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Introductions
Learning Objectives

- Explore generational shifts that are occurring.
- Share the difference between replacement planning and succession planning.
- Discuss succession management cornerstones.

Talent Management Effectiveness Loop

- Organizational Structure and Rote Alignment
- Behavior, Competencies and Performance Standards
- Learning and Development
- Coaching and Feedback
- Performance Management
- Reward and Recognition

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“People aren’t an organization’s most important asset . . . the RIGHT people are.”

- Jim Collins, Good to Great

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The Swing: 2010 to 2030

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<td>45%</td>
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<td>2020*</td>
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<td>30%</td>
<td>24%</td>
<td>3%</td>
<td>1%</td>
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<td>2030*</td>
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<td>9%</td>
<td>22%</td>
<td>44%</td>
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Three Response Options

1. **Recruit** increasingly hard-to-find and expensive people outside of the organization

2. **Do nothing** and experience a competitive decline

3. **Develop** the high quality people already in the organization and grow the future leaders

Talent Assessment & Succession Planning

An integrated set of processes within the overall talent management system that identifies and prepares mission-critical employees for the mission-critical key roles needed to deliver the organization’s strategy.

Processes include:

- Talent Assessment
- Succession Planning
- Development Planning
Talent Assessment

Talent assessment is the process of identifying high-potential employees and evaluating and their skills and competencies in preparation for advancement into positions that are key to the success of the business strategy.

Succession Planning

Succession planning is a systematic and defined process to ensure continuity for all key positions by identifying and developing roles and people to fill them.
Development Planning

Development planning is a proactive, intentional and integrated approach to enhance employee’s knowledge, skills, and competencies to create a sustainable, high-performing organization.

Why is TA & SP Important?

- To avoid extended and costly vacancies in key positions and assure the stability of business operation
- To provide development opportunities for associates; thereby increasing retention of high potential associates
- To develop a deep and diverse bench
Replacement Planning vs. Succession Planning

<table>
<thead>
<tr>
<th>Replacement Planning</th>
<th>Succession Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reactive</td>
<td>Pro-Active</td>
</tr>
<tr>
<td>Risk Management</td>
<td>Talent Management</td>
</tr>
<tr>
<td>Replacing/Substituting</td>
<td>Renewing/Energizing</td>
</tr>
<tr>
<td>Unstructured Approach</td>
<td>Organized Alignment</td>
</tr>
<tr>
<td>Exclusive</td>
<td>Inclusive</td>
</tr>
<tr>
<td>Rigid</td>
<td>Flexible</td>
</tr>
</tbody>
</table>

The Link to Business Strategy

Business Strategy and Drivers determine "Talent for What?"

Strategy is future focused: What we have today may not be what we need in the future.
Top Down Process

**CEO/ Executive Director**
- Owner
- Ensures the organization is taking a long-term view regarding the people the need today and into the future.

**HR**
- Partner
- Ensures the necessary processes and tools are in place to ensure accurate data collection and accountability

**Senior Leaders, Managers/Supervisors, Employees**

Three Simplified Steps

1. Identify what you need and don’t need in mission critical roles
2. Assess talent you have, don’t have, and identify risks
3. Develop and make critical investments to achieve organizational success
Understanding Mission Critical Needs

1. Mission Critical *Positions*
2. Mission Critical *Talent*

Mission Critical Roles refer to positions that are essential to the achievement of long-term strategic business priorities through their strategic impact and/or contribution of unique capabilities.

**Identifying mission critical roles in the organization**

- **What**
  - Key *responsibilities* of a role
  - WHAT is to be accomplished

- **How**
  - Key *competencies* of a role
  - HOW work gets accomplished
Characteristics of Mission Critical Positions

- Has direct impact on the organization’s culture, strategic success and sustainability
- Having significantly more top talent in these roles would enhance the success of the organization’s business model/mission
- Usually less than 15% of an organization’s positions qualify
- Not determined by hierarchy but rather impact
- High variability in performance across incumbents

Two Dimensions of Talent

- The extent to which an individual expresses desire and demonstrates ability to be developed for greater responsibility.
- The extent to which an individual is able to demonstrate mastery or achievement of specific actions, tasks or functions.
Assessing Performance

- Most recent performance review ratings
- Feedback from others – 360 feedback
- Stretch goals and contributions
- Questions to ask:
  - Does this person have a proven track record for accomplishing impressive results?
  - Are any potential inconsistencies “derailers”?
  - Are they already performing at the next level?

