



UBS CIO has identified four ways all entrepreneurs can benefit from careful succession planning. (ddp)

Executives & Entrepreneurs

Succession planning in extraordinary times

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Today's unprecedented environment underlines the importance of having a comprehensive and flexible plan for both your firm and investments. The UBS Chief Investment Office (CIO) explores how business succession planning can help you unlock new opportunities, preserve your legacy, boost the value of your business – and even strengthen families.

The coronavirus pandemic is likely the harshest test your business has ever faced, and having a comprehensive and flexible plan is more important than ever. When today's crisis subsides, you may decide it's time to review other parts of your wealth plan, including how you pass your business on to your loved ones, an outside buyer, or your business partner.

CIO has identified four ways all entrepreneurs can benefit from careful succession planning. Firstly, a succession plan can help you **seize new opportunities** more effectively, enabling your business to move on to fresh challenges at speed. It may also give you more choices if you decide to sell (for example, greater control over how and when to exit), or greater flexibility to adjust to fast-paced markets.

While the COVID-19 crisis has plunged many entrepreneurs into crisis-management-mode, it is also a time when business leaders are considering their own broad impact on society. Once the crisis passes it is natural that your

attention may shift to **preserving the legacy of your business**. A robust succession plan can ensure that your personal values endure after you leave the firm, and that your business runs sustainably and in accordance with these.

Succession planning also supports entrepreneurs in **boosting the value of their business** by enabling it to flourish beyond their tenure; for example, by smoothing the transition to the next business owner or steward. Comprehensive wealth planning also helps you maximize the value of your business sale, or optimize tax efficiency.

Lastly, a well-crafted succession plan can play an important role in **strengthening business owners' families** and creating a common business vision. Finding the right future leader for your firm is a critical but often sensitive task, and careful wealth planning (like estate planning, taking out life insurance, or setting up trusts) can maximize the chances of future business success and family cohesion. It may also



make it easier to split business and family assets, removing a key stumbling block when selling your business to a third party.

To explore business succession planning in more detail, please see the UBS CIO report [Four ways entrepreneurs young and old can benefit from succession planning](#) or speak to your UBS representative.

Authors: Matthew Carter, Strategist; Christopher Swann, Strategist; Maximilian Kunkel, Strategist; Themis Themistocleous, Regional CIO Europe.



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