

Five questions business owners over 50 should ask themselves

1) Do you really believe that your relationship with your business must come to an end?

While many business owners like to think they will live forever, we all know that our relationship with our work must come to an end. The choice we have is to ignore that reality or plan for it proactively. If most of your net worth is tied up in your business, ignoring your succession plan can be expensive for your beneficiaries.

2) Do you have a willing and able successor who you trust and do you both share a common vision for the future of the business?

The research around what it takes for an owner to truly let go tells us that trust in a willing and able successor is essential. But successors don't become willing or able overnight. A successful transition to the next leader starts with quality preparation time. Ask your intended successor if he or she feels prepared to take over your role. You may be surprised with the answer.

3) Do you know where your business sits in the competitive landscape?

It's hard for business owners to see their business objectively but it's critically important to know your relative position in your industry and territory in order to properly answer the question "should I keep or sell my business?" Trusted, objective friends can give you honest feedback.

4) Are you sufficiently resourced emotionally, financially and with a management team that can adapt to and manage change?

You have the emotional resources if you are prepared to make ongoing investment in your business long after you are able to work in it.

If you are not confident about your emotional, financial and management resources necessary to grow your business, maybe it's time to let someone else take the business to the next level.

5) Would you rather leave at the top of your game?

Many business owners leave their succession and transition planning too late, curtailing their exit options.

Investing in tier two management is really an investment and not an expense. Teaching others to do what you do for the business is an investment in your future freedom.