

Succession planning transition readiness assessment

How well are you facing the future of your family business? Take a few minutes to assess your readiness by placing a score in front of each statement. Answer the question from the perspective of the owner. If you are a prospective successor see how many of these questions you know your parents have considered.

0 = Not at all

1 = I/they have thought about it

2 = I/they have mentioned it occasionally to family or friends

3 = I/they have dealt with it properly

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| <input type="checkbox"/> Wills are up to date and fully reflect my wishes | <input type="checkbox"/> I have identified who will take over the management of the business |
| <input type="checkbox"/> All my family members are aware of the content of my will, know my wishes and the name of the executor(s) | <input type="checkbox"/> The identified successor has agreed and knows what is required to take over the business |
| <input type="checkbox"/> I have talked to my immediate family members individually about his/her future dreams and plans | <input type="checkbox"/> There is a firm plan in place to ensure my successor has the appropriate skills and knowledge to take over and grow the business |
| <input type="checkbox"/> I know my individual family members' needs, wants, expectations and fears, as they relate to the transition | <input type="checkbox"/> My successor knows and understands everything in the business (financial and management) should I die unexpectedly |
| <input type="checkbox"/> My main objective when thinking about transition is to minimise tax | <input type="checkbox"/> My successor is capable of running and growing the business successfully in my absence |
| <input type="checkbox"/> The business is able to be passed on as a viable business and can continue to grow | <input type="checkbox"/> The family has regular talks about the business and family's future |
| <input type="checkbox"/> If my business partner dies or is disabled unexpectedly, I know the contents of their will as it relates to our business | <input type="checkbox"/> The business has a strategy for achieving the vision which is known and understood by both family and employees |
| <input type="checkbox"/> I have spoken to my family members about the business and other investments | <input type="checkbox"/> Business values are well understood by all involved |
| <input type="checkbox"/> I have spoken to my family members about inheritance | <input type="checkbox"/> The identified successor has values consistent with those of the business |
| <input type="checkbox"/> My family does not always communicate effectively and I am trying to resolve this | <input type="checkbox"/> I have other interests besides work |
| <input type="checkbox"/> Family conflicts and disagreements are known | <input type="checkbox"/> I know my/our retirement needs |
| <input type="checkbox"/> Any known family conflicts are in the process of being resolved | <input type="checkbox"/> The business can afford to provide the retirement lifestyle I/we desire |
| <input type="checkbox"/> Each member of my family is able to talk face to face about all disagreements | <input type="checkbox"/> I have set my date of retirement and made plans |
| <input type="checkbox"/> Each of my children is assured they will be treated fairly in my will | <input type="checkbox"/> I have a team of people to guide the business and help me |
| <input type="checkbox"/> I have discussed management transition with my employees | <input type="checkbox"/> I know where to go for assistance if I need it |
| <input type="checkbox"/> I wish to have a successor | |
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Total Score:

0-70: Consider setting up a family meeting with an independent facilitator to discuss your family's business future. If not dealt with properly and in a timely manner, you run the risk of family disharmony and business failure.

70+: Well done! Consider a review of your plan to ensure it is current and the five Ds of death, divorce, disability, disaster and dispersal (of assets) are covered such that they are capable of being implemented tomorrow should the need arise.