



## The Exit Strategies Newsletter

*WHAT WILL YOUR 'EXIT DAY' LOOK LIKE?*

Owners of privately-held businesses are most often consumed with the day-to-day running of their companies. Often there is little time for advanced planning and the five-year plan that was drafted long ago has set idle in a file in a drawer, giving way to the needs of the business today. In spite of this reality, today's newsletter is encouraging owners to give some consideration to their longer term planning. Specifically, what will the exit from your business look like? Or more acutely stated, 'what will your "exit day" look like'?

### **The Day You Exit Your Business**

It is a fact that one day you will no longer be running your business. It is irrefutable. Although we don't like to think of things as 'coming to an end', particularly something as rewarding, challenging and enjoyable as running your privately-held business, the fact remains that there will be a last day for you at your company.

Accepting this fact is an important step in planning for this final day. Moreover, it is well established that in planning for this day, you will not only better protect the wealth that you have accumulated in your privately-held business, but you will also be looking after all of the constituents who rely upon your business; including your employees, customers, vendors, community and, of course, your family.

### **The Power of Visualization**

Let's take a look at some techniques to assist with the somewhat challenging idea of proactively planning for your final days in your business. Think back - it is likely that you had an original vision for your company. As the company grew and prospered, that vision changed, most likely expanding to your new reality and what you began to believe was possible for your enterprise. You visualized what could happen to your business in the future, you made some plans for it, you tested the waters with different ideas – and, ultimately, your gut told you what would work or not work and you took action.

What if you were to follow the same process for your exit by visualizing your final day at your business? Try it now- look into the future and see what your final day looks like.

- Who is likely to own your business after you?
- Has a plan been executed for the transition of ownership?
- Can your business run without you - making your departure a mere ceremonial act?
- Are you packing your things, excited about entering your next phase of life?

- Are you celebrating the transition of your enterprise with those who helped you to build it?
- Do your personal financial resources assure you that you will maintain your lifestyle comfortably for as many years as you live?
- Do you have another project outside of the business that you will undertake to continue to challenge you? If so, has this project (or new business) already been started and do you know your role in it?

Your ability to answer these questions today will be the single largest determinate of whether or not you have a successful exit.

### **It All Begins With the Owner**

The fact is that planning for your exit begins with you, the owner. You are the force that drives the business forward and all decisions ultimately land on your shoulders. And, importantly, it is your family's money that is trapped inside of this illiquid business. Therefore, the thoughts and plans for an exit begin with you.

Given what was stated above – the fact that you will one day no longer run your business – the choice is yours. You get to choose if you want to be proactive or reactive. You can proactively begin to plan for your last day at your company or you can choose to wait to be reactive to any number of forces that come upon you and/or your business that force your last day to occur without a solid plan in place.

What will be lost without a plan for your exit? Only you can answer that question. And, only you can get the process started.

### **Great Benefits from Modest Planning**

By answering the list of questions above, you'll begin to visualize your exit. Taking the time to really think about each question and how the possible answers make you feel will ultimately point you in the right direction. If you answer these questions based on what you are currently prepared for today and you don't like the answers, then start planning so that on your actual exit day the answer to each and every one of those questions will be exactly what you had hoped.

Bobby G. Biggerstaff  
 Managing Partner  
 Strategic Advisors, Inc.  
 P O Box 41200  
 Greensboro, NC 27404  
 336-255-7072 (c)  
 336-854-9006 (o)  
[bbiggerstaff@strategicadvisorsnc.com](mailto:bbiggerstaff@strategicadvisorsnc.com)  
[strategicadvisorsnc.com](http://strategicadvisorsnc.com)