



Building a Sustainable Future: Succession Planning for Government Finance Officers

Forvis Mazars Executive Search

Meet the Presenter

Forvis Mazars Executive Search

Bret Reyher, MAcc



Bret Reyher is a Senior Manager at Forvis Mazars Executive Search. Bret brings almost 10 years of executive search experience focusing on a variety of industries including construction, real estate, private equity, manufacturing, healthcare, energy, government and nonprofit. Bret has partnered with companies of all sizes to identify the right talent solution to create a positive impact on the business.

Bret's career began in public accounting, and he holds a Bachelor of Business Administration and a Master of Accounting degrees from West Texas A&M University.

Executive Search | Senior Manager
Denver, CO

Contact Information:

Bret.Reyher@us.ForvisMazars.com

303-837-2274

Favorite Quote:

“According to most studies, people’s number one fear is public speaking. Number two is death. Death is number two! This means, to the average person, if you go to a funeral, you’re better off in the casket than doing the eulogy.”

Jerry Seinfeld



Learning Objectives & Agenda



Learning Objectives

1. Learn strategies to identify and develop future leaders
2. Understand ways to ensure continuity of operations
3. Discuss best practices, real world examples, and actionable steps to create a robust succession plan



Agenda

1. What is Succession Planning?
2. Why is Succession Planning important?
3. Colorado Data
4. Key Strategies for Effective Succession Planning
5. Succession Plan Framework
6. Create an Individual Development Plan



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What is Succession Planning?



Succession planning is a process and strategy for replacement planning or passing on leadership roles. It is used to identify and develop new, potential leaders who can move into leadership roles when they become vacant. – Investopedia



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Why is Succession Planning important?



- The American Institute of CPAs reported that 75% of today's public accounting CPAs will retire within the next 15 years.
- Census data show about 11,400 people turn 65 each day in the U.S.
- There were almost 50,000 CPA exam candidates in 2010, that number dropped to just a little over 32,000 in 2021.



Importance of Succession Planning

- 69% of organizations consider succession planning a high priority.
- Only 35% of companies have formal succession plans.
- Companies with succession plans see a 30% higher leadership retention rate.
- 60% of organizations with strong succession plans outperform their competitors.
- 42% of executives leave their roles unexpectedly.



Challenges in Succession Planning

- 40% of organizations cite a lack of internal talent as a major challenge.
- 35% of companies struggle with leadership development.
- 20% of organizations fail to align succession plans with long-term goals.
- 25% of employees feel excluded from succession discussions.
- Succession planning takes an average of 2 years to implement effectively.



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Colorado Data



The number of Colorado state government employees has steadily increased over the past few decades, reflecting both population growth and expanded public services.

Long-Term Trend (1990–2025) – includes classified, non-classified, full-time, part-time, permanent and temporary employees across all branches of government

- In 1990, Colorado had around 90,000 state government employees.
- By 2010, that number had grown to approximately 120,000.
- As of May 2025, the state employs about 153,000 people.

Recent Yearly Changes

The State Personnel System, which includes classified employees, has seen modest year-over-year growth:

- FY 2020–21: ~28,000 classified employees
- FY 2021–22: ~29,000
- FY 2022–23: ~29,800
- FY 2023–24: 30,055 classified employees

These figures exclude non-classified roles like elected officials, higher education staff, and temporary workers, which make up a large portion of the total workforce.

Estimated Retirement Readiness

- Colorado Public Employees' Retirement Association (PERA) serves over 700,000 current and former public employees across 500+ agencies.
- Historically, about 20–25% of active members are within 5–10 years of retirement eligibility, based on age and service credit.
- That would suggest roughly 30,000–38,000 state employees may be approaching retirement in the next decade.
- Departments like Transportation, Corrections, and Education often have higher concentrations of long-tenured staff.

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Key Strategies for Effective Succession Planning

