



BUSINESS WORLD

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BUSINESS WORLD

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Stephen Hamlet
CEO
Russell Bedford International

Foreword

It will soon be the end of my first year as Russell Bedford International's CEO. It personally seems like a much longer period, which I believe highlights what a busy year we have had, and what we have achieved in such a short amount of time.

Our growth in 2017, when looking at the turnover of all of our member firms, was almost 12%. This is an incredible increase for the network and reflects not only the new members being recruited (almost 20 last year) but also the growth amongst our existing members. Our recruitment efforts, ensuring we are covered in all major cities around the world, have been fantastic and I am delighted at the success in enhancing the network and our global capabilities.

We witnessed a fabulous annual conference in Rome in October, where we had record numbers in attendance and treated delegates to a new conference app which enhanced everyone's enjoyment of the event and facilitated communication amongst those present. The feedback from this meeting was fantastic, with 97% rating the overall event as either Excellent or Very Good. It is at meetings like these where members get to interact with each other and learn about one another's practices and specialisms. This helps build those tried and trusted relationships that are all so very important when work is being referred for clients around the world.

This year we shall be launching a new website with a modernised feel and a refreshed brand identifier. The aim of our new marketing strategy is to promote RBI, our strengths and personality, not only through the website but also via various social media channels where we continue to enhance our presence. Our YouTube channel was re-launched towards the end of 2017, creating "RBI Live", which now showcases a number of highlight videos containing clips from our meetings, member interviews explaining why they belong to Russell Bedford and the benefits afforded to them and their clients, in addition to words from myself and our Chairman.

We ended 2017 with an extremely well-received meeting in Budapest for our "Young Professionals". This brought together members from all four regions of our network, highlighting the importance our firms place on the development of their people and the retention of great talent to help serve their client base.

As I write this I have just returned from my first trip of 2018; to Houston for our Americas annual conference, followed by member visits to firms in North and Latin America. I shall then embark on a recruitment trip to Nairobi as we try to build our presence in Africa. I will also be in New York attending a meeting at the American Institute of Certified Public Accountants for international networks and associations, followed by a visit to our biggest Canadian member firm in Montreal.

As the world of accounting and business advice continues to unearth more complexities, ever more so with the uncertainty around Brexit negotiations, other political uncertainties throughout the world and governmental changes, as well as new developments in areas such as General Data Protection Regulation, the way we do business has seldom been so unpredictable.

Often in these times of uncertainty, we see businesses retreat and hope that the chaos blows over. It rarely does, however, and without thoughtful consideration on possible outcomes and planning strategies that protect your business, you could be putting your operations at risk. Articles in this edition of Business World address a number of these, and several more, important current topics and issues.

I look forward to continued success for Russell Bedford International and for the clients of our member firms as we encounter challenging, yet exciting, times. Professional experts at our firms around the world are ready to assist you should you look to expand into their jurisdiction and require assistance and advice.

Stephen Hamlet



Bavaria for business



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Wolfgang is a managing partner of Russell Bedford's Munich firm, Haas Bacher Scheuer. Over the years, Wolfgang has provided a broad range of audit, taxation and business services for family-owned enterprises and private clients. He is a well-experienced and true all-rounder for enterprises as well as for individuals.

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Bavaria is both diverse and economically dynamic. With its large share of high-tech companies, industry sits at the heart of the Bavarian economy – vehicle manufacturers such as Audi, BMW, and MAN, global technology company Siemens, and aerospace giant Airbus all play a major role in the success of the Bavarian economy.

Top businesses need top talent

The academic landscape in Bavaria is one of efficiency and versatility that acts as a cornerstone for research and development. With nine state universities, twenty-four universities for applied sciences, several universities for arts, and many private institutes, Bavarian academia offers a genuine impetus for business innovation.

A progressive, business-related academic policy, paired with world-class scientific achievement, places Bavarian universities among the best educational institutions, both nationally and globally. Ludwig Maximilian University of Munich, and Technical University of Munich are both in Bavaria and sit among Germany's eleven elite universities. This powerful university network promotes an effective transfer of new graduates directly into talent-hungry global enterprises.

