



# ORGANIZATIONAL PLANNING: THE LADDER TO AN ORGANIZATION'S SUCCESS

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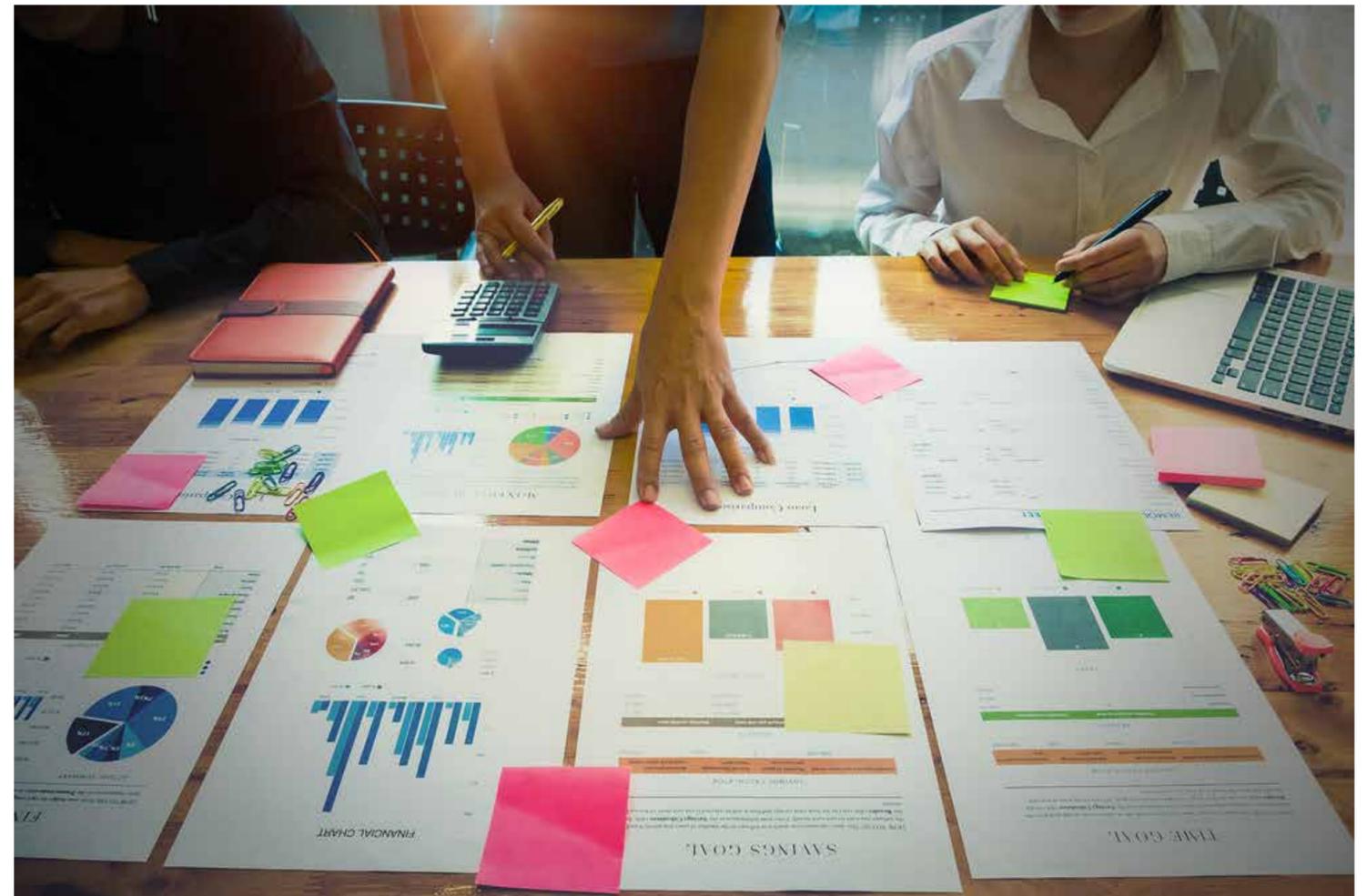
IMPORTANCE OF PLANNING IN ENSURING  
THE SURVIVAL AND GROWTH

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# INTRODUCTION:

Organization planning constitutes of all the activities which are utilized to set priorities, focus energy, resources and assets, reinforce tasks, guarantee that employees and different stakeholders are moving in the direction of a common objective, set up agreement around expected results, and evaluate plus modify the organization's path with respect to the changing environment.



