

Generations

Predictable Futures Inc.

the business family centre

If you want a predictable future for your business and your family...
then you must design it in advance.

Fall 2011

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Upcoming events

Gordon speaking at the National Golf
Course Owners Association 2011
Conference in Lake Louise, AB
November 2011

PFI Success to Significance Conference in
Edmonton, AB **Winter, 2012**

PFI Advisor Conference in Edmonton, AB
Winter, 2012

Navigational Tools

As the title of my book—*Navigational Tools for Business Families in Transition*—alludes to, the challenge whenever “tools” are used in sports, hobbies, or business is not just to be aware of them but to actually use and apply them correctly.

Buying the most expensive set of golf clubs or skates does not make you a PGA winner or an NHL star. Having a trained facilitator/mentor/coach makes all the difference, assuming you are passionate and committed to the process. Our fall newsletter is meant to expose you to some tools we use with business families to assist them in creating a more predictable future. This will kick-off a regular section of our newsletter that, going forward, will continue to introduce practical tools for your use. Review, apply, succeed—that’s our desire for yourself, your family and your business.

A Bag of Tools

**Isn't it strange
That princes and kings
And clowns that caper
In saw dust rings,
And common people
Like you and me
Are builders for eternity?**

**Each is given a bag of tools
A shapeless mass,
A book of rules;
And each must make,
Ere life is flown,
A stumbling block
Or a stepping stone.**

-R.L. Sharpe



Gordon at Coal Creek Golf Resort, Tofield AB. A Family Project.

“

You can have the best golf
“tool” in the world but
without proper training
it’s near impossible to
truly succeed.

”

Is the Answer in the Question?

Thomas William Deans, PHD is an international speaker and writer who has shown thousands of family business owners how to successfully generate and protect their hard earned wealth. Here is a summary of the **12 Questions** that he recommends all business families answer annually.

Questions for Founders and Children

- What are at least 3 strengths, weaknesses, opportunities and threats that could affect your business over the next 5 years?
- What would you like your family business to look like in 5 years?
- Are you interested in selling your shares? If yes, to whom?
- Do you agree this business can be sold to a third party at any time?
- Do you agree that unsolicited offers from third parties to acquire the business will be considered and accepted at the discretion of the controlling shareholder and supported by the children?
- To secure your future prosperity should you continue to run your business and invest more money in the company or should you pursue the sale of the company?

Question for Children Only

- Are you interested in buying stock and acquiring control?

Questions for Founders Only

- If the business is sold within the next 5 years would you agree that within 60 days of selling the business to put in place a compensation formula for your children?
- In preparation for this annual update will you arrange for an updated valuation of the business and calculate whether there is an appropriate amount of insurance in place? Will you furnish evidence that this has been done and that estate taxes will not impair the ability of this corporation to function after your death?
- Within 60 days of completing this questionnaire will you complete a salary and bonus compensation review for your children involved in the business?
- Will you agree to conduct an annual performance review of each child involved in the business?
- Within 60 days of completing this questionnaire will you present up-to-date job descriptions to all family members working in the business that clearly describe their duties and responsibilities? Will you include an up-to-date organizational chart? Will you ensure family members working in the company adhere to your company's policies and procedures?

