Succession Planning: Not Just for CEO's Anymore

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When a credit union's leadership changes, continuity in experience and knowledge become critical factors for success–that's why succession planning has become such a powerful executive tool. Yet, succession planning shouldn't stop at the executive offices. There's a demographic change coming to credit unions as seasoned baby boomers rapidly approach retirement age. People with key skills and knowledge will soon walk out the door, and customer care and delivery of services will be entrusted to the digital Net Generation.

The demographic tide is turning, and without preplanning a credit union's best subject matter experts could sail out with the outgoing tide, leaving the next generation of workers high and dry. In order for credit unions to survive, much less thrive, they must invest now in succession planning–not only from the top down but also from the bottom up.

No credit union would risk the loss of critical data by failing to back up their servers or investing in updated technology when hardware reaches the projected end of service lifetime. However, credit unions that fail to back up the wealth of information held by seasoned employees into their training materials take a similar risk.

Failure to back up training programs to reflect current operations could lead to a damaging loss of information that will not only affect new workers joining the organization but may also impact the stability and growth of the business further down the road.

What steps should credit unions be taking to harvest the information from their outgoing boomer workforce for training of the incoming generation?

Knowledge transfer. How do you transfer the knowledge from your current subject matter experts into your training materials? Do you regularly review content with subject-matter experts? Are there hidden steps or assumptions that your experts take for granted but haven't documented?

Update, revise, redesign. What content simply needs updating? What has to be revised due to conversions in processes or systems? Also, Generation X and the Millennials have different preferred learning styles. Will your current courses need to be redesigned to achieve maximum learning and behavior change in a new audience?

In-house vs. outsourcing options. It doesn't have to be a "versus" decision. The financial industries often augment in-house staff with additional outsource trainers or support personnel, especially for training rollouts tied to systems conversions and updates. Preparing for change can produce peak training demand beyond your in-house team's bandwidth.

Understand the learners. Should a training program be held in a classroom, lab, Webinar, or online e-learning? Should it incorporate interaction or simulations? It's important to note that the incoming workforce of late Gen Xers and Millennials don't count computers as technology. They grew up with computers; so, computers are as much a way of life as microwave ovens. Millennials have moved beyond watching, reading and listening to doing, simulating, interacting and engaging. Handing these new employees a manual will probably not be the most effective delivery method.

Also, the old pass-fail model of testing may not apply to Millennial learners. Learning among Millennials more closely resembles Nintendo than logic. Since losing at an interactive game is the fastest way to master it, Millennials are accustomed to learning from mistakes.

Furthermore, having been raised on the Internet with information and interaction just a click away; Millennials demand immediate feedback, and they have little tolerance for delay. Therefore, even scheduled online e-learning sessions may be too passive for this workforce of digital natives. PC-based simulations, animations and interactive exercises, coupled with instant scoring on performance, often serve as effective delivery methods for these learners.

As Boomers retire, credit unions will have to: compete for the best and brightest among Gen Xers and Millennials; manage to keep their interest through the initial training; and engage their interest, promise and potential in order to fully tap their productivity.

By integrating today's boomer knowledge into training programs built for tomorrow's learners, credit unions can preserve continuity in excellent service by knowledgeable employees that has distinguished them in the financial services marketplace.

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