# ORGANIZATIONAL PLANNING - WHAT IS IT?

*Bill Gates, after having helmed Microsoft for 25 long years, stepped his title as CEO down to Steve Ballmer in 2000. The latter, for next 14 years, went ahead to tripling sales to \$78 billion and profits from \$9 billion to \$22 billion. In fact, Kinect and Xbox propelled under his watch, as did the acquisition of Skype and Yammer.*

*However, Satya Nadella, in 2014 reserved Microsoft around mobile and cloud, liberated the Azure and Office teams from Windows, released a new version of Windows and killed the phone business. Nadella likely saved his company from irrelevance.*

*In spite of the fact that Ballmer has been among the best CEOs at that point, however as far as long haul survival, did he possess all the critical competencies to Microsoft's success? He failed, for he was a world-class executor of an existing business model, however not a world-class trendsetter or an innovator.*



If something does not start right, it would be delusional to think that it will end right. Had there been a strategic planning beforehand, Nadella would have been appointed in the first place making the picture different as for now.

Better late than never, organizational planning is one of the key practices to be incorporated by the companies which can guide your company in a positive direction and prevents going down any expensive road that ***leads to nowhere.***



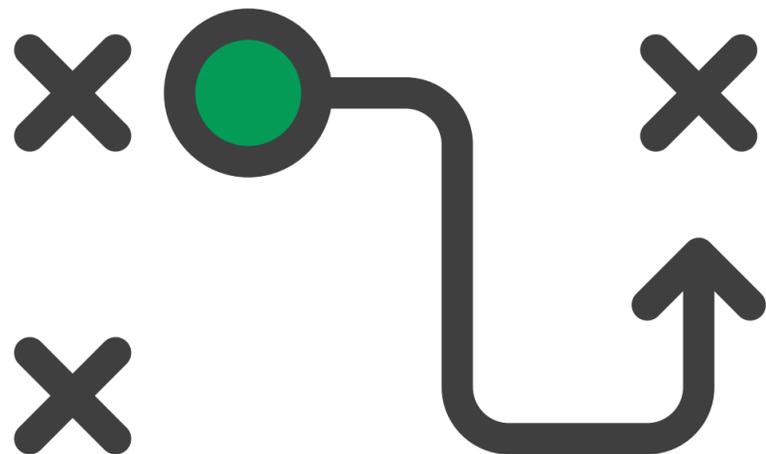
It is a disciplined exertion which produces basic choices and activities that shape and guide what an organization is, who it serves, what it does, and why it does it, with an attention on what's to come. Effective strategic planning expresses not just where an organization is heading to and the activities expected to lead a successful path, yet in addition how it will know whether it is fruitful.

It is anything but difficult to get so engaged in the everyday aspects of running a business that you never get around to plan for what's to come. Indeed, if an organization doesn't know where it's going, its needs will change always with little engagement or responsibility from its workers.

*A strategic plan, however, provides guidance and focus for all employees by laying out particular objectives and a strategy to accomplish for achieving them.*

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# WHY IS ORGANIZATIONAL PLANNING IMPORTANT?



You might have heard it before, the best laid plans won't guarantee success, but having no plan at all will certainly guarantee failure- or for that matter, at least fall short of your goals.

Organizational planning, when it comes to satisfying business objectives, is just a beginning which 90 percent of the companies *fail to do*.

The organizational planning helps a company uncover approaches to enhance performance. It can, for instance, show the insights about how to restructure your organization with the goal that it can achieve its maximum capacity. Developing new products, expanding operations- an all-around strategic plan manages how you react to circumstances and challenges of every colour, shape and size.



## WHY DID SUN MICROSYSTEMS FAIL?

Java, one of the best programming languages for development, run in more than 3 billion devices in some form was originated by Sun Microsystems in 1995. But did you ever hear about the company thereafter?

Well, Sun Microsystems, the computer start-up started constructing high-end servers just as the computer revolution was accelerating. Its Java programming language turned into an industry standard just as the Internet arrived, helping make Sun an industry monster by the late 1990s. But the dot-com bust wiped out many of its customers and changed the way organizations meet their technology needs.

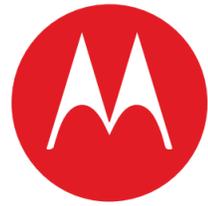
Former CEO of Sun Microsystems, Scott McNealy's loyalty to Sun's hardware culture scammed its software initiatives, and eventually destined the organization.

As PCs turned out to be all the more capable, fewer big clients required Sun's costly servers, and Sun spent most of the decade scaling back and saving. With Sun's fairly estimated worth only a fraction of what it had been once, Oracle bought the company later.

**The reason for this;** software talent is constantly overwhelmed by and made to fill the needs of its hardware rulers. To do what's depicted above at the right time would have required an assertive software leadership inside Sun, someone willing to confront the hardware culture.

McNealy, the one figure who could have given the nod to such an activity, was himself instilled with the hardware culture.

In this case there was a need of a strategic organizational planning in order to maintain someone at top positions, be it CEO or other empowered software leaders aware of the competitors and the changes in the technique an organization needs to work upon for success.



**MOTOROLA**

## THE UNFORTUNATE CASE OF MOTOROLA

Talking about Motorola, the world's first mobile phone seller, dominated that business as per 2003 when it introduced the trendy Razr which was one of the biggest-selling mobile phone ever, with over 130 million units sold. Unfortunately, it failed to focus on facilities like e-mail and other data, hence losing the race to newcomers like Apple, LG and Samsung.

