

**Management Succession Planning Issues Checklist**

	<b>YES</b>	<b>NO</b>
1. Does the current management team have the capability to operate effectively in the owner's absence?	<input type="checkbox"/>	<input type="checkbox"/>
2. Has an organizational chart been prepared for present management?	<input type="checkbox"/>	<input type="checkbox"/>
3. Has an organizational chart been prepared for the potential successor?	<input type="checkbox"/>	<input type="checkbox"/>
4. Does nepotism appear to limit potential for advancement and accordingly, make it difficult to attract and retain desirable employees to support the potential successor?	<input type="checkbox"/>	<input type="checkbox"/>
5. Will long-term loyal executives be retained?	<input type="checkbox"/>	<input type="checkbox"/>
6. Has a transitional management team been created to facilitate the change in leadership?	<input type="checkbox"/>	<input type="checkbox"/>
7. Has a training program been created to develop a potential successors and identify where additional training and/or outside talent is necessary?	<input type="checkbox"/>	<input type="checkbox"/>
8. Has the potential successor gained experience outside the family business?	<input type="checkbox"/>	<input type="checkbox"/>
9. Are the potential successor's current duties clearly structured with specific accountability?	<input type="checkbox"/>	<input type="checkbox"/>
10. Has the potential successor had adequate leadership development?	<input type="checkbox"/>	<input type="checkbox"/>
11. Has additional education been considered to supplement the potential successor's business talents and/or improve apparent shortcomings?	<input type="checkbox"/>	<input type="checkbox"/>
12. If leadership development is lacking, has a plan been developed whereby the potential successor will obtain related training?	<input type="checkbox"/>	<input type="checkbox"/>
13. Should an outside mentor be retained to assist in developing the potential successor?	<input type="checkbox"/>	<input type="checkbox"/>
14. Have the strengths and weaknesses of a nonfamily successor been considered?	<input type="checkbox"/>	<input type="checkbox"/>
15. Is the new management team developed to support the successor?	<input type="checkbox"/>	<input type="checkbox"/>
16. Are the career paths of other family members within the organization acceptable to the successor?	<input type="checkbox"/>	<input type="checkbox"/>
17. Have some family members been unwillingly coaxed into the business by the parents?	<input type="checkbox"/>	<input type="checkbox"/>
18. Are there any executives (family or nonfamily) who may not be acceptable to the potential successor?	<input type="checkbox"/>	<input type="checkbox"/>
19. Are there clear job descriptions for both the successor and the founder at all stages during the succession plan?	<input type="checkbox"/>	<input type="checkbox"/>
20. Does the owner intend to remain as Chair of the Board of Directors?	<input type="checkbox"/>	<input type="checkbox"/>
21. Do the successor's needs require a change in the makeup of the Board of Directors?	<input type="checkbox"/>	<input type="checkbox"/>
22. Should the Board of Directors (or Board of Advisors) include nonfamily members to provide objective alternatives to conflicting family member needs?	<input type="checkbox"/>	<input type="checkbox"/>
23. Are there any sureties, bankers, etc. who may not accept the potential successor?	<input type="checkbox"/>	<input type="checkbox"/>
24. Does the potential successor complement and strengthen the business strategic plan?	<input type="checkbox"/>	<input type="checkbox"/>