

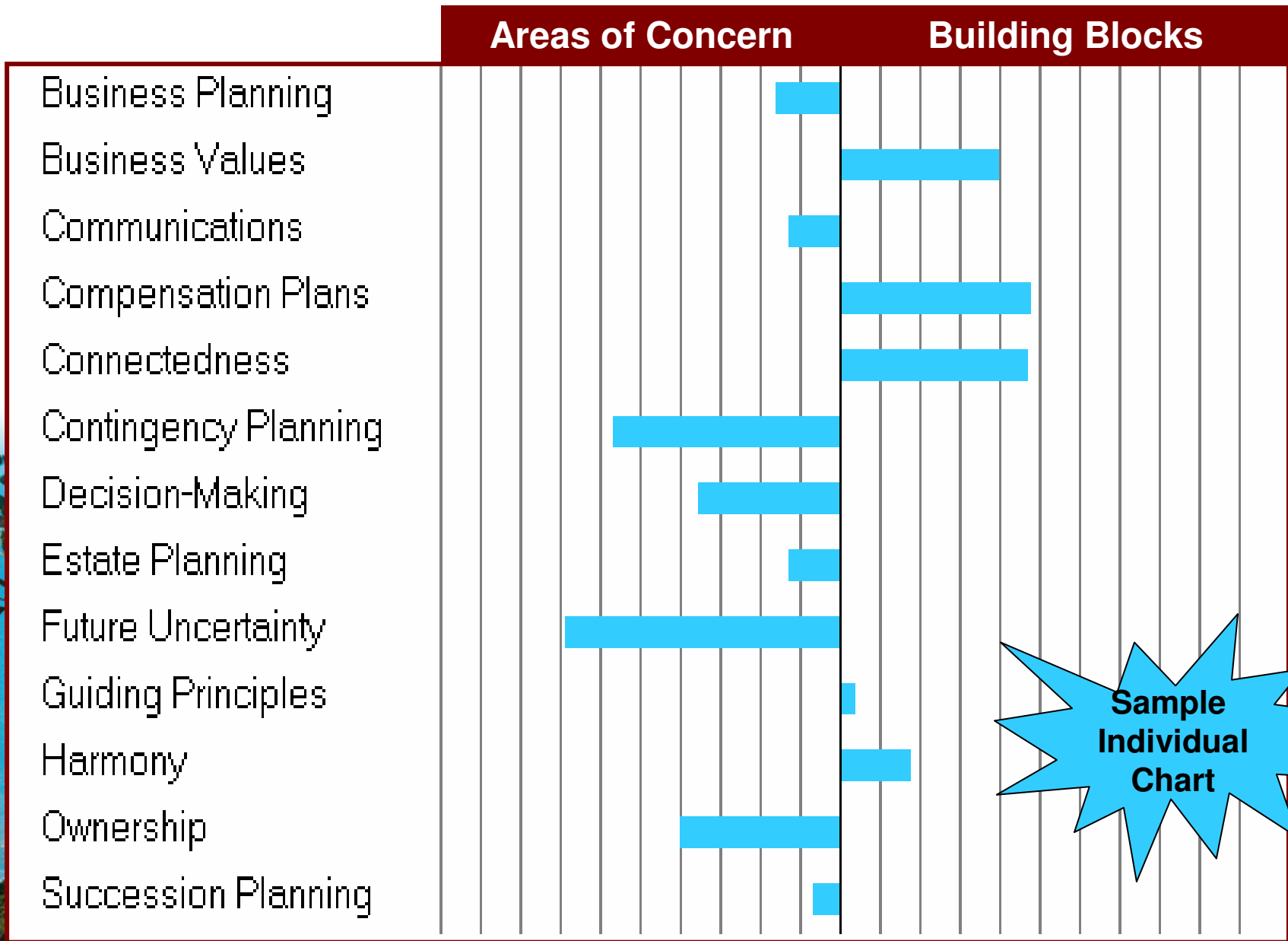
# Where Are You Today?

**Each of you answered 40 questions to provide us with your opinions around 13 important areas of your business**

1. Business Planning
2. Business Values
3. Communications
4. Compensation Plans
5. Connectedness
6. Contingency Planning
7. Decision Making
8. Estate Planning
9. Future Uncertainty
10. Guiding Principles
11. Harmony
12. Ownership
13. Succession Planning



# Where Are You Today?



**Sample Individual Chart**

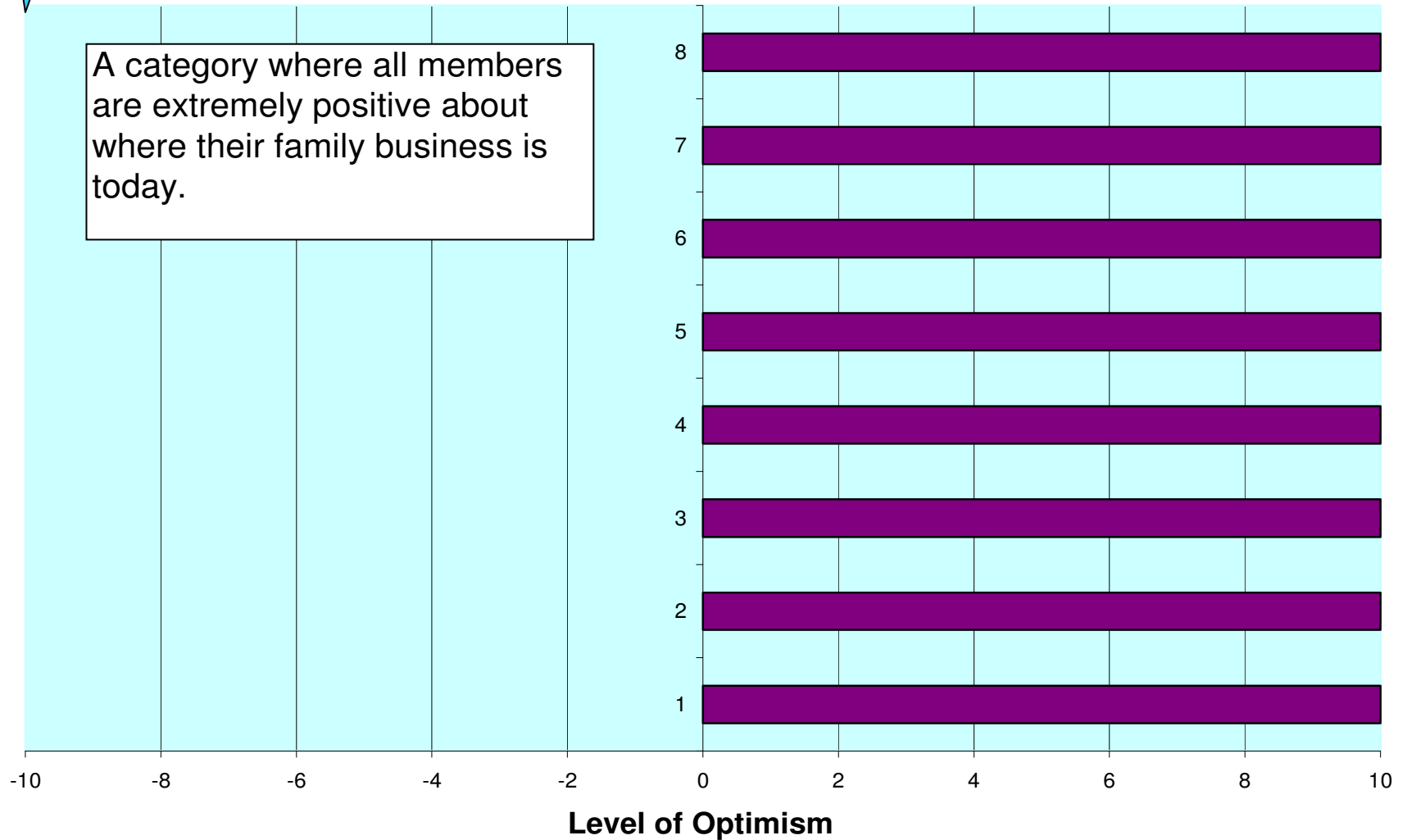
# A Perfect Score!

Sample  
Comparison  
Chart

A Perfect Score!

A category where all members are extremely positive about where their family business is today.

