

# LASTING LEADERSHIP

GUIDE TO...

## SUCCESSION PLANNING AND KNOWLEDGE MANAGEMENT



Sustainable leadership in  
non-profit organisations

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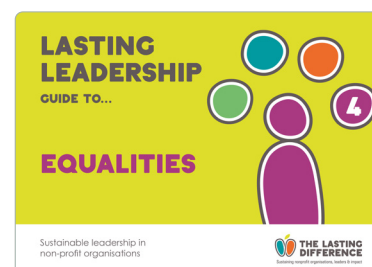
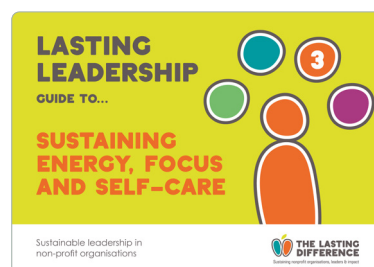
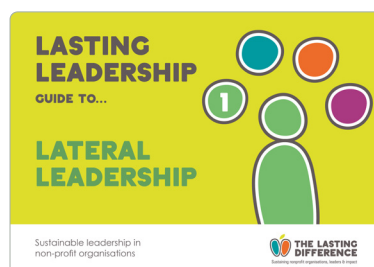
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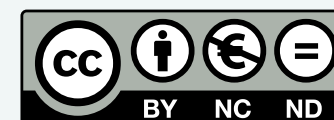
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## OTHER GUIDES IN THIS SERIES:

There are four key capabilities of sustainable leadership. Each has its own Lasting Leadership guide.



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### FIVE WORD STRESSECUTIVE SUMMARY:

Succession: it's when, not if.

### 50 WORD EXECUTIVE SUMMARY:

The organisation and its work are bigger than any one person. Succession is inevitable and best done before it's needed.

Planning for succession is everyone's business. Make it part of an organisational approach to capacity building and development. Embed it in your regular planning, processes, governance and conversations.

# FOREWORD

There is no organisational sustainability without sustainable leadership.

During 2019 we undertook research to better understand sustainable leadership. This included a global literature review; focus groups with over 70 non-profit leaders; learning sets; workshops; and conference inputs.

We launched the Lasting Leadership guide in 2020. This new, updated suite of guides builds on recent learning to help organisational leaders explore, assess and prioritise sustainable leadership. We hope this guide contributes to further conversations about this vital but little-understood topic.



**LEADERSHIP  
SUSTAINABILITY IS  
THE NUMBER ONE  
CHALLENGE FACING  
NON-PROFIT  
ORGANISATIONS  
AND THE SECTOR**



Jen Curran, Director of Leadership,  
The Lasting Difference

## THANK YOU

To everyone who has commissioned or contributed to our focus groups, workshops, e-learning and action learning programmes since 2019.

With particular thanks to:

- Boys Brigade and Girls Association UK
- Frances Simpson
- Kirsten Smith and Ashleigh Hamlyn, ACOSVO
- Scott Lafferty, Carers Trust.

In appreciation of **Ian Findlay**, a champion of healthy living and working.

# PART ONE:

# BACKGROUND AND CHALLENGES

**BACKGROUND**

**6**

**CHALLENGES AND PARADOXES**

**7**

If you have already read one of the other Lasting Leadership guides, **skip to page 8.**



# BACKGROUND

There is a wealth of information on leadership styles, models and approaches – but far less exists on the topic of leadership *sustainability*.

Sustainable leadership, like organisational sustainability, is challenging and complex. It requires organisations and their leaders to respond to the technical and adaptive<sup>1</sup> challenges of complex, evolving environments. Complexity requires leaders to be comfortable with uncertainty, open to challenging the status quo and facilitating leadership across their organisations. These ideas are easy to grasp but at an organisational level they are harder to translate. And at an individual level, they are extremely challenging. They contradict the ways we have been brought up to think about organisation, control and influence – assumptions that run very deep in our society and organisational systems. This can be anxiety-provoking for everyone involved: it takes trust to promote ownership, participation, agency and self-direction.

Our approach to sustainable leadership is therefore rooted in systems thinking. It is informed by complexity theory, design thinking and sustainability principles from *The Lasting Difference* toolkit, which defines sustainability as *the capacity to make a lasting difference*.<sup>2</sup>

Sustainable leadership requires:

- **PROVIDING COORDINATION, NOT CONTROL**
- **GIVING INFORMATION, NOT INSTRUCTION**
- **OFFERING CHALLENGES, NOT CERTAINTY**
- **SEEKING COMMITMENT, NOT CONFORMITY**

## DEFINITION:

We define sustainable leadership as:

**DEVELOPING CAPACITY  
TO ENABLE LEADERS  
TO EMERGE, EVOLVE  
AND EXCEL**



<sup>1</sup> The Practice of Adaptive Leadership, Ronald Heifetz

<sup>2</sup> The Lasting Difference: tools for organisational sustainability, [www.thelastingdifference.com](http://www.thelastingdifference.com)

# CHALLENGES AND PARADOXES

Our *Lasting Difference* research and consultancy with hundreds of organisations since 2013 reveals common sustainable leadership challenges, paradoxes and principles.

## THE TIME CHALLENGE

Time is our most precious resource, but we don't protect or use it well

## THE LEADERSHIP MYTH

The exhilarating side of leadership gets fetishised – the exhausting reality gets ignored

## THE CARE PARADOX

Organisations that care for people, society and the environment don't always care for themselves

## THE CONTROL PARADOX

The more that managers try to control, the more resistance they encounter

## THE TRUST PARADOX

Delegation requires trust, but without delegation, trust won't exist

## THE EQUALITY PARADOX

Organisations that promote social justice and equality don't always embody those values in their approach to leadership

Our Lasting Leadership elearning course is an excellent way to explore these ideas in more detail. 93% of previous participants said it changed their leadership practice.

Visit [TheLastingDifference.com](https://TheLastingDifference.com) for more details.

