

Charting the Future: A Blueprint to CEO, C-Suite & BOD Succession

ChartwellPartners

EXECUTIVE SEARCH | LEADERSHIP ADVISORY

Chartwell Partners

Executive Search and Leadership Advisory

Chartwell is the trusted advisor to clients navigating their most important strategic leadership decisions. For more than 20 years, we've partnered with leading organizations to identify and place exceptional executives. Relationships are the cornerstone of everything we do.



J. Scott Petty

- Managing Partner
- Based in Dallas, Texas
- 30+ year track record

80%+

of projects with repeat clients

50+

engagements per year

20+

years in business

Firm Expertise

01 Succession Planning

Identifying and preparing the next generation of leaders to ensure continuity and long-term strength.

02 Executive Search

Identifying the leadership required to scale, execute, and compete.

03 Board Assessment & Refreshment

Evaluating board composition and effectiveness, and identifying exceptional new director candidates.

04 Executive Coaching

Strengthening performance and cohesion across C-suite leaders and teams working to lead more effectively.

Leadership Trends



The Facts Today



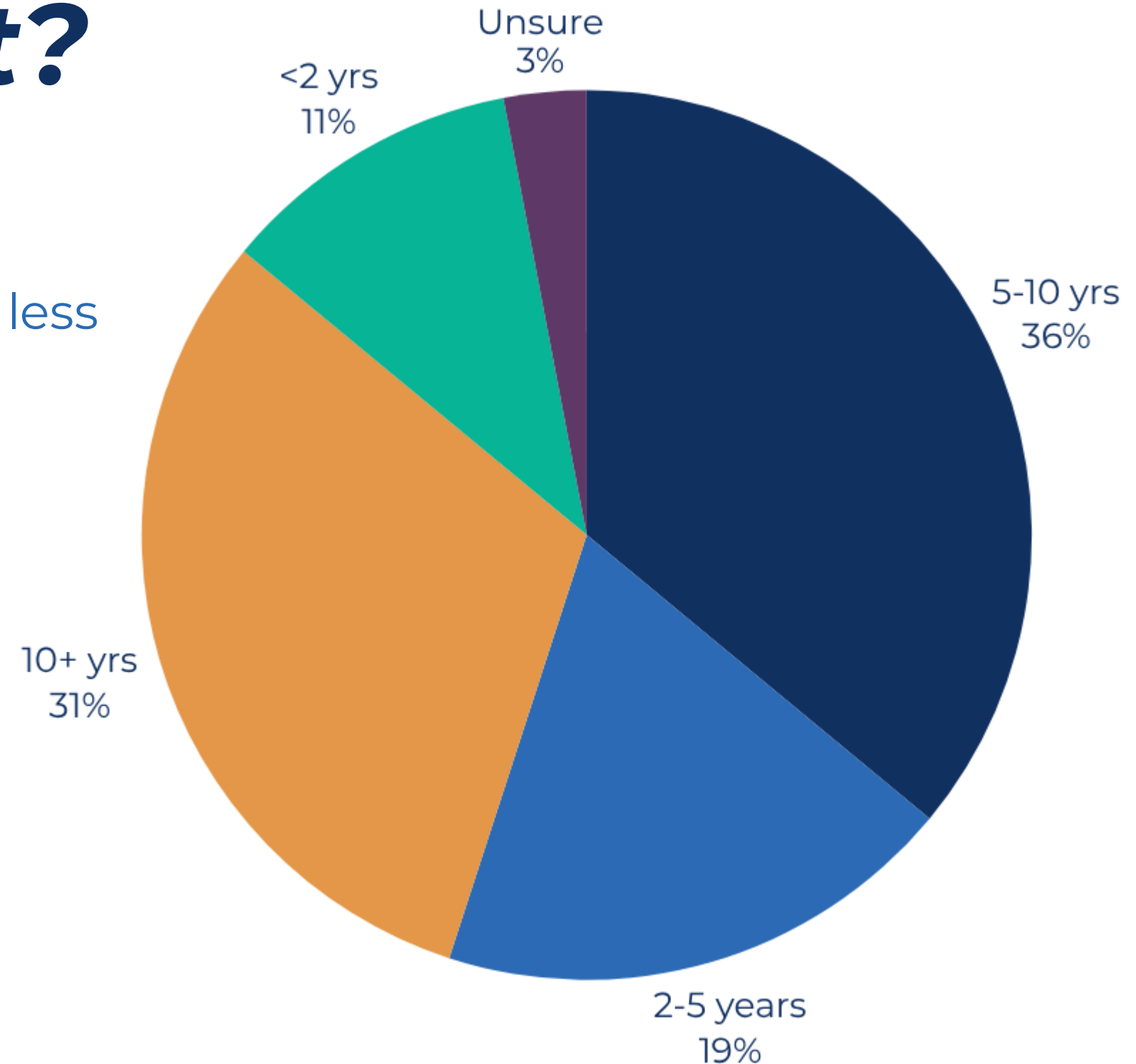
Succession risk is
rising faster than
succession readiness.

Bank Director Compensation Survey 2026

When do you expect your CEO to depart?

