

Succession Planning

Retaining skills and knowledge in your workforce



Catalogue Item # 759914

This publication is available to view or order online at alis.alberta.ca/publications. Copies can also be ordered from the Learning Resources Centre by telephone at **780-427-5775** or by fax at **780-422-9750**.

For copyright information contact

Alberta Human Services

Career and Workplace Resources

Telephone **780-422-1794** Fax **780-422-5319**

Email info@alis.gov.ab.ca

© 2012 Government of Alberta, Human Services

This material may be used, reproduced, stored or transmitted for non-commercial purposes. However, Crown copyright is to be acknowledged. It is not to be used, reproduced, stored or transmitted for commercial purposes without written permission from the Government of Alberta, Human Services. This publication is not for resale unless licensed with Government of Alberta, Human Services. Every reasonable effort has been made to identify the owners of copyright material reproduced in this publication and to comply with Canadian copyright law. The publisher would welcome any information regarding errors or omissions.

Government of Alberta, Human Services publications may contain or reference publications, trademark, patent or copyright held by third parties ("third party material"), identified with a credit to the source. This does not grant the user a licence or right to that third party material. Users who wish to reproduce any third party material in this publication should seek permission from that third party.

Information in this publication was accurate, to the best of our knowledge, at the time of printing. However, legislation, labour market information, websites and programs are subject to change, and we encourage you to confirm with additional sources of information when making career, education, employment and business decisions.

ISBN 978-0-7785-8849-8

09/2012—26M

All photos in this booklet are for illustrative purposes only. They are not actual photos of any individuals mentioned.

Contents

Introduction 2

Loss of critical knowledge	2
About this resource	3
Demographic factors	4
Knowledge management for risk management	5

Planning for Employee Succession 6

Benefits of succession planning	6
Succession planning process	7
Monitoring your plan	11

Retaining Knowledge 14

Basic strategies for transferring knowledge	14
Additional strategies	15
Success with succession planning	23

Resources 25



Employer profiles

Standen's provides a culture of knowledge	12
McLevin Industries makes knowledge a priority	16
Enerplus Corporation prepares for the future	19
YWCA of Calgary reaps the rewards of succession planning	24

Introduction



Employers risk losing important skills and knowledge when employees retire or move on. In this publication, Alberta employers share what they have learned about reducing that risk through succession planning and knowledge transfer. They also offer practical strategies for retaining skills and knowledge.

Loss of critical knowledge

When Keegan McLevin took over his father's company, he quickly realized he would need to find a replacement for a key employee, a metal former headed toward retirement.

"This metal former has been with our company for 28 years, and he currently handles our entire metal forming division," says McLevin, chief operating officer of McLevin Industries. "And 30 per cent of our business is in metal forming alone."

Employees can hold vast amounts of key experience, information and skills. That knowledge walks out the door with them when they retire or leave an organization for other reasons. Employers that are unprepared can be left scrambling to run their day-to-day operations.

McLevin Industries isn't the only company threatened by the loss of knowledge through employee retirement. In fact, 19,000 Albertans retired in 2011, and approximately 190,000 Alberta workers are expected to retire over the next 10 years.

According to Alberta employers and human resource professionals, the key knowledge needed to run an organization exists at all levels, not just in leadership positions. Some of this knowledge may be easy to recognize, such as technical skills and contact lists. Other knowledge may be more difficult to define or communicate, such as workers' learned experiences that they may not realize are relevant.

Retaining skills and knowledge is an important issue for organizations of all sizes. However, it can be especially important for small and medium-sized organizations. They often have more critical knowledge concentrated in fewer employees.

About this resource

In this publication, employers will find practical advice to help identify and develop internal talent and prevent the loss of important knowledge from their organizations. This advice comes from various resources, including Alberta organizations that have implemented many of the practices themselves.

This introductory chapter outlines how our workforce is aging and how that trend affects Alberta employers. It also introduces succession planning and knowledge transfer. These practices are used by employers to reduce the risks associated with employees leaving, whether through retirement or for other reasons.

The chapter *Planning for Employee Succession* describes five steps for succession planning—a process

of identifying and developing key positions in an organization. It also highlights the benefits of succession planning.

The *Retaining Knowledge* chapter offers strategies that small and medium-sized employers can use to make sure skills and knowledge stay in their organizations. These strategies for transferring knowledge come from interviews conducted with Alberta employers and other research.

This resource also includes profiles of Alberta employers. These profiles show how they have incorporated succession planning and knowledge transfer in their organizations.



Demographic factors



The baby boomers, who have long been the backbone of Alberta's workforce, started turning 65 in 2011. A large number of them have already retired. According to Alberta Treasury Board and Finance, over 830,000 Albertans were over the age of 55 in 2010. By 2025, more than 1.3 million Albertans will be over 55.

For many Alberta employers these numbers suggest that the time to begin transferring knowledge is now. In 2008, 90 per cent of respondents in an online public consultation by the Government of Alberta said the effects of Alberta's aging workforce should be a high priority for both the private sector and government. Less than 25 per cent of employers had strategies to address those effects.

Some facts about Alberta's aging workforce:

- The number of mature workers (55 and older) in the labour force more than doubled between 2001 and 2011 (from 177,000 to 370,000).
- Mature workers aged 55 and over accounted for almost 17 per cent.
- Approximately 19,000 Albertans retired in 2011, nine per cent more than in 2010.
- Approximately 190,000 workers are expected to retire during the next 10 years.
- Alberta's average retirement age in 2011 was 64.1 years.

Cheryl Knight is the executive director and CEO of the Petroleum Human Resources Council of Canada. She says that succession planning and knowledge transfer need to be addressed by employers now. "Just when industries need workers most, Canada's labour supply will be dwindling. One solution to the upcoming retirement boom will be proactive and creative ways to either transfer the knowledge of potential retirees or to retain them."

