

## Financial Essentials

# Succession Planning: Selecting Your Next CEO

Financial Essentials is designed to help new financial planners get a successful start. Held in conjunction with MN FPA Symposium, Financial Essentials is for you if you have held the CFP® certification for two years or less, are just entering the practice of financial planning, or are a financial planning student just entering the financial planning field. Gain solid, practical information from experienced, successful financial planners on how to develop a financial planning practice and where to find financial planning career opportunities.

### Knowledge Cafes:

#### KNOWLEDGE CAFES · OCTOBER 24-25, 2011

- Monday – 10:00-10:30 am – Learn about the symposium and what to expect over the two-day program. Do you have questions about the program? We have the answers! Stop by to get your questions answered about the symposium and meet other attendees.
- Tuesday – 9:50 – 10:10 am – Give your feedback about your first day and have additional questions for us about day two.

#### FIN'L ESSENTIALS FOR STUDENTS & NEW PLANNERS · OCTOBER 24, 2011

**Monday, 12:45 – 1:40 pm...** In creating greater practice stability financial advisors should be developing a plan for succession within their practice. We have three panelists to talk about two different succession planning models that are working for each planning practice. Paul Bennett and Joanmarie McDermott will outline their succession plan as Paul purchased Joanmarie's practice. They will discuss at length the step by step approach they used to ensure a smooth transition for Joanmarie's clients. Shawn Jacobson will talk about how the succession plan at the firm he joined 10 years ago has in place. Shawn's firm has an internal succession plan which is a highly effective way for an advisor to transfer ownership to the next advisor. The panelists will discuss what has worked, what to look for, and what to avoid when seeking a business succession plan for your practice.

**Paul Bennett, Shawn Jacobson, and Joanmarie McDermott along with moderator Ben Wacek:** Come and hear from planners who have gone through the ups and downs of applying education to reality and see where it has led them in their career aspirations. You'll hear each person's background and current working situation and how their job responsibilities have evolved from the initial fresh-out-of-college duties to where they are now.

**Moderator:** Ben Wacek, Hope Community Church

**Panelists:** Paul Bennett, Raymond Financial Services  
Shawn Jacobson, Legacy Financial Advisors  
Joanmarie McDermott, Financial & Estate Planning

*(continued)*

**Learning Objectives:** By the end of the session, students will know:

- Importance of a succession plan
- Internal Succession vs External Succession
- Step by step approach (plan) of succession
- Seller Considerations
- Buyer Considerations

**Detailed Content Outline:**

- Introduction of Program and Panel
- Buyer's Perspective - Succession Planning - past purchase experience, what works what didn't work, buyer approach
- Seller's Perspective - Succession planning, seller approach, other options for consideration, why she choose this route
- Transition Process and Timeline
- Succession Plan of internal stock purchase, timeline, approach
- What has worked and why has it worked?
- Successor Considerations - What to look for and what to avoid?
- Importance of succession plan, things to consider, practice protection
- Questions and Answers

**Succession Planning – Selecting your next CEO**  
**October 24**  
**12:45 – 1:40 pm**

**Why One May Wish to Consider Business Succession Planning**

1. To retire from the practice and make way for the next generation of owners.
2. To realize and monetize the equity they have built up over the years.
3. To exit the business and pursue other interests.

**Why Business Succession Planning is Important**

1. For the benefit of your clients. It gives you an opportunity to replace yourself with someone who uses a similar methodology and has equal concern for your clients' welfare.
2. To give your clients' peace of mind should anything unfortunate happen to you.
3. It allows you to capture some of the value of your business and provides a revenue stream in the case of disability, retirement, or death.
4. To expand expertise by finding a firm (advisor) that offers additional services, products or investment styles.

**Different Succession Planning Strategies**

1. Transfer or sell ownership to an employee.
2. Transfer or sell ownership to a family member.
3. Merge with another advisor as a succession plan.
4. Sell to an outside advisor (or firm).

For more information from the panelists, please feel free to contact them:

Paul Bennett: [Paul.Bennett@raymondjames.com](mailto:Paul.Bennett@raymondjames.com)

Shawn Jacobson: [sjacobson@lfamn.com](mailto:sjacobson@lfamn.com)