Bavaria's exceptional standards of qualifications and training deliver an abundance of highly skilled and knowledgeable professionals with a work ethic admired around the world. These professionals

guarantee the region's global economic success and is the reason why many international companies choose to operate from this part of Germany.

Connectivity: technology and transport

Bavaria's strategic position in one of Europe's most significant logistics hubs, connected by international airports in Munich and Nuremberg, makes it an attractive location for multinationals to base their operations.

Bavaria's capital, Munich, is Europe's top information communications and technology (ICT) hub. Some 35,000 ICT companies are based here, and Bavaria will receive €1.5 billion in ICT investment during the next five years. Bavaria is undoubtedly an important location for the ICT industry.

As Germany's leading ICT location – the region is home to 40% of German ICT companies – Bavaria is a driving force in technological innovation as it leads the state-wide expansion of high-performance networks for swift data transfer.

Bavaria offers a competitive system of business taxation

Thanks to the Bavarian river and canal network, and its strategic location in relation to the European highway network, Bavaria is a prominent logistics hub that supports the shipment of goods to destinations all over the world.

Bavaria has more than 40,000 kilometres of well-constructed roads and more than 2,000 kilometres of motorway, ensuring that all Bavarian regions are connected to the intercity railway transportation network of both Germany and Europe.

An efficient high-speed railway network connects Bavaria with the metropolitan areas across Germany and Europe. Here in the centre of Europe's economic area, companies find fast and straightforward access to a market of almost 500 million customers.

Audi recognised the strategic importance of Bavaria as a production location when it established its operations in Ingolstadt, building its own intermodal transshipment terminal.

Government employment support

The Federal Employment Agency (BA) offers a broad range of services to the labour and training markets for individuals, companies and institutions throughout Germany. It also issues guidelines for implementing employment legislation.

The government has also introduced some new initiatives that aim to make it easier for new businesses to recruit employees. These include wage subsidies, under certain conditions, and flexible recruitment schemes.

Time-working arrangements enable businesses to employ staff without signing contracts directly with employees. Instead, staff are provided from a temporary-work agency under freely negotiable terms, a system that drastically improves the time-to-hire for businesses eager to employ the staff they need, when they need them.

Works councils exist to protect employees' interests and to aid communication between businesses and employees. This system of co-determination is a great example of the German stable business environment: businesses rarely experience loss of production through labour disputes and strikes.

An attractive tax destination

Bavaria offers a competitive system of business taxation. Across Germany, the average total tax burden at 29.8% is below that of other major industrialised countries such as France, Spain, Italy or the United Kingdom. In many regions of Bavaria, the tax burden for business is even lower because their municipalities provide companies with more favourable terms of trade tax.

As global leaders endeavour to make decisions that support and sustain growth and development, the availability of talent, and a progressive approach to technology, have become crucial to global expansion. With an impressive track record for both, any global enterprise looking for a strategic European location should seriously consider Bavaria.





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Tracy is a founding partner at Emotive Brand, a San Francisco Bay Area brand strategy and design firm.

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Her clear strategic thinking and honest advice make her a valued advisor to leadership teams.

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Brand, purpose, culture: the triple challenge for business

We talk a lot about how businesses today need a strong brand, a clear purpose, and an inspired culture. Each of these brand components are playing a greater role in business success today. Sometimes it appears that if you just have one, you might be able to turn your business around. But this is no longer the case.

Without all three – brand, purpose, culture – working together and driving one another, rising to the top is not a possibility. Simply embracing purpose is no longer enough to stand out. Even the most talented people aren't going to drive you into the future without a clear vision of what that future is. Likewise, a highly strategic and perfectly designed brand won't succeed without purpose-led people who can bring it to life.

