



Public Sector Best Practices for Encouraging **Small Business Transitions**

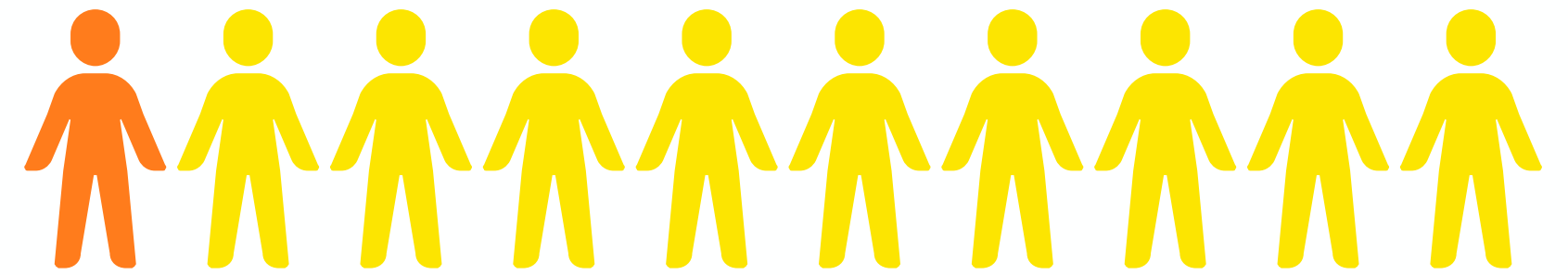
A Report and Toolkit for Economic Developers

Prepared & presented by: Brenna Carroll and Brittany Wise



76%

of business owners plan to leave their businesses within the next 10 years.