## PRINCIPLES

### Sustainable leadership:

1. Requires time and space for development, planning, sharing knowledge and learning.
2. Connects with vision and purpose: focusing on why, not what or how.
3. Prioritises self-care as an essential part of the job – not a perk or a luxury.
4. Devolves authority and shares power. Sustainable leaders trust themselves to let go.
5. Builds capacity. Sustainable teams trust that leaders support their efforts and decisions.
6. Requires equality and diversity, committing to inclusion. It reflects our society and challenges stereotypes of what a good leader looks like.

### IN THIS GUIDE:

#### SUSTAINABLE LEADERSHIP:

**REQUIRES TIME**



**CONNECTS WITH  
VISION AND PURPOSE**



**PRIORITISES  
SELF-CARE**



**DEVOLVES AUTHORITY  
AND SHARES POWER**



**BUILDS CAPACITY**



**REQUIRES EQUALITY  
AND DIVERSITY**



# **PART TWO:**

# **SUCCESSION PLANNING**

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# THE CHALLENGE AND CAPABILITY

## THE CHALLENGE

More than 50% of leaders are looking to leave their role in the next five years.<sup>3</sup> 44% of leaders are considering their future as a result of increased demands due to Covid19.<sup>4</sup> Yet three quarters of non-profit organisations do not have a succession plan in place.<sup>5</sup>

## THE CAPABILITY

This guide sets out four key principles of succession:

- 1. SUCCESSION IS INEVITABLE. SUCCESS ISN'T.**
- 2. SUCCESSION PLANNING IS NOT ABOUT IDENTIFYING AND GROOMING SUCCESSORS. IT'S EVERYONE'S BUSINESS.**
- 3. IT'S ABOUT CAPACITY BUILDING AND DISTRIBUTED LEADERSHIP.**
- 4. BUSINESS CRITICAL KNOWLEDGE IS CRITICAL.**

Each of these is presented below alongside the straightforward practices that flow from them. These are illustrated with real life examples and quotes to help you think about what could work best in your organisation.

<sup>3</sup> Leadership in Scotland's Voluntary Sector: wellbeing, succession and diversity, ACOSVO 2021

<sup>4</sup> Ecclesiastical Charity Risk Barometer 2020

<sup>5</sup> Path to Impact –Final Report, ACOSVO and CO<sup>3</sup>, 2018.



**THIS GUIDE SETS  
OUT FOUR KEY  
PRINCIPLES THAT  
UNDERPIN SUCCESSFUL  
SUCCESSION PLANNING**

# PRINCIPLES AND PRACTICES

## 1. SUCCESSION IS INEVITABLE. SUCCESS ISN'T.



Examples of leaders becoming seriously ill, or even dying in post, were sadly common in our research for this guide. It happens, and more often than people appreciate. It can be traumatic. In the event of the worst happening, those who find themselves suddenly stepping in can feel overwhelmed, lost or exposed – often in very public ways due to the outward-facing nature of leadership roles. Succession is an inevitable part of the organisational lifecycle. Even sudden endings and unplanned exits can be managed positively, if the right approach to succession is taken.

*“The loss of our CEO was a massive blow to the organisation, not just in knowledge and capacity but also emotionally. I stepped up into the role – it was really challenging, particularly emotionally. But having previously been given regular opportunities to undertake key pieces of work – like talking to the media and building my relationships with the board – did help to prepare me to a degree.”*

## PRACTICES

### DON'T ASSUME LIKE-FOR-LIKE SUCCESSION

- When management (and other) posts become vacant, review the role. The organisation and its environment are likely to have changed, and new priorities and challenges will have emerged.
- Consider what opportunities the vacant post creates and what the organisation needs now. This will ensure the organisation is responding to its current environment and needs, not historical ones.
- Planning for succession of an established leader can be daunting. The assumptions that are made about what leadership, and a good leader look like, will have a significant impact on leadership diversity and inclusion.



### PROVOCATION:

**WOULD YOUR SUCCESSOR DO THE SAME THINGS AS YOU DO, IN THE SAME WAYS? WHAT DOES THIS TELL YOU?**

Our Lasting Leadership e-learning course is an excellent way to explore these ideas in more detail. 93% of previous participants said it changed their leadership practice.

Visit [TheLastingDifference.com](https://TheLastingDifference.com) for more details.

## PROVIDE RESOURCE AND SUPPORT

- Provide ‘acting up’ allowances for people who step in to cover for others. Take other duties from people while they step up, or provide backfill e.g. bringing in sessional workers to provide cover and continuity. Remember support will also be needed when people step back into their usual role. Are there opportunities for those who have stepped up to continue to use the skills and experience gained?
- Allocate additional hours, ringfenced for development. Provide buddying systems for new trustees. Arrange ‘reciprocal handovers’, where people spend time in each other’s areas.

## SUPPORT SUCCESSORS

Leadership requires experiential learning and the opportunity to make your own mistakes.

- Allow new leaders to find their own way and do things differently.
- Where handovers are possible, base them on fact and be cautious of personal opinions and preferences. The key is working out what’s important and what’s not. The individual succession planning template in Appendix Two can help.
- Once in post, successors need to assess the internal and external environment, identify their key internal and external stakeholders, and choose a way forward that fits best.

## ENCOURAGE SECTOR-WIDE RESPONSES

There is a need for sector level responses and support, not only at trustee or CEO level. It is common for CEOs and operational staff to have access to networks and development opportunities, but there is less available for middle managers. Explore and create opportunities that give everyone the chance to develop leadership, for example secondments, placements, leadership exchanges, buddying and taster sessions.

