

August 2009

*In This Issue*

## Managing or Changing Your Relationship to Your Business



**Dear Melissa,**

### Managing your relationship to your business

We spend a lot of time with mergers and acquisitions advisors. Lately, they've been telling me the market is terrible for those who want to sell their business. Most of us in business intuitively know this. The question becomes "what do I want to do if I want to get out of my business?"

We suggest that you think about whether you can "change your relationship" to your business. This means that you examine closely how you spend time in your business. Maybe you can stop doing things that you are not uniquely qualified to do. Maybe you can delegate some things to others in your business. Often, others can actually do those things better than you and not suffer nearly the same amount of energy drain that you experience.

### Avoiding burnout and staying fresh

Often a business owner visits us to figure out how to leave their business. When asked why they want to take this step, the owner will say they are just burned out and they can't take the pressure of continuing to run their business. After we spend some time speaking with this owner we often find they've been locked into monotonous, repetitive or high stress activities for twenty years or more. No wonder they want to move on. These owners haven't made themselves irrelevant in their business.

Day to day operations of any business can be draining. Day to day operations are important. But they aren't often the reason a business is successful or not. Once operations are systemized the responsibility for making sure things go correctly can often be moved to someone else in your organization. This leaves the owner free to pursue other activities within or outside the business. Operations will often consume every free minute you have. Once you liberate yourself from day to day operations you can start first to change your relationship to your business, and second to manage it in such a way to avoid burnout. Many business owners tell us they really enjoy their business; they just don't enjoy the day to day grind of making things work.

### Why is changing your relationship important?

We believe that there is a good chance that it may take several years for business valuations to rebound. Or, where there were several buyers before the recession, there may not be any for some time to come. Your options for having a third party purchase your business are probably fewer today than two years ago.

You have probably figured out that enjoying the cash flow your business produces is

We believe that a successful wealth management relationship starts with clarity of purpose.

Before embarking on any plans or strategies with our Client, we first seek to develop a clear understanding of your personal and financial goals.

We then work with you to select and implement strategies that will help you move toward your goals.

more attractive than taking a lower price for your business and reducing your standard of living. If you now feel you have to stay with your business longer than you thought you would have to, you will want to start training or recruiting managers to take over day to day operations.

To help you guide your team, you will want to put together a list of key performance indicators for your business. These performance indicators are measurements that show you how well or poorly your business is doing and the type of service you are delivering to your Customers. You can also use these KPI measurements to monitor the day to day work that you've delegated to your key people.

We have seen many owners successfully develop KPI's and then change their relationship to their business. These owners don't abdicate their responsibility for the business. Rather, they manage it in a more effective manner. More effective management allows the owner to create either free time for other activities or to pursue higher value added activities within the business.

We at Stage 2 Planning would be glad to spend some time with you auditing the roles you play within your business as well as helping you craft strategies to change your relationship. If you spend time on this activity, there is an excellent chance your satisfaction with your business will improve, even in the middle of a recession.

Warmest Regards,

Stage 2 Planning Partners

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