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Small Business Owner Succession Planning: An Empirical Study

Abstract

Businesses characterized as “small” employ 53% of the private sector workforce in the U.S., so their health is clearly vital to our economy. Although the successful transition of a business from one owner to the next is crucial to its continued existence, the authors’ survey showed that most small businesses lack written succession plans. Some have unwritten plans or the owners address the succession issue in their wills. Newer businesses are more apt to have written plans than older ones, perhaps suggesting an increase in sophistication and education of newer small-business owners.

Forest David, Don Kelley, and Fred David