*“There’s great work going on in organisations on different aspects of succession planning. It would be useful to have opportunities to come together and share ideas, knowledge and resources about succession.”*

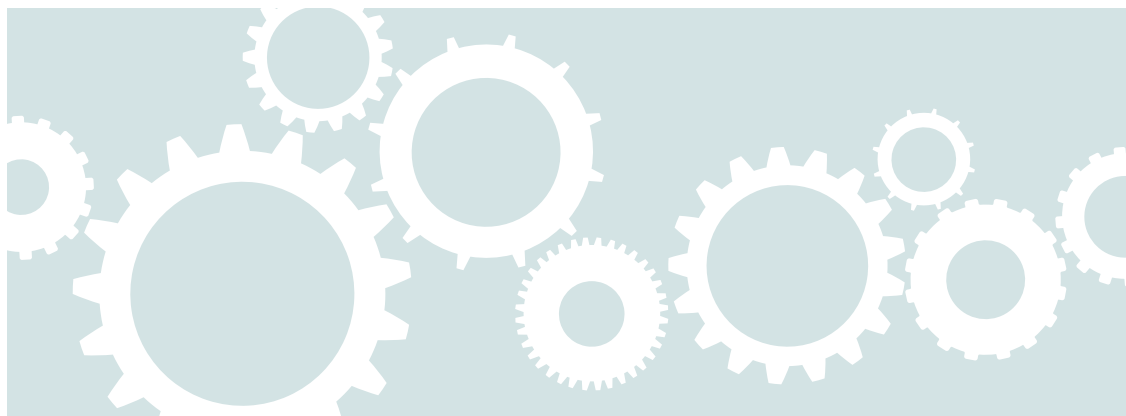


## EXAMPLES

- One organisation created a visual history of key achievements to recognise its development and create a legacy that is passed on.
- Another ringfenced funding to give staff additional hours for development but waited until the immediate aftermath of the pandemic so that staff could realistically schedule development into their working weeks.

## PRINCIPLES AND PRACTICES

### 2. SUCCESSION PLANNING IS NOT ABOUT IDENTIFYING AND GROOMING SUCCESSORS. IT'S EVERYONE'S BUSINESS.



The organisation and its impact are bigger than any one person or role. Succession planning needs to be understood and owned by more than the board and CEO. Everyone has a role to play in succession, because everyone's role is important to the organisation's survival and sustainability.

#### PRACTICES

##### DEVELOP HOLISTIC SUCCESSION PLANS

- Develop a succession plan that encompasses all key roles.
- This should include planning for long term absence as well as holidays, maternity cover, extended periods of leave, board recruitment and so on [See Appendix One for our succession planning strategy template].
- Don't plan every detail, prioritise the key areas that need attention.

*"It is inevitable there will be change. It's about processes to manage that change, rather than succession planning every tiny detail."*



**EVERYONE HAS A ROLE TO PLAY IN SUCCESSION, BECAUSE EVERYONE'S ROLE IS IMPORTANT TO THE ORGANISATION'S SURVIVAL AND SUSTAINABILITY**

## SHARE THE LOAD

Being the only person who knows how to do certain key tasks or roles puts unnecessary pressure on individuals and impacts on self-care. It increases organisational risk. This responsibility can lead to people not taking time off, having sleepless nights worrying about the organisation, or working while on holiday.

- Ease these risks and pressures by planning for succession, sharing knowledge and skills to share the load.
- Build team capacity and increase individual resilience by enabling people to discuss challenging issues openly and honestly with their colleagues. Senior colleagues need these opportunities too, but often lack appropriate spaces or opportunities due to the sensitive nature of the things they know.

See our Lasting Leadership Guides to Self-Care and Lateral Leadership for more ideas.

## SUPPORT DIVERSITY AND INCLUSION

- Think about potential barriers to increasing the diversity of your board and team. For example, the timing of board meetings, the experience required, or where and how you advertise appointments will all affect who is included and excluded.
- Cast the net wide when recruiting, for example using equalities networks to reach more diverse audiences. Good practice standards like Disability Confident,<sup>6</sup> Carer Aware<sup>7</sup> and the LGBT Charter<sup>8</sup> can all help.

## EMBED SUCCESSION PLANNING

- Link succession planning with existing processes such as business planning, contingency planning, risk management and staff development.
- Have regular and planned conversations about succession at all levels of the organisation.
- Use recruitment, appraisals, and management, board and team meetings to talk about what people know and do, including the external relationships they have.

<sup>6</sup> <https://disabilityconfident.campaign.gov.uk>

<sup>7</sup> [www.carers.org/carer-aware-project](http://www.carers.org/carer-aware-project)

<sup>8</sup> [www.lgbtyouth.org.uk/charter](http://www.lgbtyouth.org.uk/charter)



### EXAMPLES

- Whole team development sessions are a common way to generate ideas about succession, build mutual understanding of roles and deeper appreciation of colleagues' work. Involving trustees, for example in strategy development days, is useful for the same reasons.
- When developing a succession plan, some organisations use a 'red, amber, green' system to identify those areas which are working well and where more urgent action is required.



**SUCCESSION PLANNING  
IS KEY TO OUR  
SUSTAINABILITY, AND  
WHY EVERYONE NEEDS  
TO BE INVOLVED**



## PRINCIPLES AND PRACTICES

### 3. SUCCESSION PLANNING IS ABOUT CAPACITY BUILDING AND DISTRIBUTED LEADERSHIP.

Succession planning is a process. It is a journey not a destination. It is easiest, and most effective, to begin the process before it is needed. Succession planning increases sustainability by developing capacity and empowerment across the organisation. It creates opportunities for teams to learn, share information and to generate new ideas and ways of working. This helps organisational development and builds ownership of solutions to tackle future challenges.

*“The process of working through succession issues was as important as the final document that was produced...it was the conversations, reflection, discussion which were essential.”*

## PRACTICES

### BUILD CAPACITY

To help mitigate succession risks, take a planned approach to unplanned succession. Prepare people by providing regular exposure to opportunities to lead.

- Develop acting-in-absence policies to give people opportunities to take on new responsibilities or learn new roles. Make them part of everyday routines by arranging cover for short periods of absence like holidays and training. Make it real by arranging full handover. Consider whether the person who steps in should retain the task or responsibility when the absent colleague returns: seeing a project or action through to completion builds confidence.
- Think about who the best person to act-in-absence might be. For example, team colleagues are sometimes better placed than line managers to step in, or two or three team members could step in to cover different parts of the CEO role.



### PROVOCATION:

**SUCCESSION PLANNING  
HELPS IMPROVE  
PERFORMANCE**



## TALK ABOUT IT

Talking about succession openly, helps to embed it as an ongoing, natural process of capacity building and sustainability.

