



Succession Planning Template

For the Electrical Distribution Industry

Baby boomers began retiring in January 2010. Not only did they begin retiring on that date but they began retiring in mass numbers. According to Newsmax, 10,000 baby boomers will retire each day for the next 19 years! With this exodus of senior talent, our companies will feel the impact in electrical distribution.

**So what are you doing to select, train,
and place employees in their open seats?**

Do you even know who is leaving and when?

Eight steps for the NAED Succession Planning Template:

- 1** *List your employees*
- 2** *Determine their timeframe for retiring*
- 3** *Develop skills and knowledge required for each position*
- 4** *Build list of possible candidates*
- 5** *Compare candidates to skill and knowledge requirements*
- 6** *Create a training plan*
- 7** *Evaluate progress*
- 8** *Adjust plan*

Recognizing the current and coming retirements affecting our companies, the Education & Development Council created a task team to develop a template allowing companies to begin succession planning. This task team is made up of industry experts who manage human resources and training departments in our industry. Their knowledge and expertise created this template which can be used for any position in your company. All you will need to do is modify the job and requirements.

For purposes of demonstrating the template we will follow the steps through a company's outside sales team.



**NATIONAL ASSOCIATION OF
ELECTRICAL DISTRIBUTORS**

Prepared by the Education & Development Council
Outside Sales Succession Planning Task Team. September 2012

Step 1 – List your employees

Create a spreadsheet listing each Outside Salesperson. The top row should show a time interval, such as quarterly or twice a year. The interval only needs to be as often as you plan on looking out on the horizon. Be sure to add the current age for each employee. You will also want to show when the template was last updated.

Outside Team	Age	Jan-13	Jul-13	Jan-14	Jul-14	Jan-15	Jul-15	Jan-16
Sandra A.	61							
Terry C.	58							
Olivia L.	45							
Laura V.	33							
Kirkland M.	54							
Roman D.	28							
Samantha B.	35							
Pete S.	62							
Harvey W.	63							
Beth K.	51							
Paul B.	48							
Gordon R.	44							
Michelle M.	41							
Tammy O.	65							

Step 2 – Determine their timeframe for retiring

Now that you have each person in the position listed, make an entry of the likely timeframe for their departure from the company. Base these timeframes on the best current information available. Some people clearly state their long term objectives about retirement, but unfortunately many people are unsure about this issue. If no information is solid, use the person’s 65th birthday as a guide. Additional departures due to unplanned events should be added next. These may include family illness or taking another position in the company. To assist in this effort check the turnover for this position for the last five years. The past may be a good representation of the future.

Outside Team	Age	Jan-13	Jul-13	Jan-14	Jul-14	Jan-15	Jul-15	Jan-16
Sandra A.	61							Confirm
Terry C.	58							
Olivia L.	45							
Laura V.	33							
Kirkland M.	54							
Roman D.	28							
Samantha B.	35							
Pete S.	62					Maybe	65 Bday	
Harvey W.	63					Confirm		
Beth K.	51							
Paul B.	48							
Gordon R.	44							
Michelle M.	41							
Tammy O.	65	Confirm						



The information on this spreadsheet is both highly confidential and may be inaccurate for certain individuals as they may not even have plans made yet. However, it should provide a guide to how many replacements are needed and how soon they need to be in place.

