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## Creating a Successful Succession Plan

By Toddi Gutner | [Business on Main](#)

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When Frank Bruffey Jr., the founder of Protech Associates Inc., a company that provides technology solutions to member-based trade and professional associations, decided it was time to step down from day-to-day management as chief executive officer, he was lucky to have a 23-year company veteran ready to take over: his son. While operating a family-owned business is fraught with its own challenges, in this case it made succession planning and the transition much easier than it often is for entrepreneurs.

Indeed, many small-business owners don't think about planning for their succession because "it is an incredibly difficult thing for them to think about — letting go of their 'baby' and turning it over to someone else," says Dora Vell, managing partner of Vell Executive Search. The hardest part, says Vell, is when the new person takes over and starts to make decisions the founder wouldn't have made.

That was exactly the case when Brian Bruffey took the reins from his father. Frank wanted to keep Protech Associates a small, family-owned company, while Brian and his siblings in the business wanted to grow the company and take it in a different direction. While the transition process wasn't always smooth or easy, it has been successful. That's because the Bruffey kids had "the same culture and values alignment as the founder," says David Galbenski, chairman of the global board of the Entrepreneurs' Organization.

Whether you're promoting from within or conducting a search outside your company, here are five ways to help you make the transition successful.

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### Have a plan

This is where the old adage "If you fail to plan, then you plan to fail" really comes into play. "Too many CEOs don't manage the transition process, and it is something that should be discussed from the beginning" says Pascal Levensohn, founder of Levensohn Venture Partners. You can be flexible with your plan as the company grows and changes, but do have a plan.

### Compare business direction to skill sets

What do you hope to achieve with your business? Do you want it to grow from \$10 million in sales to \$100 million? Once you answer these questions, create a skills matrix to compare your goals with the skills needed to achieve them.

### Know your successor's work

Perhaps the most important aspect of a successful transition is knowing who you're bringing into the company. That person can either be someone groomed from the inside, a board member or someone who has worked with the company as a customer or supplier. "You have to see if you can fight without killing each other and survive, similar to any other marriage arrangement," says Verne Harnish, founder of Gazelles, a corporate university that helps business owners grow their companies.

### Communicate, communicate, communicate

A key to making a transition work is having the existing CEO spend one hour a week talking with his successor after the transition has taken place. Such communication and transparency are what helped the Bruffey transition work so well. "When my father was transitioning from execution to strategy, he would come in and try to get things done after he had been out of the office for a month," says Brian. "We had to talk a lot about how he couldn't do that."

### Be willing to let go


While it's the hardest thing for any founder, this step is the most necessary, because you're going to have to let your successor make his or her own mistakes. What helped with the transition at Protech Associates, says Bruffey

senior, is that he stayed involved as the CFO, a role none of his children or his comptroller could handle. "It allowed me to stay out of the way from an execution standpoint but still help them from making any catastrophic mistakes."

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