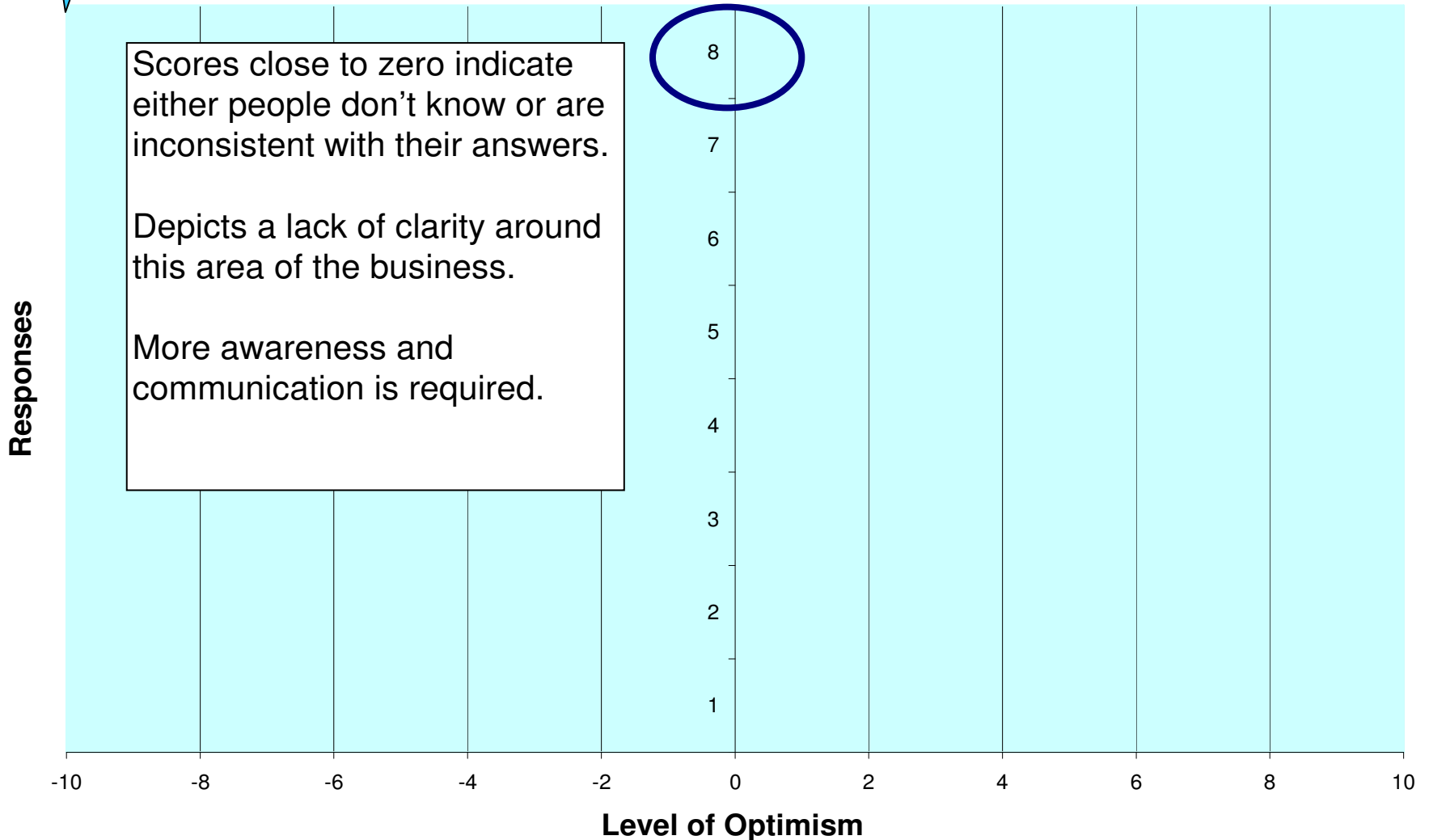
Responses



# Cause for Concern

Sample  
Comparison  
Chart

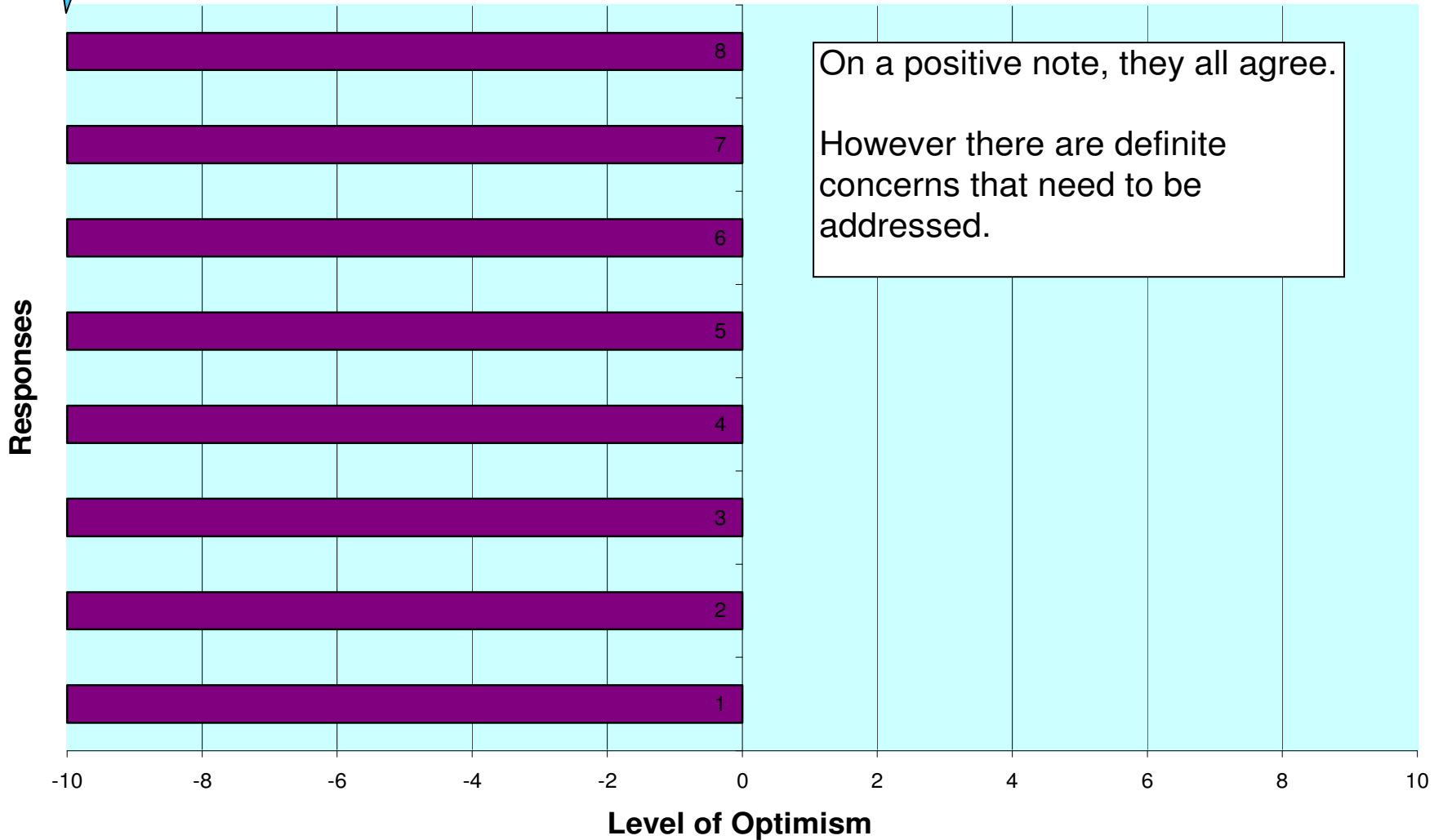
Cause for Concern



# On the Same Track

Sample  
Comparison  
Chart

On the Same Track



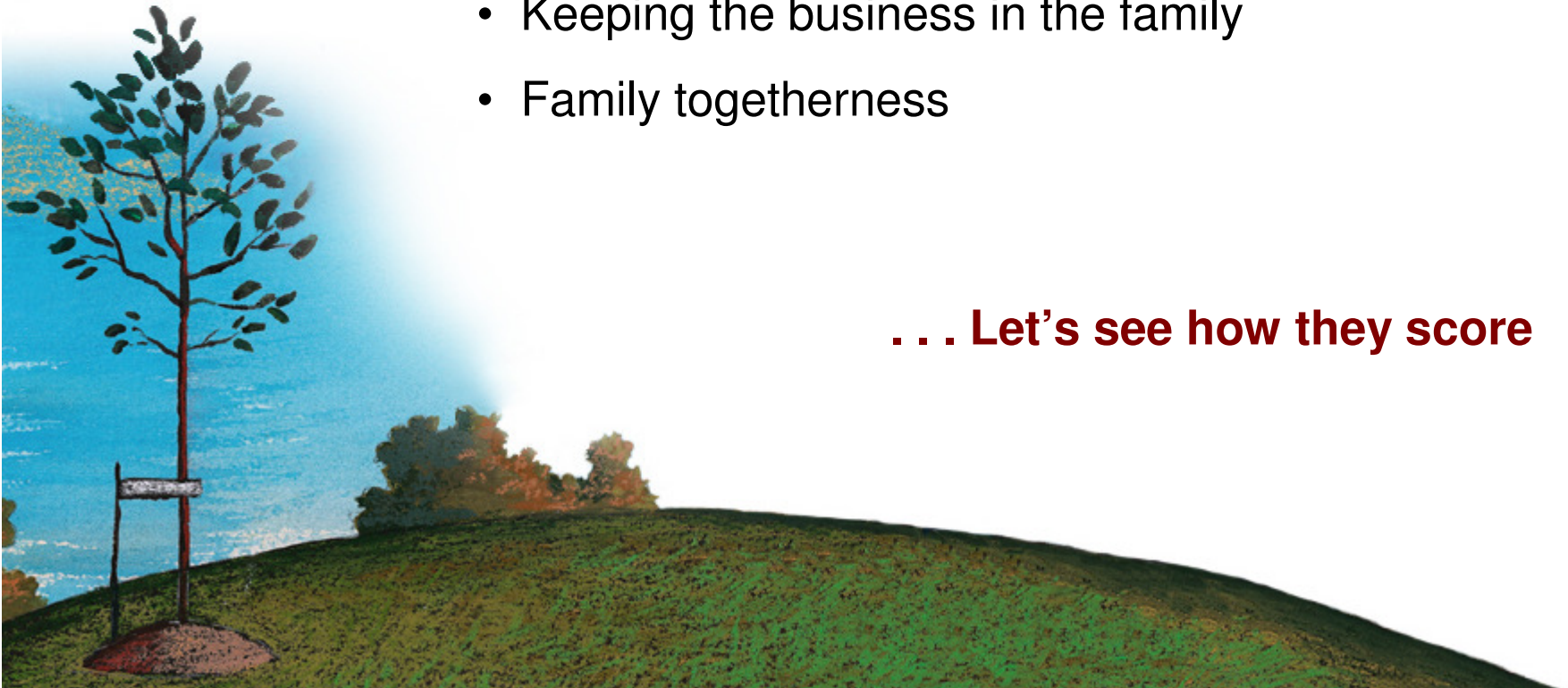
On a positive note, they all agree.

However there are definite concerns that need to be addressed.

