

Succession Planning – 'Tomorrow' has arrived

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About Us

- ⦿ Experienced Risk & Compliance Professionals
- ⦿ Working with credit unions since 2012
- ⦿ Used by over 90 credit unions
- ⦿ Award winning solution
- ⦿ Collaborating with the ILCU





**For your information,
this session is being
recorded.**

How do we know 'tomorrow' has arrived?

- ❁ 12 year service limit for Directors & BOC is looming large
- ❁ Recruiting volunteers increasingly challenging
- ❁ Significantly increased level of effort and commitment expected of volunteers
- ❁ Recruiting suitably qualified and experienced staff for specialist roles is not easy
- ❁ Employees are now far more mobile
- ❁ Many entry level positions now require minimum competency qualifications
- ❁ Ongoing increased cost of training



**What do we do
when 'tomorrow'
comes?**



**WHAT TO
DO....**

- Strategic Planning Integration
- Identification of required/desired Skills & Competencies
- Develop Skills & Competencies Matrix
- Skills Gap Analysis
- Succession Plan
- Recruitment

Where is the CU going and what does it need to get there?

- ❁ What are the CU's current strategic goals and objectives?
- ❁ Does the CU know what skills and competencies it will need to achieve them?
- ❁ Are they available within the CU's current group of employees and volunteers? If not, a plan will be needed.





STEP 1

Identify the skills and competencies needed to achieve the CU's strategic goals

Examples of Operational Skills & Competencies

- 🌀 Fitness & Probity
- 🌀 Loan Underwriting
- 🌀 Knowledge of CU operations
- 🌀 Leadership
- 🌀 People Management
- 🌀 Finance/Accounting Skills
- 🌀 Planning & Organising
- 🌀 Conflict Management
- 🌀 Written & Verbal Communication



Examples of Operational Skills & Competencies Continued

- ❁ Strategic planning
- ❁ Policy development
- ❁ Problem-solving
- ❁ Accuracy & attention to detail
- ❁ IT/computer literacy (be specific)
- ❁ Member service
- ❁ Performance management, active listening, time management, proactive self-development, coaching/mentoring/motivating, teamwork, project management, interviewing/recruitment, emotional intelligence, initiative, analytical ability..... The list goes on.....

Examples of Governance Skills & Competencies

Many of the same Operational Skills and Competencies in previous slides, plus

- ❁ Strategic Planning
- ❁ Ethical Leadership
- ❁ Critical Thinking
- ❁ Risk-based Decision-making
- ❁ Goal/Target Setting
- ❁ Inspiration





STEP 2

**Create a Skills &
Competencies Matrix for
each Operations and
Governance role at the CU**

Skills & Competencies Matrix

- For each person in each individual key role list:
 - Credit union experience
 - Other relevant experience
 - Skills & Competencies (plus current rating from a scale)
 - Relevant qualifications
 - Credit union related training

Examples of Operational Skills & Competencies & Scales

- ❁ **Fitness & Probity:** e.g. from 'Not applicable for current role' through to 'Compliant with all Fitness and Probity requirements for role' (a mid-point might be 'undergoing Fitness & Probity due diligence process')
- ❁ **Loan Underwriting:** e.g. from 'new entrant' to 'Meets Minimum Competency Requirement'
- ❁ **Knowledge of CU operations:** e.g. from 'new entrant' through to 'very comprehensive'
- ❁ **Leadership:** e.g. from 'No opportunity to demonstrate leadership to date' through to 'Very well developed through multiple leadership roles'
- ❁ **People Management:** e.g. from 'No such responsibilities in current role' through to 'Very strong supervision and delegation skills developed over a number of years in team management role(s)'

Examples of Operational Skills & Competencies & Scales Continued

- ❁ **Finance/Accounting Skills:** e.g. from 'No experience or qualifications' through to 'Fully qualified with significant experience in financial role(s)'
- ❁ **Planning & Organising:** e.g. from 'Not demonstrated' through to 'Very strong planning and organisation skills demonstrated through ongoing workload management on time and within budget'
- ❁ **Conflict Management:** e.g. from 'Skill has not been demonstrated', through to 'has clearly demonstrated strong conflict management and resolution skills'
- ❁ **Written & Verbal Communication:** e.g. from 'Finds communication challenging' through to 'Communicates clearly, accurately and in a compelling manner'

Examples of Governance Skills & Competencies & Scales

- ❁ **Strategic Planning:** e.g. from ‘No experience of strategic planning’ through to ‘Extensive experience in strategic planning through work or volunteer role(s)’
- ❁ **Organisation Leadership:** e.g. ‘No previous experience’ through to ‘Extensive experience of setting an appropriate ‘tone from the top’
- ❁ **Risk-based Decision-making:** e.g. ‘No experience’ through to ‘Clearly demonstrates deep understanding of the value of risk-based decision-making’
- ❁ **Goal/Target Setting:** e.g. ‘No experience’ through to ‘Proven track record in appropriate goal/target setting’
- ❁ **Critical Thinking:** e.g. from ‘No opportunity to demonstrate’ through to ‘Clearly demonstrated through logical, objective and reasoned judgements in relation to proposals/initiatives.



