



Train-the-Trainer 2.0
*What is generational business transfer
and how to support it*

Virtual Meeting 08.12.2021

Dr. Max Hogeforster

09:30 “Generational business transfer, why is it important and how to support it”

10:15 Group work: Issues that should be considered when planning generational transfer

11:15 Lunch

12:00 Conclusion of Padlet, **Lecture:** Challenges in generational business transfer

12:45 Coffee break

13:15 Group discussion: Issues a trainer should consider when training a person planning business transfer.

13:45 Concluding the discussion, Lecture: Mentor and Mentoring, Dr Kari Lilja

14:15 Concluding words (Dr Hogeforster), link to the evaluation form, compiling the form

14:30 end of the training.

<https://kahoot.it/>

Kahoot!

Game PIN

Enter

1. Why business transfers are important

2. How to support business transfers

1. Why business transfers are important

R E S I L I E N T

Resilient economies need strong SMEs



The transfer of a business is not a one-time occurrence, but rather a continuous process.



It may take some years.

- While there is no consensus about the meaning or definition of business transfers, they are generally defined as the transfer of ownership of a company to another person or legal entity of more than 50% of the assets or shares, while at the same time “assuring the continued existence and commercial activity of the [company]” (Alpeza et al., 2018). This definition was first introduced by Van Teeffelen in 2010 and has enjoyed great support since (e.g., Deschamps et al., 2020; Alpeza et al., 2018).
- Business owners have a wide variety of different options of how to transfer their business, ranging from transfer to a family member, to transfer to an employee to transfer to an external buyer (Battisti & Williamson, 2015;)

Successful business transfers may be even **more important for stable and sustainable economic growth than those of start-ups** (Van Teeffelen, 2012). This is due to the significantly higher survival, turnover and profit rates of transferred businesses compared to start-ups, estimated between 35–50% for start-ups compared to over 90% for transferred businesses (Alpeza et al., 2018; Battisti & Williamson, 2015; Varamäki et al., 2014; Viljamaa et al., 2015a).

Business transfers, especially transfers of SMEs, are not only of great importance for the individual businesses transferred, but also for the overall economic stability of the European economy (Viljamaa et al., 2015a).

A resilient economy heavily relies on successful transfers. This is particularly true in the new EU member states and Russia, where many new companies were founded privately in the context of the transition and the structural changes in the economy at the beginning of the 1990s. Starting their companies in their 30–40ties, their owners are now increasingly at the age when a transfer of business is required.

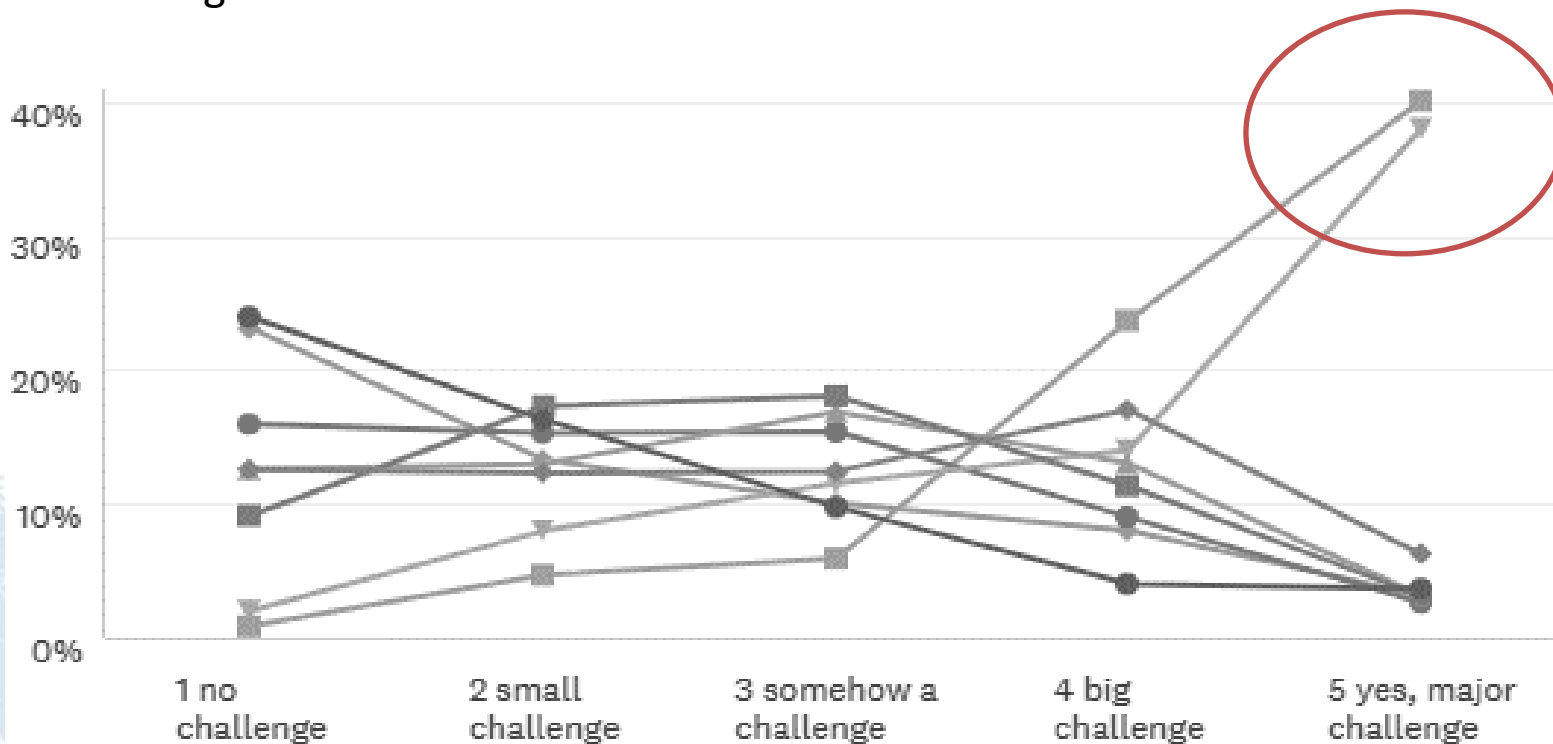
- Business transfers are not easy. A third of transfers fail.
- Business transfers require unique knowledge and skills which are neither acquired nor needed during the every-day practice of running a business (Battisti & Williamson, 2015; Van Teeffelen, 2012; Varamäki et al., 2014; Viljamaa et al., 2015a).
- Business owners tend not to plan for succession and often postpone the transfer of their business as much as possible, making it difficult to find a suitable successor (Van Teeffelen, 2012; Varamäki et al., 2017).
- No support infrastructure. Small businesses struggle to access the necessary support for a successful business transfer (Battisti & Williamson, 2015; Van Teeffelen, 2012; Varamäki et al., 2014)
- Another barrier for small businesses in particular is their reluctance to trust outsiders, especially when the business is owner-managed and relies on specific, unique expertise which is generally not passed on to outsiders (Battisti & Williamson, 2015; Meijaard et al., 2005).

- From October 2020 until March 2021 a survey has been conducted by the authors to learn more about the status quo, challenges and needs for support when it comes to business transfers.
- 283 participants from 14 countries, mainly around the Baltic Sea Region, took part in the survey. The survey was distributed through a network of 76 chambers of commerce, universities and public administration around the Eastern region.
- The settings were such that only one response option was allowed from each IP. A total of 12–16 questions were asked, following a piped logic depending on previous answers. In case of multiple answer options, the order of answers was randomised in each questionnaire.

