Succession Planning: Best Practice - Family and Non-Family Businesses:

Succession management can help organisations and Family Businesses by unearthing talent which will drive the business for years to come. The following succession planning best practices can help to avoid common pitfalls.

**Provide more than one way up in a company:** climbing the family and/or business ladder isn’t always a journey straight to the top. Modern organisations require diverse capabilities and skills, and should provide multiple roots for elevation.

**Reward managers for developing talent:** some managers may be unwilling to promote top performers to the next level for selfish reasons. Organisations that value talent should be aware of this likelihood and create incentives for managers to recommend employees for promotions and new assignments.

**Keep it simple:** companies tend to add complex assessment criteria to the succession-planning process in an effort to improve the quality of the assessment. This can lead to confusion and complexities further down the line. Family businesses tend to have no other criteria other than being family – this is too simple. Objective assessment is required.

**Understand that senior management isn’t the only destination:** creating a career track for technical experts and non-management positions allows employees with specialised skills and knowledge to build a career while focusing on what they do best.

**Train managers to be coaches and provide them with the right tools:** managers and family members may excel in their functional areas, but may not know how to be a career coach. Owners should take the time to cultivate the skills of the next generation managers who will have a direct impact on the development of other employees.

**Allow employees to move horizontally as well as vertically in the organization:** employees have different needs at different life stages. Providing opportunities for key employees to make horizontal as well as vertical moves will encourage employee retention in the long run.

**Make transparency a priority:** effective succession management and career development thrives on providing access to information. Family members and key employees will need insight into talent gaps and opportunities. Managers and employees need to be aware of measurement criteria and career opportunities.