The Canadian workforce will decline by more than one million people between 2011 and 2021, according to Statistics Canada (not accounting for immigration). In Alberta, the Petroleum Human Resources Council of Canada says the oil and gas industry alone expects to lose as many as 44,000 workers through age-related attrition between 2010 and 2020.

Knowledge management for risk management

According to Alberta employers and human resource professionals, planning for the exit of knowledgeable employees can be critical to the long-term success and competitiveness of businesses. Alberta employers often use **succession planning** and **knowledge transfer** as risk management tools to keep critical knowledge in their organizations. Think of these tools as insurance for capital assets.

“Transferring knowledge is an extremely important topic that employers need to deal with,” says Ken Kobly, president and CEO of the Alberta Chambers of Commerce. “The issue of management of labour will separate the long-term businesses from the short-term businesses.”

Succession planning is the process of identifying and developing employees to fill key positions in an organization. It can prepare an organization for when other employees leave and for employee promotions. It can also prepare an organization for expansion or reorganization.

Knowledge transfer is the process of capturing skills and information and sharing them between employees and also between parts of an organization. The goal is to make that knowledge available for current and future workers. Knowledge transfer applies to knowledge that is obvious and easily defined. It also applies to knowledge that is harder to define or articulate.

Knowledge transfer is an important part of the succession planning process; it is how employees get much of the information and skills they need to move into key positions.



“Transferring knowledge is an extremely important topic that employers need to deal with.”

— Ken Kobly
President and CEO
Alberta Chambers of Commerce

Planning for Employee Succession



Succession planning is the process of identifying and developing employees to fill key positions in organizations. Succession planning can make organizations more competitive, improve the retention of talented employees and lower the risk of losing critical knowledge when people leave.

Benefits of succession planning

Succession planning is about developing employees and supporting them in their careers to ensure your organization has the right talent for key positions. On a more strategic level, succession planning will help your organization remain successful even after the loss of a key worker.

Some of the other benefits include

- having the right people in the right place at the right time
- developing a qualified pool of candidates who are ready to fill key positions
- helping employees realize their career plans and aspirations
- improving employees' ability to respond to changes in the workplace
- creating more opportunities for the timely transfer of knowledge at the corporate level

Human resource professionals say succession planning also helps retain valuable workers and lowers the costs of recruiting new talent, which are major considerations as Canada's workforce ages.



Succession planning process

There are different ways to implement succession planning in your workforce. The five steps in this section come from various resources, the private and public sectors, academic studies and human resource and management consultants.

1. Make a demographic profile of your workforce

A good place to start the succession planning process is to make a demographic profile of your organization.

A simple demographic profile would list the ages of your employees, their roles and their skills. This profile can help you find out whether you are likely to lose key employees in the near future. It might also help you determine whether there are any candidates to replace them.

Once you have created a demographic profile for your organization, you may be able to answer the following questions:

- How old is your organization's talent pool?
- Do certain positions have more employees approaching retirement age?
- Is a rich pool of candidates available to take their place?
- How much time do you have to identify and develop replacements for employees who are retiring?

While a demographic profile can begin to answer some of these important questions, it may not provide the full story of the factors affecting your workforce. Speaking directly to employees about their future retirement or career plans can fill in the gaps and help you plan for the future.

Five steps of succession planning

1. Make a demographic profile of your workforce. It is a tally of the ages, roles and skills of all your employees.
2. Identify the key positions to determine the roles and skills that keep your organization going.
3. Build job profiles for the key positions to document the knowledge, skills and qualities required.
4. Identify and assess potential candidates to decide who could advance to the key positions.
5. Implement employee development plans to create learning and knowledge transfer goals for these candidates.



2. Identify key positions

Key positions are the ones that are crucial for your organization's future success. Identifying them can help you focus your succession planning efforts where the risk of losing important skills and knowledge is the greatest.

"Identify the 'choke points' of an organization—things that can stop the business from running," says Anne Scott, a business counsellor with the Canadian Federation of Independent Business.

Key positions often coincide with an organization's leadership because of what the people in those positions know and their important roles. However, Scott says people at all levels of an organization hold important information. "For example, who knows how the accounting systems work? Or, if you're in a sales environment, who has the contacts?"

Scott says the following questions can help employers identify key positions:

- Does the position play a key role in meeting the organization's goals? If so, what is the unique contribution of the position in meeting those goals?
- If no one was in that position, would important aspects of the organization's operations stop or be slowed down?
- Does the position require specialized or unique skills or knowledge that may be difficult to replace?
- Is the position difficult to recruit for, or is that talent hard to find?

When looking at key positions, it is also important to envision how the skills and knowledge your organization has today will change as your business evolves.

"Businesses really need to sit down and identify, document and describe the skills they're going to need for the future," says Julie Ball, the executive director of the Talent Pool Development Society at the Calgary Chamber of Commerce.

A good way to start looking at your organization's future workforce needs is by identifying the amount and type of work you expect to do in the future. It is impossible to predict every change. But reviewing your organization's strategic plan, business plan or annual reports can help you identify the following:

- the types of work your organization plans for the future
- the types of work that may no longer be needed in the future
- your organization's expected growth rates
- ways the work will get done (e.g., using new technologies or methods)
- societal, technological, economic or labour market trends that could affect the kind of knowledge your organization will need in the future

In practice: Identify key positions

McLevin Industries (page 16) recognized that one employee handled its entire metal forming division, which accounts for 30 per cent of its business. The company didn't have anyone else to fill that position if the metal former was away or retired.



