

SUCCESSION PLANNING WORKBOOK

Accompaniment to the Succession Planning Guide for Nova Scotia Businesses &
Organizations

GROUP
AITHN
CONSULTING INC



Association of Industry
Sector Councils

Instructions

As you work through the Succession Planning Guide for Nova Scotia Businesses & Organizations and develop a comprehensive succession plan for the future of your business, this Succession Planning Workbook is intended to help organize and record your thoughts to result in the strongest and most satisfactory outcome.

It is best to take your time and be as thorough as possible when completing activities. Some activities may require additional document and information gathering before you continue to the next stage.

You may complete this Workbook as a fillable PDF and save it to your files, or print the document and complete by pen. If you choose to print, you are encouraged to scan or type the results of the Plan to keep with your digital files as back up. Larger businesses or organizations may wish to replicate or adapt some exercises using word processing or database software like Microsoft Word and Excel.

Ultimately, it is up to you how you use this Workbook to suit your needs and those of your ever-changing workforce.

CHECK LIST

1. Gather details about your business or organization

Gather resources:

- Pen / Pencil
- Highlighter
- Scrap Paper
- Calculator

Gather documentation:

- Tax filings
- Business plans & strategies
- Proprietary information including patents, etc.
- Funding applications

- Applicable licenses or certifications
- Articles of incorporation

2. Plan for Conversations with Key Parties

- Brainstorm key interest holders
- Outline retirement goals
- Set a financial planning meeting
- Select trusted advisors

3. Identify Potential Successors

4. Identify Options

- Transfer options
- Business structure
- Financing

5. Develop the Action Plan

- Establish goals and objectives
- Create Successor Development Plan
- Analyse and prioritize skill gaps
- Schedule Successor Development Plan

6. Transitioning Your Business and Implementing the Action Plan

- Establish tasks
- Perform conflict check
- Circulate and socialize your plan

7. Monitoring

Step 1: Gather details about your business or organization

Use this space to record the fundamental aspects of your business or organization.

OWNER / PRESIDENT INFORMATION

Business or Organization Type:

Sole Proprietorship
Non-Profit

Partnership
Cooperative Business

Corporation

First Name: _____

Last Name: _____

Address: _____

Phone Number: _____

Email: _____

Partner Name(s) and Share of Ownership:

(1) _____ %

(2) _____ %

(3) _____ %

BUSINESS / ORGANIZATION INFORMATION

Business / Organization Legal Name: _____

Doing Business As: _____

Business / Organization Address: _____

Phone Number: _____

Email: _____

Registered Province(s): _____

Registered Owner(s): _____

Nature of the Organization: _____

CRITICAL ROLES

What are one to three key roles your business / organization requires?

1. _____

2. _____

3. _____

CRITICAL WORKFORCE INVENTORY TABLE

Identify existing key staff members.

Position	Level of Training/Experience Required	Time Needed to Hire & Onboard	Current Staff

Step 2: Plan for conversations with key parties

BRAINSTORMING KEY INTEREST HOLDERS

Interest holders may include family members, business partners, key management, investors or other financial parties, staff members, suppliers, customers or others. Space is provided below for the identification of five key individuals. There is additional space on page 12 if required.

Include potential discussion topics or notes for your conversation. Finally, plan a date with them to sit down and discuss.

1. _____

Date: _____

2. _____

Date: _____

3. _____

Date: _____

4. _____

Date: _____

5. _____

Date: _____

RETIREMENT GOALS

Outline up to five retirement goals to prepare for your upcoming conversations. Include the impact on interest holders. If you are not retiring, use this space to highlight your next steps or skip to the next page.

1. _____

Impact: _____

2. _____

Impact: _____

3. _____

Impact: _____

4. _____

Impact: _____

5. _____

Impact: _____

FINANCIAL PLANNING MEETING

Use this space to record notes prior to and during your meeting with your financial advisor.

ADVISOR IDENTIFICATION

Identify helpful advisors who may provide guidance and advice throughout your succession planning journey. Use the evaluation in Appendix B of the Guidebook to assess the strength of each relationship. Ensure you are able to answer yes to at least 5 of these questions.

1. _____
2. _____
3. _____

Use this space to record notes from any initial meetings with your advisors.

Additional space is provided below for notes.

Step 3: Identify potential successors

Space is provided below for the identification of four potential successors for the 1-3 critical roles highlighted in Step 1.

