Leading the Leaders



Ancin R. Cooley, CIA, CISA

I HAVE SAT ON BOTH SIDES OF THE EXAM TABLE FOR 25 YEARS

23

Bank examiner, right out of Morehouse

OCC

Safety and soundness across the Southeast

Practice lead

Banking and credit union practice, regional firm

16 years

Synergy, board to board

What does this credit union need from its board that it cannot get from management?

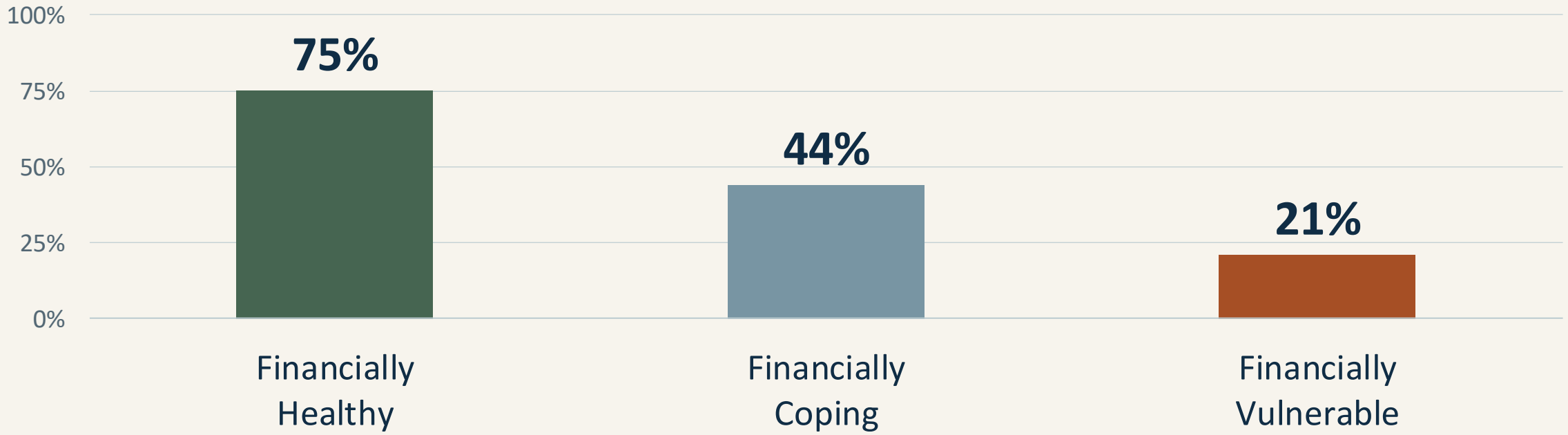
The financials have a human purpose

What should our decisions make possible for members?



Financial health and mental well-being

Share reporting excellent or very good mental well-being



Financial Health Network, 2023 U.S. survey

Self-reported association. Does not establish causation.

Purpose in a board decision

Member need		Strategic choice		Evidence
Handle a small emergency	→	A sustainable savings or credit option	→	Access, cost and member outcomes

What should members become able to do?

Illustrative board discussion

One unresolved decision

What keeps coming back to your board?

Keep that issue in mind throughout the session

Clarify the work



Different work, shared purpose

Board	Direction and accountability
Management	Recommendations and execution
Assurance	Independent testing and reporting

Specific authority and reporting follow your governing arrangements

Who decides what?

DECISION	RECOMMENDS	DECIDES	REPORTS BACK
Strategic priorities	CEO with team	Board	CEO
Executive hire within delegation	Management	CEO	CEO on capability and outcomes
CEO expectations	Board and CEO develop together	Board	Chair and CEO

Illustrative allocation. Adapt to bylaws, charters and delegated authority

The committee’s assignment

Purpose	Which board question does it serve?
Authority	What can it decide or recommend?
Reporting	What returns to the board, and when?

Independent supervisory committee arrangements remain distinct

Strategy and operating choices

Strategic question

How do we become the preferred institution for younger members?

Product question

Should we offer this payment tool?

