



BEST SUCCESSION MANAGEMENT PRACTICES (BSMPS)

Formalized Management

Best Succession Management Practices (BSMPs)

AREA OF CONCERN: FORMALIZED MANAGEMENT	BEST SUCCESSION MANAGEMENT PRACTICES
Our family business has no vision statement.	A vision statement which is used to guide strategic planning is drafted and available for review.
Our family business has a written vision statement.	A vision statement has been communicated to the family, employees, advisors, and others.
We do not use our vision statement to guide strategic planning.	A formal mission statement which describes the fundamental purpose of the business has been drafted and is available for review.
Our written vision statement does not adequately describe what we want our business to look like in the future.	A formal mission statement has been communicated to the family, employees, advisors, and others.
Our family business uses a vision statement to guide strategic planning.	
Our family business does not have a formal, written mission statement.	
Our family business has a formal, written mission statement.	
Our family business mission statement does not adequately describe the fundamental purpose of our business.	
Our family business mission statement describes the fundamental purpose of our business.	



BEST SUCCESSION MANAGEMENT PRACTICES (BSMPS)

Formalized Management

AREA OF CONCERN: FORMALIZED MANAGEMENT	BEST SUCCESSION MANAGEMENT PRACTICES
Our family business has no written goals.	The family business has written and agreed-upon goals which are specific, measurable, achievable, realistic, and time targeted.
Our family business has a few written goals.	
Our family business has goals that do not meet the specific, measurable, achievable, realistic, and time targeted (SMART) guidelines.	The formal business goals have been communicated to the family, employees, advisors, and others.
Our family business has goals that are specific, measurable, achievable, realistic, and time targeted (SMART).	The formal business goals are reviewed and updated regularly, at least annually.
Our family business has written goals.	
Our family business goals are not widely communicated.	



BEST SUCCESSION MANAGEMENT PRACTICES (BSMPS)

Formalized Management

AREA OF CONCERN: FORMALIZED MANAGEMENT	BEST SUCCESSION MANAGEMENT PRACTICES
Our family business does not have a written constitution.	A constitution which describes the family's shared values and its policies in relation to the business has been drafted and is available for review. The constitution is consulted regularly and is used in business decision-making.
Our family business has a written constitution.	
Our family business does not regularly use its constitution in managing the business.	
Our family business regularly uses its constitution in managing the business.	



BEST SUCCESSION MANAGEMENT PRACTICES (BSMPS)

Formalized Management

AREA OF CONCERN: FORMALIZED MANAGEMENT	BEST SUCCESSION MANAGEMENT PRACTICES
Our family business does not complete any financial statements.	Good financial and production records are maintained for the business and are available for review.
Our family business does not update any financial statements.	
Our business completes some financial statements once a year or less often.	Information from business records is used to compile a full set of financial statements at least annually (quarterly is preferred).
Our business updates some financial statements once a year or less often.	
Our business does not use financial statements to make management decisions.	The business financial statements are shared with family members, partners, creditors, and others.
The information on our financial statements is occasionally used to make management decisions.	
Only certain family members use information on the financial statements to make management decisions.	The business financial statements are consulted regularly and are used to make business decisions.
Our business uses the information on financial statements to make informed management decisions.	
Our business completes a full set of financial statements at least quarterly.	
Our business updates a full set of financial statements at least quarterly.	
All financial statements are never used to communicate with family members, partners and others within the business.	
All financial statements are never used to communicate with creditors and others outside the business.	
All financial statements are occasionally used to communicate with creditors and others outside the business.	
All financial statements are occasionally used to communicate with family members, partners and others within the business.	
All financial statements are regularly used to communicate with creditors and others outside the business.	
All financial statements are regularly used to communicate with family members, partners and others within the business.	



BEST SUCCESSION MANAGEMENT PRACTICES (BSMPS)

Formalized Management

AREA OF CONCERN: FORMALIZED MANAGEMENT	BEST SUCCESSION MANAGEMENT PRACTICES
Our family business does not have an employee handbook.	An employee handbook which contains information about business policies and procedures pertaining to both family and non-family employees has been drafted and is available for review.
Our family business has some informal policies pertaining to employees but they have not been formally documented.	The employee handbook is shared with all employees.
Our family business has an employee handbook.	The employee handbook is regularly consulted and is used to guide all aspects of human resource management for the business.
Our family business is inconsistent about providing new employees with a copy of the employee handbook.	
Our family business provides new employees with a copy of the employee handbook.	



BEST SUCCESSION MANAGEMENT PRACTICES (BSMPS)

Formalized Management

AREA OF CONCERN: FORMALIZED MANAGEMENT	BEST SUCCESSION MANAGEMENT PRACTICES
<p>Our family business has individuals appointed to take over key business roles but the backup people do not have legal authority to act.</p>	<p>A management alternate has been discussed and has been identified.</p> <p>The management alternate has the appropriate skills and knowledge to assume management responsibilities.</p>
<p>Our family business does not have legal documents in place to allow alternates to act on behalf of the company.</p>	<p>The business regularly consults with advisors that provide input or services to the family business. These may include an attorney, accountant, banker, or other outside expert.</p>
<p>Our family business has legal documents in place to allow alternates to take management, financial, and legal action on behalf of the company.</p>	<p>Legal documents are in place to allow the management alternate to take management, financial, and legal action on behalf of the family business.</p>