

Succession planning

(insert organisation / logo)

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

- How will I replace key employees if they become unavailable (long-term sickness, retirement)?
- What skills/abilities/corporate knowledge will I need to replace?
- What impact will a vacant key role have on my business? How much will it cost in down time and lost production?
- Can I identify when people may think of leaving?
- How can I get valuable information from those likely to leave so that replacement runs seamlessly?

The benefits of succession planning

- Enables you to manage risk by planning for the replacement of key employees
- Identifies skill development needs
- Ensures that staff talents and skills are recognised
- Improves morale and commitment to the workplace
- Determines which roles may be redundant in the future as the business changes
- Provides opportunities for star performers that you want to retain
- May identify the professional development needs of the business
- May identify employees who are ready to move into a new role.

Tips on developing a succession plan

- Use information and tools for small business available on government websites
- Develop a plan which suits the needs of your business
- Consider the following questions:
 - who will be doing a different job?
 - who might be promoted?
 - who is likely to retire, or go on long service leave or parental leave?
 - what vacancies are likely to become available?
 - who is likely to fill those jobs from within the business?
 - what training/professional development will the replacement need?
 - how can a smooth transition be implemented?

Strategies to consider

- 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)
- Mentoring and coaching to phase the retirement of employees, helping share corporate knowledge
- Do it now – don't wait until you have only four weeks to fill a key position
- Have a transition plan in place
- Accept that new ideas and ways of working may come out of this process; accept change and innovation when it arises
- Consider who will replace you when the time comes. The benefits of identifying your replacement include:
 - having someone to stand in for you when you need them
 - devolving responsibility – freeing up your time for other things
 - not needing to have hands-on involvement in the operation
 - even being able to take a break!

For more information on this topic, refer to **Chapter 1. Workforce Planning** of *Your Workforce – a guide for Northern Territory Employers*.