STEP 3

Conduct a Skills Gap Analysis to identify what may be missing or is in short supply for strong succession planning

Skills Gap Analysis

A business tool to assess the current skillset of an organisation and identify areas for improvement.

1. Define the skills and competencies the CU requires to be able to complete the tasks required of it based on its own business model and strategic plan (see Step 1 slides)
2. Document the skills and competencies of those currently performing the various CU roles in a skills inventory (see Step 2 slides)
3. Compare the current levels to the set of requirements to identify the gaps
4. Develop an overall CU plan to remedy the identified gaps (usually with the assistance of training professionals etc.)
5. Use the SGA to inform the CU's volunteer and/or employee recruitment plans



STEP 4

**Document a Succession Plan
which could require
development of existing
human resources and/or
recruitment**

Build Succession In

- ❁ Performance Reviews should be linked to skills and competencies and used to identify gaps/shortages
- ❁ Any plans for scheduled/early retirement/exit from roles should be part of annual review
- ❁ Individual training plans linked to annual review
- ❁ Annual performance review process can inform elements of the Succession Plan
- ❁ Have individual development programmes
- ❁ One-to-one mentorship arrangements (not just for new people)

Plan for Succession

- ⦿ Should be on the strategic planning committee's agenda
- ⦿ Human resourcing implications of strategies from outset
- ⦿ Consider:
 - Strategic Leader Development
 - Emergency Succession
 - Departure-defined Succession
- ⦿ Integrate skills and competencies into role descriptions
- ⦿ 'Pool of volunteers from' which to fill Board/Committee vacancies



Recruit (if required)

Recruit where required

- Use skills and competencies from role descriptions as basis for the recruitment person specification
- Structure interview questions around desired skills and competencies – could use the STAR method:
 - Situation
 - Tasks
 - Action
 - Results





STEP 6

**Maintain a pool of
volunteers**

Use Every Resource Available

- ❁ Involve all credit union officers in suggesting potential candidates, including directors, staff, other volunteers etc.
- ❁ Ensure all staff understand how critical it is for the survival of the CU to keep the board adequately resourced
- ❁ “If you want something done, ask a busy person” so if you want to recruit volunteers ... maybe approach other local voluntary organisations, have information evenings....

But how to keep them interested???

Keep them engaged!!

🌀 Could treat potential volunteers as a **focus group from which vacancies are filled:**

- Regular meetings (with tea and biscuits 😊) – not ad hoc
- Offer and provide more formal training if individuals are interested
- Ease people into the training piece to build confidence towards achieving Minimum Competency qualifications if needed
- As and when vacancies arise, present details to the group and seek/approach volunteers for the more formal roles

Sample Focus Group Agenda

- 🌀 Updates on the status of the CU e.g. slide(s) on performance etc.
- 🌀 Discuss possible strategic initiatives to get Member feedback
- 🌀 Ask for feedback on the CU services they engage with or would like
- 🌀 Could invite different members of staff or volunteers to chat with them informally on the different roles in the CU or make a short presentation (depending on preference)
- 🌀 Could engage in group training on specific CU topics if desired
- 🌀 Member of Nomination Committee present to identify skills and competencies for particular roles
- 🌀 But keep it sociable.....



Consequences
Just Ahead

Summary

1. Identify

- Required skills and competencies to achieve the CU's goals

2. Document

- Create a current skills and competencies matrix for the CU

3. Analyse

- Perform Skills Gap Analysis

4. Plan

- Devise a Plan from the findings of steps 1-3

5. Recruit

- If necessary, recruit new employees and/or volunteers

6. Engage

- Keep the volunteers interested

External CPD

- **Only for those who attended the live event:**

- **CU Learn CPD:**

- 24434 (ROI – 1 hour Governance only)

- 24435 (NI – 1 hour Operations & Governance)

- **IOB CPD: 2024-2483**

- Licentiate of Compliance Institute – 1 hour

- Fellow of Compliance Institute (Compliance) – 1 hour

- **LIA CPD: LIA17785_2024**

- 1 credit union hour

Any Other Questions





Thank You

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