30% expect the CEO depart in 5 years or less

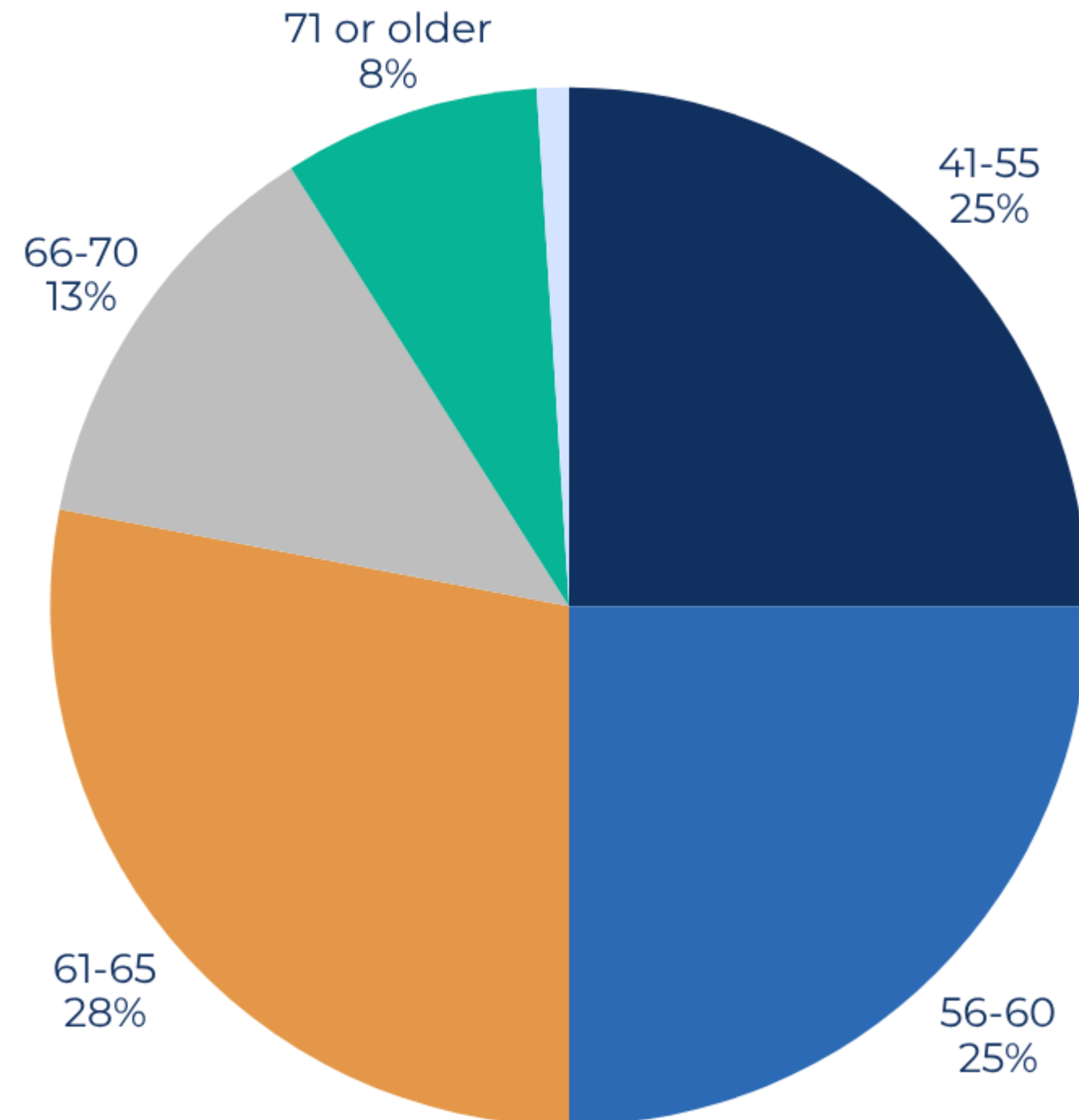
**Near term CEO retirements doubled
5% in 2025 to 11% in 2026**



What is the age of your bank's CEO?

