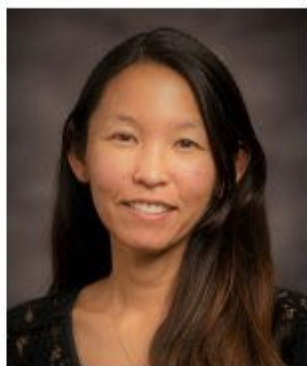




## **Succession Planning - Building Trust and Developing Talent**



ACUA Virtual Learning Director  
*Wendee Shinsato, CPA, CIA*  
Assistant Vice Chancellor  
California State University



ACUA Virtual Learning Volunteer  
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Executive Director/Chief Internal Auditor  
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Princeton University



ACUA Virtual Learning Volunteer  
*Brenda Auner, CIA, CFE*  
Senior Auditor  
California State University

# Joseph E. Iannini, CPA, CMA, CIA

---

- **Over 30 years experience** in both Internal and External Auditing, (including KPMG, CR Bard, ADP, Cytec Industries, Bradco Supply, CohnReznick)
  - Worked in various industries as an Auditor or Consultant (Chemicals, Medical Devices, Automobile Distribution (BMW), Pharmaceuticals, Non-Profits, Higher Education)
- **Chief Audit Executive at SUNY/Fashion Institute of Technology (FIT) in NYC** driving process improvements and implementing effective risk management
- **Graduate School Instructor - Internal Audit and Risk Management** – Seton Hall University in New Jersey
- **Published author** of several articles about *Internal Auditing Best Practices*
- **Proud board member of the North Jersey Chapter of the Institute of Internal Auditors (NJIIA) and ACUA member since 2017**

# Objectives for Today's Session



Identify  
**Benefits** of  
Succession  
Planning



Identify  
**Critical**  
Success  
Factors



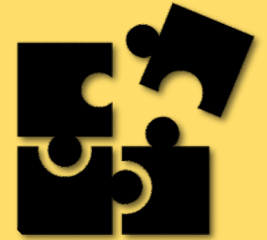
How to  
Build  
**Employee**  
Trust



Solve the  
Biggest  
problem –  
*“How to get  
started”*



Identify  
Critical  
Steps to  
**Developing**  
Talent



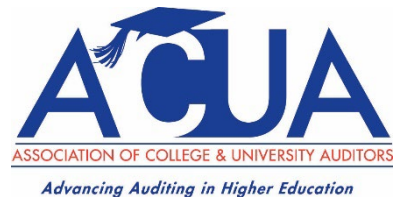
Share a  
*Simple*  
**Succession**  
Planning  
Tool



# Flexible Methodology

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- *For your Internal Audit team, OR*
- *As a consulting/audit service to others in your institution*
  - *Are the critical success factors in slides in the plan?*



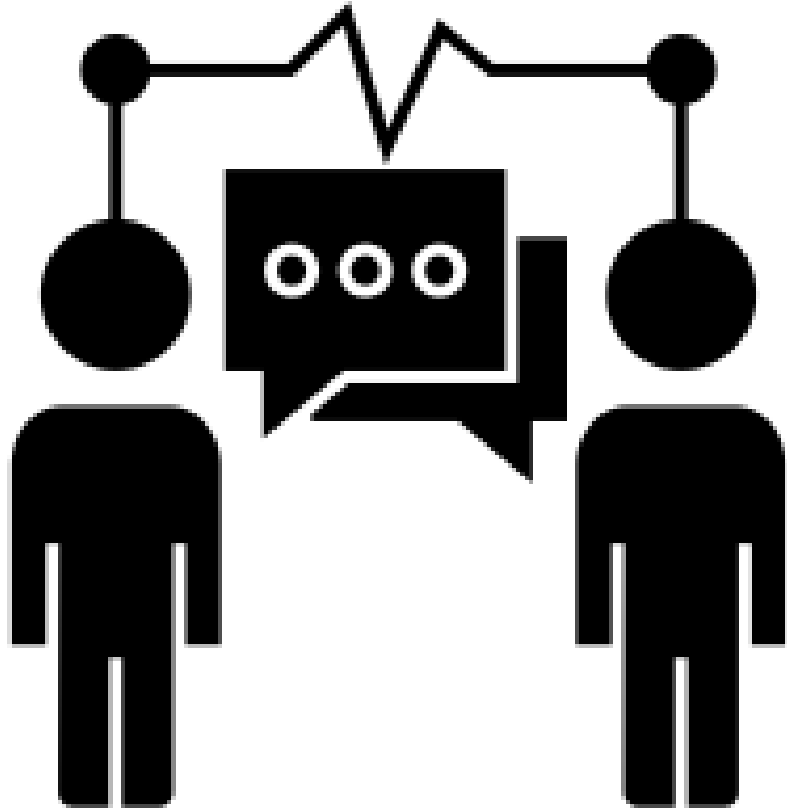
# Polling Question #1

---



**What best describes your Organization when it comes to Succession Planning?**

- a. We have written plans for most key positions**
- b. We have some plans, but the plans are not formally documented**
- c. No Succession Plans**
- d. Not sure**