Purpose, delivered

Purpose is only powerful when it is really brought to life – when it acts as the underlying driving force behind the business. And what brings a purpose

to life? Your people. The culture you build. Your employees united around a strong, clear, aspirational future with a clear outline of how to get there.

A vague purpose is no purpose at all. Neither is a purpose that doesn't dictate your leadership's behaviour and drive best practices that trickle down. So, businesses who want to compete today don't just have to lead with purpose, they have to deliver on that purpose – following through with every brand touch point, living their promise, driving towards their greatest goals, and bringing their employees together every day.

It's in the data for business

When we look at the data, we see the role of purpose having more and more of an impact on business results. According to recent Gallup research, 88% of millennials claim they would remain at their jobs for more than five years if they “were satisfied with the company’s sense of purpose”, but only 27% report feeling satisfied with their current company’s values. And this low rating directly impacts a business with low employee engagement, low retention rates, and increased difficulty attracting the right fit of talent – top concerns for execs today.

Linking together brand, purpose and culture

Strong cultures can’t happen in a silo. They require shared accountability and leaders who behave in purpose-led ways that set an example for the rest of the business. And although building a purpose from the ground up is always the easiest practice, it might not be an option for many businesses today. That’s why leaders need to understand how brand, culture, and purpose have to work together to position the business for success.

Although purpose has been accepted by many businesses and brands as a strategic priority, many are struggling to directly link it to their company’s culture. Because of this, purpose can’t do the job it needs to do. First off, HR, not always seen as strategic, needs to be involved. As people demand more transparency, more authenticity, and more purpose from the businesses they want to work for, HR needs to have a seat at the strategic table – helping to build a purpose-driven culture that can come alive and drive the business forward.

It’s all about strong leadership, clear vision alignment, joining forces at the strategic table, and figuring out how to communicate an inspiring vision to employees. Because when employees understand why the brand truly matters – what is driving the behavior of the company and its values – they can then align themselves in ways that help the brand outperform the competition and position the business to thrive.

Into the future

Brand, purpose, culture are critical to the success of your business. Investing in your brand is a good first step into driving your business and its people in the right direction. But when you invest in your brand, you also have to invest in your culture and never stray away from the power of purpose. Understanding the ways in which culture and purpose are linked, and how they drive your brand forward, is key.

Getting aligned around purpose and delivering on that purpose at every touch point should always be a strategic priority. Infuse it into your culture and help it motivate your people forward. Your company culture – when truly led by purpose – can bring any strategy to life, position your business for growth, and situate your team and your brand to thrive no matter the obstacles ahead.





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Customer referrals – how to get more of them?

Word-of-mouth or customer referrals are one of the most cost-effective sources of new business.

Referrals are generally recommendations from satisfied customers, where one person tells someone else about your product or service. Given the business development potential of customer referrals, being able to drive referrals from your regular customers can provide significant benefits to your business.

Businesses can receive referrals organically. However, introducing a formalised process can increase your chances of word-of-mouth sales. Here are some ways to successfully generate more referrals.

Make your customers happy

The first and foremost principle to gaining customer referrals is to provide excellent service to your existing customers. An existing customer is unlikely to refer your business if they are dissatisfied and continually have negative experiences. Before you consider asking for a referral you must be sure you are delivering value to your customers consistently.

The best time to ask for a referral is when you exceed your customer's expectations and receive a compliment. Jump on this opportunity to ask your customer if they know of anyone else who could benefit from your products or services. If you feel hesitant to ask face-to-face, follow up with an e-mail to ensure they are satisfied and ask if they would like to refer your business. You may consider creating a referral programme on your website where satisfied customers can write testimonials and reviews.

Remind your customers

Asking for referrals should not be a one-off occasion; rather the same approach should be applied to each satisfied customer. When prompting a customer for a referral, ask them questions such as "Have you considered this purchase as a gift for a friend or family member", or "Would you like to buy one for a friend at a discounted price?", and so on. Do not ask the customer for names of prospective customers to maintain confidentiality and privacy.