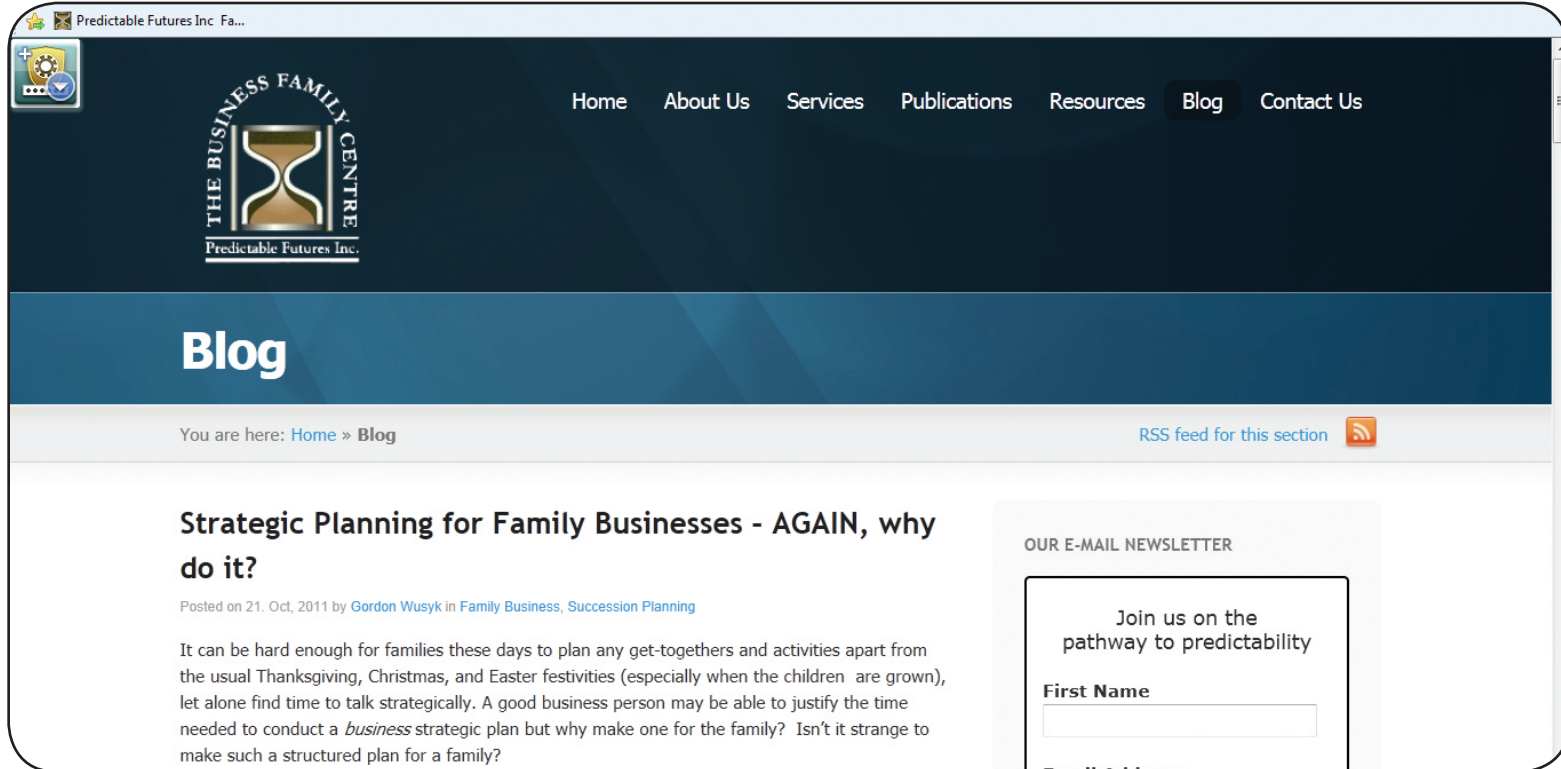
Dr. Deans' fundamental message is that every business must be for sale and must ultimately be sold. He says making your firm's longevity an overriding business objective will destroy wealth.

At Predictable Futures we do not believe that every family business should be sold or that the preservation of wealth should be the sole criteria in succession planning. We do know though that your business and your family will be well served by asking the 12 Questions on a yearly basis.

Predictable Futures' personnel have worked with Dr. Deans and can help your family work through the 12 Questions.

Copies of Thomas Deans' book "Every Family's Business" which include the detailed 12 Questions are available from our office.

PFI Blog – A Weekly “Tool”



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Strategic Planning for Family Businesses - AGAIN, why do it?

Posted on 21. Oct, 2011 by [Gordon Wusyk](#) in [Family Business](#), [Succession Planning](#)

It can be hard enough for families these days to plan any get-togethers and activities apart from the usual Thanksgiving, Christmas, and Easter festivities (especially when the children are grown), let alone find time to talk strategically. A good business person may be able to justify the time needed to conduct a *business* strategic plan but why make one for the family? Isn't it strange to make such a structured plan for a family?

OUR E-MAIL NEWSLETTER

Join us on the pathway to predictability

First Name

A snapshot of our blogging home page. Visit www.predictablefutures.com/blog today to read our newest post

Predictable Futures is blogging!

