

# SUCCESSION PLANNING

*“Only 34% of family-owned businesses successfully transition to the second generation, and only 13% survive the third.”*  
**Harvard Business Review**

SCMEP helps small and medium-sized manufacturers develop comprehensive succession plans to ensure leadership continuity, protect business stability, and retain critical knowledge. A well-structured succession plan minimizes risk and prepares your company for seamless leadership transitions—whether planned or unexpected.

Without a clear succession plan, small manufacturers face:

<p><b>Leadership gaps that cause operational instability.</b></p>	<p><b>Loss of institutional knowledge and expertise.</b></p>	<p><b>Uncertainty for employees, customers, and stakeholders.</b></p>	<p><b>Business devaluation and potential financial risk.</b></p>
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A proactive succession plan ensures that your company remains strong, competitive, and prepared for the future.

**SCMEP’S SUCCESSION PLANNING SERVICES GENERALLY INCLUDES:**

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| <p><b>Leadership Development &amp; Transition Planning</b></p> | <ul style="list-style-type: none"> <li>• Identifying and prepare future leaders from within your organization.</li> <li>• Developing mentorship and leadership training programs.</li> <li>• Creating a clear roadmap for transitioning leadership roles.</li> </ul>                         |
| <p><b>Ownership &amp; Business Structure Planning</b></p>      | <ul style="list-style-type: none"> <li>• Defining options for family succession, internal promotions, or external hires.</li> <li>• Developing legal and financial strategies for ownership transfer.</li> <li>• Ensuring tax-efficient transitions that preserve business value.</li> </ul> |
| <p><b>Emergency &amp; Contingency Planning</b></p>             | <ul style="list-style-type: none"> <li>• Creating backup plans for unexpected leadership departures.</li> <li>• Defining key decision-making structures to maintain business stability.</li> <li>• Establishing temporary leadership roles in case of sudden vacancies.</li> </ul>           |
| <p><b>Knowledge Transfer &amp; Documentation</b></p>           | <ul style="list-style-type: none"> <li>• Capturing and retain institutional knowledge from key employees.</li> <li>• Implementing standard operating procedures (SOPs) to ensure continuity.</li> <li>• Developing training programs to ensure smooth role transitions.</li> </ul>           |
| <p><b>Business Continuity Planning for Key Employees</b></p>   | <ul style="list-style-type: none"> <li>• Cross-training &amp; transferring knowledge.</li> <li>• Developing emergency succession &amp; interim leadership plans.</li> <li>• Defining decision-making authority.</li> </ul>   |

Contact your SCMEP RVP for more information.  
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