Current challenges

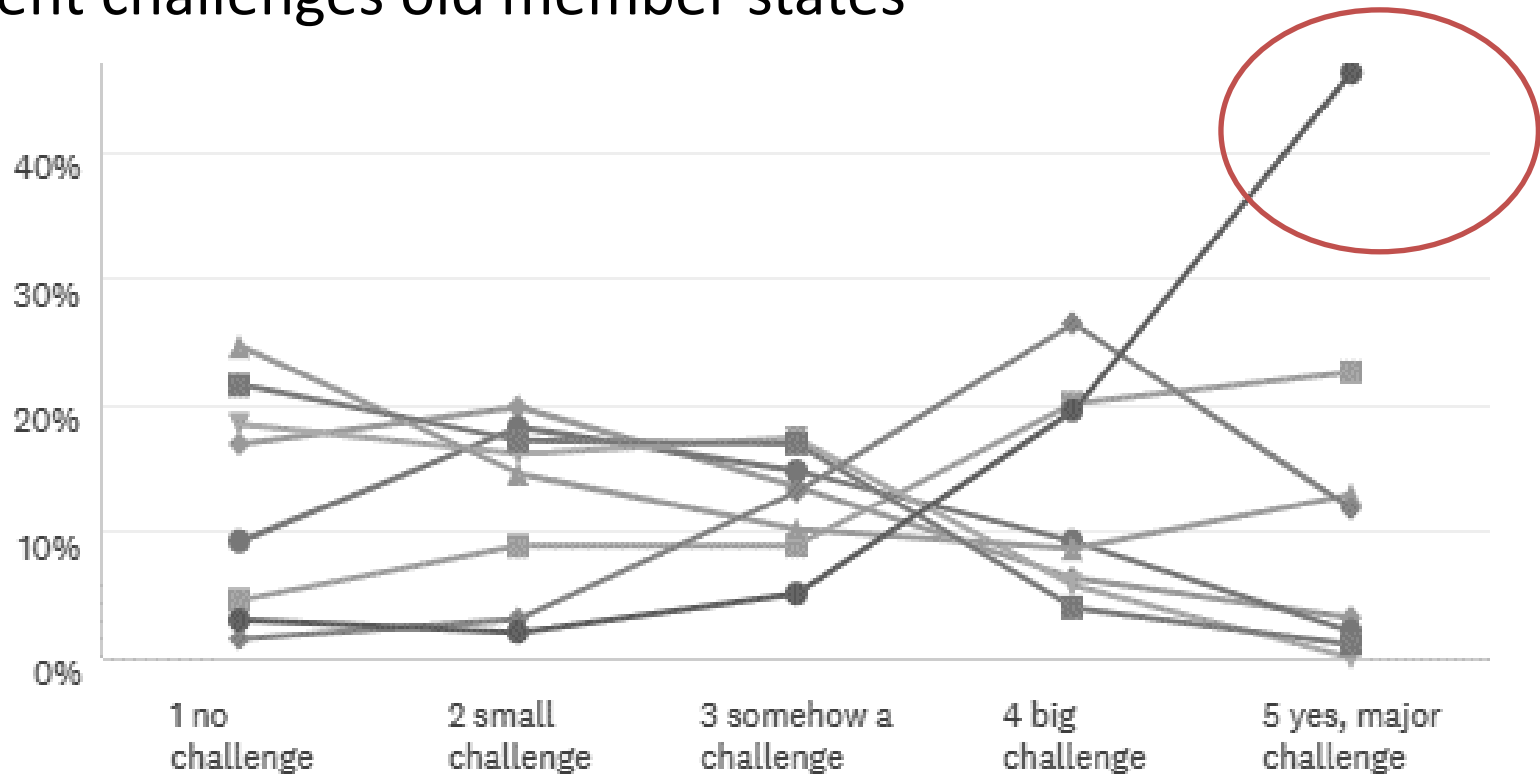
	1 no challenge	2 small challenge	3 somehow a challenge	4 big challenge	5 major challenge	Average
Low education level of staff	32.86% 92	27.86% 78	23.57% 66	12.50% 35	3.21% 9	2.25
Missing Qualification of managers	22.14% 62	28.93% 81	31.07% 87	15.36% 43	2.50% 7	2.47
Innovation level	16.43% 46	30.36% 85	36.07% 101	14.64% 41	2.50% 7	2.56
Digitalisation level	21.43% 60	23.93% 67	28.93% 81	19.29% 54	6.43% 18	2.65
Lack of workforce	30.71% 86	18.93% 53	16.07% 45	16.43% 46	17.86% 50	2.72
Generation shift in companies	16.01% 45	15.30% 43	25.98% 73	34.52% 97	8.19% 23	3.04
Cash flow	6.81% 19	19.71% 55	28.67% 80	18.64% 52	26.16% 73	3.38
Pandemic / Corona Situation	2.13% 6	10.99% 31	14.54% 41	37.59% 106	34.75% 98	3.92

Current challenges new member states



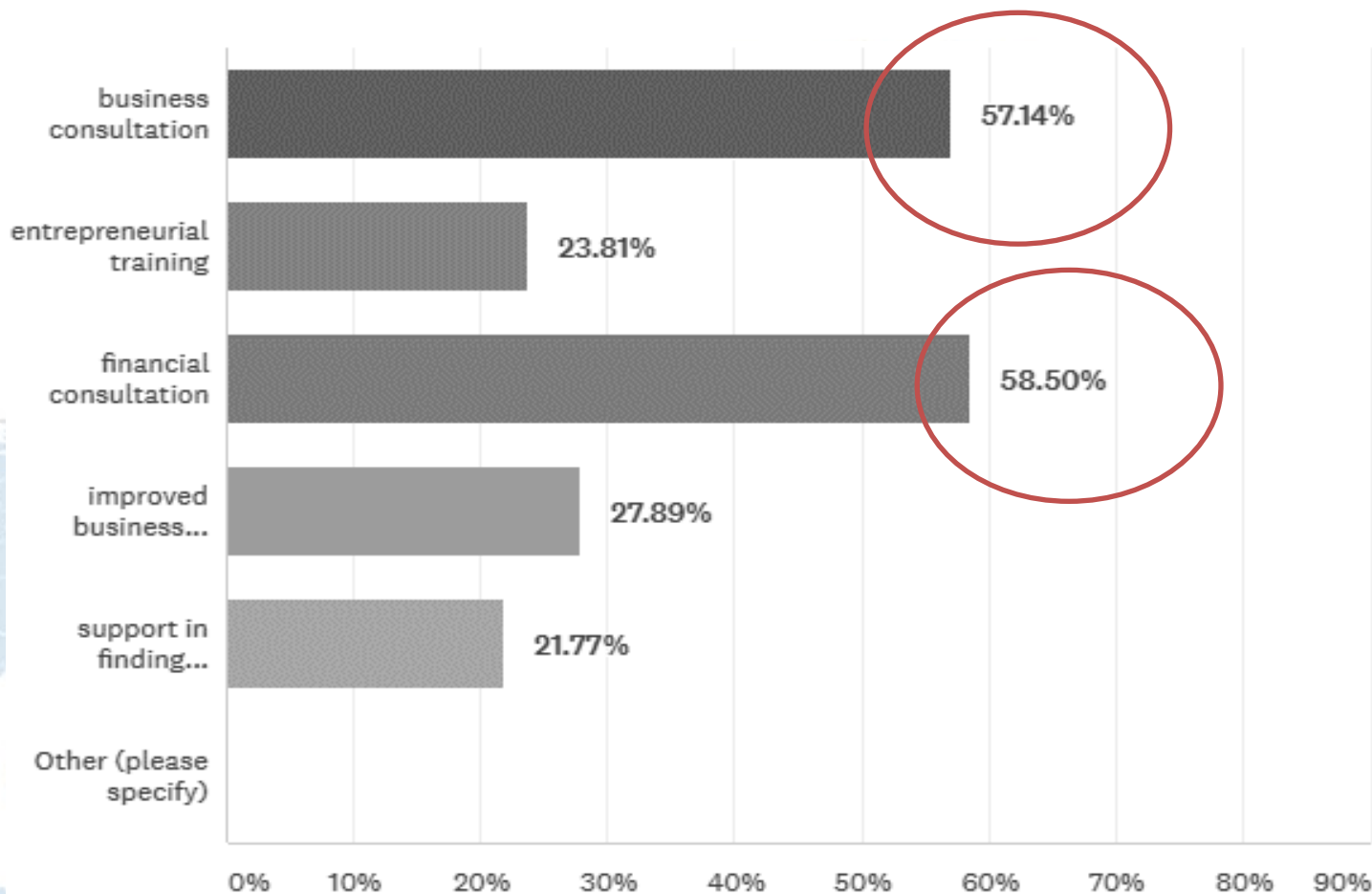
- Lack of workforce ◆ Generation shift in companies ■ Innovation level
- ▲ Digitalisation level ▼ Cash flow ● Missing Qualification of managers
- ◆ Low education level of staff ■ Pandemic / Corona Situation