Introducing a referral programme where the referring customer receives a discount or special offer is another way of triggering referrals. Motivating your customers through a monetary reward can kick your referrals into overdrive.

Recognise your referrers

Following up to thank your referrer is a great way to show your appreciation. Whether the referral results in sales or not, referring customers should be personally acknowledged, as providing a referral is a very generous gesture on their behalf.

The worst thing you can do is get a referral and forget about it. Not only could you lose the respect of your referring customer but it can appear unprofessional. Instead send a handwritten thank you note or personalised e-mail as soon as you gain the referral. You may choose to publicly acknowledge their referrals either through your business's newsletter, social media platforms or throughout your office.

Establishing a set process to deal with how you will communicate with referrers from the time you receive their contact information will ensure each referrer is dealt with equally and receives the same appreciation.



GDPR – what businesses need to know

The EU's General Data Protection Regulation (GDPR) becomes law on 25 May 2018. Until now, each member state had its own data protection laws; GDPR creates one set of rules for data protection across the EU, making it easier for businesses to trade across the EU. Even though the UK has voted to leave the EU, it will adopt GDPR in its entirety post-Brexit.

The need for data protection

GDPR recognises that, where personal data is concerned, the world has changed. Businesses now collect and monetise all kinds of data, and the risks of personal data leaking into the public domain are great. Businesses recognise that the more they know about their customers, the better they can tailor their offering to them. The flipside is that if customers are not fully aware, or have not given their consent, the use of personal data is tantamount to a breach of personal privacy with potentially harmful results.

GDPR makes it incumbent on businesses to prove a data-subject's consent and raises the bar on what constitutes valid consent. GDPR also requires businesses to give data-subjects more information about how their information is used and introduces new rights such as the right to be forgotten and the right to data portability.

A further danger that has evolved in recent years is the growing threat of data theft through hacking. Unfortunately, the intrinsic value held in personal data makes it worth stealing. Data theft can also be used to hold businesses to ransom and threaten their ability to trade. This backdrop will continue to evolve and one of the aims of GDPR is to keep up with an ever-changing data environment.

Demonstrating compliance

Businesses must demonstrate how they comply with GDPR; this will mean making compliance part of someone's role in the business. Businesses that process personal data on a grand scale as part of their core operations may need to appoint a Data Protection Officer (DPO) to monitor internal compliance. Most businesses won't need a DPO but will need to make it the responsibility of someone in senior management to demonstrate compliance through an understanding of the GDPR requirements.

Non-compliance doesn't bear thinking about

Businesses that choose to disregard their GDPR responsibilities, or don't take them seriously enough, face fines of up to €20 million or 4% of global revenue if that's greater. This makes GDPR compliance a boardroom responsibility.

The regulators expect businesses to start by conducting a thorough audit of personal data. This makes sense: once a business understands what data it processes, with whom it shares data, and the legal basis on which it processes data, it is in a much better position to comply with GDPR. Businesses need to build GDPR into the way they do business and make it part of all future initiatives, carrying out impact assessments to consider data protection risks and any impact on personal data and data-subjects. This is not a requirement of GDPR but a sensible way for businesses to conduct themselves and comply with the regulations. Businesses must decide for themselves how much or how little governance is appropriate but the potential penalties for non-compliance should help to focus the mind.

GDPR beyond the EU

GDPR doesn't apply only to businesses established in the EU, it extends to businesses outside the EU that process data:

- inside the EU
- outside the EU that concerns EU data-subjects
- that is directed at EU data-subjects.

GDPR also provides specific rules about transferring personal data to countries outside the EU. This is relevant to many UK and European businesses that contract with third-party data processors in the United States, or transfer EU personal data outside Europe. These businesses need to examine their contracts with third-party data processors to ensure they have adequate contractual clauses in place to meet the GDPR requirements.

GDPR is approaching rapidly – be prepared

Although the GDPR builds on the principals of current EU data protection laws, it expands significantly the obligations companies need to meet to comply. As we approach 25 May 2018 when GDPR becomes law, businesses must understand what personal data they are holding and processing, and work towards a position of GDPR compliance with which they are comfortable.



