

UNDERSTANDING YOUR SUCCESSION GOALS

Does your business already have a succession plan in place? A negative response to one or more of the questions posed below is a good indication that there is more work to do. The responses will assist you in establishing a framework for a more disciplined strategic planning process.

The understanding of your personal goals will direct and enhance the development of your business goals and plans. Understanding your business goals will assist in providing the framework within which a succession plan can be executed. A succession plan should cover ownership and/or the ongoing management of the business.

Ownership succession focuses on who will own the business, when the transition will occur, and how it will happen. Management succession focuses on who will run the business, what changes will occur and the point at which the new manager will be accountable for business results.

Have you defined your personal goals and vision for the transfer of ownership and management of your business?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Have you identified your successor/s (e.g: existing key staff, external parties)?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Have you discussed your succession plans with the identified potential successor/s of your business?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Have these arrangements been documented in an agreement between the potential successor/s and yourself?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does your successor/s need any skill development in preparation for this role?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Have you considered any family involvement in the leadership and ownership of your business (you may need to consider if there could be potential friction between existing and/or new management and heirs seeking to participate in the business)?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do your identified successor/s have the financial capacity to purchase the business?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If funding is required does the successor understand what a financial institution could lend in respect of the acquisition and /or have the necessary discussions been held with a financier?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are your business ownership structures appropriate and are you currently using techniques to legally minimise your taxes?	Yes <input type="checkbox"/> No <input type="checkbox"/>

Is your business dependent on your day to day involvement (what does your business need to know to keep operating successfully without you)?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do you know what you will do when you sell the business?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Post transition to new owners, would you like to continue working in the business (and in what capacity)?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do you know “your required business sale price” (that is the capital sum you will require from the sale of the business in order to fund your lifestyle as you step back from the business)?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do you have an accurate and realistic understanding of what you would receive if you were to sell your business in today’s market?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is there a gap between your required sale price and the current market value of your business (and if so, do you have appropriate plans in place to reduce the gap?)	Yes <input type="checkbox"/> No <input type="checkbox"/>

Further Comments / Notes