*“If you fail to plan, you are planning to fail!”*

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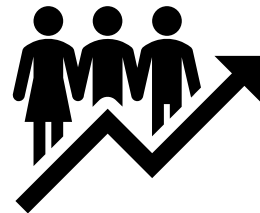
BENJAMIN FRANKLIN



# What are the Objective of Succession Planning?

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*Or what do you think the objectives should be?*



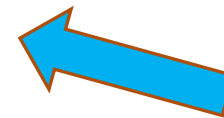


# What are the Objective of Succession Planning?

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The overall objective of any succession plan is to:

- Identify and develop employees
- To fill responsibilities of *key positions* in the organization
- Ensure the continuity of operations



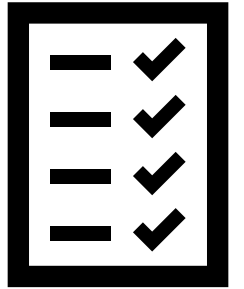
*Most have this  
as the primary  
focus*

# Key Success Factor – Make it *Employee Focused*

---



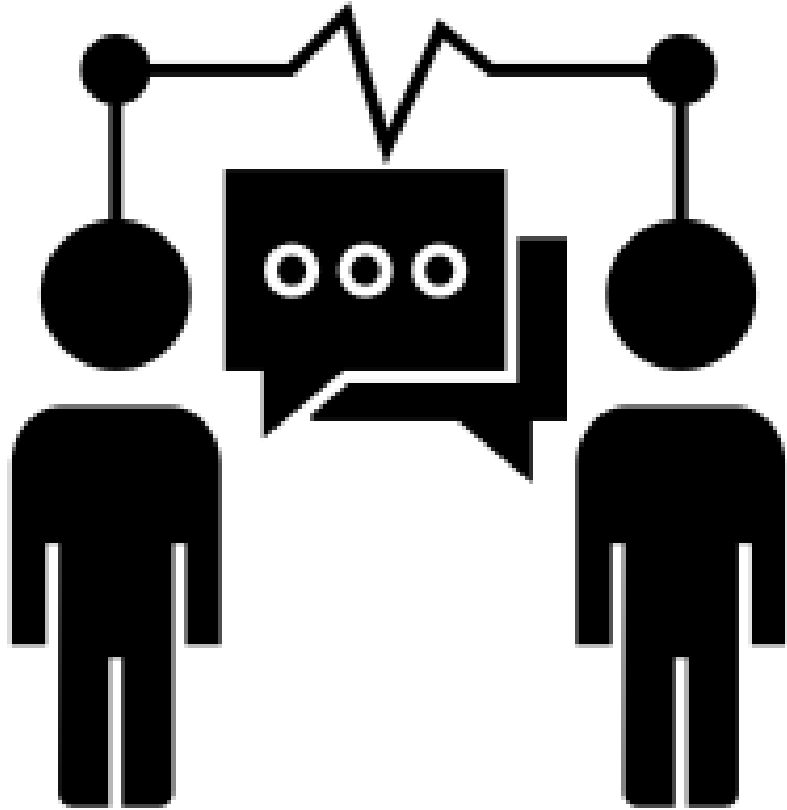
# Another Key Success Factor



Create written employee development plans that allows you to execute the plans. \*

- Plans should contain specific actions and timetables

*\* (Depth and complexity of the plans can vary based on your needs)*



***“If you do not develop your employees, someone else will!”***

---

Joe Iannini


# Succession Planning - Background

---

Why do so many  
Succession Planning  
efforts fail?

# Why do so many Succession Planning efforts fail?

---

- Lack of Executive Support, not a priority
- Project is *too big to take on at this time*, not enough resources
- Project goals not clear
- No project plan and/or no consistent focus by supervisor
- Employees do not see the benefits of documenting their processes or training a back up. Its added work!
- *Maybe, it's a stale methodology* 

# Sending the Wrong Message!

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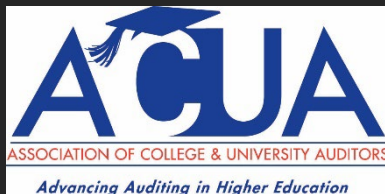
Do *Not* Call it  
Succession Planning

*It is Employee  
Development!*

 *Correct message: Enhanced skills = Better Career Options*

---


Biggest problems with  
the old “back-up”  
method



## *The Old Method:*

“Employee A is the back-up for Employee B”

This method has several problems....