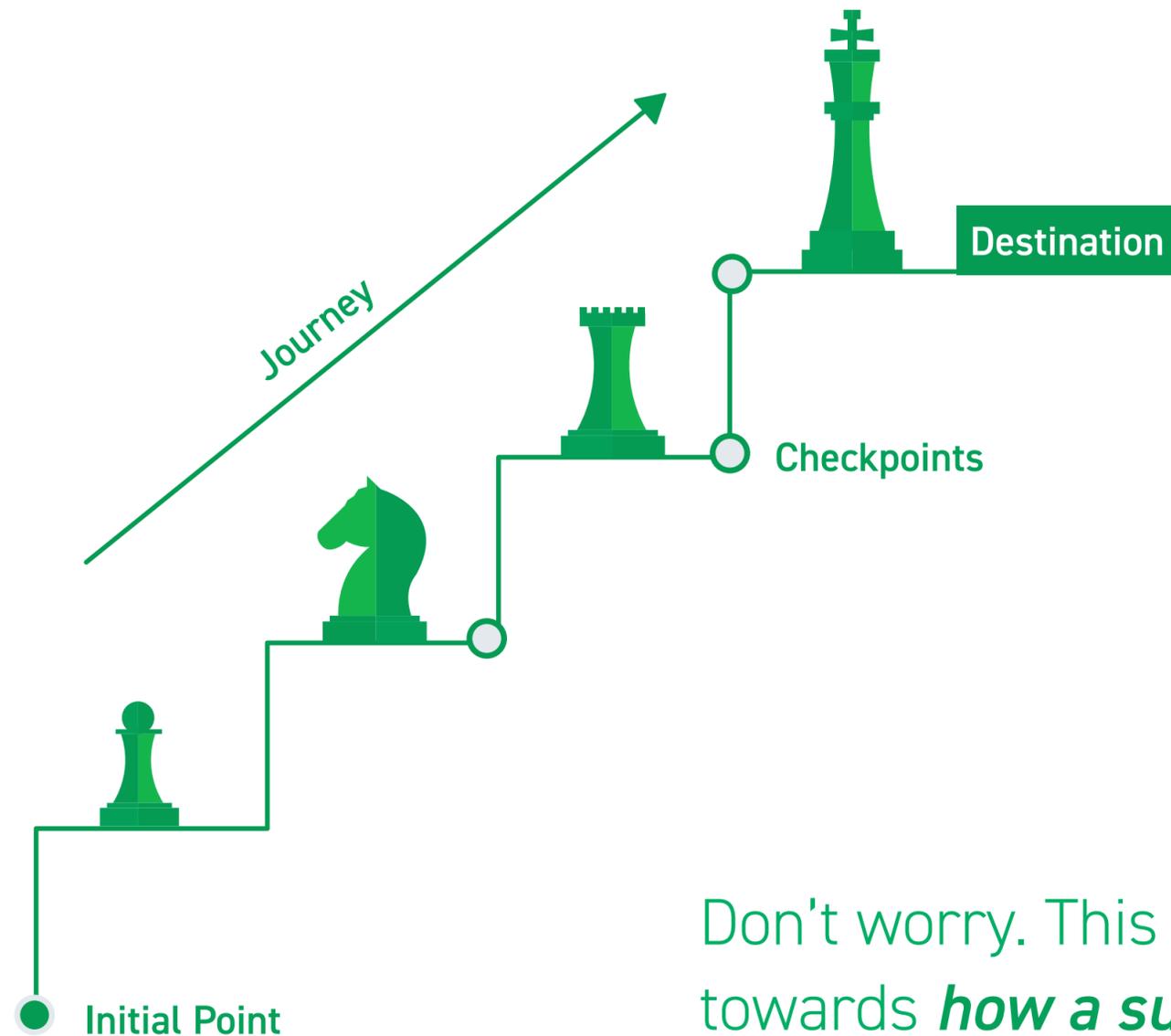
The primary reason for Motorola's go wrong is the same concerning several huge organizations that at any point disintegrated- inability to keep pace with the changing market dynamics, primarily the appliance of transforming technology.

## *“A goal without a plan is just a wish”*

A beforehand planning within the concerned officials of the organization, considering all the aspects of transformation with respect to the product would have surely made the scenario different at all.

The short clarification of interest in organizational planning is that people have made sense of that what got your organization here today won't get it to where it should be tomorrow, or is expected to be. Sudden developments, new challenges and dynamic innovations have changed the scene, moving the conduct of both competitors and clients.

