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Succession Planning:

Focusing on your firm's legacy

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Session Highlights

Benefits of a
Succession Plan

Exploration of
Succession
Trends

Tips and Tools
for a Successful
Succession Plan

What brought you
here?

Benefits of a Succession Plan

Benefits of a Succession Plan – Sole/Solo Firms

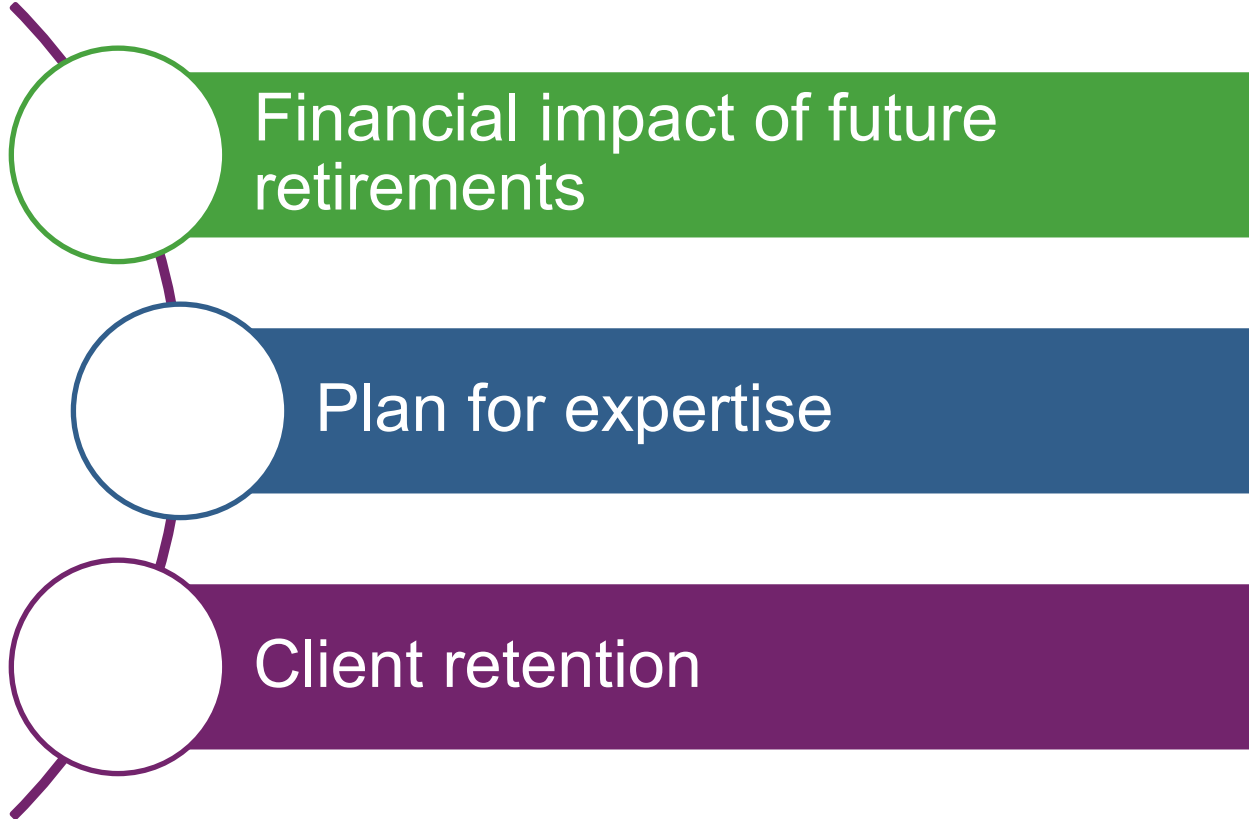
Focus on firm value

- Top dollar in a sale or merger

Practice Continuation Agreement

- Protect self, firm, family and staff

Benefits of a Succession Plan – Multi-Owner Firms



From your perspective: Succession trends

Succession Trends – Survey Says

Succession Trends – Sole/Solo Firm

1. **44% of owners** plan to retire soon
2. **Less than 10%** of solo practitioners or sole proprietors have PCAs
3. Exit strategy insights:
 - 35% - **Sell**
 - 37% - **Merge**
 - 28% - **Turn out the lights**
4. **COVID- 19 has not negatively impacted firm value**
5. **64% anticipate growth** over next three years

Source: [AICPA](#)
[PCPS CPA Firm](#)
[Succession](#)
[Planning Survey](#)
[Solo/Sole Report](#)

Succession Trends – Multi-Owner Firms

1. **73% expect succession challenges** in next 10 years
 - **55% are facing them now**
2. **46% had merger discussions** in past 2 years
 - OR were **planning to seek merger/acquisition opportunities** in next 2 years
3. 40% had not addressed **client transition**
 - 70% had not addressed **referral source transition**
4. **79% were expecting growth** over next three years
5. **COVID-19 had not changed retirement horizons for most partners (88%)**
 - Also has not changed interest of 49% in mergers

Source: [AICPA](#)
[PCPS CPA Firm](#)
[Succession](#)
[Planning Survey](#)
[Solo/Sole Report](#)

Merger and Acquisition Activity – October 31, 2022

	Non-CPA Firm Acquisition	Merge in MFG	Merge in G400	Merge in Smaller Than G400	Merge in Piece of Practice	Total 2022	Total 2021	Total 2020	Total 2019
Big 4	-	-	-	-	-	-	2	1	2
MFG	26	4	12	41	-	83	86	78	88
G400	4	-	4	15	1	24	40	38	43
10.31.2022	30	4	16	56	1	107	128	117	133
10.31.2021	36	3	6	50	-	95			

Note: Private equity transactions, including creating APSs, selling service lines or subsidiaries, etc. are not included in the above.

Tips and Tools

Sole/Solo Firms

- [Snapshot from the survey](#)
- [Full report](#)

Multi-Owner Firms

- [Snapshot from the survey](#)
- [Full report](#)

Succession Resources

Webcasts

- [The Succession Landscape: 2020 Succession Planning Survey Results](#)
- [Succession Implementation Ideas](#)

Podcasts

- [Protect your small firm with a Practice Continuation Agreement](#)
- [Work on your firm now, retire well later](#)

Articles

- [Succession issues surge at accounting firms](#)
- [Get up to speed on small firm succession trends](#)
- [5 royal tips for your firm's succession planning](#)

Blog

- [Unlock 4 hidden benefits of succession planning](#)

Final Thoughts

Stay in touch!



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