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Your weekly blog on all things EO  
with Barry Horner

Episode 20 | Series 1

## Navigating the Post EO Identity Crisis

I hit the twelve-month milestone of my CEO transition on April 1st, 2026. Looking back with the wonderful gift of hindsight, I have to ask: ***‘Was it a smooth exit, or a slow-motion identity crisis?’***

For many business owners, their company isn't just an asset, but rather it's their identity. After 20 or 30 years of being the main person, the one who makes the final call, carries the risk, and defines the culture - the transition to Employee Ownership (EO) can trigger an unexpected psychological hurdle - what I am calling ***The Post EO Identity Crisis***.

Whilst there are numerous and significant advantages of an EOT (Employee Ownership Trust), the human transition is often the most significant barrier to a successful exit.

How do you pivot your personal identity when you no longer hold the keys nor do others look to you for advice and counsel! Not an easy position to be in or navigate your way out of.

### **1. Who are you without the CEO Title?**

The first step in a successful EO transition must happen in the mind of the vendor, long before the Trust Deed is signed. When you move from owner to former owner, you are

essentially firing yourself from your primary identity as the business leader and CEO.

When your self-worth is tied solely to your ‘veto power,’ the EOT model will feel like a loss.

In her excellent book, ‘Not Fade Away’, Celia Dodd explains that one of the most common causes of a ‘failed’ retirement is the sudden loss of a work-based social network. If 90% of your interactions are professional, the day you leave is the day your social life collapses.

I have worked hard to ensure that I have life beyond work. Whist I have always been totally committed to the success of the firm, I have a number of other key priorities in my life - family, hobbies, working with local and international charities.

My personal coach always advised me to cultivate networks long before I was to exit the business. Whether it’s a walking group, a board role, or a hobby, these connections act as a bridge that carries you from your old life into your new one.

Best practice would suggest that this ‘life after work’ planning, starts at least five years before the date of an exit. It takes time to cultivate new hobbies, relationships and areas of interest that are not work related.

A great question to ask yourself is: ***Do I have a project in my personal life that is as mentally consuming as the business used to be?***

Identity crises happen in a vacuum. If you haven’t filled the space left by the CEO role with something challenging (mentorship, a new venture, or a complex hobby), you will naturally backslide into the business because that’s where you feel competent.

Your goal is to ensure your self-worth is being fed by your future activities, not just your past achievements.

## **2. Defining the ‘Cultural Anchor’ Role**

To avoid the ‘[fading ownership mirage](#)’, as I articulated in a previous EO Know How, the Board and the vendor must define a clear, time-bound role.

On the 1st of April 2025 my role at Paradigm Norton fundamentally changed. I no longer had any day-to-day involvement in the running of the business. We agreed that I would stay on as Board chair and also sit on the Trust Board. All tactical, operational and major business decisions are now made by others. The Board that I chair is an ‘accountability’ Board, made up primarily of non-execs. (We are not an operational Board – at Paradigm Norton that’s the role of the Executive Committee.)

On the official date of the CEO transition twelve months ago, I immediately stepped off the executive committee. I was keen to allow Philippa, our new CEO, to run with her strategy in an unfettered way. She had clearly articulated her vision for Paradigm Norton, and my goal became to support her in any way I could to see her vision become a reality. For me this was acting as a ‘confidential sounding board’ when I was asked. I am there to provide context, not commands.

My role isn’t about shadow managing, but rather it’s about institutional memory.

As someone said to me recently - eyes in, fingers out!

At least initially, the founder represents the soul and culture of the business to long-standing clients. Transitioning the culture of a business however is often more delicate than transitioning the operations. As a former CEO, my goal was to move from being the ‘architect’ of the culture to being its ‘anchor’, allowing Philippa to become the primary driver.

I recommend setting a hard date where your transitional role officially concludes. This prevents the ‘lingering founder’ syndrome that can stifle new management.

Setting a hard date for your CEO transition is perhaps the most difficult, and yet most respectful gift you can give to the new leadership and the employee-owners. Without it, you risk becoming a ghost in the machine, where your presence, however well-intentioned, creates a glass ceiling for the new CEO.

If there is no end date, the new CEO may feel they are babysitting your legacy rather than leading a company. They might delay necessary, bold changes out of a desire not to offend you. A hard date creates a sense of urgency for knowledge transfer. It forces the successor to ask the deep and key questions now, rather than assuming they can just ask you next month.

### 3. Setting Boundaries for the New CEO

From my experience, one of the hardest parts of ‘Life After EO’ is watching someone else sit in your chair. For the EOT to thrive, the new leadership must have the freedom to fail and succeed on their own terms.

On occasions, over the last twelve months, I have been sitting in a meeting room, perhaps preparing for a Trust Board call, with the Executive Committee meeting being held in the next-door room. That was tough. What were they planning? Did I make the right decision to step down when I did?

This physical proximity, being just a partition wall away from the seat of power is perhaps the ultimate test of the former CEOs psyche. It is the moment where the intellectual logic of the EOT deal meets the raw, emotional reality of no longer being in the room.

Expanding on those moments of doubt, here is how I sought to navigate the ‘meeting room wall’ and what it reveals about a successful transition.

Sitting next door to an Executive Committee (ExCo) meeting creates a strange sensory dissonance. You hear the muffled cadence of debate, the occasional burst of laughter, or the silence of deep focus, and your brain instinctively tries to auto-fill the gaps.

You find yourself wondering if they are discussing the very thing you were worried about, or worse, if they are dismantling a project you loved. This discomfort is actually a sign of success. If they are meeting without needing you to pop in and solve a problem, the transition is working. The toughness you feel is the sound of the business becoming independent of you.

Being next door feels like being a retired athlete sitting in the stands while the game is on. You still have the instincts to play, but you no longer have the jersey. The discipline required not to knock on that door or send a ‘just checking in’ text is immense. Every time you stay in your chair and let that meeting conclude without your interference, you are investing in the new CEO’s credibility.

The thought of ‘***Did I make the right decision to step down?***’ usually strikes during these moments of isolation. It’s rarely a reflection of the business’s health, but

rather a reflection of your own transition fatigue.

We often believe the business needs us more than it does. When we see it functioning perfectly well without us, it can feel like a blow to the ego.

Stepping down 'too early' is almost always better than stepping down 'too late.' By leaving, while I felt that I had more to give, this ensured that Philippa inherited a business with momentum, not one that was stagnating.

Finally, agree on how you will provide feedback. Ideally, this should be in scheduled 1-to-1s with the new CEO, never in front of the employee-owners. Philippa and I have met every week over the last 12 months, and we have agreed to keep 'short accounts'. If anything is troubling us, we get it out in the open. We have found that 'in-person' is better than 'online' for such meetings, so have sought to prioritise our office based weekly catch ups.

## **Conclusion**

A common fear for EO vendors is: ***'If I'm not in control, will the business fail and my deferred consideration disappear?'***

The paradox of the EOT is that control is the enemy of sustainability. By empowering our team, to think like owners, we actually de-risk the business. We move from being a single point of failure to a resilient, collective structure.

Retirement or 'