



GOLD

FAMILY WEALTH

How to Plan Like a Thoroughbred

Running a successful business is a lot like a thoroughbred horse running a race. Knowledge of the competition, track conditions, and your own skill play huge roles in how you finish the race. However, it can be easy for business owners to give everything they have and run out of energy right before the biggest moment of the process: when they approach the home stretch of their business exit. Today, we'll explain why it's crucial to begin planning for your biggest moment well before it arrives.

Pacing yourself to exit before you're exhausted

After years of successfully running a business, you'll likely reach a point where you either cannot or don't want to continue running yourself ragged. However, waiting until this moment to begin planning for a successful future can hamstring your efforts.

By beginning your planning process earlier than you might think necessary, you can address the common roadblocks that arise due to the limitations of age, boredom caused by routine, and the constant barrage of unexpected events that can derail your success.

Consider the racing style of one of the greatest thoroughbred racehorses in history: Secretariat. Secretariat wasn't typically a front runner, especially because he took an aggressive bump from another horse early in his career. (As a successful business owner, you might relate to the experience of taking a bump from a competitor earlier in your career that made you a bit more cautious!)

To account for this, he and his jockey often conserved his energy by having him pace himself and run the race from behind, only to drastically pull away from the competition as the race went on. Where other horses faltered, Secretariat exploded, leaving his challengers in the dust.

This combination of discipline, talent, and an adherence to a plan allowed Secretariat to gallop to huge victories time and again.



Michael Gold Founder and CEO, Wealth Advisor

mgold@goldfamilywealth.com

Gold Family Wealth, LLC

55 Post Rd W

Suite 218

Westport, CT 06880

[646-844-2533](tel:646-844-2533)

The Law of Conservation of Business Energy

Energy cannot be created, nor can it be destroyed. It can only be converted from one form to another. As a business owner, you experience this every day. You may need to convert energy from operations to sales, or from short-term planning to planning for a successful future.

A common mistake business owners make is thinking that they can simply create the energy they need to plan for a successful future when they need it. Unfortunately, this mindset can destroy your chances of pursuing a successful future on your terms.

Instead of expecting a sudden burst of energy to simply appear as you approach your inevitable business exit (by choice, death, or otherwise), it's often much smarter to convert your energy in ways that allow the business to eventually run without you.

Don't approach retirement tired

It can be scary to hand over the reins of your business for the sake of future success. But converting your energy from the daily grind to the grander vision of life after the business often requires it. It also requires the discipline to know the conditions you're running in and how to best approach them.

As you begin the race toward a successful future, consider thinking about the strategies other successful business owners have used to plan for a successful future before they were too tired to do so.

1. **Determine what you need to finish the race.** This includes what it will take for you to be financially independent once you inevitably leave your business.
2. **Consider handing the reins to next-level management.** Trying to do it all means your business relies entirely on you. Next-level managers can reduce the business' reliance on you, which often makes it more valuable and efficient.
3. **Know your strengths.** When you know your strengths, it helps you convert your energy to focus on those strengths. It can also help you buttress your weaknesses, which can make your business even stronger.

We strive to help business owners identify and prioritize their objectives with respect to their businesses, their employees, and their families. If you are ready to talk about your goals for the future and get insights into how you might achieve those goals, we'd be happy to sit down and talk with you. Please feel free to contact us at your convenience.

The information contained in this article is general in nature and is not legal, tax or financial advice. For information regarding your particular situation, contact an attorney or a tax or financial professional. The information in this newsletter is provided with the understanding that it does not render legal, accounting, tax or financial advice. In specific cases, clients should consult their legal, accounting, tax or financial professional. This article is not intended to give advice or to represent our firm as being qualified to give advice in all areas of professional services. Exit Planning is a discipline that typically requires the collaboration of multiple professional advisors. To the extent that our firm does not have the expertise required

on a particular matter, we will always work closely with you to help you gain access to the resources and professional advice that you need.

This is an opt-in newsletter published by Business Enterprise Institute, Inc., and presented to you by our firm. We appreciate your interest.

Any examples provided are hypothetical and for illustrative purposes only. Examples include fictitious names and do not represent any particular person or entity.

This content is for general information only and is not intended to provide specific advice, and endorsement or recommendations for any individual. Past performance is no guarantee of future results. All indices are unmanaged and may not be invested into directly. Investing involves risk, including possible loss of principal. No strategy assures success or protects against loss. To determine what is appropriate for you, consult a qualified professional.

Investment advisory services offered through CWM, LLC, an SEC Registered Investment Advisor. Carson Partners, a division of CWM, LLC, is a nationwide partnership of advisors.

©2023 Business Enterprise Institute, Inc. All rights reserved.