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Five eyes on the fence: social capital

Protecting the five core capitals of your business



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In my book *Five Eyes on the Fence*, I debunk the myth that the health of a business can be judged by its bottom line alone—by its financial capital. Instead, I assert that financial capital is a by-product of four other capitals:

1. Human capital includes the personalities, intelligence, behavioural traits, values, attributes, and motivators of a person, a family, or a company.
2. Intellectual capital is a company's and its employees' knowledge and experience.
3. Social capital is a company's network of people and associates.

4. Structural capital includes a company's processes, systems, and ways of delivering its products or services.

A company that pays attention only to its financial capital has a high probability of failing: The company is keeping only one eye on the fence. The recipe for a company's success is much broader and includes the interrelationship between all five capitals.

In this series of articles, I examine how the five capitals form an intricate web, and how you can make decisions based on how the five capitals interact. In the March 2017 and September 2017 issues of *Business World*, I discussed human capital and intellectual capital. In this article, we will look at social capital.

Social capital

Who do you know? Your social capital includes the network of people you know, including family members, friends, clients, employees, vendors, and associates. You get something from these relationships, and what you get is much more valuable than money.

For instance, from your family members and friends, you receive love. From your associates, you benefit from affiliation, networking, advice, mentorship, and referrals. When these relationships are nurtured, your social capital grows stronger.

Building social capital through values

What binds you to another person are the values that define that relationship. These values can be shared—for instance, two business partners might share the values of hard work and productivity. Values can also be complementary—for instance, one partner might be strategic, and another might be a tremendous visionary.

Relationships are strongest when they are the 'stickiest', meaning the people in the relationship are highly committed to one another.

The best way for a person to feel your commitment is through your words and actions. Honour commitments, go out of your way to build relationships, check in on the people in your network, and make sure that everyone in your network knows that you are committed to them through the words you say aloud and the actions you take.

Building more social capital

Within the network of people who constitute your social capital, the people who are the most important in helping you or your company grow are the ones you know the least.

This might sound surprising. After all, isn't your innermost circle the most important?

While it is true that your innermost circle of friends, family members, and associates are the most important emotionally, the people who are most distant from you are the ones who offer the most power in terms of forming new ideas and creating new opportunities.

This seems counterintuitive, so think of it a little like your friends on Facebook. You and your business partner probably have many mutual friends. You know everyone that your business partner knows.

And, by now, you and your business partner have probably shared all the ideas you have for the growth of your company.

Now think about a professional associate you don't know very well. You and this person have few (if any) mutual friends. This person, therefore, could be a powerhouse in terms of his or her ability to introduce you to new people and ideas.

The power of casual relationships

Often, we fail to spend time with distant relationships or create new relationships. We think: I have so little time already. Why waste it on people I barely know when I know so many people whose company I already enjoy?

But if you are interested in bringing new ideas and new opportunities to your business, be sure to take time to nurture new relationships.

The most opportunity lies in setting foot in new and distant territories. When you keep isolated among your own group, you will be less likely to hear new ideas and expand your own perception of what is possible. You will become insulated, unaware of the different people out there who are doing new and innovative things.

...the people who are the most important in helping you or your company grow are the ones you know the least.



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For more information on the Doing Business project, please visit: www.doingbusiness.org

For copies of the national, regional and global Doing Business reports, visit: www.russellbedford.com/doing-business

Doing business: reforming to create jobs

We have all heard the saying, “what gets measured gets done”. The World Bank Group’s Doing Business report has been measuring the ease of doing business for 15 years, with the goal of helping governments and other stakeholders improve the business climate for domestic small and medium enterprises.

Doing Business measures the effectiveness and quality of regulations in 11 areas of key relevance during the lifecycle of a business. The report covers 190 economies, including some of the smallest and poorest jurisdictions for which little or no data are available from other sources. The Doing Business data are publicly available on the report’s website and its users include policy makers, think tanks, research organizations, private sector professionals, professors and students.