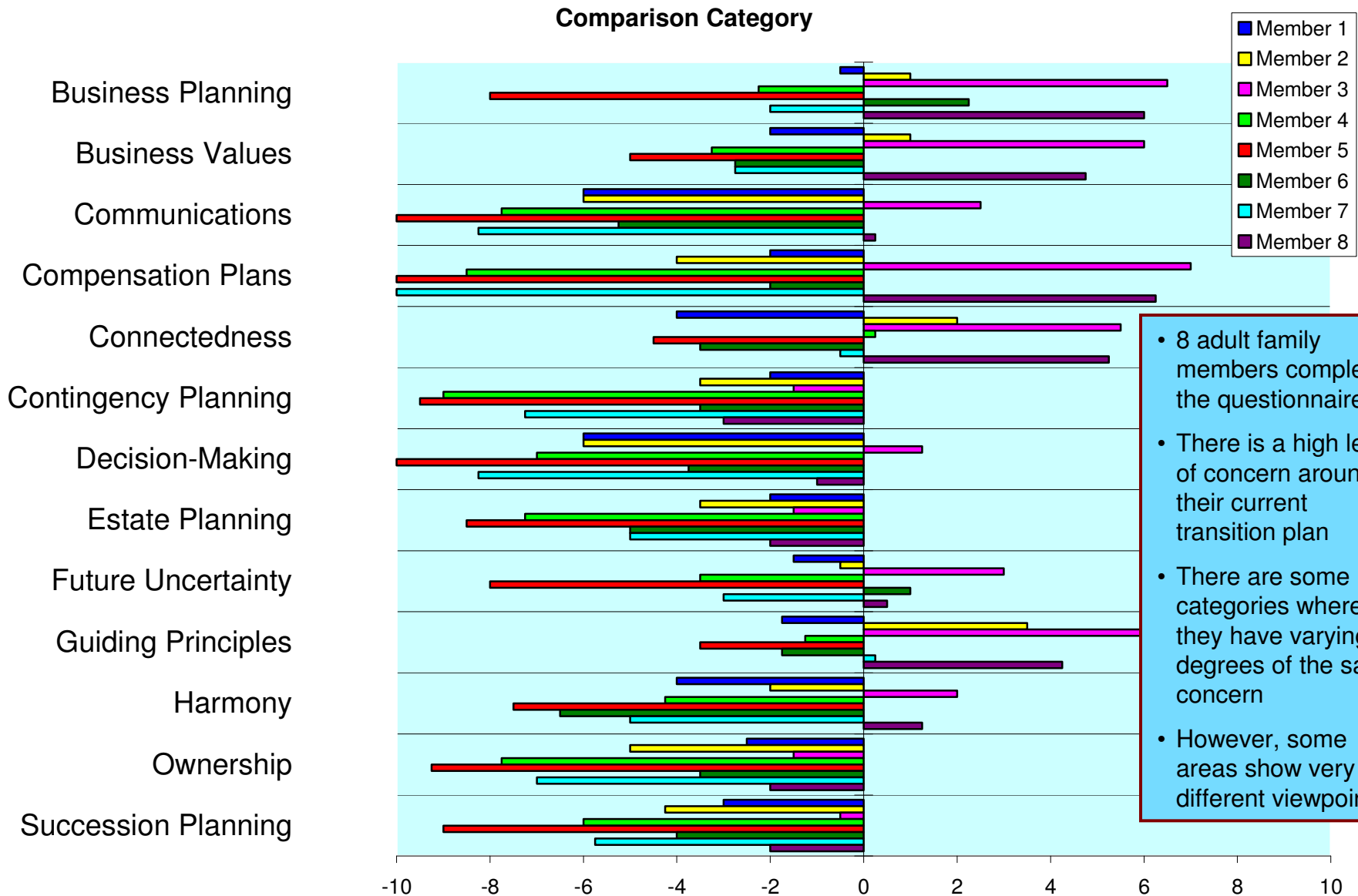
# What is Important to The Penmaens?

- Honesty and integrity
- Hard work and perseverance
- Fairness
- Responsibility
- Keeping the business in the family
- Family togetherness

**... Let's see how they score**



# Penmaen Consolidated Responses

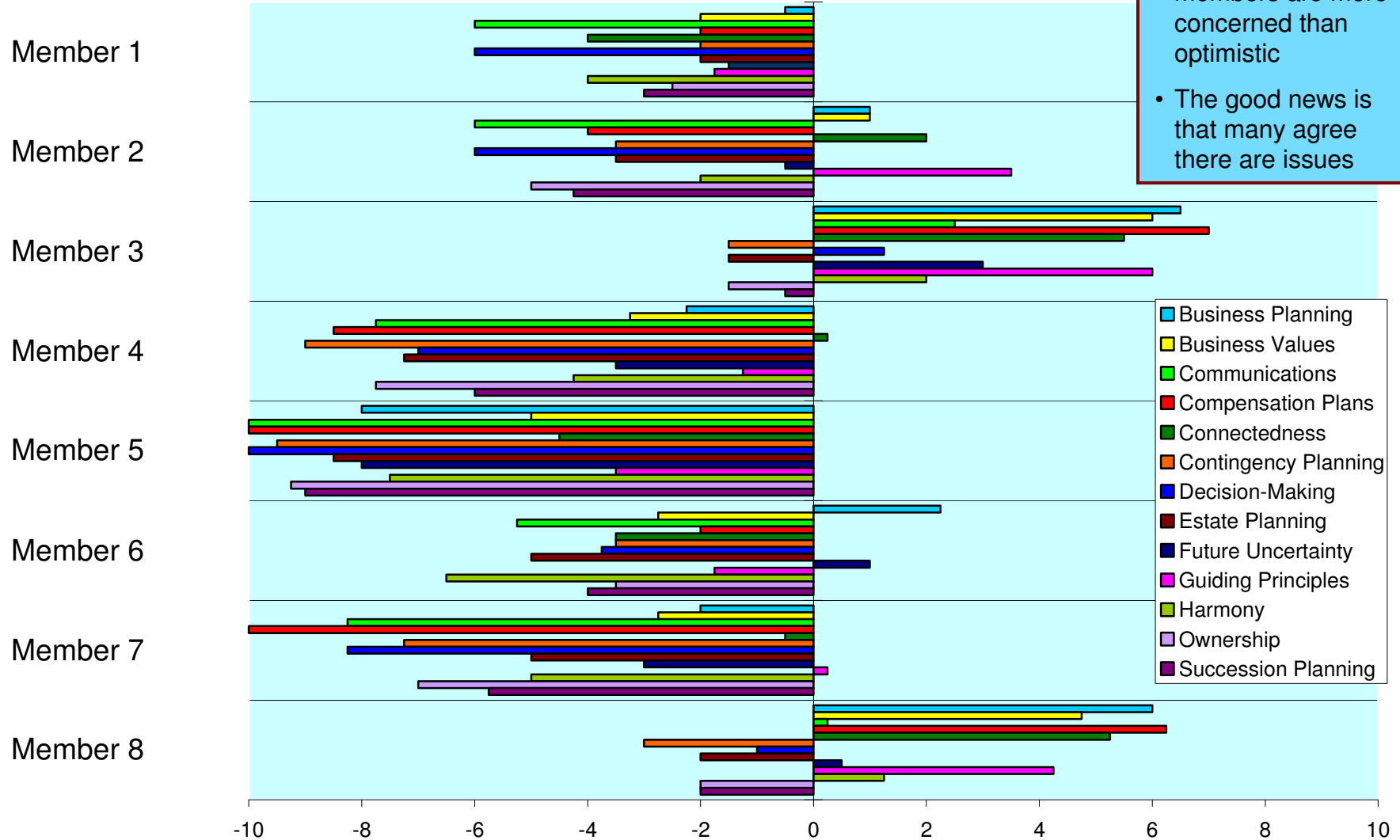


- 8 adult family members completed the questionnaire
- There is a high level of concern around their current transition plan
- There are some categories where they have varying degrees of the same concern
- However, some areas show very different viewpoints