Current challenges old member states

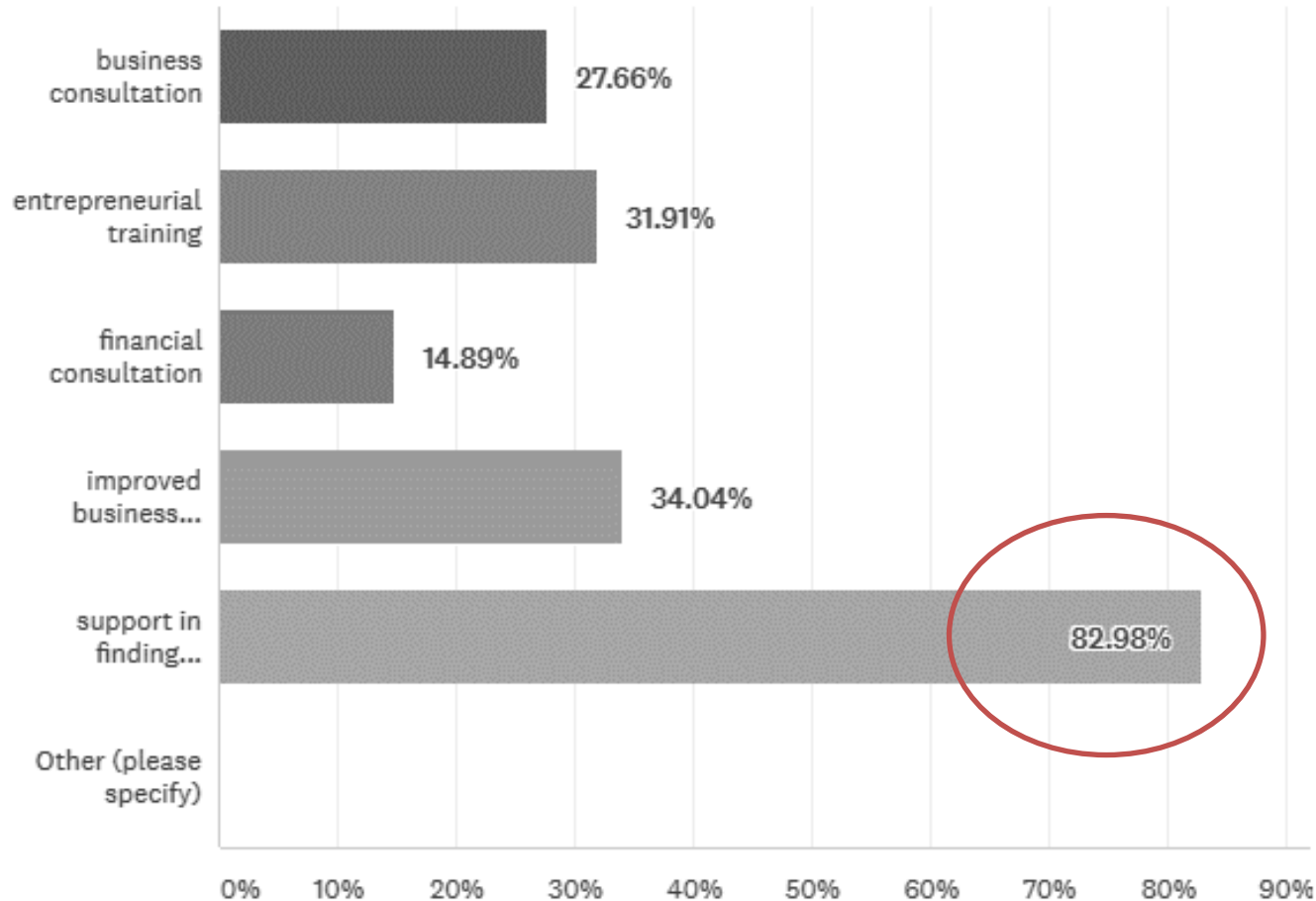


- Lack of workforce ◆ Generation shift in companies ■ Innovation level
- ★ Digitalisation level ▼ Cash flow ● Missing Qualification of managers
- ◆ Low education level of staff ■ Pandemic / Corona Situation