Over the past decade, governments have increasingly turned to Doing Business as a repository of actionable, objective data providing unique insights into good practices worldwide as they have come to understand the importance of business regulation as a driving force of competitiveness. Governments in over 60 economies have formed regulatory reform committees that use the Doing Business indicators as one input to inform their programs for improving the business environment. The most recent report, Doing Business 2018:

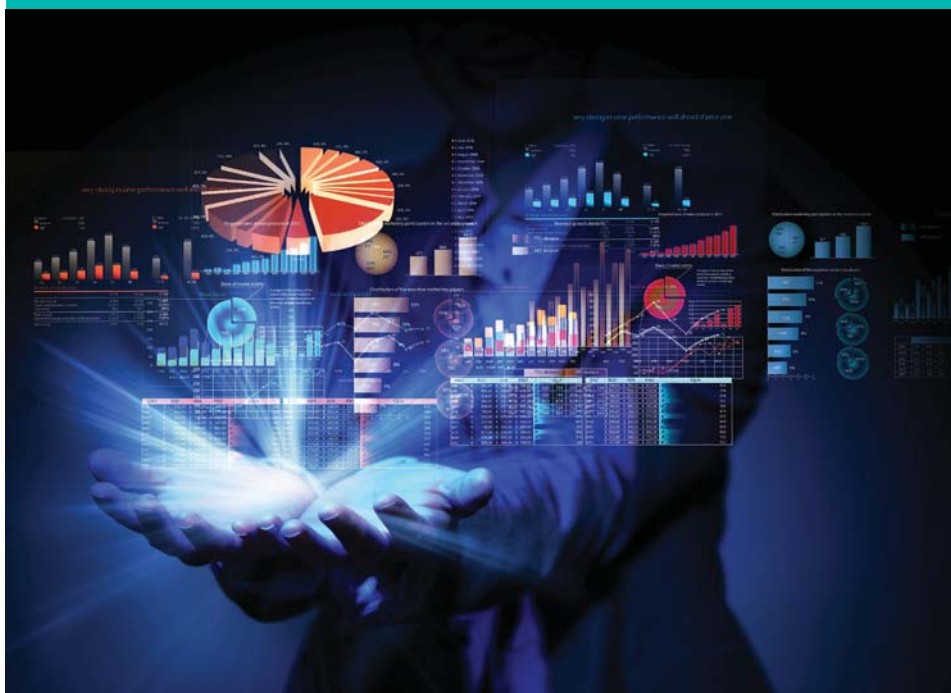
Reforming to Create Jobs, was launched on October 31, 2017. It finds that governments in 119 economies implemented 264 business reforms in the past year to improve the regulatory framework for entrepreneurs, to create jobs, attract investment and become more competitive. In its annual ease of doing business rankings, New Zealand, Singapore and Denmark retained their first, second and third spots, respectively. They were followed by Republic of Korea, Hong Kong SAR, China, United States, United Kingdom, Norway, Georgia, and Sweden. This year’s top 10 improvers, based on reforms undertaken, are: Brunei Darussalam (for a second consecutive year), Thailand, Malawi, Kosovo, India, Uzbekistan, Zambia, Nigeria, Djibouti, and El Salvador. For the first time, the group of top 10 improvers includes economies of all income levels and sizes, with half being top improvers for the first time: El Salvador, India, Malawi, Nigeria, and Thailand.

Fifteen years of Doing Business data allows a deep dive into what governments can do to enable entrepreneurship and create jobs. Since its inception, the report has recorded a total of 3,188 reforms in 186 of the 190 economies it now monitors. Rwanda has implemented the highest number of business reforms over the past 15 years, with a total of 52 reforms, followed by Georgia, which advanced this year into the top 10 ranked economies (47 reforms) and Kazakhstan and the Former Yugoslav Republic of Macedonia (41 reforms each). Easing the requirements for starting a business has seen the largest number of reforms, with 626 reforms recorded in the past 15 years. As a result, the time needed to start a new small or medium business has more than halved to an average of 20 days worldwide, compared with 52 days in 2003. In addition, in 65 economies, entrepreneurs can complete at least one business incorporation procedure online, compared with only nine in 2003. Similar progress is also seen in other Doing Business areas.

