

SVA Accounting Spotlight on Service: Exit Planning; Preparing for a Business Transition

It is inevitable, every business owner will exit their business at some point. A recent survey of business owners shows that 79% plan to exit in the next ten years. Owners believe that their exits will occur because of planning and action items they implement but a staggering 89% haven't created an actionable plan.

Hi, I'm Nicole Gralapp. My specialty is the development and implementation of exit strategies to transition your business successfully. The best practice is to start the planning at least 5 years prior to the transition to ensure your business is transferred or sold to the successor you choose, on the date you desire, with your retirement income goals in mind. So if you aren't five years out, you have some catching up to do.

A successful transition starts with these four objectives, plan ahead, set measurable goals, incorporate flexibility, and use a proven process. But as simple as these sound, without a process, they are nothing more than a wishful conversation. At SVA we use BEI's 7-step exit planning process. We start with a self-assessment to determine how prepared your company is for transition. Then using the results of your assessment, we create a customized plan that is based on your unique financial objectives. We help you determine what your business is worth today, how much cash flow is generated and project the future value of your business. Using the exit planning process, we help you maximize the financial return, minimize tax liability, plan for contingencies, and increase the likelihood of a successful transfer of your business.

We know this is a tough time for any businesses owner and you want to feel good about where the business you have built ends up. We are ready to help you develop a plan no matter where you are in the process. Call us today to start planning your exit strategy.