49% have a CEO over the age of 61

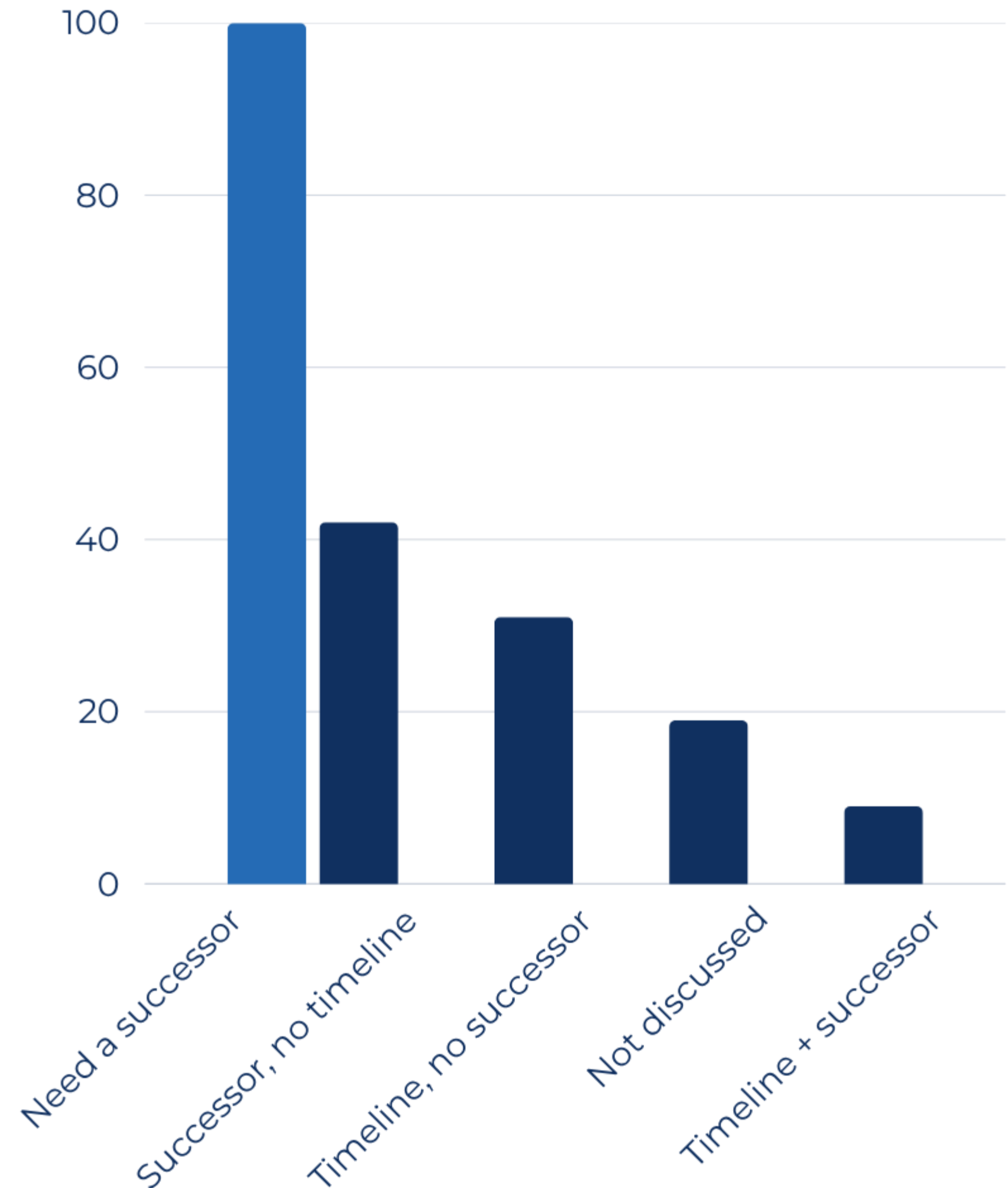
CEOs aged 71+ increased from 5% in 2025 to 8% in 2026



Where is your bank in the succession planning process?

9% have both a candidate and a timeline

Banks with fully built CEO succession plans dropped from 17% in 2025 to 9% in 2026



CEO Succession Planning



CEO Succession Planning

How much does a missed handoff cost?

CEO Succession Planning

How much does a missed handoff cost?

1

Financial Cost

CEO Succession Planning

How much does a missed handoff cost?

1

Financial Cost

2

Culture Erosion

CEO Succession Planning

How much does a missed handoff cost?

1

Financial Cost

2

Culture Erosion

3

Executive Turnover

Common Pit Falls

- Timeline** — Extending timeline increases risk losing internal candidate(s)
- Loyalty** — Board selects an internal out of loyalty, not qualifications
- Strategy** — Focusing on talent instead of strategic alignment



Board's Responsibility



Appoint Selection Committee

“The search committee typically dedicates 200+ hours to the CEO search process”



Define Future Position Profile

- Attributes at time of succession
- Strategy for bank's growth
- Size at time of succession