- Have regular, open and honest discussions about succession to help people feel more comfortable with it and cope better when change happens.
- Assess individual readiness and desire for capacity building. Not everyone seeks additional responsibility or empowerment, or feels ready for it.
- Involve people in exploring what to sustain. This helps develop sustainable leadership and preparing for the future.

*“When I started, I was open that I wanted to give the organisation a five-year commitment – staff were quite shocked to have that conversation in the first couple of weeks. But if people are not aware they can have a false sense of security.”*

## ROUTINELY BUILD THE SENIOR TEAM’S CAPACITY

Although succession isn’t just about senior roles, they are still important.

- Involve management team members in leading on key areas of work and acting in absence for the CEO.
- Organise full handovers (briefing and debriefing) and delegate full decision-making authority, even for short absences. Ensure internal and external partners are aware of this.
- Develop relationships between senior team members and key stakeholders, including board members.

*“It has to be properly delegated authority. You have to accept decisions taken (in your absence) even if you don’t always agree with them.”*



## EXAMPLES

- Participants in our Lasting Leadership action learning programme developed the idea of ‘acting in non-absence’. They found that even when colleagues had been given responsibility for a task, they would keep coming back to the manager for decisions and answers. ‘Acting in non-absence’ makes it clear that the manager will step out of the way and expect people to make decisions and lead on agreed areas of work.
- One organisation arranged a month of shadowing for people to learn about each other’s roles. They found it built skills and confidence, as well as mutual appreciation and teamwork.
- Another organisation provides an induction week for people to learn about other people’s roles and how they fit with their own.

## PRINCIPLES AND PRACTICES

## 4. BUSINESS CRITICAL KNOWLEDGE IS CRITICAL

Business-critical knowledge is not only held in senior management roles, but in the knowhow and relationships held by people throughout the organisation. Many organisations discovered early in the pandemic that some of their most vital knowledge was often the most straightforward and overlooked: where keys, passwords and staff contact details are stored. Succession planning helps to manage the risks involved in this.

Organisations don't have relationships, people do. Succession planning helps identify these relationships and plan for what happens when individuals (or external stakeholders) move on from their posts or organisations.



**BUSINESS-CRITICAL KNOWLEDGE IS NOT ONLY HELD IN SENIOR MANAGEMENT ROLES, BUT IN THE KNOWHOW AND RELATIONSHIPS HELD BY PEOPLE THROUGHOUT THE ORGANISATION**



## PRACTICES

### IDENTIFY AND MANAGE RISK

- Ensure succession plans identify and deal with single person risk. Consider the knowledge that is critical to the organisation and where it is held: e.g. operational processes; policy developments and funding arrangements; important external relationships.
- Link your risk register to organisational succession plans. Losing senior leaders is a critical organisational risk, often identified in risk registers but rarely addressed meaningfully.
- Update risk registers at least annually to assess the likelihood and scale of succession risks (knowledge, relationships, reputation etc).
- Develop a clear scheme of authority – a written procedure outlining the extent of authority and decision-making each role has. For every organisational priority, identify deputies or seconds who can step in when needed.

### FOCUS ATTENTION AND ALIGN ACTION

Many organisations already do good work that supports succession planning, they just don't call it that.

- Review what you are already doing to support succession planning (e.g. risk register, recruitment policies, workplans).
- Consider how these policies, plans and actions could be better aligned as part of a holistic approach to succession and knowledge management.

### CREATE KNOWLEDGE MANAGEMENT PLANS

- Undertake a knowledge audit that identifies business-critical knowledge. This will include key relationships, sector knowledge, contact details, passwords and so on. See Appendix Three.
- Think of knowledge as a process and not just a product. It is in people's heads more than on paper. It is generated and shared through teamworking, shadowing, observation etc. This isn't duplicating effort, it's investing in capacity..

*"We developed a questionnaire to capture business critical information...you don't know what you've lost until it walks out the door."*

See Part Four below for more information about knowledge management.



“

**YOU DON'T KNOW WHAT  
YOU'VE LOST UNTIL IT  
WALKS OUT THE DOOR**

”

# TECHNICAL VERSUS ADAPTIVE APPROACHES

Succession planning requires technical and adaptive approaches.

**Technical responses** are those where there are straightforward answers to a question or challenge e.g. how to share files, how to assess risk.

Approaches include: formal succession plans; file sharing software; knowledge management plans; how-to guides; risk registers.

**Adaptive responses** are needed when situations are more complex, messy or uncertain – when there is no straightforward answer.

Approaches include: exploring what leadership means in your organisation; identifying leadership capacity across the team; embedding plans (succession / knowledge management, etc.) into existing organisational culture and processes; developing 'know-how' across the team.

## SUCCESSION: A TECHNICAL AND ADAPTIVE CHALLENGE

*"Experience is what you get just after you needed it"*

TECHNICAL CHALLENGES AND EXPLICIT KNOWLEDGE "I know the things other people need to know"	V	ADAPTIVE CHALLENGES AND TACIT KNOWLEDGE "My knowhow and gut instincts are hard to share with others"
Codify and systemise what is known: break it down and put it in policies, flowcharts, how-to guides etc.	V	Coaching, giving people enough clues to help them to find their own way of doing things.
TELLING	V	ASKING
TEACHING	V	OBSERVING, SHOWING, SHADOWING
<b>REFLECTIONS:</b>  How much knowledge is good enough to prepare for succession? How much do people need right now and what will they learn through experience? How do you trust that people know enough? <b>What first steps do you need to take to develop succession planning in your organisation?</b> <b>Are these technical or adaptive responses... Or both?</b>		



## SELF-ASSESSMENT: SUCCESSION PLANNING

The self-assessment section encourages you to assign a score to each indicator, using this suggested scoring guide:

**2 = We have good consistent evidence | 1 = Our evidence is mixed or patchy | 0 = We cannot evidence this**

However, there is also space for you to make notes and comments, for example if you are discussing the indicators with colleagues or reviewing progress over time. These notes will often be more meaningful than just a score.

