

# Successor - Planning the Transfer of Management

## \*\*\* *Family Transfer or Transfer to Employees* \*\*\*

When a transfer to the family or to employees occurs, the main stages in the transfer process are usually the following:

1. You communicate your interest in taking over the management of the business to the incumbent owner:
  - ✓ During this stage in the transfer process, you must **specify your expectations** with respect to the management transfer process and clearly **communicate them to the incumbent owner**.
  - ✓ You must also inquire about **the selection criteria** for the future management successor and about **the competencies and experience required** to hold the coveted position of managing director.
2. You create a development plan that will allow you to meet the criteria established by the incumbent owner:
  - ✓ During this stage, you must **assess the gaps between your competencies, skills, and professional experiences and the needs and expectations of the business and the incumbent owner** with respect to the coveted position of managing director.
  - ✓ You must **create a professional development plan** that will allow you to acquire the professional training and experience to eliminate these gaps.
3. After being officially selected as the successor, you help devise a legitimate, official management transfer process:
  - ✓ In concert with your predecessor and the incumbent owner (if they are not the same person), you must **plan a more or less long transition period** during which the latter will transfer their knowledge of the business, its activities, and its industry as well as their network of contacts.
4. Management is transferred:
  - ✓ You must **create a strategy for the transfer of management and the disengagement of your predecessor** in collaboration with him or her.
  - ✓ During this stage, you will **take up the position of managing director** or reorganize the management structure in accordance with this strategy.

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For each step in the process, you must make a list of the elements that have to be considered and the actions that have to be taken, and you must indicate their respective time frames. Be as detailed and precise as possible. Indicate what you have accomplished so far, and then describe what remains to be done.

Stages in the process	Elements in the plan	Time frame	Already done	Still to do	Person responsible
Communicating your interest to the incumbent managing director	<ol style="list-style-type: none"> <li>1. Determine your expectations with respect to the process.</li> <li>2. Communicate your interests and your expectations to the owner of the business.</li> <li>3. Find out the selection criteria for the future management successor.</li> </ol>				
Creating a professional development plan	<ol style="list-style-type: none"> <li>1. Assess the gaps between your professional skills and experience and the needs and expectations of the business with respect to the position of managing director.</li> <li>2. Create a professional development plan to eliminate these gaps.</li> </ol>				
Devising an official management transfer	<ol style="list-style-type: none"> <li>1. Create a transition plan.</li> <li>2. Acquire the incumbent's precise knowledge and his or her network of contacts.</li> </ol>				
Taking up the position of managing director	<ol style="list-style-type: none"> <li>1. Create the strategy for the disengagement of the incumbent in collaboration with him or her.</li> <li>2. Take up the position of managing director.</li> </ol>				

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