The chair’s work

Purpose	Frame the decision before debate
Participation	Invite the voices the room needs
Follow-through	Record the decision and next step

Director expectations

Prepare	Read with the decision in mind
Question	Connect evidence to the strategy
Disagree	Test assumptions respectfully
Follow through	Honor the board’s commitments

“Our board is in the weeds”

Remote work	What is the board’s concern?
Talent loss	What does the board need to know?
CEO performance	What decision belongs here?

Hypothetical situations. Discuss authority, evidence and escalation

II

Lead the relationship



Leadership strengths

A STRENGTH	A QUESTION FOR THE BOARD
Persuasion	What evidence supports the promise?
Technical depth	Can the team carry out the plan?
Turnaround experience	What changes after the crisis?
Conviction	Which assumptions still need testing?
Financial discipline	How does it serve the member strategy?

Discussion prompts inspired by the speaker's archetypes, not a personality test

Fit and support

The task	What does this season require?
The leader	Which capability needs strengthening?
The board	What support or clarity would help?

The CEO life cycle

RESEARCH PHASE	YEARS	BOARD CONVERSATION
Honeymoon	1	Learning and expectations
Sophomore slump	2	Setback or persistent problem?
Recovery	3–5	Evidence that the plan is working
Complacency trap	6–10	Which assumptions need renewal?
Golden years	11–15	Future fit and succession

Historical S&P 500 research, 2019. A discussion framework, not a tenure rule

Emotional intelligence under pressure

The trigger	Notice the reaction before speaking
The question	Ask what you may be assuming
The response	Describe the concern without blame

What are we making hard to say?

Bad news needs a route into the room

Groupthink

What would make us wrong?

Invite an alternative explanation before the vote

A difficult conversation

“You keep surprising the board.”

“Two assumptions changed before they reached the packet. What would help us see the next change sooner?”

Original fictional exchange for practice

When the concern is a director

Expectation	What did the board agree?
Evidence	What happened, specifically?
Conversation	What needs to change?
Review	When will we revisit the commitment?

Use the board's established evaluation and accountability process

III

Make accountability useful



Strategy, budget and risk

Strategy	The member outcome we seek
Budget	The resources the plan requires
Risk	The exposure we choose to accept

Agreed performance expectations

FIELD	WHAT THE BOARD AND CEO AGREE
Outcome	Member benefit and institutional performance
Evidence	The measure, definition and milestone
Guardrail	The boundary and escalation trigger
Review	The owner, reporting period and decision date

96.3%

Original full scorecard total

What would you ask before judging performance?

Supplied example. July YTD, year unspecified

What the total conceals

MEASURE	WEIGHT	ACTUAL	PERIOD GOAL	EARNED SCORE
Loan balance growth	15%	$18	$381	0.0%
Relationship NPS	15%	51.0	55.1	0.0%

A zero score does not mean a zero actual result

Selected original rows. Dollar scale, year and full scoring rules unspecified

Reporting for decisions

BOARD QUESTION	THE SUMMARY SHOULD SHOW
Controls and compliance?	Known issues, assurance coverage and gaps
Outside a boundary?	Exception, cause and proposed response
Strategic progress?	Milestones, delays, owners and impacts
External context?	Relevant comparisons and explanations

Adapted teaching format. A concise summary supports deeper inquiry

Investment or missed execution?

Purpose	What future benefit are we buying?
Time	When should that benefit appear?
Evidence	Which milestones show progress?
Decision	What would make us change course?

Compensation and expectations

Role	What work are we asking the CEO to do?
Market	What relevant comparison supports pay?
Performance	Which outcomes and safeguards count?
Review	When do we evaluate and adjust?

The decision record

COMMITMENT	WHAT MUST BE CLEAR
Decision	What did the board actually agree?
Evidence	What will show progress or a problem?
Accountability	Who returns with what, and when?

IV

Prepare the next generation



Two succession horizons

Tomorrow

Who can act?
With what authority?

The next leader

What will the role require?
Who is developing toward it?

The future role

What will this institution need from its next leader?

