



# Top 6 Tips for Succession Planning

All family businesses must eventually face the challenge of handing the business to the next generation. This can be a difficult process, but ignoring the issue often leads to bigger problems.

Our National Family Business Report reveals that almost half of the survey respondents did not have even the most basic plan for the future of their business. If that sounds like your business, here are some succession planning tips:

## 1. Get started!

The first step can be the hardest. A simple starting point is to hold a family meeting to discuss the future. Even this can be a challenge for some families. Think about the timing and venue carefully.

## 2. Engage the family

Invite the whole family to participate in the process, not just those directly involved in the business. The views of family members that don't work in the business can be just as important and influential as the views of those that do. Make sure everyone has a say.

## 3. Examine all the options

Passing the business to the next generation of the family might not be the best option either for the family or for the business. Have you considered alternatives like selling the business on the open market or selling to the managers?

## 4. Prepare a plan

Work with the whole family to prepare a plan that identifies and reconciles the strategic future for the business and the needs and goals of the family.

## 5. See the process through

Many outgoing generations will go through the motions of succession planning while continuing to evade the real issues. Success is likely to depend on the owner-manager of the business genuinely engaging with the process.

## 6. Know when to get help

Experienced family business consultants can help to facilitate meetings, engage reluctant family members and prepare a shared succession plan. Once the plan is agreed, the family will almost certainly need help from a team of professionals, perhaps including family business advisers, accountants, solicitors and surveyors. The right advisers will of course understand the legal and technical issues but it is also important to ensure that they have a richer understanding of the emotional context in which succession planning takes place.



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## What others say...

*"I would thoroughly recommend them for their professional expertise in all the legal matters regarding family businesses but also their listening, empathy and overall patience in what was a mammoth journey for the family."*

Juliet Weston, H Weston & Sons Limited