CEO's Responsibility



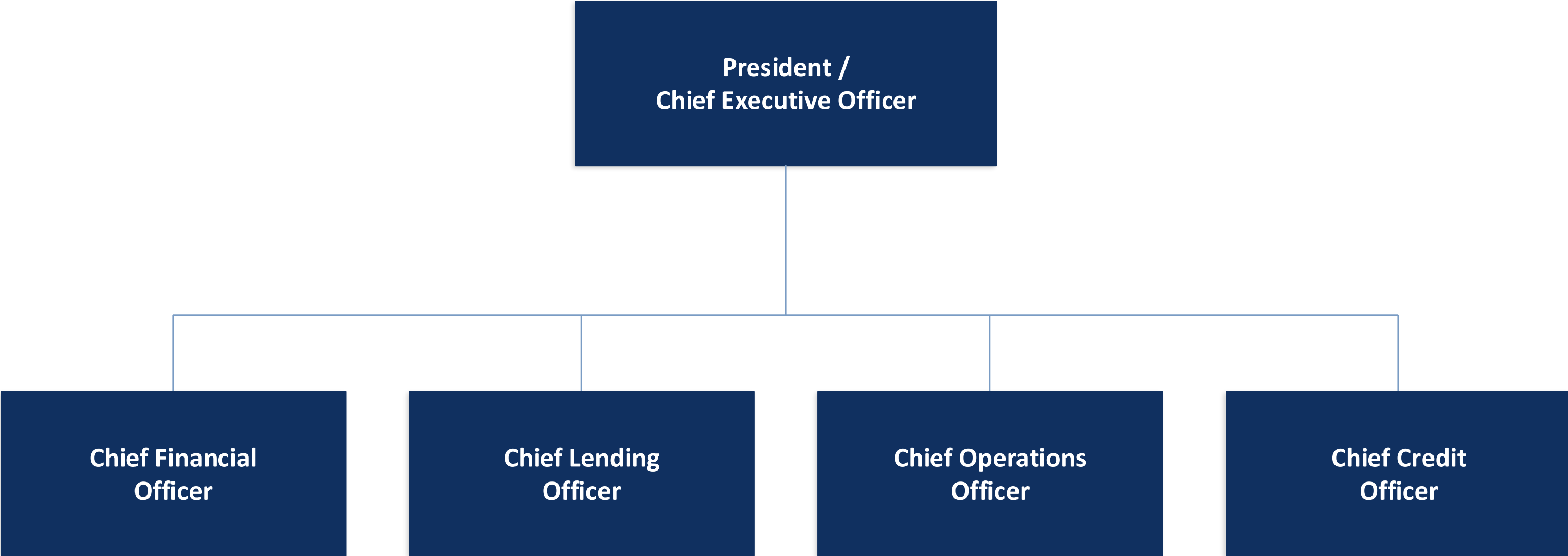
Identify Future Leaders

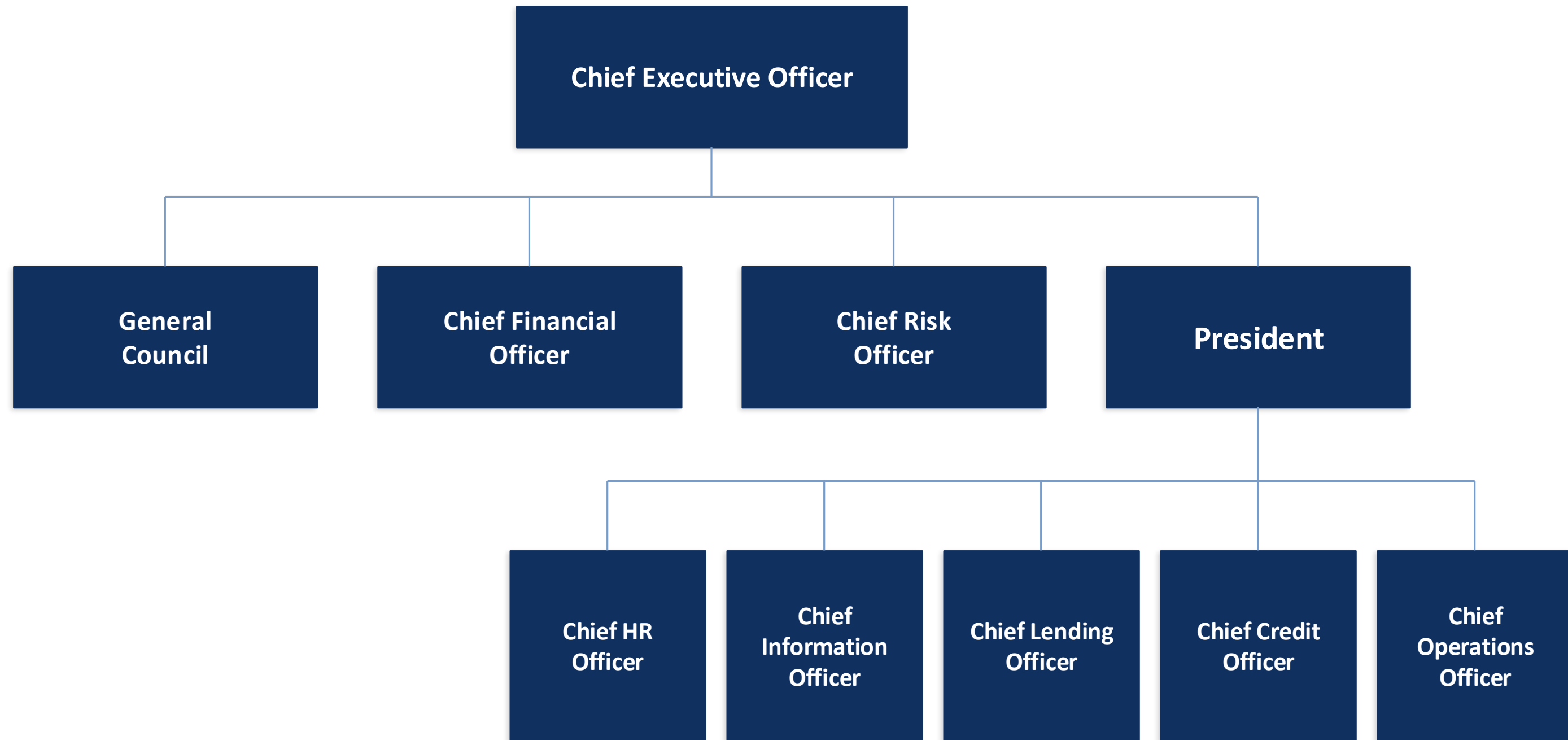
- Leadership Assessment
- Career Conversations
- Development Plan



