

Press Release

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EUROPEAN UNION SUPPORTS ‘SUCCESS THROUGH SUCCESSION’

A new three-year long project designed to help second and third generation family-owned businesses move through that oftentimes difficult succession period has been launched.

With only 30% of small to medium sized businesses surviving through to the second generation and even less, approximately 10%, making it into the third, business succession is a very real and pressing issue.

Supported by the European Union’s INTERREG IVA Programme the ‘Success through Succession’ project will operate within Northern Ireland, the Border Region of Ireland and Western Scotland.

Spearheaded by the University of Ulster alongside the Glasgow Caledonian University and the Dundalk Institute of Technology the project aims to manage the challenges of succession and increase innovation, growth and business competitiveness.

The ‘Success through Succession’ project has also received support from the Scottish Enterprise and Co-operative Development Scotland.

Commenting on the initiative, project lead partner Rodney McAdam, Head of the Department of Marketing, Entrepreneurship and Strategy at the University of Ulster said:

“Unfortunately succession issues are one of the biggest threats to the sustainability of a family owned business. In most of these businesses the family make up the senior management team which adds an additional, complex and sometimes volatile layer to the company’s existing structure.

“Underlying emotional beliefs and conflicting personalities can come to the fore, particularly when it comes time for the next generation to start taking the lead,” he continued.

Offering a psychology and innovation management focussed approach to help address these issues the project will provide applicants with in-house mentoring and support for succession planning.

Central to this support will be the creation of succession planning hubs or centres of expertise where businesses can address skills deficits and create new governance structures in order to establish strong and effective leadership.

Commenting on the project, Pat Colgan, Chief Executive of the Special EU Programmes Body, said:

“This project, through the support of European funding, will help stimulate increased innovation and growth within a host of existing businesses spanning many different sectors, on a cross-border basis.

“By providing advice and guidance to ease the transition from one generation to the next it will ensure that a number of traditional family businesses are able to grow and prosper within today’s tough economic landscape,” he continued.

Open to businesses across its eligible area the project will also incorporate a peer based networking system in which participant firms will act as ‘Success through

Succession' ambassadors and encourage other family-owned companies to adopt a proactive approach to succession planning.

With family-owned firms representing approximately 69% of all small to medium sized businesses across the UK and the Border Region of Ireland the project is expected to help secure additional employment and stimulate economic growth.

For more information on how to access 'Success through Succession' please contact Professor Rodney McAdam, University of Ulster on e-mail: r.mcadam@ulster.ac.uk or Neil Mitchell, Project Manager at the University on n.mitchell@ulster.ac.uk or email sts@ulster.ac.uk

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Notes to Editor:

SEUPB

The Special EU Programmes Body is a North/South Implementation Body sponsored by the Department of Finance and Personnel in Northern Ireland and the Department of Finance in Ireland.

It is responsible for managing two EU structural funds Programmes PEACE III and INTERREG IVA designed to enhance cross-border co-operation, promote reconciliation and create a more peaceful and prosperous society. The Programmes

operate within a clearly defined area including Northern Ireland, the Border Region of Ireland and Western Scotland.

The INTERREG IVA 2007-2013 Programme is worth €256 million and aims to address the economic and social problems which result from the existence of borders. It has two distinct priority measures to create co-operation for a more prosperous and sustainable cross-border region.

For more information on the SEUPB please visit www.seupb.eu