

JOIN THE EXCLUSIVE NETWORK OF FAMILY BUSINESSES.



Successfully Transitioning Out Of The Family Business

Paul Cronin

Have you gotten to the point in your life, where some, perhaps many, of the dreams you had 20 or 30 years ago have come true? Or maybe you realize that winning a major award, or the next product launch, or the next promotion is not that important anymore? Either way, do you find yourself asking, "what's next, now?" We all do. I would argue that for business owners, it can be doubly tricky. I have owned a couple of businesses. After I left each of them, I sat back and wondered, "what the heck am I gonna do now?". In one business I lost money, in another I made out pretty well - not enough to "retire" (whatever that means), but enough to take some time off to think.

Succession Planning is a varied topic, often focused in the media on large enterprises, yet family businesses face this same issue with one big difference - lack of experience in successions. In the new book "***Changing Places: Making a Success of Succession Planning for Entrepreneurs and Family Business Owners***", by David Franzetta and Moss A. Jackson, PhD, you will find a good, fast read on this important topic.

Leadership development is key at any company, but larger ones often have in-house training, or at least the understanding that they should contract with consulting firms to implement leadership training and succession planning principles. They budget for this accordingly.

Family businesses face succession often no more than once in a generation, and rarely have good policies (let alone budgets) in place to effect succession. Too often, they have failed successions and the businesses fail as well. (Some would argue that business transition planning, including succession planning, might be better for the family founders, but that is a topic for another day).

Rather than a textbook, the authors of *Changing Places* tell stories of families with successful successions, and to-be-continued successions. They argue that all family businesses should evaluate

current management/ownership (internal and external owners), as part of a **Succession Process**. *Changing Places* mixes in "Key Questions" at the end of each chapter to help readers take action. These stories and lessons are based on their long professional experiences in business, including their partnership, *Designed Outcomes*, in Laguna Nigel, CA.

They also use thought-provoking quotes at the start of each chapter. Here are a few of my favorites:

"The best part of being in a family business is working with your family members - the worst part of being in a family business is working with your family members" - Joe Smeider, Family Business Consulting Group

"Emotional competence is the single most important personal quality that each of us must develop and access to experience a breakthrough. Only through managing our emotions can we access our intellect and our technical competence. An emotionally competent person performs better under pressure" - Dave Lennick, Executive VP American Express Financial Advisors

"Leaders are made, they are not born. They are made by hard effort, which is the price all of us must pay to achieve any goal that is worthwhile" - Vince Lombardi, NFL coaching legend

"There's a trick to the *Graceful Exit*. It begins with the vision to recognize when a job, a life stage, a relationship is over - and to let go. It means leaving *What's Over* without denying its value" - Ellen Goodman, award-winning journalist and author

"The name of the game is taking care of yourself, because you are going to live long enough to wish that you had" - Grace Mirabella, former editor-in-chief at *Vogue* magazine

Paul Cronin, Partner, Successful Transition Planning Institute (STPI) in Cambridge, MA.

Paul Cronin brings over 25 years of professional experience in sales, management, consulting and entrepreneurship to STPI. In 2009 he began working with STPI's founder, Jack Beauregard, and has been an integral part of transforming the small consultancy company into a major force in Transition Planning for Baby Boomers.

Paul's background includes being part of the team that grew Eden Toys, a small NY-based toy manufacturer, into a \$90 million company serving thousands of US retailers including TJX, Macy's and Nordstrom. Paul was the owner of PFC Resources, a business acceleration consulting company focused on helping business owners expand new into new markets as well as a partner in two other consulting firms. Paul has participated in growing established and start-up businesses, having sold his most recent company in 2008.

Paul Cronin has also presented at the MIT Enterprise Forum, Northeastern University and Salem State University (MA) on issues of entrepreneurship, personal and business transition, running a successful business and business networking. www.successfultransitionplanning.com