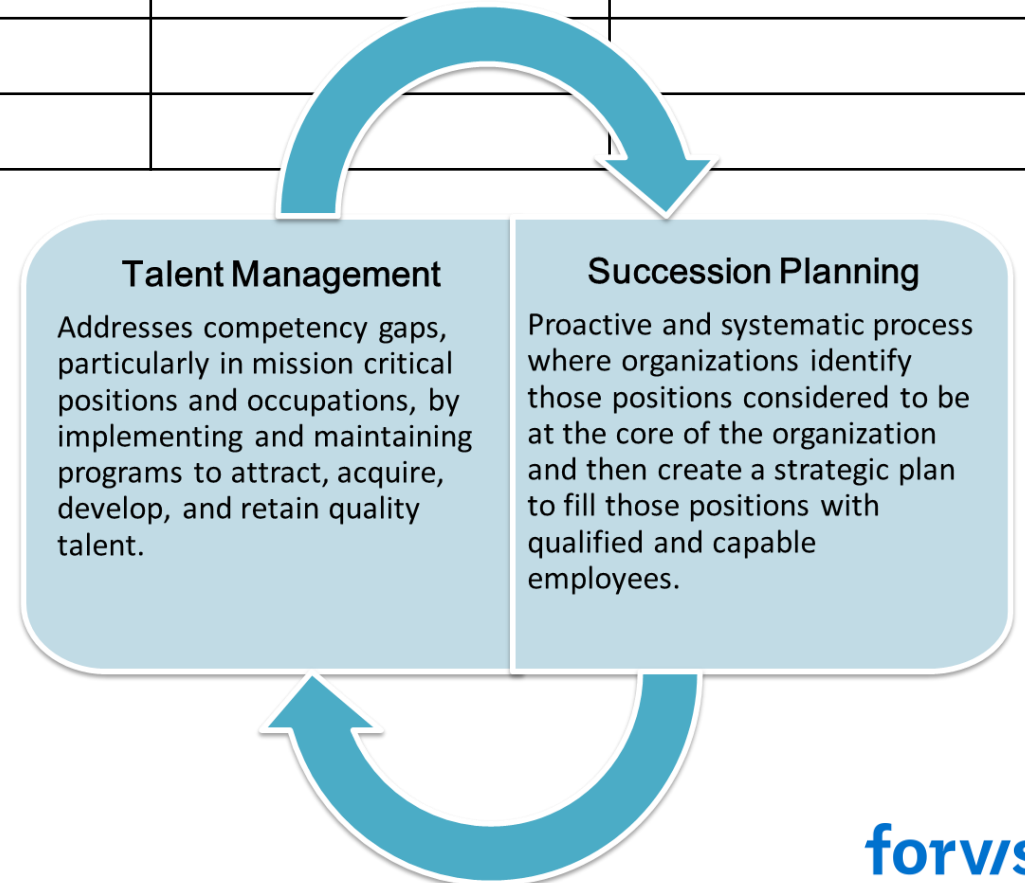


“Before you are a leader, success is all about growing yourself. When you become a leader, success is all about growing others.” – Jack Welch

1. Start Early and Plan Continuously
2. Identify Mission-Critical Roles
3. Use the 9-Box Grid and Talent Assessments
4. Create Individualized Development Plans
5. Foster a Culture of Internal Promotions
6. Encourage Mentorship and Stretch Assignments



Key position title	Incumbent name	Anticipated vacancy date	Succession candidate name	Anticipated date candidate will be ready for succession	Risk rating of departure
Example: <i>Director of Human Resources</i>	<i>Andrea Rodriguez</i>	<i>January 2025</i>	<i>Juanita Goldsmith</i>	<i>January 2024</i>	<i>High</i>



	Underperformance	Effective Performance	Outstanding Performance
High Potential	<p>Box 5:</p> <p>Seasoned professional capable of expanded role but may be experiencing problems that require coaching & mentoring.</p>	<p>Box 2:</p> <p>Does extremely well at current job with potential to do more. Give stretch assignments to help prepare for next level.</p>	<p>Box 1:</p> <p>Consistently performs well in a variety of assignments. A superstar employee, big-picture thinker, problem solver, self-motivated.</p>
Medium Potential	<p>Box 8:</p> <p>With coaching, could progress within level. Focus on stretch goals for this employee.</p>	<p>Box 6:</p> <p>May be considered for job enlargement at the same level, but may need coaching in several areas, including people management.</p>	<p>Box 3:</p> <p>Current role may still provide opportunity for growth/development; focused on tactical. Focus should be on helping improve strategic thinking.</p>
Low Potential	<p>Box 9:</p> <p>May be a candidate for reassignment, reclassification to a lower level, or to exit the organization.</p>	<p>Box 7:</p> <p>Effective performer but may have reached career potential. Try to coach employee on becoming more innovative, focused on lateral thinking.</p>	<p>Box 4:</p> <p>Experienced high performer but has reached limit of career potential. Still a valuable employee & can be encouraged to develop communication & delegation skills.</p>

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Succession Plan Framework



1. Identify Mission-Critical Roles

- Finance Director
- Budget Manager
- Payroll Supervisor
- Grants Analyst
- Procurement Officer

