

SIX QUESTIONS EVERY FAMILY BUSINESS OWNER SHOULD BE ASKING

If you own a family business, you should be thinking about your succession plan, whether you plan to sell the business to fund your own retirement or pass it on to your descendants or other key employees. To get you started, below are six questions to ask yourself. We answer each in our book, *The Art, Science and Law of Business Succession Planning*.

1. Am I prepared to consider transferring ownership of my business during my lifetime? If you ever plan to retire—if you don't intend to die at your desk—you should already be thinking about this. Will you retain ownership in the business, draw retirement or hand it over completely?
2. Am I prepared to consider transferring control of my business during my lifetime? Ownership and control are different things. Do you have mechanisms in place so the business can run effectively in your absence?
3. Have I made sure that the transition of my business will be orderly? If the answer is currently "no," expect chaos during the transition, unless you make a plan.
4. Is there a logical successor to me in the management of the business? Who among your family members or employees has the qualifications to lead the business when you leave it? If no one comes to mind, whom could you groom to take over?
5. Are my key employees comfortable with my plans for business continuation, and will they stay with my firm rather than seeking more secure employment? If you don't want your best employees working for your competitors—or becoming your competitors—down the road, you need to take appropriate steps to answer this question in the affirmative.
6. Is my estate sufficiently diversified so that children who are not active in the business may be treated fairly alongside those receiving an interest in the business? Not all your children will want a role in your company, but you want all of them to benefit from your wealth. How will you structure your estate to accomplish this goal?

Click [here](#) to get a free copy of *The Art, Science and Law of Business Succession Planning* mailed to you. You can also buy a copy of our book on [Amazon](#), both in print and

through the Kindle e-book service.