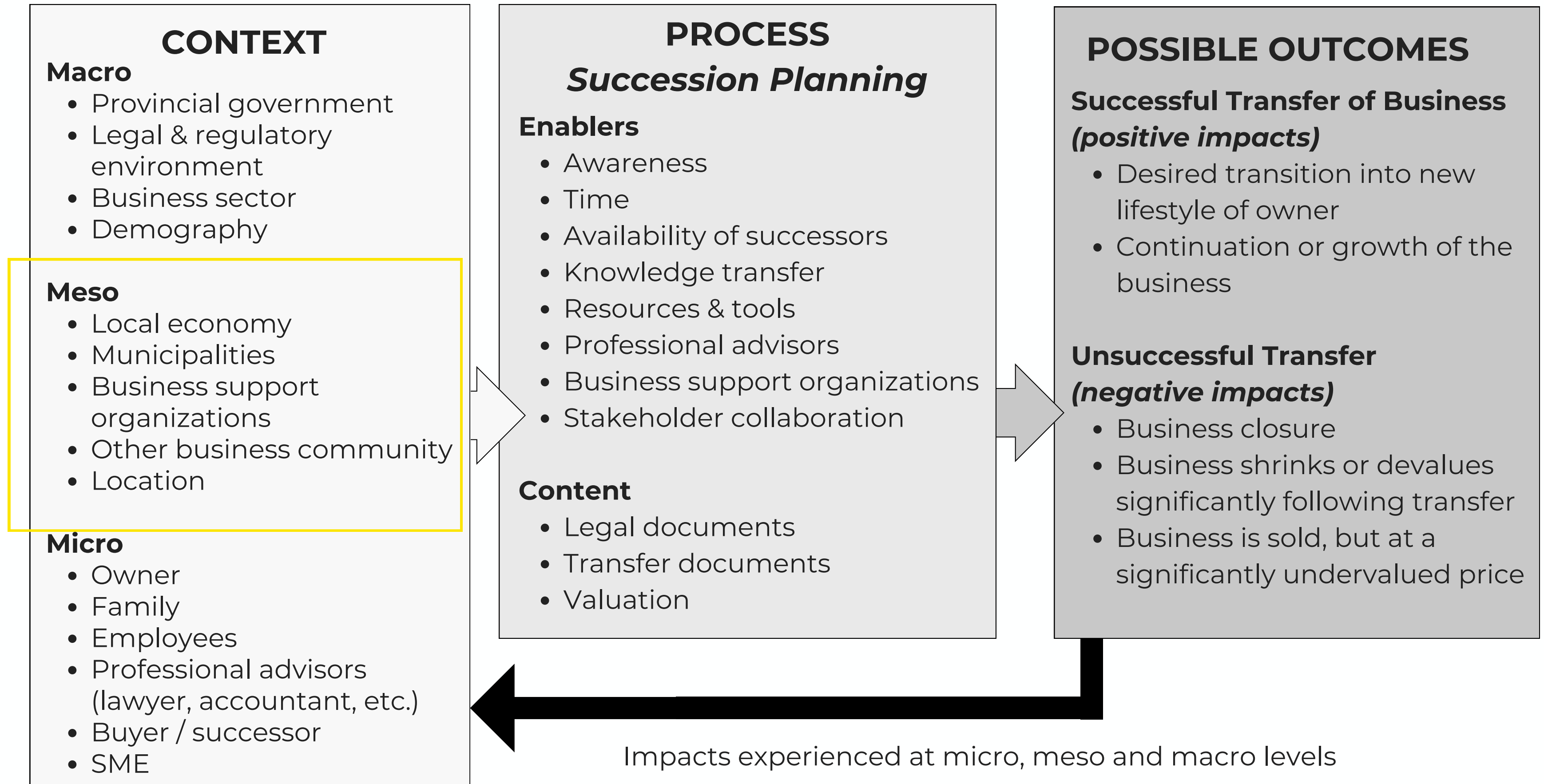
Only 1 in 10

have a formal succession plan in place.

The primary reason owners plan to exit their business:

Retirement - 75%

Small Business Succession Planning Conceptual Framework





METHODOLOGY

SURVEYS

Distributed through the Economic Developers Council of Ontario (EDCO) & Small Business Centres Ontario (SBCO) networks.

CASE STUDIES

Interviews with public sector programs across Canada that support & encourage small business transition planning.

SURVEY RESULTS



22 Survey Respondents



17 served populations of less than 100,000



4 of which covered areas of less than 10,000 people



75% of programs run by Community Futures offices

32%

transition planning had been a priority
for their organization in the past 5 years.

64%

transition planning would be a priority
for their organization in the next 5 years.



Survey Results

The challenges that existed for respondents included:

- Lack of awareness about available resources & information
- Time that it takes to develop a transition plan
- Sellers' desire for confidentiality prior to the sale
- Finding an appropriate buyer

