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# Develop your succession plan

If you want to eventually sell your business or pass your business on to a family member, you'll need to have a succession plan in place. Find out about the different stages to successfully hand over your business to your successor.

## Why you need a succession plan

When you decide to leave your business, your succession planning will help you successfully transfer your business to your successor.

Developing a good succession plan:

- ensures you are prepared for change
- can make the transition out of your business easier
- helps your successor prepare for their present and future work responsibilities.

### Download our succession plan template

The succession plan helps you plan for the day when you leave your business. Our template provides you with a suggested structure and guides you through the preparation of your succession plan.

#### [Succession plan template](#)

↓ DOCX · 0.09 Mb

[https://business.gov.au/-/media/business-information/templates-and-tools/succession-plan-template.docx?sc\\_lang=en&hash=6DE443EB7A0ECC8A1A6564A7B52DA615](https://business.gov.au/-/media/business-information/templates-and-tools/succession-plan-template.docx?sc_lang=en&hash=6DE443EB7A0ECC8A1A6564A7B52DA615)

## Develop your succession plan

Our template steps you through the process of developing a succession plan with links to extra information if you need it.

You may want to check our tips below before you start.

### 1. Choose a successor

You need to identify who you would like to take over your business. Your successor could be:

- a family member
- an employee
- a business partner
- an outside buyer.

Make sure you consider what's best for your business. Ensure your successor has the right skills and that they want to take over your business.

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## 2. Value your business

>You should value your business early and often. Your business's value will help you understand how much your business is currently worth.

The valuation of your business may change substantially before you plan to leave, but a good valuation will assist with your succession planning.

Find out how to assess the [value of your business](https://business.gov.au/finance/funding/value-your-business) (<https://business.gov.au/finance/funding/value-your-business>).

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## 3. Keep it current

Review your plan regularly. As time passes your circumstances may change and an up-to-date succession plan will ensure you're always ready in the event you need to leave earlier than anticipated.

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## 4. Final handover

If you have made the proper preparations, when the time comes to leave you should simply be able to hand over your business and step aside. By having a clear and current succession plan, you can enable a smooth transition with less chance of disruption to the business's operations.

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# Read next

[Find out the legal obligations for closing or selling your business.](https://business.gov.au/exiting)

(<https://business.gov.au/exiting>)

→ Exiting

[Understand the rights, obligations and legislation when ending someone's employment.](https://business.gov.au/people/employees/end-employment) (<https://business.gov.au/people/employees/end-employment>)

→ End employment

[Learn about financial requirements for closing or selling your business.](https://business.gov.au/finance)

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→ Finance