- No one wants two jobs!
- Employer did not take into consideration which responsibilities cannot be performed due to resource limits or lack of skills
- Did not place focus on critical tasks 
- Not employee focused, manager not involved = *sends message, employee is not a priority*



Start  
Here

# A Much Better Approach!

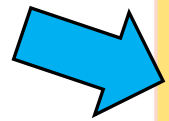
Ask –  
“What are the critical tasks and who has the skills, knowledge and experience”

- What are the critical tasks for the group?  
(All tasks are not equally important!)
- What are less critical tasks that can be delayed?  
(You must accept this as a fact!)
- Are the critical tasks and processes documented? (popular audit finding)  
(Is the documentation in a shared location?)

This will take more effort but much more likely to succeed

# Phase 1 - Identifying Key/Critical Tasks- Practical Tips

*Critical = Tasks that cannot be delayed or are most important to achieve organizational objectives?*



*Tip - It may be helpful to have the team members develop the critical task list and edit the content over the next business cycle(s) or next audit engagement*

**Identifying Critical Tasks is your Foundation for this project!!!**

# Polling Question #2

---



**Which best describes your position?**

- a. Chief Audit Executive (or other C level)**
- b. Manager or Director**
- c. Supervisor or Senior Staff?**
- d. Staff**

# Reality Check – *Start Small*

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Your best people are likely to perform most of the critical tasks

You will only be able to focus on 1-2 Critical Tasks that each employee performs

*Do not overwhelm your best people!*

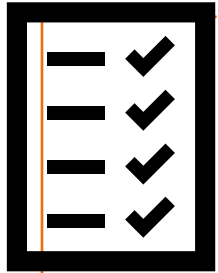


Maybe Start with 1 critical task!

# Critical Success Factors

(All are needed before you start!)

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Clearly define the scope: ***Start small*** (or *1-2 key tasks*) (pilot program)

**Written plan** – to develop **Skills** to for these key tasks



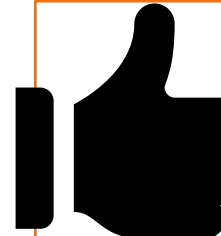
Define your roles, deliverables, expectations, and **monitor progress**



**Communicate** plans and goals to the team:

Identify goals and benefits  
**WIFM** (What's in it for me?)

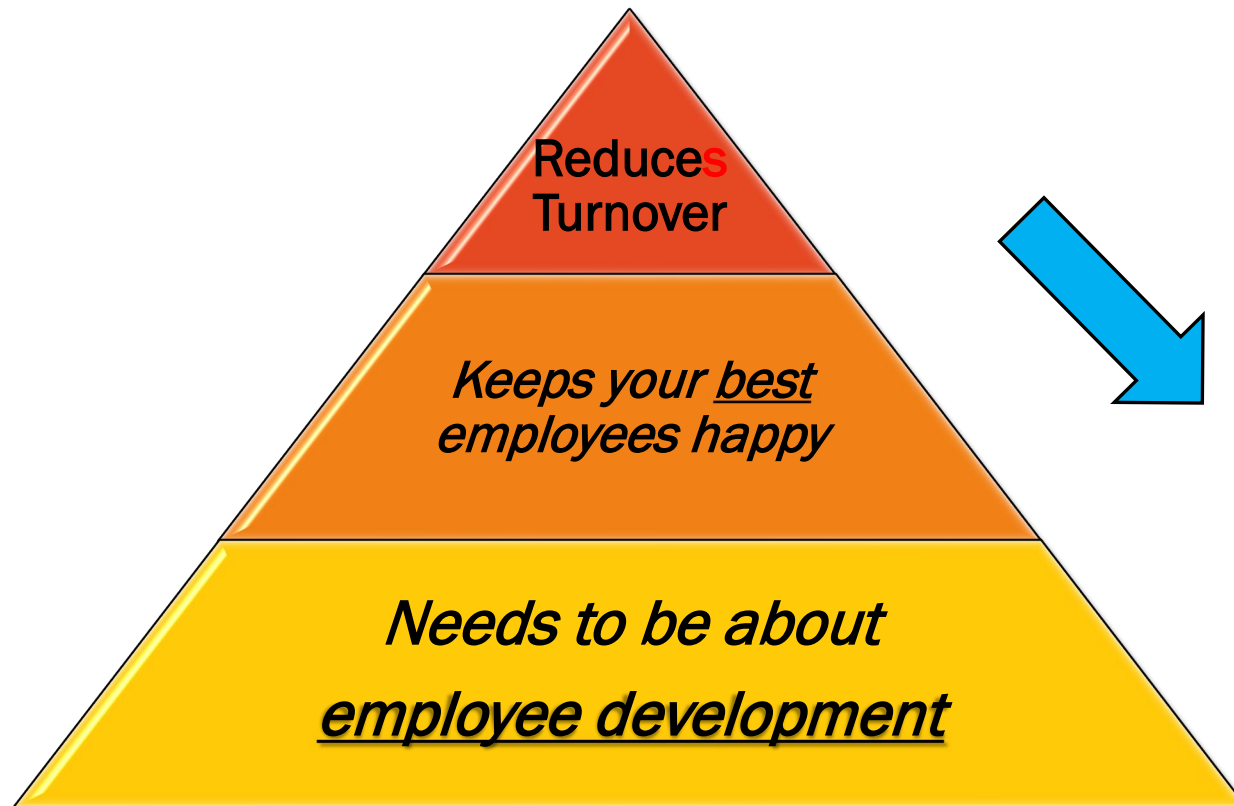
- Do not invest your time with team members that are not interested in being developed



