

Life after the agency business: What's your next chapter?

If you own a marketing services business, whether it's a PR firm, ad agency, digital shop or video production company, you're no doubt up to your ears putting out client fires, chasing new business, trying to keep your employees happy, and worrying about your monthly nut—and have little time to give much thought to your own future (except in those fleeting moments when you find yourself day dreaming about traveling the world, writing that novel you know you have inside you, or teaching English to the children of migrant workers).

But you should. In fact, you should plan for it. Your life after the agency business, that is.

Okay, maybe if you are still in your thirties, you have plenty of time to contemplate your navel of lifetime possibilities. But if you are in your fifties or sixties, you need to turn that day dreaming into a concrete plan. After all, you will leave your business someday, one way or another. As the adage goes, all good things must end. But what's next? You could, I suppose, just wait until the last day you shut the agency door behind you and trudge away with your cardboard box filled with awards and mementos of your career (and that 10-year old photo of the family, wondering where did the time go), with nothing more than a few half-baked dreams.

Or you could begin now to give serious thought about what you really want to do with the rest of your life, what is really important to you, and factor the vision of your future lifestyle into a well-structured succession plan that will enable you to turn your vision into reality.

All this, of course, raises some deep, existential questions. Why are you working so hard in the first place? What is important to you? Sure, you have to make the monthly mortgage and get the kids through college. If your firm is profitable (20%+ of pretax net income is what you should be shooting for—I like to think of profit as the deserved reward of a successful entrepreneur), hopefully you will be able to take care of those obligations while you are still running your shop.

But how will you finance your future? How will you monetize and be compensated for the decades of sweat equity you have invested in building your business? Those are the questions a well-wrought exit plan will answer for you.

But my purpose in writing this is not to expound upon the intricacies of exit and succession planning, but simply to encourage you to think about your future. And exit plan, after all, is a just a means to an end, a strategy for getting you to where you want to go next in life. Therefore, doesn't it make sense to first give thought to what you hope to do after the business, the lifestyle you desire for you and your family, plus pragmatic issues such as how long you would like to continue to work, the future needs and desires of your family and loved ones (perhaps they may simply want to spend more time with you), even the state of your health?

If you hope to make a clean break from the business someday, live a life of luxury and travel the world, that would obviously require a quite different exit plan strategy than

that of someone who would just like to just “slow down” in a few years and gradually ease out of the business, while still remaining somewhat active in the industry and their community.

One of the most fascinating aspects of being an exit and planning consultant is learning what business owners want to do when they “retire.” In a survey conducted by The Tobin Group a few years back, 49% said that they “hope to slow down, but continue on a part-time basis” with their firms,” 25% said they plan to continue to work in the profession as a consultant, while 19% would like to start a new business. “Travel more” was the number one retirement activity (56%), followed by “community and non-profit work” (41%), doing “something creative” (38%), “teaching” (29%), and “just spending time with the family (21%). 8% said they never plan to retire.

I can personally attest to, and offer many anecdotes of clients and friends, to verify the fact that there is life after the agency business and your business career. One of my good friends was a trombone player in college, spent 35 years in manufacturing, became a VP at a blue chip company, retired, took up the trombone again and started a jazz society in his community. Another friend moved to California where he and his wife teach English to the children of migrant farm workers. I know “retired” owners who are helping to rebuild blighted neighborhoods, are writing novels and plays, becoming more involved in local politics, and volunteering for all kinds of non-profit organizations, from working with at-risk teens to raising money for PETA.

In my own case, after selling my public relations firm, I taught international film studies at a local university, co-founded a non-profit that sent over a thousand computers to schools and libraries in Eastern Europe, took up woodworking, served on a number of film festival committees, and—now that I have the required gray hair—became a consultant (I’ll admit—I missed the business world).

So what is in your future? Where do you hope your exit plan will take you?

One last thought: Why wait? If you are five or even ten years from your exit ETA, you should begin to lay the groundwork for your future life today, and even consider pursuing other interests now. In addition to the financial and legal aspects of the succession planning process, I highly encourage you to incorporate what I call a “lifestyle transition period” into your plan.

Factor in some time, say a year or so, that will allow you to slow down a bit, by at least a day a week, so that you can try your hand at other things—perhaps by teaching one course at a local community college, or volunteering at a local hospice, or getting those oil paints out of the closet. You may say you want to build furniture someday, or teach, or write that novel, but once you actually try your hand at it, you may discover your vision of what it would be like to be a woodworker, college prof, or novelist, was more wishful daydreaming than something you actually want to do and enjoy.

Pursuing other interests during the transition period will not only help you sort out your true future lifestyle interests and options (yes, you will be back to that point in life when you are still trying to figure out what you want to do when you “grow up”), but it will also get you out of the office more often, and allow you to rediscover the bigger world around you.

Owning and running an agency can be all-consuming. Being suddenly thrust into the “outside world” can lead to a serious case of cultural shock and disorientation for the unprepared owner. Putting a plan in place that addresses how you will monetize your business AND also factors in your future goals and ambitions will pay significant dividends, from both a financial perspective and in terms of personal fulfilment.

What’s in your exit plan?