What motivates governments to reform? Doing Business data shows that governments tend to reform in times of fiscal crisis. For example, reforms in the area of resolving insolvency showed a spike in 2010/11, in the aftermath of the global financial crisis of 2008/09. How do reforms and regulations impact employment? Research using Doing Business data shows that economies that tend to perform well on the Doing Business index tend to also create more jobs. Economies with high unemployment could do well by improving their business regulations. A one-point improvement in the Doing Business “distance to frontier” score is associated with a 0.02 percentage point decline in unemployment growth rate. Governments learning from the experience of top performing economies is a key component of the impact of Doing Business research.

The Doing Business report would not be possible without the help of over 43,000 local experts in the 190 economies covered by the report who have provided the data on a pro bono basis over the past 15 years. Doing Business collects the data every year by sending questionnaires to its network of experts. The Doing Business team then analyzes the questionnaire responses, reviews relevant laws and regulations and corresponds with governments, World Bank Group regional staff and private sector experts to continue verifying the findings. Russell Bedford contributes global research expertise to the Doing Business project.

For more information on Doing Business, please visit www.doingbusiness.org





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The importance of succession planning

Business World interviews RBF managing partner Bill Rucci

When you talk about “passing the torch” in business, you are referring to the concept of business succession. What is business succession exactly?

Business succession is the process of planning what happens to your business once you're no longer there to run it. Business owners put so much into building a successful business that when it's time to retire, passing control to someone else — even their children — can be very difficult. Add in family dynamics, legal, financial, and tax considerations, and many business owners try to avoid the subject entirely. But that's a mistake.

Is the topic of business succession getting much attention in the business community right now?

It's already a big issue, and it's going to get bigger. Privately owned businesses are entering a period of massive leadership transition during the next decade. Around 8,000 people turn 65 each day and surveys show that seven-in-ten business owners in the US expect to exit their companies in the next 10 years. It's only a matter of time before owners are forced to answer important questions about the future of their businesses.

What is the danger of not confronting these issues?

The stakes couldn't be higher. Without proper planning, owners face adverse financial and tax consequences for themselves and their families. But, by starting early, a sound business succession plan can lay the foundation for a smooth and personally fulfilling transition.

You can almost hear the pushback from business owners now: “Retire? I might as well be dead.” “Nobody can run my business as well as I can.” “My children will ruin everything I've built.”

Exactly! And these are all expressions of the understandable fears that can hinder the planning process. As I've said, without proper planning, a business owner can risk adverse financial or tax consequences, or even endanger the future of the business. But a well-defined succession plan can go a long way to ensuring a successful transition and a bright future for everyone.

So, what are some of the steps that a business owner should take to put an effective business succession plan in place?

When building a plan, it is best to start early; create a support team; identify and communicate your goals; and design, develop and monitor your succession plan.

Why is it important to start early?

It takes about five years to implement a successful plan. Add to this the time it takes to explore alternatives and the horizon becomes even longer. This may make retirement feel like a distant concern, yet an unexpected illness, death, or divorce can force you to confront reality much earlier.

It is also important to allow enough time for stakeholders and family members to adjust to and accept your plans. Without their support, you risk alienating family members or losing key employees. You also want to set aside enough time to choose and develop your successor before you step down.

News in brief

● **Forero Gordón & Asociados joins Russell Bedford as first full member in Panama**

Russell Bedford has announced the appointment of Forero Gordón & Asociados as its first full member in Panama.

Forero Gordón & Asociados was founded in 1985 and has three partners, two associates and a team of professional and administrative staff.

