once these high potentials have been validated by corporate and selected as true “candidates” by the management committee, they undergo a process similar to that of a “horse race.” Horse races serve as the most legitimate means of leadership change which supports the findings of this study. Participants stated that although they may not know throughout

much of their careers whether or not they have been considered as “high potentials,” they become very aware of the top one or two contenders for executive succession.

Developing the candidate

Career development feedback is also a challenge for managers. Often these meetings are rushed and informal due to time constraints and paperwork involved. The results of this feedback session are supposed to be entered into the talent management system and reported to corporate for tracking purposes. Most participants described ideal feedback as coming from the managers who acted as coaches or mentors and not all had those types of managers. Communication gaps here may be due to the need to remain egalitarian in approach and the management philosophy of managing from the bottom up versus the top down. After all, many participants view development as the key to communicating who is high potential and who is not.

Development opportunities usually involve rotation among functions to “round out” the individual. They may also include relocations. Relocations are a necessary step in the promotion process for staff/function manager levels and above. Relocations test an employee’s commitment, loyalty, integrity, and allow others to take a look at the potential candidate. It is through these relocations that opportunities are provided for more visibility and relationship building necessary for future promotions. One candidate also told revealed that compensation is commensurate with the number of relocations one makes in his or her career. It is interesting that relocations and rotations usually take place in area operations facilities or geographic regions other than the employee’s home base area. They are often locations which contain highly respected state operations managers and above who are counted on by the management committee to monitor and

report back on those who rotate through their locale. Often times it is the very same location where a particular person on the management committee has served themselves. They, like their local counterparts, have those who they trust and respect who they rely upon to validate their picks as developing candidates and potential heir-apparents. When a person rotates through these locations, employees who work at the location see them as a high potential or future leader by the simple fact that the last person rotated through there ended up in corporate with a promotion. Locations are also chosen based on the fact that they may not be performing up to par and therefore present a challenge or test for the potential candidate. If the candidate does well with this challenge, they may be moved to a more complex problem-solving arena (i.e., from a rural facility to a metro facility). Special assignments are also another means of development opportunities. They provide an opportunity for visibility without the expense of moving an entire family. They may last 6 months or a year. They are often high profile, strategic projects which test the individual's ability to be innovative and work with others. They are also opportunities to build relationships with others on the assignment or in corporate which is typically where these assignments take place. Community internship is another opportunity for development. This rotation includes a return to hard work values and ethics which drive the organization. It is used to ensure core values of equality, humbleness and loyalty remain and that opportunities to give to those less fortunate are really what the organization is about.

Promoting candidates

The promotion of candidates is determined within the framework of the people's meetings. The promotion itself may not take place however, until the candidate is free to move from his or her current position. Promotions for high potentials usually take place every two years. A term of longer than two years can indicate a stifling of one's career. Promotions do not typically take place within the same geographic region for these higher level candidates. They are visible, tracked and approved by the management committee level for state operations manager and above; however, relocations are approved at this same level for staff/function operations manager. Some participants suggested that there are two tracks within the organization for promotion of high potentials. One track is promotion from within a staff/function (i.e., HR or Finance). Functions ultimately own their own high potentials, their development and their promotion opportunities. Those candidates who are deemed high potentials within a certain function may have rotations to other functions throughout their career but ultimately, the vision for them is that they will achieve a seat at the table representing their function at the management committee level. These high potentials may be tracked by their corporate counterparts throughout their career. The second track is that of Operations. In many cases, these individuals are the next CEO's. They follow a traditional rotation throughout the operations which includes experience in transportation, engineering, operations to ultimately run a state operations facility and then a regional administration post before going on to COO or CEO. They may still have rotations through various functions and have educational backgrounds in a specialized profession (i.e., law, finance, engineering, etc.). Most of the management committee members have had this rotation as a state operations manager and in many cases a regional operations

manager before becoming a management committee member. It is only recently that management committee members have seen promotions into that seat which are from a less traditional, more specialized route or even from an external hire via acquisition.

In summary, the data in this study suggests that participants are motivated by a sense of belongingness and achievement. Furthermore, there is a high proclivity of organizational trust held by research participants. As a result, there is a high degree of psychological ownership and organizational commitment among participants in this study. Participants, as members of this organizational collective referred to by some participants as a “family” are driven by intrinsic and extrinsic rewards to adhere to company policies and beliefs. They willingly place their service and their trust in a paternalistic organization as administrator of their career work life with the expectation that their individual needs and desires will be met. In return, the organization promises a fair and equitable process of promotion with rewards of partnership in ownership and job security.

The succession planning process is relationship-based and consensus-based primarily as a means to reduce risk and increase trust. There is a collective approach within the process and individualism is discouraged. Many participants used “we” or the company name rather than “I” when describing their approach to work, promotion and what is best for the organization. Conflict is avoided via the secrecy and sacredness of the process. The lack of a formal written and consistent process and consistent communication feedback ensures ambiguity mediates conflict.

Finally, the lack of strategic intent is evident in the process. The goal is to fill “the bench” with diversely qualified individuals. Participants referred to the need to

continually define the culture via the entrance of outsiders. The proclivity of “insider” organizational members is to “do it the same way it’s always been done.” As a result, there is traditionally a focus on the past rather than a prescribed route to the future. Vancil (1987) suggests that rarely is succession planning driven by corporate strategic intent because the organization cannot expect nor guarantee that a strategy will be met simply by the succession of its leadership. Regardless of how much it is planned, only a successor knows how he or she plans to carry out the corporate strategy.

Recipe Knowledge

According to a text unit count in the NUDIST software, participants had the most to say about this level of cultural knowledge and that of Directory Knowledge as compared to Dictionary (“What is”) or Axiomatic (“Why things are done”) levels. This may be more indicative of the notion that succession planning derived from the core philosophy of “promotion from within” is a basic assumption and therefore resides on a more subconscious level.

The majority of participants appear reluctant to support the current formal succession planning system with its assessments and accountability software tools. It appears that the newer corporate formal succession planning process may be in direct conflict with the founder’s notion of “Philosophy of Management.” This philosophy describes a method of management which is informal and more subjective and relationship-based. Authority to make decisions with regard to succession planning elements is largely decentralized. While there is a need for change within the traditional succession planning process, the new process is too formal, labor intensive, structured

and rigid. It has less to do with relationships and more to do with objective skills and experience.

Participants had the most to say about Communication. Most participants said that communication was scant and inconsistent when it comes to succession planning, promotion and development and that there should be more of it. When probed further during round two interviews as to the reason for the secrecy and/or lack of communication, participants stated that it was to avoid making someone feel like they were better than someone else. The interview data suggests that the organization avoids conversations where conflict is a concern. Action is taken to let participants know where they stand and how they are performing rather than words. For example, an employee may be overlooked for a development opportunity or rotation as a result of their performance rather than being told explicitly of the specific problem. Participants who are successful attribute their success to their own key informants or mentors and coaches as well as relationships with others. They also suggest that you take charge of your own career, make your interests known. Inconsistency in communication exists when power and politics take over at the people's meetings. Most participants said there is a lack of feedback from these meetings about individuals discussed in them, their development opportunities and future career paths as well as their performance standing (i.e., high potential). Some participants stated that in the past, state operations managers would often railroad these meetings leading to pre-destined candidates of their own choosing. Although participants state that they frown on picking those who are like themselves, there is evidence that this is an espoused theory rather than a theory in use (Argyris, 1982).

Some participants also said that there is frustration with the power and politics of these meetings. These same participants stated that there are participants in these meetings whose influence may be greater than others. As these “regimes” change, so do the players, influencing the decision making process. One participant said that in recent years, HR has sought more ownership in this process to keep this from happening and to make this meeting more than what was in the past termed as “a reason to play golf.” The formal succession planning system may have gotten more attention upon the move to a public company as participants state that the system is approximately 5 years or less old.

The majority of the issues having to do with promotion and development had to do with relocation and communication. Participants have suggested that promotion from within may be more of a challenge going into the future as the primary business of moving packages from point A to point B has become more complex, requiring technological skills and other specialized skills necessary to compete in a global market economy. However, those with significant tenure frown upon those from the “outside” as not having done their time. To compensate, the organization has maintained the same routes of development, however, they have sped up the time in which those who are high potentials must rotate through the various check points. Some participants suggested that the newer high potentials who are being fast-tracked, may not even be required to be successful in terms of achieving performance results before being moved on. This process may simply be a compromise to the traditional methods of promotion to gain acceptance and credibility from the tenured managers who must eventually support them. Whereas in the past, it may have taken 15-20 years to get to a staff/function operations level, it is now six or even less if critical skills are difficult to find elsewhere.

Participants also discussed the problem of retention. Work ethic has changed among generation Xers. Hard work and long hours for decent pay and even better longer term dividends are no longer the primary impetus for worker motivation. Many tenured managers stated that stock options were no longer as rewarding, nor as valuable as they have been in the past due to the move to a more public company and the reduction in stock offered to various management levels. The majority of employees also recanted the story of a “decent day’s work for a decent day’s pay” as being outdated and less applicable as the compensation system has not kept up with the competition. The labor force is also more educated and therefore more marketable, reducing the likelihood of staying with a company out of loyalty as is the case with blue collar workforce. As the company gains managers with marketable skill sets who are highly educated, they will continue to have the challenge of retention within the traditional promotion and development system.

The assessments utilized to determine how valuable a person is to the organization as a potential succession candidate are not being utilized as they were intended. These assessments discount the ability of those previously given responsibility to choose high potentials. Furthermore, initiated by the founder, state operations managers were given the responsibility to operate their business as their own and therefore have a large influence in the choice of eventual successors to that position. The accountability remains a challenge from a corporate standpoint. The majority of participants emphasize that even though the system is not perfect, one cannot trust a test, especially one developed by an organization other than the company, to determine the legitimacy of a candidate’s potential. The founder’s philosophy suggests that this

selection is made based on relationships and personal knowledge of a candidate's work and ability. The amount of paperwork involved and required by corporate as to the maintenance of records is opening the doors for quick action, incomplete follow-up and poor feedback. Some participants suggested that this process is simply another "flavor of the month" and that they will deal with it as a temporary nuisance until the process can be more streamlined. Paperwork and detail is not new to the organization and it is not likely to go away. The founder suggested that the running of a big business was done by focusing on the details. Even the management committee level receives detailed reports of daily and weekly activity of every state operations facility. One state operations manager revealed a 4-6" book of reports which he suggested is updated daily. The result is that reports, binders and written material are important, perhaps more important than what is found online. Upper management is perhaps more likely to view printed copies versus accessing similar information online.

In summary, participants suggested that the following challenges and improvements be addressed in the succession planning process. 1) improved communication and feedback within and throughout the process; 2) balance of objective and subjective feedback on candidates; 3) increased development opportunities with less reliance on relocation as an indication of candidate eligibility; 4) compensation that is commensurate with the work and better meets the needs of a more professional and diverse workforce and 5) less paperwork and reporting guidelines.

What is the perceived influence of organizational culture on the way succession planning is implemented in an organization? Does the succession planning process perpetuate or challenge the apparent organizational culture?