# Penmaen Consolidated Responses

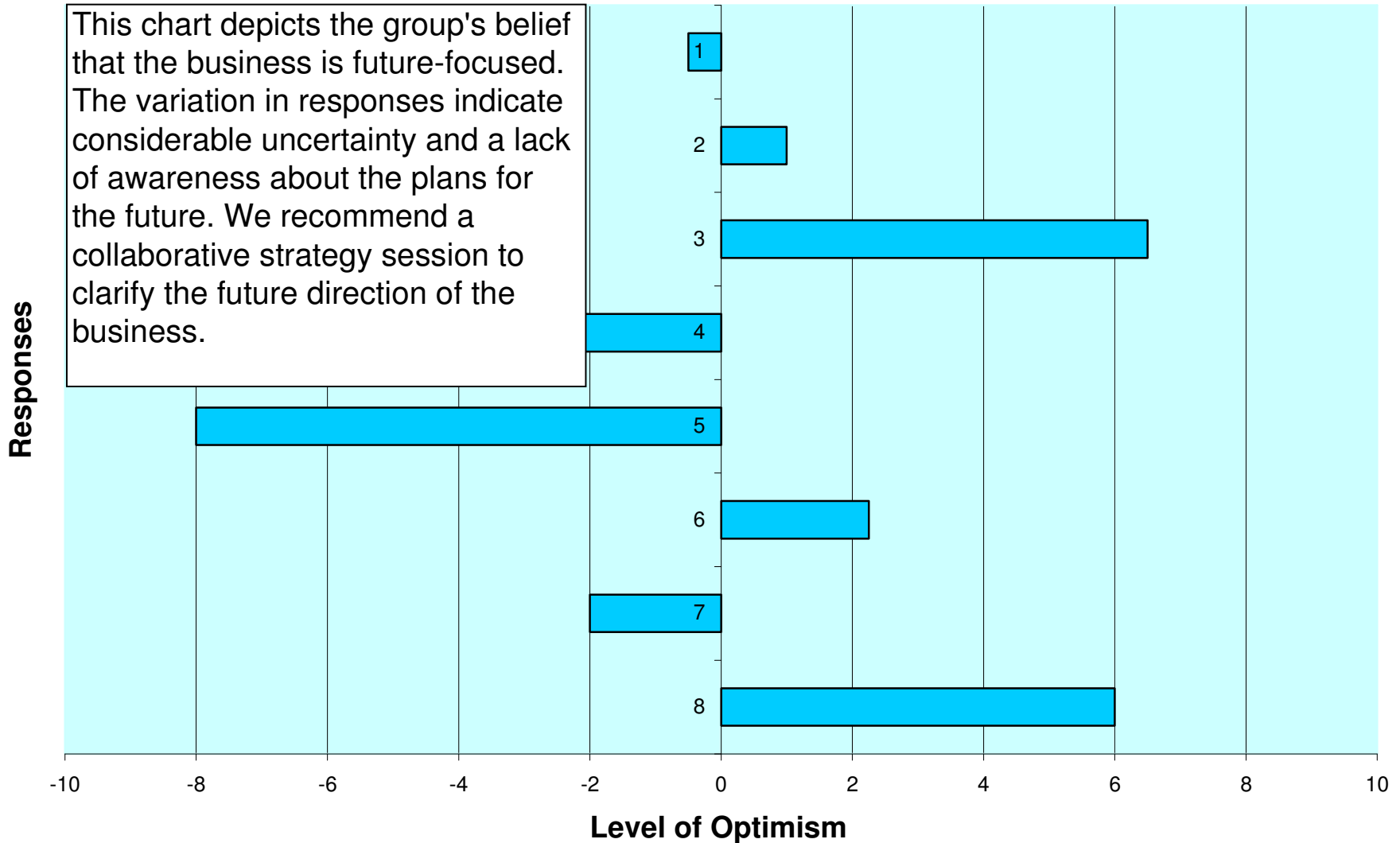
Comparison Family Members

- The bad news is that members are more concerned than optimistic
- The good news is that many agree there are issues