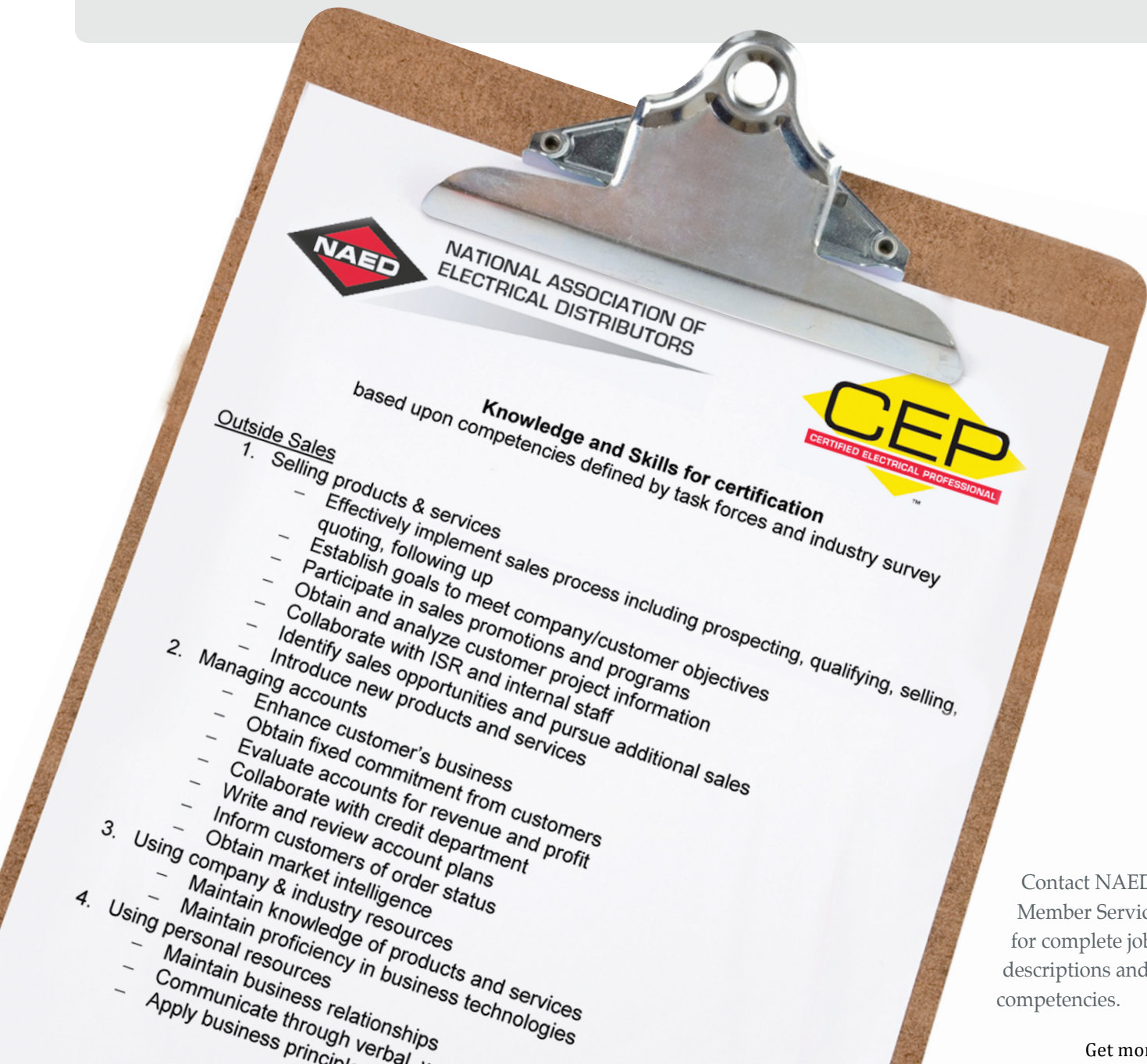
Step 3 - Develop skills and knowledge required for each position

Develop a list of the skills, knowledge, and experience necessary for the outside sales positions. This list may be similar for all outside salespeople in the company or may vary based on the markets they serve and the role they provide in that marketplace. Adding more detail will aid matching and training potential successors.

Some competencies created by industry professionals to assist in this step are:

A NAED Outside Sales Job Description

B Certified Electrical Professional – Outside Sales Competencies (partial list shown below)



Contact NAED Member Services for complete job descriptions and competencies.

Step 4 - Build list of possible candidates

Next you need to build a list of possible candidates for the positions that will become available. Make this list as all inclusive as possible; this is not the time for elimination but for possible consideration. People’s skills and maturity generally improve over time. So that young person at the counter, who is weak in product knowledge today, will gain experience over time. And with some candidates you have time on your side. If insufficient internal candidates are available start looking at external candidates. External candidates both locally and from other trading regions should be considered.

Candidates	Age	Position Now	Date ready	Skills Required (1 = poor, 5= proficient)			
				Selling Products & Services	Managing Accounts	Using Industry Resources	Using Personal Resources
Steve V.	25	Counter					
Clint H.	34	Inside					
Todd K.	57	Inside					
Jack H.	48	International					
Tammy M.	42	Warehouse Manager					



Step 5 – Compare candidates to skill and knowledge requirements

Compare knowledge of candidates to the skill and knowledge base of **Step 3** that you have chosen to use as your baseline for the position.

