Chapter 10

Draft Your Team



Henry Ford

BUILD A STRONG NETWORK

A professional succession planning team makes all the difference.

key decision you make following the commitment to engage in the succession planning process is who should serve as your facilitator. The person or firm should have the right credentials, experience and education to support your objectives. Just as in sports, you need the right team in place.

Putting a succession plan together requires professional assistance. At a minimum, you will need a lawyer to prepare the documents, an accountant to crunch the numbers and a financial planner to implement the plan.

PROJECT MANAGER. Your first decision is whether to try to manage the succession planning project, and the professional help it requires, by yourself or hire a project manager to facilitate it for you. You can manage the project yourself, but hiring a project manager is often a good decision. Creating a succession plan involves a great deal of research, time and technical expertise. Trying to manage the process can quickly become overwhelming, which may lead to failure.

A project manager should coordinate the succession planning process and assemble a multidisciplinary team of professionals. He or she should also lead discussions with owners, management, the family and professionals. It is the project manager's job to revise the plan in accordance with current tax law, the business environment and family dynamics.



FINANCIAL PLANNER. It's not uncommon for financial advisers to use the title "financial planner." Typically, they are certified financial planners (CFPs) or certified public accountants (CPAs) who have earned the personal financial planner (PFP) designation. PFPs are educated in financial planning, including studies in money, investments, estate planning, retirement, taxes and business planning.

CERTIFIED PUBLIC ACCOUNTANT. As a successful businessperson, you are most likely currently associated with a CPA who knows the financial affairs of your operation inside and out. A CPA well versed in the intricacies of comprehensive succession planning will augment the planning and implementation process.

ESTATE PLANNING ATTORNEY. Most attorneys can draft a basic will and any other legal document, but for comprehensive succession planning, you

may want to consider an attorney who has special training and certification as an estate planning specialist. Tax laws and estate planning rules are in constant flux.

Though comprehensive succession plans are reviewed and revised on an annual basis, many of the factors inherent in these plans are designed for unforeseen contingencies, such as premature death or disability.

TRUST OFFICER. Many estate planning and business asset transition plans involve the use of a multiple legal trust. Each trust must designate a trustee—that is, a person to manage the assets of the trust. If you plan to use a corporate trustee, you may include a trust officer in the beginning stages of the succession planning process. The experience and education of a trust officer can add an important dimension to your succession plan.

BANKER. As a successful businessperson, you may have a personal relationship with a banker who has helped you make wise decisions regarding leveraged financing, production credit and financial development. Including a banker with whom you have a personal relationship may help to clarify financial concepts and business capital needs.

This person is often brought into the succession planning process to augment your personal viewpoints based on a shared business history.

INSURANCE PROFESSIONAL. Much of a comprehensive succession plan is designed to compensate for disastrous contingencies. One person who can help you avert a financial disaster may be an insurance person. Whether the event in question is premature death, disability or a liability, an insurance professional is usually well versed in succession issues and may be in a position to offer protection.

MOLE9:		

NIOTEC.

CHAPTER 10 EXERCISE SELECTING AN ADVISER

Use this brief interview guide to help you identify an adviser who can facilitate the succession planning process for your family.

1. What is you	ur experience facilitating the succession planning process?
2. What qualif	fies you as a specialist in succession planning?
3. How long h	nave you been providing succession planning advice?
4. How many	farm families have you helped with succession planning?
5. Do you und	derstand the succession planning needs of a farm owner?
6. Do you use	a defined planning model and a planning process?
7. How do you	u get paid for services?
NOTES:	