The two questions above are complementary to each other and the findings relative to both will be presented next. According to Schein (1992), "cultures basically spring from three sources; 1) the beliefs, values, and assumptions of founders of organizations; 2) the learning experiences of group members as their organization evolves; and 3) new beliefs, values, and assumptions brought in by new members and leaders (p. 211)." The following section will discuss these three sources as supported in the data in this order.

Organizational Culture and Founder Leadership

The data supports the conclusion that the founders of an organization have by far the most important and robust impact in the culture of an organization (Schein, 1992). The organizational culture as discovered in this study is perhaps best described as steeped in tradition, rich, robust and complex. Many of the assumptions of those interviewed can be traced to the enduring values of the founder. It is important to note that although some of the company literature refers to the potential of four founding fathers, the original founder is referenced and/or quoted the most as solely having an impact on the succession planning process as well as primary cultural values of the organization.

The founder began the company in 1907. The story is well documented in legacy books which are published and distributed to all managers in the company. His values of promotion from within, managers as owners, hard work for fair pay, decentralization and relative autonomy in various regions throughout the country provide the bedrock on

which succession planning is implemented today. When participants were asked who influenced the succession planning process the most, most referred to the founder either directly or indirectly by suggesting that it has been there since the company's origin. Some participants referred to the founder's philosophy by quoting "constructive dissatisfaction" as an impetus for the relentless drive of continual development of self and others. Perfection cannot to be obtained, nor a seemingly perfect result settled for. There is always room for improvement. This is evident in the data when participants were asked about discrepancies in scores of the current succession planning process which were less than perfect. Many said there is always room for improvement.

The founder's "Philosophy of Management" as described earlier is also reflected in the data. He stated that "I would rather have a haywire plan of organization that would keep us on a personally friendly and cooperative basis than to have scientifically devised charts of authority that would fill us full of politics and ill-will..." (quoted from corporate legacy book from a speech in 1948). He also suggested that this philosophy and promotion from within with the pursuit of continual individual development results in an "automatic process of selection among executives."

According to Schein, (1992) founders are self-confident and driven. Additionally, they have "strong assumptions about the nature of the world, the role that organizations play in that world, the nature of human nature and relationships, how truth is arrived at, and how to manage time and space (p. 213)." These views are imposed on followers within the organization and are steadfastly held on to as long as they produce successful results.

In this study, the founder's assumptions are evident in the top ten descriptions that participants gave the organization such as: traditional, conservative, hard working, rigid, structured, loyalty, integrity, family, consensus and community. The nature of the working world is such that you must work hard for your rewards. You must put the organization first and yourself last. Relationships are important, you cannot expect to get ahead unless you are concerned for those around you including those below you. Honesty is of the utmost importance and truth is found by tests and challenges of integrity, loyalty, results and consensus. A corporate informant shared the story of an acquisition where it was discovered that the leadership had made unethical decisions for financial gain. The company had been acquired but its unethical leadership activity was immediately reported to the SEC for further investigation.

Leadership can be learned and is perhaps better learned than innate. Time and space can be managed, measured and controlled for the utmost in productivity and results. There is no room for error *yet* there is no such thing as perfection. There is management by exception with a focus on fixing the small things; the big things will correct themselves. There is necessarily room for mistakes *but* only if you learn by them. The learning is the responsibility of the individual. It is the manager's responsibility to provide the opportunity to learn and the individual's responsibility to pursue it. You must be humble, grateful and feel obligation to the family. The family rewards you as any non-corporate family would; the oldest to receive respect and the lion share of rewards and the youngest is expected to learn from the wisdom of the oldest. When change is needed, the family meets to decide the strategy and approach with the oldest member and highest rank weighing in more than the rest.

The founder's influence on organizational decision making is evident in the data. Beginning with the founder, decisions were made as a group to facilitate an atmosphere of collegiality. Collegiality was necessary because intelligence could not be found in any one person but results in the debate and interaction of many. Collegiality was also necessary to build relationships and gain commitment among key organizational members. Although individuals were encouraged to be creative and innovative, their ideas were not rewarded unless reviewed by and sold to the elders of the organization and/or those with positional power. One participant described this as an "elaborate dance."

To further the founder's values of community involvement, the company has exercised philanthropic commitment to its own foundation dedicated to helping disadvantaged youth, a community internship program described earlier, and is a large contributor to the United Way. As a boy, the founder started this company following the death of his father. As primary supporter of his mother, brother and sister, it was critically necessary for him to work against the odds presented to him. He started as a messenger boy on a bicycle and grew to create his own successful "messenger" service. There is a sense of obligation found in the data and that one should never forget one's roots and therefore should be forever grateful for what one has. This philosophy is evident in the work ethic of organizational managers as well as the company policies, procedures, and strategic processes. Even with acquisitions, the company's goal is to be driven by the core business of package delivery or a return to the company's original business roots.

The protestant work ethic is also found in the data where the founder's biblical reference to the "Parable of Talents" (Barker, K et al, 1995) is evidenced. His philosophy,

“He who is responsible for a little and does well, will be rewarded with a lot.” is a primary motivator. Within the succession planning process, candidates usually are required to have managed a smaller replica of the larger organization by serving as a state operations manager. Long hours and labor intensive work associated with this role and others can be compared to blue collar work cultures (Gibson, 2000) yet participants who are educated in white collar professions often perform them willingly.

There are many references to the military found in the data. One of the four recognized founders references his own military background. This finding begs a comparison of the two cultures with regard to promotion and succession. According to Dowd (2000), Army generals often describe themselves as “downward focused,” selfless and genuinely concerned about the well-being of those soldiers who report to them. They also explained that their promotion ability was tied to sponsorship (aka, mentors) and individual pursuit of challenging jobs. Additionally, the use of selection and promotion “boards” described in Dowd’s article on the military can be compared quite easily to the “people’s meetings” which exist in the organization within this study. The values of pursuing loyalty and of networking relationships with regard to promotion is also consistent with that found in the U.S. Army (i.e., promotee previously serves as an aide-de-camp). However, sponsorship in the form of relationships is downplayed as politics is not seen as a desirable organizational attribute as it replaces the “for the greater good” seen in communality. Dowd completes the comparison when he states, “Most generals in my sample indicate that among the criteria they use in evaluating promotion dossiers, two of the most important are whether the individual took the hard jobs and whether the individual placed career interests before or behind subordinates’ interests” (2000, p. 191).

Although there appears to be a significant link between the founder's influence on organizational culture and the way the work gets done, organizational members are not passive subjects to be manipulated to achieve *only* organizational goals. They are motivated to accomplish work as prescribed by the organization because they have acceptance and/or achievement-oriented goals of their own. Furthermore, the data suggests that participants identify with the organization's values and beliefs. Over time, they learn to trust the organization to meet their individual needs. The result of this exchange is a sense of gratitude, commitment and psychological ownership.

Organizational Trust, Commitment and Psychological Ownership

The remaining two sources from which culture springs are (2) the learning experiences of group members as their organization evolves and (3) new beliefs, values, and assumptions brought in by new members and leaders. The data supports the conclusion that the culture was characterized by high levels of trust (Mayer, Davis, & Schoorman, 1995), employee commitment (Meyer, J. & Allen, 1991); identification (Mael & Tetrick, 1992); psychological ownership (Pierce, Kostova, & Dirks, 2001).

Participants revealed their willingness to trust the organization with such risky and sensitive matters as their career. Participants often ended up with a career not necessarily of their conscious choosing, yet they were able to remain committed by identifying with the aggregate goals of the overall organization. Although education was valued, it was not always a predictor of one's eventual profession and position within the

organization. This self-sacrificing work ethic was perpetuated due to the psychological ownership felt by participants.

Employee commitment to the organization, or the desire to stay employed at an organization, was evident in most participant interviews. Although participants stated that they did not intend to stay with the company when first hired, in time, they found a cultural fit with the values and beliefs of the organization and those of their own. Participants' motivation throughout their tenure with the organization is consistent with theories of Maslow's Hierarchy of Needs. As younger "recruits," (i.e., usually college students) upon organizational entry, participants stated that they found themselves motivated by the immediate reward of compensation and flexible hours. However, upon the completion of a college education and thus the desire for a career, participants stated that they were motivated to stay with the company with the opportunity to experience many aspects of a business. They were also enticed by the value the company placed on entrepreneurialism. They were afforded relative autonomy and had incredible responsibility for business results much earlier in their careers as compared to other organizations. Later in one's career, loyalty to the organization was to be rewarded in turn with organizational loyalty to the employee in the form of financial ownership, partnership, and life-long employment. Financial ownership was awarded in the form of stocks. Partnership was to be guaranteed with decentralized authority to make monetary and strategic decisions on behalf of the organization. Life-long employment was to be guaranteed via relationships, performance and results.

It is important to note that recent changes have challenged these organizational motivators. Within the last three months of the study, an announcement was made to

eliminate over 1,000 positions within the company's international branch of logistics support. More recently, an announcement was made to eliminate several hundred jobs within the company's core business unit in an effort to minimize the duplication of effort found. These announcements come for the first time in the company's history. Although voluntary retirements have been offered in the past, never have participants seen the intentional elimination of jobs. With regard to financial ownership, participants have suggested that the organization is somewhat challenged with the ability to entice new talent and retain younger talent as a result of the changes made to the stock ownership plan upon the company's move from privately to publicly held. Participants receive less stock options than previously distributed and are of less value. Furthermore, international workers may not be motivated by financial ownership at all as there are apparent hidden costs associated with owning U.S. stock.

Additionally, participants have indicated that there is a real concern over the retirement of the baby boomers within the organization and the limitation of development opportunities as a result of cost-cutting initiatives. As a result of baby boomer retirement and the severing of relationships to those retirees in upper management, the promise of upward mobility for high potential managers dependent on these relationships was compromised. Therefore, high potential managers were leaving to find work elsewhere. In addition, without the promise of upward mobility in a timely fashion (usually every two years) and pay commensurate with work expectations, higher-educated employees (i.e., those with Master's degrees) experienced a lack of loyalty. The traditional track for promotion and development is a lengthy one, too lengthy for many participants to wait out. Some participants worried that with the new fast tracking of managers there would

be less instinct for loyalty and integrity. However, according to some participants, the newer and younger workforce of generation Xers (i.e., those between mid twenties and early thirties) demand more immediate gratification than the previous generation. These new workers are also more educated (i.e., Master's degrees) and seek to align themselves more with their independent professions (i.e., engineering, finance, etc.) than with that of the organization.

Organizational identification described as the use of organizational characteristics to define one's self was also evident in most participant interviews. Many described their personal success as one based on the core values of the company, honesty, integrity, hard work for fair day's pay, willingness to do whatever it takes, perseverance and "constructive dissatisfaction." Such identification was motivated by the familiarity of the company as an American tradition, the predictability, dependability, disciplined and rewarding nature and the strong positive reinforcement from outsiders that employees gained from their affiliation with a strongly recognized company brand. Participants stated that they attributed much of their success in the company to their parents and traditional blue-collar work ethics.

Consistent with a study of blue collar workers by Gibson and Papa (2000), participants identified with their parents as providing the primary cultural influence of their work ethic. They also found that workers formed their identity and set their career goals around that of the organization rather than that of the occupation unlike white collar workers. Furthermore, the authors suggest that the worker identity with the organization was formed before they were hired as a result of their familiarity with the organization and its values either through brand recognition or friends and families experience with

the organization. The organizational image of this company as seen by communities nationwide is strong and emanates from the founder's philosophy of cleanliness, neatness, hard work for fair pay, dependability and reliability.