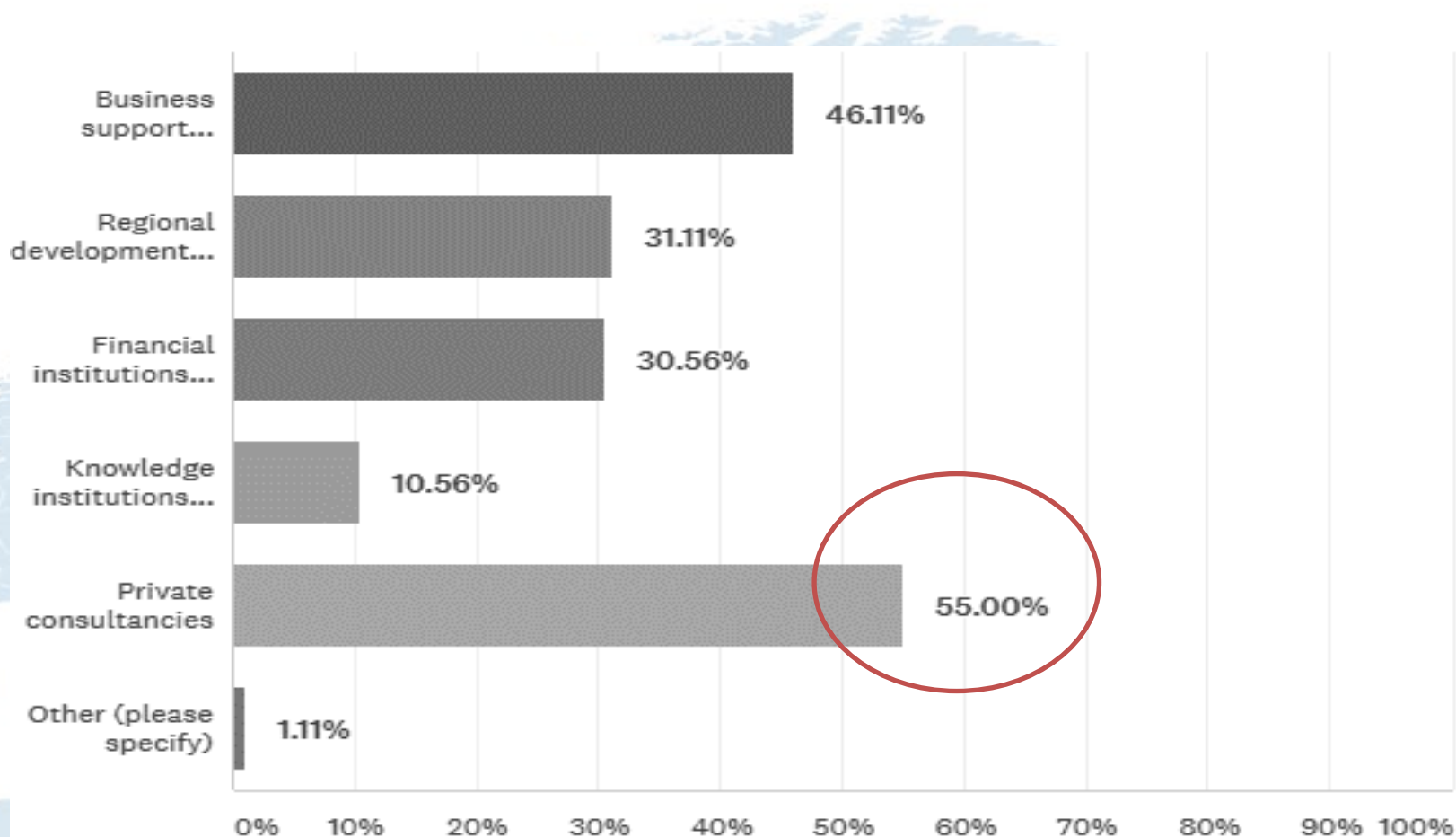
Support for transfer, new member states



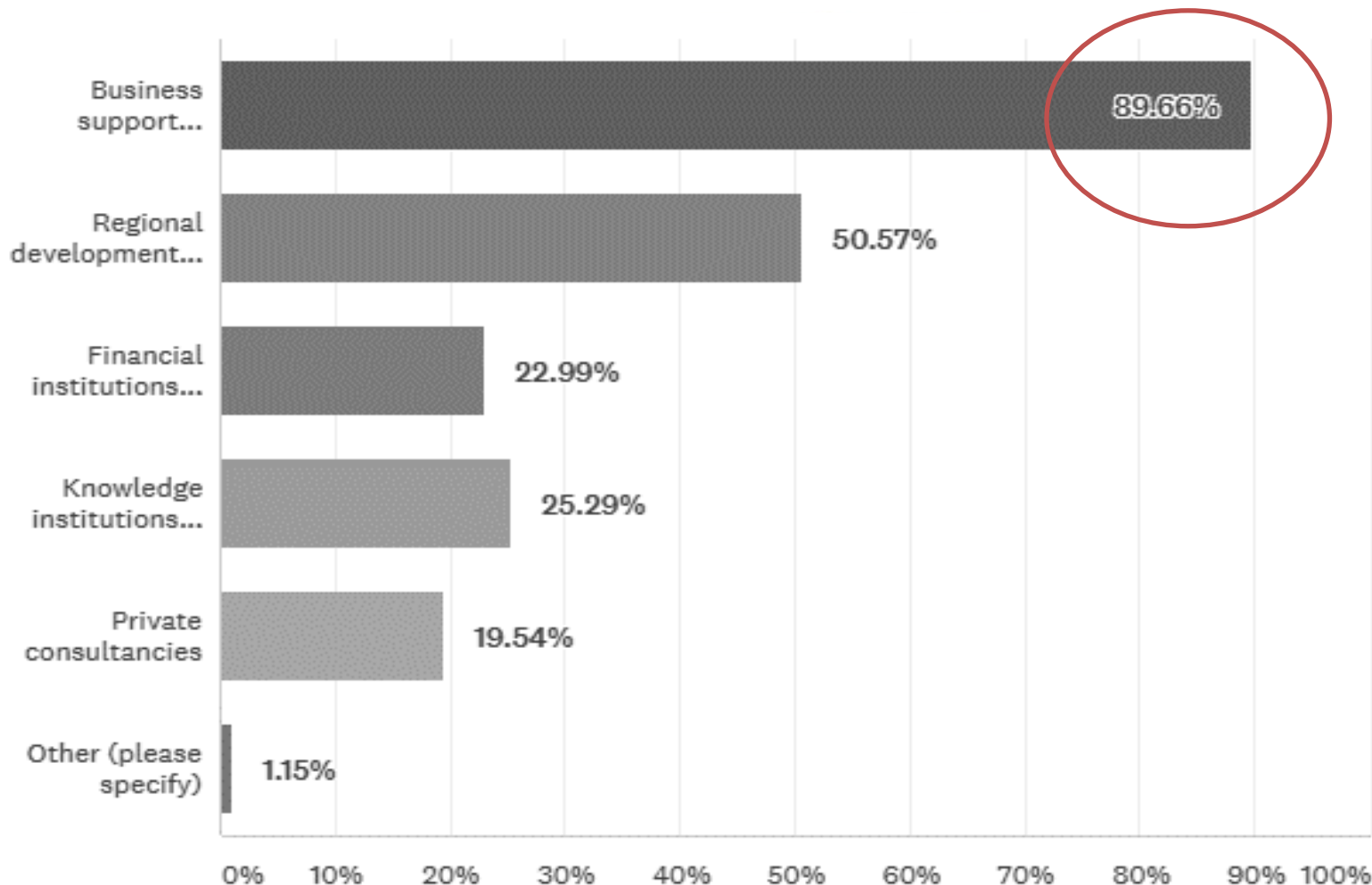
Support for a transfer, old member states Group 2 (source: formed by the authors)



Who can support business transfers, new member states and RU/BY



Who can support business transfers, old member states and NOR (source: formed by the authors)



- The survey clearly confirmed that the topic is of great importance for SMEs, but that the challenges and demand for support diverge between the old and the new member states.
- The latter are in particular need of help in finding suitable successors, while in the new Member States financial and entrepreneurial advice is particularly required. SMEs need to plan early for the upcoming transfer and should allow at least 2 years.
- It can also be the task of the chambers of commerce and similar business support organisation in the new member states to establish this as a future and permanent field of consultation.

Internal Market, Industry, Entrepreneurship and SMEs

[Home](#)[Single market and standards](#)[Industry](#)[Entrepreneurship and SMEs](#)[Access to finance for SMEs](#)[Sectors](#)[Tools and databases](#)[Home](#) > [Entrepreneurship and SMEs](#) > [Supporting entrepreneurship](#) > [Transfer of businesses](#)

Transfer of businesses

Buying an existing company is an alternative way of starting a business. It is often more advantageous than starting from scratch. Every year, around 450,000 firms and over two million employees are transferred to new owners. However, up to one-third of these transfers may not be successful. The European Commission believes that it is just as important to support transfers as start-ups because they are equally important to the EU economy.

Barriers to business transfers

The main barriers to successful business transfers relate to planning and management. They include

- awareness-raising for better planning and preparation
- quality of support and advisory services
- quality standards related to the functioning of online markets and their inter-connectivity
- taxation (especially retirement tax relief, re-investment tax relief, sale to employees' tax relief, and double taxation of cross-border inheritances)
- a lack of evidence and the need to harmonise data collection for better policy making

Commission's actions in the area of business transfers

Examples of projects/initiatives focused on improving business transfers

Please note that these links lead to non-EU institution websites. The Commission's support does not constitute an endorsement of the contents which reflects the views only of the authors who are responsible for the information.

- [‘Continuity of Traditional Enterprises in Mountain Alpine Space areas’](#) (C-TEMAIp), funded by the EU Interreg Alpine Space Programme
- [‘Succession and Transfer of Business in Regions’](#) (STOB regions project), funded by Interreg Europe Programme
- [‘Innovative Business Transfer Models for Small and Medium-Sized Enterprises in the Baltic Sea Region’](#) (INBETS BSR), funded by the EU Interreg Baltic Sea Region Programme
- [‘Key ingredients to develop successful business transfer ecosystems’](#) – Handbook for EU countries, developed by [Transeo](#) (European Association on SME Transfer)
- [‘Business transfer promotion in European countries’](#) - Study on SME business transfer promotion best practices in EU countries, by the Seinäjoki University of Applied Sciences (follow-up of the EU project on improving the evidence base on the transfer of business)
- [‘Succession in Family Businesses’](#) (SUFABU) - project co-funded by the EU Erasmus+ Programme
- [‘Succession Planning and Regeneration In Family Businesses for a New Growth’](#) (SPRING) - project co-funded by the EU Erasmus+ Programme



Succession and Transfer of Business

- NEWS
- EVENTS
- GOOD PRACTICES
- CONTACTS
- LIBRARY
- NEWSLETTER
- SUCCESSIONWIKI

Project summary

"After the creation and growth of a business, transfer is the third crucial phase in its life cycle." - Commissioners Tajani and Hahn, Foreword of Guidebook No. 3 - Facilitating Transfer of Business 2012.



Sustainable Succession in Family Businesses.

In the EU more jobs are lost due to failed business transfers than new jobs are created in start-ups every year.

