



MAXIMIZE BUSINESS VALUE PODCAST - EPISODE 88 Transcript

1 (5s):

Welcome to the maximize the business value podcast. This podcast is brought to you by Mastery Partners, where our mission is to equip business owners, to maximize business value so they can transition their business on their terms. Our mission was born from the lessons we've learned from over 100 business transactions, which fuels our desire to share our experiences and wisdom. So you can succeed. Now, here's your host, the CEO of mastery partners, Tom Bronson.

0 (35s):

Hi, this is Tom Bronson and welcome to maximize business value of podcasts from business owners who are passionate about building long-term sustainable value in your business. If you happen to be watching us on YouTube, you see that I'm not wearing my normal clothes. I'm wearing a sporting. My dragon sweatshirt today. Unfortunately, the Dragon's play off bed came to a close today in the semifinals was a great season. My 10th season behind the microphone for the, the voice as the voice of the dragon band announcing on a Friday nights, deep into December every year.

0 (1m 16s):

And so it's a great pleasure to, to serve the dragons and serve the band. So if you happen to be watching on YouTube, you can see that I'm supporting my dragon shirt today. And I thought I might make a mention to that. This episode is part of our series on getting your business ready for next year. Bring on 2022. So business planning is something that too often takes a back seat to the day-to-day of running a business, particularly in small businesses in this series, we've already talked about budgeting and succession planning, and we're going to talk about set again, key performance

indicators, business growth, and more, but today I'd like to follow up on last week's session about succession planning.

0 (2m 1s):

No doubt. That is important in any small or large business for that matter today, I'd like to take that concept home. Literally not a member of Vistage a peer group organization for a small business CEOs, key employees and trusted advisors in one of my meetings a long time ago, we talked about the concept of a green box. The green box is a place where you keep all of your important documents and other things to protect your family. In case something happens to you.

0 (2m 42s):

The origin of the green box goes something like this. John MacArthur, a Vistage member in New Zealand was a pilot. One day he was flying into bad weather, call it intuition. But before he left, he reminded his son that if anything happened to him, he should immediately locate the green box in his bedroom closet. That was the last conversation that he had with his son. That day. John was killed. When his plane crashed into the side of a mountain. After an, after his untimely death, his family took the green box to their attorney to open the thoughtfully prepared content provided clear instructions to his family.

0 (3m 28s):

Now death is perhaps the most inevitable part of life. And yet few of us really expected to see it coming or get some kind of a two minute warning to prepare for it, to use a football analogy. It seems like we'll all, we'll have all kinds of time in the world to prepare, but the truth is we're only guaranteed. The only guarantee that we have for our time is right now, unfortunately for most of us, there's always something more important to do right now, then get ready for that inevitable ending.

0 (4m 9s):

For most business owners, the business provides for their family and sometimes extended family. So let me ask you a question, what would happen to your family and your business? If something happened to you tomorrow, if you're like most people you

haven't planned for that day, and that is the purpose of the green box exercise. And we call it the green box exercise. After that hypothetical green box, that contains the information, instructions and documents that will allow those. You leave behind to take him country of your assets, square your accounts, and carry on your legacy.

0 (4m 53s):

Many things simply grafting a will is sufficient. And while it shouldn't be among the contents of your green box, it is just a place to start. Your green box should have all of your key financial documents, contracts, statements of your accounts list of your financial advisors or anyone for that matter, who should be contacted in the event of your death and how to reach them as well as passwords for all of your accounts. Now, if you own a business, putting your hopes and intentions for that business in writing will ensure that it will not be lost in translation.

0 (5m 35s):

You can convey those goals by telling someone close to you, but writing them down will make it more likely that your plans will be carried out. Your green box should contain the names of key employees, the detailed status of your business, and a clear plan for its future. The conversations you have now with those around you will only reinforce the instructions you leave in your green box. Think of it as a chance to create your own mission statement while you're still here to articulate it fully. Now is the time to spell out what your values are, what charities that you want supported and what relationships you want to influence.

0 (6m 22s):

Your green box is also a great place to leave final messages to your loved ones. You can write letters or even record videos for your spouse and your children. Tell them what they mean to you and what your hopes are for them. In addition, you'll always want to, you'll also want to include letters to key people in your business, giving them detailed information on how to carry on. Now, once you fill the green box, the next step is to start living and communicating the contents of that box so that it's not just something your survivors will accidentally stumble upon later.