Overall, participants in this study expressed a great deal of pride in the company, its service and what it stands for (i.e., quality, dependability, honesty, integrity, etc.). However, compensation, stock fluctuations and the militaristic approach to work in the company have served as challenges to this identification among a younger, more educated workforce.

Lastly, challenges of psychological ownership are evidenced in the data. Psychological ownership is based on psychological theories of possession (Pierce et al., 2001). Participants suggested that there was a struggle to own the process of succession planning among corporate Human Resources and decentralized operations arms of the company. As a result, corporate Human Resources developed a succession planning software system which was to be used in tracking and maintaining the records of all employees who had been identified as high potential. The system was then imposed on operations units across the country and abroad as a means of accountability in the reporting and development of these high potential candidates. However, from the days of the founding fathers, state operations units and regional operations units have had control and ownership of their own succession planning records, systems and decision-making. For the first time, the state operations managers and the regional managers were to have their decisions about who was a candidate questioned as well as being held accountable for a previously recognized developing candidate. Not only were these decisions questioned, they were to be made more visible to the management committee member

level. This threatened the feelings of psychological ownership among upper management who were previously responsible for the selection and development of high potentials.

Summary

The organizational culture in this study finds its existence relying on the building and sustaining of relationships among itself and its employees. Furthermore, the organization is described as that of a family by interviewed participants. Membership in the family is promoted and sustained by the promise of promotion and intrinsic as well as extrinsic reward. Corporate mandates to objectify and document the succession planning process challenge the organization's familial culture and serve to question the previous authority and autonomy of key decision makers in the process. The result is that participants choose to ignore the formal process in favor of the informal, "traditional" one.

The findings suggest that organizational culture was an important contextual factor in the implementation of succession planning. However, the culture of this organization presents itself as adverse to the publicity associated with the implementation of succession planning. Although there may be considerable pressure for consistency in HR practices related to promotion and succession, the organizational culture appears to prohibit the formalization of one.

The current formal succession process introduced by corporate can perhaps only be useful in terms of serving as a consensus maker or breaker via its leadership assessment tools. Perhaps long lasting change will result in the struggle for HR control of the entire process. Succession planning as an organizational practice remains stodgily wedged as the bridge between the company's past and its inherent future. In theory, it

was to be utilized to encourage the behavior change which supports the organization's intended strategy of ensuring a successor capable of meeting the demands of a larger, less traditional, more diversified and global company. As many scholars have postulated (Charan & Colvin, 2001; Schein, 2000; Kets de Vries, Manfred F. R. & F.R., 1988; Schein, 1992) a significant change in successors would be one mechanism to effect organizational culture change, however, the process and its outcome must be supported by peers and those in middle management for it to be long-lasting and successful. It is therefore unlikely that the imposed formal corporate approach to succession planning will, in its current state, achieve these results.

CHAPTER 6

CONCLUSIONS AND IMPLICATIONS FOR THEORY AND PRACTICE

This research was undertaken to explore the perceived influence of organizational culture on the implementation of succession planning. The purpose of this research was to confirm existing theory and/or generate new theory regarding succession planning and to discuss potential implications to the practice of Human Resource Development.

Succession planning has evaded a consistent definition among organizational scholars in the literature to date perhaps because it is unique within each organization. Much of the research has focused on the antecedents, event and/or consequences, while treating it as an event rather than as a process. This approach has been the most convenient as the process is often a secretive and informal one making it difficult to acquire insider information about its implementation (Vancil, 1987). The studies to date are predominantly supported by a quantitative rather than a qualitative approach utilizing archival data rather than studying succession planning within the organizational context with which it exists. Therefore there is a lack of cultural knowledge about the content and roots of the belief systems that may drive the succession planning process.

This research supports theory development in that organizational culture has been found to be a significant contextual factor in not only the implementation of succession planning, but in its definition, purpose, timing and communication. This study tapped into the process of succession planning from an emic perspective utilizing the language and explanation of its use by those participants critical to the process, the

middle and upper management of the organization. Although these participants experienced difficulty in defining succession planning, they were intimately familiar with the process which has been in place and relatively unchanged, adhering to the original design of the founder.

More specifically, this research contributes to theory in the following way: First, this study overwhelmingly confirms the influence of the organization's founder in the creation and perpetuation of the organizational culture. Secondly, the findings support the importance of organizational culture as a necessary context with which to study succession planning. Third, the study suggests that organizational trust is a key determinant in the retention of talent necessary for the perpetuation of an internal succession planning process. Fourth, the findings suggest that the need for psychological ownership plays a role in the implementation and evaluation of a succession planning process. Fifth, the study of succession planning as an informal and secretive process can be best understood via qualitative studies.

In addition to a discussion of the research study's contributions to theory, this chapter will offer insight into the study's method and the implications for the scholarly practice of Human Resource Development. These findings lend support for the critical role of Human Resource Development professionals responsible for executive leadership development, organizational development and strategic, cultural alignment within large public organizations. Lastly, the limitations of the study are discussed and suggestions are made for future research.

Contributions to Theory

This section explores the overall theoretical implications of organizational culture as a contextual factor in the study of succession planning. Succession scholars have previously found limited implicit empirical links to the role of organizational culture and founder influence as it affects succession planning either in the areas of consequences of the event or contingencies such as organizational climate, structure, maturity, industry, etc. (Ashforth & Vaidyanath, 2002; Cannella Jr. & Lubatkin, 1993; Gifford Jr., 1997). The most significant work to date has been that of Schein (1992). Schein's work focuses on the role of the founder and subsequent leadership on the shared values and beliefs of organizational members. Although he mentions development, promotion and successor selection as means to propagate values within the organization, he does not singularly discuss succession planning processes per se.

Kesner & Sebora's (1994) model reflecting a review of the literature with regard to succession planning places organizational culture as a contingency in the antecedents, event and consequences. Upon further review of the literature supporting this model, it is organizational climate rather than culture to which they refer. Therefore there remains scant evidence as to the role of organizational culture to date. The data in this research study suggests that organizational culture is an important context with which to study succession planning. Furthermore, cultural alignment, or the alignment of organizational values and beliefs which emanate from the founder with that of organizational processes such as succession planning is a contingency which influences antecedents and succession events. Additionally, the findings of this study suggest that organizational culture plays a role in how the succession event is evaluated. In this case, consistent with

Friedman & Olk's (1995) work, the event is primarily evaluated by its legitimacy as seen primarily in the eyes of the organizational members and the process' ability to cause minimal disruption.

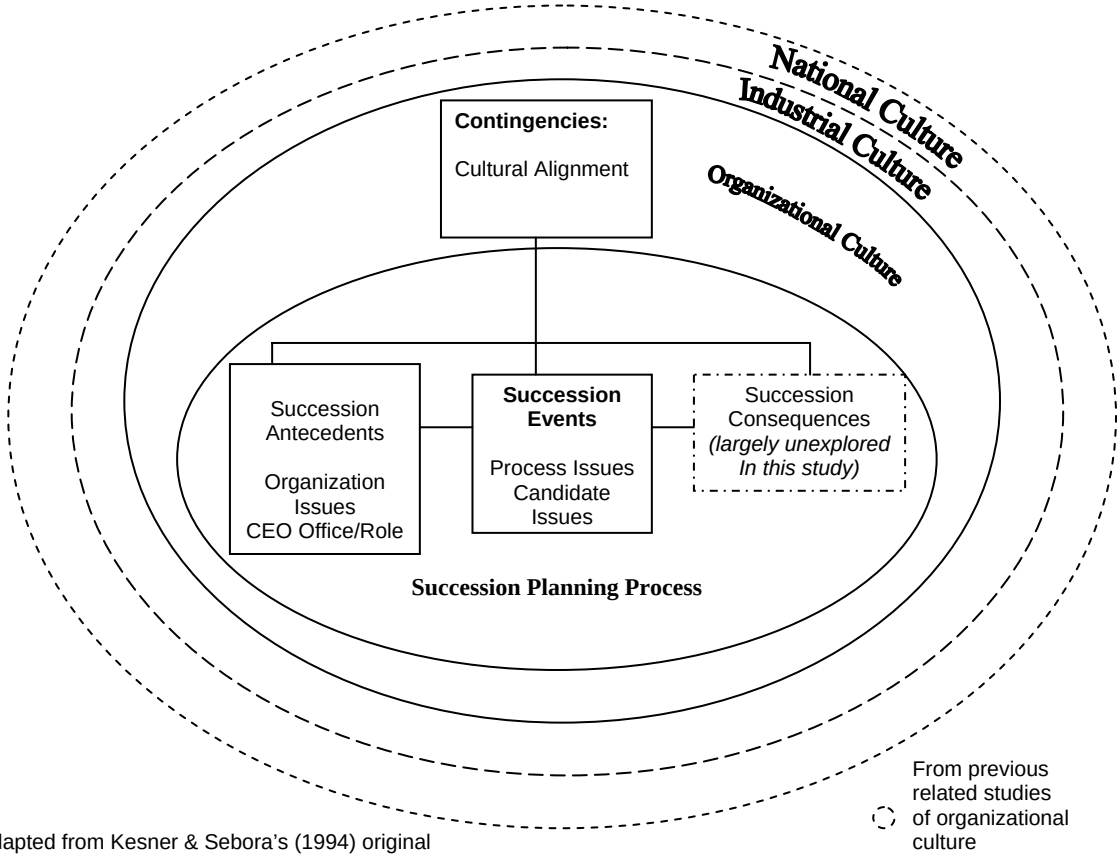

Figure 3. Cultural Alignment as a Contingency

Organizational Culture as a Context for Succession Planning

The results of this study contribute to the recognition and understanding of organizational culture as a contextual factor in succession planning. (See *Figure 4*).