3. Build job profiles for key positions

A critical next step in succession planning is to build job profiles: document the knowledge, skills and competencies required for key positions. A job profile should give you a complete picture of the position – what is actually done and how. The profile can also include the personal attributes and qualities that contribute to an employee’s success in the position.

4. Identify and assess potential candidates

Once a job profile is complete, you can identify strong potential candidates within the organization who could advance into key positions.

Employers need to find candidates who

- meet the minimum requirements in the job profile
- have the potential to learn the rest
- have the desire to take on the position

John Simpson, of the Calgary manufacturing company Standen’s (see page 12), says that this step offers employees opportunities to move within the company.

“I think one of the most important things any organization can do is create opportunity for people to feel challenged, to feel like they’re making a difference,” says Simpson.

The following are some documented sources on employees that could be used as tools to identify potential candidates:

- performance ratings and reviews
- specific accomplishments
- feedback from supervisors and managers
- skills assessments
- technical and professional designations
- past work experience
- short-term trial projects



But the best source for identifying potential candidates may be your own employees. Employees who see an equitable and fair succession plan in action are often eager to participate. They also more often express their interest in moving to more challenging roles.

In practice: Identify and assess potential candidates

McLevin Industries (page 16) found an employee to train as a replacement for a critical position through one of its cross-training initiatives.

5. Implement employee development plans

The final step in succession planning is to develop the talent of your employees. The job profiles built in step 3 can help determine where to focus training and knowledge transfer efforts. Employers commonly work with employees to create an employee development plan.

An employee development plan shows how employees will narrow the gap between what they can already do and what they need to do to meet future requirements in a key position. According to *Alberta Venture* magazine, some of Alberta's most successful companies use these plans to groom future leaders and make sure technical knowledge is passed down to successors.

The Conference Board of Canada says that the best employee development plans are partnerships—the

employees develop their skills with the support of the employer, while the organization continues to meet its operational needs. Employees play an important role in building the plan. They can identify their career interests and help develop their own learning plans.

The HR Council for the Nonprofit Sector says many organizations set up coaching and mentorship programs as part of their employee development plans. These one-on-one programs transfer technical knowledge. They are also among the best tools available to pass on the organization's culture to the next generation. These and other strategies for transferring knowledge from experienced to developing employees are described in the *Retaining Knowledge* chapter (starting on page 14).



Monitoring your plan

“Succession planning is an ongoing process. By constantly evaluating it and making revisions, you can keep improving it and adapt it to changing needs,” says Brien Perry, the vice-president of human resources at Calgary-based oil and gas producer Enerplus Corporation (see page 19).

He says the following questions may help you identify where your succession plan needs improvements:

- Have all key jobs been identified, and do they have succession plans?
- Are key positions filled quickly after a vacancy?
- Do employees perform effectively in their new roles in key positions?
- Do any key positions have no successors?
- What is the ratio of external hires to internal hires?

Ultimately, whether your organization’s succession planning is delivering a return on investment will depend on the original goals. And even that can change as the marketplace, technology and employees change. Here are a few basic questions that can help you tell when an update of the original plan is needed:

- Are the goals of the succession plan still appropriate?
- Has critical technology changed?
- Are there key positions that need to be added to the plan?
- Do any marketplace or government changes affect your plans for employee succession?

“If you don’t find ways to gather and retain that knowledge, then it all just walks out the door when someone retires or leaves.”

— **John Simpson**

Director of Personnel and Human Resources
Standen’s



Standen's provides a culture of knowledge

Industry: Manufacturing for transportation, agriculture and oil and gas

Number of employees: 500

Succession planning and knowledge transfer may have become popular recently, but at Standen's these practices date back to 1924.

"It's part of our company culture," says John Simpson, the company's director of personnel and human resources. "In every position, over the years people develop skills and knowledge. If you don't find ways to gather and retain that knowledge, then it all just walks out the door when someone retires or leaves."

Standen's uses peer training, where workers teach each other tasks, and cross-functional training, where they actually learn each other's jobs, to help share knowledge within its workforce.

"We've found those approaches effective, but we've also found some challenges with them," says Simpson. "Not all of the knowledge gets transferred, and the training itself can change as people teach differently."

To make its training more consistent, the company recently tried a new approach: it uses multimedia to document best practices in the company and to capture all of the skills and procedures of a job.

“When you get people learning from each other and taking the time to teach each other, you end up with a much better working environment and a more productive team.”

"We document and record best practices on videotape, on still pictures and in written work instructions," says Simpson. "That way, when someone starts their job they start with all the details."

The training allows employees to learn based on their individual strengths while providing thorough and consistent training. Simpson says Standen's sets the stage for new employees by putting them in a classroom environment for a day to review the best practices.

"Then when they move to hands-on training, they can keep in their minds things like 'What did they do in the video? Is this person teaching me something different?' It helps provide the best training possible," says Simpson.

The multimedia training doesn't just show employees how to do their job, but also how their job fits into the rest of the company's operations. Simpson says the goal is to start people with an understanding of the entire process from beginning to end. "That way they get a picture of how what they do fits into the process and a better overall perspective of how important their job is."

In the process, employees also get to learn about different jobs. Simpson says it offers them opportunities to move within the company.

“I think one of the most important things any organization can do is create opportunity for people to feel challenged, to feel like they’re making a difference,” says Simpson. “That means giving people opportunities to stretch their minds and grow in their experience with the company.”

Standen’s is always looking for more ways to help share knowledge within its workforce. Sometimes it’s done by trial and error.

“Some of them work and some of them don’t, but the core thing is to keep trying. If you don’t try then you’ve lost,” says Simpson.

Although he admits it’s hard to quantify the benefits of knowledge transfer, Simpson says Standen’s has gained from the investment.