	SUCCESSION PLANNING	SCORE	YOUR NOTES
1	We manage succession planning as a process, involving appropriate members of the team and building capacity across the organisation.		
2	Our succession plans encompass all key roles, including our board.		
3	We regularly review board membership to balance continuity and renewal and to ensure its diversity reflects the communities and issues we serve.		
4	We create regular opportunities to delegate authority and decision-making, e.g. 'acting in absence' policies, schemes of delegation.		
5	We have carried out a knowledge audit to identify business-critical information and processes.		
6	We discuss succession as part of our everyday processes, e.g. risk assessments, staff appraisals, team and board meetings.		



## SUSTAINABLE LEADERSHIP ACTION PLAN

<b>PRIORITY</b> Or areas of development:	<b>ORGANISATIONAL ACTION</b> What does the organisation need to do?	<b>INDIVIDUAL ACTION</b> What do I need to do?	<b>TIMESCALES</b> When will it be done?	<b>REVIEW</b> When and how will progress be reviewed?

# **PART THREE:**

# **KNOWLEDGE**

# **MANAGEMENT**

<b>WHY KNOWLEDGE MANAGEMENT?</b>	<b>22</b>
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# WHY KNOWLEDGE MANAGEMENT?

Despite what people say, knowledge alone is not power.  
It needs the right capacity and resources to be truly powerful.



**KNOWLEDGE  
ITSELF IS POWER**



– Francis Bacon

## MANAGING KNOWLEDGE

People have been talking about knowledge management since the 1960s, but it can still seem technical. It came to prominence because modern workforces contain more 'knowledge workers' than before, people whose jobs involve processing information, not products. This makes managers and organisations anxious. They need ways to manage knowledge because:

- Their staff know more than they do.
- The information that people process and the decisions they make are not routine, they rely on specialist skill, judgment and knowhow.
- Knowledge, intellectual property and other intangible assets are the most valuable assets in any organisation, especially non-profits.

When it is done well, knowledge management helps to manage succession and preserve business-critical knowledge. It helps organisations become more than the sum of what (or who) individual staff know. It can:

- **Improve services:** ensuring people experience the best of the whole organisation not just one worker.
- **Develop staff:** setting out how the development of knowledge and skills is expected and supported.
- **Sustain key relationships:** helping information and learning flow across organisational boundaries.
- **Share and scale best practices:** solving problems, avoiding costly mistakes, learning from the past and from others' experience.
- **Ensure quality and fidelity:** being clear on the way we do things around here.
- **Increase efficiency and improve innovation:** accelerating the way new ideas are developed, assessed and implemented.
- **Improve sustainability:** generating ideas, intelligence and horizon scanning alongside sector partners.
- **Implement strategy:** identifying and resourcing the knowledge that is needed to achieve strategic goals.



**WHEN IT IS DONE WELL, KNOWLEDGE MANAGEMENT HELPS TO MANAGE SUCCESSION AND PRESERVE BUSINESS-CRITICAL KNOWLEDGE**

# WHAT IS KNOWLEDGE AND DOES IT MATTER?

Knowledge is a key strategic asset, particularly for non-profit organisations, which tend to have more intangible assets than tangible (i.e. values, reputation and relationships will usually be more critical to sustainable success than physical assets like buildings and even finance). It is therefore a key element of succession planning.

Defining knowledge can seem abstract or even pointless, but it's absolutely fundamental. Knowledge of something (awareness) is different from knowing about it (familiarity) which is very different from knowing how to do it (knowhow).

The way you define knowledge influences how you go about investing in and managing it. People usually think knowledge is a thing: a static, storable product. Knowledge management therefore becomes a technological approach: databases for storing information, IT systems for distributing it. But knowledge is also active, a process of developing and using skills, often unconsciously. A human approach is therefore also needed – but often overlooked.

The distinction between knowledge as a product and a process is more straightforward than it might seem, and leads to quite different approaches, as the table below shows.



**KNOWLEDGE  
IS EXPERIENCE.  
EVERYTHING ELSE  
IS JUST INFORMATION**



*– Einstein*



	KNOWLEDGE AS A <i>PRODUCT</i>	KNOWLEDGE AS A <i>PROCESS</i>
<b>SOURCE</b>	Individual; cognitive	Sharing; active
<b>STATE</b>	Explicit, knowing about	Tacit, knowhow
<b>STORAGE</b>	Policies, manuals, guides, IT	People, procedures, processes
<b>STRATEGY</b>	Supply and storage – support availability; replicability; efficiency	Demand and drawdown – support generation and use; effectiveness
<b>SUPERVISION</b>	Oversight, authority, central control	Support, autonomy, devolved control
<b>STRUCTURE</b>	Hierarchy, vertical	Network, lateral
<b>STAFF SKILL</b>	Low skill, learning ‘of’ and ‘about’	High skill, learning ‘how to’

The table above shows two extremes. Most organisations incorporate elements of both in their attempts to manage knowledge.

## SO WHAT IS KNOWLEDGE MANAGEMENT?

If we combine the definitions and approaches above, knowledge management becomes a process of exploring, storing and exploiting the things an organisation knows:

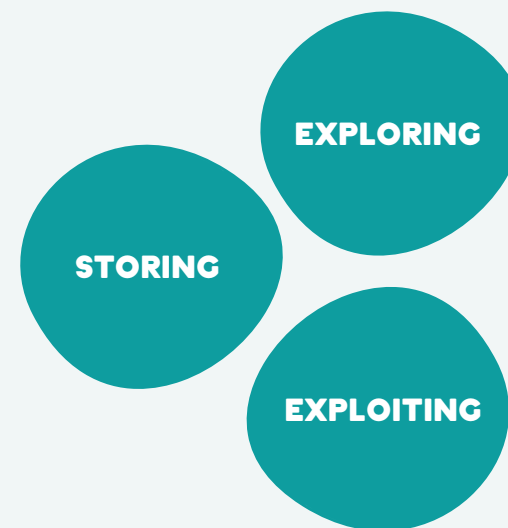
- **Exploring:** creating a working environment that encourages learning, experimentation and generating knowledge.
- **Storing:** developing systems and tools that encourage knowledge to be shared and used.
- **Exploiting:** putting knowledge (and knowhow) to use, to benefit the organisation, its people and its stakeholders.

