

WILL SELLING YOUR STAFFING FIRM GIVE YOU THE POST ACQUISITION BLUES?

by Bob Cohen and Sam Sacco

For many staffing owners, selling their business is like selling their baby. Their business was once like an infant they nurtured, cried with, bleed over and beamed with pride as it reached a level of maturity where it could stand on its own.

Think about your Personal Transition

Often the owner's success in business came because they were active doers, not just planners. The need to survive was so strong in some owners it sometimes outlasts its usefulness, particularly if it prevents owners from properly planning for their future.

Studies have shown that 65% of entrepreneurs intending to retire in the next five years do not have any plan for the future of their company and as importantly they lack a personal plan for their own future.

Let's leave the discussion of succession options for a staffing business owner for another day and let's focus today on the personal transition issues for the seller.

The best route is to have a solid plan for how they will spend the next stage of their life. Moving on without a plan can be a risky business. If after so many years your mind and body lacks an engaging focus, it can adversely affect your well being.

We all need a plan to make this opportunity work well for us.

Do you have a plan to fill the enormous Gap

Many of us have said over the years "I'll do that when I retire".

That may refer to playing golf daily, going fishing regularly, reading some classic books or even writing that great novel they know is in them or building that special project they never seemed to have enough time for earlier.

Often, these are throw-away thoughts that do not evolve into specific plans for the future. Many owners who have been intensely involved with the operation and growth of their staffing business on a daily basis for many years will have a huge gap to fill and may not realize the size of the hole in their focus until after they leave.

Once, they are relieved of those daily responsibilities, the challenge for many owners often becomes how to focus their energy, their time and their activities going forward.

The questions are numerous; you will need to fill more than your daily activities with things to do. If you do not already have another major focus in your life, you may need to find one or several more areas to explore or worlds to conquer to ensure you make the most of the next stage of your life.

Some entrepreneurs claim to suffer a loss of identity after they sell their business. Previously they were known in their community as the well respected owner of a local staffing business. That was enough of an identity while they owned their business; however it was probably never their total identity, only their public face. Who are you now?

Some owners leave staffing and begin another business, some wish to travel extensively, others turn toward increased leisure and/or family activities and some others will stay on with their former business for a transition period or for a new stage in their career. What will you do?

The answer to this question may be harder to come up with than it first seems. We may readily say that we will exercise regularly now with no guilt or excuses, spend more time with friends and family, refinish that deck in the back yard, take up new hobbies, but will that fill the huge gap in your focus?

What is our new plan for exercise? If we exercise two hours a day, what else will we do? Will our friends and family members have the desire and time we do to spend together? How long will refinishing that deck take, and then what will you do? Which of those hobbies will you tackle and how? Will your spouse adjust to having you around all the time?

You will need a new focus for your time and energy. The time to start thinking about that new focus is when you start thinking about selling your business. This can be a great period in your life, be prepared to take advantage of this rare gift of time that you want to fully enjoy. ■

Make this a great adventure!

For more information, contact Bob Cohen at 416-229-6462 or Sam Sacco at 910-509-0691. We can also be reached at bob@racohenconsulting.com or sam@racohenconsulting.com. Sam and Bob have successfully completed over 100 staffing industry transactions. There are many more articles on our website at: www.racohenconsulting.com