

Life is interdependent. Transition to Employee Ownership. Bring work to life.



Your weekly blog on all things EO
with Barry Horner

Episode 7 | Series 1

The Business Lives On

Selling a business is often seen as the ultimate win. You cash out, ride off into the sunset, and let someone else deal with the day-to-day. But for many founders, and that was me in 2019, that story just doesn't sit right. It feels like a betrayal - a betrayal of the team that has worked for the company for decades and the clients who put their faith in your vision.

The traditional exit strategies - handing your baby over to a soulless private equity firm or a ravenous competitor - often end in disaster. They carve up the company, lay off the people you promised to protect, and dismantle the very culture you spent a lifetime building.

Your legacy becomes a footnote in someone else's spreadsheet. That wasn't for me.

I have spent three decades witnessing a disturbing trend in financial services: the trade sale of a truly innovative business often results in value destruction, not creation. Market-leading financial planning firms are frequently absorbed by large consolidators whose focus on scale often dilutes the very expertise and client-centric approach they claim to deliver.

But there's another way to walk away. A way to not just preserve your legacy but to make it bulletproof and that's by transitioning to employee ownership.

This isn't some fluffy, feel-good scheme. When you sell to your employees, you are not just giving them a stake in the company, but rather you are giving them ownership of their future. This seeks to ignite a fire in your team that no bonus or title ever could.

The Team Becomes the Fortress

When your team become owners, they become stakeholders, innovators, and guardians of the brand.

- You lock in your talent. Team turnover falls because no one walks away from a business they own. You retain the institutional knowledge and raw talent that made the company great in the first place.
- You unleash a new level of grit. Every employee is a part-owner, invested in solving problems and pushing the business forward. The old 'that's not my job' mentality dies, replaced by a collective hunger for success.

Clients Stay for the Long Haul

Clients don't do business with a logo but rather they do business with people they trust. When a big firm swoops in, that trust is instantly fractured. Clients worry about what will change and who will be left.

"Having seen how a private equity model can create a fundamental misalignment of goals, my wife and I made the decision to move from our previous financial planners. We were drawn to Paradigm Norton because their employee-owned structure guarantees a continuity of service from a team truly invested in our success. For us, this was a vital assurance."

Nick & Fi Carter

So, when the time comes to step back, don't let your business become another corporate casualty. Choose a path that honours the journey, protects your people, and ensures that the legacy you built doesn't just survive - it thrives.

The business lives on, not in a new owner's shadow, but in the hands of the people who made it what it is.

For more information or to discuss anything in this latest Know-How;

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