Candidates	Age	Position Now	Date ready	Skills Required (1 = poor, 5= proficient)			
				Selling Products & Services	Managing Accounts	Using Industry Resources	Using Personal Resources
Steve V.	25	Counter	2025	3	1	2	2
Clint H.	34	Inside	2018	4	2	2	4
Todd K.	57	Inside	2014	5	5	3	4
Jack H.	48	International	2016	4	5	1	2
Tammy M.	42	Warehouse Manager	2013	4	5	5	4

A During this step compare the knowledge, experiences, attitudes and skills that are needed by the candidates. It is important to fill in any gaps of information in order to gain a complete picture. For internal candidates, their job history will logically provide a great amount of insight. Once you have this information in a format to review, you need to make a decision whether to put resources into a candidate or remove them from current consideration.

B There are many testing and assessment resources to help evaluate candidates. Many distributors have gained insights into current employees and possible candidates through using these tools. These following resources have been used by other distributors and their experience has been positive. This is not an endorsement

of these specific companies but an idea starter for a distributor that currently does no testing:

- 1 **CMA Testing**
- 2 **Organization Analysis and Design (OAD)**
- 3 **Sales Max**
- 4 **JS Performance Strategies**



At this point you may request additional review with your CEO or Senior Managers. This is an important step to confirm the choices you have selected as they move up in the company.

You may also want to include the candidate in the plan to insure they are interested in the position. If not, you can remove them as a candidate at the current time. They may become interested in the future so do not totally discount them.

Step 6 – Create a training plan

Develop a plan for the selected candidate to acquire the skills and knowledge they currently lack. Each candidate should have an individual development plan that clearly outlines the goals needed to be achieved, the timeframe to achieve the goals, and the resources that will be used.

External Courses

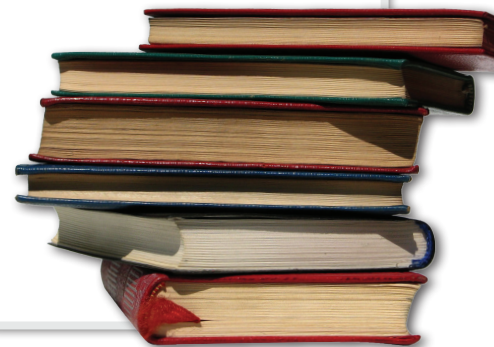
- 1 **NAED sponsored Certified Sales Professional Program**
- 2 **Manufacturer product training**
- 3 **Dale Carnegie Sales Training**
- 4 **University of Industrial Distribution**
- 5 **Selling-Essentials**
- 6 **Action Selling Program**
- 7 **CEP Outside Sales Preparatory Courses**
- 8 **NAED VIP ACCESS Sales**

Internal Training

- 1 **Travel with a variety of existing outside salespeople.**
 - 2 **Work with different departments to see their impact on the customer**
- 1 **Credit**
 - 2 **Pricing**
 - 3 **Inside Sales**
 - 4 **Product Management**
 - 5 **Purchasing**
 - 6 **Marketing**

Books

- 1 **Selling 101**
- 2 **Hope is not a Strategy**
- 3 **How to Excel at Distributor Sales**
- 4 **Consultative Closing**
- 5 **Beyond Buzz**



Use the NAED Learning Center to capture their training progress. The transcript allows quick viewing of completed, in progress, and assigned but not started training courses and events.

Step 7 – Evaluate progress

Evaluate the progress of the plan and update the timeline based on new developments. This should be done on a regular basis.

Things to consider:

- A** **How are the candidates progressing on their individual plans?**
- B** **Do any candidates need additional training not already identified?**

Step 8 – Adjust plan

Adjust the plan as needed. The details of the plan must remain flexible and be adjusted based on current conditions.

Things to consider:

- A** *Changes to estimated departure dates for current salespeople.*
- B** *Departure of a current candidate from the company.*
- C** *Current candidate has decided not to proceed with the plan?*
- D** *New candidates, either internal or external have appeared?*
- E** *Are the current individual candidate plans producing the desired results and do the timeframes still match the estimated needs?*

This template has been designed to use for creating succession plans for positions in the electrical distribution industry. While we showed outside sales in our example, it can be used for any positions within your company.

Branch Manager / Purchasing Manager / Regional Account Manager / Inside Sales / Warehouse Manager

For more information on the NAED Succession Planning Template please contact NAED Member Services at 888-791-2512 or MemberServices@naed.org.

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