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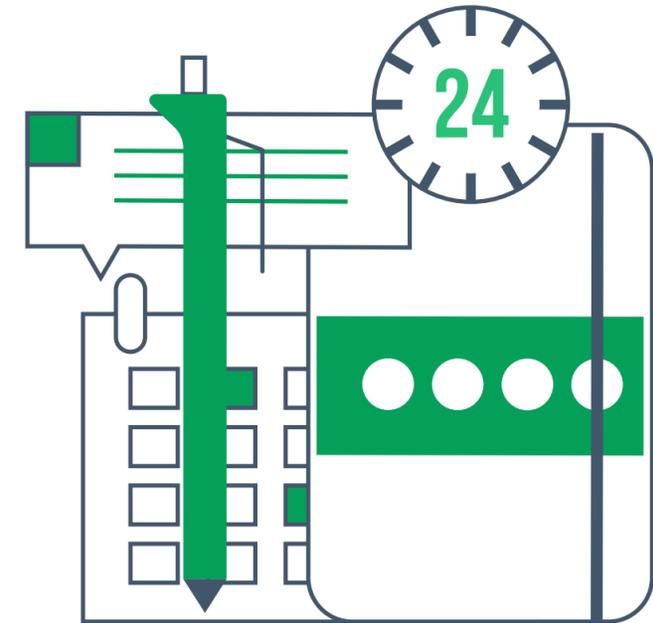


Essentially, an organizational plan helps you answer these four critical questions:

- **The Destination-** Where do you want to take your business?
- **The Initial Point-** Where are you at the current time?
- **The Journey-** How will you get there?
- **The Checkpoints-** How will you know if you're succeeding?

Don't worry. This isn't a tough task. We are heading towards ***how a successful organization planning could be implemented.***

# CORE ELEMENTS OF ORGANIZATIONAL PLANNING - A DETAILED APPROACH



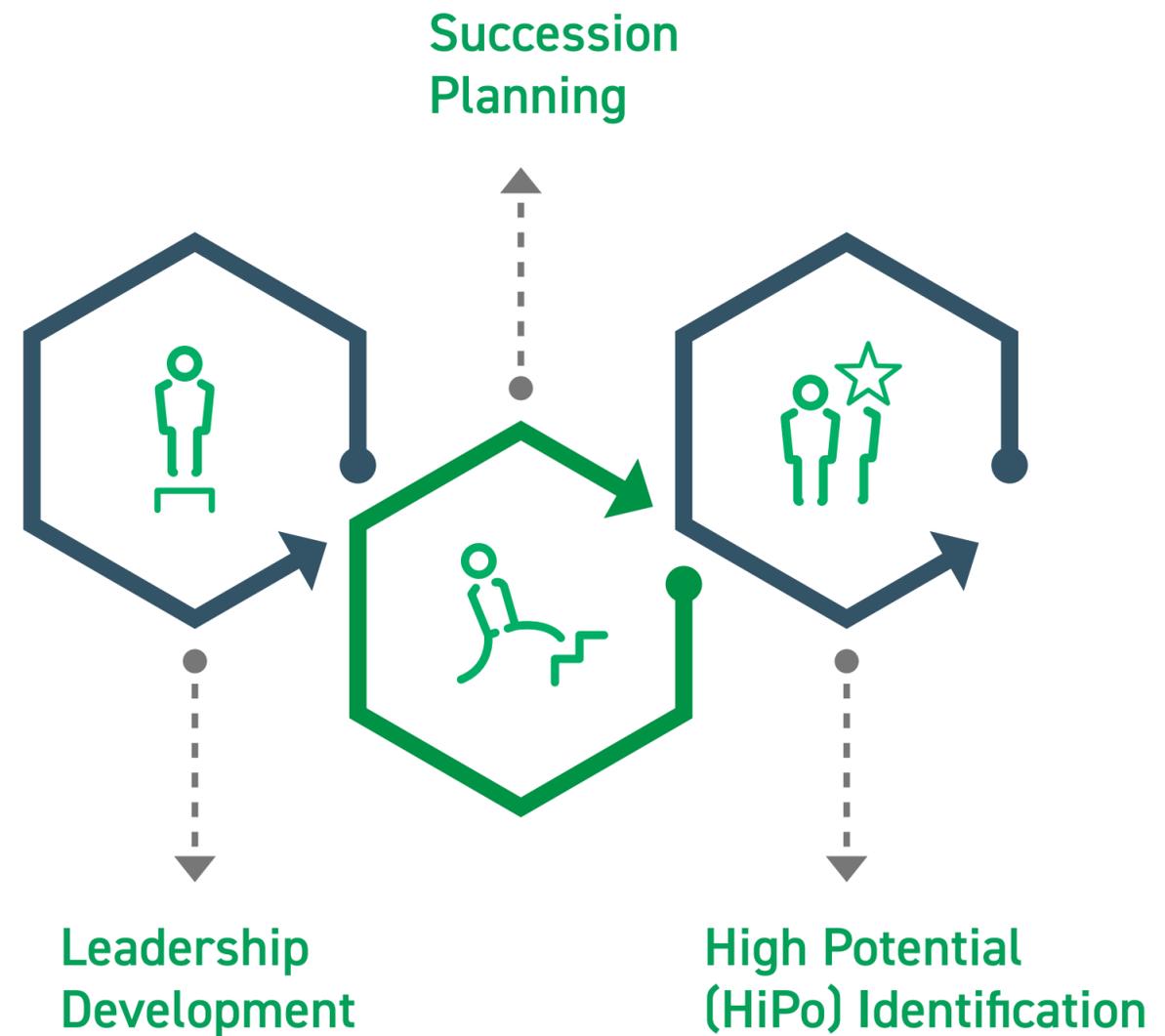
*“A failure to plan is planning to fail”.*

We have all heard that a million times, yet what is the concept of planning? Some call it forethought- the way toward pondering and sorting out the activities to accomplish a coveted objective.