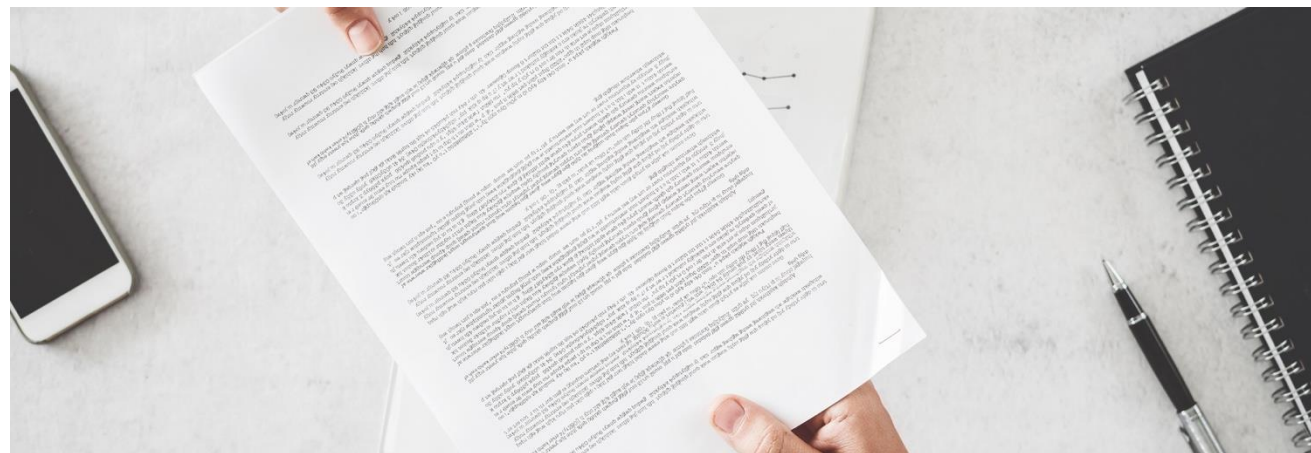
Coaching and Accountability

- Lead C-Suite through process
- Coach to the Plan
- Voluntary Accountability





Future Position Profile



The BLUEPRINT of your
CEO Succession Process

Bank Description

Who you are
Where you're headed

Role Mission

Purpose
Goals

Role Responsibilities

Strategic implementation
Daily duties

Ideal Experience

Previous experience
Proven abilities

Ideal Person

Culture fit
Personal attributes

Education

Schooling
Specialized Training

Aligning Talent with Strategy

Technology Acumen



Tech-literate leadership

New Markets / LOB



Growth-minded leaders

M&A Readiness



Integration and scale



Key Skill Sets

X Factor Leader	Integrity	Executive Capacity	Emotional Intelligence	Strategic Vision
Executive Presence	Decisiveness	Listening and Communication	Teamwork and Collaboration	Goal Achievement
Accountability	Develop People	Cultural Alignment	Customer and Community	Higher Economic Understanding
Balance Sheet Management	Market Intelligence	Regulatory, Compliance, Legal	Technology Acumen	Analytical Thought Process

Key Skill Sets

Coachable	Hard to Coach	Not Coachable	Training/Mentoring
Communication	Leadership*	Integrity	Balance Sheet Mgmt
Executive Presence	Executive Capacity	Vision	Market Intelligence
Develop People	Decisiveness		Higher Economics Understanding
Teamwork and Collaboration	Analytical Thought Process		Regulatory, Legal, Comp
Accountability	Strategic Vision		
Leadership*			

