asktra

Transition Yourself III

In Phase I of this Transition Yourself series did you answer “Yes” to the question, do you “Could you be an employee?” It’s one decision that many former owners have fallen in love with post sale.

Ideas

With always being an employee in mind, listed below are a few options to consider.

1. **Still working but selling some equity.**

Often business owners reduce the level of their firm equity and workload by selling to other partners. It helps reduce the owner’s stake in the firm while preserving their client emgagement. It also provides a contingency plan in the event of something happening to the advisor.

2. **Merge my firm in a larger one.**

It’s becoming quite common for two firms to merge forming a new larger one. Commonalities in client engagement, culture, strategies, and values drive these firm actions.

Another frequent approach is a smaller firm tucking in with a larger firm. Typically the smaller firm loses its branding and strategies but gains growth and scale potential.

3. **Sell my entire firm.**

Many buyers exist today who’ll buy your entire firm. The day after closing in most cases your branding disappears, investment strategies change, and redundant employees eliminated. You’ll likely end up with a big check and can remain as an employee.

Transitioning partial or full ownership of your firm is a complex topic. The purpose of the Transition Yourself Idea Sheets I, II, and III is to provoke simple and effective views on this topic.

Idea Sheets provide quick and actionable suggestions to drive more referrals and sales. Visit www.referralsafe.com/asktra frequently for new additions.