“A lot of companies may look at it from a strictly financial standpoint, where there’s an expense to the bottom line, such as someone being taken away from their job, but I think the benefits are huge,” he says. “When you get people learning from each other and taking the time to teach each other, you end up with a much better working environment and a more productive team.”

Simpson says it also increases the competitiveness of your business to have a more skilled workforce. And when your employees know all aspects of the company, they are better able to serve their customers.

Knowledge sharing also saves money, says Simpson. “If you don’t teach your employees new ways to do things, if you don’t learn from the older employees so everyone has a stronger knowledge base, you run the risk of losing money when somebody retires. It also means people aren’t learning from other people’s mistakes. Knowledge transfer is risk management. Employers that don’t get involved are going to be left behind by the ones that do.” ■

“ Knowledge transfer is risk management. Employers that don’t get involved are going to be left behind by the ones that do. ”

Standen’s: Strategies that work

- Use strategies (like video recordings) that fit the company’s goals and resources (page 20).
- Use cross training, mentoring and peer training to build skills and knowledge within the workforce (page 18).
- Document knowledge and best practices to make sure productivity gains are not lost to the company (page 21).

Retaining Knowledge



You have identified the key positions in your organization and the staff who could potentially move into those positions. In this chapter, Alberta employers share their strategies for ensuring those employees get the critical skills and knowledge the organization needs to succeed.

Basic strategies for transferring knowledge

Retaining the knowledge held by key employees and passing it on to potential replacements is an essential part of succession planning. According to human resource professionals and Alberta employers, it's important for employers to start small and simple and trust their common sense.

“People naturally hate change, so don't drop a whole bunch of changes in their lap at one time,” says Anne Scott, a business counsellor with the Canadian Federation of Independent Business. “Instead, implement these changes in steps.”

There are some quick and low-cost strategies that will help your employees start sharing knowledge, regardless of the size of your company or what industry you're in. You may be doing some of these things already.

By taking even one small step, you will likely have some success in opening the lines of communication. At the very least, you will bring attention to the need for knowledge transfer in your organization. Here are three strategies with which you can start.

Communicating with staff

Communication is key to transferring knowledge in your workforce. It builds relationships and trust, both of which are necessary to promote the transfer of knowledge. Communicating with staff can be as easy as walking around and chatting informally with your employees. Ask them what they're working on, how their processes work or even how things could be made easier for them. Get to know them—it will help build an open and trusting environment in your organization. It will also help you identify who has what knowledge.

“Starting to open the lines of communication doesn't have to be difficult,” says Scott. “Start doing the little things, like opening up the doors for conversation—the technical answers can come after.”

Making learning part of your organization's culture

If you make learning part of your organization's culture, knowledge transfer will become part of your employees' everyday duties. Demonstrate that learning new procedures and improvements on current practices is a priority in your organization. Include it in your mission statement, job descriptions and other materials. Take time to discuss with your workers the importance of succession planning and sharing knowledge.

Additional strategies

When you are ready to expand your knowledge transfer efforts, you might want to use some of the following strategies, which have been successful for other Alberta employers.

Staff discussions

One-on-one discussions can be an effective way to share information between your employees. This information can be gathered as part of the startup of a new initiative, during debriefings after major projects, during regular performance reviews or during exit interviews.

Here are a few questions recommended by the Conference Board of Canada to spur discussion. Use them to collect information and get your employees thinking about the knowledge they have to share:

- What do you think are some factors that led to success in projects you've participated in?
- In recent projects you've completed, can you think of something that surprised you and/or frustrated you most?
- What insights did you gain during a recent project you completed?
- If you were starting a particular project again tomorrow, what would you do differently?
- Describe the steps you'd go through to accomplish your duties or projects.
- Who are other critical participants in the process and why?

Leading by example

Employees will feel more comfortable if they see their leaders sharing knowledge. To help lead by example, take steps to get all of your organization's leaders on board. Reward them for their efforts and hold regular meetings to discuss knowledge sharing.

"Actions change your culture," says Scott. "If the leaders in the organization are setting the expectations and transferring knowledge, then the other employees will notice that and be more willing to do it themselves."

Searching the Internet for "how to conduct an exit interview" can reveal plenty of useful advice and tips on conducting interviews to gather information from employees.

Results

- You can gain valuable information from retiring or departing employees.
- Employees can learn that their opinions are sought and valued.
- Employees can feel encouraged to share information.

In practice: Staff discussions

McLevin Industries regularly interviews its employees to find out what they want to learn and where they want to go in the company (page 16).

““ The downside to not transferring knowledge is serious damage to your business. ””

— Ken Kobly
President and CEO
Alberta Chambers of Commerce

Continued on page 18

McLevin Industries makes knowledge a priority

Industry: Manufacturing

Number of employees: 20

When Keegan McLevin took over his father's welding company in 2006, he realized right away he needed to find a replacement for a single key employee who was headed toward retirement.

“Our metal former has been with our company for 28 years, and he currently handles our entire metal forming division—and 30 per cent of our business is in metal forming alone,” says McLevin, chief operating officer of McLevin Industries. “I knew pretty quickly that we were going to have to start looking for somebody to fill his position, even just for when he goes on vacation.”

Seeing the challenge clearly, McLevin knew management would have to take a leadership role and find a solution that fit the organization's needs. In this case, the best fit was mentoring. McLevin made it a priority to find someone to be mentored by the metal former. It recently found a possible replacement through one of its cross-training initiatives.

“We now have someone from another department who's going to give it a try,” says McLevin. “This person assisted the metal former in the past and filled the position recently while the metal former was on vacation. He actually enjoyed it a lot more than he thought he would, so he's going to be mentored and see how he likes it.”

