



Ownership transition planning

Key learning points

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1. Thinking of transitions ahead of time can avoid a lot of conflicts.
2. There is rarely a “perfect solution” — there should be a solution that suits a given family: unequal distribution of shares or equal distribution of shares?
3. More options exist and are often overlooked: splitting the business, or even a family buy-out.
4. Don’t make the will a surprise to the children. It will be too late to change it if it creates turmoil.
5. The fair process is as important as the result. Each individual situation should be taken into account. The five principles of fair process in family business: communication and voice, clarity, consistency, changeability and commitment to fairness.
6. Thinking about a transition early can avoid emotional implications and heavy taxes and help successors to find their role.
7. Check the legal and fiscal environment.

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Family business dynamics



Source: KPMG Enterprise Family business dynamics, 2017

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