



# HEADS UP!

HR News You Need to Know

## Succession Planning Isn't Just for Big Business

Succession planning isn't just for large corporations—it's a crucial strategy for small businesses like yours too. Let's explore how implementing succession planning measures can not only fortify your organization but also save you from significant financial setbacks. Secure your small business' future with these 5 succession planning essentials.

### Identify Critical Roles and Talent:

Without a succession plan, unexpected departures can leave critical roles unfilled, leading to productivity loss and potential revenue decline. Studies show that replacing a skilled employee can cost up to 50-60% of their annual salary.

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### Cross-Training and Skill Development:

Failure to cross-train employees can result in bottlenecks and operational disruptions when key individuals are unavailable. This can lead to missed business opportunities and dissatisfied customers, impacting your bottom line.



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### Document Processes and Procedures:

Lack of documentation increases the risk of knowledge loss when employees leave or retire. The time and resources required to onboard new hires without proper documentation can significantly strain your budget, especially in small teams.



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### Promote a Culture of Learning:

Inadequate investment in employee development may lead to stagnant skill sets and reduced innovation within your organization. This could hinder your ability to adapt to market changes and compete effectively, impacting long-term profitability.



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### Regularly Review and Adjust Plans:

Failing to regularly review and adjust your succession plan can result in missed opportunities for talent development and alignment with your business goals. This lack of agility can impede your ability to respond effectively to changing market dynamics, affecting your competitiveness and financial performance.



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fHRm can help you proactively address these challenges by crafting a tailored succession plan for your small business. Reach out to us today to schedule a consultation and take the first step toward securing your organization's future success.

Remember, investing in succession planning now is an investment in the long-term resilience and profitability of your small business!