Cross training and mentoring aren't new initiatives for this small company. McLevin Industries regularly cross trains employees so they can cover for each other during vacations. It also builds mentoring into job descriptions for key positions.

“We are so small that a lot of capacity is gone if somebody leaves,” says McLevin. “We always make sure that if something does need to be done while an employee's away, that knowledge is passed on to somebody who can do it. It's something we kind of do automatically.”

Sharing knowledge recently paid off for the company when a senior welding foreman retired. The cross training and mentoring that had already been done made the transition much easier.

“We always make sure that if something does need to be done while an employee's away, that knowledge is passed on to somebody who can do it.”

“His position was one of management and supervision, so part of his job was to mentor and pass knowledge on to young journeymen and apprentices,” says McLevin. “One of our lead hand welders was aware he would be taking on that role, so it was a bit more of a download of information to him. Transferring knowledge was done pretty much continuously as part of the retiring foreman’s job.”

McLevin Industries actively finds out what knowledge its employees want and encourages them to advance in their careers.

“We do a performance review every year with our employees, and one of the questions we ask is about their goals and career paths moving forward in the next few years. Any training they want to take or any career path they think they might want to try in the company is discussed at minimum once a year,” says McLevin.

“We also have a pretty good open-door policy here— I’ve had lots of employees come to me saying they’re interested in learning that piece of equipment, or trying that, or taking a certain course, and we’re more than open to that.”

One of the benefits that McLevin Industries has seen is a lower turnover rate for its staff.

“We have employees that stay with our company for over 30 years, and I think that’s a pretty good measure that what we’re doing is benefiting our employee retention,” says McLevin.

He says companies of all sizes should be thinking about implementing knowledge transfer. “You have to transfer that knowledge, and there has to be more than one person who can run any division.”

Although McLevin adds that employers should pick a strategy that works for them, he says starting with management is the most important first step.

“In order to make it more of a smooth process you need to make it a priority, and it needs to be supported and enforced from management down. You need to show your employees that it’s a company policy and that it’s important—it’s not something that can be brushed under the rug.” ■

McLevin Industries: Strategies that work

- Look for weak points where the loss of a single employee would seriously hurt the business (page 8).
- Use cross training and mentoring to develop employees to fill future gaps and to ensure work gets done when someone is ill or on vacation (page 18).
- Work with employees on a regular basis to find out what they want to learn and what they want to do in the company (page 10).
- Encourage informal communication by letting employees know the door to the manager’s office is always open (page 14).

Employee mentoring

Mentoring is a formal or informal relationship in which an experienced employee (mentor) shares knowledge, skills and experience with a co-worker. Mentors often find they learn nearly as much as the person they mentor—they can view issues from a different perspective and experiment with new technology or methods.

Although mentoring can require a tremendous time commitment on the part of the new employee and the mentor, it can be an effective tool for sharing knowledge in your organization.

The Government of Alberta's Corporate Human Resources website provides more information at chr.alberta.ca/coachingtoolkit.

The Alberta Business Family Institute provides guidelines for employee mentor programs on its website at business.ualberta.ca/centres/ABFI.aspx. (Click *Resources and Research* in the menu on the left, then *Seminar and Program Materials* and then *Coaching and Mentoring*.)

Results

- Organizations can transfer knowledge of business culture and other types of less obvious knowledge within an organization.
- Employees can build their skill and knowledge base, manage their careers and improve their performance.
- New employees can quickly become comfortable in the organization's culture.
- Employees can have a better sense of job security and feel valued.

In practice: Employee mentoring

Standen's, a Calgary manufacturing company, uses mentoring to build skills and knowledge within its workforce (page 12).

Cross training and job rotations

Training employees to do different types of work within your organization is called cross training. It can be a great way for employees who are interested in learning and expanding their horizons to share their knowledge. One way to cross train is by actually rotating employees through different positions, otherwise known as job rotation. Cross-trained employees can fill in when others are ill, are on vacation or leave unexpectedly. This strategy can help lower recruitment costs and keep business moving.

Results

- Organizations are able to share knowledge between different departments.
- Small companies with few employees have a backup for when key employees are absent.
- A more flexible and engaged workforce can adapt better to the loss of employees.
- Employees who learn new skills tend to stay engaged in their jobs.
- Organizational units that do not normally work together can interact through cross training.

In practice: Cross training and job rotations

McLevin Industries uses cross training to ensure work gets done even when someone goes on vacation or leaves (page 16).



Continued on page 20

Enerplus Corporation prepares for the future

Industry: Oil and gas

Number of employees: About 1,000

Back in 2007, Enerplus Corporation realized the average age of its workforce was getting older.

“We started looking at our demographics and realized the majority of our employees over 50 were in leadership positions,” says Jennifer Koury, the former vice-president of corporate services at Enerplus.

The company also quickly found that many of these experienced baby boomers (workers born between 1946 and 1964) were a fundamental part of the organization because they were strong technical workers.

“The technical folks are the people that really drive our business,” says Koury. “They are the mission-critical employees, and we can’t afford to lose their knowledge and skills.”

The company soon began to take steps to prevent the loss of this critical knowledge. Part of the strategy was a commitment to ensuring the next generation of workers would learn as much as possible from the baby boomers before they left.

“What we’ve done, which is somewhat unique, is hire four technical chiefs,” says Koury. “We have a chief geologist, a chief production engineer, a chief geophysicist and a chief reservoir engineer. Their jobs are to develop those job families within the company.”

The chiefs use the tested principles of engineer-in-training programs, where new technical workers rotate through jobs to complete the requirements for certification.

