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# Learning How to Do Succession Planning from Younger Leaders

By Daniel Moore

*This article is the third in a series about intergenerational leadership. The series is published as a collaboration between The Philanthropist and Connect the Sector (CTS).*



Illustration by Paul Dotey

Millennials are the most talked about group in today's workforce. A lot of this interest has to do with the fact that millennials (the demographic cohort following Generation X) became the single largest demographic in workforces in the United States and Canada in 2015 (Scott, 2015). Another reason this landmark is notable has to do with what comes next: millennials will soon become some of the most powerful economic and social decision-makers. They will not just work more, but lead more. As Dianne Lister noted recently, the "charitable sector is undergoing the largest transition of leadership ever faced in Canada" (Lister and Hutchinson, 2017).

The Ontario Nonprofit Network (ONN) has been thinking about this issue for a few years now. In 2013, it commissioned a report on the steps that non-profits in Ontario, and the sector as a whole, could take to prepare new leaders to take over from a large cohort of aging baby boomers. *Shaping the Future*

found a multipronged “leadership gap” emerging across the sector. Senior leaders were starting to retire in larger numbers, and many organizations did not have succession plans in place. In addition, the skill sets required to lead appeared to be changing faster than ever. Further, it identified a gap between the vision of leading a non-profit and the reality of doing so in an environment characterized by scarce resources, decreasing or stagnant government funding, and increasing accountabilities to both donors and the public.

The *Shaping the Future* report posed the question: “How are future non-profit leaders being identified and developed” (McIsaac, Park, Toupin, 2013, p. 5)? This is an important question for decision-makers in organizations to ask themselves – including at the subsector and sector levels – to understand how succession planning is taking place. It’s also a good question for senior leaders and boards who handle implementation of succession plans. According to *Shaping the Future*, non-profit organizations are not struggling to identify potential future leaders, they are having difficulty keeping high-performing employees long enough to prepare them to step into senior leadership positions. The authors concluded that “it is not just the performance level of these employees that determine their leadership potential, but also the opportunities and support that the organization provides” (p. 52).

This is also relevant for younger workers who will soon be leading non-profits. *Shaping the Future* didn’t include this demographic in its survey, which it limited to current senior leaders of non-profits with paid staff in Ontario. While some Gen Xs and millennials would be included in this selection, it still begs the question of how well younger and emerging leaders think they are being developed to take on leadership roles. What are the experiences of younger folks who want to become — and *are* already becoming — leaders in their communities? Answering this question can help gauge the effectiveness of current succession planning. For who is in a better position to say whether our sector is developing the next generation of leaders than those leaders?

Now is a good time to ask younger workers about their experiences with leadership development, since these experiences will shape the leaders they become. ONN’s follow-up report to *Shaping our Future, Leading our Future* (2017), points out that future leaders of non-profits will be expected to bring an impressive range of skills to the table. They will have to wear many different hats throughout their careers, serving as innovators, connectors, storytellers, builders, stewards, mentors, and thinkers, often simultaneously, while also learning how to share leadership across an organization rather than own it in one position. Succession planning is thus not just about ensuring that current leadership continues, but adapting leadership to meet future needs. This is another reason to be intentional about how new leaders are developed.

This article offers a snapshot of how non-profit employees in Ontario believe they are being developed as future leaders. Based on a series of interviews with younger leaders in one geographical area, Hamilton, Ontario, it explores how these younger workers are being supported while they learn to lead in their organizations and communities. I share the most common enablers and barriers to leadership development experienced by my interviewees, as well as their perspectives on the future of leadership in the non-profit sector, their desire to stay in the sector long-term, and the challenges that may prevent them from doing so.

Overall, there is good news for those engaged in succession planning. Many younger leaders feel prepared to take on more leadership responsibilities. However, they also have concerns about precarious employment and traditional, sometimes gendered, styles of leadership. The sector needs to address

these if it is to capitalize on the talent that these younger staff have to offer non-profits and their missions.

## **Methodology**

Over four months during the spring and summer of 2017, I interviewed 10 younger professionals working in the non-profit sector in Hamilton. All of them fit into the age range of millennials (born between 1980 and the early 2000s), and a senior leader in the field recommended each one. It is important to note that the findings from this study have no statistical validity, given the tiny sample.

The organizations represented by interviewees are fairly typical of Ontario non-profits: social and human services made up the largest group, followed by housing and community development, arts and culture, fundraising, sports and recreation, and the environment. I excluded workers at hospitals, universities, and colleges since the *Shaping the Future* report also left them out. Women made up 70% of interviewees, in keeping with the gender breakdown of leaders surveyed in *Shaping the Future* (McIsaac et al, 2013). In addition, I deliberately attempted to reflect the diversity of perspectives (for example, newcomers, Indigenous Canadians, and people of colour) at non-profits.

