

## Fact sheet – Succession planning

Take the time to think about succession planning, its benefits and how to develop a succession plan. The following table provides some useful information on succession planning.

Key considerations
<ul style="list-style-type: none"> <li>• How will I replace key employees if they become unavailable (e.g. long-term sickness, retirement)?</li> <li>• What skills/abilities/corporate knowledge will I need to replace?</li> <li>• What impact will a vacant key role have on my business? How much will it cost in down time and lost production?</li> <li>• Can I identify when people may think of leaving?</li> <li>• How can I get valuable information from those likely to leave so that replacement runs seamlessly?</li> </ul>
The benefits of succession planning
<ul style="list-style-type: none"> <li>• Enables you to manage risk by planning for the replacement of key employees.</li> <li>• Identifies skill development needs.</li> <li>• Ensures that staff talents and skills are recognised.</li> <li>• Improves morale and commitment to the workplace.</li> <li>• Determines which roles may be redundant in the future as the business changes.</li> <li>• Provides opportunities for star performers that you want to retain.</li> <li>• May identify the professional development needs of the business.</li> <li>• May identify employees who are ready to move into a new role.</li> </ul>
Tips on developing a succession plan
<ul style="list-style-type: none"> <li>• Utilise information and tools for small business available on government websites.</li> <li>• Develop a strategy which suits the needs of your business.</li> <li>• Consider the following questions: <ul style="list-style-type: none"> <li>- who will be doing a different job?</li> <li>- who might be promoted?</li> <li>- who is likely to retire, or go on long service leave or parenting leave?</li> <li>- what vacancies are likely to become available?</li> <li>- who is likely to fill those jobs from within?</li> <li>- what training/professional development will they need for that?</li> <li>- how can a smooth transition be implemented?</li> </ul> </li> </ul>
Strategies to consider
<ul style="list-style-type: none"> <li>• Plan for the development of skills, knowledge and abilities through on-the-job work (such as job rotation) or formal professional development (such as formal training).</li> <li>• Mentoring and coaching to phase the retirement of employees, helping to share corporate knowledge.</li> <li>• Do it now – don't wait until you have only four weeks to fill a key position.</li> <li>• Have a transition plan in place.</li> <li>• Accept that new ideas and ways of working may come out of this process; accept change and innovation when it arises.</li> <li>• Consider who will replace you when the time comes. The benefits of identifying your replacement include: <ul style="list-style-type: none"> <li>- having someone to stand in for you when you need them</li> <li>- devolving responsibility – freeing up your time for other things</li> <li>- not needing to have hands-on involvement in the operation</li> <li>- even being able to take a break!</li> </ul> </li> </ul>