Start with the assignment before discussing names

Readiness evidence

ROLE	EVIDENCE GAP	NEXT EXPERIENCE	REVIEW
Future CEO	Enterprise leadership needs demonstration	Lead a cross-functional strategy review	Quarterly review
Finance leader	Forecasting relies on the incumbent	Run a forecast cycle with feedback	After the next cycle
Board chair	Full-board facilitation needs practice	Lead a strategy discussion	Development review

Fictional examples. Development evidence does not promise appointment

Marriott’s succession choice

An expected family succession

A different choice for the role ahead

Bill Marriott described choosing Arne Sorenson after reassessing his son John’s fit for the CEO role

Historical case. CEO transition in 2012, account published in 2013

Development before designation

Acquisitions	Complex choices and enterprise exposure
Finance	Performance and regular board contact
Operations	Experience leading the business
President / COO	A broader leadership assignment

Sorenson’s experience as described in Bill Marriott’s 2013 account

The board’s next leaders

Skills	Which capabilities does the future require?
Recruitment	Who can add those capabilities?
Onboarding	How will directors learn the institution?
Chair readiness	Who has practiced leading the room?

The institutional “recipes”

Process	How the work runs
Judgment	Why important choices get made
Backup	Who can carry the work forward

Your CFO leaves Monday

What becomes difficult immediately?

Who acts, what transfers, and what needs fixing now?

Hypothetical exercise

A continuity rehearsal

Authority	The right person can act
Access	Systems and records remain available
Knowledge	The calendar and judgment transfer
Verification	A rehearsal reveals the gaps

Your unresolved decision

Authority	What needs clarification?
Relationship	Which conversation is missing?
Evidence	What would improve the judgment?
Continuity	Who needs development or backup?

Four commitments

01 A decision with clearer authority

02 A conversation worth having

03 A performance expectation to clarify

04 A future leader to develop

At the next meeting

One commitment

One owner

One date

The quality of your leadership

shows up in the leadership you make possible



Authority worksheet

DECISION	RECOMMENDS	DECIDES	EXECUTES	REPORTS BACK
Strategic priorities				
Executive hire				
CEO expectations				
Material plan change				

Working tool. Complete from your institution’s actual authority and delegations

Original scorecard: financial measures

MEASURE	WT.	TARGET	THRESH.	STRETCH	JUL-YTD ACTUAL	JUL-YTD GOAL	VAR.	SCORE
Net income	13%	$78.7	$63.0	$94.5	$104.8	$41.6	152%	19.5%
Net deposit growth	0%	$643	$515	$772	$564	$511	10%	—
Loan production	15%	$3,589	$2,871	$4,307	$2,308	$2,100	10%	18.7%
Loan balance growth	15%	$571	$457	$685	$18	$381	(95%)	0.0%
Operating expense ratio	12%	1.94%	2.04%	1.84%	1.78%	1.96%	—	18.0%
Financial subtotal	55%							56.2%

Target, threshold and stretch are year-end values
Original example. Institution, year, dollar scale and full scoring formula unspecified
Operating expense ratio excludes MBL and arbitrage borrowing

Original scorecard: member measures

MEASURE	WT.	TARGET	THRESH.	STRETCH	JUL-YTD ACTUAL	JUL-YTD GOAL	VAR.	SCORE
Relationship NPS	15%	55.1	51.4	59.0	51.0	55.1	—	0.0%
Member satisfaction	15%	78.4	76.0	80.0	79.5	78.4	—	17.6%
Active checking increase	15%	7,879	6,303	9,454	6,307	4,802	31%	22.5%
Member subtotal	45%							40.1%
Full scorecard total	100%							96.3%

Target, threshold and stretch are year-end values

Scores reproduced as displayed. See previous slide and speaker notes for qualifications

Leadership readiness worksheet

ROLE	EMERGENCY COVER	READINESS EVIDENCE	NEXT EXPERIENCE	REVIEW
CEO				
Finance leader				
Operations leader				
Board chair				

Working tool. Readiness, willingness and appointment are separate judgments

Next-meeting worksheet

COMMITMENT	YOUR NEXT STEP	OWNER / DATE
Clarify authority		
Have the conversation		
Agree the expectation		
Develop a future leader		

THANK YOU

EMAIL ME FOR A COMPLIMENTARY TOOLKIT

acooley@syncuc.com

ANCIN R. COOLEY, CIA, CISA · WWW.SYNERGYONSTRATEGY.COM

The toolkit includes the risk tolerance dashboard template, example risk appetite statements, and the one-page worksheet from today.