According to the author Theo Haimann, **“Planning is choosing ahead of time, what anyone can do. At the point when a manager plans, he anticipates a strategy for the future, endeavouring to accomplish a reliable, facilitated structure of operations aimed at the desired results.”**

In case of absence of a plan, work still gets done on a daily basis, but what it lacks is a sense of purpose and priority. Here are the three core elements of organizational planning.

- Leadership Development
- Succession Planning
- High Potential (HiPo) Identification



## LEADERSHIP DEVELOPMENT

*“A leadership culture is one where everyone thinks like an owner, a CEO or a managing director. It’s one where everyone is entrepreneurial and proactive.”*

-Robin S. Sharma

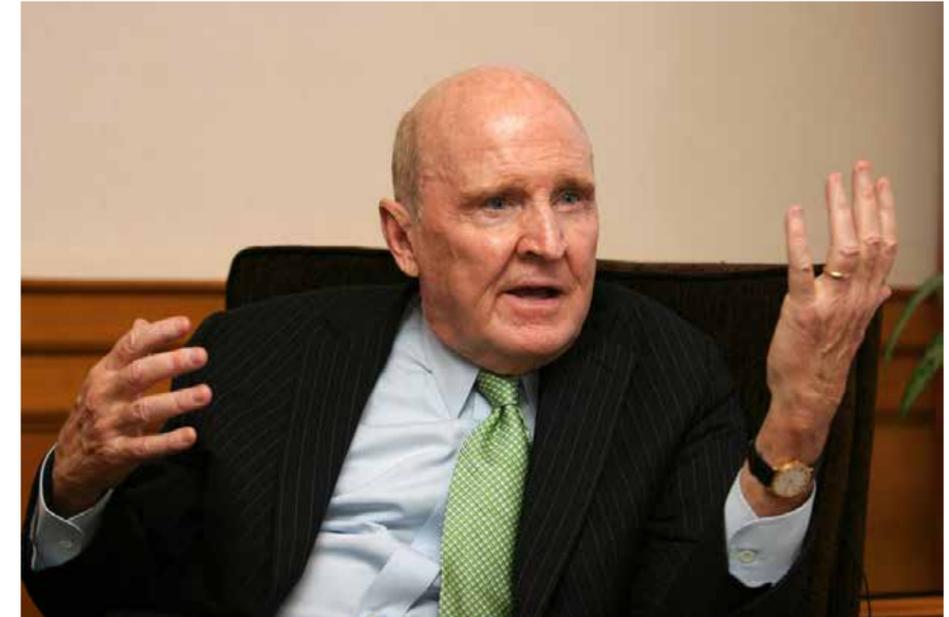
HR experts must know about the significance of leadership development, as they are basic to the long-term success of organizations. In the present scenario, companies are encountering the problems of gen-X exits. Numerous such people hold the top positions in an organization, so this mass migration is causing troubles for those who cannot create a solid pipeline of leadership talent.



of organizations anticipate a shortfall of leaders in the next 5 years.

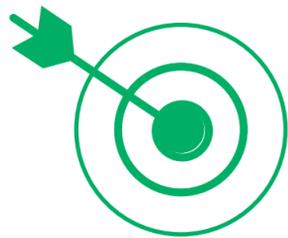


*Jack Welch, former CEO of General Electric, one of the largest business organizations according to Fortune 500, once said, “My main job was developing talent. I was a gardener providing water and nourishment to our top 750 people. Of course, I had to pull out some weeds, too.” He, for sure understood the value of leadership development in organizations as large and powerful as General Electric.*



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The reasons why organizations need leadership development can be summed up into-

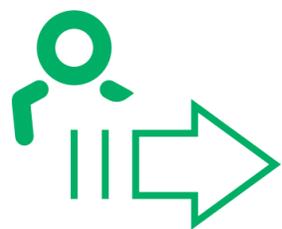


### 1. Achieve Business Goals

Present day leaders should be agile in acquiring new ranges of abilities to realign business strategies to quickly developing business scenarios.

### 2. Better Work Environment

Successful organizations require a culture that esteems people and promotes development. Painstakingly curating behavioural patterns of leaders are imperative.



### 3. Future Proofing

Organizations should be on consistent lookout and appropriately adjust to changes in people, procedures and innovation that could influence them in not so distant future.