These processes don't easily lend themselves to being managed in the traditional sense. Managing knowledge well needs a facilitative, empowering, cooperative approach. Like the other Lasting Leadership capabilities, it involves asking more than telling.

## WHEN TO USE IT

Knowledge management is particularly useful when:

- Planning for succession e.g. alongside our succession planning template (Appendix One)
- Business-critical information and processes need to be understood
- Developing and implementing a strategic plan
- Putting contingency plans in place
- Carrying out training needs analysis
- Preparing an exit strategy (learning is a key component of all exit strategies, see the Lasting Difference toolkit for more information).



## INGREDIENTS FOR SUCCESS

Effective knowledge management strategies begin by being clear on what they are aiming to achieve.

Evidence shows they succeed when they are mission-critical, not when they are just nice to have, and when they link to wider organisational strategies for managing learning and change. In addition, they must:

- Have ongoing senior support, with a shared vision and buy-in across the team
- Be resourced
- Be embedded within existing organisational structures (resources, policies, culture etc.)
- Be tested and reviewed
- Help information to flow across organisational boundaries, i.e. learning from and sharing with people, external partners and internal colleagues.

## WHAT A KNOWLEDGE STRATEGY SHOULD CONTAIN

Like any other strategy, it helps to gather and analyse information before developing a knowledge management plan. Different elements and indicators will be needed depending on your goals, for example:

- Staff turnover and length of service – in your organisation or the wider sector.
- Number of innovations, new services and/or products; number of ideas generated compared with numbers of solutions implemented.
- Speed of development and lead-in times for new initiatives.
- Amount of time spent in high and low-value work; amount of time spent in learning, developing new ideas and networking.

Strategies should set out the organisation's approach to knowledge, learning and innovation – how they are understood, the values underpinning them, and how they will be supported and used. The time, budget and other resources available for investment should also be clear.

See Appendix Three for a knowledge audit template to get you started.



**(KNOWLEDGE) IS THE  
CHIEF INGREDIENT OF  
WHAT WE BUY AND SELL**



*– Thomas A Stewart*

# RECOMMENDATIONS

- **THE BEST TIME TO START IS NOW**

Planning for sustainable leadership is best done before a crisis happens.

- **PRIORITISE ACTION**

The self-assessment will help identify where things are going well and where action is required.

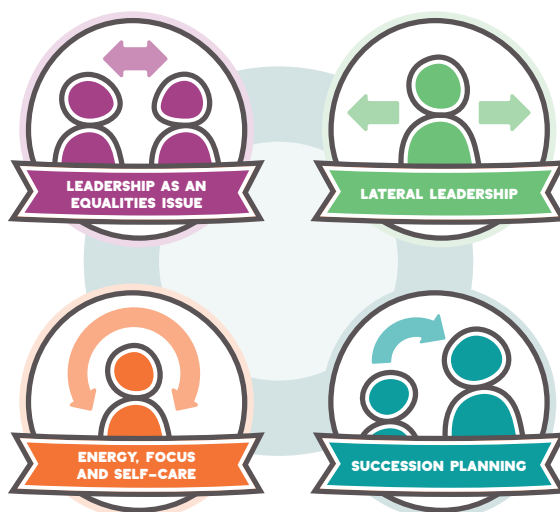
- **SHARE THE IDEAS ACROSS YOUR TEAM**

The approaches and actions required to improve leadership sustainability are adaptive – they need discussion, sharing ideas and exploring challenges and solutions together. We strongly encourage you to share the ideas in this guide across your team to develop collective responses and build ownership of the process.

- **TAKE A HOLISTIC APPROACH**

The four Lasting Leadership guides support the development of sustainable leadership. Action in one area will undoubtedly have an impact on the others. Taking a holistic approach will bring benefits across each of the capabilities:

- **LEADERSHIP AS AN EQUALITIES ISSUE**
- **LATERAL LEADERSHIP**
- **SUCCESSION PLANNING**
- **ENERGY, FOCUS AND SELF-CARE**



**START  
NOW**

**PRIORITISE  
ACTION**

**SHARE  
IDEAS**

**TAKE A  
HOLISTIC  
APPROACH**

# FINAL REFLECTIONS

We released the first edition Lasting Leadership guide in February 2020. The succession planning resources proved popular right away. People understand why it matters.

And it matters more than ever. The pandemic brought seismic changes to the recruitment, retention and retirement plans of organisations and individuals, as the figures on page 9 show.

Knowing why isn't the same as knowing how. But, just like the other Lasting Leadership capabilities, succession is more easily addressed when it's discussed and addressed together.

By comparison, managing knowledge seems abstract, though that hasn't stopped it becoming a trend in business schools for the last few decades. This new guide to succession aims to show knowledge management in its proper place. It's more than an abstraction – or a fashion. Alongside succession planning, it will help to sustain leaders and leadership through whatever changes come next.

**KNOWLEDGE AND  
SUCCESSION WILL  
HELP SUSTAIN LEADERS  
THROUGH WHATEVER  
COMES NEXT**



# PART FOUR:

# APPENDICES

APPENDIX ONE: SUCCESSION PLANNING STRATEGY TEMPLATE	31
APPENDIX TWO: INDIVIDUAL SUCCESSION	34
APPENDIX THREE: KNOWLEDGE AUDIT TEMPLATE	37



# APPENDIX ONE: SUCCESSION PLANNING STRATEGY TEMPLATE

This template will help you develop a succession planning strategy, step by step.

## 1. SET OUT THE PURPOSE OF YOUR STRATEGY

What is the purpose of your strategy? Is it about developing a succession plan itself? Or developing capacity? Could it be helpful for strategic planning and risk management; contingency planning; business continuity planning; or knowledge management approaches?


## 2. DEFINE THE SCOPE

Which roles will be included in the scope of succession planning? Is it just senior positions like trustees, directors and senior managers? Are there other business-critical roles that the organisation relies on for its survival? Or are all roles to be included?

