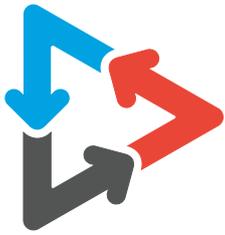




Business Leaders Boardroom Series 2013

Helping you succeed in 2013

SUCCESSION PLANNING



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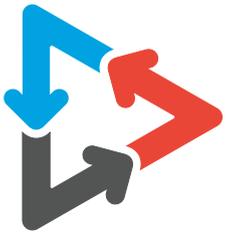


While many brokers may take the time each year to draft up a business plan that indicates exactly what they want to achieve over the coming 12 months, few forecast what their plans are for the years and decades ahead.

As a result, only a handful of brokers have actually thought about and implemented a succession strategy for their future.

With the help of some of Queensland's most experienced brokers, this webisode will guide you through the importance of having a sound succession plan in place – how you need to think about what you want to achieve before you leave the business; how you are going to leave the business and what you plan on doing once you are out of the business.

Through the webisode and with the help of this workbook we will help you learn how to plan for the future and implement your own succession plan.



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Step 1. Start at the end

What will you do when you stop working?

Do you plan on leaving the business altogether or taking a back seat while remaining a part of it? (perhaps you want more time with the family or you simply want to move onto pastures new)



Take a moment to think about why you will change or move on.

Write down your reasons below :

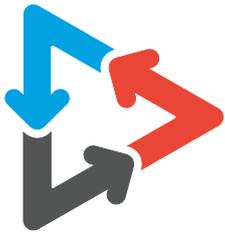


Step 2. Selling or succeeding

There are many different exit strategies, however there is no right or wrong one. Different businesses will need and want different exit strategies.

If your exit strategy is to sell the business, ask yourself:

- What are you selling?
- Who will you sell to? (ideally)
- How will you determine your sale price?
- How can you sweeten the deal?
- Is it enough?



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Step 2. Selling or succeeding continued

Or, if you are looking to merge with someone else or pass the business onto a colleague or family member:

- Who with?
- Selection criteria
- Your role?
- The new entity
- Your income
- Your vision

Step 3. Pros and Cons

Now that you have had the time to consider which exit strategy you would prefer to embrace, what are the pros and cons associated with it?

Here are some examples to get you thinking. Write down some pros and cons that may effect you in your exit strategy.

SELLING THE BUSINESS

Pros

- You're completely out
- You can have all the money from the sale



Cons

- What if you change your mind?
- Finding a better return than the business is giving you
- Are you happy to forego your trail?

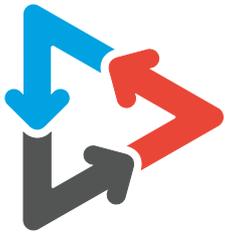
OUTSOURCING YOUR BOOK

Pros

- Freedom
- Continuity

Cons

- Having the wrong person take over



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Step 3. Pros and Cons continued

MERGING THE BUSINESS

Pros

- Being able to take time away
 - Increased income
-
-
-

Cons

- Relationship breakdown
-
-
-

RUNNING YOUR BOOK DOWN

Pros

- Time to move fully onto something new
 - Reduce your bottom line instantly
-
-
-

Cons

- Income stream will eventually run out
-
-
-

STAFF/FAMILY BUY-OUT

Pros

- Setting up family members
 - Retain part of the business
-
-
-

Cons

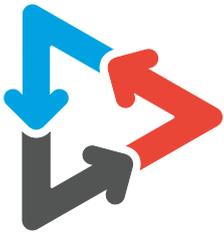
- Am I replaceable?
 - Difficulties in teaching the right clients
-
-
-

Step 4. Draw up your plan

Take this opportunity to write down what your long-term goals are. What do you want to do when you leave broking and what will you need to make this happen?

Think about the various logistics associated with your proposed exit strategy. How will your plan effect your business, your colleagues and your family? How will the plan work and when will it take effect? When do you want to leave the business and what do you want to achieve before then? **You may want to consider:**

- How long with the cash flow?
 - What will you need to do?
 - How much will you earn over 5 and 10 years?
 - When will you wind the business up?
 - What else will you do?
-



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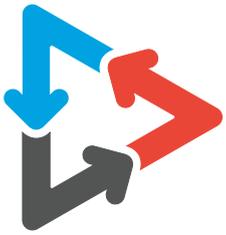
Step 4. Draw up your plan continued

Below, create a timeline for your plan. Starting at the end work backwards and write down what you want to achieve before then:

My exit from the business:

MY EXIT PLAN





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Final action

Create an action plan:

- Start with the new end in mind!
- Start planning now for the future
- Use your networks for other ideas of what you will do
- Start adding value to your business

Additional notes:



Need a hand? Check out

The Small Business Hub Powered by **ANZ** 

With insights, training, tools and templates, you'll have all you need to build your business plan and stay on track to achieve your goals. Membership is 100% free. Join at www.thesbhub.com.au today.