Approximately three times per week, a useful, thought-provoking, and brief article is added to the Blog section of our website as a weekly *tool* for your use and benefit. Our goal is to provide a comprehensive and interactive resource for business families and professionals in the business family field.

Visit our blog today at www.predictablefutures.com/blog. Check back regularly and leave a comment or ask a question while you're there.

For He's a Jolly Good Fellow... of FFI!

This summer, Gordon was awarded "Fellow" status with the Family Firm Institute (FFI). This honour is given to FFI Family Business Advising Certificate Holders who have been active FFI members for 10 consecutive years and have supported the family business industry through presentations at conferences or writing articles, both of which Gord has done on numerous occasions.

From Classroom to Boardroom

Gordon Wusyk, President and CEO of Predictable Futures Inc. attends and participates in conferences, seminars, meetings and events around North America.

Ethiopia – October, 2011

Microfinancing trip with World Vision International.

St. Albert, AB – September 2011

Concept Homes Charity Tournament.

Edmonton, AB – September 2011

Manning Centre for Building Democracy presentation from Preston Manning and other key staff members.

Canmore, AB - August 2011

Alberta Venture's Most Influential Golf Tournament.

Edmonton, AB - July 2011

"Coaching Your Next Generation" webinar.

Sizzle or Fizzle

Succession planning can either sizzle or fizzle. When it sizzles the family business is more successful, family relationships are stronger and management is more focused.

We have witnessed and developed many successful succession plans but have seen others fizzle. There are different reasons why plans fizzle but here are some of the most common reasons:

Lack of commitment by the founder

Allowing business or personal distractions to take the family off course

Failure of the founder to clearly articulate the values of the business

Lack of a predetermined process

Stopping the process prematurely

The founder believing that he can “do it all”

Failure to choose and develop successors

Not providing adequate opportunity for family members to participate in the process

Believing that key steps such as interviews, family councils or strategic plans can be skipped

Failure to allow spouses to participate

Believing all that is needed is the advice of a lawyer, accountant and financial advisor

Failure to develop a council of competent advisors

Assuming that old advisors have all the answers

Believing that succession planning is too complex or too expensive

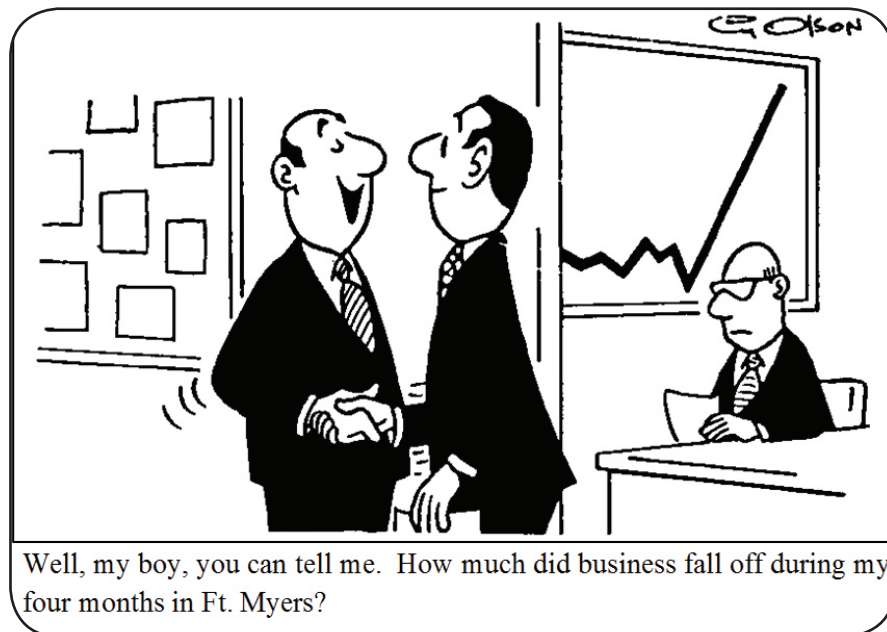
Failure to acknowledge conflicts and concerns

Forgetting to update and reevaluate the succession plan

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When succession planning sizzles, then family relationships, the family business, and management are all more successful.

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For further information on any of the content in this newsletter, or to be added to or deleted from our mailing list, please contact Predictable Futures Inc. The Family Business Centre.

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