Over the next decade up to 500.000 businesses providing 2 million jobs will have to be transferred every year and at least 1/3 of business failures are the consequence of bad transfers.

For example in Germany in 2021 76,000 companies need to be transferred.



Highly relevant market for consultants and coaches

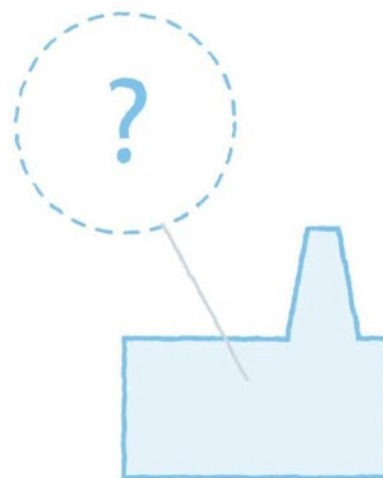


- Most coaches and consultants for SMEs still focus on start-ups and export for companies
- In every country around the BSR thousands of companies need support for and during the transfer for their company
- Interesting possibility to combine different fields of advise, i.e. business transfer and increase of innovative capabilities



**Are you looking for new ways
to develop your business?**

**What is
non-technological
innovation?**





6 STEPS
for innovation

6-Step Counselling Proces ▾

Target groups ▾

About ▾

Contact us ▾

Develop your business with non-technological innovation

SIGN UP FOR STRATEGY COUNSELLING FOR SMALLER OWNER-MANAGED COMPANIES



 Strategy process for smaller comp...  Watch later  Share



Strategy process for smaller companies

Are you looking for new ways to develop your business and achieve growth? Have you recently invested in new technology? Do you want to optimise your profits from it? The 6-step Process offers business counselling for companies that want to develop their business using non-

<https://www.6stepsforinnovation.com/>



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WITH FINANCIAL
SUPPORT OF THE
RUSSIAN
FEDERATION

The 6 step - Counselling Process

STEP 1

Introduction

Get started with the strategy process



STEP 2

Vision

Discover opportunities for innovation



STEP 3

Identifying challenges

Prioritise challenges to enhance performance



STEP 4

Strategy and action plan

Define strategy goals and map action plans



STEP 5

Operationalisation

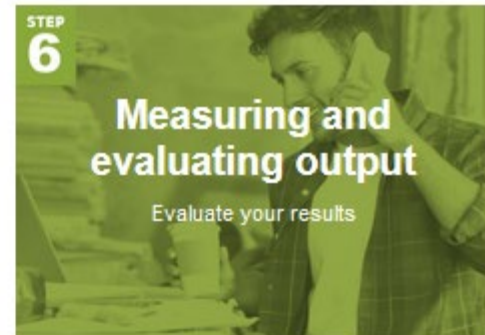
Implement your action plans

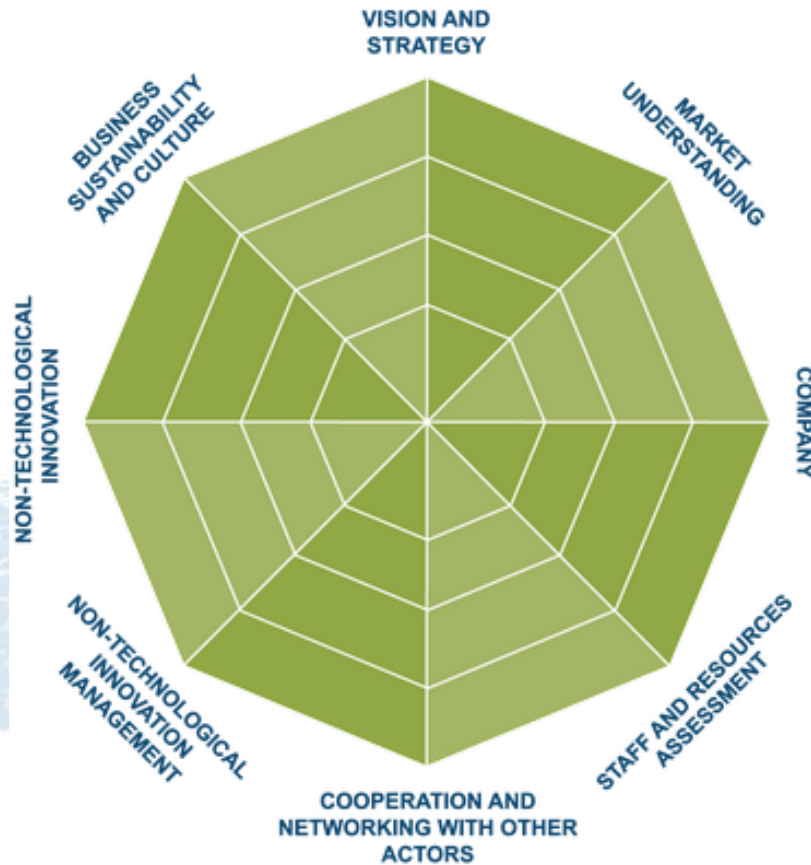


STEP 6

Measuring and evaluating output

Evaluate your results





Identify your challenges with the Spider Web Tool

As part of the 6-step Process, it is essential to identify where to start with the non-technological innovation.

In Step 3, the primary task is to decide which areas to focus on. By going through a number of questions regarding your company, the Spider Web Tool will help you identify your main challenges and help you prioritise them. This will serve as the foundation for a strategy and action plan.



 inbets +



65+ YEARS

NEW GENERATION



2. How to support tra



SMEs have difficulties when facing a business transfer due to the lack of:

- a) time**
- b) suitable successor**
- c) financing**
- d) know-how deficits**
- e) Letting go of the wheel (emotional)**

Transfer is a unique, individual, exceptional situation for all involved

Trust between the parties (owner-consultant, successor- consultant, successor-owner) is essential







HOME PROMOTION ▾ PARTNERS ▾ STRATEGY ▾ COOPERATION ▾ QUALIFICATION ▾ EVENTS ▾ ABOUT ▾ INBETS+

Welcome to the INBETS Competence Assessment for Entrepreneurship.

This short questionnaire will help us to learn more about your skills and competences. Please provide your answers, please provide an e-mail address. Of course this is not obligatory and you can skip any question. If you do not provide an e-mail address, please be assured, that we will not use it for any commercial reasons and solely to contact you and send the results to you.

SATC

COUNTRY

TRAIN-THE-TRAINER

TRAIN THE TRAINER 2

BUSINESS SUCCESSORS TRAINING

If you would like to get a copy of your answers, please provide an e-mail address. If you do provide it, we will use it solely to contact you and send the results to you.

SATC

 <p>VYTAUTO DIDŽIOJO UNIVERSITETAS MCMXXII</p> <p>VMU LT SATC</p> <p>26. February 2020</p> <p>SATC</p> <p>O gal turečiau? Sveikiname atsivertus verslumo kompetencijų vertinimo įrankį, sukurtą įgyvendinant INBETS! Šis trumpas</p>	 <p>VILNIAUS PREKYBOS, PRAMONĖS IR AMATŲ RŪMAI</p> <p>CCI LT SATC</p> <p>26. February 2020</p> <p>SATC</p> <p>---</p>	 <p>Санкт-Петербургский Фонд развития бизнеса</p> <p>SPB RU SATC</p> <p>23. October 2019</p> <p>SATC</p> <p>Должен ли я стать предпринимателем? Добро пожаловать на страницу "Оценка компетенций предпринимателей".</p>
 <p>Ассоциация центров поддержки малого и среднего предпринимательства Калининградской области</p>	 <p>EESTI KAUBANDUS-TÖÖSTUSKODA</p>	 <p>samk Satakunta University of Applied Sciences</p>

Best Practice Models Regarding SME Financing

Several best practice financing models have been developed within the INBETS project, offering diverse models for financing a business transfers for SMEs.

Co-financing by the Transferor

Through this model, co-financing is provided by the transferor him-/herself in order to make the transfer solution possible. Concerning requirements, no hard and fast rules exists. The length of the contract and the executive's role with the company post-acquisition are two issues that also have to be negotiated. If this form of financing is accompanied by a loan, the latter will be given priority.