CASE STUDIES



British Columbia



Ontario



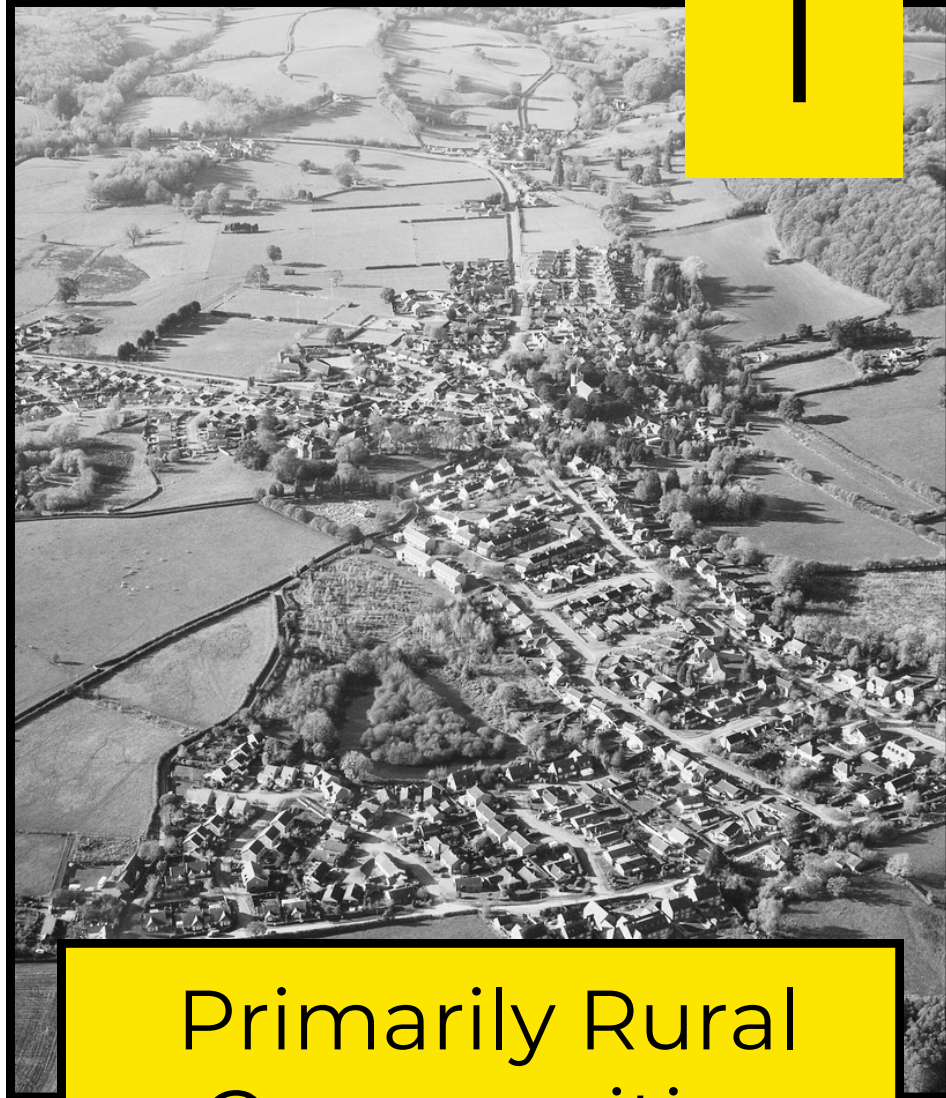
Nova Scotia



Business Valuation &
Succession Planning

Newfoundland & Labrador

1



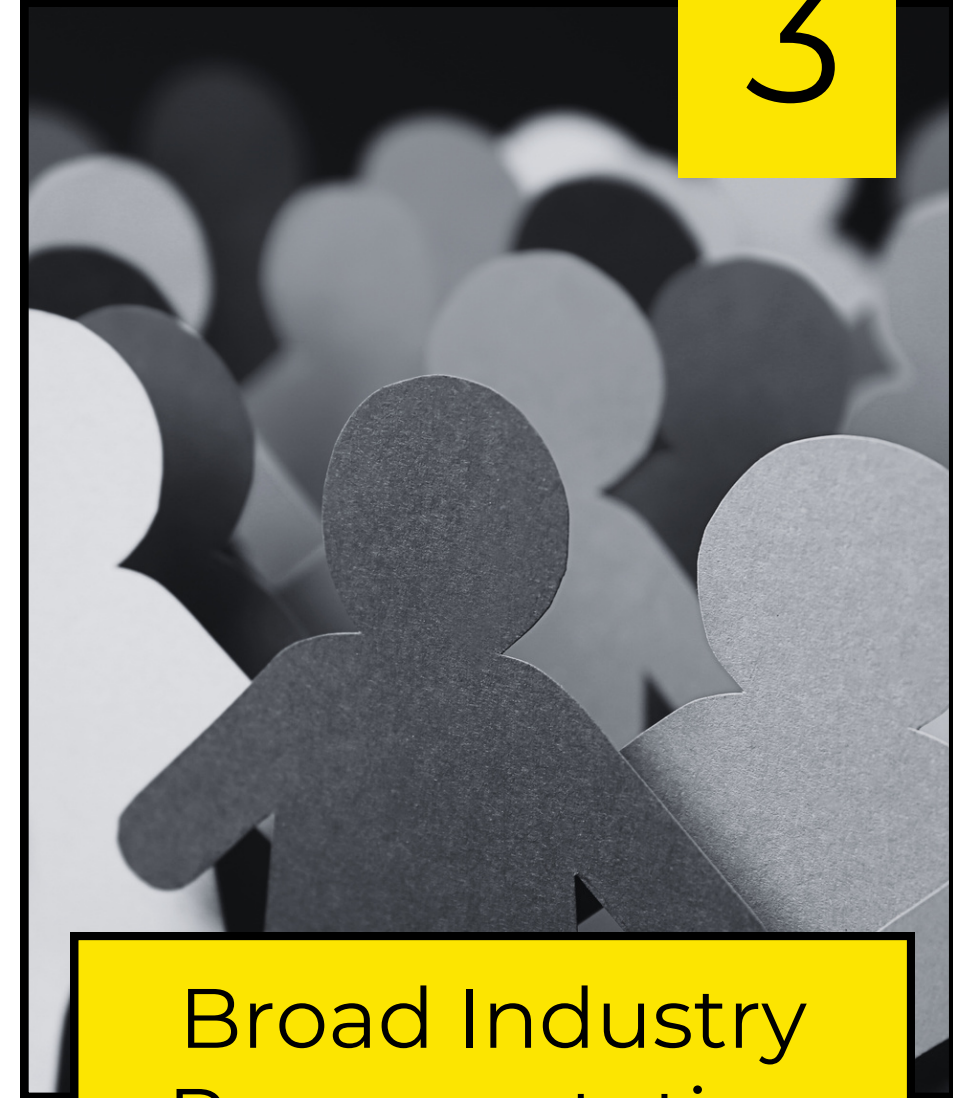
Primarily Rural
Communities

2



Primarily Micro
Businesses Served

3



Broad Industry
Representation

Demographics of Clientele Served

Key Components



Partnerships



Education & Outreach



Marketing



Service Delivery Model

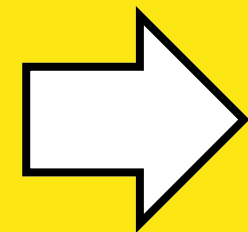


Funding Model

SMALL BUSINESS TRANSITION PROGRAM BEST PRACTICES TOOLKIT

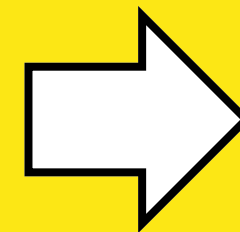
Phase 1: Individual Approach

Gain knowledge, engage, & create connections to encourage transition planning.



Phase 2: Collaborative Approach

Organizations join forces to tackle transition planning in a more intentional & collaborative way.



Phase 3: Program Approach

Regional programs continue to improve & explore program sustainability.



PHASE 1: INDIVIDUAL APPROACH



Knowledge

Gain knowledge & establish a Referral Network.



Engagement

Start transition conversations with business owners.



Connections

Provide tools & resources & connect to professionals.

PHASE 2: COLLABORATIVE APPROACH



Partnerships

Working with stakeholders to develop a collaborative approach for delivery.