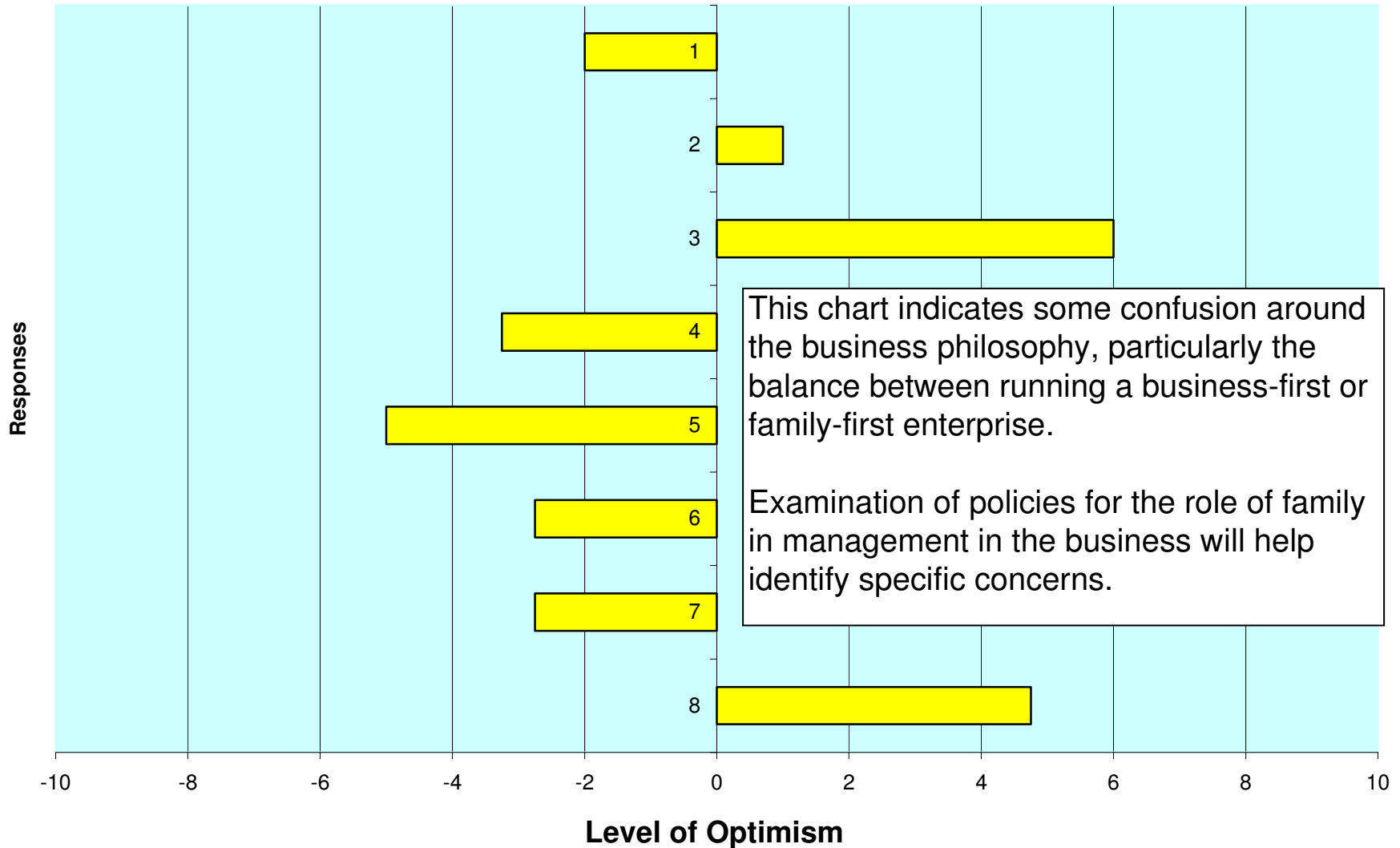
# 1. Business Planning

Business Planning



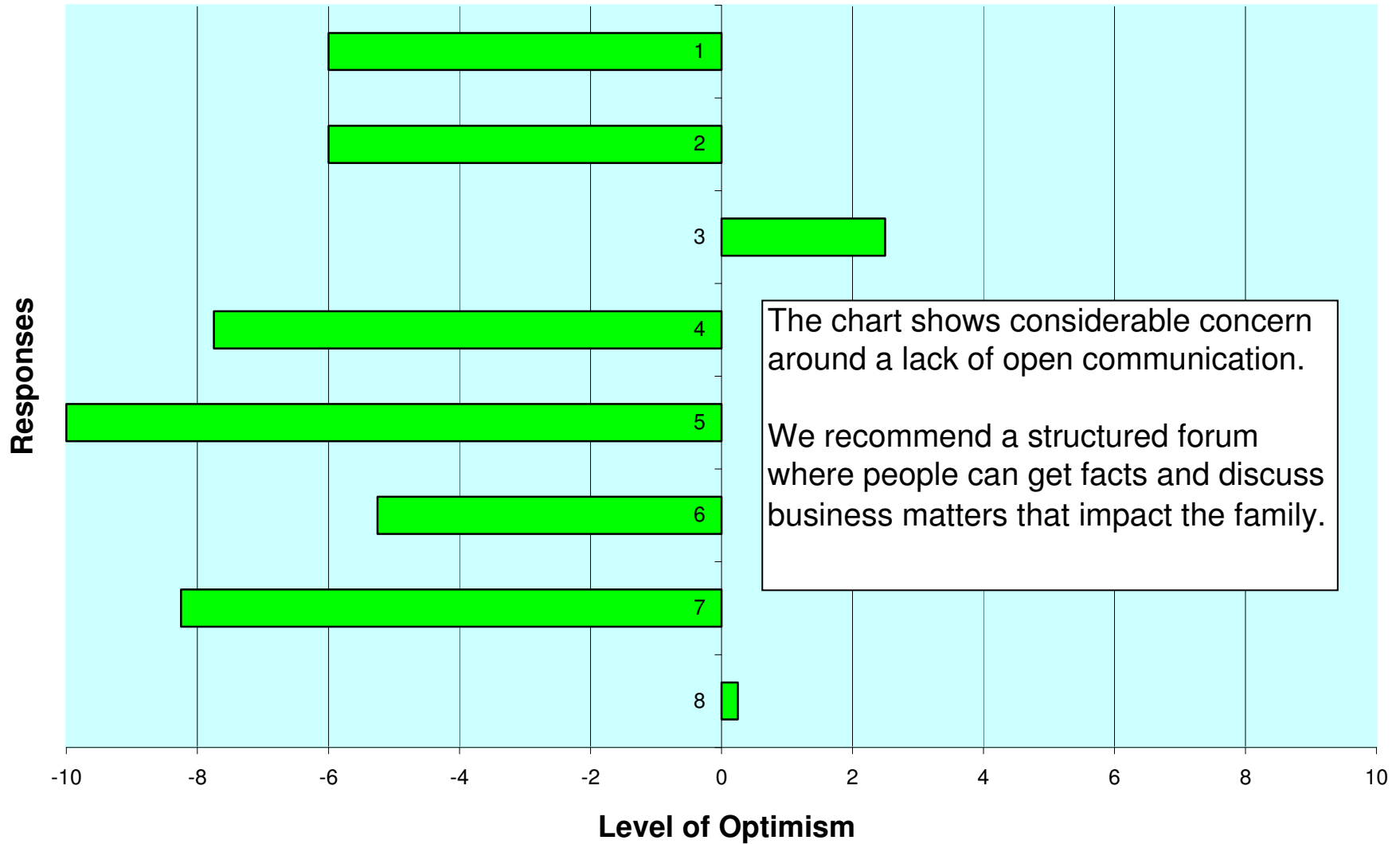
## 2. Business Values

Business Values



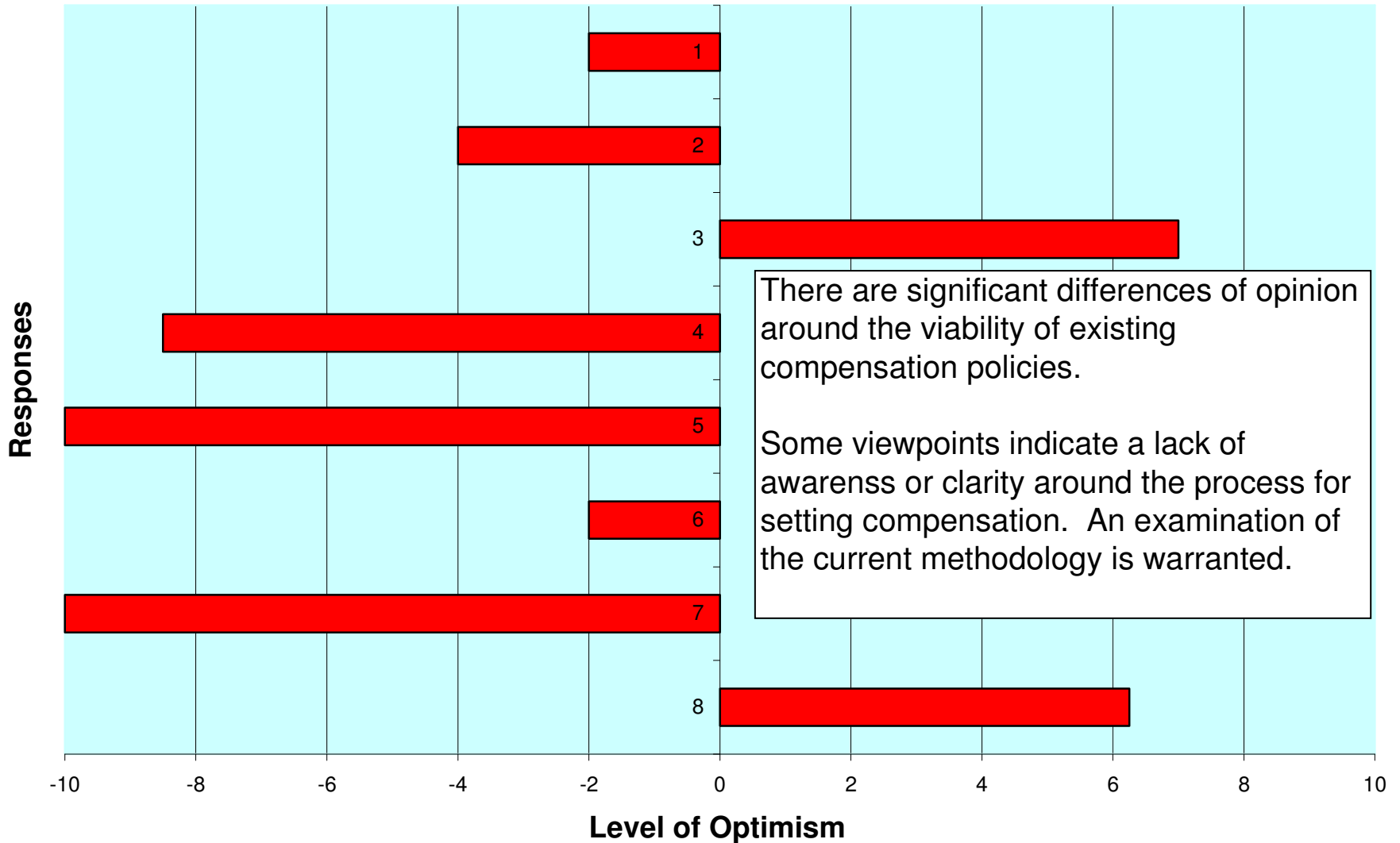
# 3. Communications

Communications



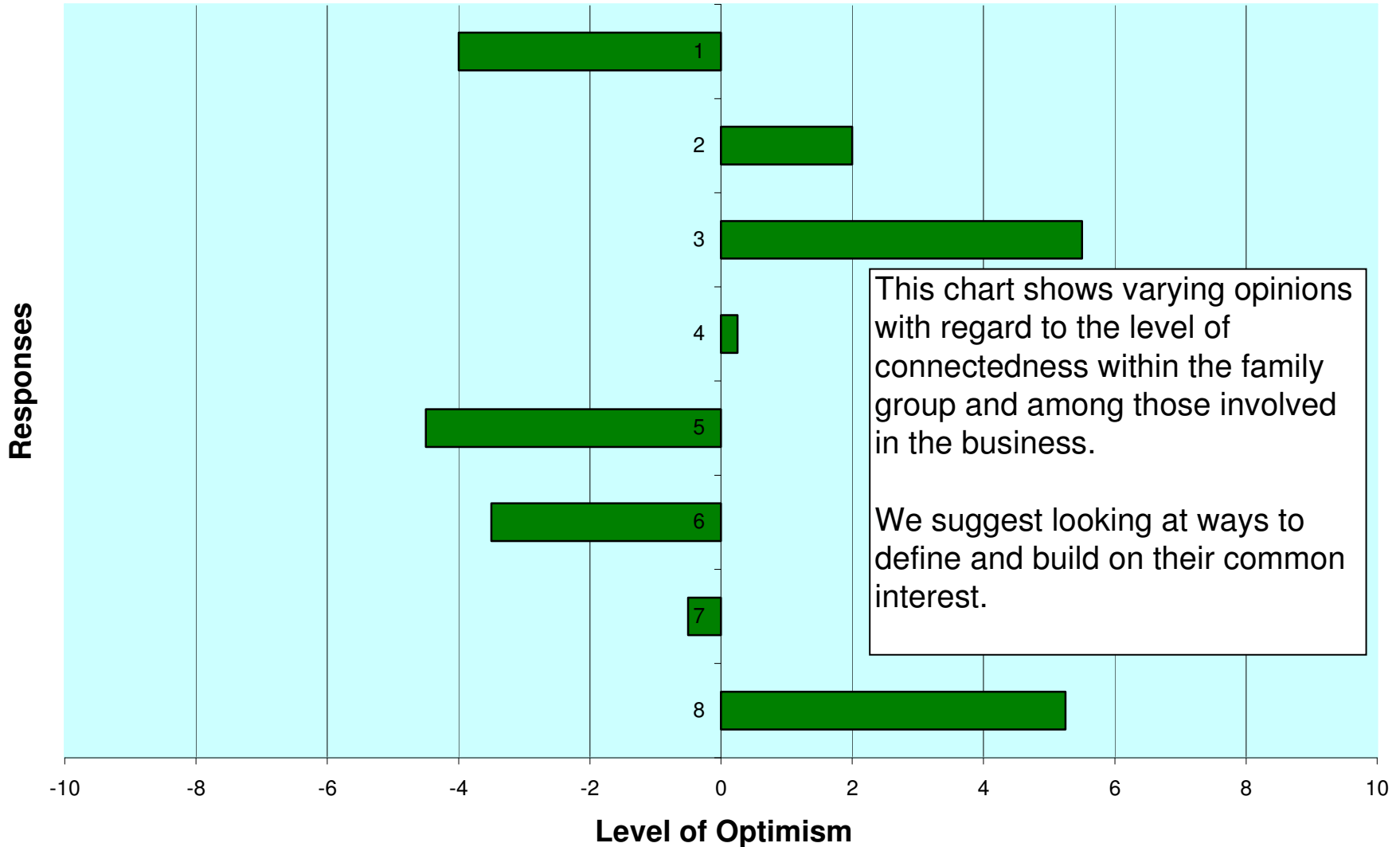
# 4. Compensation Plans

Compensation Plans



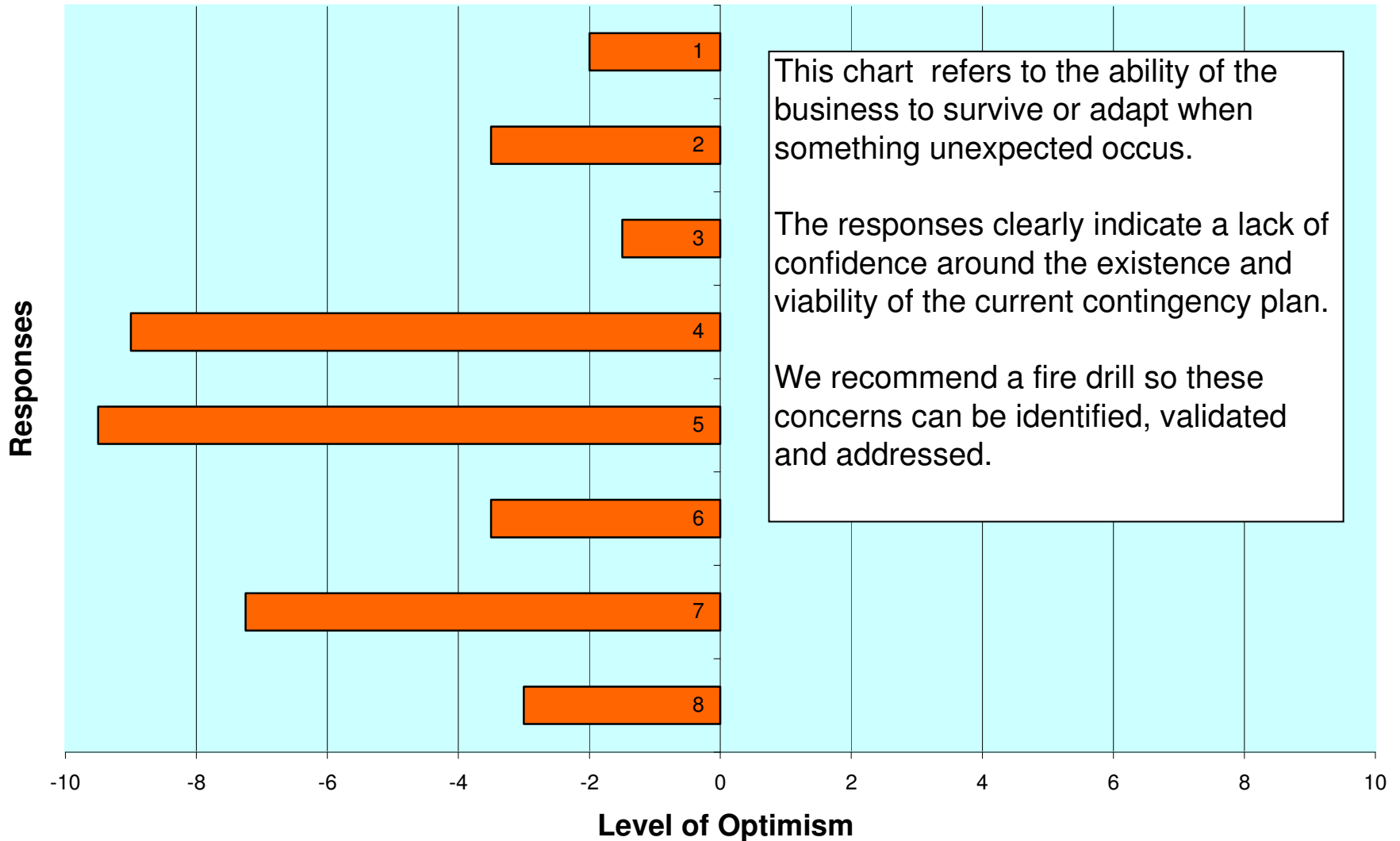
# 5. Connectedness

Connectedness



# 6. Contingency Planning

Contingency Planning



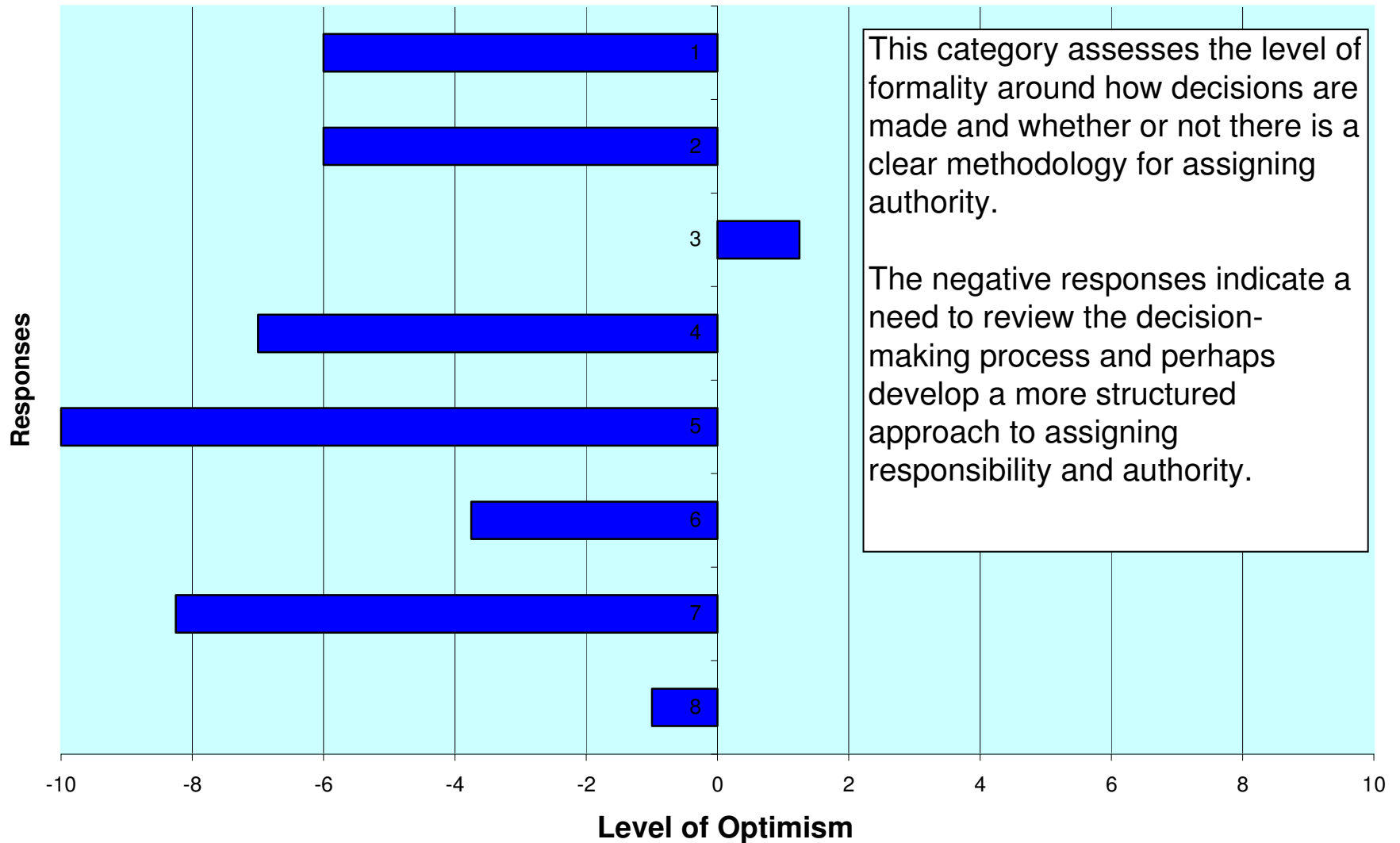
This chart refers to the ability of the business to survive or adapt when something unexpected occurs.