Assessing Potential

- Prioritize most important facets to evaluate
- Minimize subjectivity through comprehensive involvement
- Questions to ask:
  - How does this person respond to obstacles?
  - Does this person inspire others and lead through persuasion and influence?
  - How do unexpected changes affect this person’s performance?
  - Does this person have initiative and seek additional responsibility?
  - Does this person continually offer solutions & new ideas?
### Establishing Behavioral Criteria

#### Aspirations
- Desires leadership advancement into more complex roles
- Is open to career movement into challenging new roles and/or relocation
- Is willing to move laterally to increase breadth of skills
- Seeks and acts on feedback for continuous improvement
- Follows through with learning assignments and development actions
- Is self-motivated and highly engaged in the organization

#### Abilities
- Demonstrates the business acumen to move into leadership roles of increasing responsibility
- Assigns and/or assumes clear accountability to deliver on objectives
- Demonstrates learning agility by exploring ideas and putting them into practice
- Demonstrates the ability to build talent by effectively leveraging strengths and developing skill
- Demonstrates ability to inspire trust by engaging in honest communications and seeking for win-win solutions
- Demonstrates strategic thinking skills and exercises good judgement in effort to challenge the status quo

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### Talent Assessment Matrix

**POSSIBLE PERFORMER**
- High potential to advance further, although underperforming. May be in wrong job or new to position; needs intervention.

**GROWTH EMPLOYEE**
- Demonstrates high potential to advance further. Valued associate/mentor, recognition, promotion, development.

**FUTURE LEADER**
- Highest potential - broad of similar experience, immediately consider for a new role.

**EVALUATE PERFORMANCE**
- Improves performance, may have potential to move one level/challenge is necessary. May be new to position.

**CORE EMPLOYEE**
- Likely to have scope to move one level; solid performer/performer coaching to explore development of potential.

**HIGH-IMPACT PERFORMER**
- Has scope to move one level; forward thinking, responsible, delegating, given additional responsibilities.

**UNDERPERFORMER**
- Has reached job potential and is underperforming. Performance management.

**EFFECTIVE**
- Specialized or expert talent; has reached career potential. Engage, focus, motivate.

**TRUSTED PROFESSIONAL**
- Specialized or expert talent; has reached career potential. Engage, focus, motivate, help with developing others.
Readiness Level Chart

SUCCESSION PLANNING READINESS CHART

Position Title: Head Start Director
Position Key Competencies: Team Management, Problem Solving, Relationship Building, Strategic Thinking, Delegation
Current Incumbent: Jerri Blue
Evaluator: Janet Jones

<table>
<thead>
<tr>
<th>Candidate Name</th>
<th>Current Position Title</th>
<th>Current Department</th>
<th>Readiness Level</th>
<th>Competency Strengths</th>
<th>Competency Development Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jane Doe</td>
<td>Head Start</td>
<td></td>
<td>X</td>
<td>Relationship building</td>
<td>Coaching/Performance, Delegation</td>
</tr>
<tr>
<td>Jim Brown</td>
<td>Head Start</td>
<td></td>
<td>X</td>
<td>Problem Solving, Delegations</td>
<td>Team Management, Results Focused</td>
</tr>
<tr>
<td>Sally Snow</td>
<td>Administration</td>
<td></td>
<td>X</td>
<td>Problem Solving, Initiative, Results Focused</td>
<td>Coaching/Performance Management, Delegation</td>
</tr>
</tbody>
</table>

Composite of Succession Readiness

Executive Manager

Position

Initiate

Ready Now

2-3 Years

3-5 Years

Long Shot

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Building the Next Generation of CAP Leaders (Succession 101)
Understanding Risk & Impact