In terms of employment, 60% of interviewees were employed full-time (but not all were permanent staff), and one-third worked part-time. This roughly aligns with the employment data in *Shaping the Future*. More people I interviewed worked for larger organizations (50 or more employees) than is the norm across the sector, based on a recent State of the Sector survey (Ontario Ministry of Citizenship and Immigration, 2013). As a result, any findings relating to organizational capacity, such as the resources dedicated for professional development, should not be interpreted as the norm across all non-profits.

Another bias worth noting was created by the selection process. All interviewees are high performing employees — that is, workers identified as having leadership potential. They are not intended to be a representative sample of all workers in the sector, nor of millennial workers in general.

## **Enablers of emerging leadership**

The good news is that most of the younger workers feel supported. Eight out of 10 said that their employer encouraged them to use and develop their leadership skills, which suggests that some non-profits are successfully identifying and cultivating their next round of leaders.

Some of the best leadership experiences people described related to feeling deliberately cultivated as leaders. Interviewees described feeling trusted, supported, and valued when they test ideas, work independently, take on added responsibilities, and are allowed to fail. Most said that their organizations have resources for professional development — another sign that the sample came from comparatively well-resourced non-profits — but only three believed these resources were helping them to grow as leaders. The more crucial factor seems to be when several different resources come together to create a supportive environment for leadership development.

One coordinator in the housing sector described how her executive director's mentorship reinforced a broader collaborative workplace where staff actively encourage professional growth: "My [executive director] and I chat about leadership styles and he is definitely an influence. The beauty of working in a collaborative is that I'm exposed to many different people, and I know that people explicitly want to

empower me to be better in the work I am doing.”

For her — and everyone who described positive environments for leadership development — the payoff of developing young leaders is obvious: better outcomes for the organization and its mandate.

The enabler that most people highlighted was their relationship with a direct supervisor. Most interviewees did not have a formal mentor; although the one person who did, deliberately sought out a person of colour within the community. For most of these younger workers, the person they reported to stood in as a de facto mentor and that relationship had a major impact on their development.

The only two interviewees who did not feel that they were being developed as leaders described poor relationships with their supervisors. This suggests that leadership development and succession planning can occur at any level of an organization; it does not have to be limited to executive directors and board members. It also suggests that at least some younger workers recognize their supervisors as mentors, whether there is a formal mentorship relationship or not.

When asked how their organizations could engage younger staff in leadership, many talked about distributing responsibilities. The three approaches mentioned most frequently were: engaging staff in decision-making; providing more support for skills development; and creating stronger communication channels between front-line and senior staff. One person explained how shared leadership comes down to aiming for “inclusion where possible with decision-making activities and getting feedback and people’s ideas and honouring those things.” Another characterized shared leadership as “leadership that levels with people,” and still another reduced it to simply “share power.”

Shared leadership will look different in smaller and larger organizations, and non-profits with new missions compared to more established ones. However, the consensus from interviewees is that shared leadership does not happen automatically with a changing of the guard. It must be intentional, and even non-profits with mandates related to social advocacy and anti-oppression work could still use the approaches above to create workspaces where more staff feel connected to moving the organization forward.

### **Barriers to emerging leadership**

The flip side to these positive experiences is that the younger workers I spoke with face many barriers to taking on, and thriving in, leadership roles. These include age, sex, and workplace power dynamics.

Since age and leadership is a key theme of this year’s Connect the Sector (CTS) fellowship, I asked every interviewee whether they thought their age created a barrier to exercising their leadership skills. Half agreed that it did, which makes it the most common barrier cited — albeit interviewees were led in this direction. Interviewee experiences about how their age has impacted their work may be more informative.

Typically, age became a liability to leadership roles when it was used to undermine authority. One director from a sports and recreation organization described how parents and teachers often make assumptions about her personal life based on her age, then use these to question her proficiency. “Parents will say, ‘You don’t have kids, so you don’t understand,’ even though I have 18 years of experience working with children.” Another interviewee in her early 30s who works at a social enterprise found that her age combined with her sex to introduce challenges when managing volunteers:

“The challenge with older volunteers and being a woman from a customer’s perspective —you are not respected much of the time. The gender difference in treatment is really annoying. Older volunteers don’t receive criticism very well from you.”

Many agreed that age plays into workplace power dynamics, which has influenced how they participate in decision-making. Some said they noticed how they are less likely to talk at meetings or community tables when senior leaders are present because — as one put it — “you defer to that perspective.” Another, in the environmental sector, noted “When you are at senior team meetings or strategic councils you can be the youngest person, which makes it tough to have an opportunity to share your piece – it feels like you need a bit of an invitation to bring your ideas to the table.”