Engineer-in-training programs are fairly common in the oil and gas industry, but Enerplus adds a twist. Even after certification, new employees are encouraged to broaden their skills in different fields under the company’s most experienced employees.

“They are learning from gurus,” says Koury. “That is a big piece of our strategy around knowledge transfer.” For Enerplus, moving new employees into diverse roles has the added benefit of improving retention.

“The trick with gen-Yers (those born after 1980) is figuring out how to keep them after five years,” says Koury. “You have to continue to challenge them, to move them ahead and to keep their interest up.”

With mentoring, engineer-in-training programs and an emphasis on building skills in new areas, Enerplus is working to improve retention while helping to energize younger workers. “In an environment where labour supply doesn’t meet demand, this is a competitive advantage for us,” says Koury. “Sharing knowledge does work.” ■

Enerplus: Strategies that work

- Identify demographic trends that could lead to the loss of key staff (page 7).
- Develop company-specific plans for addressing the loss of key staff (page 7).
- Make a high-level commitment to succession planning (page 15).
- Use cross training and mentoring to build knowledge within the workforce to fill gaps (page 18).



Workplace communities

Getting together a community of people who share the same workplace challenges or interests can be a great way to transfer knowledge and brainstorm new and valuable ideas. Workplace communities can be created to

- explore ways of working
- identify common solutions
- share good practices and ideas

Communities can happen naturally over lunch or in other casual settings, or they can be created more formally. Most communities tend to have a fairly loose structure with a leader and perhaps an organizer. Because they include a variety of workers with different levels of experience, communities are great for transferring knowledge between generations. They could be face-to-face or in other formats, such as online forums.

More information on workplace communities is available from the Canadian Knowledge Transfer and Exchange Community of Practice (KTECOP) at ktecop.ca/presentations/communitiesofpractice.

Results

- Younger workers may feel comfortable in a safe environment where they can ask for help and find mentors.
- Companies on a budget can afford this strategy since communities have minimal cost to start up or run.
- These communities can connect workers from all over the world when created online.

Post-project and after-action reviews

Post-project reviews are meetings held after a project is completed. They give workers a chance to discuss what went wrong and what went right during the project. These meetings can help pass on the knowledge learned during the project and improve future performance of workers. Sometimes, however, an event or a problem will pop up during a project. In this case, an after-action review can be used to quickly break down the issues and create solutions during a break in the workflow. This way workers can get back to work quickly with a few key lessons in hand, and the new knowledge is universally shared among others.

Results

- These reviews can often create best practices that can spread through an organization and improve the performance of employees.
- Employees can learn quickly from their mistakes or successes and share their lessons with others.
- Organizations can benefit by repeating the practices that work and avoiding the practices that don't.

Podcasts

Podcasts are digital recordings of audio or video programs that can be posted on your organization's public or internal website (if you have one). They can also be posted on your blog or other Internet portal and downloaded at visitors' convenience.

Podcasts can be used to

- discuss timely issues that affect the organization
- share experiences, lessons or insights
- reinforce key messages
- provide training

Here are some quick tips for using podcasts:

- Keep podcasts short (under 15 minutes) or separate them into episodes so people don't lose interest.
- Think about your audience and what they would like to hear.
- Prepare for your recording. Jot down some topic notes or even write a script.
- Keep and post a regular schedule for your podcasts. This will let your audience know when to expect your next one.

Documentation

When done effectively, documenting knowledge can pass on detailed work information from one person to as many other workers as needed, regardless of time or space. For example, if an employee who was involved in a business deal suddenly leaves, another employee can step in and pick up where the exiting employee left off if that person documented his or her progress clearly.

Some of the more common types of documentation include the following:

- manuals
- databases
- briefing notes
- meeting minutes
- project status reports
- wiki websites

Here are some questions to help you make the most of the documentation strategy:

- What do people need to know?
- Who is the audience, and how can they be reached?
- Is the information being documented and shared in a way that is appropriate for the content and the importance of the material?

Wikis

Wikis are websites with content that anyone can create and edit. One of the most popular examples is Wikipedia.org. In organizations, wikis can be used to document and share knowledge, such as good practices, lessons and information about projects. Visitors to the site can add, edit or delete content.

Many effective, low-tech and low-cost methods are available to help you get started:

- Create checklists for common processes at your workplace.
- Standardize and document key processes that are used repeatedly. Make the documents available in an obvious location in your office. This way, if you are away or if they need to be used by others, they are easily accessible.
- Create facts sheets for the knowledge routinely used in your workplace, and make them available to all staff.
- Develop a list of commonly asked questions and answers, and make them available to everyone.
- Schedule special “file days” to file the electronic and paper documents in the workplace.
- Arrange for an overview or training in administrative duties to ensure all staff know how basic administrative operations are handled in your organization.
- Write up quick project updates and circulate them.
- Have employees provide updates and reflections on completed project work to share what worked well and what could be done differently to improve the process in the future.
- Circulate materials received from conferences or training sessions, or give a verbal or written briefing on the content.

You may want to consider publishing information to a database, computer network or other electronic medium. Technical strategies for giving many people access to the same data, such as cloud computing, are becoming easier to use. All come at a cost and need to be implemented carefully.

One Alberta employer that uses online databases is the YWCA of Calgary (see page 24), which operates housing, child care and fitness agencies, and training services. Virginia Trawick, the director of organizational effectiveness, says that knowledge transfer through the use of online databases is becoming the norm for many organizations.

“In our case, it allows for program employees who are located away from our building to be kept informed about the rest of the program development work, and to ensure there are feedback loops and communication about ongoing program challenges between the rest of the agency and that worker,” says Trawick. “It also allows for real-time information sharing.”

She adds that the two most important challenges of any database use in knowledge management are ensuring integrity in the data collected and ensuring processes are in place to address privacy and data security concerns.