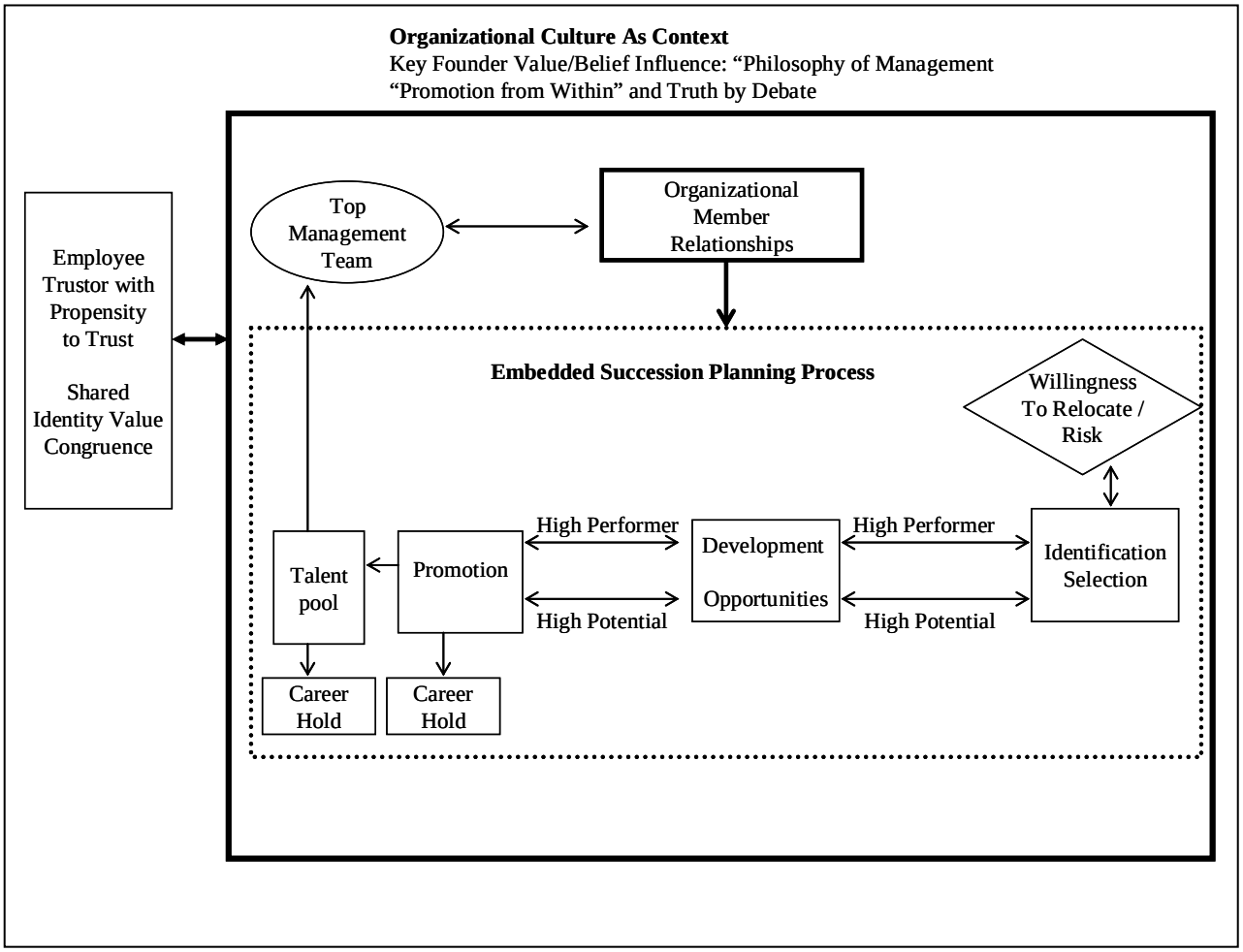

Figure 4. Organizational Culture as a context of the Succession Planning Process

According to Schein (1992) and others (Hansen & Kahnweiler, 1997; Kets de Vries, Manfred F. R., 1991) founders and top executives tend to have prescribed theories of their own about how groups should work and they usually select colleagues and those who report to them who they believe will think and act like them. What these founders pay attention to, measure, and control become primary embedding mechanisms to create an organizational culture which supports the personal values and beliefs of the founder. More specifically, observed criteria for hiring, selection and promotion also serve as primary embedding mechanisms. Furthermore, organizational processes (i.e., succession planning), structure, rites and rituals, values and physical space act as secondary

articulation, or cultural reinforcers (Schein, 1992). Primary embedding mechanisms must be consistent with secondary cultural reinforcers. If they are not, then secondary cultural reinforcers will be ignored or a source of conflict among organizational members.

Additionally, the vast majority of research to date has utilized quantitative, positivistic methods in the study of succession planning which fails to further our understanding of the process itself, situated in its natural environment. This study contributes significantly to current research in that it reveals organizational values, purpose, roles, decision-making criteria, selection, development and promotion of recognized talent as potential heir-apparents within its a natural environment.

Within this organization, hierarchy, relationships, consensus and results drive the decisions behind how the work gets done. Work is approached from a “management by exception” and “constructive dissatisfaction” philosophy as defined by the founder in Chapter 5. Truth is determined by consensus among organizational members formally (i.e., people’s meetings) and informally (i.e., ad hoc and impromptu meetings with key decision makers). Truth is not based on any one person’s opinion or belief. Lastly, the founder’s “Philosophy of Management” and “promotion from within” are seen as value laden, exemplary approaches to work which weigh heavily on the design and implementation of the succession planning process. These core philosophies and the definition of truth as determined by the founder are evidenced in the data as drivers in the decisions behind the succession planning process.

Organizational Trust as a Context for Succession Planning

The data from the study support the theory that Human Resource (HR) practices (i.e., leadership development, promotion) mediate individual trust and organizational

commitment. In this study, the organization's corporate HR department was responsible for the management of the formalized succession planning process. Mayer et al. (1995) define trust as "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party" (p. 712). According to Hofstede, (1980) people vary in their propensity to trust based on their individual developmental experiences, personality types, and cultural backgrounds.

Participants in this study stated that they identified with the organization early on in their careers. According to Meyer et al. (Meyer, J. P., Becker, T.E., Van Dick, R., 2006), participants identity reflects a sense of self which "includes an awareness of shared characteristics (e.g., values), an evaluation of these characteristics, and positive or negative affect (e.g., pride, shame) associated with this evaluation" (p. 667). Participants in this study found a cultural fit or value congruence with the work ethic of the organization and that which they acquired from their parents growing up. The company was seen as an American institution, not unlike its competitor the United States Post Office. This image also contributed to shared identity and trust in that it stood for good, clean, wholesome values, predictability, dependability, reliability, quality and pride.

As indicated earlier, it is interesting to note that white collar (i.e., management) as well as blue collar workers (i.e., production line) found themselves willing to do whatever it took to achieve membership in this tightly knit familial organization as is evidenced by their humble beginning as college educated drivers, loaders, sorters, car washers, etc. Promotion from these positions was never guaranteed.

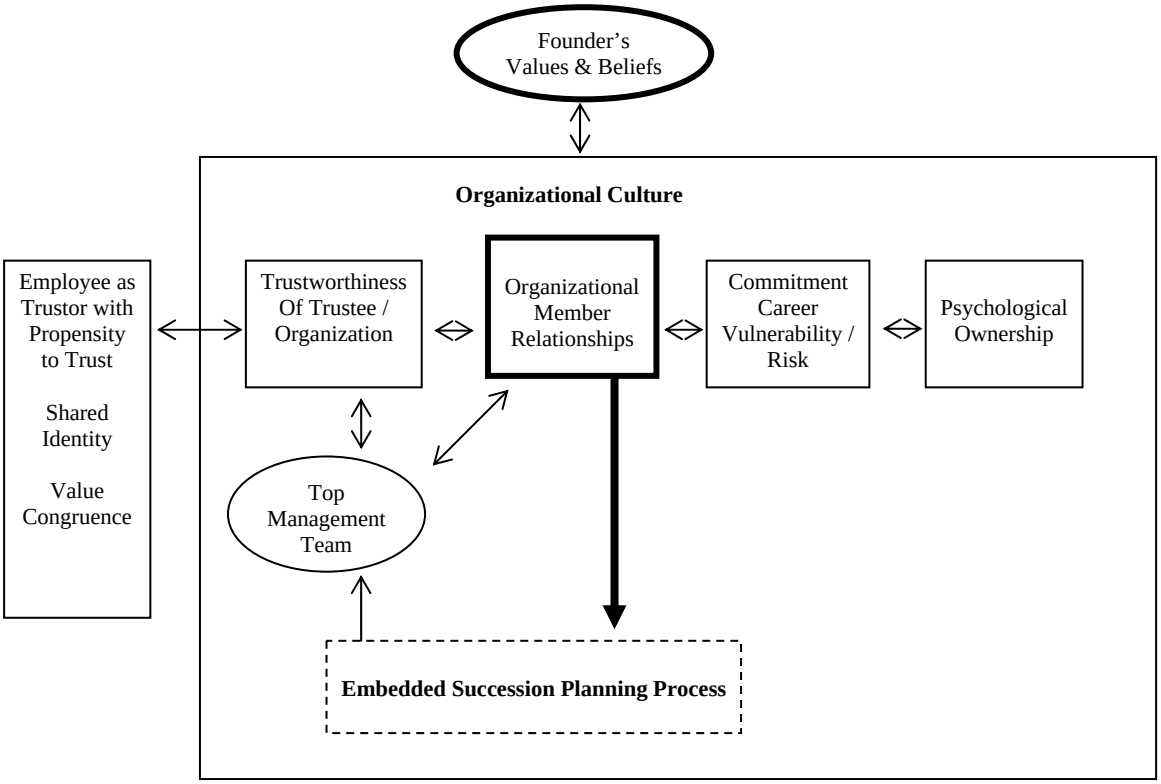

Figure 5. Organizational Trust as a context for Succession Planning

The trustor, when considering a career within the organization, must find the organization as trustee, trustworthy. The factors which lead to trustworthiness as defined by Mayer et al. (1995) are ability, benevolence and integrity. Human Resource practices, processes and relationships serve as the veritable voice of the organization, middle managers help to mediate and facilitate these factors. One interview participant described the Vice President of Human Resources as the "psychological contract" the organization has with the employees. In other words, this title and position serves to represent the interests of the employees at all levels.

The data indicate that ability, benevolence and integrity are communicated and perpetuated via relationships. This is especially true in an organization which has a policy of "promotion from within." It is necessary to continually develop others for one's own

personal gain. It is also highly likely that the manager will at some point be reporting to someone who previously reported to them.

Employees feel a sense of affective and normative commitment and willingly put their careers at risk as a result of the presumed trust that they have in the organization as a whole. Ashforth and Mael (1989) posit that employees who identify with an organization experience stronger commitment to it because of their feelings of belongingness and their various experiences with the organization serve to create an emotional bond. The data also support the notion that commitment has a reciprocal influence on identity via the relationships one has built throughout their career. For example the growing bond made with other organizational members as part of a larger team, may result in a sense of self concept simply as a reflection of being a team member.

The data suggest that over time, organizational member relationships facilitate the movement from initially negotiated situated identities which are contingent upon situations and require cues such as for sustenance, to deep structure identity which is the alteration of one's self concept to include that of the collective. According to Meyer et al. (2006), deep structure identities are more enduring and less cue-dependent. Deep structure identities lead to value-based commitments rather than exchange based commitments. Furthermore, these identities serve to meet the basic needs of self-esteem, security, and belongingness.

An employee's commitment is tested and challenged throughout the succession planning and promotion processes with the desired result, one of continued loyalty. Relocations, family hardships, career moves and an almost "blind trust" in the organization mediated by organization member relationships serves to reinforce both

commitment and identity. As a result of their commitment, their perceived vulnerability, and their renewed trust, participants as experienced managers acquired a sense of psychological ownership to the organization and its practices.

Psychological ownership has been defined by Pierce et al. (Pierce et al., 2001) "As a state of the mind, psychological ownership is that state in which individuals feel as though the target of ownership (material or immaterial in nature) or a piece of it is 'theirs'" (p. 299). Furthermore, the target of ownership, becomes part of the owner's identity. Pierce et al. (Pierce et al., 2001) also suggest that psychological ownership can be found as motivated by: 1) efficacy and effectance; 2) self-identity and 3) having a place.

Psychological ownership is important in this study as participants demonstrate that they have a sense of ownership in the succession planning process and in the candidates they choose to succeed them. They are relatively in control of the process as each manager plays a significant role in the identification, development and promotion of those around him or her as a result of the "promotion from within" policy. The organization relies on each manager's input as verification and proof of the viability of a potential candidate for promotion and eventual succession. These decisions are often rooted in what has been described as a "gut feel."

