



## FAMILY BUSINESS CONSULTING & FAMILY GOVERNANCE

*Looking after tomorrow, today.*

### 1. WHAT ARE THE ISSUES?

- For many family-owned businesses, succession planning is the “elephant in the room” that feels simply too uncomfortable to talk about.
- Despite recognizing the importance of selecting and preparing a successor, the leaders of a family business often do not give succession planning the attention it deserves until a trigger occurs.
- In a survey by The Boston Consulting Group, family business leaders ranked succession as the second-most-important subject on their minds, topped only by the closely related issue of achieving alignment among family members on critical topics. Even so, research found that more than 40 percent of family businesses have not adequately prepared for succession during the past decade.
- Both research and real life stories are clear evidence that poorly planned successions are among the biggest value-destroying events for family-owned businesses.

### 2. WHY IS GOOD GOVERNANCE IMPORTANT?

- Succession planning and good family governance are closely linked. The advantages of good family governance include:
  - Increases awareness of the links between the family and the business.
  - It clearly differentiates issues that specifically concern the management and the owners.
  - It provides new opportunities for more effective communication within the family.
  - It ensures better basic and advanced training for family owners.
  - It documents and addresses the expectations of individual family members.
  - It ensures that every family member understands their role within, and their responsibilities towards, the business (thus managing predictable conflict).
  - It sets a reference point for future generations.

### 3. OUR SERVICES

- The owner, or co-owner, of a family business has many things to consider. We can put together an individual consultancy package for your client to help manage responsibilities and facilitate decision making in difficult times.
- Every company is different and so is every family. That is why we adapt our services to specific needs and we work together with you and the client to help identify the risks and opportunities to their family and business.
- We ask questions and listen closely to what the family have to say, both in workshops and in individual conversations. The answers are integrated into a tailored solution that will help the owner organize their family and business in the best possible way.
- Through a number of successfully completed and ongoing projects, we have acquired an understanding of a wide variety of situations that can develop within entrepreneurial families, including recognizing potential conflict early on and suggesting possible resolution alternatives.
- Our goal is to provide unity among owners and help them better understand their roles and responsibilities. We can also provide the tools they need such as risk management for the family, guidance on family consultation elements and much more to help them achieve their goals, including ongoing support and mentoring.



#### 4. HOW CAN THIS HELP YOU?

- **We are keen to work with like-minded professionals** who focus their services around the client's goals and objectives and those of their families.
- Similar to yourselves, **the relationships we have with our clients are key in delivering excellent personal service** and, therefore, we make sure each individual is dealt with as a unique collection of values, thoughts and motivations and the adviser's role is to guide them in the right direction.
- We follow our introducer's lead at all times and **have as much or as little input as required**. We aim to develop relationships and also further strengthen the existing adviser's existing relationship.
- A few practical advantages of working with us:
  - **Demonstrating wider understanding of the family's needs** – initiating conversations around succession planning and family governance, allows advisers to tighten their links to the family by evidencing understanding of the wider issues.
  - On a basic level, more often than not, the outcome of governance related discussions leads to the need for structures being set up. These will require legal drafting as well as accounting services being provided as part of the process.
  - **Transcending generations** – wealth transition is a key consideration, especially where the existing clientele is ageing and ensuring this is managed properly can assist towards building relationships with and retaining the younger members of the family as clients.
  - **Cost effective** – recruiting individual professionals could prove to be an onerous and expensive task with no guarantee of quality.
  - **Objectivity where needed** – stay away when needed.

#### 5. WHY US?

- By utilising KPO, clients can gain back time that otherwise would have been spent managing a myriad of arrangements – time better spent with family and friends, enjoying the fruits of their success.
- We understand that each family is unique and, therefore, our proposition is that of a boutique-type service unlike law firms and the large services firms, where we can dedicate full attention and care to developing long-term relationships. Always available and providing “after-care” support. Here are a few more reasons:
- Multi-focus and broader experience than that of a team in the large professional services firms (i.e. banking, legal, corporate finance, Big Four and hospitality experience within the immediate KPO team.
- KPO can leverage the experience and expertise of different Knox Group companies (not just professional services or legal).
- KPO is able to assist with Family and Business Governance as a standalone piece or as part of the wider Family Office offering, whilst working with existing / other advisers.
- Significant control – in the event where you chose having utilising KPO on an outsourced basis, the team would report into you, which gives you full control.
- As there are a number of business and family consultants in the marketplace, where we differentiate ourselves is by focusing on the client and working together with you to achieve their and their family's personal and business goals.
- KPO is small enough to care, big enough to cope. We are a family business ourselves – for entrepreneurs by entrepreneurs.