We live in an era of significant and accelerating disruption. The world is moving so quickly these days that the man who says it isn't possible is for the most time hindered by someone doing it. Moreover, the leaders should be capable of managing the millennials and the new-age comers in an efficient way. Leading companies through change have become a totally different picture now from how it used to be ten to twenty years back.

And this is not going to slow down - on the contrary.

**Leaders have to be agile around three major areas of focus,**



## **CULTURE**

A positive culture impacts the organization in long-term. Keeping the employees updated with workplace technology, providing them greater flexibility and a clear career trajectory, recognition and appreciation, all these counts in building up a positive work culture.



02

## PRODUCT

Leaders should have an astounding feeling of vision and instinct about where market is going, how client inclinations will develop, every bit of product knowledge, its updates and how to amuse end clients with greater usability.



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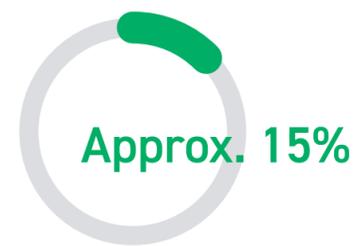
## INDUSTRY

Leaders should have an astounding feeling of vision and instinct about where market is going, how client inclinations will develop, every bit of product knowledge, its updates and how to amuse end clients with greater usability.

Organizations, and the people within them, particularly the leaders must constantly re-invent and recalibrate themselves to remain competitive. Sustaining success does depend on a company's ability to adapt to a changing environment.

## SUCCESSION PLANNING

An organization's top executives are one of the few couple of factors over which boards have total control - and their inability to plan for such executives' positions has a high cost.



Each year about 10 to 15 percent of organizations appoint a new CEO, be it due to their retirement, resignation, dismissal or ill-health.

A 2010 overview by the search firm Heidrick and Struggles and the Rock Center for Corporate Governance at Stanford University uncovered that exclusive 54% of boards were preparing a particular successor, and 39% had no suitable internal applicants who could quickly supplant the CEO if the need emerged.

So what can a company do not only just to get ready for succession events but to guarantee that they make a triumphant pick when the time comes? The best thing is to coordinate official development programs with succession planning so the best suited internal applicants are recognized early and hailed at the board level.

Succession Planning is the procedure whereby an organization ensures that the employees are hired and developed to fill each key role within the company. With the help of succession planning, an organization recruits superior employees, develop their knowledge, skills and abilities, and prepare them for promotions into more challenging roles within that organization. In fact, all the organizations, irrespective of their size, need succession planning.

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## HOW DID IBM FOUND ITS FIRST FEMALE CEO?

Virginia M. Rometty's succession as CEO of IBM in 2012 was the resultant of internal succession planning done correctly.

Her tenure with IBM began in 1981 as a systems engineer and from that point onward she has climbed the positions upward to SVP and Group Executive for Sales, Marketing, and Strategy before being appointed as the CEO.

Rometty, IBM's first female CEO is a prime case of an incoming CEO who was around settled in the organization culture, known to the board, and showed a sterling reputation.

Josh Bersin, principal and founder of Bersin by Deloitte says of Rometty's appointment: "IBM's talent management process is very mature, integrated, and global. At the executive level the company takes development planning and succession very seriously.

Succession planning is a strategic approach to ensure that necessary talent and skills will be available when needed. It has been identified as a key initiative for addressing a number of critical human resources issues including increasing turnover rates, fast-paced changes in work, and a need for a diverse workforce at all levels.



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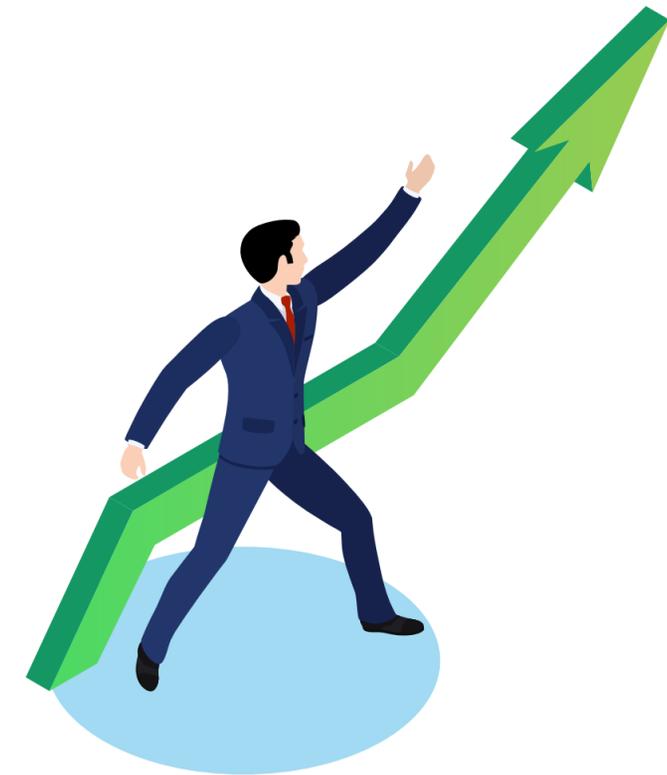
## HIGH POTENTIAL (HIPO) IDENTIFICATION

The world is on reboot mode as are its corporate enterprises. Continued global economic hurricanes are driving organizations to experience outlook changes in the way they work. In Marshall Goldsmith's words,

*“What got them here won't get them there”.*

What an organization needs to cope up is an employee who is multi-skilled and capable of effective collaboration in an increasingly diverse and spread out work ecosystem. In short, seeking a lot from one employee!