With regard to self-identity, managers feel personally responsible for those that they choose for succession. They are supportive of each other throughout their careers and maintain life-long relationships within and sometimes without the organization. These managers often pick those who are like themselves to succeed them and therefore successors or high potentials become extensions of themselves (Hansen & Kahnweiler,

1995, 1997). One participant suggests that “escape routes” are built in to the promotion of a personally recognized “high potential” and that commitment to their career is a life long one. These “escape routes” are employed when the potential for success during a developmental rotation has been thwarted for a variety of reasons. There has been some support that relationship tenure outlasts organizational tenure (Harris, 2006).

Lastly, managers experience having a place within the organization as their position, safety and security is ensured by the promotion of those whom they have known. Those who succeed another are seen as “part of them” and their success is attributed in part to those who play a role in their development.

The presumed trust in the organization is not only visible in the HR related organizational processes such as succession planning but also in the leadership or top management team. As Schein (1992) reminds us, the culture of the organization is sustained and maintained by the leadership. It is therefore important for organizational members to view the top management team as extensions of themselves. The identity with the top management team furthers the trustworthiness of the overall organization and its subordinate processes. Therefore, the importance of fit with regard to HR policy and organizational culture is key to the retention of talent and to the future of the organization.

Participants have indicated that the previous levels of organizational trust and commitment are being challenged with new HR policy, retention and attrition issues and diminishing development opportunities. Gould-Williams (2003) found that HR practices had a significant predictive effect on both systems and individual trust. Furthermore that systems trust positively predicted changes in organizational commitment and

performance as well as satisfaction. Additionally, systems trust or organizational trust predicted performance over that of interpersonal trust or trust held between two or more individuals. Furthermore, Dirks and Ferrin (2002) found that trust in leadership positively predicted organizational citizenship behaviors.

In summary, organizational culture provides a necessary context for the study of organizational practices such as succession planning. In this study, the values of the founder embedded within the organizational culture have served to create a "Philosophy of Management" which serves as a key factor in the way the work gets done. Additionally, the policy of "promotion from within" which finds its beginnings also with the founder, serves as a key factor in the decisions made regarding the current succession planning process. The new succession planning process as mandated by corporate will not be effective if it discounts the role of organizational managers, their relationships and "promotion from within" as primary embedding mechanisms to further the founder's original intent.

Furthermore, imposed objectivity and the struggle for succession planning process ownership corporately, which is directed at the reduction of company and perhaps shareholder risk may also lead to the reduction of trust, commitment, shared identity and psychological ownership. It is perhaps not surprising that a temporary compromise has been introduced in the partial acceptance of tools and tracking used in the new succession planning system to accomplish previously held goals of the old one. For example, participants said that the new tools offered by an electronic succession planning system allow for a less subjective decision in those candidates who are competitively equal in the eyes of others with regard to development and promotion.

It is important to discuss briefly the purpose of succession planning. The espoused purpose of the succession planning process is to identify, track and develop those high potential candidates in order to fill a broadly diverse "bench" within the talent pool to be selected to become the next member of the top management team. In the past, the succession planning process was used as a reminder to all employees of the promise for continual development and promotion from within. Each individual was ensured a role in the selection, promotion and development of candidates.

The more recent purpose of the new succession planning process may be to spur culture change by usurping information and therefore power from the hands of those in the field operations and placing it more usefully in the hands of corporate leaders. Information technology is often used to provoke culture change (Schein, 1992). The tools and assessments currently in place to test the leadership capability of those nominated for promotion to executive levels may be misaligned in that they are used to question the previously held assumptions about who is a good candidate and who is not. Robinson and Stern (1997) define alignment as, "The degree to which the interests and actions of each employee support the organization's key goals." Schein (1992) states that

> The more the structure, procedures, rituals, and espoused values work in making the organization successful, the more they become the filter or criteria for the selection of new leaders. As a result, the likelihood of new leaders becoming cultural change agents declines as the organization matures (p. 253).

The checks and balances being put into place with more HR ownership and accountability mechanisms such as timely reporting used to measure individual manager performance results, indicate a corporate desire to change the way leadership has been

selected in the past. There is a reduction of trust in the capability of those previously involved in the succession planning process to assist in the changes necessary to meet the strategic future needs of the organization. However, it is important to note that strategic fit was not mentioned as a factor to be considered in the data until such time as a successor to the management committee was to be chosen.

In addition, other signs which indicate a move to a culture change include the move from more generalist backgrounds to a more specialist background, such as Finance and Accounting. Another is the increase in the hiring of professional “outsiders” and the fast tracked promotions of those leaders from acquisitions. It appears that the purpose of succession planning at the current time may be that of organizational culture change.

The purpose of succession planning should be investigated as it assists in the understanding of necessary process components such as candidate selection, development and promotion opportunities. Furthermore, the purpose of succession planning should be communicated to all organizational members. If there is incongruence between the purpose held by that of the organization and that held by the organizational members, then confusion may ensue resulting in a lack of trust and commitment.

Implications for Human Resource Development Practitioners

Human Resource Development (HR) practitioners in this study (primarily those residing in the Learning and Development function) were seen as responsible for upholding the “psychological contract” (a term used by one participant) between the organization and its employees. Furthermore, HRD is largely responsible as facilitator of

organizational culture via the implementation of policies, procedures and processes. HRD can play a strategic role in the organization when it has authority to influence leadership selection decisions, development decisions, and promotion decisions. Within this study, most participants stated that the biggest challenge to a viable succession planning process lies in: 1) leadership development, 2) talent retention and 3) communication.

The survival of traditional means of leadership development via relocation and special assignment are being tested in the same way that they are in other organizations (Karaevli & Hall, 2003). Questions are being asked by the study's participants as to whether these components still fit the needs of the organization and whether they remain cost effective. Talent retention of a younger and more professional workforce surfaced as a problem resulting primarily from the limitation of development opportunities, a slow promotion process and compensation. Communication, seen as a factor impacting both of the above challenges, would most likely have the biggest impact on the commitment and trust of those who are relatively new within the organization. However, consistency in the succession planning process and communication of what is necessary to continue to be promoted, were challenges of both young and seasoned managers. These are all areas in which HRD practitioners can and should play a valuable and strategic role in supporting organizational needs and goals.

HRD practitioners serve two primary customers: 1) the employee and 2) the organization (although some would argue as to the order of importance). In a very narrow view, the challenges faced by organizations (e.g., speed, talent retention, capabilities etc.) and employees (e.g., loyalty, trust, identity etc.) may seem to some to threaten HRD's very existence (Hammonds, 2005). In the very least, the problem of viability exists and

thus the continued response in the literature with regard to the strategic role HRD must play in the alignment of organizational and individual goals. Much of this literature suggests the need to reinvent the field of HRD (Hammonds, 2005; Rynes, 2004; Walton, 2003) while others suggest HRD should focus on leveraging its core competencies including training and development, career development and organizational development to enhance organizational capabilities (Ulrich, 1997). Furthermore, the authors suggest a larger impact on the organization may be made with a focus on organizational development (i.e., culture change and succession planning). The findings in this study provide evidence for their suggestions.

Many authors (May, Sherlock, & Mabry, 2003; McLean, 2001; Russ-Eft, 2003) remind HRD practitioners of their ethical role in the balance of organization and employee development initiatives. As a result, most agree that HRD must be involved in the strategic conversations and planning taking place on the upper levels of management to create real organizational value, and ensure functional survival (Hammonds, 2005; May et al., 2003; Yorks, 2004).

Yorks (2004) suggests that to be successful in any development initiative, HRD will need to utilize a political-economy approach to its efforts. Yorks (2004) presents a model of strategic planning which emphasizes that HR must leverage itself among dynamic external politics and internal politics. Yorks (2004) states that

> Whether facilitating and participating in the strategic learning process or implementing learning initiatives in support of strategic decisions that have been made, HRD practitioners have to be aware of the extent to which various

> stakeholders may be invested in maintaining the existing power relationships that are supported by the strategic and cultural legacy of the organization (p. 199).

Yorks (2004) elaborates with politics as "how power and interests play out in the organization" (DeLuca, 1992, p. 44) and political agency as the process of participating in this "play." Yorks asserts that this is not another lens with which to view performance improvement but yet a means with which to contextualize it. Yorks (2004) presents two snapshot cases of CLO's (Chief Learning Officers) who gained support in the organization for strategic benefit.

The term CLO was first introduced by Willis (1991). CLO's are responsible for the learning capacity of the organization. HRD within the context of CLO can be defined as follows:

> HRD is a strategic, integral, and competitively-justified function in effective organizations, requiring well-qualified professionals who exercise instructing, advising/coaching, HRD designing, managing, and consulting skills to accomplish the training and development of employees, the improvement of work processes, and the enhancement of organizational viability and growth over time. (Willis, 1996).

The position of CLO is one uniquely qualified to address issues such as were found in this study; in particular leadership development, talent retention, and communication. More importantly, HRD practitioners as CLO's are responsible for the alignment of organizational processes (i.e., succession planning) with the culture of the organization, a contingency found affecting succession planning in this study.

"The CLO operates by using knowledge about how adults learn, how learning affects work, how value systems operate, and how social and technical systems in an enterprise or in their environment may either support or counteract each other" (Willis & May, 1996, p. 56).

Working closely with the CEO, positioned as a member of the top management team, the literature indicates that CLO's may very well be the most critical position in the design and implementation of the succession planning process (McGee, 2006; O'Driscoll, 2005). If the process is an informal one, the outcome of a succession planning process depends primarily on the efforts of the CEO, board and/or top management team. It is therefore, their overwhelming responsibility to communicate needs, determine and manage candidate development while ensuring that the process is aligned with organizational values. As evidenced in this study, problems which may occur from this approach may include lengthy development processes, routinized candidate selection regardless of strategic fit, inconsistency in candidate development opportunities, retention of talent, communication of company needs and strategic goals; all of which may inhibit sustainability and degrees of cultural change necessary to large, mature organizations in order to maintain a competitive edge.

Although the organization in this study has had tremendous success in the changes made within its executive leadership in the past, they are facing new challenges to their methods of selection, development and communication as a result of increased public purview, stockholder scrutiny as well as the retention of a younger, professional and more demanding workforce. A change in technology and the centralized tracking of talent, their development, performance, etc. is a noteworthy step in the battle presented to

them, however, it may require more effort at executive levels to make this transition with increased corporate management of the process.

As organizations in their industry and others face ethical issues of leadership, visionary leadership and pressure for performance, there is perhaps no better time for succession planning to become a key component of sustainability than the present. Successor readiness and development will depend largely on cultural alignment. In this study cultural alignment was tested and reinforced by the consensus of middle management. The question then is one of balance and coordination between corporate *knowledge management* of the succession planning process and the decentralized middle management who are so essential to process execution.