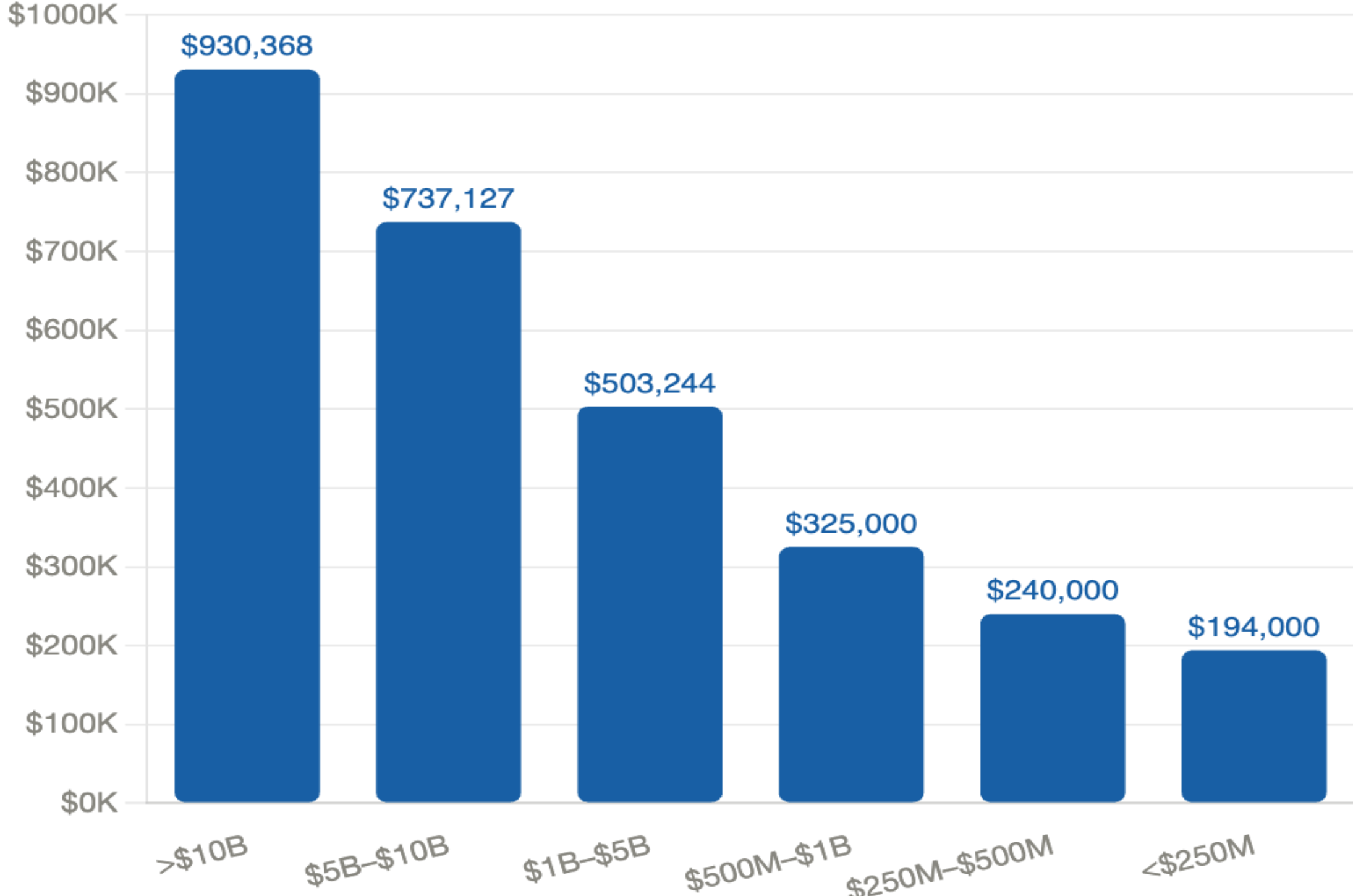
Spot Your Racehorses



- Strategic thinking paired with strong execution discipline
- Ability to scale responsibilities faster than peers
- Credibility and trust across the organization
- Comfort making difficult decisions under pressure
- Demonstrated ownership of outcomes