Strengths	Weaknesses
<ul style="list-style-type: none"> • No partner needed. • Modalities and collateral can be regulated during the negotiations. • Better conditions compared to those offered by other investors. • Could be a way to prevent the company from being closed. 	<ul style="list-style-type: none"> • A change in strategy may depress current results. • The transferor might be continuously interested in having a say in the management.

EU-wide application: Type (size) of SME business transfer: Financially smaller takeovers, and more likely in the case of family succession.

Co-financing by the Transferee's Family and/or Friends

Co-financing is provided by the family and/or friends of the successor/buyer. In terms of requirements, the length of the contract (the agreement) should be fixed in writing to avoid any conflicts between the partners due to different expectations etc. It is also important to remember that you should not mix money and friendship!

Below you will find important data to retrieve from a seller when taking over a company.

Please note that this list is listed alphabetically and not by priority.

Important information when taking over a company

- ✓ Assets
- ✓ Company Business Plan / Strategy
- ✓ Company Culture and History
- ✓ Connections - Local Politics
- ✓ Costs of Production
- ✓ Due Diligence
- ✓ Employees - Age - Education - Gender
- ✓ Environmental Standards (14001)
- ✓ Information about Key Clients
- ✓ Know How
- ✓ Legal Documents
- ✓ Market Potential and Market Share of the Company
- ✓ Organisational Structure and Functions
- ✓ Patents + Intellectual Property
- ✓ Personal Data about Owners
- ✓ Profit
- ✓ Projects - Future - Past
- ✓ Public Knowledges
- ✓ Quality Standards (9001)

Willkommen bei nexxt-change

Deutschlands größte Unternehmensnachfolge-Börse erfolgreich Inhaberinnen und Inhaber von Unternehmen sowie Existenzgründer zusammen.

UNTERNEHMENSUCHE

KAUFGESUCHE

Search for a successor by using our matchmaking tool

Form successfully restored

The form has been restored from your last edit. If wish to start over, please click the button

START OVER

Find a buyer for your company

We are in contact with interested parties that are looking for a company for themselves or as an acquisition for their company. Who will you sell to?

To estimate your Business Valuation please use our tool->

Contact details

First Name

Last Name

Contact Email Address

Phone

Company data

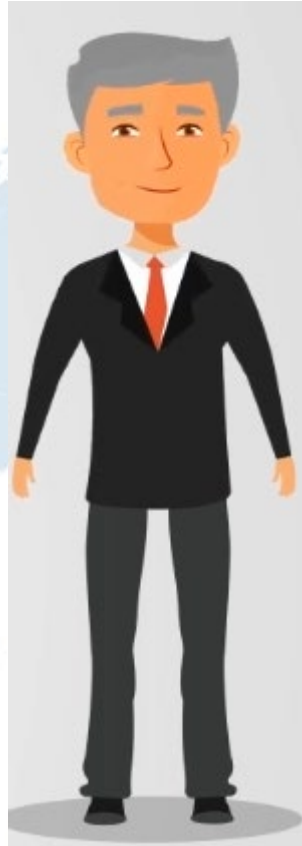
Country *

Ongoing process:

Support during the first weeks / months in the company, e.g. helping to form advisory board of existing employees to increase acceptance and get know-how



problem
analysis
solution





RECORDING: Why is it so challenging to give up active management of your company? Insights from neuroscience



In many cases selling or buying a company is much more complicated than selling/buying real estate. Do you agree with the statement?

In many cases owning a business is like bringing up a child. Through the life of the business, you have nurtured it, learned lessons through trial and error, taken risks, implemented processes and made tough decisions for its well-being and success. You may have employed other people, providing a safe environment for them to create a good life for themselves and in return, they have given you loyal service. You have positive relationships with both employees and satisfied clients of which you are rightly proud.

Business owners often share that their identity is linked to the business and years of hard work, passion, development and success have enabled personal growth as well as business growth. It is therefore not surprising that handing over the reins to another owner or leader comes with some challenges and can be challenging.

Enter keyword

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FAIRS AND EXHIBITIONS MEMBER EVENTS

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RECORDINGS

Upcoming events

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- Select - - Select -

SEARCH EVENTS

ADDITIONAL INFORMATION

Marju Männik
Senior Counsellor of Foreign Trade

ASK A QUESTION

Verslo perdavimo modeliai ir verslininkų kompetencijų tobulinimas

Publikuota: 2021-02-15



Gintarė Paulukevičienė, Vytauto Didžiojo universitetas

Rašyti komentarą

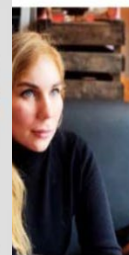
Atliktose ES studijose pažymima, kad esamos įmonės pirkimas yra alternatyvus verslo perdavimo būdas. Tai dažnai yra naudingiau, nei pradėti verslą nuo nulio. Kiekvienais metais apie 450 000 įmonių ir daugiau nei du milijonai darbuotojų perleidžiami naujiems savininkams. Tačiau iki trečdaliao šių perdavimų gali nepavykti, o tai turi įtaką daugiausia kaip pusei milijono dirbančiųjų. Tokio skaičiaus darbo vietų ir pajamų praradimų nekompensuoja intensyvus startuolių atsiradimas, nes veikiančios įmonės turi būtinius ūkinei veiklai komponentus: išteklius, technologijas ir rinkas.



Raising awareness among SMEs



...ла воплощения мечты



НП «Ассоциация центров поддержки малого и среднего предпринимательства Калининградской области» стало партнером проекта «Инновационные модели передачи бизнеса для МСП в регионе Балтийского моря» программы Interreg Baltic Sea Region 2014-2020, реализуемой Европейским союзом.

Школа косметологии и парикмахерского искусства Academy Life Style в Калининграде – пример того, как встретились две мечты. Но на старте бизнеса пришла пандемия коронавируса. Время затихло и, казалось бы, оставшаяся подготовка к новому этапу в тишине.

Школа открылась в январе 2020 года. По словам директрисы Елены ВИЛАР, воплотилась в жизнь то, что задумано до этого сюжета в ее мечтах.

«Я – парикмахер, в профессии уже 12 лет. При этом больше трех лет преподавала в другой школе косметологии», – рассказывает, преподавательской. Подумала, значит, в салоне будет порядок», – говорит Галина Геннадьевна.

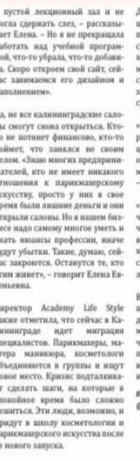
Елена ВИЛАР в свое время владела парикмахерской, что позволило научиться находить общий язык с коллегами, которые сами себе делу, составили в профессии. И сейчас подбирались команда специалистов, которые так же, как она, горят желанием двигаться вперед и в повышении своего мастерства, и в развитии своего дела.

«Мне очень хотелось создать такую атмосферу, чтобы было приятно не только клиентам, но и нашим специалистам, чтобы туда хотелось возвращаться. Но мы его очень долго строили, делали-переделывали. В какой-то момент я поняла, что переиграла. Кроме того, оказалось, что мне сложно управлять людьми, это не мое», – вспоминает Галина.

Но ее словам, первой она предложила продать салон девушкам, с которой вместе несколько лет работала. Но у нее не получилось. Затем – своей коллежнице. Тогда дело не пошло. Не хватало именно управленческого опыта.

«Как-то за год уже пришлось в учебном центре закрыть школу. И тут я встретила Елену. Я слышала о ней, что она первая руководительница, преподавательской. Подумала, значит, в салоне будет порядок», – говорит Галина Геннадьевна.

Директриса Academy Life Style также отметила, что сейчас в Калининграде идет миграция специалистов. Парикмахеры, мастера маникюра, косметологи объединяются в группы и ищут новое место. Крайне подталкивает сделать шаг, на который в спокойное время было сложно решиться. Эти люди, возможно, и придут в школу косметологии и парикмахерского искусства после ее нового запуска.

