



# BEST SUCCESSION MANAGEMENT PRACTICES (BSMPS) Perspectives

## Best Succession Management Practices (BSMPs)

AREA OF CONCERN: PERSPECTIVES	BEST SUCCESSION MANAGEMENT PRACTICES
<p>Founders have not identified values next generation business participants should possess.</p>	<p>Founders and next generation members work together to outline values successors will possess without consideration of current family business members.</p>
<p>Next generation members have not evaluated the business values deemed important by founders.</p>	<p>List of successor values is shared with all family business members.</p>
<p>Founders have identified values next generation business participants should possess.</p>	<p>List of successor values is reviewed periodically, perhaps every 3-5 years.</p>
<p>Next generation family members have some disagreements with the founders about values important to the business.</p>	
<p>Next generation family members have discussed the values important to the business with the founders.</p>	
<p>Next generation family members have agreed on the values important to the business with the founders.</p>	
<p>Founders have determined which family members hold values they believe the next generation should possess.</p>	



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Our founder has discussed how control of the business will be transferred to the next generation with the family.	Founders and next generation members work together to outline how control of the business will be transferred to successors.
Our founder has not addressed how control of the business will transfer to the next generation.	Detailed description of transfer process for business control is shared with all family business members.
Our founder has expressed how he/she envisions transfer of control of the business to the next generation.	Detailed description of transfer process for business control is reviewed periodically, perhaps every 3-5 years.
Next generation family members have not discussed their issues and concerns about the transfer of management functions with anyone.	
Next generation members have discussed issues and concerns about transfer of management with other family members but not the founder.	
Next generation family members have discussed their issues and concerns about the transfer of management functions with the founder.	
Next generation family members have agreed upon how the transition of management functions will occur with the founder.	
Our founder has agreed upon how control of the business will be transferred to the next generation with the family.	



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Founders have not developed their goals for the business.	Founders develop a written set of goals for the family business.
Founders have not discussed their goals for the business with next generation family members.	Founder goals for the family business are shared with all family business members.
Founders have expressed their goals for the business.	Founder goals for the family business are reviewed periodically, perhaps every 3-5 years.
Next generation family members have not discussed their goals for the business with anyone.	
Next generation members have discussed their goals for the business with other family members but not the founder.	
Next generation family members have discussed their goals for the business with the founder.	
Founders have discussed future business goals with next generation family members.	
Next generation family members have agreed upon goals for the business with the founder.	
Founders have agreed upon future business goals with next generation family members.	



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<p>Individuals in the family business have not identified jobs within the business in which they have an interest.</p>	<p>Family business members each develop a list of job responsibilities for the family business in which they have an interest.</p> <p>Family business members share and discuss their lists of job responsibilities for the family business in which they have an interest with all other family business members.</p>
<p>Individuals have completed a skills assessment for jobs within the family business.</p>	<p>Family business members complete a skills assessment for job responsibilities within the family business in which they have an interest.</p> <p>Family business members discuss their skills assessment with the founder as appropriate.</p>
<p>Individuals have not discussed the results of any skills assessment for jobs within the family business with the founder.</p>	<p>Family business members' lists of job responsibilities for the family business in which they have an interest are reviewed periodically as appropriate, perhaps every 1-3 years.</p>



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AREA OF CONCERN: PERSPECTIVES	BEST SUCCESSION MANAGEMENT PRACTICES
<p>Next generation members have not discussed their expectations about asset and income distribution with anyone.</p>	<p>Next generation members each develop a set of expectations about asset and income distribution for the family business.</p>
<p>Next generation members have expressed their expectations about asset and income distribution with the founder.</p>	<p>Next generation members share and discuss their expectations about asset and income distribution for the family business with founders.</p>
<p>Next generation members have reached agreement with the founder regarding how assets and income will be distributed.</p>	<p>Next generation members' expectations about asset and income distribution for the family business are reviewed with founders as appropriate.</p> <p>Founders share their expectations about asset and income distribution for the family business with family members.</p>



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## Perspectives

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Formal roles and responsibilities have not been established within the business.	Family business members each develop a list of roles and responsibilities for the family business from their perspectives.
Formal roles and responsibilities have been discussed, but not established and agreed upon within the family business.	Family business members share and discuss their lists of roles and responsibilities for the family business with all other family business members.
Formal roles and responsibilities have been established for those most important for the continuation of the business.	Family business members work together to develop a formal document outlining family business roles and responsibilities.
Founders have identified next generation family members with the interest and qualifications to take over key roles in the business.	Family business roles and responsibilities are reviewed and discussed periodically as appropriate, perhaps every 1-3 years.
Successors for formal roles and responsibilities have been identified for those most important for the continuation of the business.	
Founders and next generation members have agreed upon who will have decision-making authority and how business decisions will be made.	



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## Perspectives

AREA OF CONCERN: PERSPECTIVES	BEST SUCCESSION MANAGEMENT PRACTICES
<p>Next generation members have not discussed their expectations about rank and position within the family business with anyone.</p>	<p>Next generation members each develop a set of expectations about rank and position within the family business.</p> <p>Next generation members share and discuss their expectations about rank and position within the family business with founders.</p>
<p>Next generation members have expressed expectations about rank and position to other family members but not to the founder.</p>	<p>Next generation members' expectations about rank and position within the family business are reviewed with founders as appropriate.</p> <p>Founders share their expectations about rank and position within the family business with family members.</p>



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AREA OF CONCERN: PERSPECTIVES	BEST SUCCESSION MANAGEMENT PRACTICES
<p>Individuals in the family business have not discussed their level of comfort with interactions within the business.</p>	<p>Family business members share and discuss their level of comfort with interactions within the family business with founders.</p>
<p>Founders and next generation members have discussed their level of comfort with interactions within the business.</p>	<p>Founders take action on issues addressing conflict or discomfort over interactions as appropriate, referring to the family business conflict resolution policies as needed.</p>
<p>Founders and next generation members have addressed issues causing conflict or discomfort over their current level of interaction.</p>	<p>Founders share their expectations about issues of conflict or discomfort over interactions as appropriate with family business members.</p> <p>The policies for conflict resolution are reviewed periodically by all family business members, at least annually.</p>