Median Salary

■ Salary by bank asset size

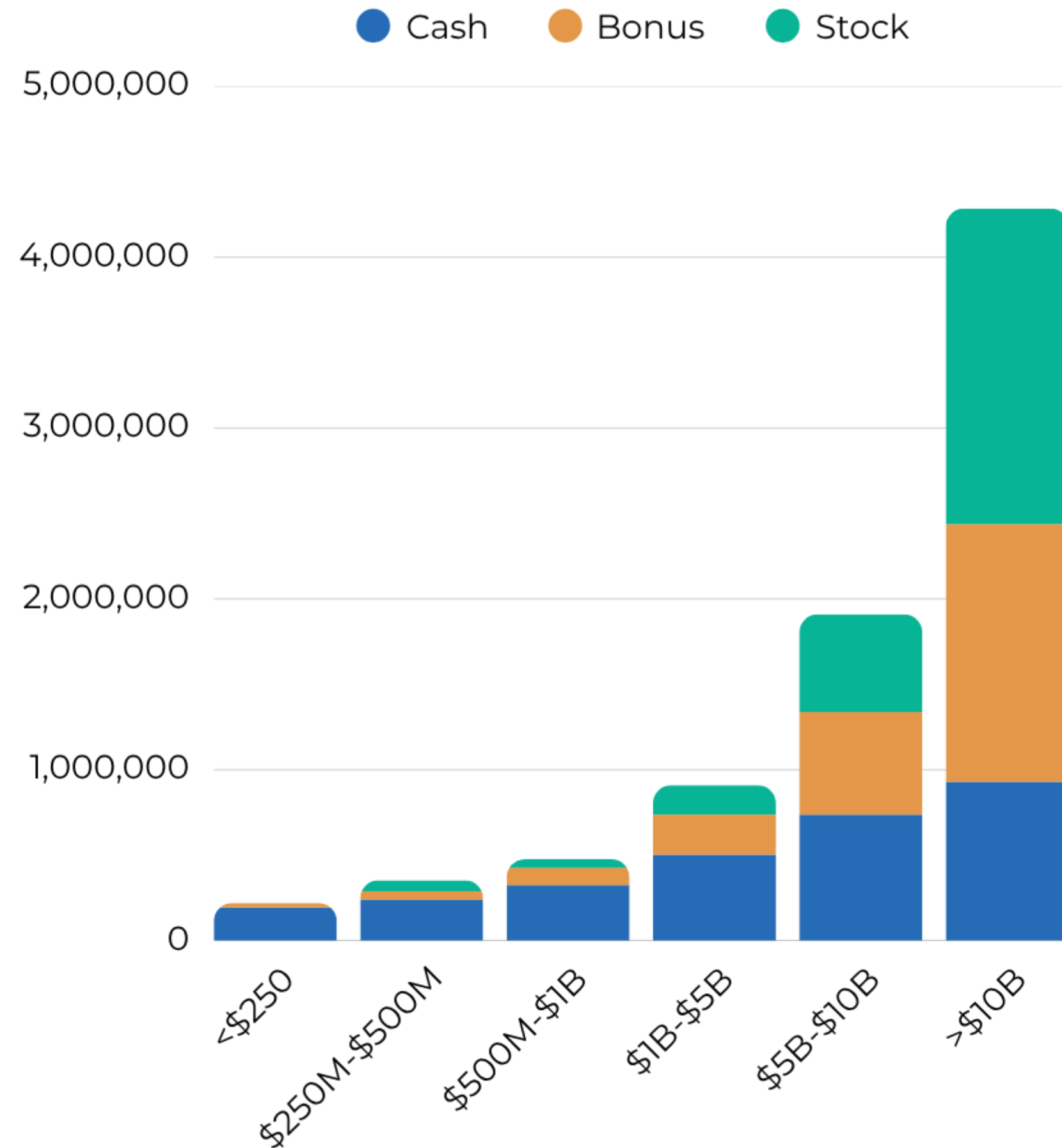


Median Total Compensation

Institution Size	Median Total CEO Compensation
<\$250M	\$241,000
\$250M to \$500M	\$311,000
\$500M to \$1B	\$474,000
\$1B to \$5B	\$850,000
\$5B to \$10B	\$2,070,000
>\$10B	\$4,830,000

Compensation Mind-Set

A scaling CEO expects **meaningful upside tied to performance.**
Not a bigger base.



Case Study #1



Information

- \$1.5B Community Bank
- Rural Illinois



Process

- CEO succession
- One internal candidate
- Interviewed three external candidates



Outcome

- Internal candidate selected (CFO)

Case Study #2



Information

- \$5B Community Bank
- Wichita, KS



Process

- CEO succession
- No internal candidates
- Interviewed five external candidates



Outcome

- External Candidate selected to be President with 1 year transition plan to CEO

Key Takeaways



- Start early - before you think you need to
- Tie CEO criteria to strategic vision
- Develop internal leaders and assess them objectively
- Benchmark externally, even if you plan to promote from within
- Own the process - don't delegate it entirely to the CEO or HR
- Prepare a clear plan for both long-term and emergency transitions
- Communicate clearly and lead with confidence

Board Optimization



Core Responsibility

Board

Sets the direction — defines the mission, vision, long-term strategy, and risk appetite.

Management

Executes the plan — runs day-to-day operations to meet those strategic goals.



The board is the architect. They design the blueprint, ensure the structure is sound, and inspect the work.

The management team is the builder. They lay the bricks, wire the electrical, and keep the project moving forward on time and in budget.

Board vs. Management

Responsibility	Board	Management
Strategy vs. Ops	Approves strategic plans, major initiatives, budgets, and policies.	Develops and implements those plans.
Oversight vs. Execution	Provides oversight, ensuring compliance with laws, regulations, and internal policies. Reviews performance, monitors risk, and holds management accountable.	Reports to the board, operates within approved policies, makes tactical decisions, and manages employees, customers, and vendors.
Risk Governance	Defines the bank's risk appetite, approves the risk framework, and monitors emerging threats.	Identifies, measures, and manages risk daily, escalating issues to the board as needed.
Regulatory	Engages directly with regulators at a high level, especially on governance, strategy, and risk oversight.	Handles ongoing regulatory interactions, examinations, and reporting.
Accountability	Hires, evaluates, and—if necessary—replaces the CEO. Approves executive compensation and succession plans.	Recruits, manages, and develops staff to execute bank strategy and comply with regulations.
Time Horizon	Focuses on long-term sustainability and stakeholder interests.	Balances long-term goals with short-term operational performance.