The responses clearly indicate a lack of confidence around the existence and viability of the current contingency plan.

We recommend a fire drill so these concerns can be identified, validated and addressed.

# 7. Decision-Making

Decision-Making

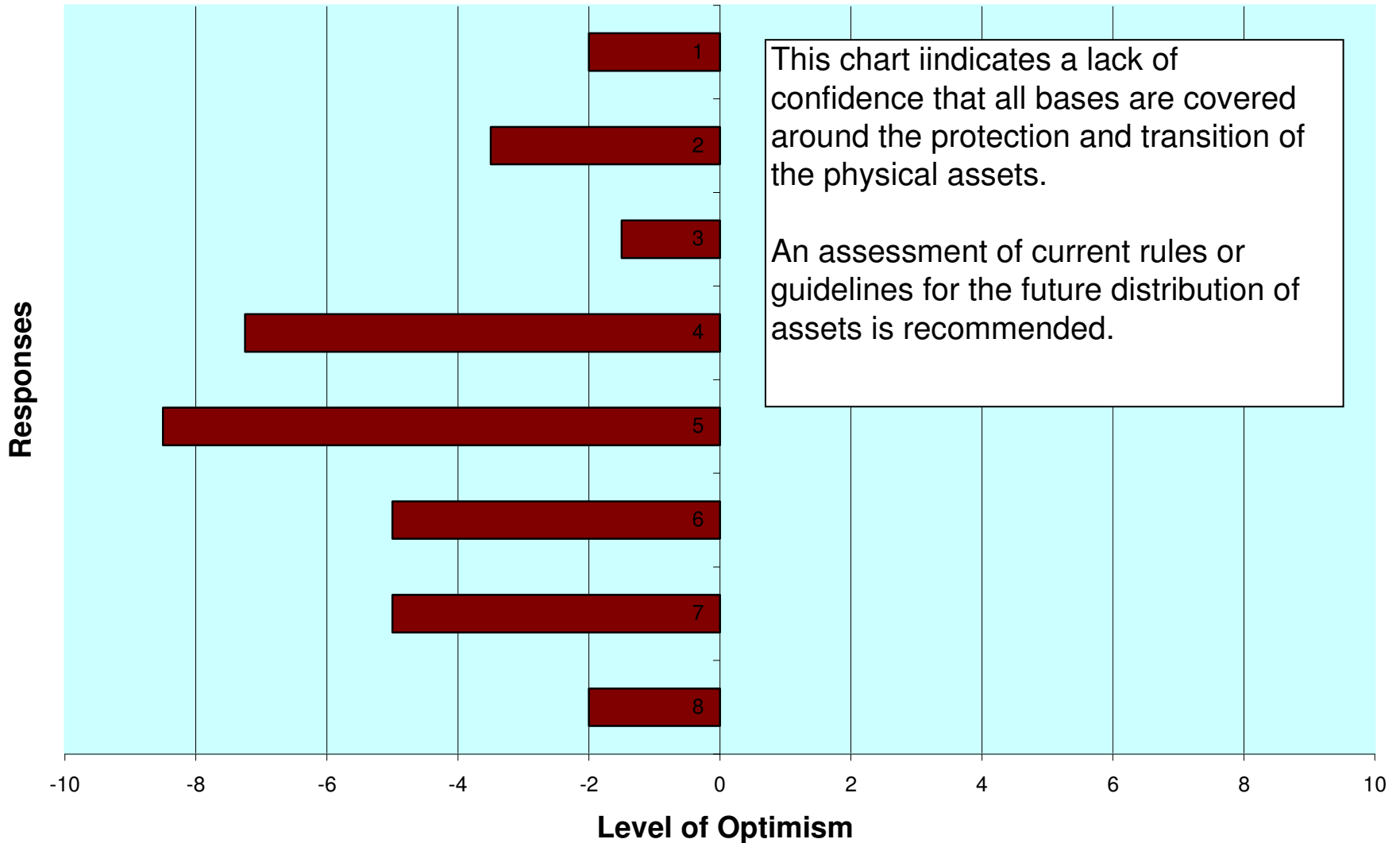


This category assesses the level of formality around how decisions are made and whether or not there is a clear methodology for assigning authority.

The negative responses indicate a need to review the decision-making process and perhaps develop a more structured approach to assigning responsibility and authority.

