



T7 Succession Plan Overview

I. Executive Summary

- What is the overall purpose of this succession plan?
- Who needs to be informed about this plan and how are they materially involved (stakeholders)?
- What are the goals of this plan?

II. Governance Structure for Succession Planning

- Who will own and manage this plan?
- Who are the key advisors to the business?
- What would be the appropriate communication protocols?
- What is the timeline for the plan being created and then the timeline for implementation?

III. Business Overview

- What is the mission, vision and overall purpose of the business?
- What does the organizational structure look like?
- What are the key revenue streams and customer relationships?
- What are the critical business functions and leadership roles
- Risk factors if succession fails

IV. Identify Key Positions

- List all critical roles essential to business operations
- Define responsibilities and decision-making authority
- Include C-level roles, founders, department heads, etc.

V. Candidate Identification and Evaluation

- Internal candidates:
 - Performance history
 - Leadership potential
 - Skills gap analysis
- External candidates:
 - When to consider and how to source
- Evaluation criteria:
 - Skills, experience, cultural fit
 - Readiness timeline (immediate, 1–3 years, 3–5 years)

VI. Development Plans for Successors

- Individual Development Plans (IDPs)
- Mentorship and coaching
- Job rotation or shadowing opportunities
- Formal leadership training programs
- Performance metrics and timelines for development

VII. Emergency Succession Planning

- Temporary leadership designation
- Contingency plan in case of:
 - Sudden death
 - Illness/disability
 - Unexpected resignation
- Communication and chain of command protocol

VIII. Legal and Financial Considerations

- Ownership transition (buy-sell agreements, trusts, etc.)
- Business valuation method and timing (see downloadable valuation worksheet)
- Shareholder or partner agreements
- Tax implications of transfer
- Key person insurance
- Legal documentation of succession plan

IX. Communication Strategy

- Internal communication:
 - Employees and management team
- External communication:
 - Clients, vendors, stakeholders
- Messaging timeline and delivery format
- Confidentiality considerations

X. Implementation Timeline

- Short-term (next 12 months)
- Mid-term (1–3 years)
- Long-term (3–5 years)
- Milestones and checkpoints
- Accountability assignments

XI. Monitoring and Review

- Schedule for reviewing and updating the plan
- Feedback mechanisms (from successors, stakeholders)
- Success metrics and KPIs:
 - Retention of clients
 - Continuity of revenue
 - Leadership performance metrics

XII. Appendices

- Org chart
- Key job descriptions
- Candidate evaluation templates
- Development plan templates
- Legal documents (draft or finalized)
- Business valuation reports