



# Position Your Bank's Future Leaders

## Succession Planning for Banks

As your bank's key leaders get closer to retirement, continuity is vital to a smooth and strong transition. Ensure your bank has successors on hand ready and willing to fill new roles — from CEO, to manager, to the board — with ABA's Succession Planning for Banks.

The guide includes customizable resources — designed specifically for banks — that are divided by position and business need and able to be implemented by your HR or administrative staff.

Each section includes resources: sample assessments, communications, planning and reporting tools — and more!

Get your bank planning a long-term management plan today!

Pricing: \$465/ABA member, \$585/nonmember

### PLANNING GUIDE SECTIONS

#### Introduction to the Succession Planning Process

- Overview of the planning process
- Challenges and strategies for getting started

#### CEO and C-Suite Succession Planning

- Short-term planning
- Long-term planning

#### Manager-Level Succession Planning

- Create a business case
- Determine the focus and communication plan
- Select and assess the candidate pool
- Develop the candidates

#### Board Succession Planning

- Evaluation of the board composition
- Governance process

#### Documenting and Monitoring Your Succession Plan

- Resources to help document and monitor

[aba.com/SuccessionPlanning](http://aba.com/SuccessionPlanning)



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## Succession Planning Resource List

Succession planning is a four-step process. *Succession Planning for Banks* provides strategies and resources to support each step. This list includes a description of each resource and the section where it is located.

### 1. Establish the objective of the plan

Section	Resource Name		Description
3	Talent Management Cycle		Describes each of the six steps in the Talent Management Cycle.
3	Workforce Tiers Reference		Shows an example of using workforce tiers as a method to identify a focus area for succession planning.

### 2. Evaluate the priority for the bank

#### Misc. Planning Tools

Section	Resource Name		Description
2, 3	9-Box Performance/Potential Grid		Tool for assessing succession candidates based on potential to assume broader accountabilities and performance in current job.
2, 3	Talent Review Meeting Guide		Sample guide for facilitating talent review meetings with senior management to discuss succession needs and potential candidates.
2, 3	Performance, Potential, and Readiness Tool		Tool for assessing candidates based on past performance, future potential, and readiness to be a succession candidate.
2, 3	Communication Decision Matrix		Tool for facilitating a decision about a succession planning communication strategy.
3	Determining Scope of Succession Planning		Tool for determining the scope of succession planning by considering factors such as how growth will happen in the bank and which business lines will drive most of the growth.
3	Succession Budget Worksheet		Tool for calculating total succession planning expenses over a three year timeframe.

## CEO and C-Suite Succession Planning

Section	Resource Name		Description
2	CEO Candidate Assessment Process Questionnaire		Questionnaire for helping the board consider whether non-interview assessment tools will be used in the candidate evaluation process.
2	CEO Compensation & Contract Reference Guide		Guidelines for new CEO compensation packages, new CEO contract terms, and outgoing CEO contract terms.
2	CEO Emergency Succession Planning		Steps for CEO emergency succession planning.
2	CEO Profile Development Guide		Tool for developing a CEO profile that includes the competencies, skills, and experience required for succession candidates.
2	CEO Recruiting Process Questionnaire		Tool for helping the Board consider whether a search firm will be used in the candidate recruitment process.
2	CEO Retirement Date Discussion Tool		Tool for supporting a discussion of the CEO retirement date, based on the readiness of the CEO and Board.
2	CEO Short-term Succession Timeline		Timeline and tasks required for short-term CEO succession planning.
2	Sample Memo—Long Term CEO Succession Candidates		Sample memo to candidates under consideration in a long-term CEO succession plan.
2	Sample Memo—Short-term CEO Succession Candidates		Sample memo to candidates under consideration in a short-term CEO succession plan.

## Mid-Level Staff Succession Planning

Section	Resource Name		Description
3	Cost/Benefit Analysis Worksheet		Tool for calculating the cost of filling positions externally versus the cost to fill positions internally.
3	Staff Benchmarking Tool		Tool for helping to determine who is ready for a next step in a career and what it would take to prepare for that step.
3	Developmental Activities Reference		Diagram showing the list of development activities that can be used to build skill and competencies in succession candidates.
3	Sample Talent Portfolio		Tool for providing a snapshot review of the bank's talent and how it is allocated and what types of investments are needed.
3	Succession Candidate Profile Development Guide		Factors to consider around the candidate's competencies, skills, and experience.

## Board Succession Planning

Section	Resource Name		Description
4	Board Succession Governance Reference		Diagram showing process steps for director succession in the governance process.
4	Director Prospectus Template		Tool for creating a prospectus and share among existing directors and the management team for referral of potential candidates.
4	Sample Board Qualifications Matrix		Sample worksheet for listing existing Board members and their qualifications that can be used to target future succession needs.

### 3. Assess the bank's resources

Section	Resource Name		Description
1	Tool for Assessing Human Resources' Role in Coordinating Succession Planning		Tool provides factors to consider when assessing HR's role in coordinating succession planning.
3	Tool for Assessing Managers' Readiness for Succession Planning		Tool provides factors to consider when assessing managers' readiness for succession planning (based on commitment to attracting, developing, and retaining talent).

### 4. Document and monitor the plan

Section	Resource Name		Description
5	Sample Succession Policy and Procedures		Sample bank succession planning policy including mission statement, policy and philosophy, and procedures for succession planning.
5	Succession Participant Data Form Template		Multi-tab Excel worksheet used for documenting the profiles of participants in the succession plan.
5	Succession System Functionality Reference		Tool for developing a list of needed system functionality for reporting and analysis.

#### File types



PDF file



Excel file



PowerPoint file



Word file