Based in Panama City, it is a full-service accounting, tax and consulting firm with a strong focus on auditing. Forero Gordón & Asociados has a broad range of clients in sectors such as insurance, financial services, manufacturing, construction, real estate and commerce.

● **Russell Bedford Atlanta firm on Top 100 list for 5th consecutive year**

Russell Bedford member firm Williams Benator & Libby, LLP (WBL) has announced that the firm has been named as one of the 2017 Accounting Today's Best Accounting Firms to Work for. It is the fifth consecutive year that WBL has been included on the national list, with more than two-thirds of the overall score based on employee feedback on their experience with their employers.

● **Russell Bedford listed 7th largest network in Russia and 10th in Mexico**

Russell Bedford has been listed as the 7th largest network in Russia and 10th in Mexico. The ranking is based on fee data of all networks sourced by the International Accounting Bulletin (IAB) in its 2017 survey.

● **Russell Bedford gains six new members in under a month**

Russell Bedford has announced considerable growth with the appointment of six new firms in December 2017. The network has appointed three new full member firms in previously unrepresented regions, ICT Európa in Budapest, Hungary, DIJ-Audit in Belgrade, Serbia and Karma & Associés in Tunis, Tunisia. A further three new firms, Jerroms in Solihull, UK, DSA in Cartagena, Colombia and GCT & Asociados in Medellín, Colombia joined Russell Bedford adding to the already substantial growth seen within the network in 2017.

● **Hallidays, Russell Bedford's Manchester, UK, member firm, has added over 100 clients to its portfolio through the acquisition of Cheshire accounting practice, Edmondson & Co.**

As part of the acquisition, Paul Edmondson of Edmondson & Co., will join the team led by Hallidays director, Valerie Wain, which has expertise in sourcing financial opportunities for SMEs and individuals.

● **London member firm continues to expand its growing team**

Lubbock Fine, Russell Bedford's London member has expanded its team with three new appointments in support of the firm's continuous growth plan. Aidan Meade has joined as a personal tax director, Carmel McLoughney has joined Lubbock Fine's marketing team as a client relationship manager and Matt Spencer has joined the tax department as a personal tax manager.

● **Boston member firm announces name change and rebrand**

Rucci Bardaro & Falzone, PC, Russell Bedford's Boston member, has launched its new brand and announces change of its company name to RBF. Firm officials said the new, streamlined brand name reflects a natural continuation of how clients, colleagues and the marketplace have come to know and refer to the company in recent years using partner surname initials.

As part of the re-branding effort, RBF has introduced a new firm logo, and has launched a new website with the theme, "Success, Measured." The website features a cleaner visual design and simpler navigation to provide better access to the firm's service descriptions, client case stories and staff-generated articles. The website address is www.rbfp.com.

What do you mean when you say, "create a support team"?

Even the simplest succession plan involves financial, legal, tax, and estate planning. So, include your accountant and lawyer in your planning team. Family members and key employees will also help ensure their acceptance of your plan and prevent conflict. Your accountant is probably the best person to run the planning team since tax planning and financial analyses are both important parts of the entire succession planning process.

If we're talking about a family-run business, are there any specific pitfalls that the owner needs to be aware of?

Well, choosing a successor can be stressful for any owner, even more so if you have several children. Most parents want to treat their children equally, so where the business may be only one asset of the family's wealth, the owner may decide to allot other assets to children who are not active in the business. If the owner cannot identify a successor – which happens sometimes – it may be time to decide whether to sell or wind up the business.

The best way to manage this type of hazard, of course, is to be clear about your personal and business goals. Your support team can help you articulate these goals and overcome the psychological barriers that often come with discussing personal matters. Once key employees and family members understand your intentions, they are more likely to support your plan.

What happens next?

Once you have considered all the alternatives put your succession plan in writing. But a good succession plan must be flexible. This allows you to respond with confidence if reality throws you a curveball. Occasional meetings with your advisory team will help you ensure your plan remains current and helps communication between key stakeholders.



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