**Executive (CAE) Sponsorship** and support is critical  
(written updates)

# Key Success Factor – How to make it *Employee Focused*

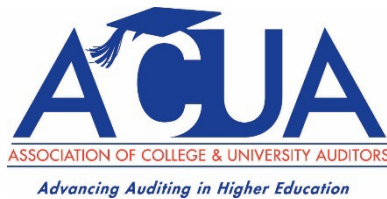
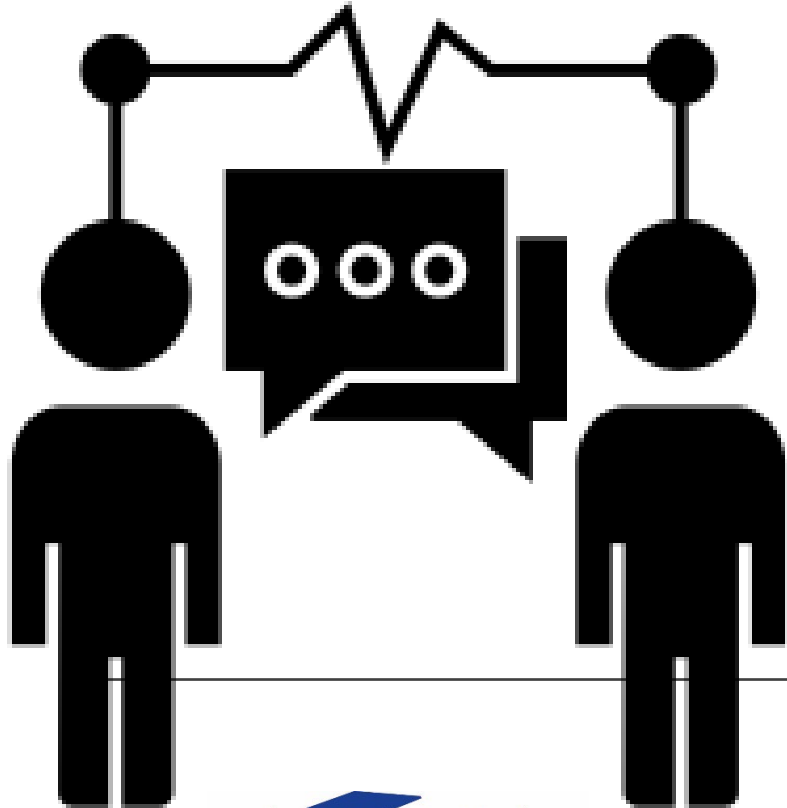
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So far, we talked about *identifying critical tasks*

How do we make this about employee development?

# *It is about Building Trust*



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THE BASIS OF SUCCESSFUL  
RELATIONSHIPS

# How do you Build Trust?

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# What is in it for the Employee?

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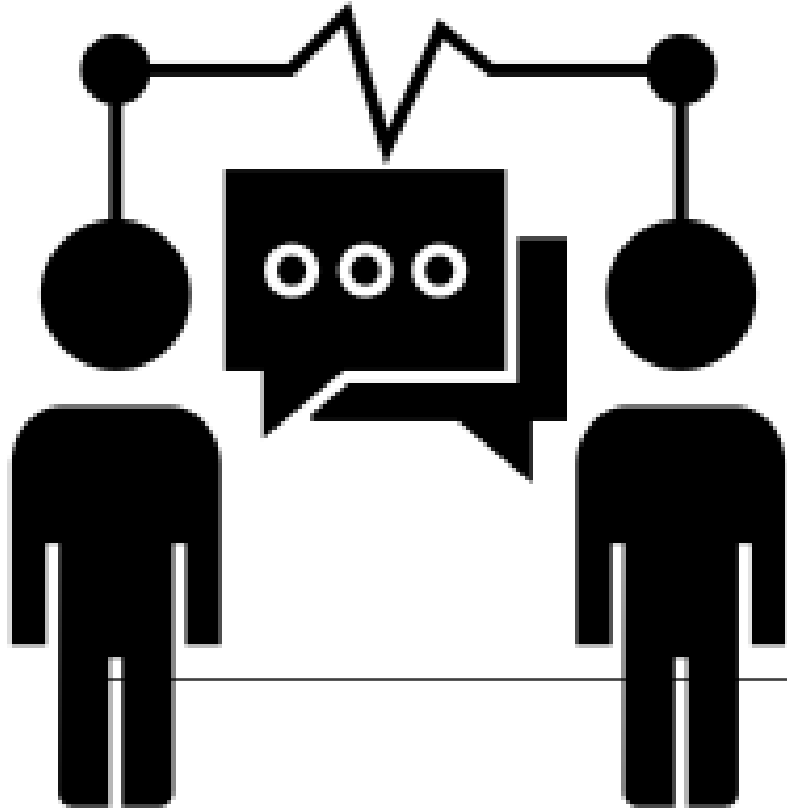
Career development  
planning  
with  
employee