Rank successors and create your shortlist for candidate interviews. Highlight considerations like key strengths and weaknesses for each. You are not limited to four – space is provided on the following pages if you require additional space.

Potential Successor Name	Rank	Considerations
Anticipated Role	Shortlist (Yes/No)	
Potential Successor Name	Rank	Considerations
Anticipated Role	Shortlist (Yes/No)	
Potential Successor Name	Rank	Considerations
Anticipated Role	Shortlist (Yes/No)	
Potential Successor Name	Rank	Considerations
Anticipated Role	Shortlist (Yes/No)	

Additional space is provided below for notes.

Step 4: Identify your options

TRANSFER OPTIONS

Identify up to three transfer options and record considerations for how each of these impact you in the space beneath.

Option 1:
Option 2:
Option 3:

BUSINESS STRUCTURE

If you anticipate a change needed to the current structure of your business, use the space below to record up to four options and appropriate considerations, pros and cons.

BUSINESS STRUCTURE	CONSIDERATIONS	PROS	CONS

FINANCING OPTIONS

Anticipated Questions and Considerations:

Meeting Notes:

Step 5: Develop the Action Plan

GOALS AND OBJECTIVES

Space is provided below for you to record up to 10 goals for the transition period that have been agreed upon between yourself and your chosen successor. These goals may differ from your personal retirement goals identified in Step 2 (if applicable). These goals should address the impact of the transition on every aspect of the business which may include areas like production, customer service, marketing, human resources or finance.

Space is also included for five associated action items per goal. You will first establish your goals, one per table, before moving onto action planning in the second half of Step 5. This means you will leave the numbered spaces blank for now.

GOAL #1:
1.
2.
3.
4.
5.

GOAL #2:
1.

2.
3.
4.
5.

GOAL #3:
1.
2.
3.
4.
5.

GOAL #4:
1.
2.
3.
4.
5.

GOAL #5:
1.
2.
3.
4.
5.

GOAL #6:
1.
2.
3.
4.
5.

GOAL #7:
1.
2.
3.

4.
5.

GOAL #8:
1.
2.
3.
4.
5.

GOAL #9:
1.
2.
3.
4.
5.

GOAL #10:
1.
2.
3.
4.
5.

TALKING TO INTEREST HOLDERS

Use this space to record notes prior to and during your meetings with interest holders.

SUCCESSOR DEVELOPMENT PLAN – Experience of the Current Owner or Executive

In the table below, record the knowledge areas required to operate your business or organization and the associated duties, as well as related strengths, weaknesses and experience.

KNOWLEDGE AREA	DUTIES	STRENGTHS	WEAKNESSES	EXPERIENCE

SUCCESSOR DEVELOPMENT PLAN – Experience of the Successor

Below, record the knowledge areas you identified above. Now have the chosen successor highlight their strengths, weaknesses and experience to capture gaps.

KNOWLEDGE AREA	STRENGTHS	WEAKNESSES	EXPERIENCE

SKILL GAP PRIORITIES

Below, highlight up to five key skill gaps between those necessary to operate the business or organization and those already held by the successor. Beneath each gap, indicate up to five action items that may be taken throughout the successor's development period to acquire the required knowledge and skills or formally restructure or re-assign job duties to an appropriate delegate.

Remember, knowledge and skill gaps are a normal occurrence in business succession and nothing that should cause shame – open dialogue between outgoing and incoming management will facilitate a smoother and more effective transition.

GAP #1:
1.
2.
3.
4.
5.

GAP #2:
1.
2.
3.
4.

5.

GAP #3:
1.
2.
3.
4.
5.

GAP #4:
1.
2.
3.
4.
5.

GAP #5:
1.

2.
3.
4.
5.

PRIORITIZING

Review the gaps identified in the activity above and, using a highlighter or coloured pen, rank the gaps in order of priority.

SCHEDULING SUCCESSOR DEVELOPMENT

Using the Gantt chart below, create a schedule or development timeline to address the gaps identified above. This Gantt chart is intended for flexible use – this timeline may run anywhere from one month to one year, and include one priority item or 10. If you require more space, feel free to recreate this Gantt chart in Microsoft Excel.

SUCCESSOR DEVELOPMENT PLAN TIMELINE												
Priority #1:												
Priority #2:												
Priority #3:												
Priority #4:												
Priority #5:												

Additional space is provided below for notes.