> To me, the term *managing knowledge* suggests transactions – capturing, storing and retrieving explicit knowledge. This is certainly important and I've worked with our Chief Information Officer on a number of projects related to our corporate intranet and other tools to codify critical knowledge and learnings at [my company]. That's the 'know what' of knowledge. But my critical concern is the 'know how' – the tacit knowledge that cannot be reduced to simple constructs or rule-based behavior. Try, for example, to describe how to ride a bicycle or develop a trusting relationship ... So the critical question is: How is knowledge diffused and shared in the organization? The answer is not in published procedures but in informal networks, people talking to people as a way of learning, what are now being called communities of practice. So one of my roles is to foster these networks – A Chief Learning Officer (Willis & May, 1996, p. 61).

Additionally, the CLO interviewed above suggested that it is his role to operationalize those mechanisms for embedding and transmitting culture which according to Schein (1992), include HR policies and organizational processes related to succession planning. Finally, he attributes his success as a CLO to having in-depth experience in the industry, comfort in working across all functions within the organization and his ability to think from a whole systems viewpoint; all necessary and valuable cultural requirements of executive authority found in this study.

Lastly, the issue of talent retention will be discussed as it relates to this study and to many organizations today. Today's employees are more sophisticated, knowledgeable and technical than ever before. With computers a staple in every home, no longer is an employee limited to what, when, how and where they are able to learn. With few exceptions, they are becoming used to seeking timely, instantaneous information about topics that they are interested in resulting in less patience with more traditional forms of structured learning at the demand of others around them. Furthermore, as seen in this study, their motivation is less likely to be for organizational gain or loyalty as it was in the past. With organizational commitment waning and personal commitment on the rise, employees are more likely to overtly or covertly (if necessary), seek flexibility, security, reward and loyalty for themselves. With the trend toward employee initiated development, organizations are finding it more difficult to hold on to these valued employees and if they do, to channel their individual development efforts for company-wide gain, yet these employees are the organization's most valuable asset (Cappelli, 2000; Hammonds, 2005).

Learning strategies which provide opportunities for employees to participate not only in the learning but in the creation of viable solutions to real problems would do much to further commitment. In particular, learning strategies such as Action Learning (Dilworth & Willis, 2003) would be one such approach. As employees of all ages and diverse backgrounds converge to deal with real organizational problems, they will feel a sense of psychological ownership, identity and commitment with the result. This approach to leadership development, particularly in the research setting of this study, would be extremely fruitful given its truth by consensus and/or debate approach as well as its focus on values and belief systems which drive organizational decision-making. Leaders are responsible for the maintenance of these values and beliefs which drive organizational processes as well as the revision of these same values and beliefs when they become outdated and no longer useful.

Action learning is highly experiential, however it is not *experiential learning* as is evidenced in ropes' courses. According to Willis (1999), the essence of Action Learning is:

> ...problems of real significance, addressed with serious, collective commitment, while paying attention to how we think about problems and go about solving them. The reason the learning side of the equation is so important is that changes are occurring at a rate faster than our rate of learning. Learning that sticks is learning that is internalized, that generalizes and becomes a way of living and acting in all of our work , family, and community settings. That is what Action Learning intends to produce.

Generally, some or all of those who participate in Action Learning sets will be involved in the implementation of any action to be taken. The benefits of this approach to learning are numerous when it comes to lasting organizational culture change, cultural alignment of processes and increased learning capacity. More specifically, benefits include the following: 1) Alters how members think, seek new knowledge, respect one another's opinions; 2) Enhances awareness of the significance of metaphors; and 3) Helps people understand and challenge mental models (Willis, 1999).

Contributions to Method

This study utilized a qualitative approach to the study of succession planning and organizational culture. As noted by previous scholars, there is a paucity of studies which utilize a qualitative approach to succession research (Ashcraft, 1999; Haddadj, 2003; Pitcher et al., 2000). According to Schein, (1990), organizational culture is best studied qualitatively from an insider or "emic" (Spradley, 1979) perspective. The descriptive nature of qualitative studies more readily assists in the discovery of organization's values and beliefs as held by the members of the organization using their own language to describe them. Succession planning processes, like other organizational processes, are reflections of organizational values and beliefs about what and how the work gets done in the organization. Hamada & Sibley (1994) suggest that leadership changes and processes (e.g., succession planning) can be ambiguous and uncertain in that organizations are uniquely filled with any number of internal contradictions, conflicts, formal and informal realism, double talk and parodies further supporting a qualitative approach to the study of organizations.

Furthermore, the founder and CEO shape culture (Schein, 1992). They in turn, make decisions to perpetuate the organizational culture by hiring and promoting others like themselves often sub-consciously (Hansen & Kahnweiler, 1997; Kets de Vries, M. F. R., 1988). Therefore the process of succession planning is not likely to be understood without an insider's point of view.

Existing succession research primarily focuses on the antecedents, events and consequences measured by questionable, fluctuating variables and fails to adequately identify, bound and describe the process (Karaevli & Hall, 2003; Kesner & Sebora, 1994; Pitcher et al., 2000). According to Ashcraft (1999), succession planning research finds "the need to investigate situated action, illuminate meanings and practices that constitute succession events and to facilitate fuller awareness of context and process" (p. 252). Although existing succession research, not unlike this study, is based on samples of large, publicly-held organizations; the organization in this study provides insight as it is diversified and only recently finds itself making the transition from privately-held to publicly-held having over 90 years in the previous form.

Of greater theoretical contribution in this study is perhaps the sampling plan. Sampling parameters of mid-level to executive management level were employed to better understand the discourse and meaning making underlying the implementation of the succession process by those uniquely qualified to answer. Other succession research studies have limited their sample to that of the upper echelon or top management team. However, the "success" of a succession event is largely determined by the support of organizational members below this level (Friedman & OIk, 1995).

Sackmann's (1991) theoretical framework was utilized which best employs both an ethnographic and grounded theory approach to research. Advantages of this model are that it is comprehensive and specific; and it combines structural aspects with culturally historic and dynamic ones to be studied (Sackmann, 1991). This model seeks to understand four categories of knowledge: Dictionary, Directory, Recipe; and Axiomatic.

The dictionary level is synonymous with espoused values while directory and recipe are concerned with norms and its reflections of rules of behavior and the "ought to" nature. Axiomatic is linked to Schein's (1992) "basic assumptions" and is traced to executive leadership, although Sackmann (1991) suggests that it is not (in and of itself) the most important one. These four categories overcome problems of static assessments of culture and recognize the structural as well as the developmental nature of cognition employed as well as the importance of member agency.

The study of organizational culture is inherently complex. As a result, there are many scholars who have sought to manage this complexity by utilizing surveys to capture meaning. Sackmann's (1991) model was instrumental in revealing the cultural knowledge held by participants within the organization rather than measuring the existence of pre-determined elements indicative of culture. Additionally, this model was uniquely appropriate to the study of organizational processes in the context of culture.

To gain entree into the various aspects of the organization, corporately, in field operations and supply chain logistics locations, introduction was obtained via key informants with whom the researcher previously worked with in the organization. Participants were selected within data set parameters randomly, based on willingness to participate and comparisons made between the three research settings.

The data was stored and analyzed with the QSR Nudist software tool. This tool allows for the creation of free nodes which serve as conceptual categories. The data in the form of interviews formal and informal as well as focus groups were transcribed verbatim and then coded according to emerging themes. These themes were then analyzed, compared and contrasted to result in categories. The conceptual categories evolved from the data from an inductive emic perspective rather than an etic perspective to the extent possible. These categories were then created in the software program and loaded.

The software program allowed for easy searches by terms, by participant as author and by single or multiple categories. The software also allowed for reporting statistics (amount of data about a certain topic, numbers of participants related to category topic, etc.). Overall, the software was cumbersome and time-consuming only during the coding phase however, well worth the effort. Quotes and stories which came to mind were easily found and accessed in their context. Discussions held by a certain participant were also easily accessed. Due to the reiterative nature of qualitative research, these software features were heavily relied upon.

The reporting feature allowed for easy comparisons among participants, data sets and settings. For example, comparisons related to what or how much participants had to say about a given topic and what or how much they had to say about each level of cultural knowledge were made relatively easy.

Field notes and memos were not entered into the QSR Nudist software but kept in a binder based on research setting and date. Field notes and memos were used as a means of triangulation and as an audit trail (Tammivarra & Enright, 1986) to illuminate emerging patterns helpful in the data analysis. This information was compared with

previously gathered archival data, participant interviews and focus groups. During travel time from one location to the next, this information was often tape-recorded to the end of the previous interview. Additionally, tapes of interviews were reviewed during travel time between locations and updated reflections were recorded on tapes labeled "reflections" or "my notes." Later, when these tapes were transcribed, this data was extracted and printed separately to store in a binder.

Although a separate, formal, centralized cultural log was not created one would have been helpful to consolidate archival data, participant metaphors, analogies and stories related to the culture of the organization. This information was captured, however, it was convenient to locate it within the field notes and memos. It is less convenient to readily access this way however, having previously worked for the organization and being intimately familiar with a large amount of the jargon and operations, it was felt that it could be readily retrieved when needed. In the future, these cultural elements should be further coded as "cultural log" in the QSR Nudist software.

Limitations

According to Martin (2002), ethnographers do not attempt to make predictions, achieve generalizability, nor build theories of causality, they attempt instead to make a phenomenon intelligible. Denzin (2003) states that,

> In the social sciences today there is no longer a God's eye view which guarantees absolute methodological certainty. All inquiry reflects the standpoint of the inquirer. All observation is theory laden…The days of naïve realism and naïve positivism are over. In their place stand critical and historical realism, and various

versions of relativism. The criteria for evaluating research are now relative. (p. 243)

Therefore, limitations of this study naturally include its capability for predictions, generalizability and transferability. The results found, using a qualitative ethnographic approach, are unique to the organization studied and not generalizable, nor necessarily transferable to other organizations planning a succession. With regard to transferability, the onus is placed on the reader and not the researcher. Other factors which prevent generalizability and transferability include the size, stage of maturity, unique culture and other characteristics of the organization.

Furthermore, temporal constraints must be recognized. Upon the writing of this dissertation, an announcement was made as to a change in leadership which will very likely be recognized as the next successor to the position of CEO. The recognition of this executive management committee member as a potential successor is evident as this positioning in the past has historical links as an heir-apparent to a CEO position. Of further interest, a corporate informant shared that there was a new drive to seek out potential future successors who have more of a background in Finance & Accounting to run large state operations facilities. Supposedly, this change was seen largely driven by the increased visibility of shareholders found in the transition to becoming publicly held; however, this change may be evidenced industry wide.. The current CEO has an Industrial Engineering background. There are many signals within the data to indicate an imminent organizational culture change which would indeed impact Human Resource processes such as the selection, development and promotion of others. Therefore, it is

necessary that studies of succession planning include a longitudinal approach as well as a qualitative one.

Other limitations include the use of the interview guide. Although the majority of participants were not provided with the questionnaire a priori of the interview, three of the candidates received the questionnaire via request of a key informant. The key informant insisted that their participation depended on the receipt of the interview guide. The key informant also stated that it is typical of managers to request specific information ahead of time in order to better prepare for the answers. Perhaps this request was due to management's suspicion that any meeting with a corporate-sponsored person may be a test of capability. In order to overcome this potential barrier to canned responses, the question order was purposely deviated from and a lot of probing questions were used to illuminate meaning beyond those of the written words. This strategy was effective in largely compensating for the previewed questionnaire.