The digital economy, along these lines, has shot talent development into being a critical agenda for corporates across the world. Organizations should need to ensure their people agenda is centred on the advancement of employees who can possibly accept challenges predicted not in simply the present business context, but rather tomorrow, with an aim of building future ready leaders.



High potential talent is an employee who is assessed as having the ability, organizational commitment, and motivation to rise to and succeed in more senior positions in the organizations.

In the business world today, there is a developing enthusiasm for HiPo identification. An employee's potential decides the furthest reaches of his or her development range. It would be sufficient to say that the more potential they have, the less expensive and quicker it is to develop them.

Some in your organization might see the organizational planning process fruitful as an administration craze or a misuse of assets. But, if done accurately and with appropriate follow-up and action, it can ensure a more successful and proficient utilization of resources, enable the organization to maintain a strategic distance from crisis, and set it up to deal with any circumstance that emerges.

But, how are these practiced or how can these core elements of organizational planning be *implemented in an organization?*

# HOW IS ORGANIZATIONAL PLANNING EXECUTED IN COMPANIES?

Strategy isn't a process, it's rather a way of running your organization. It is cyclical, agile, 100% iterative and moreover never ending.

Many people assume that the hardest thing about strategy is the planning; comprehending what to do. Logical enough, yet the basic truth is that knowing what to do is the simple part. To effectively execute a technique is hard- it's what sets great strategy individuals separated from the crowd.



The concept of assessments in each of the elements of organizational planning will prove beneficial. After all, an objective and comprehensive approach that could provide the insights into the competencies required for a job role could be the one to find the target employees, gauge the extent of training to be provided and even measure the effectiveness of training incorporated.

Now, let's discuss the correct and efficient ways that must be incorporated by the organizations for each and every element of organizational planning.

## LEADERSHIP DEVELOPMENT

A comprehensive assessment battery that provides insight into the leadership styles, motivators and work-oriented personality of a leader. This targets to help the leaders increase their overall effectiveness, by letting them know about how to leverage their strengths and address their areas of development.

The measurement process through assessments considers all the aspects including cognitive abilities, personality traits, demonstrated behaviours and function knowledge/skills. To ascertain the eligible employees and the competencies required for leadership roles would be the first step in this direction.



Now, let's discuss the correct and efficient ways that must be incorporated by the organizations for each and every element of organizational planning.

Well, setting up Assessment centres and Development centres could help. AC/DCs are comprehensive psychometric projects intended to assess key competencies in individuals through set of strategic group activities led in an offline mode.



There are companies which provide advanced psychometric tools that enable virtual administration of AC/DCs along with offering the flexibility of offline activities.



Virtual AC/DC



Blended AC/DC



**Virtual AC/DC-** An entire online suite of logically approved devices and assessments that totally recreate AC/DCs. This is completely virtual, helpful and convenient. It eliminates logistics hassles and reduces costs.



**Blended AC/DC-** Hold the adaptability and combine virtual assessment with on-field programs according to your need to create complete behavioural maps for your employees.

*By engaging your teams in the planning process of how you will accomplish your objectives you build loyalty and your group has noteworthy trust in you as a leader.*

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# SUCCESSION PLANNING

Business Dictionary defines succession planning as the

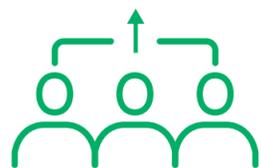
**“Identification and Development of potential successors for key positions in an organization, through a systematic evaluation process and training.”**

The most commonly utilized steps for succession planning are as follows:



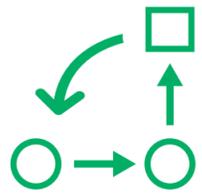
## 1. Identify Critical Positions

These are the focal point of succession planning endeavours, and if left empty would make it troublesome for the organization to accomplish business objectives.



## 2. Competencies Required

This addresses the recognizable proof of skills/competencies required for accomplishment in said position.



### 3. Incorporate Strategies

Learning, preparing and advancement for effective succession planning and administration.



### 4. Evaluate Effectiveness

This depicts the productiveness of the strategies incorporated.

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When you place psychometric assessments into the equation, there is a proof of a more effective form of succession planning. Some are listed below:

**Fiscal Benefits :** It leads to a positive effect on performance management, ensuring strategic positions remain involved with competent performers. This would invalidate the cost and time behind external recruitment and training, which on the other hand are comparatively more expensive.