Results

- Documentation helps in the sharing of knowledge by ensuring everyone in the workforce has access to well-documented information and procedures.

In practice: Documentation

Standen’s documents knowledge and best practices within its organization in various mediums to match the needs of its workforce (page 12).



Blogs

Blogs are a lively and personal way to share information electronically and provide written documentation that is searchable and organized by date. Blogs can be company-wide or Internet-wide and project-based in nature.

Peer networks

Networking with peers has long been recognized as an effective way to share knowledge and increase innovation. Peer networks bring organizations together to solve common problems, such as succession planning. Network members can also share best practices and offer each other peer support. Networks can meet online or in person. They can be based on a variety of topics, such as leadership and management best practices.

There are many networking opportunities in Alberta. Productivity Alberta’s website has an extensive list of networks in Alberta (productivityalberta.ca/tools/links).

Results

- Organizations can stay on the cutting edge of business and connect with other companies within their industry.
- Organizations can share best practices.
- Employees can connect with their peers on common issues.

Peer assistance

Peer assistance (commonly called a peer assist) is a meeting or workshop where employees can request help from their peers with a work challenge they are facing. Peer assists can include co-workers, personal or professional networks, or professional forums. During this process participants can not only work to solve the problem, but also share their experiences, knowledge and insights.

Peer assists work best when one person organizes and leads the discussions, the challenge and objective of the discussion are explained, and team members are given some time to get to know each other so they feel more comfortable sharing their knowledge.

Details on setting up a peer assist can be found in the Centre for e-Learning section at www.saea.uottawa.ca/cyber (click *Animation 'Peer Assist'*).

The Food and Agriculture Organization of the United Nations has developed a web-based knowledge sharing tool kit (kstoolkit.org/Peer+Assists).

Results

- Employees are encouraged to share feedback and knowledge.
- Employees may develop strong, productive relationships with their co-workers.
- Employees can help each other face particular challenges.

Success with succession planning

In summary, planning for the departure of knowledgeable employees can be critical to the long-term success and competitiveness of organizations. The experience and examples shared by Alberta employers in this resource can help your organization plan its own program for succession planning and knowledge transfer.

With approximately 190,000 Alberta workers expected to retire in Alberta over the next 10 years, succession planning will be crucial insurance for the long-term viability of businesses. The benefits are enormous—your organization will be more competitive, the retention of talented employees will improve and you will minimize the risk of losing critical knowledge when people leave. While there are many challenges ahead, succession planning will help your organization be better prepared for the future.



YWCA of Calgary reaps the rewards of succession planning

Industry: Social services (not-for-profit sector)

Number of employees: 350

In 2007, the YWCA of Calgary knew it needed to make changes to keep up with the increasing pressures it was facing.

“Change is constant in our culture and our community,” says Virginia Trawick. She is the director of organizational effectiveness at the not-for-profit organization.

“In order to meet emerging needs, we have to be responsive to our market in a thoughtful and intentional way.”

To build a more flexible, faster and ultimately sustainable organization, the 100-year-old YWCA embraced knowledge transfer. “We started small,” says Trawick. “It’s really important to focus on the early quick wins to create the momentum. We wanted to make sure employees feel they are part of something—that things aren’t being done to them, but they are being done with them.”

Some of the first steps included creating an e-newsletter to share internal information and meeting with staff to get feedback from the front lines. The information they captured soon proved its worth. “Our people are the ones who feel, hear and understand where there are opportunities to improve,” says Trawick.

Since those early days, the YWCA’s efforts have expanded to include mentoring and a Facebook account to share the latest news and keep workers in touch.

“We use a variety of media to try and share knowledge, which is probably why we are successful,” says Trawick.

Much of the information provided by staff is used to make operational decisions, but employees are also tapped to help the organization plan for the future. Recently, more informal meetings, called “conversation cafés,” were held in response to restructuring in the organization. During these meetings staff and management were encouraged to have their say in an open and trusting environment.

While knowledge sharing has helped the YWCA improve its decision-making and planning, the organization has seen other benefits as well.

“A knowledge culture is huge in terms of retention,” says Trawick. “Employees feel like they are learning and growing, and they have a lot of passion in the work they do here. We have great employee retention because we can keep their interest and keep them engaged.” With better retention, the YWCA can reduce the resources devoted to managing ever-changing staff.

The YWCA plans on building upon the success it has seen with knowledge sharing. A new strategic plan will look at what worked to ensure the organization will be around in another 100 years. “Knowledge sharing is all about sustainability—you have to be responsive to your environment or you won’t survive. We know we have more to do to create the culture we will need. And we will,” says Trawick. ■

YWCA: Strategies that work

- Start with basic strategies that deliver results quickly and help employees see the value of knowledge sharing (page 14).
- Use different ways to transfer knowledge—staff discussions (page 15), employee mentoring (page 18) or workplace communities (page 20)—depending on the situation.
- Evaluate the progress of the succession plan and look at the next steps (page 11).

Resources

Alberta Human Services

Business and industry information on recruitment and retention strategies, workplace health and safety, the labour market, Alberta's employment standards and other workplace topics can be found at **employment.alberta.ca**.

Information is also available directly from Alberta Works Centres across the province. To locate a centre near you, visit **employment.alberta.ca/offices**. Or, call **1-866-644-5135** toll-free or **780-644-5135** in Edmonton.