There was also some limited access to research location and volunteers. Corporate key informants and sponsors provided a list of those who might be available to talk which met the research criteria; however any efforts at a snowballing approach were quickly thwarted. Even though many of the participants saw this researcher as a lifelong member of the organization, others were less reluctant to allow an interview without express permission of a viable sponsor, rather than simply any organizational member. Four participants were interviewed based on a previous working relationship with them and only one as a result of snowballing. Because the organization was motivated to assist with what was deemed a true, immediate organizational need (feedback on the new succession planning process), a diverse group of participants was supplied with respect to

gender, race, age and tenure with some recognized “high potentials” and some not. Ideally, a snowball approach would have enhanced credibility of the study; however, additional participants and two key informants who did not participate in the study were relied upon to further validate findings.

The organizational culture was so consistent at this organization that a level of saturation was reached relatively early in the study even within two subsidiaries. Saturation as described by Morse (1995) is that any new data already finds a fit in the categories previously devised. Qualitative researchers often use this criteria of their categories as a means to end the research (Denzin & Lincoln, 2000). The only motivation to continue the study after this point was to investigate an important yet missing data set in field operations.

Another limitation may be found in the definition of succession planning as a construct to be studied. The original goal was to define it for participants but it was quickly found that there was no recognition of the process under the term of “succession planning.” This made the data more interesting and open to individual interpretation so participants were further probed to compare it to what it *was* and what it *was not*. In future studies it would perhaps be a better approach to allow definition of a construct by participants. Instead of asking, “How would you define succession planning?” ask a more open ended question such as “What would you call the process of becoming the next CEO or member of the top management team?” and “How would you define that?”

Relative to the interview guide, some limitations were found in having participants give the current process and its match with organizational culture, a score of 0-100. Interestingly, most participants preferred to give it a score based on academic

grading scales (i.e., A, B, C, D or F). It may have been more telling to use a smaller scale of 0-5 or 0-10.

Relative to data collection, after the first round of in-person interviews, follow-up questions were created by writing them directly on the copy of the participant's transcript. These questions were then used along with those posed in field notes to comprise round two follow-up questions. There was a reluctance to provide participants with a hard copy of their original transcripts as it was feared that the nature of the topic, and what they had to say about it, would cause them to question its publication in any form. For the majority, transcripts were personally presented and immediately used in a one-one discussion with participants for topics of clarification and for round two follow-up questions. The five who asked that a transcript be sent a priori of a round two interview, were of course obliged however, much to thjs researcher's chagrin, only one of these was willing to further participate in the study upon receiving their transcript. Perhaps they felt that they had already said too much about such a sensitive topic. A key informant agreed with this explanation.

When asked for clarification as well as a written response to these follow up questions, only one response was received from a participant via a phone conversation. The number of written responses that were received fell short of initial projections. Follow up interview responses were the most difficult to come by as access to these executive participants was difficult to gain and the organization was approaching peak season, their busiest time of the year, during this phase of the study.

It is important to note that the study's compromised timeline lead to follow-up meetings with participants with multiple objectives: clarification, verification and round-

two interview questions. Additionally, focus groups took place at virtually the same time as round two interviews.

The original start date for the study was to be January of 2006, however, the actual start was in March. Regular and timely contact with the initial corporate key informant was compromised as there was a lawsuit which presented itself to the company related to the very topic under study, succession planning. It was suggested that contact be made again after things had settled down. Instead field operations data sets were pursued via support of another key informant and interviews were conducted in another state before returning to corporate. Overall, field operations settings were accomplished in three different states and five separate facilities.

This delay served as a limitation in that there was an extreme lull between pilot studies and round one interviews. It was also difficult to collect certain archival data. Ultimately the time frame for completion of the study was to be extended an additional four months. A long delay was experienced between corporate round one interviews and other research setting interviews. At times, a month would go by before more interviews were set up. These long delays resulted in a struggle to remain connected to the data resulting in a constant re-reading of interviews and field notes to keep it fresh and up-to-date. It was also difficult to make immediate comparisons of data gathered resulting in delayed opportunities for clarification of findings and waning interest on the part of study participants. As a result of this compressed time line, there was heavy reliance on a single participant who agreed to stick with the study and two key informants.

Lastly, as a previously employed management member in this organization, it was interesting that this researcher was still considered an “insider.” This made it easier

to be trusted with the nature of the topic. Relying on past relationships and the knowledge of the company, entree was gained relatively easily; however, it was guarded by those who agreed to sponsor the study. Prior to the start of the study, permission was acquired to do the study through the key informant's approval obtained by her contact in the corporate legal department. Most participants tested their ability to trust in an interview by asking that this researcher review past company work experience (legitimation as an "insider"), relationships, tenure and reasons why termination was sought at the company. The data suggests that these are all key components with which they test the legitimacy of others within the organization. Following this introduction, it was surprising at the degree of openness the participants spoke of the topic. Such access would never have been brokered with an "outsider."

Spradley (1979) posits that "strangers make better informants" (p. 28) and "the most productive relationship occurs between a thoroughly enculturated informant and a thoroughly unenculturated ethnographer" (p. 50). Although this researcher may not have been a stranger, termination had occured nine years prior to this research study. Therefore, this researcher was not necessarily an unenculturated ethnographer but neither was she an enculturated informant. Much of the succession planning process was not known as a result of having been previously employed in management. The process is indeed a secretive one and is not readily discussed within the organization much less outside the organization.

Future Research Consideration

Future research in the study of succession planning should include feedback from all stakeholders of the process. It would be interesting to have a qualitative study which seeks the wants needs and desires of shareholders, various levels of employees, top management team members and customers. All of these stakeholders share an identity with the organization and its leaders and would provide valuable feedback as to the design, development, implementation and ethics of a succession planning process. Additionally, research which includes those who have been identified as “high potentials” would be fruitful especially with regard to talent retention. Future research should also incorporate the influencing role of the founder in the creation of organizational processes such as succession planning.

It would also be of tremendous benefit to study other organizations of similar and dissimilar characteristics (i.e., industry, publicly vs. privately traded, maturity, size, etc.) for comparison and contrast of this study’s findings with regard to organizational culture and the succession planning process. Furthermore studies which seek to understand the role of occupational culture, industrial culture, national culture, religious culture, etc. would be fruitful in understanding succession planning and leadership change. Additionally studies with regard to leadership development within the context of organizational culture would be helpful to succession planning research.

Lastly longitudinal studies would lend further understanding as to the role of organizational culture in succession planning and related processes. According to Schein (1992), organizational culture does not reside in a static state but is a living, breathing and changing entity. Furthermore, it is this author’s opinion, based on this study, that

culture is not something that an organization *has*, but rather something that an organization *is*.

Conclusion

Succession planning is perhaps one of the hottest topics today as a result of ethical issues, compensation, development and implementation. Global organizations faced with fast-paced change can no longer afford long, lengthy internal development of an heir apparent. However, those organizations who seek faster, external executive hires have found it no panacea as organizational culture often trumps talent and industry experience. The organization's capacity for learning is the key to long-term success as recent research points to those who do internal succession well, with little disruption and ready change depend on the ability to execute plans (Charan & Colvin, 1999, 2001).

In this day and age of increasing questions about the value of Human Resources and furthermore, Human Resource Development, there has never been a better time to prove a strategic worth. Many organizations are replacing Human Resource executives with legal professionals or those with legal backgrounds as a safety net to preclude unethical and illegal behavior in an effort to treat the symptom rather than the root cause. Cultural alignment of organizational processes (i.e., leadership development, succession planning) ensures an effect on the root cause in that it serves as a contingency between values, beliefs and organizational results. This is where Human Resource Development practitioners should spend their most effort.

This study has proven that traditional practices of large, public organizations which are seen as institutions in this country are finding themselves challenged with a

younger more professional and more demanding workforce. The key to an organization's survival lies in its ability to retain, groom and development talent which can strategically and ethically lead the organization successfully into the future.

However, the key to a "successful" succession of leadership will not be found in skill and competency fit alone, it lies in the execution of the process. All key stakeholders must buy into and support the succession planning process for the candidates to be accepted successors with minimum disruption in the day-to-day business. Furthermore, communication and consistency should not be taken for granted. The potential leaders of the future will not be satisfied with a "blind trust" in the organization to keep their best interests at heart, nor will they be as motivated by compensation alone. Talent is perhaps best retained by: cultural alignment; value congruence; a fit between organizational and individual identity; a commitment to common goals; personal relationships which link one's individual efforts to that of the organizations; and most importantly psychological ownership of a "greater than self" idea, image, product and/or service. Researchers who wish to understand the antecedents, events, consequences and contingencies of succession planning must take a closer look at the organizational culture, its members and stakeholders to better understand the underpinnings behind the decision making. It is this researcher's opinion, organizational culture is not something an organization *has*, it is something an organization *is*. Furthermore, executive leadership is responsible for the maintenance of this culture.

Lastly, the call for HRD to become a strategic partner on the executive team has perhaps never been made more loud and clear. HRD is uniquely qualified to assist the organization's leadership in the identification, selection, development and planning of

their successors. While many organizations currently utilize HR in the succession planning process to manage the “what” of knowledge, HRD should be motivated and encouraged to support the sharing of the “how” knowledge or tacit knowledge as a means to increase the organization’s learning capacity and ethical decision-making. The survival of all organizations will depend on informed, smooth, timely, ethical and culturally aligned leadership transitions.

Appendix A: Interview Guide-Round 1

NOTE: In qualitative research, the researcher is the research instrument. Interview guides should be regarded as flexible and open to change as the research proceeds (Taylor, S. J. & Bogdan, 1998). This interview guide will be tested and refined based on the pilot study.

1. Introduction: As you know, I'm working on my dissertation, and I'm interested in understanding how organizational culture influences the way succession planning works in companies. By succession planning, I mean, the process of "getting head," or getting tapped for a higher position. I have some questions I'd like to ask in this first interview, and I'd like to tape record our conversation and take notes. Is that okay? Please turn-off the recorder anytime you'd like. Describe culture according to Sackmann's model (including four levels) to ensure participant understanding of the term used.

2. Explanation of consent form: Before we begin, I have a consent form that I'd like to walk through with you. It explains what you're agreeing to do by participating in this study. I may contact you for another follow-up interview and/or ask you to participate in a small focus group. I may also ask you to review the transcript of your interview and some of my initial explanations and conclusions. The consent form also explains that neither the company nor yourself will be identified in the study. I'm going to assign a pseudonym to you and all tapes, transcripts, and quotes will use that pseudonym. So, what you say will be confidential, and you will remain anonymous. (Participant accepts and reads consent form.) Are you ready to start? (Turn on recorder.)

3. General questions:
    a. If culture were like people, how would you describe this person?
    b. Tell me about your journey to become a manager/supervisor in (current functional unit) here. (Probe for previous work experience, professional background, tenure, etc.)
    c. What factors do you consider in candidates for promotion?
    d. What would you like to tell me about yourself and the reasons for your success thus far that others may not know?

4. Questions to solicit dictionary knowledge (what is) about succession planning:
    a. How would you describe what succession planning (or the process of getting ahead) is in general? (Probe for meaning, content, and use on specific terms used such as planning, written and verbal objectives, coaching, feedback, etc.)
    b. When does it start and when does it end? and When do people get tapped? Put in a pool? Describe these people. (probe for what is, not what should)
    c. How do you know when it's working well? If you gave it a grade between 0 and 100, what grade would you give it? And why?