As well as identifying who will be included, think about what to include. For example:

- **Processes:** e.g. planning for continuity if services are disrupted; knowhow for key tasks.
- **Knowledge:** e.g. developing, storing and sharing the information and ideas needed to fulfil the organisation's strategy.
- **Relationships:** e.g. identifying and managing contact with stakeholders.
- **Risks:** e.g. risks that will be mitigated; reference to the risk register.
- **Responsibilities and obligations:** commitments that need to be fulfilled. For example:
  - Core service delivery
  - HR obligations and milestones like contracts, appraisals and performance management
  - Financial obligations like invoicing, payroll and tax returns
  - Requirements for quality assurance and evaluation, including reporting to funders
  - Legal compliance e.g. deadlines for reporting to Companies House and the charity regulator
  - Programme and project management tasks including milestones, anniversaries and deadlines
  - Managing external contractors
  - Maintaining external registrations e.g. trade memberships and awarding bodies.

## SUCCESSION PLANNING STRATEGY CHECKLIST

STEP	
1. SET OUT THE PURPOSE OF YOUR STRATEGY	<input type="checkbox"/>
2. DEFINE THE SCOPE	<input type="checkbox"/>
3. DEVELOP PLANS AND CHECKLISTS	<input type="checkbox"/>
4. BUILD CAPACITY	<input type="checkbox"/>
5. COMMUNICATE	<input type="checkbox"/>

### 3. DEVELOP PLANS AND CHECKLISTS

Although succession planning isn't just about developing a plan, checklists for planned and unplanned succession can be important. They might relate to individual roles, different teams or the whole organisation. Things to consider:

- **Operational plans:** Ensure that there is a named lead and back-up person or deputy for all key elements in your strategies and operational plans. Deputies should be supported to keep up to date with those areas of work, for example via regular team meetings, briefings, shadowing or co-delivery.
- **Operational manuals:** It's impossible to write down everything that gets done, or how it is done, but activities and processes should be documented. This will let deputies or emergency stand-ins make sense of what needs to be done and give them the tools to do so. Simple things like where information is stored (including passwords) are important but easily overlooked.
- **Knowledge:** This might be strategic (e.g. developments in the policy and funding environment; progress towards the strategic plan) or operational (e.g. how certain jobs are done). Carry out a knowledge audit or develop a knowledge management plan – see Appendix Three
- **Key relationships and contacts:** Internal and external relationships both need to be considered. Internally, is information easily available about how all staff, trustees and volunteers can be contacted? Do people know who to contact about particular issues, opportunities or risks? Externally, are there key relationships with clients, referrers, funders, partners and other stakeholders that need to be maintained? Give careful thought to emergency planning – who needs to be informed if a postholder leaves or is on long term absence?
- **Spans of control:** What responsibilities and authority do different individuals and teams have? Who would take these on in an emergency? Would it be one person or would different people take on different parts of the role? Is there a nominated deputy, and if not, how will they be identified when needed? Consider the level or extent of authority that can be delegated and note any limits, e.g. budgets, expenditure, decision-making, recruitment and other commitments.
- **Attitude and aptitude:** What skills, capabilities and outlook should be looked for in a successor? Consider what a successor might want to do that was not done by the incumbent. Similarly, what should a successor not be expected to do that the postholder currently does?



## 4. BUILD CAPACITY

Remember succession and knowledge are processes not products. They require investment in opportunities to develop practice, things like teamworking, shadowing and observation.

Think about how you can provide a range of opportunities – and how to make them fairly and equally available to all:

- **Regular exposure:** to development opportunities that stretch people and help them to develop skills and confidence in new settings.
- **Learning and development:** promotion and progression opportunities are limited. Learning can enrich people's skills, confidence and motivation, particularly if they are supported to develop within and beyond their current role. Remember it's better to invest in training and risk people leaving, than not invest in it and risk them staying.
- **Involvement and information:** people are better prepared to step up or step into new roles when they feel a sense of belonging and ownership. Make sure people are informed about and feel involved in organisational developments.
- **Innovation and ideas:** make full use of the range of skills, experience and perspectives that staff and volunteers bring. Knowledge audits can help match the skills the organisation needs with those that people have to offer – given the chance.
- **Acting in absence:** policies that encourage full delegated authority while managers are on holiday or leave are powerful ways to build capacity and plan for contingencies.

## 5. COMMUNICATE

Involve appropriate members of the team in developing a succession plan and developing capacity-building programmes. Share this template and other Lasting Leadership guides to help get people started: available from [www.thelastingdifference.com](http://www.thelastingdifference.com)



### PROVOCATION:

**IT'S BETTER TO INVEST  
IN TRAINING AND RISK  
PEOPLE LEAVING, THAN  
NOT TO INVEST AND  
RISK THEM STAYING**

## APPENDIX TWO: PLANNING FOR INDIVIDUAL SUCCESSION

Although succession planning should be an ongoing process, one-off or short-term succession plans are sometimes needed. This template helps you plan for succession and handover when you know someone will be leaving.

It is in two parts: internal and external responsibilities, because successful transition is about what you know *and* who you know! Examples tables are shown below with blank templates for your own use on the following pages.

### EXAMPLE ONE: MY KEY INTERNAL RESPONSIBILITIES

PRIORITY AREA OF WORK e.g. line management, planning, area of strategic/ organisational responsibility	KEY ELEMENTS OF THIS AREA OF WORK	WHAT KNOWLEDGE, INFORMATION, PROCESSES DO OTHERS NEED TO KNOW?	WHERE CAN PEOPLE FIND THIS INFORMATION?
e.g. Business planning	Operational plans	Status of plans and progress towards operational priorities.	Other team members; folder on shared drive.
	Financial planning	Status of budget; any areas of under/overspend; reporting requirements to funders.	Budget spreadsheet
	Performance/ monitoring reports	Progress towards outcomes and indicators; any areas requiring attention/adjustment; data collection processes.	M&E plan; self-evaluation reports

### EXAMPLE TWO: MY KEY EXTERNAL RESPONSIBILITIES

PRIORITY AREA OF WORK e.g. communications, reporting, partnerships, funding, relationships	KEY ELEMENTS OF THIS AREA OF WORK	WHAT KNOWLEDGE, INFORMATION, PROCESSES DO OTHERS NEED TO KNOW?	WHERE CAN PEOPLE FIND THIS INFORMATION?
e.g. Relationship with a key stakeholder	Partnership meetings	Contact details of stakeholder; schedule of meetings.	Stakeholder database
	Joint priorities / areas of work	Collaborative priorities for delivery; timetable of any joint work.	Project plans

