

# Succession planning timeline

## Now Plan for the unexpected



No matter how far you are from retirement, you should have a catastrophic plan in place. Whether you have one client or 50, a catastrophic plan ensures your clients and family will be taken care of in the event something unexpected happens.

## 5 years away Laying out the plan



Depending on the path you created in your plan, it is now time to start laying it out. You should have either identified a successor or narrowed it down to 2-3 options. Open and frequent communication with your successor is vital at this time. Steps that should be taking place:

- Define the terms of the deal — do you retain any ownership, is it gradual or will you finance the purchase?
- How will you transition day-to-day activities?
- How will you communicate the change to your clients?

## 1 year away Finalizing your exit



The time has finally arrived for you to start the eventual transition. Perhaps there are a few clients you maintain contact with; but now is the time to finalize all the details. Set your retirement date and throw a party, invite your clients and existing and new team members.

NOW

10-15 YEARS  
AWAY

5 YEARS  
AWAY

2-3 YEARS  
AWAY

1 YEAR  
AWAY

## 10-15 years away Creating your vision



It's never too early to start thinking about your next chapter. We suggest that you begin planning 10 years before your intended retirement date. Setting clear goals and objectives are the key to establishing a smooth transition. Questions to consider:

- What is the vision for your firm/practice and yourself?
- Will I completely exit the business or gradually transition?
- What will I do with my time? Spend more time with family, pursue a new hobby, travel?
- Will you be grooming a successor? How much time will be needed for mentoring/institutional knowledge transfer?

## 2-3 years away Start executing



Now that you have identified your plan and started putting it into place, it is time to start the transition process. Don't be surprised if you start having cold feet – it's never easy to face the end of something you've been doing for a long time.

- Start communicating with clients and include your successor in your meetings
- Get the agreements in place for the business transition
- Review the plan and make sure all the gaps are covered

## Continue the conversation

BMO Global Asset Management Better Conversation Guides provide insights into some of the biggest challenges to your success.

Visit the Advisor Resources section on the BMO Global Asset Management Viewpoints website at [bmogamviewpoints.com](http://bmogamviewpoints.com) for additional resources and information to help make your next client conversation a better conversation.

## Contact us

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