

## Is Your Organization Diversified?

### *Implementing an Effective Succession Plan*

By Ron Ries

History has shown that many organizations, both for-profit and not-for-profit, unfortunately have not done an adequate job of succession planning at all levels—if they have not ignored the issue completely. When senior management is moving towards retirement or leaving the organization for other reasons, one possible solution is to seek another, similar organization with a successful track record and strong management talent as a merger partner or successor organization.

Many professionals in the not-for-profit sector and those who serve, it

believe that mergers and acquisitions (M&A) will likely become more prevalent as funds continue to get tighter at both the governmental and private levels, particularly where organizations with similar missions are vying to serve the same constituents.

An organization with an effective succession plan in place that enters into a merger or acquisition due to economic conditions may well find that it is the leading player in such a consolidation.

Another critical element of succession planning is the need to incorporate management and staff diversification—in terms of generations, gender, and ethnicity.

Just like the for-profit sector, the not-for-profit workplace must keep up with the changes in our evolving world. It is imperative for the baby boomers to manage the integration of generations X and Y, as well as Millennials, into individ-

ual organizations and the industry as a whole. These younger generations will bring unique disciplines, skills, and outlooks to the ongoing effort for organizational success and sustainability.

The workforce should also represent the community at large, both in terms of gender and ethnic background. Diversity is a necessity to keep any organization in tune with the needs of the constituents it serves, the funders who feed its success, and broader society.

These are not new ideas, but the current rapid changes in how business is conducted, as well as the increasing diversity of the workforce, make it important to focus on these areas immediately. Organizations that quickly address diversity and succession needs will succeed; those that procrastinate will not. □

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