Learning new  
skills –  
increase  
employee  
value (and  
upward  
mobility)



Training to  
support  
development  
and enhance  
skills

Less  
disruption  
during  
absences  
(for the employee  
and the  
Organization)



# *How to Develop Talent*

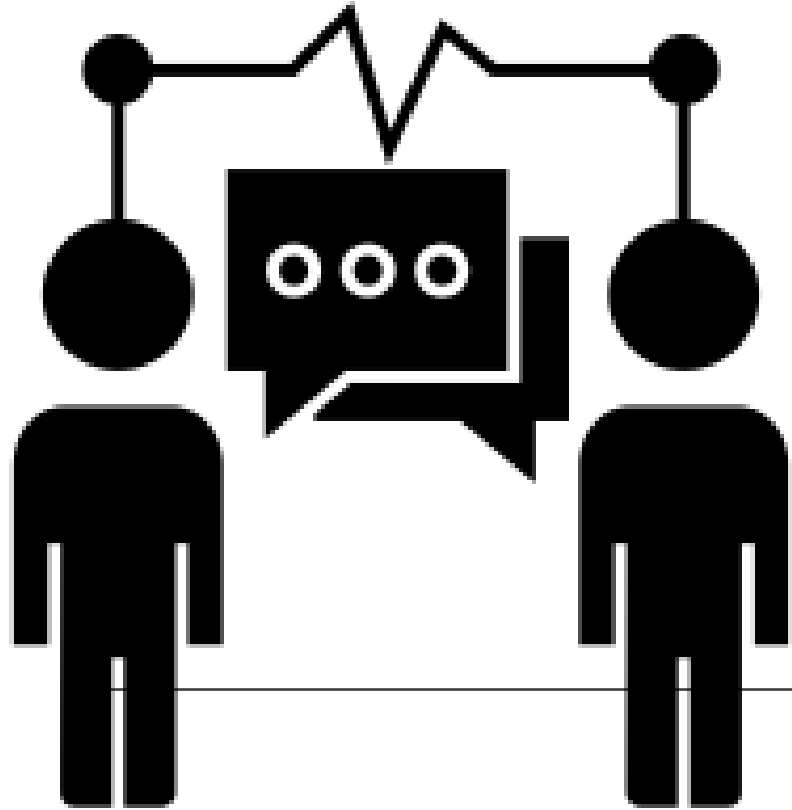
*(make it part of your normal routine)*

---

***“SUCCESS IS THE SUM OF SMALL EFFORTS REPEATED DAY-IN AND DAY-OUT”***

***ROBERT COLLIER***





***“Do or Do  
Not, There is  
No Try”*** **Yoda**

This is an ongoing project that requires time commitment from management and staff

# Polling Question #3

---



**What do you believe is the most important goal of Succession Planning?**

- a. Continuity of operations during unplanned employee absences**
- b. Developing employees**
- c. Reducing employee turnover**
- d. Formalizing undocumented processes**

# Phase 2 – Assess Talent vs. Required Skills (skill gaps)

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Clarify the type of  
gap

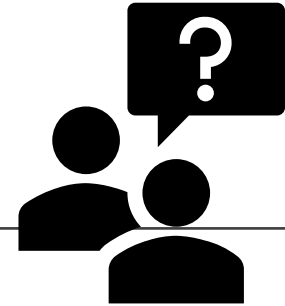
Examples may include:

- Interaction with mid or senior management
- Specific tasks – i.e. Planning an audit engagement
- Industry experience

Align skill gaps with  
employee  
development plans

- We will work on a development exercise in this section
- *Include new subject matter or technology involved (future job needs)*

# Help!



How do I organize  
this process?

How can I monitor  
progress?

# Employee Development Planning Tool - Simple Matrix



Phase 1 (consider starting with job descriptions)		Phase 2		Phase 3 (Ongoing) <i>Spend most of your time here!</i>	
Critical Tasks	Skills Needed	Employee	Skills Gap	Development Plans	Interim Target Dates and Deliverables
<i>Note: if you do not have a good list of key task, you will fail</i>				<i>Align each gap with a development plan</i>	

# Critical Success Factor - Best Practices

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*Allow time* to work on a development plan and skills!!!!