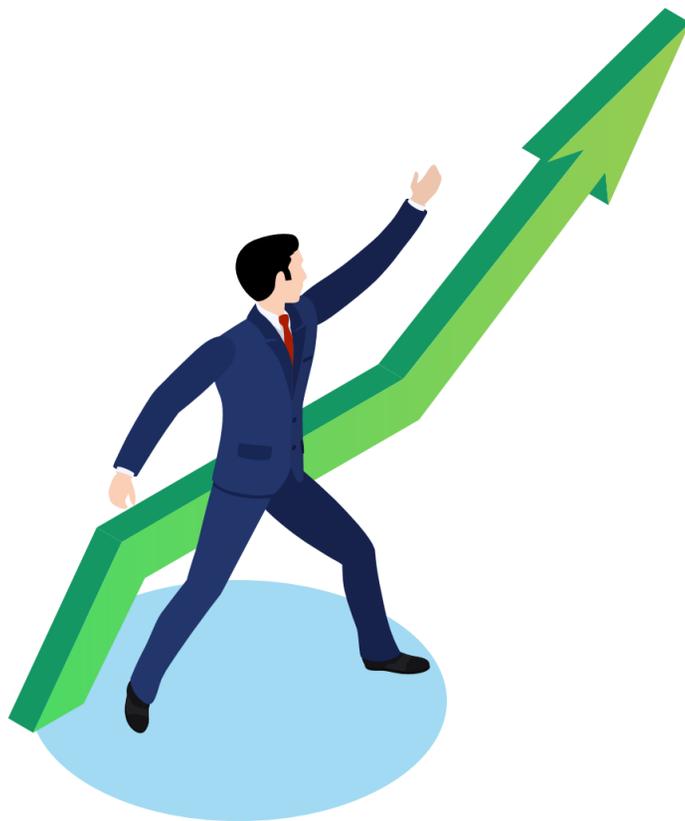
**Levels beyond training :** It is a piece of procedure important to furnish potential employees with the skills, abilities and knowledge to connect voids left by future vacancies, also helps with the initial evaluation of potential vulnerabilities that may in turn affect performance management.

**Gaps in Expected Competencies :** It helps identify the where there might be gaps between what an employee currently knows and what he/she needs to know. Better measured on the basis of current requirements for key strategic positions or a natural absence of employees with the required skills.

**It gives advantages in the form of objective information on employee effectivity and behavioural competencies suited to the organizational system.**

## HIPO IDENTIFICATION

This arena of organizational planning could also be executed via assessments. These assessments are further prepared using the following ingredients:



### Ability :

These are the focal point of succession planning endeavours, and if left empty would make it troublesome for the organization to accomplish business objectives.

### Social Skills :

This addresses the recognizable proof of skills/competencies required for accomplishment in said position.

### Drive :

This addresses the recognizable proof of skills/competencies required for accomplishment in said position.

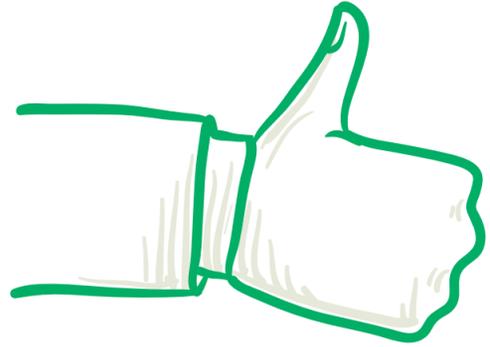


The distinctive qualities that are drive, social skills, and ability are best decided by means of the case of a rocket.

When launched, a rocket's goal is an unchangeable reality. Its fuel limit decides its capacity to reach said goal, and its body decides its capacity to cross through extra-terrestrial hindrances on the way.

On a relative note, the rocket's want to achieve a goal is comparable to a man's **drive** to meet desires and objectives that supersede into a level of high performance. While its fuel could contrast with the individual's cognitive or learning capacity, his or her **ability** to achieve a level of execution paying little respect to the drive to do as such.

At last comes the comparison between the body of the rocket and a man's **social skills**. A rocket is structurally streamlined to cross through space garbage, environmental squabbles and the sky is the limit from there, while a man should also form or have the coveted social abilities to explore through obstructions inside or outer to the organization.



# CONCLUSION

The process of organizational planning can be as essential to an organization as the outcomes. Strategic planning can be a particularly important process when it incorporates employees in all departments and at all levels of responsibilities considering how their exercises and responsibilities fit into the bigger picture, and about their potential contributions.

According to a survey, 62% of employees say they would be ‘significantly more engaged’ at work if their company had a succession plan.

Be that as it may, if you don’t set aside the opportunity to recognize what’s most vital to your organization, then you’ll continue to underperform and you’ll be kept occupied with things that are seemingly not critical to organizational growth.

Organizational planning doesn’t need to be entangled, but since it sounds complicated, numerous organizations don’t do it as frequently as they should.

**Incorporate Organizational Planning** into your organization, and you’ll quickly **observe the benefits.**

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