

# “Where are you now ?”

Your Business



You

Your Family



## Confidential Discovery and Program Development Questionnaire



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Guelph, Ontario  
N1H 3X7



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**SECTION A      FAMILY BUSINESS DETAILS**

Business Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

Province/Country \_\_\_\_\_

Postal Code \_\_\_\_\_

## SECTION B FAMILY BUSINESS PROFILE

### 1. Family Business Characteristics

Combining interpersonal relationships with business creates both challenges and opportunities. Individuals who learn to work well together can have a successful business now as well as having the satisfaction of passing the business on to future generations of leadership. However, only a few accomplish this successfully.

How family businesses handle the critical areas of communication, group decision-making, conflict management, team participation and stress provide a strong indication of the potential for success under future generations of the business.

We would like to get an indication of how your group handles these issues. Please indicate whether you agree or disagree with the following statements.

	<i>Agree Strongly</i>	<i>Agree Somewhat</i>	<i>Disagree Somewhat</i>	<i>Strongly Disagree</i>	<i>Don't Know/ No opinion /Not Applicable</i>
1. Many important issues are not discussed in our family group.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. I don't know enough about what goes on in our family business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Individuals get together outside of the business for celebrations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Individuals are free to follow their own dreams and interests.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Everyone is clear about why we are in business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. We all have a say in the business decisions that impact the family group.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. There have been situations in the past where next generation family members worked well as a team.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Family members less active in the business feel as much a part of the family group as those who are more active in the business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. We have a clear and understood direction for our family business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 2. Business Management

Now, we would like to get an indication of how you feel the business is managed. Please indicate whether you agree or disagree with the following statements.

	<i>Agree Strongly</i>	<i>Agree Somewhat</i>	<i>Disagree Somewhat</i>	<i>Strongly Disagree</i>	<i>Don't Know/ No opinion /Not Applicable</i>
1. All family members in the business are compensated fairly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. We produce a plan for the business every year.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. All family members in the business receive feedback/coaching.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Family members work well together in the business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Our business has outsiders on our advisory board.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. I am concerned about our ability to maintain profitability in the future.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. I am concerned about our lack of relevant accounting and management information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. I am concerned about changes in the market and how they will impact our business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. The process for assigning roles within the business is clearly defined and understood.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. All members of the management team have the authority to carry out their assigned responsibilities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## SECTION C      SUCCESSION, OWNERSHIP AND CONTINGENCY PLANNING

### 1. Succession

The transfer of control and business assets is often a difficult issue to deal with. Moreover, the timeframe for completing the process is typically underestimated. Also, the difficulties of adjusting to life outside the business and the loss of authority, income, position or status are frequently barriers to planning for the transition and change. Few family businesses have formal action steps for dealing with these uncertainties. The following questions will help identify how far along you are in this process. These questions will also help identify how prepared you are to deal with changes going forward. Please indicate whether you agree or disagree with the following statements.

	<i>Agree Strongly</i>	<i>Agree Somewhat</i>	<i>Disagree Somewhat</i>	<i>Strongly Disagree</i>	<i>Don't Know/ No opinion /Not Applicable</i>
1. We never seem to be able to discuss succession issues without getting into an argument.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. We have a formal process for selecting successors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. We have an agreed on time frame for passing day-to-day management and decision-making to the next generation leadership.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Our business has the ability to grow to support multiple next generation families.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. The senior generation has hobbies or interests outside the business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. The business will provide sufficiently to enable successors to buy out current owners without detriment to its future viability.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Under next generation leadership, the senior generation will be encouraged to stay connected to the business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 2. Ownership

	<i>Agree Strongly</i>	<i>Agree Somewhat</i>	<i>Disagree Somewhat</i>	<i>Strongly Disagree</i>	<i>Don't Know/ No opinion /Not Applicable</i>
1. We have an agreement with clear rules for buying, selling and transferring ownership interest in our business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. The mechanism to be used in determining the value of ownership interests is fair.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. We have an owners' forum that meets regularly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. We all understand who owns what in the business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. It is very important that the business passes to the next generation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. For the business to continue it will be necessary for the senior generation to provide loans or financial guarantees to lenders.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. The spouse and children of a next generation owner are clear about their ownership position in the event of that shareholder's death.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### 3. Contingency Planning

	<i>Agree Strongly</i>	<i>Agree Somewhat</i>	<i>Disagree Somewhat</i>	<i>Strongly Disagree</i>	<i>Don't Know/ No opinion /Not Applicable</i>
1. If the current owner(s) died, the business would have sufficient financial resources and/or insurance to pay taxes and enable the buy out of one or more beneficiaries.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Our buy/sell/transfer agreement will give us the results we want.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Current shareholders and their adult family members have an up-to-date estate plan in place.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. If a catastrophe befell one of our family members, we have a plan for operating the family business without them.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Our current creditors, customers and suppliers would continue their support even if the senior generation was no longer involved in the business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Senior members have enough wealth outside the business to support their desired lifestyle.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Ownership interests in our business are protected in the event of any member's divorce, bankruptcy, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please indicate any other issues and concerns that you have: \_\_\_\_\_

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Completed by: \_\_\_\_\_