*Build into normal activities!*

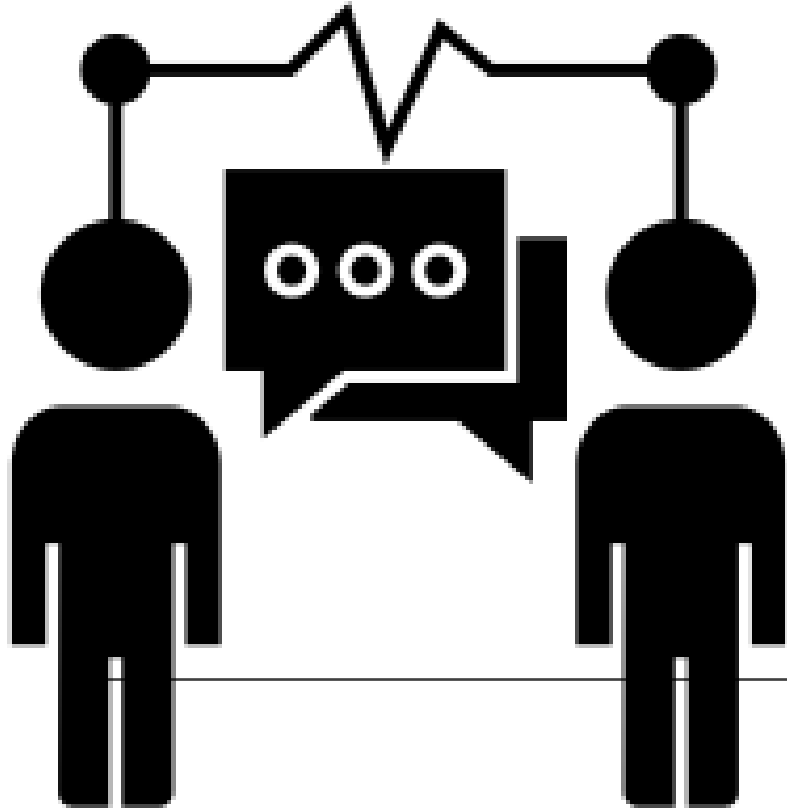


*Frequent monitoring* and follow-up on development progress



*Celebrate and reward success!*  
(group lunches)





# *Skills Development Exercise*

# Polling Question #4

---



What do you think is the most difficult part of Succession Planning is?

- a. Getting started
- b. Having employee buy-in / acceptance
- c. Finding the time to properly perform succession planning /employee development
- d. Getting executive support

# Skills Developmental Exercise

**Situation:** You are the CAE and realize that you need to create employee develop plans for key managers in your group to enhance their skills

**To Do:** Using the development worksheet (handout), identify activities that you would recommend for the employee to obtain or improve their skills in the areas below:



## Identified Critical Tasks/ Skills:

1. **Conduct Risk Assessment** – For each business function and align the risks with the planned audit procedures for each engagement
2. **Leadership** – Supervise and lead a team of 3-6 staff professionals
3. **Interact and collaborate** – With internal client senior management (this includes agreement on scope, timing and presenting periodic updates and observations)
4. **Report writing** - Draft risk-based observations and recommendations that are considered valuable to the internal client
5. **Identify new areas and tools** – Will enhance the audit process and help deliver value-added observations *(for this exercise assume the identified tool is Data Analytics)*

# Skills Development Exercise



<b>Area</b> <b>Phase 1</b>	<b>Skills needed</b> <b>(ok to edit as needed)</b> <b>Phase 2</b>	<b>To Do –</b> <b>Create Development Plans</b> <i>(Note: You may need more than 1 development task for each skill)</i>
<b>1. Conduct Risk Assessment</b>	<ol style="list-style-type: none"> <li>1. Understand <u>objectives</u> (and use of the) Risk Assessment</li> <li>2. Understand <u>your organization's RA</u> process</li> <li>3. Understand <u>Business unit and Organizational objectives</u> <i>(also ask what would prevent you from achieving goals i.e. <u>Business Risks</u>)</i></li> <li>4. Understand key <u>competitors and industry metrics</u></li> <li>5. Experience <u>interviewing process owners</u></li> <li>6. Other?</li> </ol>	<ol style="list-style-type: none"> <li>1.</li> <li>2.</li> <li>3.</li> <li>4.</li> <li>5.</li> <li>6.</li> </ol>

