

SUCCESSION PLANNING A FRAMEWORK FOR EXCELLENCE

Presentation by Brady Martz, PLLC
NDBA Peer Group Consortium - October 14, 2026

HIGHLIGHTS

- The “WHY” of Succession Planning
- Key Stages
- Emergency BCP for Leadership & Key Roles
- Takeaways

THE BIG "WHY"

Succession planning is the road map to keeping an institution thriving.

It ensures business continuity, preserves institutional knowledge, develops future leaders, and strengthens organizational stability

SUCCESSION PLANNING

KEY STAGES

- Process of:
 - Identification: Initiatives & Positions
 - Assessment: Candidates' Potential & Readiness
 - Development: Grow Your Talent
 - Transition & Review: Implement the Plan
 - Continuity: Reduce Operational Disruptions

Identification:

Initiatives & Positions

- Start with: Organizational Goals & Initiatives – those drive positions.
- Analyze positions: Relevant? Redundant? New roles for alignment?
- Emerging technologies and AI: Mindset of evolution not scarcity.

Identification:

Initiatives & Positions –
Continued

Key Outputs:

- Critical Role Inventory
- Competency Profiles
- Strategic Alignment



EMERGING TECHNOLOGIES & IMPACTS TO POSITIONS

Position	Emerging Technology	New Responsibilities
BSA Analyst	AI transaction monitoring	Reviewing AI-generated alerts instead of manually identifying suspicious activity
Compliance Officer	Regulatory AI tools	Validating AI-generated compliance testing and risk assessments
Customer Service Representative	Chatbots/Virtual Assistants	Handling escalated issues and monitoring chatbot effectiveness
Fraud Analyst	Machine learning fraud detection	Investigating high-risk alerts generated by models
Internal Auditor	AI audit analytics	Interpreting AI-identified anomalies and validating results

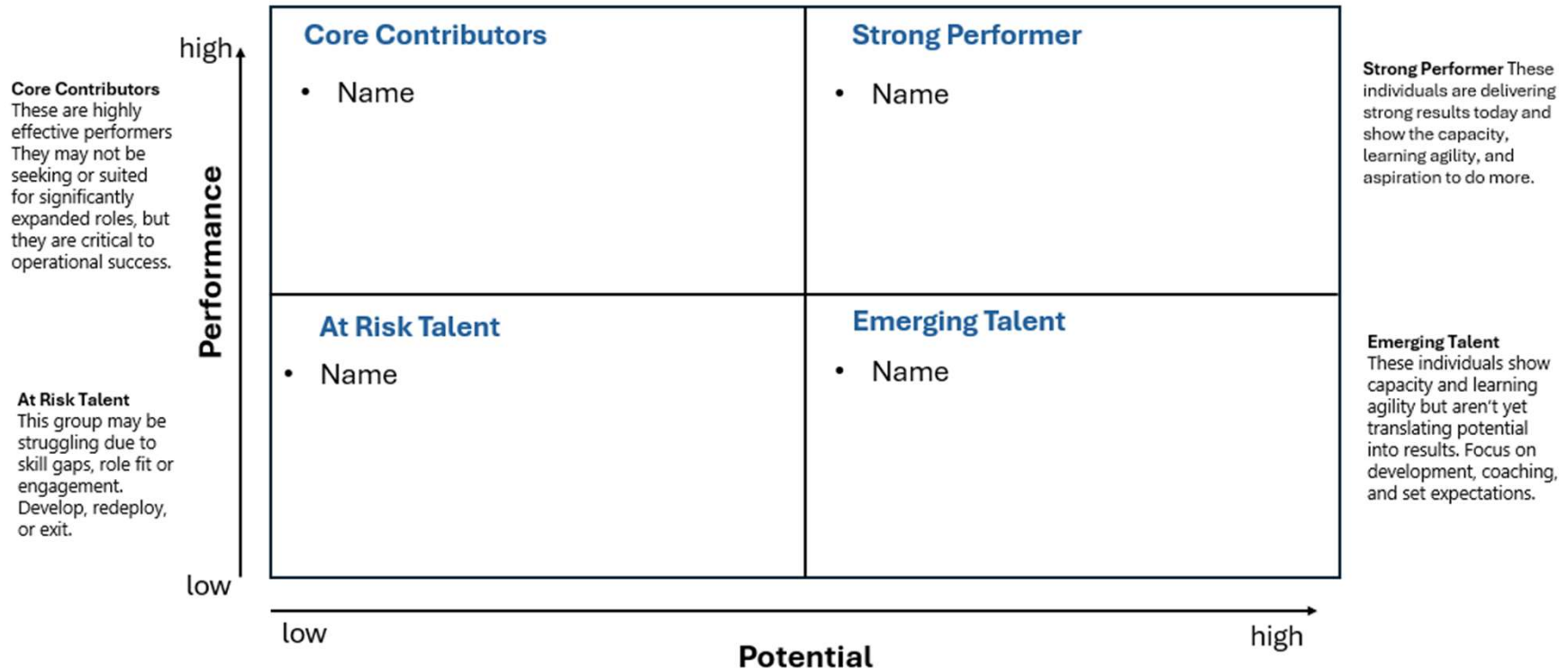
Assessment:

Candidates' Potential & Readiness

Assess the Talent Pool

Map internal candidates against critical roles using performance data and structured talent reviews.

4 Box Talent Assessment



Assessment:

Candidates' Potential & Readiness – Cont'd

Key Outputs:

- Calibrated list of high-potential team members mapped for critical roles & assigned readiness rating.

Development:

Grow Your Talent

DEVELOP SUCCESSORS

Active development through stretch assignments, rotations, mentorship, coaching, and progressively higher decision authority

DEVELOPMENT:

GROW YOUR TALENT - CONT'D

- Most programs fail at Stage 3 (Development), not Stage 1 (Identification).
- Without active development, succession candidates do not actually become more prepared - they just sit on a list.
- The development stage is where talent investment turns into succession readiness.
- This stage requires the discipline, longest time horizon, and most senior management support.
- Intentional goal-setting, mentorship, and coaching are key success drivers.

Development:

Grow Your Talent – Cont'd

Key Outputs:

- Individual Development Plans
- Stretch Assignments
- Executive Coaching

Transition &
Review:
Implement the Plan

IMPLEMENTATION

Successor steps in with structured onboarding. Review the outcomes, capture WCOs, and feed insights back into the next cycle.

TRANSITION & REVIEW: IMPLEMENT THE PLAN - CONT'D

- Intentional onboarding with continued support
- Post transition, the organization reviews what worked:
 - Was the successor truly ready, what gaps emerged, was the developmental plan accurate, and what should be improved for the next cycle.
- This stage closes the loop and feeds learning back into Stage 1 of the next planning cycle.
- Create: a transition review document and updated process for the next succession cycle.

Transition & Review:

Implement Your Plan –
Cont'd

Key Outputs:

- Structured Handover
- Documented Review & Reflection
- Process Improvement

Continuity:

Reduce Operational Disruptions

Continuity Plan – a written action plan combines all stages to maintain stability and navigate change.

Process is not static! It requires a dynamic rinse and repeat.

EMERGENCY BCP FOR LEADERSHIP & KEY POSITIONS

- Like IT-ISP plans for business continuity – but make it for the PEOPLE element!
- How resilient is your institution to unplanned leave of absences & resignations/terminations?
- Build an emergency BCP for leadership and key positions
- Communicate agreed-upon plan for the short-term solutions

BCP BUILDOUT

- Executive Team - owns this buildout but engage team members for input
- Identify communication channels:
 - Notifications - type and responsibility (internal and customer-facing)
- Inventory of process, procedures, backups, system access requirements, and cross training expectations.
- Ongoing review and updates will be necessary

TAKEAWAYS

- Succession planning is not the same as filling an open position.
- Four-stage model is most widely used
- Develop pools, not single named heirs
- Communicate transparently with successors
- Run the cycle annually with senior leadership accountability.

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Ryan Bakke, CPA
Financial Institutions Industry Leader
ryan.bakke@bradymartz.com
701-852-0196



Kelly Hoeven, CCBIA CBVM
Manager
kelly.hoeven@bradymartz.com
701-223-1717

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