2. Assess Vulnerabilities

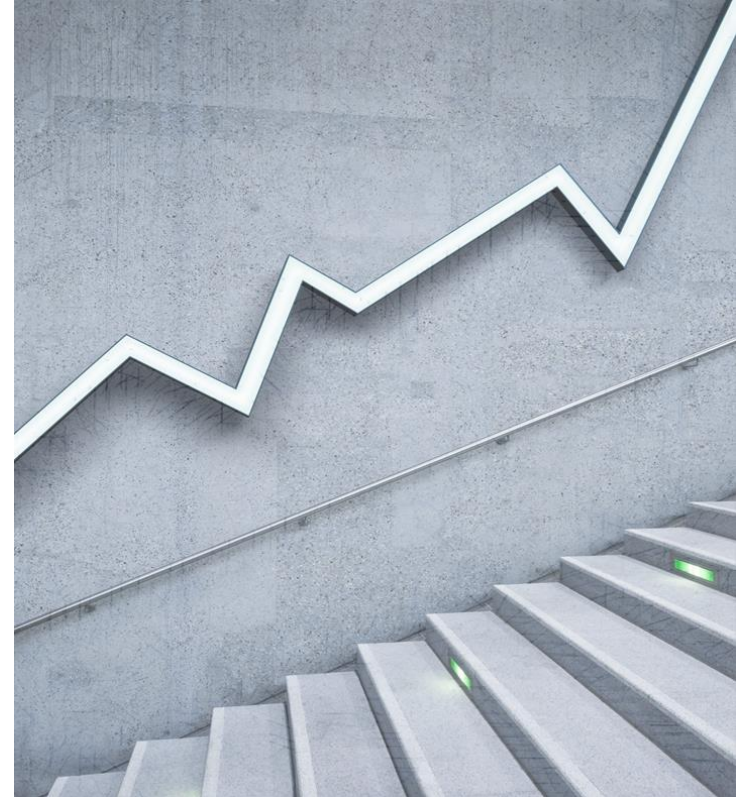
- Retirement eligibility (60% of public finance workers are over age 45 and a third of those are over age 55)
- Single-person dependencies
- Institutional knowledge gaps

3. Develop Talent Pools

- Use performance reviews and 360-degree feedback
- Include mid-level staff with cross-functional experience
- Encourage nominations from department heads

4. Create Individual Development Plans

- Technical training (ex. GFOA certifications)
- Leadership workshops
- Rotational assignments across finance functions
- Mentorship with senior staff



5. Capture Institutional Knowledge

- Budgeting processes
- Grant management workflows
- Vendor relationships
- Software systems and reporting templates

6. Leverage Technology

- Use succession planning software to track readiness and development
- Implement budgeting platforms like ClearGov to institutionalize workflows

7. Monitor and Adjust

- Review progress quarterly
- Update plans based on retirements, promotions, or policy changes
- Align with strategic goals and workforce trends

8. Retention Strategies to Support Succession Plan

Strategy	Benefit
Tuition reimbursement	Encourages skill-building
Flexible scheduling	Appeals to younger generations
Mentorship programs	Builds confidence and continuity
Career ladders	Clarifies advancement opportunities
Mental health support	Boosts morale and retention

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Create an Individual Development Plan



Individual Development Plan: Government Finance Director

- Core Competencies to Develop

Competency Area	Why It Matters	Development Activities
Public Sector Accounting	Ensures compliance with government standards	GFOA training, webinars on GASB updates
Strategic Budgeting	Aligns financial plans with agency goals	Shadow budget planning sessions, ClearGov demo
Leadership & Communication	Leads cross-functional teams and stakeholders	Leadership workshops, Toastmasters, mentoring
Regulatory Compliance	Avoids audit issues and legal risks	Attend ethics & compliance seminars
Data-Driven Decision Making	Improves transparency and efficiency	Excel modeling, Power BI training

Short-Term Goals (3-6 Months)

- Complete GFOA Certified Public Finance Officer (CPFO) modules
- Lead a small cross-departmental budgeting project
- Attend a government finance leadership conference
- Begin mentorship with current Finance Director

Long-Term Goals (6-24 Months)

- Develop and present a 5-year strategic financial plan
- Implement a new performance-based budgeting system
- Mentor junior finance staff



Additional Suggested Development Activities

- Rotational Assignments
- Stretch Projects
- Formal Training

Sample Individual Development Plan Tracker

Goal	Action Step	Target Date	Status
CPFO Certification	Complete Module 1–5	Oct 2025	In Progress
Strategic Budget Project	Lead FY26 planning for one division	Dec 2025	Not Started
Leadership Training	Attend OPM Leadership Workshop	Nov 2025	Scheduled
Mentorship	Monthly meetings with Finance Dir.	Ongoing	Active

In Conclusion:

- We have defined Succession Planning
- Given data to support the need for Succession Planning
- Talked about tools and strategies for implementing Succession Planning
- Created an Individual Development Plan to ensure smooth Succession Planning



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Key Resources



Key Resources:

1. [Colorado's State Government Workforce](#)
2. [Succession Planning For Public Finance Retirement Wave | ClearGov](#)
3. [27 Succession Planning Statistics for 2025](#)
4. [Why Succession Planning Matters](#)
5. [All Employees: Government: State Government in Colorado \(SMU08000009092000001\) | FRED | St. Louis Fed](#)
6. [How Organizations Can Prepare for Transition as Part of Succession Planning | Forvis Mazars](#)
7. [How Organizations Can Bridge the Talent Gap in Succession Planning | Forvis Mazars](#)

Questions?



Bret Reyher

Senior Manager | Executive Search

303.837.2274

Bret.Reyher@us.ForvisMazars.com