Risk Assessment Skills needed	Example activities to support Skills Development
<ol style="list-style-type: none"> <li>1. <u>Understand objectives</u> (and use of the) Risk Assessment (RA)</li> <li>2. Understand your organization's RA process</li> <li>3. <u>Understand Business units and organizational objectives</u> (also ask what would prevent you from achieving the goals)</li> <li>4. Understand key competitors and industry metrics</li> <li>5. Experience interviewing the process owners</li> <li>6. Other?</li> </ol>	<ol style="list-style-type: none"> <li>1. Online and in-person training (IIA, ACUA, AICPA, Best practice research)</li> <li>2. Review past risk assessments for the organization to understand the content and depth of the RA and how it was used</li> <li>3. Review organization websites, obtain internal management reports</li> <li>4. Online research including reviewing data from professional associations for your industry. A simple start is to Google "key risks in the Higher education", also ACUA kick starters.             <ol style="list-style-type: none"> <li>a. Sign-up for and read Risk Management- related news feeds (i.e., <a href="mailto:riskchannel@emm.us.com">riskchannel@emm.us.com</a>), Chronicle of Higher Education</li> </ol> </li> <li>5. Take part (or a more significant role) in an organization's risk assessment – on the job training/learn by doing (also focus on how to "plan for an interview")</li> </ol>

Supervisor/Leadership Skills  
needed (include project management)

Example activities to support  
Skills Development

1. Appropriate technical skills and experience performing similar projects
2. Project management skills
3. *Assess project status and risks to completion.* (Also, providing clear status reports to Audit Directors)
4. Experience assigning tasks, reviewing work and providing performance-based constructive feedback
5. Experience interacting with senior management and making presentations (builds confidence)

1. Take part (or a more significant role) in supervising/mentoring less experienced staff
2. Online and in-person training (certificate programs at various Colleges)  
See also #1 – Take a more significant role during audits to get experience
3. Team-up with the rising staff or with other manager/director in the group to receive feedback (mentoring) in this area (*review other status reports*)  
Suggest you review leadership expectations with the rising staff
4. See #'s 1, 2 & 5
5. Join the ACUA, IIA, Alumni Association and take a leadership position.  
*This is a safe environment to develop key career skills and builds a professional network and confidence interacting with higher level professionals*

# Development Plans – Include a *Broad Range* of Skills

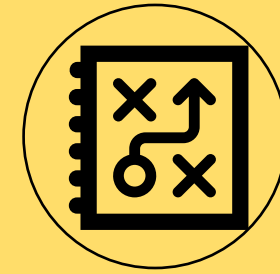
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Skills needed for  
career  
advancement  
(include non-technical  
areas such as  
presentation skills)



Skills that would  
broaden  
knowledge base  
(i.e., data analytics)



Personal  
development skills  
(i.e., business writing,  
teamwork, networking)



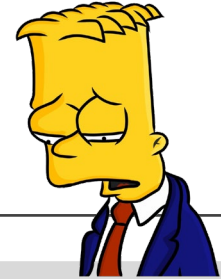
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Developing Talent  
Phase 3 -  
Employee  
Development Plans -  
Tips





# Reality Check - *Not everyone wants to develop their skills*



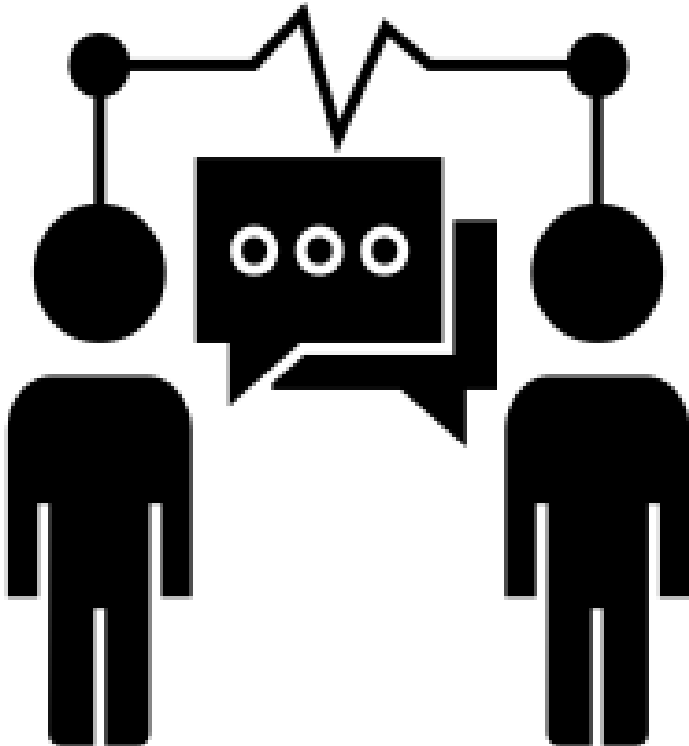
*Do not let the weak link limit your vision!!!*

Do not waste excessive time .....they are not likely a key position or employee for the long term

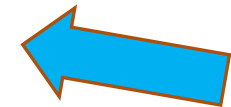
*Suggestion:* Have this employee focus on documenting their processes and take basic training (i.e., webinars and self study)

# Leadership

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***“The pessimist complains about the wind  
The optimist expects the wind to change  
The leader adjusts the sails”***



