

Introducing AGCI's New Succession Planning Services

AGCI is pleased to announce the launch of an addition to our Succession Planning Services. The new services will deliver to SME owners the means to exit their business while creating the best possible conditions for its sale.

As an entire generation of baby boomers retires over the next 10 years, the need for effective exit strategies within Canada's SME sector is becoming urgent. This retirement will bring about an unprecedented transfer of wealth and ownership. Statistics Canada estimates this transfer to approximate \$1 trillion. PwC estimates it to be closer to \$4 trillion.

All business indicators point to a lack of preparedness on the part of SME owners to execute this transition. Most owners report that they have yet to consider simply putting into place a basic retirement plan. The Canadian SME sector represents over 95% of our economy's total businesses 60% of its workforce.

Benefits of Succession Plans

1. Ensures business continuity
2. Provides a successor plan for leadership roles (from within or outside the organization)
3. Establishes an exit strategy that incorporates milestones, objectives and timing
4. Identifies value and marketability gaps that may compromise a sale
5. Minimizes legal and tax issues
6. Reduces financial risk and avoids costly mistakes
7. Creates the mechanics for the purchase and seamless transfer of the business
8. Clarifies the terms and conditions of the seller's exit and/or continued role after sale
9. Produces realistic and justifiable valuations
10. Positions the company to attract more and better buyers

Recommended Reading

Whitepapers

1. *Boomer retirement will not put small business out of business...Boomer retirement will not put small business out of business* [Read more](#)
2. *Plan your succession -BDC...* [Read more](#)
3. *Lack of succession plan puts Canadian businesses at risk: CIBC...* [Read more.](#)
4. *Best-in-Class Succession Management Who Will Take the Baton?...* [Read more](#)
5. *Succession Planning in SMEs: An Empirical Analysis...* [Read more](#)
6. *The Nuts and Bolts of Succession Planning: A Dale Carnegie White Paper...* [Read more](#)
7. *OPENING UP BUSINESS CLOSURES: A STUDY OF BUSINESSES THAT CLOSE AND OWNERS' EXIT ROUTES ...* [Read more](#)
8. *Succession plan template and guide...* [Read more](#)

Featured Articles

1. *Boomers will pass a small-business baton worth as much as \$4-trillion...* [Read more](#)
2. *An entrepreneur's business and retirement plans must go hand in hand, report says...* [Read more](#)
3. *Succession planning roadmap...* [Read more](#)
4. *Boomer retirement wave will leave Canadian businesses struggling...* [Read more](#)
5. *He's 66, ready to retire and needs an investment exit strategy...* [Read more](#)
6. *Strategic exit: In selling a business, plan carefully and consider all options ...* [Read more](#)
7. *Five Smart Exit Strategies...* [Read more](#)
8. *4 Things Small Business Owners Must Do to Retire Comfortably...* [Read more](#)
9. *A third of SME owners <in the UK> planning to retire or sell within five years...* [Read more](#)
10. *<Australian> SMEs failing to plan for exit, retirement...* [Read more](#)



Planning an Exit from your Business

Personal Considerations:

- Be prepared to be at least 3 to 5 years ahead of your exit date
- Create an exit date appropriate to your health, family concerns, and future expectations
- *Do not* rely on family members or other stakeholders to succeed you when they may not be the best choice
- Get an objective valuation that reflects the true value of your business
- *Do not* make cosmetic changes to make your company attractive for a quick sale
- *Do not* resist making changes that may put you off your usual path but will increase business marketability
- Equate realistic expectations of your retirement lifestyle with a realistic sale price
- Identify all your options and strategies – there is more than way to sell a business
- Resist being emotional when letting go
- Review your exit plan periodically & make the necessary adjustments to minimize risk & optimize business performance



Maximize the Value of your Business *before* you put it up for Sale

AGCI now offers a 3 to 5 year succession plan that will integrate every aspect of your exit strategy. Phase I of our services delivers a complete analysis of your business and its current marketability. Phase II delivers a strategic plan and an informed, results-driven, course of action. Above all, we offer a professional team with all the expertise you will need.

Phase III of our services offers on-going support in the execution of your plan and any changes you may need to make. We can also help you find buyers for your business.

Phase I: Enterprise & External Assessments

- Company Profile (structure, culture, history, stakeholders, operations, logistics, systems, finances, tangible & intangible assets)
- External Frameworks (political, economic, legal, technological, social & economic)
- Competitive Analysis (competitors, markets, customers, sales & marketing activities)
- Industry Comparisons (benchmarks, trends)
- Valuation & Performance Analysis (earning multiples, analytics & metrics)
- SWOT & Risk Analyses
- Marketability Assessment

Phase II: Strategic Planning

- Revisit future decisions on capital spending, new markets, leases, employees, etc.
- Use milestone goals to create an action map with metrics
- Optimize business value by closing marketability gaps within the exit time-frame
- Identify prospective successors & buyers
- Create strategies to target & appeal to targeted buyers
- Develop potential deal structures, transition frameworks & financing terms
- Create personal financial and/or estate planning goals
- Confer with legal, tax, & financial professionals as required
- Deliver a written plan

Phase III: Plan Review & Update (Optional)

- Conduct review on an annual basis or as business or market conditions change
- Reassess strategic & tactical planning
- Search for suitable buyers
- Provide further advisory services from legal, tax, and financial professionals
- Assist in a seamless transition of ownership

Contact Us for a Free 30 Minute Consultation

Email info@altecglobalcapital.com