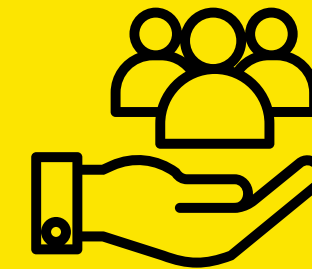
Education & Outreach

Direct outreach, presentations & workshops to encourage awareness.



Marketing

Execution of an awareness campaign that can be shared by all partners.



Service Delivery

Explore the scope, desired outcomes & available resources for a program.



Funding Model

Ad-hoc funding from partners, while exploring more significant funding opportunities.

PHASE 3: PROGRAM APPROACH



Ensuring continued partnerships while exploring new ones.



Partnerships

Continue education & outreach efforts. Promote to new audiences.



Education
& Outreach

Rely heavily on word-of-mouth & referrals for marketing efforts.



Marketing

Grow from successes & failures. Explore expansion opportunities.



Service
Delivery

Explore ways to make the program financially viable.



Funding
Model

A black and white photograph of two women standing in front of a chalkboard. The woman on the left is older with short, light-colored hair, smiling broadly. The woman on the right is younger with long, light-colored hair, smiling gently. The chalkboard behind them has some faint writing, including the word 'OPEN' at the bottom and some numbers at the top right. A large black arrow points to the right on the right side of the chalkboard.