**TEMPLATE ONE: MY KEY INTERNAL RESPONSIBILITIES**

<b>PRIORITY AREA OF WORK</b> e.g. line management, planning, area of strategic/ organisational responsibility	<b>KEY ELEMENTS OF THIS AREA OF WORK</b>	<b>WHAT KNOWLEDGE, INFORMATION, PROCESSES DO OTHERS NEED TO KNOW?</b>	<b>WHERE CAN PEOPLE FIND THIS INFORMATION?</b>

## TEMPLATE TWO: MY KEY EXTERNAL RESPONSIBILITIES

PRIORITY AREA OF WORK e.g. communications, reporting, partnerships, funding, relationships	KEY ELEMENTS OF THIS AREA OF WORK	WHAT KNOWLEDGE, INFORMATION, PROCESSES DO OTHERS NEED TO KNOW?	WHERE CAN PEOPLE FIND THIS INFORMATION?

# APPENDIX THREE: KNOWLEDGE AUDIT TEMPLATE

	EXISTING KNOWLEDGE <small>What we already know</small>	ADDITIONAL KNOWLEDGE NEEDED	OWNER/ SUBJECT LEAD	FORMAT <small>Where and how is knowledge stored?</small>	QUALITY <small>How accurate and reliable is it?</small>	ACTION <small>What next?</small>
STRATEGIC PRIORITIES						
CORE ACTIVITIES						
NEW ACTIVITIES AND DEVELOPMENTS						
FUTURE STRATEGIC DIRECTION?						

# SELECTED REFERENCES AND READING

## PUBLICATIONS

**The Lasting Difference: tools for organisational sustainability**  
(5th Edn), Wren & Greyhound, 2020

Other free guides to sustainable leadership, capacity and impact from: [www.thelastingdifference.com/resources](http://www.thelastingdifference.com/resources)

## RECOMMENDED READING

**Community Tool Box: Chapter 13, Orienting ideas in leadership**,  
Centre for Community Health and Development, University of Kansas, 2019

**Intellectual Capital**, Stewart, T.A.

**The Knowledge Creating Company**, Nonaka, I. and Takeuchi, H.

**Managing Knowledge, an essential reader**, Little, S. and Ray, T. (eds)

**Path to Impact: Final Report**, ACOSVO and CO<sup>3</sup>, 2018

**Personal knowledge**, Polyani, M.

**Positioning, Understanding and Challenging Leadership in the Voluntary Sector: Briefing papers 1–3**, Terry, V., Jacklin-Jarvis, C. and Rees, J. Open University Business School: Centre for Voluntary Sector Leadership, 2018

**The Practice of Adaptive Leadership: tools and tactics for changing your organization and the world**, Heifetz, R. Harvard Business Review Press, 2009

**Succession Planning Factsheet**, CIPD, 2020

**Taken on Trust**, The Charity Commission, Cass Business School and Worshipful Company of Management Consultants, 2017.

## USEFUL WEBSITES

Carer Aware  
[www.carers.org/carers-aware-project](http://www.carers.org/carers-aware-project)

Chairs Network Scotland  
[www.acosvo.org.uk/chairs-network-scotland](http://www.acosvo.org.uk/chairs-network-scotland)

Charity regulators:  
[www.gov.uk/government/organisations/charity-commission](http://www.gov.uk/government/organisations/charity-commission)  
[www.oscr.org.uk/](http://www.oscr.org.uk/)

Disability Confident  
<https://disabilityconfident.campaign.gov.uk>

Interim Executive Service  
[www.acosvo.org.uk/benefits-and-services/interim-executive](http://www.acosvo.org.uk/benefits-and-services/interim-executive)

Leadership Exchange  
[www.acosvo.org.uk/benefits-and-services/leadership-exchange](http://www.acosvo.org.uk/benefits-and-services/leadership-exchange)

LGBT Charter  
[www.lgbtyouth.org.uk/charter](http://www.lgbtyouth.org.uk/charter)

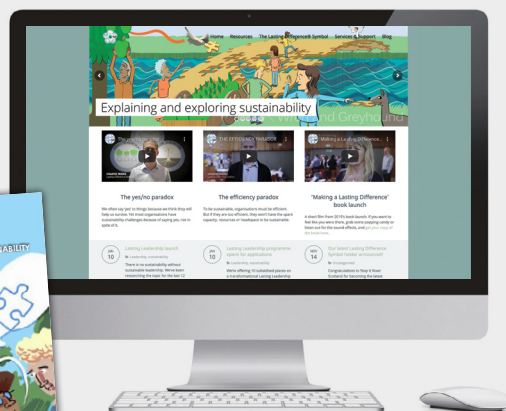
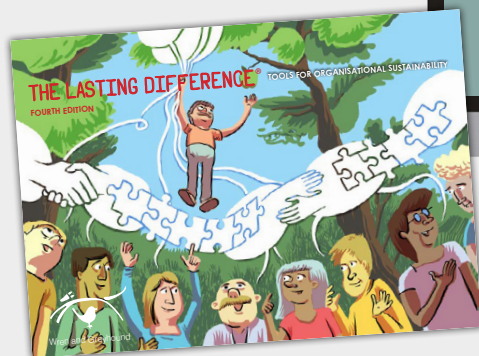
# ABOUT THE LASTING DIFFERENCE

We are the creative management consultancy behind the popular suite of Lasting Difference and Lasting Leadership resources. We provide a range of services to charities and other non-profit organisations, including:

## The Lasting Difference

Workshops, elearning, conferences and consultancy, sustaining organisations with effective strategies for:

- Involvement
- Income generation
- Impact measurement
- Innovation and improvement.



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## The Lasting Difference Symbol

Awarded to organisations working towards Lasting Difference principles.



## Making a Lasting Difference book

We wrote the book on charity sustainability.



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# NOTES

