



“Owners’ Clarification Report”

**Focuses On Owners’ Mental and Emotional
Readiness for the Business Transition Process**



Why Too Many Good Deals Die

“From a business broker’s perspective, I see more deals fall apart over ‘soft’ issues than over technicalities. If an owner does not take the time to prepare emotionally for what may very well be one of the most significant transitions of their adult life, then it can be hard to commit to the process and see it through to a positive outcome. Owners who ignore the emotional aspects of exiting often end up sabotaging the entire process, perhaps without even understanding why.”

- Professional Business Broker



The Problem: Effects of Owner's Unrecognized Emotional Issues

- Owner not motivated to engage in or complete the transition process
- Reluctant to think through all the issues
- May sabotage the transition process by experiencing “Seller’s Remorse”



The Successful Transition Planning Institute

- A nationally recognized innovative leader in the Head and Heart issues of owners in transition
- STPI's Transition Planning programs help owners deal with the mental and emotional aspects of the business transition
- STPI's highly acclaimed new book, *Finding Your New Owner: For Your Business, For Your Life* by Jack Beauregard, author, founder, and CEO at STPI



STPI's "Owners' Clarification Report"

A New Tool to Help Advisors

- Provides owners with positive motivation for engaging in and completing the transition process
- Helps owners think more clearly about their new future and helps them recognize if they need to develop a more complete plan for their life after they leave their company
- Saves everyone money by avoiding Owner's Indecision



STPI's "Owner's Clarification Survey"

- Carves out time for an owner to focus on their emotional readiness for a business transition
- Based on over 15 years working with head and heart issues of owners in transition
- Helps you feel confident in opening up a conversation because you will have access to the systematic next steps



STPI's "Owner's Clarification Survey"

- Clarifies the goals and outcomes the owner wants to achieve
- Saves owners money by having advisors be clear about the owner's motivations and goals for the transition process



STPI's "Owner's Clarification Report"

- Easy to sell: Sample Owner's Clarification Report
- Easy to present to the owner
- Referring to STPI's expertise avoids owners viewing you as being "soft"



“Owner’s Clarification Report”

Reduces Owner’s Risk and Builds Their Peace of Mind

- Explains the meaning of owners’ answers in regard to the aspects of their mental and emotional readiness that they need to pay special attention to
- Avoid advisors taking a harmful ad hoc approach to owner’s mental readiness



“Owner’s Clarification Report”

Psychologically resonates with owners by creating the framework for a complete story

Beginning: Owner’s Motivations for leaving

Middle: Owner's Emotions about leaving

Ending: Owner’s Future after leaving the company



Owner's Clarification Report

Helps you help owners be aware of their:

- Motivations
- Expectations
- Attitudes and emotions related to the business transition process
- Emotions and feelings about:
 - Their company
 - Prospect of leaving
 - Process of transferring their company to new ownership



“Owner’s Clarification Report”

Part I. Owner’s Responses

Presents in a Clear and Organized Way:

- Owner’s motivations for wanting to leave
- Their transition goals
- Their attitude and expectations
- How emotionally prepared they are for leaving
- If they have a plan for a meaningful and purposeful new life after they leave their companies



Owner's Clarification Report

Part II. Analysis-Section

- Analysis for each area presented in an easy to understand streetlight format:
 - Green** **very high readiness (low risk)**
 - Yellow** **mixed readiness (medium risk)**
 - Red** **very low readiness (high risk)**
- Explanation of each Recommendation and Next Steps



Owner's Motivations and Transition Goals

Green: very high readiness (low risk)

RECOMMENDATIONS: The owner has strong reasons for wanting to leave their company, and is clear about the goals and outcomes they want to achieve from the transition process.

NEXT STEPS:

Owner does not need to do more preparation in this area.



Owner's Motivations and Transition Goals

Yellow: mixed readiness (medium risk)

Some additional work is needed so the owner can be fully emotionally prepared in this area.

RECOMMENDATIONS: Owner's transition process will be more successful if they take the time to think more comprehensively about the transition goals they want to achieve.

NEXT STEPS: To help you further clarify your transition goals:

1. Read *Finding Your New Owner*, relevant specific chapters, and do the exercises in them
2. Also see STPI's follow-up Resources



Owner's Motivations and Transition Goals

Red: very low readiness (high risk)

RECOMMENDATIONS AND NEXT STEPS:

Before the owner takes any further action in the transition process, we recommend that they:

1. Work with a Transition Planning Consultant
2. Clarify their motivations for leaving their company
3. Learn to think more comprehensively about the transition goals they want to achieve.



STPI's Follow-Up Resources for Owners

- *“Finding Your New Owner: For Your Business, For Your Life”*, acclaimed book by Jack Beauregard
- Integrative Transition Planning Programs:
 - “THINK”
 - “LIVE”
 - “DECIDE”
- STPI-trained Transition Planning Consultants (TPC)



STPI's "Owner's Clarification Report" Opens Up New Business Opportunities

- Clarifies owner's goals, expectations, attitudes
- Minimize owner's procrastination and avoid subconscious-sabotage
- High ROI for advisors
- New marketing opportunity for advisors

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