

Supporting the transition of a family-owned business

Client name:

Confidential

Industry:

Agribusiness, Food and Beverage

Client challenge:

Transitioning a family owned business

Grant Thornton services:

Private Advisory, Grant Thornton Consulting and Private Wealth



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Kirsten Taylor-Martin, Partner, Grant Thornton Australia

Transitioning out of a family business can be challenging, especially when the founders are intrinsically involved in running the business. A lot of information about the business is retained by the founder, making it difficult to ensure it's passed on.

Here we examine how this family business was able to successfully transition out of a family-owned business, and ensure its continued success.

Client challenge:

A 50 year old family-owned food & beverage business, was founded by a husband and wife team to become a successful business, employing almost 600 staff across three locations in eastern Australia.

The business has many long term employees and children working in the business, but no consideration had been given to the future. Do they sell, or do they have the skillset or the desire in the business for the baton to be passed on?

In anticipation of this next stage, the family knew they needed help in formulating the next steps. How do they elect a successor? How do they ensure the successor has the required skillset? Does the successor have to be one person? Does the successor have to be a family member? And how do they do all this without losing focus on growing their business?

The solution:

A collaborative approach between Grant Thornton and the family helped ensure the transition was seamless and the succession was ensured.

The process included facilitated family interviews, to ensure all family members' opinions were heard, as well as a facilitated workshop. These conversations were led in view of the seven considerations Grant Thornton see as the key to Succession Planning.

The outcome:

The process resulted in a 20 step action plan to ensure the family and business is succession ready.

A tailored Family Governance structure was recommended to focus on creating a stronger future focus and improving communication, alongside the creation of a Family Council supported by an independent Grant Thornton partner as facilitator, to ensure the family is held accountable.