0 (7m 3s):

The message you leave with them will be that much more powerful if you can live that message now. So what exactly do you mean in that green box? I'm glad you asked. I'm going to tell you, but you don't have to meticulously write this down right now because our blog this week will contain the worksheet that you can use to prepare your own green box. So here we go. Here's the list, a letter to your spouse and each child, a letter to each key employee, name of the funeral home to be used, burial information, place, special instructions, et cetera, a list of the five most important employees in the company and their strengths and their weaknesses.

0 (7m 57s):

Any off balance sheet deals that you may be working on an organizational chart, a list of personal and business people who should be contacted in the event of your passing, any deals in a process and an evaluation of those deals. Next, a strategy that any strategies that you're thinking about right now, but you haven't told anybody about a list of trusted advisors and their roles. Now these may or not be currently working with the company, but an attorney, CPA, financial advisor, et cetera, et cetera, instructions that you might want to leave that are not addressed in your will.

0 (8m 48s):

Okay. Of course, you definitely want a copy of your will in there copies of power of attorney documents, a copy of your passport and your birth certificate, a copy on each side of all of your credit cards, a copy of physical title, property titles that you may own. Personal stock portfolio information, details of life, insurance, personal and company owned details of all other insurance copies of personal property, valuations on jewelry, guns, collectibles, et cetera.

0 (9m 31s):

This is a biggie computer passwords. You want somebody to be able to access your computer per a personal financial statement, extra passport photos. Why, why would you ask that? Why would you want an extra passport photo? Well, that might just be the photo that they'll use in your obituary. So it's good to have a couple of extra passport photos in there, medical and dental charts, funeral, and burial instructions. I mentioned

that earlier and a list of the momentos and the persons or the people that you would like to give them.

0 (10m 13s):

Now that's an exhaustive list just saying it makes me think how hard it is to complete, but I've got a suggestion for you on how to build your own green box and complete it over the course of 2022. So on Wednesday, when we put out our, our blog posts go and download the green box exercise and highlight three things that you can do easily and get them done. Those will give you some momentum. Then just pick two things a month and, and get them done and cross them off the list. I starting this way and using this method, you'll have your green box complete in just one year.

0 (11m 0s):

And it won't be overwhelming by trying to complete all of this stuff at once. You won't have to give up an entire weekend to put this together now, by the way, the letters to your loved ones and your business associates will always be the hardest part now. So I have a suggested method for that as well. My suggestion is to a month one, make a list of the people that you intend to write, just make a list. And then each month after that, when you do your two items draft one letter per month, and then annually go back and look and see if you need to revise that letter each year in his book, finding my virginity.

0 (11m 50s):

I love the title of that. You know, Richard Branson, sir, Richard Branson was the founder of so many Virgin companies. Virgin records, Virgin galactic, Virgin airlines. So finding my virginity is the irreverent title of his second autobiography. Richard Branson tells about a time that he did this very same thing, that he wrote letters to his loved ones. It was right before he was embarking on a round the world balloon trip. He knew that he could easily, or it could have easily ended badly.

0 (12m 32s):

And he wanted to make sure that he said those important things to his family. Now, after carefully writing each letter, he sealed them up and he gave them to his wife in case anything happened to him. Well, of course he made it back. And 20 years after that

trip, his wife ran across those envelopes and ask Richard what he wanted to do with them. So he had invited his entire family to his island home for a private party. And each intern opened and read the letters. Branson described it as a wonderful time where they laughed and they cried and it drew them even closer together.

0 (13m 20s):

So my hope for you is that, although you're going to write those letters in 2022, my hope for you is that 20 years from now, you'll be able to do the same thing with your family, but you won't be able to do that if you don't get started on it now. So pick your three things, you know, the easy ones and get started today, then complete two things each month and you'll be done in a year. Finally set a reminder to update your green box in your calendar. On the same day each year, this process allows me to ensure that I am stewarding what I have in this life, honoring my family and creating the best environment for those who will be affected by my passing, which in my experience never occurs at an ideal time.

0 (14m 21s):

So there you have it. The green box exercise go to work on it today and be on the lookout for the complete list on our blog post this week. I hope you enjoyed this short podcast. This is the maximize business value podcast, where we give practical advice to business owners on how to build long-term sustainable value in your business. Be sure to tune in each week and follow us wherever you found this podcast. It was a comment or a suggestion for a future podcast topic until next time I'm Tom Bronson reminding you to go set up your green box while you maximize this and stop.

1 (15m 11s):

Thank you for tuning into the maximize business value podcast with Tom Bronson. This podcast is brought to you by mastery partners, where our mission is to equip business owners to maximize business value so they can transition on their terms. Learn more on how to build long-term sustainable business value and get free value building tools by visiting our website, www.masterypartners.com that's master with a Y masterypartners.com. Check it out.

0 (15m 57s):

That was perfect. I wouldn't make any changes.