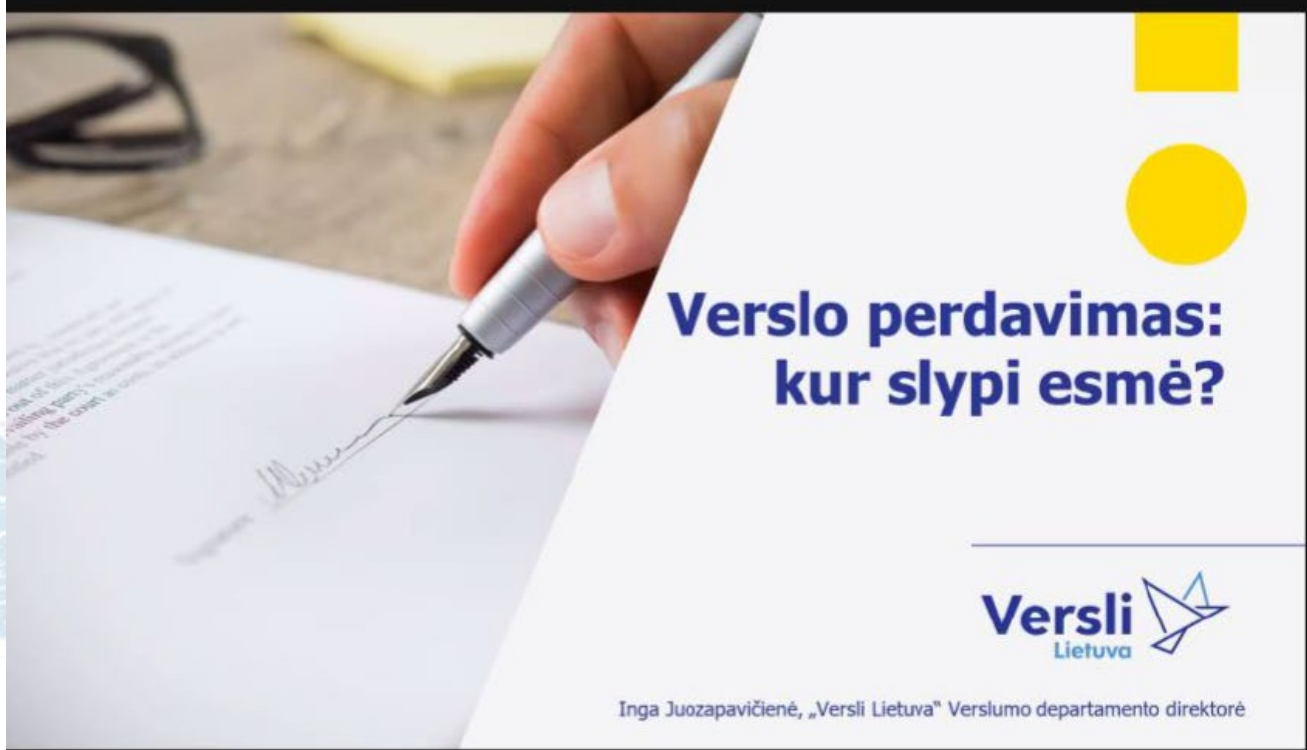




Transfer takes years not weeks

Preview File Edit View Go Tools Window Help | Zoom Meeting | 60% | 10:44, Wed | Gintarė Pauliušėnkaitė



Recording...



**Verslo perdavimas:
kur slypi esmė?**

**Versli
Lietuva**

Inga Juozapavičienė, „Versli Lietuva“ Verslumo departamento direktorė

Vytas	
Dell	Lina Songailienė
Mokinys	Connecting to audio ...
	Violeta Stabinskaitė
rīma	Saulė Sutkevičiūtė

BUSINESS OWNER ADVISORY TEAM
CHARTING THE COURSE FOR YOUR SUCCESSFUL BUSINESS TRANSFER

Download Slides Enlarge Slides Help

VALUATION

NAVIGATING YOUR SUCCESSFUL BUSINESS TRANSFER

What is my business worth?

- Top question
- Predictable, reliable cash flow
- Financing: goodwill vs. asset-backed purchase
- Be the Buyer! Buyers are smart
- Businesses have different valuation metrics both in the same industry and between industries

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LarsonAllen | McGUIREWOODS | BUSINESS ACQUISITION & MERGER ASSOCIATES

Today's Speakers

Chris Nesbit
Partner
McGuireWoods

John Berens
Partner
LarsonAllen, LLP

Matthew Bradbury
Managing Director
Business Acquisition & Merger Associates

1:53 / 16:29

Business Transfers: Top 5 Questions for Intermediaries

<https://www.youtube.com/watch?v=8boJHkTlzg&t=112s>



INBETS Tool SME Valuation

Enterprise Valuation

Assumptions

Company Name

Revenue

Estimated Annual Revenue (Year 1) €

Estimated Annual Revenue Increase in %

%
 %
 %
 %

Gross Profit Margin

Estimated Gross Profit Margin in %

%
 %
 %
 %
 %

Other Operating Costs

Advertising & Marketing	<input type="text"/>	€	Equipment	<input type="text"/>	€
Rent	<input type="text"/>	€	Salaries and Wages	<input type="text"/>	€
Utilities & office Supplies	<input type="text"/>	€	Vehicle Expenses	<input type="text"/>	€
Other	<input type="text"/>	€	Other	<input type="text"/>	€
Other	<input type="text"/>	€			

Estimated Annual Cost Increase in %

%
 %
 %
 %

Working Capital

Family firms represent relatively stable systems so long as the founding entrepreneur is in place.

They subsequently become destabilized as a function of such “triggering events” as the decision to bring a family member into a senior position, the founder’s decision to disengage or decision about firms’ selling (Morris, Williams, Nel, 1996). Successful adaptation to the new situation is influenced by the conditions within the firm (e.g. state of maturity, economic health) and family dynamics (e.g. closeness of family, interdependencies among family members, sibling rivalries, financial condition of family members) (Beckhard, Dyer 1983), as well as the situation in the firm’s environment.

Such critical changes in the firm, eventually leading to the ownership and authority transfer, need to be overthought and planned in details (*Family Business Survey, 2016*).

Please choose the transfer model you are interested in:

- Model 1 – Family Transfer
- Model 2 – One or More External Entrepreneurs
- Model 3 – Transfer to Company Executives
- Model 4 – Takeover by Workers
- Model 5 – Takeover by Another Company
- Model 6 – Takeover in form of a Mixed Scheme

Cases



Veda



Anonymous - SE

Wählen Sie den Snippingmodus mithilfe der Schaltfläche "Modus" aus, oder klicken Sie auf die Schaltfläche "Neu".

Snipping Tool wird verschoben

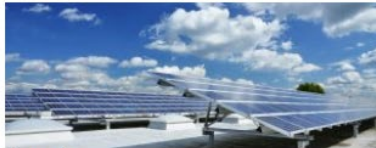
Snipping Tool wird in einem zukünftigen Update als eine andere Seite verschoben. Um "Ausschneiden und skizzieren" (ohne das Windows-Logo) zu verwenden, klicken Sie auf die Schaltfläche "Ausschneiden und skizzieren". Um die Schaltfläche "Ausschneiden und skizzieren" anzuzeigen, verwenden Sie die Schaltfläche "Ausschneiden und skizzieren".

