SUCCESSION PLANNING

Wealth Management

What are the benefits for early succession planning?

According to "Preparing Heirs: Five Steps to a Successful Transition of Family Wealth and Values," a study by Roy Williams and Vic Preisser of The Williams Group, 70 percent of business successions fail. Of these, 42 percent are due to communication breakdowns and 18 percent are a result of failure to prepare stakeholders for accepting wealth. Further research validates the earlier in a business' life cycle that the succession planning process starts, the greater the likelihood for a successful transfer.

Eide Bailly's business succession team will work closely with family and business stakeholders to understand each person's current situation and objectives for the succession process. As part of this process, we identify and help resolve the emotional or "soft" issues that may impact a successful transition. By understanding each stakeholder's emotional investment in the business and its relationships, as well as their personal and family objectives for the transfer, our team will help you focus on and resolve business succession issues so stakeholders are able to achieve their goals.

Our Goal

Our goal is to work with you to ensure the success of your succession plan. By identifying and addressing potential roadblocks, we help ensure the various stakeholders' objectives can be met.

What is Eide Bailly's approach to succession planning?

As with all of our wealth management services, Eide Bailly's approach starts with understanding your objectives, including each stakeholders' expectations for timing of the planned transition and personal and family goals related to the succession. During the succession planning process, we work with each stakeholder to understand their emotional issues associated with the transfer. This aspect of our process differentiates Eide Bailly from other firms because we understand and address these issues through the use of assessments and structured questionnaires. As a result, we have the opportunity to discover potentially conflicting needs that, if left unaddressed, could negatively impact your plan.

Once the emotional issues are addressed, we will work with you, applicable family members, outside advisors and other members of our wealth management team to execute a plan that closes the gap between your current and desired situations. This execution will include our recommendations for specific actions—such as establishing and documenting business procedures, helping develop growth strategies and strengthening the management team—that may enhance the value of your business. Our team members can implement the appropriate strategies to add value to your business, while sharing our knowledge and processes with your people.

Why should I choose Eide Bailly?

Through an emphasis on the emotional issues associated with succession, our team proactively uncovers and addresses subjects that could negatively impact your plans. Working with your stakeholders and other key outside advisors, our team will provide resources and tools that help you attend to critical succession issues. Our succession team, in conjunction with other members of the wealth management team, takes a holistic approach to wealth management to help ensure your objectives are met. Our team's commitment to helping you achieve your financial, personal and charitable objectives is the true Eide Bailly difference.

EideBailly®

Applying the Succession Planning Process

Eide Bailly's succession planning team will work with you to provide a holistic view of the factors and issues impacting the succession process. The approach we follow, with its distinct emphasis on the emotional or "soft" issues associated with succession, includes:

Research

- Understand stakeholders' expectations and objectives related to the succession
- Use assessments and questionnaires to determine focus areas
  - Assessments will address areas such as family wealth dynamics, assessments of the family business and/or assessments of the company's business partners
- Review of assessment and questionnaire results
- Interview stakeholders, with emphasis on focus areas from assessment results
- Review summary report with key stakeholders and applicable outside advisors

Execute Succession Plan

- Identify emotional issues identified in research phase
- Work with outside advisors to provide resources to address potential issues
- Ongoing monitoring of potential issues to ensure resources and activities contribute to resolution and success of the plan

Partner's Perspective

"The conflicting needs or desires of each stakeholder's social contract may cause emotional issues that can act as roadblocks to the succession process. Our unique approach identifies these issues and provides you with appropriate resources to help you accomplish your objectives."

~ Wayne Schmaltz, CPA
Eide Bailly LLP