

# Succession Planning: Creating a roadmap for a succession of change

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Page 1/1

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*Business succession planning* is another of life's "administrative" functions that tends to get little attention until someone decides to retire or leave. At this point, the situation may well be described as crisis management. There are many factors to be considered in a succession plan:

- **Relationships** – client relationships are often established over a long period of time and it takes time for both parties to re-adjust.
- **Knowledge, skills and expertise.** Don't let your knowledge walk out the door. You need to consider how to retain that tacit knowledge within your organisation.
- **Leadership.** In some cases, senior charismatic management will have established an environment and culture that is difficult to change, particularly in smaller companies where any change is more difficult to manage.
- **Illness.** The onset of illness or disability can leave a small organisation stranded. Outsourcing or replacement takes time. Creating a succession plan is the first step to resolving any future issues.

Preparing a business *succession plan* may encompass aspects of your current business that can often be taken for granted. The following aspects should be considered:

- **Client retention** and the impact to cash flow when or if a client defects to another business.
- **A communication plan** is a key business tool and should be subject to the same annual review process to measure its effectiveness.
- **New business development** and the associated increased costs of finding new business.
- **Knowledge** and specialist knowledge that is probably not documented. Knowledge and information gaps are often left when senior managers leave an organisation.

*Succession planning* is an integral part of an overall business strategy to be shared and agreed with all key stakeholders. The succession plan will be your roadmap for future communications, change management, training and growth.

We offer personalised legal services that can assist you to develop strategies to address important succession plan issues. Developing these strategies takes less time than you



think and will give you that added piece of mind.

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