**John Maxwell**

**Who would you rather work with?....**

# Thank You!

---

**Joseph E. Iannini, CPA, CMA, CIA**

Contact me on Linked In : <https://www.linkedin.com/in/joseph-iannini-cpa-cma-cia-05818819/>

(be sure to mention this class)





## Announcements

### Upcoming ACUA Webinars

Month	Date & Time	Presenter	Topic
August	8/1/24 1:00pm EST	Deloitte	Risks for Gift Procedures and Donor Intent
August	8/29/24 1:00pm EST	Sideline Committee	Athletics – Topic TBD
September	9/12/24 1:00pm EST	Wolters Kluwer	Artificial Intelligence and Analytics



**September 15-19, 2024**

**Atlanta, GA**

**Register now – Deadline for  
Early Bird registration is  
August 2<sup>nd</sup>**

See the ACUA website for more details: [www.ACUA.org](http://www.ACUA.org)



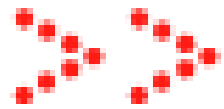
# Announcements

## IIA Global Standards Self-Assessment Tool Available!

Check out the IIA Global IA Standards Self-Assessment tool recently created by the ACUA Auditing & Accounting Principles Committee. The tool is in the Resource Library > Audit Shop Resources > New IIA Global IA Standards. We hope you find this resource valuable as you prepare for the Standard changes!

The screenshot shows a file management interface. At the top, there is a search bar with the placeholder text "Term / Keyword / Phrase". Below the search bar, the current folder is identified as "New IIA Global IA Standards". The interface includes a "Filter By" dropdown set to "File Type" and a "Sort By" dropdown set to "Title A-Z". A file is displayed with the title "ACUA AAP - IIA GLOBAL STANDARDS 2025 - SELF-ASSESSMENT TOOL" and a subtitle "#SelfAssessment#IIAStandards2025". The file icon is a grid with a green 'X' in the bottom right corner. Below the file title, it shows "Downloads • 2" and "Views • 6". On the left side, a navigation pane shows a tree structure with "Main" selected, and "Resource Library" and "Academic Medical Centers" listed below it.

See the ACUA website for more details: [www.ACUA.org](http://www.ACUA.org)

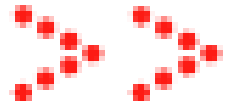


**New Kick Starter Available!**

## **Student Mental Health Access and Awareness**

Download today in the members-only Audit Tools section of [www.ACUA.org](http://www.ACUA.org)





**Next Kick Starter Release is July 15<sup>th</sup>!**

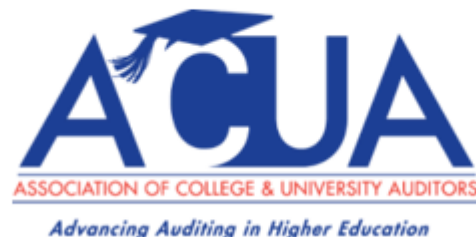
## **Exploratory and Descriptive Analytics**

Will be available in the members-only Audit Tools section of [www.ACUA.org](http://www.ACUA.org)





## CONNECT WITH US



Working on a new audit subject? Looking for some best practices or insights from other higher education institutions? Connect with your colleagues on Connect ACUA! **Connect.ACUA.org**

Share your knowledge with others: Did you know that Connect ACUA allows you to post new messages directly from your email without logging in to the Connect ACUA website? Reply to a post today!





### Stay Updated

- The College and University Auditor is ACUA's official journal. Current and past issues are posted on the ACUA website.
- News relevant to Higher Ed internal audit is posted on the front page. Articles are also archived for your reference under the Resources/ACUA News.

### Get Educated

- Take advantage of the several FREE webinars held throughout the year.
- Attend one of ACUA conferences:

#### **Audit Interactive**

**AuditCon - September 15-19 2024**

**Atlanta, GA**

- Contact ACUA Faculty for training needs.

### Get Involved

- The latest Volunteer openings are posted on the front page of the website.
- Visit the listing of Committee Chairs to learn about the various areas where you might participate.
- Nominate one of your colleagues for an ACUA annual award.
- Submit a conference proposal.
- Present a webinar.
- Become a Mentor
- Write an article for the C&U Auditor.
- Write a Kick Starter.

### Connect with Colleagues

- Subscribe to one or more Forums on the Connect ACUA to obtain feedback and share your insights on topics of concern to higher education internal auditors.
- Search the Membership Directory to connect with your peers.
- Share, Like, Tweet & Connect on social media.

### Solve Problems

- Discounts and special offers from ACUA's Strategic Partners
- Kick Starters
- Risk Dictionary
- Mentorship Program
- NCAA Guides
- Resource Library
- Internal Audit Awareness Tools
- Governmental Affairs Updates
- Survey Results
- Career Center.....and much more.



**Join us for  
our upcoming  
webinar.**