Traits of a High Performing Board

1. Deep Industry and Market Knowledge

- Ask smart questions and challenge assumptions

2. Succession Readiness

- Proactively manage succession processes

3. Strong Risk Oversight

- Ensure robust frameworks are in place

4. Diversity of Thought and Background

- Members have varied experiences

5. Strategic Alignment

- Ensure leadership decisions align with long term plans

6. Effective Board Refreshment

- Regularly assess and evolve board composition

7. High Engagement and Accountability

- Take ownership of their role

8. Strong Governance Practices

- Clear structure for committees

9. Adaptability and Continuous Learning

- Embrace change

10. Constructive CEO and C-Suite Relationships

- Balance support and oversight

Board Refreshment

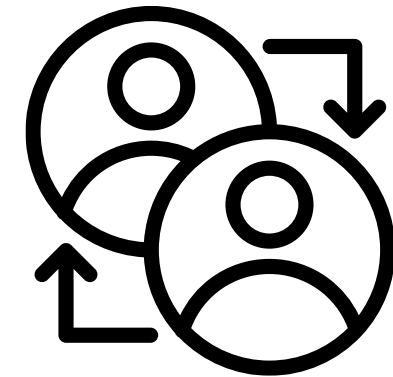
Best Practices in Board Evaluation



Individual
Assessment



Term & Age
Limits



Peer
Feedback

Board Skills Matrix

Functional

Practical skills for navigating specific challenges within banking.

Industry Specific

Industry-specific skills tailored to meet the specific demands and requirements of a particular sector.

Demographics

Statistical data about characteristics to understand the composition of the board.

	Dir 1	Dir 2	Dir 3	Dir 4	Dir 5	Dir 6	Dir 7	Dir 8	Dir 9
Director Initials									
FUNCTIONAL									
Audit									
Business Development									
CEO Experience									
Credit									
Digital									
Environmental									
Finance									
Governance									
HR/Compensation									
IT/Cyber Security									
Legal									
Regulatory									
Risk Management									
Social Responsibility									
SPECIFIC INDUSTRY									
Agriculture									
Comercial Banking									
Community Banking									
Consumer									
Energy									
Fintech									
Healthcare									
Manufacturing									
Mortgage Banking									
Real Estate									
Retail Banking									
Technology									
Wealth Management									
DEMOGRAPHICS									
Age									
Diversity									
Geographic									

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	Dir 1	Dir 2	Dir 3
Director Initials			
FUNCTIONAL			
Audit			
Business Development			
CEO Experience			
Credit			
Digital			
Environmental			
Finance			
Governance			
HR/Compensation			
IT/Cyber Security			
Legal			
Regulatory			
Risk Management			
Social Responsibility			

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Industry Specific

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Demographics

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	Dir 1	Dir 2	Dir 3
Director Initials			
SPECIFIC INDUSTRY			
Agriculture			
Comercial Banking			
Community Banking			
Consumer			
Energy			
Fintech			
Healthcare			
Manufacturing			
Mortgage Banking			
Real Estate			
Retail Banking			
Technology			
Wealth Management			

Board Skills Matrix

Functional

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Industry Specific

Industry-specific skills tailored to meet the specific demands and requirements of a particular sector.

Demographics

Statistical data about characteristics to understand the composition of the board.

	Dir 1	Dir 2	Dir 3	Dir 4	Dir 5
Director Initials					
DEMOGRAPHICS					
Age					
Diversity					
Geographic					

Board Skills Matrix

Output

Director Initials	JNB	LNB	MMQ	JDN	MAB	JSP	CTM	SJB	VBH
FUNCTIONAL									
Audit	Y	N	N	N	N	Y	N	N	N
Business Dev.	Y	N	Y	Y	N	N	N	N	N
CEO Experience	N	Y	N	N	N	Y	N	N	Y
Credit	N	N	Y	N	Y	Y	N	Y	N
Digital	N	N	N	Y	N	N	N	N	N
Finance	Y	Y	Y	Y	Y	Y	Y	Y	Y
Governance	N	N	N	N	Y	N	N	N	N
HR/Compensation	N	N	N	Y	N	N	N	Y	N
IT/Cyber Security	N	N	N	Y	N	N	N	N	N
Legal	N	N	N	Y	N	N	N	Y	N
Regulatory	N	N	N	N	N	Y	Y	Y	N
Risk Management	N	N	Y	N	Y	Y	N	N	N
SPECIFIC INDUSTRY									
Agriculture	Y	Y	N	N	N	N	N	N	N
Consumer	N	Y	Y	Y	N	N	N	N	N
Energy	N	N	N	Y	Y	N	N	N	N
Fintech	N	N	N	N	N	N	N	N	N
Healthcare	N	N	N	Y	Y	N	N	N	N
Manufacturing	N	N	N	N	Y	Y	N	N	N
Real Estate	N	N	N	N	N	N	Y	Y	N
Technology	N	N	N	N	N	N	N	Y	Y
DEMOGRAPHIC									
Age	55-59	60-64	40-44	70-74	60-64	55-59	45-49	70-74	70-74
Diversity	Y	N	Y	N	Y	N	N	N	N

Start over the Evaluation

ChartwellPartners

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Board Evaluation Tool

Assess the strengths, agility, and skills gaps of your boards relative to your strategy.



Succession Planning Tool

Leverage Chartwell's online tool to begin the process of assessing the strengths of growth opportunities for team members.