Martins Gräv AB
resten Sie "Ausschneiden und skizzieren"

Transfer description The Veda holding company was founded in 1994. In the middle of the 2000s Veda was one of the leaders in

Transfer description The business started as a project where one of the goals was to make an exit. In the year 2012, the company

Transfer description While participating in an accelerating program for making companies grow, Martin and Lena realized that they



Cleantech



BAGFACTORY



LenSpecSmu

Transfer description The founder of the company and the owner of the know-how was no longer interested in the development and

Transfer description BAGFACTORY is a non-woven PET bag manufacturer, a market leader in Lithuania and one of the market

Transfer description The LenSpecSmu company was founded in 1987 by Viacheslav Zarenkov. LenSpecSmu operates in the field of



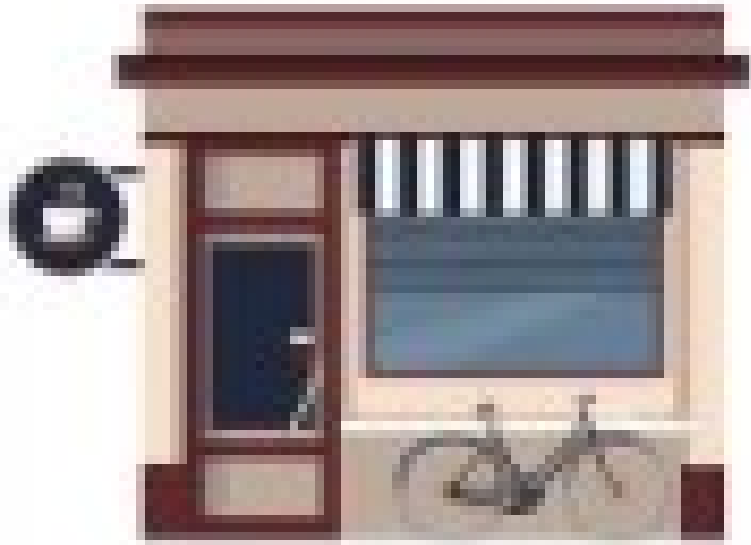
VimpelCom



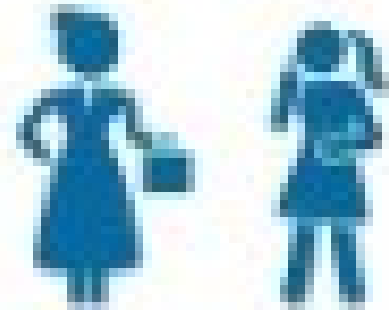
Panelian kone Oy



Anonymous - FI

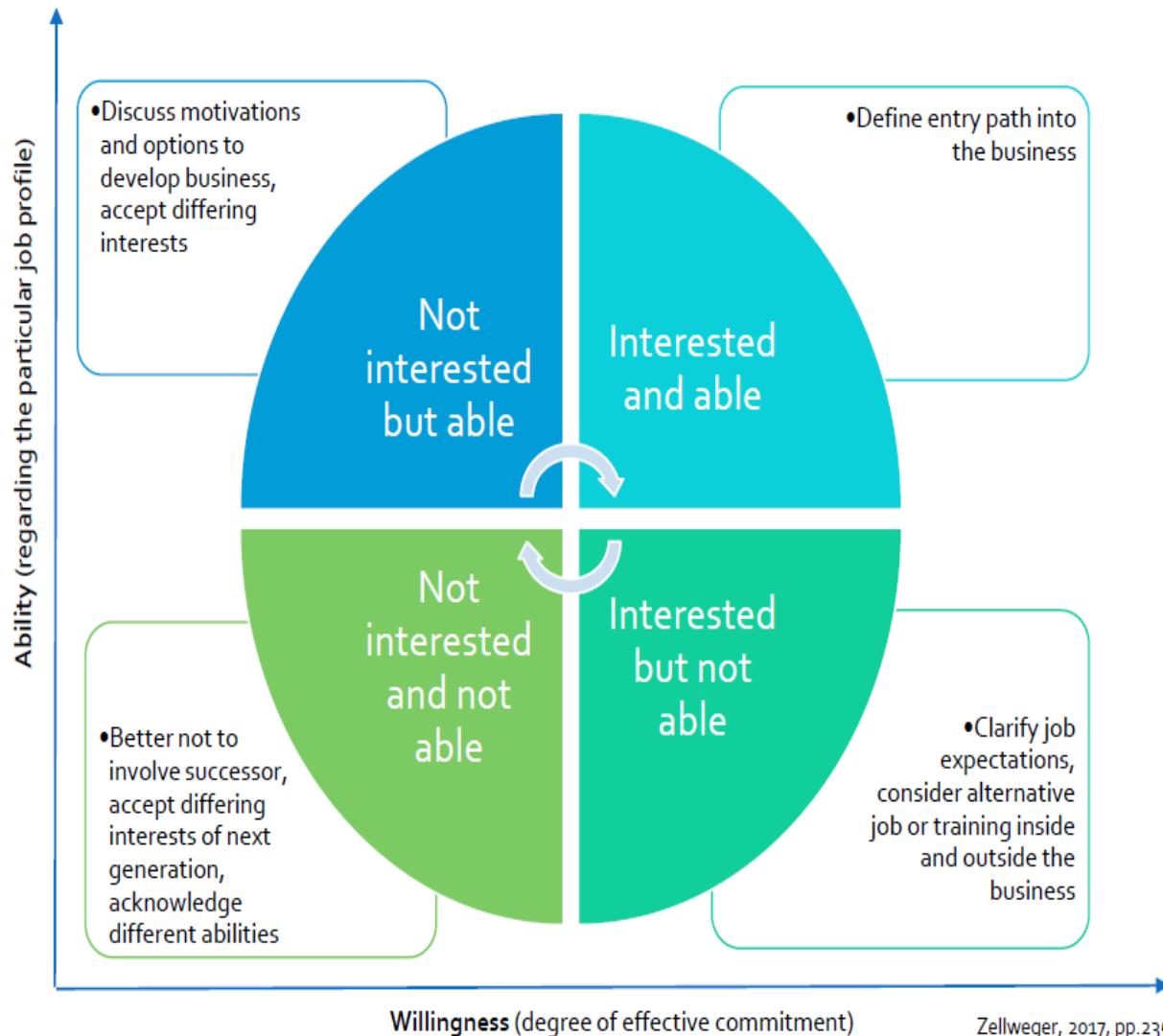


1. Clarifying goals and priorities



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Internal-Family Succession (IFS)



It is crucial to consider the willingness and abilities of the potential successor.

The successor may or may not have an *effective commitment* - strong belief in the company's goals and a desire to contribute to them. Moreover, they may or may not have the *required abilities*.

The **Willingness / Ability diagram** will help you decide how to proceed in different scenarios.

Source <https://www.sufabu.eu/>

Conclusion: Fair does not always mean equal

In Family-Owned Businesses, Equal is Not Fair and Fair is Not Equal.

- "Fair" is a perception and "equal" is a mathematical calculation.

Focus on Fair, not Equal.

- Shares can be different but still fair.
- Treat family members fairly, not equally.

There is no one-size-fits-all solution for family businesses. Family businesses are often full of unique contradictions and complexities.

- E. g. more children, multiple children work in the family business, no significant assets outside the business, bad relationships.
- People are different, assets are different too.

Differences between fair and unfair succession process

Fair process

- Harmony
- Certainty
- Satisfaction
- Trust
- Better business performance

Unfair process

- Conflicts in the future
- Revenge
- Resignation
- Destruction of family relationships
- Termination of business

- ❖ It's imperative to have open and transparent conversations with family members and family business succession planning teams, in order to come up with effective succession plans that account for everyone involved.



<https://www.youtube.com/watch?v=3-3rexYRdcQ>



Internal transfer with existing employees

- Support the internal take-over
- Mediation between leaving owner and new management



Biggest challenge finding a successor

- Overall Lack of young and qualified entrepreneurs in EU

If the owner prefers an external solution, it can be also part of the consultant to protect him from offers :

- Unqualified successors
- Tirekickers
- Competitors pretending to be buyers, checking the situation !



Why should I think about Knowledge Management?

The knowledge of the individual human being is called **individual knowledge** and it stands in contrast to **organizational knowledge**, which is for example the knowledge of your company. However, individual knowledge often results in problems for a company. For example, when an experienced and knowledgeable employee or the owner-manager himself leaves the company. In such a case, a large part of the knowledge, important to the company, is often lost. For this reason, individual knowledge should be turned into organizational knowledge. This Q&A will guide you to a better knowledge management in your company.

<https://inbets.eu/knowledge-management>

Transfer is a process
that needs time and trust



