

Is Your Business Ready For Succession?

Statistics indicate that the highest percentage of small and medium-sized business owners in Canada are between the ages of 50 and 64; and, the second highest percentage are those between ages 40 and 49. Furthermore, these two age categories represent the majority of all medium-sized enterprise owners.

We are nearing a massive turnover of business ownership and assets, with approximately two-thirds of business owners planning to exit their business within the next five years.

If you are one of these founder-led businesses who is thinking about what the future means for you, your family, and your business, here are five recommendations to get yourself ready for succession.

1. Set some time away from the day-to-day.

Founder-led companies are busy places. As a leader, your attention is pulled in myriad of directions on a daily basis. It's important to create some space away from the day-to-day of working on your business to think about what is next in the short and long-term. While this is easier said than done, it's absolutely vital.

2. Start now.

While the planning process is not complicated, there will be the effort in the creation of your plan and the effort to complete the actions of the plan. So, if you are ready to consider the future of your business, it is best to start the succession planning today, knowing that change takes time.

3. Bring your family and key team members into the process.

Be transparent with your family and key team members about your intentions with regard to succession planning. And don't go it alone. Bringing your family and key team members into the succession planning process – at the right time and in the right way – can help take the pressure off, bring in different perspectives, and plant the seeds for what the future will hold.

4. Partner with the right experts.

You are the expert about your business, your family situation, and your dreams for the future. Partner with succession planning experts to work alongside you, guide you, and work with you to develop your succession plan. To ensure a successful transition, an effective succession plan needs to consider the following critical areas:

- **People.** Increase the value of your business through partnerships with your family, key team members, customers, suppliers, and other stakeholders.
- **Process.** Identify, document, and streamline your systems and processes, and support with the appropriate technologies, to drive efficiency.



- **Leadership.** Develop the talent for key leadership positions with the right people to ensure continuity.
- **Sustainability.** Drive and maximize the value of your farm business.
- **Legacy.** Preserve your legacy.

5. Don't stop once the planning is done.

A succession plan doesn't have to be complicated and shouldn't take long to develop. Once you've created your succession plan with your succession planning expert – one that is clear, customized, and actionable – don't stop there. Implement your plan with diligence, care, and attention – supported by your family, team members, and advisors – who will now all be on the same page and ready to work with you to bring your plan to life.

James Grieve and Ashka Wirk are Certified Management Consultants (CMC), and the creators of SuccessionReady – a simple, effective, and real-world approach to succession planning for founder-owned businesses. They can be reached at info@successionready.ca. Learn more at SuccessionReady.ca.