Interestingly, one interviewee in a senior position also saw this as a problem because it robbed senior leaders of the input that they wanted to solicit from younger perspectives.

One practical takeaway here is that even when younger perspectives are invited to a table, it doesn’t mean the table is an inviting space at which to participate. When decision-makers ask for input from younger staff, they should do it with a mind to how existing power dynamics can stifle authentic engagement.

Specific skill gaps presented the second biggest hurdle for those younger workers interviewed. These varied widely, and included both hard and soft skills, including leadership training, budgeting, facilitation, administration, strategic planning, public speaking, advocacy and government relations, and active listening. Budgeting came up a surprising number of times, with several interviewees observing that working with financials became an increasingly important part of their work as they were given more responsibility. However, few had training in finance. This finding makes a case for introducing budgeting exercises into more entry-level and junior positions to give emerging leaders opportunities to develop these skills.

Other barriers to leadership included a lack of resources and support from existing leadership staff; rigid workplace hierarchies that prevented testing new ideas and developing partnerships; resistance to change; and disconnects between senior leaders and front-line staff. One person working for a larger non-profit in the health sector found that how certain leadership opportunities were presented could undermine their learning potential, noting, “After organizing a large recent event, it always felt like I was the lead, but if my boss ever wanted to say ‘no’ to any of my decisions, they could have. You’re leading, but you’re not leading. It’s not done meanly but because ‘they know better.’”

A more enriching opportunity to practice leadership skills, this worker suggests, would involve a sincerer handing over of the reins. Done differently, the opportunity would not feel like a patronizing gesture: it would contain an added learning component for the leader-in-training through assuming some of the risk associated with decision-making.

A coordinator in the housing sector found that leadership behaviours are highly individual, yet younger workers and women workers are still criticized for not being assertive enough: “I’ve been criticized in the past for not exhibiting leadership that is not more assertive, or not assertive enough, i.e. ‘[Interviewee’s name] needs to talk more.’”

For this young leader, her organization narrowly defined the image of what leadership looks like and how leaders should exercise it because her organization’s existing leadership styles dominated. This can

make it difficult for younger leaders to try to establish new styles of leadership, and even, as in this person's case, threaten to hold back their careers.

### **The future of emerging leaders in the sector (will they stay or go?)**

The most hopeful finding from my interviews is that most people felt confident they wanted to stay in the sector. Eight out of 10 said they planned to continue working for a non-profit for the next five or 10 years. The reasons they gave for this varied, but most focused on the relevance of their non-profit's mandate, its connection to their personal values, and the impact they have through their work.

Such optimism might assuage fears about a talent drain from the non-profit to the public and for-profit sectors (McIsaac, et al, 2013). Based on this small sample, younger leaders who feel supported and recognized for their contributions want to continue their careers in the sector.

As optimistic as this finding is, it should be qualified by the challenges that interviewees associated with working for a non-profit over the long-haul. While most said they *wanted* to stay in the sector, many expressed challenges that could make that decision untenable. In order of times most cited, these included: uncertainty of ongoing funding, excessive workload, non-competitive salary, and lack of career mobility.

Even workers who expressed strong connections to a particular cause or organization were not convinced they would be able to work for a non-profit for more than 10 years. "If they could promise me 25 or 20 dollars an hour, hell, even minimum wage with benefits, I would probably [stay for five or 10 years]," said a worker for a youth drop-in. "But because it's so unstable they can't guarantee it. The main thing is stability."

One might assume that millennial workers would place job security and concerns about ongoing funding below advancement and compensation. But they didn't in this case. Job stability is more important to this group of younger workers. The comment by the drop-in worker above suggests that where younger people see a lack of job stability, they also see a lack of trust and credibility.

### **Conclusion**

My interviews with emerging leaders contain good news for non-profits. They show that leadership transitioning can occur successfully in a range of workplaces, and that younger leaders who want more responsibilities in their organizations and communities (while also appreciating the risks that those responsibilities come with) are emerging. Further, younger workers are thinking about how they want to create new styles of leadership that fit their values and priorities. And most of these high-performing workers want to remain in the sector even though they identify several challenges that they, their organizations, and the sector as a whole will have to tackle in order to make that a viable option — especially precarious working conditions. Interestingly, this was also a key finding in Emily Cordeaux's recent report, *Young People and Nonprofit Work* (2017).

Good news like this is particularly welcome in a sector that has struggled to offer a value proposition to entice new blood. *Shaping the Future* found that the non-profit sector in Ontario will "need to reframe and strengthen the sector's narrative, value proposition, and external brand" if it wants to successfully "market the benefits of the sector and working in the sector." This series of interviews suggests that the sector does have a compelling value proposition in the form of highly engaged young employees and

leaders who find meaningful work with non-profits that they want to stay with long-term. Sharing such experiences can help to reframe the narrative of non-profit work.

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