<table>
<thead>
<tr>
<th>Risk of Loss</th>
<th>Impact of Loss</th>
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<tbody>
<tr>
<td>Definition</td>
<td>The level of risk that the organization would be exposed to from a vacancy in a given position.</td>
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</tbody>
</table>
| Contributing Factors | ・ Compensation  
 ・ Engagement  
 ・ Motivation  
 ・ Demand  
 ・ Personal life  
 ・ Relationship with manager  
 ・ Bench strength  
 ・ Sourceability  
 ・ Job/Industry knowledge  
 ・ Criticality of position |
| Ratings      | Low: No activity anticipated  
 Medium: Anticipated exit within 1-2 year if not otherwise motivated  
 High: Anticipated exit within months if not otherwise motivated  
 Low: Little to no effect on productivity or contribution to the business while a replacement is found  
 Medium: Position is difficult to source; vacancy will cause some disruption to current business operation  
 High: Significant disruption to current/future business operations or financial impact due to position vacancy |

Least Afford to Lose

Sample Organization
Key Players the Organization Can Least Afford to Lose

<table>
<thead>
<tr>
<th>Key Player Name</th>
<th>Position Title</th>
<th>Department</th>
<th>Why Can’t Afford to Lose</th>
<th>Optimistic</th>
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### Development Planning

**Promote**

- External Leadership Programs/Trainings
- Temporary Assignments
- Job Rotations
- High-Profile Projects
- Committee Chair

**Invest/Stretch**

- Coach/Mentor
- Special Projects
- Self-Directed Growth/Development
- Internal Programs/Trainings

**Engage**

- Job Related Training
- Focused Coaching
- Performance Improvement Plans
- Adjust/Align Current Role

**Intervene**

- Job Related Training
- Focused Coaching
- Performance Improvement Plans
- Adjust/Align Current Role

**Exit**

---

### Individual Development Planning

**Personal Development Plan**

For Performance Year: __________  
Date: __________

**Employee:** __________________________  
**Current Position:** ____________________

**Position Description and Performance Management Tools:**

Utilize the position description and performance management tool to evaluate the overall level of performance of the employee on each essential job function. Identify below the essential functions that the employee should focus on developing during the next performance year to improve and advance maturity within the current position:

1. __________
2. __________
3. __________
4. __________

**Future Career Opportunity:**

Identify the position opportunity in which the employee has interest and utilize the associated position description to identify the essential job functions required so the employee would be considered for advancement.

**Future Position:** __________________________

1. __________
2. __________
3. __________
4. __________
Individual Development Planning

Essential Competencies:
Identify the essential competencies that will be the focus of development. An essential competency is one that is absolutely needed in order for an individual to perform successfully within a position. Use the Competency Dictionary to review the Bank’s Core Competencies required for all positions and those competencies for Management, leadership, and executive positions.

<table>
<thead>
<tr>
<th>Current Position Competencies</th>
<th>Future Position Competencies</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>1.</td>
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<td>2.</td>
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<td>3.</td>
<td>3.</td>
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<tr>
<td>4.</td>
<td>4.</td>
</tr>
</tbody>
</table>

Key Areas of Individual Strength:
1.  
2.  
3.  

Training and Development Activities:
What training and development activities are needed for this individual to advance his/her skills in either the current position or a future position? Identify what timeframe the training should be completed. Identify the source of the training whether internal or external (MBA, ABA, GIB, etc.).

<table>
<thead>
<tr>
<th>Current Position</th>
<th>In-House</th>
<th>External</th>
<th>Source of Training</th>
<th>Timing of Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>□</td>
<td>□</td>
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<td>4.</td>
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</tbody>
</table>

Key Talent Management Tools

- Job descriptions for identified positions
- Color coded organizational chart
- Leadership competencies
- Talent assessment grid
- Readiness level charts
- Least afford to lose list
- People to keep an eye on list... across the organization
Revitalize the Plan Annually

Wash, rinse, and repeat on an annual basis to ensure a continuous and deep supply of talent to drive business goals and objectives.

For Information on How We Can Help

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