

Succession Planning

What is Succession Planning?

Succession planning ensures that social enterprises can continue to operate effectively without the presence of people who were holding key positions who may need to step down. Effective succession planning is a proactive approach.

This involves identifying key roles with an understanding of the skills and knowledge they require, and being able to identify and support individuals (from the wider community, volunteers or existing staff) to develop skills, experience and confidence to be able and willing to step in and up to these roles.

Thus, having a system in place to ensure that when someone leaves there is not a shortfall in capacity. This is particularly important in relation to the committee/board and key staff.

Rural social enterprises rely on commitment, interest and an element of passion and determination for the social aims and objectives, which makes them particularly vulnerable to the sudden departure of key people. It is therefore important to think about this issue in advance and have a proactive approach to manage this.

Succession planning can also involve looking at future plans and recognising additional skills and capacity required in order to deliver these plans. Succession planning can also assist the organisation to consider wider inclusion and representation of the wider community, helping to support a sense of ownership.

Where succession planning and sharing responsibility does not take place, the sustainability of the social enterprise can be at risk.

Benefits of Succession Planning

Succession planning will mean that your social enterprise will never be without leadership, and will ensure your aims and objectives can be delivered into the future.

Succession planning is beneficial for everyone involved in your organisation, and enables more experienced staff to pass on skills and wisdom, as well as bringing fresh ideas and perspectives. Succession planning can help to encourage involvement, commitment and build confidence of younger or more junior members of the community, volunteers, or staff.

If a member of your organisation suddenly has to step down from a crucial role, this can cause panic about who will replace them. Succession planning builds confidence that you will be able

to fill key roles with a suitable successor who has the knowledge and understanding required for the role in advance.

Succession planning is most effective when existing board or committee members and staff are involved in nurturing their successors, this helps ensure the culture and values of the organisation are maintained.

The Succession Planning Process

The process of succession planning is unique to each company, but there are general guidelines that you can follow to help your business create a successful succession strategy.

- Identify important roles in the social enterprise that would need to be filled quickly if a board/committee member or key member of staff has to leave.
- Have an understanding of the main responsibilities, competencies, and requirements for each role.
- Identify individuals from the community, membership or staff team who would have an interest in and potential to grow into a leadership position.
- Establish a progression route for individuals from the community, membership, or staff team to develop skills, confidence, and experience to eventually fill key roles in the social enterprise.
- Involve existing members in providing mentoring to support succession planning.

Challenges of Succession Planning

Scottish author Rona Campbell's book "Succession Planning in Community Land Trusts" gives an overview of the 5 main barriers to succession planning within the rural context. These are summarised here:

1. No plan

- Many community enterprises have no formal succession plan for either their board members or volunteers. Sometimes it can be difficult to think into the future of the next few years when people are busy managing day-to-day operations.
- There is often an assumption that people will simply continue, although it is unrealistic and unfair to rely on the same group of people who have volunteered for long periods of time.

2. Time

- A lack of available time is a barrier to volunteering for many people. This is particularly affected by changing employment patterns, and the more complex skills required of volunteers (e.g. IT skills).

3. People

- The number of volunteers in rural communities relates back to the wider issue of small or declining populations. This makes it more difficult for communities to carry out projects, due to difficulty in attracting volunteers, and relying on a small group of people to carry out work.
- The future of community enterprises and empowered young people are co-dependent aspects of succession planning.

4. Training and skills

- The issue of small populations sometimes results in a small pool of available potential volunteers. On the flip side - due to knowledge of local people, it can be easier to identify people who could help and have relevant skills.

5. Community conflict

- In remote and rural communities, it is often a small group of people who must work together, and this can lead to tension between residents.

One of the key challenges with succession planning in rural areas can be the demographic shift with a growing number of older people, and the declining numbers of young people. As young people move away to cities for employment and further education opportunities, this can limit the available pool of prospective successors or volunteers to be engaged with community enterprise.

A lack of engagement or reaching out to involve younger people can result in a challenge for succession planning and impact on the range of experience or expertise available. Effective succession planning involves people from all ages, who can give different generational perspectives and skills.

Tip: Once you have involved one young person, and ensure that they enjoy and feel valued in their role, their friends and peers may follow. Consider the ways you are reaching out to young people, and what types of engagement they will be receptive to.

Therefore it is in the interests of community enterprises to reach out to young people locally and promote opportunities for young people to get involved, not just to have a diverse team and perspectives, but also to safeguard the community enterprise for future generations and make sure there are people to carry the work forward.

You should also be interested in succession planning as a way to spread responsibility and work-load between a few people. This makes work more manageable, and allows people to collaborate and learn from each other.

The COMCOT project in Estonia and Finland discusses the risks of one person, or too few people bearing too much of the responsibility in a project and gives recommendations on how to share responsibilities. See page 7.

- <https://www.ruralsehub.net/wp-content/uploads/2020/05/COMCOT-tool.pdf>

Case Studies

- **Succession Planning: A Guide to Get it Right**
- <https://resources.workable.com/tutorial/succession-planning>
 - This is a short online guide from Workable, a global hiring platform. The material has a corporate focus, but is also suitable and relevant for social enterprises and community-based organisations.
 - The tutorial answers why it is important to succession plan, and gives a guide to building an effective succession plan.
 - The guide encourages you to identify critical roles and the skills of present incumbents, plan for the future and assess key internal talent, and have an ongoing review of succession plans.