RESOURCE STARTER KIT

Situational
Awareness

Guiding
Materials

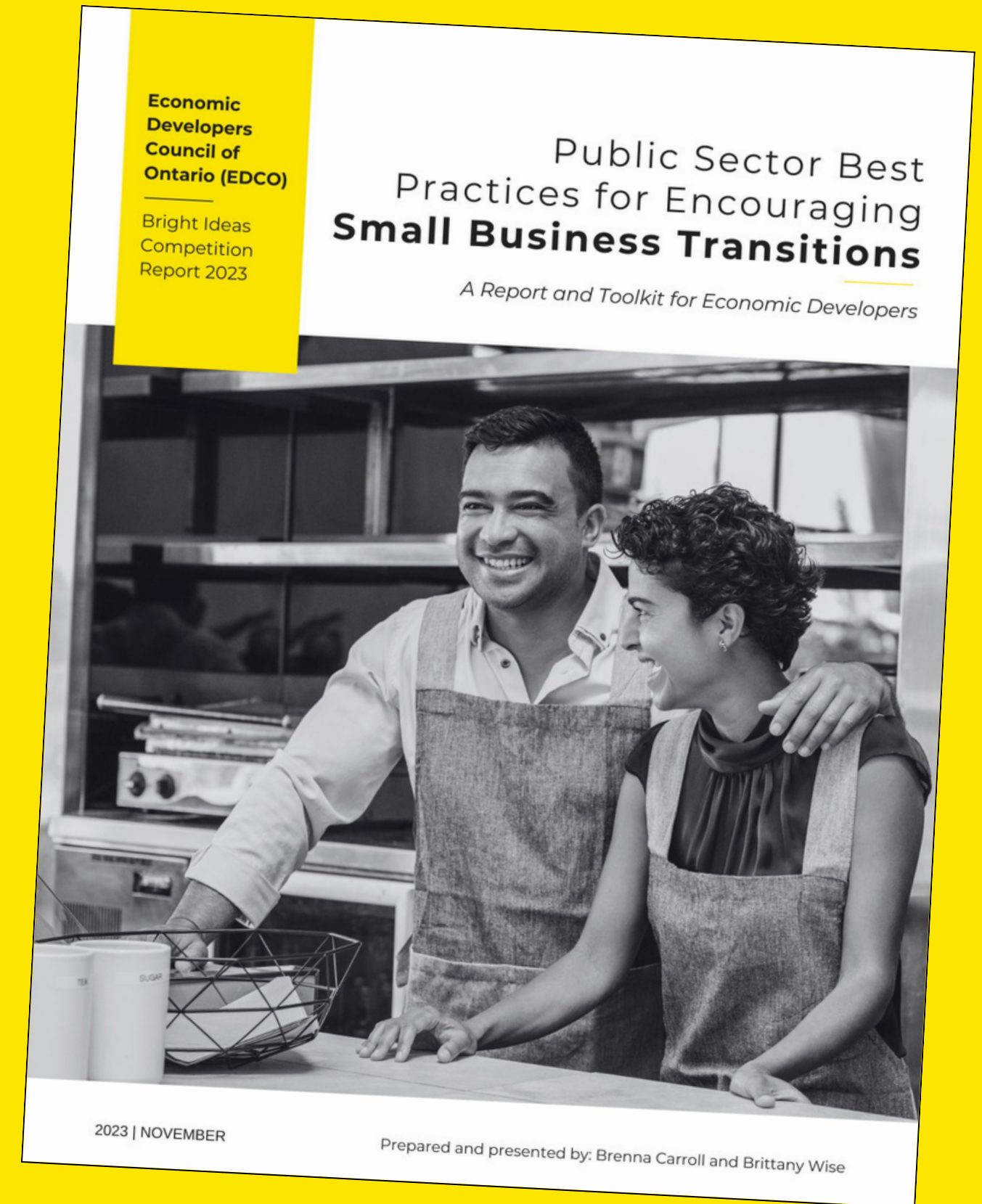
Transition
Service
Providers

Economic Developers
Council of Ontario (EDCO)

Bright Ideas Competition Report 2023

by Brenna Carroll and Brittany Wise

**Read the
full report!**





“I am always proactive in ensuring clients look ahead to the future. I often use the line ‘you are building a saleable asset, not just an income for yourself’ to keep them focused on the long-term goals they have. We discuss their family's thoughts.

I ask them to think about how they are funding their retirement. I have a lot of things I discuss with them to help them get the ball rolling.”

- Survey Respondent