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WEBINAR

Turning Lemons into Lemonade: Creating Opportunity After Employee Departures

Earn 1 CPE credit!

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What We Will Accomplish

1. **Identify organizational risks**

   Key-person dependencies and institutional knowledge loss

2. **Transfer critical knowledge**

   Processes, relationships, deadlines, and expertise

3. **Improve and modernize workflows**

   Use staffing transitions to remove low-value work

4. **Strengthen controls and documentation**

   Reduce operational risk and improve resiliency

5. **Build succession and cross-training**

   Prepare future leaders and create reliable backups

6. **Create an actionable transition plan**

   Protect continuity while positioning the team for growth

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The Workforce Challenge

- Retirements and turnover disrupt critical cycles
- Specialized government finance skills are hard to replace
- Institutional knowledge is concentrated in a few people
- Technology and reporting demands continue to grow

LIVE POLL #1

How long has your longest-tenured finance employee served?

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Change the Question

“How do we replace Susan?”



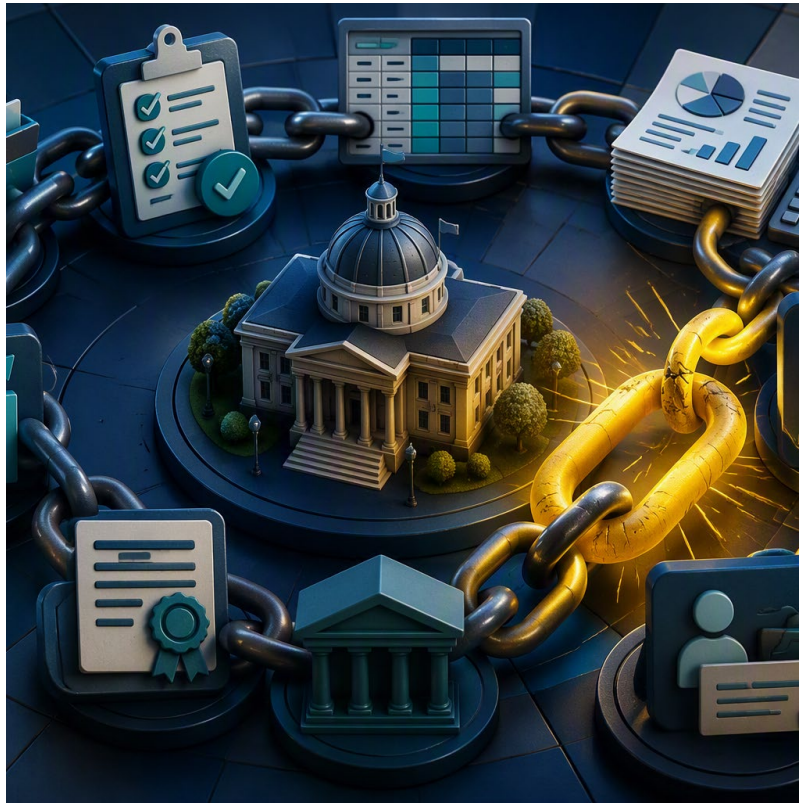
“If we designed this function today, what would it look like?”

Eliminate outdated work → Reassign for a better fit → Automate repetitive steps → Develop emerging leaders

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What Walks Out the Door?

- Knowledge
  - Deadlines
  - Historical decisions
  - Grant requirements
- Relationships
  - Auditors
  - Bankers
  - Department heads
- Processes
  - Unwritten steps
  - Manual workarounds
  - Critical spreadsheets



“What fails if this person is unavailable tomorrow?”

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Could We Continue Tomorrow?

- Perform a continuity test
  - ☒ Only one person can process payroll
  - ☒ One employee controls the month-end close
  - ☒ One person understand grant reporting
  - ☒ Nobody else can maintain key spreadsheets
  - ☒ One person manages reporting deadlines or recurring obligations
  - ☒ One person knows how to resolve bank rec issues
  - ☒ One person has the relationship with our outside vendors (software, auditors, banks, financial advisors)
  - ☒ One person knows how to use ERP system (superuser)

THE SIGNAL

If a routine absence creates a crisis, the process needs a backup, documentation, or redesign.

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Capture Institutional Knowledge

- WHAT must be retained
  - ☑ Responsibilities
  - ☑ Processes
  - ☑ Contacts
  - ☑ Calendars
  - ☑ Decision history
- HOW it will be captured
  - ☑ Checklists
  - ☑ Screenshots
  - ☑ Recordings
  - ☑ Workflow Maps
- WHO will learn it
  - ☑ Successor > Backup > Supervisor



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Documentation: Good, Better, Best!

GOOD

Written checklist

BETTER

Procedure + screenshots
Written checklists

BEST

Video + SOP + trained backup
Procedure + screenshots
Written checklists

LIVE POLL #2 Does your organization have documentation?

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Reimagine Workflows

1. **Why do we do it this way?**
2. Is the output still needed?
3. Can a step be eliminated?
4. Can technology improve reliability?
5. Does the approval add value?



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Strengthen Internal Controls

- Risks Exposed
  - Segregation of duties gaps
  - Excessive system access
  - Undocumented reconciliations
  - Informal review procedures
- Control Upgrades
  - Named backups
  - Role-based access
  - Evidence of review
  - Standard close checklists



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Turn the Vacancy into a Leadership Lab

STRETCH Assign a defined piece of higher-level work

SUPPORT Pair responsibility with coaching and checkpoints

REFLECT Debrief what worked and what needs development

ROTATE Share recurring responsibilities across the team



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Build Succession Before You Need It

1

Critical roles

Where would a vacancy disrupt operations?

2

Backups

Who can provide immediate continuity?

3

Development

What experience must future leaders gain?

4

Refresh

Review the plan at least annually.

Succession planning is continuity planning, not a promise of promotion.

LIVE POLL #3

Does your organization plan for change and succession?

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The 90-Day Transition Plan

DAYS 1–30

STABILIZE

- Secure access and deadlines
- Capture critical knowledge
- Assign temporary backups

DAYS 31–60

REDESIGN

- Map high-risk workflows
- Eliminate low-value steps
- Begin cross-training

DAYS 61–90

INSTITUTIONALIZE

- Implement control changes
- Test documentation
- Set ownership and metrics

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Case Study: Rebuild Better

Before
Long-tenured employee owns close, debt reporting, and key spreadsheets

Transition
Team maps work, documents deadlines, and reallocates responsibilities

After
Backups are trained, controls are clearer, and reporting is easier to sustain

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The Lemonade Test

- ☑ What is known by only one person?
- ☑ What process would stop tomorrow?
- ☑ What control relies on trust alone?
- ☑ What work no longer adds value?
- ☑ Who needs a stretch opportunity?
- ☑ What will change in the next 90 days?

Every departure reveals risk. Every revealed risk creates a choice.

LIVE POLL #4

Have you ever put the lemonade test into practice?

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Employee departures are inevitable. Organizational fragility is not.

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