5. Questions to solicit directory knowledge (how things are done here) about succession planning:
   a. How does succession planning work here? Can you walk me through what happens? (Probe for examples: development, duration, role of mgr & employee, tools used in selection, who makes decisions, what levels are chosen, etc.)
   b. How did you learn about succession planning and what to do as a manager?
   c. Tell me what you know about the succession of an admired CEO or Management committee member here. Don't need to mention any names. Why did you pick him/her? Is this typical? Why not?
   d. Tell me a story of a succession planning process which worked well and one that you feel did not work so well. You can include yourself or someone else and please do not reveal any names of those you do include. You may also choose to think of an example from a previous company employer. Why do you think it worked well? Why not so well?

6. Questions to solicit recipe knowledge (should/ought to be done) about succession planning:
   a. In the best of all worlds, what factors should be considered in the succession process and who should decide?
   b. If it was up to you to create a succession planning system, what one or two things would you want to be sure of?
   c. If I was a new manager, what advice would you give me about my role in the succession planning process? In this company?
   d. Can you tell me about a time succession planning (or ask about something participant mentioned) didn't go as expected? What did you do?

7. Questions to solicit axiomatic knowledge (why things are) about succession planning:
   a. Research tells us that most succession plans are derived from ideals instilled by the founder of an organization. Other long-tenured top executives and board members can also influence the succession plan by recognizing values which are more relevant to leadership in more recent times. Which of the CEOs or executive leaders of this company do you think have influenced the succession planning process today the most? How? Why?
   b. Why do you think succession planning does/doesn't work as you think it should? Are their rules that just can't be broken?
   c. This company has seen a lot of change in recent years going from privately to publicly-held and with the acquisitions and diversification of other companies. Thinking back, are there any aspects of succession planning being done differently as a result (now or anticipated)? Why do you think that is?
   d. What do you think are the core values of this company which influence the decision-making the most?
   e. You described organizational culture as a person earlier in this interview. On a scale of 0 – 100, does succession planning today reflect the description you gave of this person? Why? How should it be changed? (Clarify culture definition as the shared values and beliefs which drive decision-making and can be viewed as the "way things are done around here.")

Appendix B: Consent Form

Georgia State University

Department of Public Administration and Urban Studies

Informed Consent Form

Title: The Impact of Organizational Culture on the Implementation of Succession Planning Programs

Principal Investigator: **Carol D. Hansen, Ph.D.**

Student Investigator: **Lori P. Fancher**

I. Introduction:

Individuals are being asked to volunteer for a research study. The purpose of this study is to examine the influence of organizational culture on the succession planning process. The collected knowledge, values and beliefs of individuals will be studied to help researchers better understand the role of this knowledge in shaping an organization's succession process. The study is expected to conclude by December 2006 and each subject's participation will last approximately one and a half hours. Some subjects' participation will be increased to three or four hours if they agree to participate in follow-up focus groups. Subjects will be selected from a population of [the company] corporate employees and the Supply Chain subsidiary. The approximate number of subjects involved in this study is thirty-six.

II. Procedures:

Subjects who choose to participate will be interviewed for approximately one hour to one and a half hours. The interview will be audio taped. Some subjects will also be asked to participate in 1) a follow-up interview that will also be audio taped which will last approximately one hour, and 2) a focus group with other participants that will be used to validate findings. Subjects may be asked to review the transcripts of individual interviews for correctness and completeness and may be asked to review the researcher's preliminary analyses and conclusions. All research will take place at [the company] corporate campus unless subjects request an off site location for convenience.

III. Risks:

This is a minimal risk study. Subjects who become uncomfortable during the interviews may request that the tape recorder be turned off for all or part of the interview.

IV. Benefits:

Individual subjects are not likely to benefit in any way from joining this study. The benefits of the research are expected to include better knowledge for future efforts to prepare individuals for succession planning processes and for organizations to assess their own succession planning processes.

VI. Voluntary Participation and Withdrawal:

Participation in this research is voluntary. Individuals have the right to refuse to be in this study. Anyone who initially volunteers to be in the study and changes their mind has the right to drop out at any time. Participants may skip questions or discontinue participation at any time. Whether or not an individual volunteers to participate, no one will lose any benefits to which they are otherwise entitled.

V. Confidentiality:

The findings of this study will be analyzed and reported; an individual's participation will not be identified. Information provided will be kept confidential to the extent allowed by law and not reported to others in any way that personally identifies any participant. The tapes and transcripts of interviews will be identified by a pseudonym assigned by the researcher. Direct quotes will be attributed to the pseudonym in the final report.

In the first interview, descriptive information will be sought in order to link responses. Records will be kept private to the extent allowed by law. Anonymity will be maintained through use of a code name and number rather than by name or title. Although individuals' identities will be protected to the extent allowed by law, the principal investigator, the student principal investigator, transcribers, the IRB, and others may see study records. Names and other facts that might identify an individual will not appear when results of this study are presented or published. Individuals will not be identified personally.

VIII. Contact Persons:

Questions about this study can be directed to the student principal investigator, Lori Fancher at 770-664-0579, or her advisor at Georgia State University, Carol Hansen at 404-651-1653.

Anyone with questions or concerns about rights as a participant in this research study may contact the Institutional Review Board (IRB) which oversees the protection of human research participants. At Georgia State University, Susan Vogtner, in the Office of Research Integrity, can be reached at 404-463-0674.

IX. <u>Copy of Consent Form to Subject:</u>

We will give you a copy of this consent form to keep.

If you are willing to volunteer for this research, please sign below.

_____	_____
Subject	**Date**
_____	_____
Student Principal Investigator	**Date**

Appendix C: Interview Guide-Round 2

Round Two questions included the following:

- With a more of a move from a generalist to a specialist, how will culture be affected?
- Is age (55 y/o) the only trigger (antecedent) to a succession event?
- Are there two tracks for succession planning: 1) staff; 2) operations?
- What is the relationship of career development and succession planning?
- Referring to interview questions asked: Is the definition of “high potential” the same as the criteria for “candidates for promotion?” If not, why not?
- Is succession planning really just a recent system that deals with the identification of a candidate or is it more?

Appendix D: Interview Guide-Focus Group Questions

Focus group questions included the following:

- Do you agree with the following statement:

  "Succession Planning is early identification of that person with talent, a long range view, then how do we get them into the appropriate steps, slots, positions whatever, to get them the mentoring they need, the training and then get them in the environment so they meet the needs of the organization. That's succession planning right there." – state operations manager. If not, why not?

- How heavily do these components weigh in on candidate choice? (Rank Order) Why?

  QPR; [Companywide Employee Feedback Survey]; Succession Planning Assessments; Relationships; Rotations; Tenure; and Results.

- If you had to draw Succession Planning, Career Development and Promotion, how they relate to each other, what would that look like? (corporate group)

- Why is it important that the process and the candidate be secretive? (air group)

- From this company's perspective, is leadership innate or can it be learned?

- Do you agree with this statement: Relocation is a barrier, obstacle in the succession planning process? How will this affect the culture?

- Do you agree with the statement: You know they're high potential when they walk in the door (when they're hired). If yes, how? If not, why not?

Appendix E: QSR Nudist Free Nodes/Categories

Modeled after Sackmann's Dictionary, Directory, Recipe and Axiomatic levels of Knowledge. Each answers the What How, Should and Why questions respectively.

(F 1) What/Dictionary Node

** The children of this node are:

(F 1 1) //Free Nodes/Dictionary/What is it?

(F 1 2) //Free Nodes/Dictionary/What's the purpose?

(F 1 4) //Free Nodes/Dictionary/ "They got the whole package"

(F 1 5) //Free Nodes/Dictionary/When does it start and end?

(F 1 6) //Free Nodes/Dictionary/Succession Planning vs. Career Development

(F 1 7) //Free Nodes/Dictionary/Promotion vs. Succession Planning

(F 2) How/Directory Node

*** The children of this node are:

(F 2 1) //Free Nodes/Directory Knowledge/Steps in Process

*** The children of this sub-node are:
(F 2 1 1)) Personal Journey
(F 2 1 2) ID (identification) Selection
(F 2 1 3) People Meetings
(F 2 1 4) Development
(F 2 1 5) Promotion

(F 2 2) //Free Nodes/Directory Knowledge/Process Outcomes

(F 2 3) //Free Nodes/Directory Knowledge/Tools used in the Process

(F 2 4) //Free Nodes/Directory Knowledge/How do you learn it?

(F 2 5) //Free Nodes/Directory Knowledge/Roles of those in the Process

(F 3) Should/Recipe Node

The children of this node are:

(F 3 1) //Free Nodes/Recipe/Relocation

(F 3 2) //Free Nodes/Recipe/Communication

(F 3 3) //Free Nodes/Recipe/Promotion

(F 3 4) //Free Nodes/Recipe/Development

(F 3 5) //Free Nodes/Recipe/Retaining Talent

(F 3 6) //Free Nodes/Recipe/Tools

(F 4) Why/Axiomatic Node

*** The children of this node are:

(F 4 1) //Free Nodes/Axiomatic/Culture as Personality

(F 4 2) //Free Nodes/Axiomatic/Structured, rigid, unbending

(F 4 3) //Free Nodes/Axiomatic/Traditional-Promote from within

*** The children of this sub-node are:
(F 4 3 1) Relocation
(F 4 3 2) EEOC
(F 4 3 3) Rotations
(F 4 3 4) Stock – Ownership

(F 4 4) //Free Nodes/Axiomatic/Values for Personal Success

(F 4 5) //Free Nodes/Axiomatic/Founders-Leaders Influence

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VITA

Lori Powers Fancher was born in Daytona Beach, Florida, in 1963. She received her BS degree in Human Resource Development from Georgia State University in 1994 and her MS degree in Human Resource Development from Georgia State University in 1996. She earned a Ph.D. in the same field from the Andrew Young School of Policy Studies at Georgia State University in 2007.

Lori's work experience took place in a variety of industries. She began her career in the Banking Industry in the bookkeeping department in the late 1970's and early 1980's. From there, she worked in the Medical/Hospital industry in the Emergency Room as administration and nursing support. In the mid-1980's, Lori worked in the Telecommunications industry for two Fortune 500 companies as marketing and management training support. Throughout much of the 1990's, Lori worked in the Transportation industry for another Fortune 500 company in the functions of Corporate Business Development and Corporate Training and Development. It was in this capacity that Lori was responsible for corporate organizational development efforts as well as the design, development and implementation of many company-wide training and development programs. These programs included membership on various corporate steering committees, the roll-out of new products and services, Business Process Redesign, performance measurement, Quality and Service Recognition training, Teams and Managerial Coaching implementation, Engineering function leadership development efforts and company competency models.

Following a move to independent consultant, Lori worked on merger/acquisition efforts among two major Atlanta-area hospitals. Consulting expertise was brought in to

determine cultural congruence on the efforts of organ donation and the issues of death and dying as viewed by physicians and nurses of each hospital.

Lastly, Lori has worked independently on such academic projects as Workforce 2000 with the Georgia Governor's Office of Planning and Budget, Entrepreneurialism in the Cote D'Ivoire, and has been invited as a consultant to numerous classes in the bachelor's program for upcoming Human Resource Development students at Georgia State University.