

# **Succession planning for SMEs: Top tips to get you started**

In any business, unforeseeable things will happen that no amount of preparation can combat, but employees moving on from your company or progressing up the ladder should not be one of them.

How prepared are you to ensure your business will not suffer when one of your key people leaves? Adopting these simple approaches will help your business to successfully cope with staff turnover, especially losing your key people.

## **A good succession plan will help you achieve your business plan**

Realising your business plan depends on having the right people with the right skills in the right place. It's important that succession planning is tied to your business strategy. Don't just think about the skills you need now, but the roles you will need to achieve your longer-term business aims.

By tying succession into your business strategy, you will not risk facing a crisis when an employee decides to up sticks.

Succession planning is often associated with planning for who will take the top job, but in reality, it needs to be more far reaching than this. Identify all of the pivotal and specialist roles in your company and ask, who holds key relationships with your clients, and who do you depend on for their skill set?

## **Look at the potential of your existing workforce**

When you know what skills and behaviours you need to achieve your business plan, it's time to take stock. What does each of your employees offer your company that you want to hold on to?

With this knowledge, you can push staff towards their strengths, and help develop them in other areas, for instance, by creating opportunities for mentoring arrangements and cross-training.

Gathering this information requires drawing from each manager's knowledge of their team and employee feedback. Listening and responding to staff is crucial to business practise in general, and it has great value for succession planning. You need to use

appraisals and exit interviews to build a map of the competencies that specific employees, and your company as a whole, needs to prosper.

### **Make sure the employees to be promoted are ready**

Don't drop the freshly promoted in at the deep end. The more prepared they are, the quicker they will become productive and start adding value in their new role. If you have considered the skills their predecessor may have lacked, the promoted person has time to fill those gaps and generate more success for your business.

Think about sending those likely to be promoted on external training courses and seconding them to another part of your business. This will have the benefit of enhancing and widening skillsets and gives employees new and different insights on company practice that can challenge or reinforce how you operate.

### **Prepare to be flexible**

In large businesses, succession planning is often extremely detailed and sometimes rigid. Such an approach would probably not be suitable for most SMEs.

Sideways promotions or slightly changing the roles of certain existing employees can help to keep employees engaged, expanding their knowledge of the business and how other areas operate. Such a move can prepare them for future promotions, which in turn would generate more options for your future succession planning.

### **Look not just at skills, but also at the personalities and values of potential successors**

You may have a pool of highly talented successors to choose from, but if they don't suit your company's ethos, they won't thrive.

This is where your hiring process is so important. You need to work out ways to identify who will become the most engaged colleagues. It's not about projecting your company's values onto employees.

Instead, it's finding those who recognise, understand and are enthused by what your company hopes to achieve and how it wants to be thought of by the public.

Your staff will ultimately drive the success of your business, so ensure that successors have the desired skills and values to let them, and your company, flourish.

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