

Succession Planning

Presented by:
Jim Kahrs, President



Today's Agenda

- Introduction
- What is succession planning?
- Why is a succession plan needed?
- When should you create your plan?
- Building your plan
- Q & A

Introduction

28 years of office systems sales, operational & executive management experience at dealership, manufacturer & consulting levels.

Started Prosperity Plus in 2001

- Real-world tools for improving profit, cash flow & growth.
- Marketing & promotion programs
- Mergers, Acquisitions and Succession Planning
- Consulting programs based on industry experience combined with the very successful Hubbard® Management System



First, A Couple of Definitions:

[Concise Oxford Dictionary]

- **Succession** – [noun]
 1. a number of people or things following one after the other.
 2. the action, process, or right of **inheriting** an office, title, etc.
- **Plan** – [noun]
 1. a detailed proposal for doing or achieving something.
 2. an intention or decision about what one is going to do.

Two types of succession plans:



**No one
plans to
fail,
but some
do fail
to plan.**

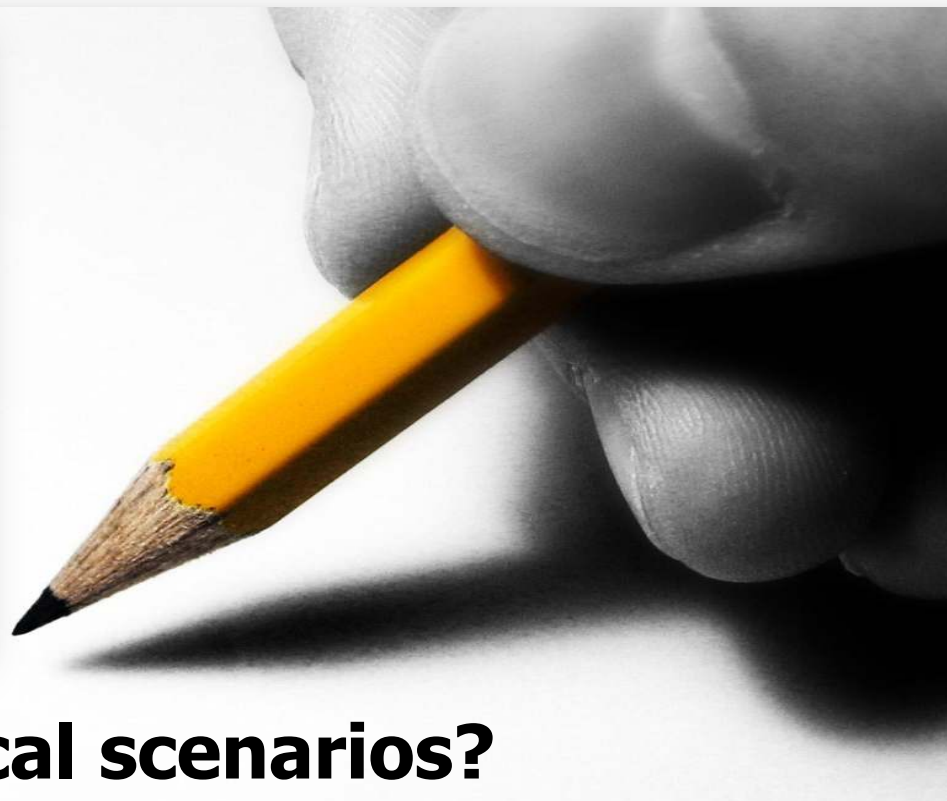


**Will the future be what
you plan it to be?**

**Or will you be thrown
an unexpected
curveball?**



Planned Exit Scenarios	Unplanned Succession Scenarios:
Let's Name some:	?
?	?
?	?
?	?
?	?
?	?
?	?



What are some typical scenarios?

■ **Who benefits from a strong succession plan?**

- Owners
- Employees
- Family members
- Customers
- Vendors



■ **Is time your friend or enemy?**

■ **Some key considerations**

- Identifying successors
- Succession training
- Finances
- Tax planning



Building the Plan:

Write out the process for both planned and unplanned succession

Have key positions written up in detail

Determine who potential successors are

Begin the training and development process early



Planned Succession?

Make decisions about your long-term plan

Retirement/Exit Strategy

Sell the business or pass it on

Create a succession training chart

If there are holes in your plan, fill them in

Set a timetable in advance and stick to it!

Emergency Succession?

Have a detailed plan ready to go

What must be done in first 24 hours, week, month?

Who must be contacted?

Who will be making decisions and leading the team?

Sharing the plan with the staff

Replacement planning



Pulling it all together:

- Succession planning is not a cookie cutter, one size fits all, exercise
- It takes foresight and planning
- The worst thing you can do is ignore it and be caught off guard
- Any plan, even if crude and unfinished, is better than no plan

Upcoming Events

March 26 – Noon (Eastern)

Webinar: Hosted by *Prosperity Plus*

"Building a Successful Sales Team"

April 15-18

AIMED National Conference

San Antonio, Texas

"So You Want to Grow Your Dealership"

April 23 – Noon (Eastern)

Webinar: Hosted by *Prosperity Plus*

"Understanding the Value of Your Dealership?"



Questions?



Thank You, Enjoy Disney!!!

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