



Succession Planning What's the Connection?



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PREPARED BY

SASKATCHEWAN ECONOMIC
DEVELOPMENT ALLIANCE



Saskatchewan Economic Development Alliance (SEDA) has been working since 1984 to support communities by enabling them to become investment-ready and by promoting economic, environmental, and social well-being through collaborative development.

Focused on strategic solutions and outcomes, SEDA engages stakeholders to coordinate and innovate. As a systems convener, we drive economic development in Saskatchewan by creating synergies between communities and sectors, promoting transformative change and innovation.



The Saskatchewan Investment Readiness Initiative (SIRI) engages industry and communities to determine investment and growth opportunities, build more capacity through investment readiness initiatives, and identify industrial and commercial sites for business development in Saskatchewan.

Working within designated geographic areas, SEDA assesses economic development and investment attraction opportunities. Financial support for SIRI is provided by PrairiesCan and the Province of Saskatchewan.



With respect and gratitude, we serve Treaty 2, 4, 5, 6, 8, and 10 territories, the ancestral lands of the Cree, Saulteaux, Dene, Dakota, Lakota and Nakoda peoples, and the traditional homeland of the Métis.

Stability, Continuity and Investor Confidence.

SUCCESSION PLANNING AND INVESTMENT ATTRACTION ARE DEEPLY INTERCONNECTED.

Integrating business succession planning into a community's investment readiness strategy is essential for long-term economic stability, continuity, and attracting capital. Succession planning ensures businesses can transition smoothly to new owners or leaders, which sustains local economies and increases investor confidence.

The World Economic Forum describes the "silver transition," where trillions in business assets will change hands. Poor succession planning can lead to closures or takeovers, while steward-ownership models preserve independence and attract values-aligned investors.

Business closures and vacant leadership positions result in lost jobs, empty storefronts, and weakened local economies, affecting not only the businesses involved but also the surrounding community's overall vitality and investment prospects.

Succession planning is also a risk management tool. As noted by Harvard Business Publishing, poor planning can destabilize even large firms, while good planning boosts investor confidence and firm valuation.



Fueling Investment Attraction.

If local industries lack succession plans, investment readiness—defined as the ability to attract and maintain investor confidence, secure funding, and support economic continuity—can be severely compromised due to several risks and challenges.

Preserving Local Ownership and Economic Stability

Succession planning ensures that businesses remain operational and locally owned when founders retire or exit. This continuity is crucial for maintaining community identity and economic resilience.

Creating Market Signals for Investment

Programs that provide structured pathways for business transitions signal to investors that the region is proactive and organized, increasing its attractiveness.

Retaining Institutional Knowledge

Well-structured succession planning prevents the loss of crucial expertise, customer relationships, and company culture, which would otherwise depart with long-standing ownership. This process entails documenting critical information, implementing mentorship programs, and developing future leaders to retain both explicit and tacit organizational wisdom. As a result, businesses remain efficient, maintain relationships, and adapt more smoothly to transitions, safeguarding long-term stability.

Enhancing Community Resilience

Communities that incorporate succession planning become more adaptable to demographic changes, such as aging populations and shifts in ownership trends, and thereby reduce their vulnerability to economic disruptions. A solid succession framework ensures leadership continuity, fosters resilience against unpredictable events, and supports multi-generational ownership, which acts as a stabilizing force for the local economy. This adaptability allows communities to maintain their character and ensures long-term sustainability.

Practical Applications for Communities.

Succession Planning as an Investment Readiness Tool

1

Actions:

- Conduct a Business Succession Audit: Identify businesses at risk of closure due to retirement or lack of successors
- Launch a Succession Planning Program: Offer coaching, templates, and access to platforms like Succession Matching
- Promote Stewardship Models: Encourage transitions to local buyers, employees, or community-owned enterprises

Impact:

- Preserves essential services and jobs.
- Signals stability to investors.
- Reduces business turnover and vacancy rates.

Create Incentives for Local Ownership Transitions

2

Actions:

- Tax Incentives: Offer property or business tax breaks for buyers who purchase existing businesses
- Local Investment Co-ops: Establish community funds to support business purchases and expansions
- Development Corporations: Use arms-length municipal entities to invest in succession scenarios

Impact:

- Keeps capital circulating locally.
- Attracts values-aligned investors.
- Supports intergenerational entrepreneurship.

Integrate Succession into Investment Marketing

3

Actions:

- Include Succession-Ready Businesses in Investment Portals: Feature businesses with formal succession plans in regional investment listings
- Develop Sell Sheets: Highlight businesses available for purchase with financials, community impact, and transition support
- Host Buyer-Seller Forums: Facilitate matchmaking events for retiring owners and potential investors

Impact:

- Expands the pool of investable opportunities.
- Enhances transparency and investor trust.
- Builds a proactive investment culture.

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Support Youth and Newcomer Entrepreneurship

Actions:

- Social Innovators Programs: Partner with schools to help youth launch social enterprises that fill succession gaps
- Newcomer Integration: Offer training and financing for immigrants interested in business ownership
- Remote Worker Attraction: Market lifestyle and other assets to attract entrepreneurial relocators

Impact:

- Builds a pipeline of future business owners.
- Diversifies the local economy.
- Strengthens community resilience.

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Embed Succession in Regional Collaboration

Actions:

- Shared Succession Services: Pool resources across municipalities for succession coaching and legal support
- Joint Investment Strategies: Align succession planning with regional investment goals (e.g., housing, tourism, agri-value)
- Community Economic Development Funds: Use regional co-ops to retain anchor businesses

Impact:

- Reduces duplication.
- Builds regional identity and investor appeal.
- Enables strategic scaling of initiatives.



Why it Matters.

Saskatchewan communities already face succession vulnerabilities—but coordinated action can stabilize and grow local economies..



Economic Resilience

Communities integrating succession planning into investment readiness are better equipped to deal with demographic shifts, such as aging populations and changing ownership trends. This future-proofing reduces vulnerability to economic shocks, preserves local character, and supports multi-generational ownership of enterprises.



Workforce Development

Preparing for business transitions means identifying and developing future leaders, strengthening talent pipelines, and supporting local workforce retention. It encourages professional growth, motivates employees, and enhances overall community skill levels.



Business and Market Competitiveness

Succession planning facilitates the transfer of business expertise, customer relationships, and community connections, safeguarding critical knowledge that supports long-term success. This institutional memory helps new leaders to better navigate local market challenges, keeping businesses competitive and innovative.



Economic Stability and Continuity

Communities rely on the ongoing vitality of local enterprises for employment, services, and steady economic activity. Successful succession planning helps avoid abrupt business closures when owners retire or exit, protecting jobs and preventing service gaps within the community.



Attracting and Retaining Investment

Investors and lenders favor communities and businesses that demonstrate strong continuity and sustainability practices. Succession planning signals preparedness for future leadership changes and reduces risks of organizational disruption, making the local investment landscape more attractive and competitive.



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