# 8. Estate Planning

Estate Planning

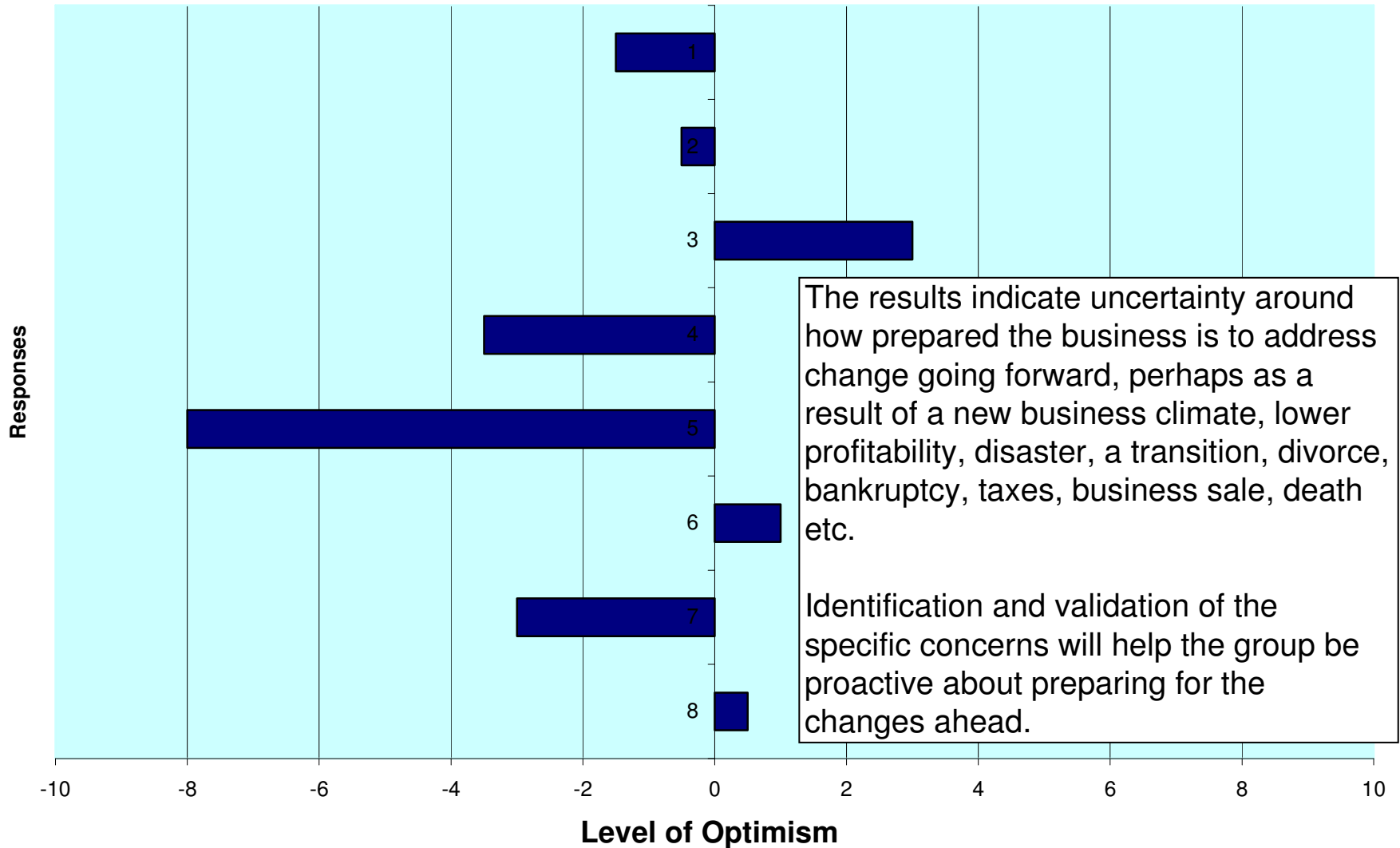


This chart indicates a lack of confidence that all bases are covered around the protection and transition of the physical assets.

An assessment of current rules or guidelines for the future distribution of assets is recommended.

