

## **7** SO, DO YOU THINK YOU'RE READY?

Below is a summary of the steps involved in **acquiring a family business**.

### STEP 1:

**Choose whether to join the family business or explore a new opportunity**

### STEP 2:

**Determine the knowledge and skills you need to run the business**

At this stage, take the time to clearly define your vision, gather pertinent information, and subsequently share your vision with the owners and any other individuals involved in the transfer process.

### STEP 3:

**Complete a skills profile and a psychological profile**

These tests will enable you to better understand your strengths, weaknesses, management skills, communication and decision-making style. They will provide an accurate and compelling portrait of the type of entrepreneur you are and what training you need.

### STEP 4:

**Business diagnostic**

Several experts can be of assistance — our advisors will help find the right specialists for you.

Main assessment criteria:

- Management structure
- Key employees
- Production process
- Innovation and creativity
- Diverse, high-quality customer base
- Level of dependence on suppliers
- Financial structure and profitability

## STEP 5:

### **Transfer financing scenarios**

The financing set-up for a transfer project differs from one business to another. Contrary to popular belief, there is no universal financial product for business transfers.

You must carefully and thoroughly assess your financial needs and those of the business. In addition, you must ensure that your scenario is both flexible and able to drive business growth

## STEP 6:

### **Due diligence, price adjustments and other conditions**

At this stage of the negotiations, you will need the support of your advisors (lawyer, accountant, tax specialist) to implement the conditions for a successful transfer.

## STEP 7:

### **The legal transaction**

This step includes the drafting by legal advisors of all legal documents and contracts. You must ensure you understand the legal aspects of all deeds, documents and contracts involved in the transaction. Your legal advisor will clearly explain them to you.

## STEP 8:

### **Entrance strategy**

A well-planned entrance strategy is very important; careful planning will help ensure a smooth transition. The transferor's participation, particularly when meeting with employees, is essential. From the beginning, employees need to be reassured about any future decisions and projects. Take the time to listen to and ease their concerns.

### **Need more time to reflect on the above?**

**Consult our Guide for acquiring a business or visit our site at [Desjardins.com/businesstransfer](https://Desjardins.com/businesstransfer)**