Publications

For copies of free government workplace, labour market, and occupational health and safety publications

- order or download from **alis.alberta.ca/publications** (use the Category list to find titles in the HR Series for Employers)
- call **1-800-661-3753** (toll-free) or **780-422-4266** (Edmonton)
- go to an Alberta Works Centre

HR Series for Employers

An Employer's Guide to Employment Rules

Beyond Pay and Benefits: Effective Practices from Alberta Employers

Employing a Diverse Workforce: Making It Work

Finders & Keepers: Recruitment and Retention Strategies

Labour Market Information for Your Business: A Practical Guide

Leaving Your Small Business: Your Plan for a Successful Transition

Safe and Healthy: A Guide to Managing an Aging Workforce

Skills by Design: Strategies for Employee Development

Thinking About Layoffs? What You Need to Know Before Letting People Go



Tip sheets

For tip sheets on workplace topics, visit **alis.alberta.ca/tips** and search by keyword, topic or audience.

Provincial resources at a glance



Apprenticeship and Industry Training

- certification and supervision of apprentices
- requirements for apprentice employees

Alberta Enterprise and Advanced Education
tradesecrets.alberta.ca

Coaching and Mentoring

- useful strategies applicable to any employer

Alberta Corporate Human Resources
chr.alberta.ca/coachingtoolkit

Labour Market Information

- labour force profiles and statistics

Alberta Human Services
humanservices.alberta.ca/lmi

Other resources at a glance

Business Development

- legislation and regulations that affect business owners
- events and networking opportunities
- courses and seminars

Alberta Chambers of Commerce
abchamber.ca

Business Supports

- advice on labour and training challenges for small and medium-sized businesses

Canadian Federation of Independent Businesses
cfib.ca

Economic Trends and Organization Performance

- economic trends
- improved organizational performance, including management of the generational gaps in today's workforce
- public policy

Conference Board of Canada
conferenceboard.ca

Entrepreneur Services

- business resources and tools
- taxation, financing and loan program information
- regulatory requirements
- government services and programs

The Business Link
canadabusiness.ab.ca

Human Resources

- in-depth coverage on the latest human resource trends and practices

Human Resources Institute of Alberta
hria.ca

Labour Markets Specific to Industry

- timely labour market information specific to industry

The Alliance of Sector Councils
councils.org/en

Productivity Assessment and Improvement

- best practices and strategies to improve productivity
- self-assessment tools to help businesses compare productivity growth year-over-year and to help compare themselves to other global benchmarks

Productivity Alberta
productivityalberta.ca

Succession Planning

- information and tips on succession planning

HR Councils for the Nonprofit Sector
hrcouncil.ca/hr-toolkit/planning-succession.cfm

Talent Management for Immigrants

- information on opportunities for employee growth, development and support
- strategies for retaining skilled employees and supporting their movement into senior positions

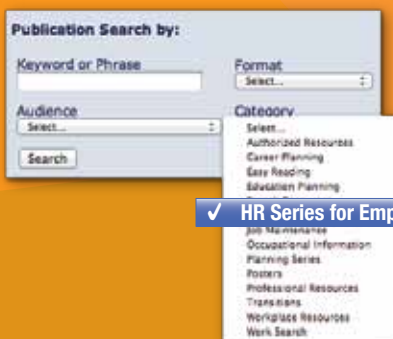
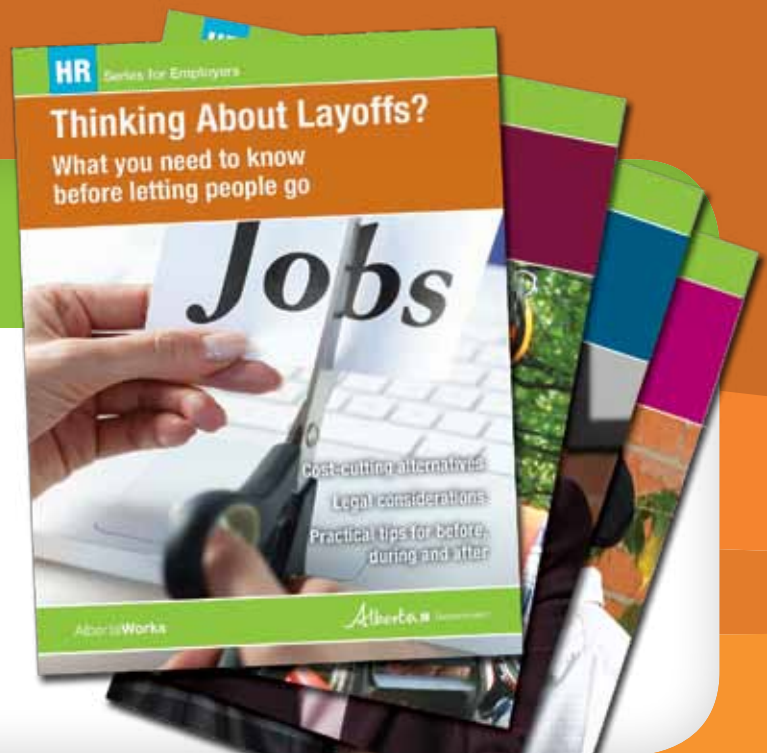
ALLIES Canada
hireimmigrants.ca/manage-diversity/talent-management

Got employees?

Get made-in-Alberta answers.

HR Series for Employers

The HR Series for Employers features best practices from Alberta employers just like you. From recruitment, retention and employee engagement, to employment related legislation, these publications give you tried-and-tested answers to your questions.



Check out all the titles in the series at the Alberta Learning Information Service website. Download or order online free of charge.

alis.alberta.ca/publications

Succession Planning

Retaining skills and knowledge in your workforce

How do you prevent skills and knowledge from leaving your organization when your key employees retire or move on?

This resource shares successful strategies Alberta employers have used to manage the risk of losing organizational intelligence. You'll also find quick and low-cost strategies to help your employees share and transfer their knowledge regardless of your company size or industry. ■