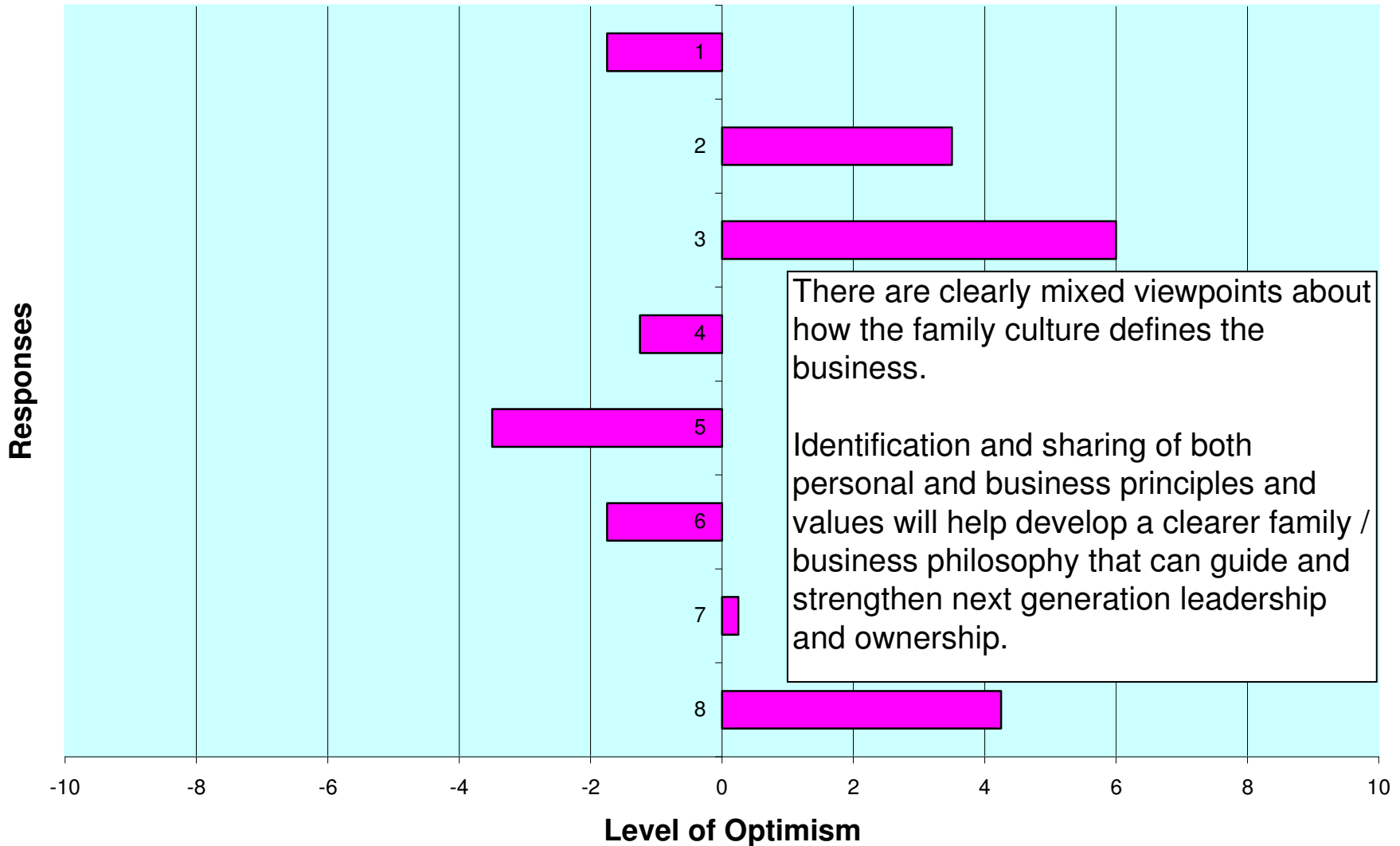
# 9. Future Uncertainty

Future Uncertainty



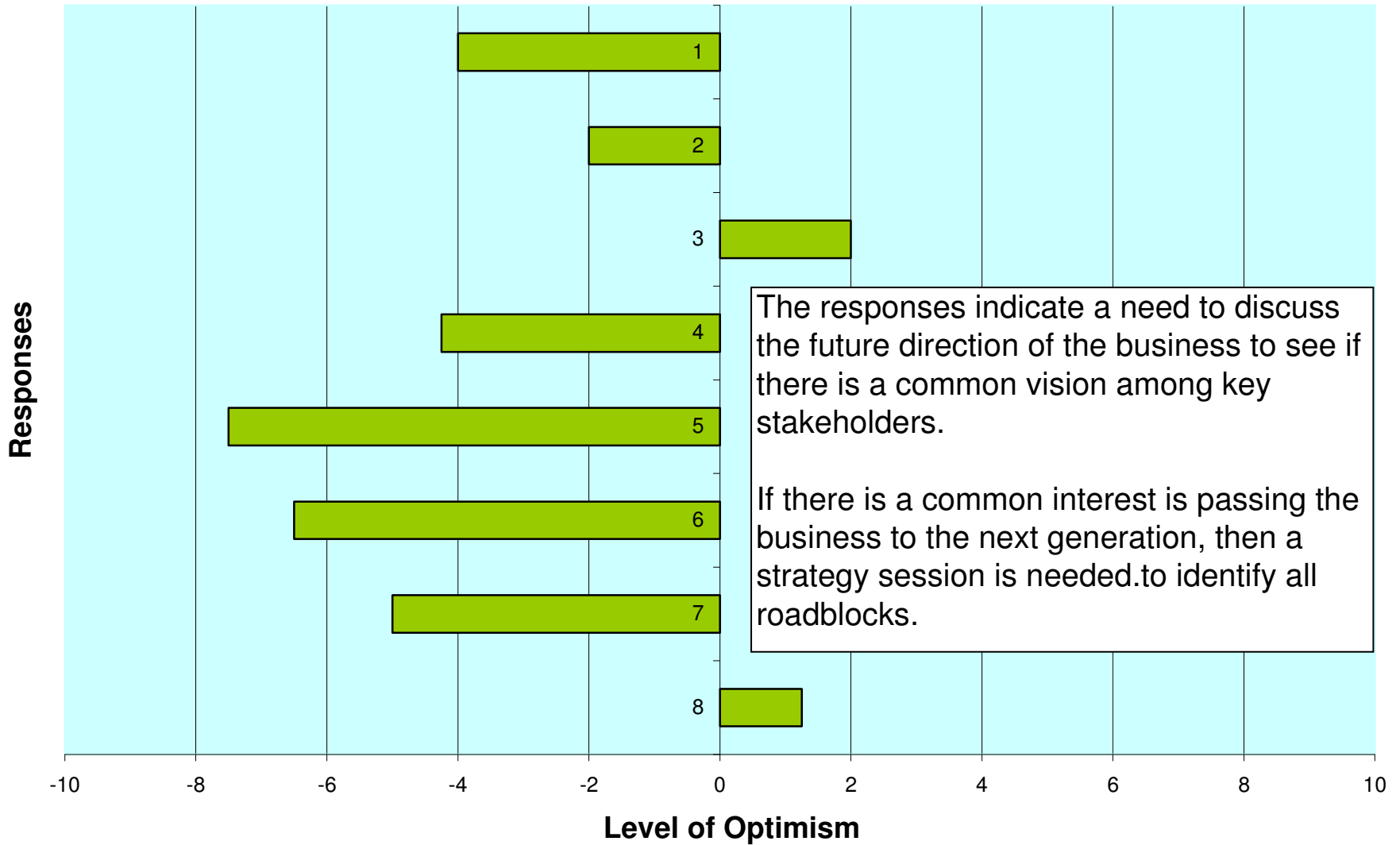
# 10. Guiding Principles

Guiding Principles



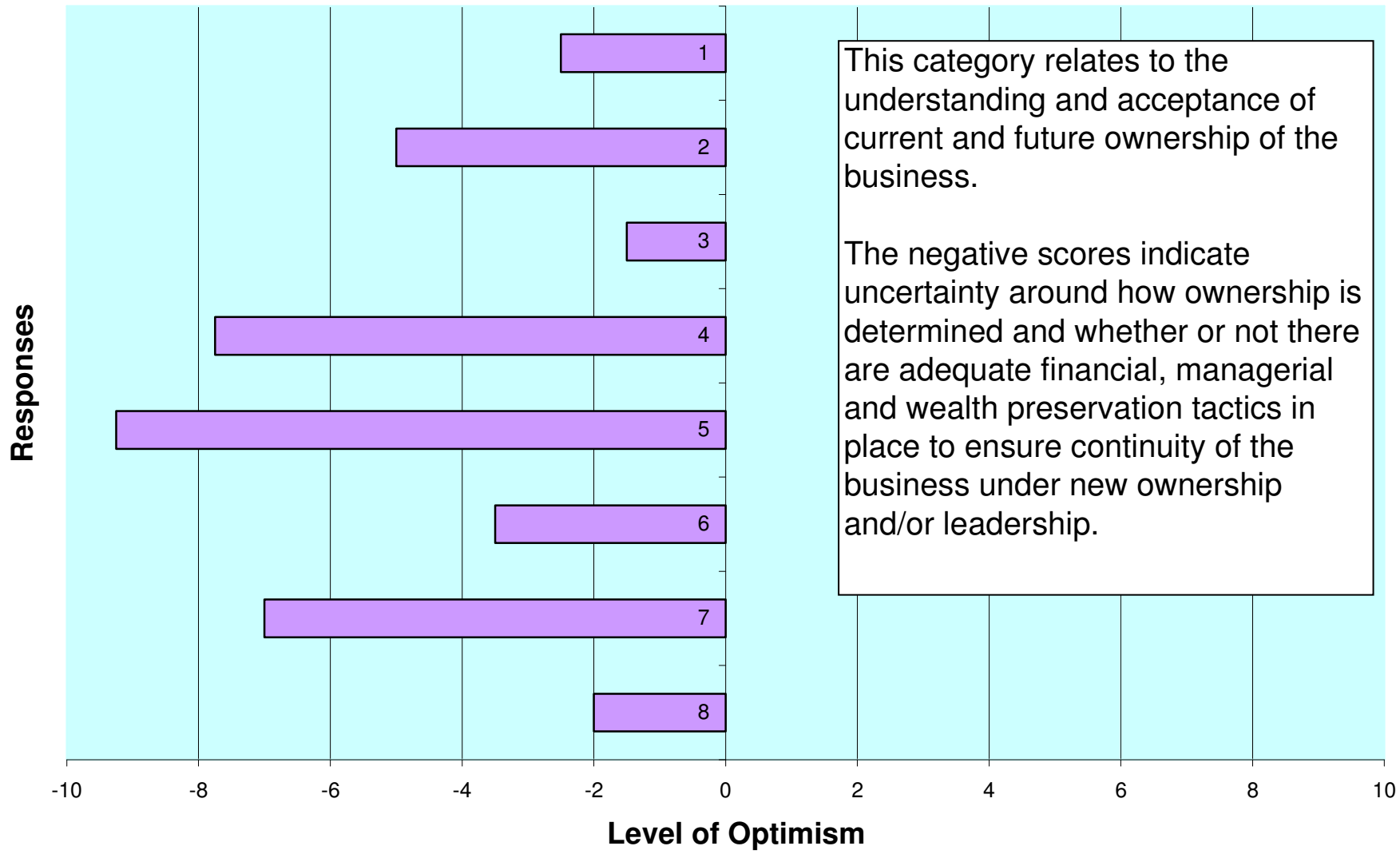
# 11. Harmony

Harmony



# 12. Ownership

Ownership

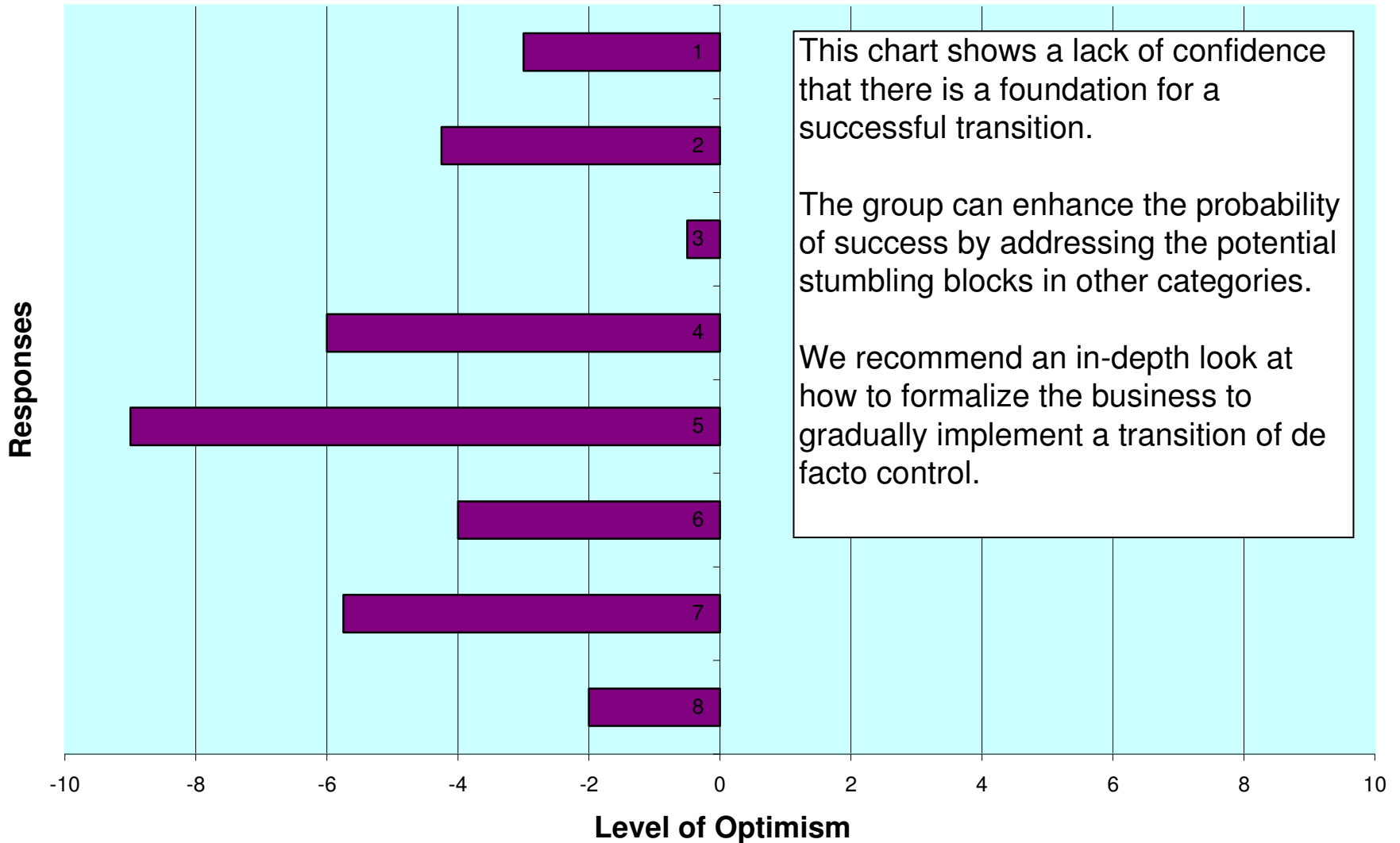


This category relates to the understanding and acceptance of current and future ownership of the business.

The negative scores indicate uncertainty around how ownership is determined and whether or not there are adequate financial, managerial and wealth preservation tactics in place to ensure continuity of the business under new ownership and/or leadership.

# 13. Succession Planning

Succession Planning



This chart shows a lack of confidence that there is a foundation for a successful transition.

The group can enhance the probability of success by addressing the potential stumbling blocks in other categories.


We recommend an in-depth look at how to formalize the business to gradually implement a transition of de facto control.

# Issues Identified from Questionnaire

1. No confidence in ability to adapt to change
2. Uncertainty around future direction of business / lack of direction and processes
3. No clarity around roles and responsibilities
4. Poor communication
5. No process to determine compensation
6. Lack of input into major decisions / no clear decision-making process
7. Unsure about effectiveness of estate plans



# Issues Identified from Questionnaire

- 
8. Uncertainty around future leadership and family involvement
  9. Some concern around keeping family connected yet preserving individual dreams
  10. Concern over current and future ownership / rules for buying, selling, transferring shares
  11. Concern about future financial viability, wealth preservation
  12. No transition plan
  13. Conflict arising from lack of communication, decision-making and authority, independence issues, ownership, involvement in the business etc.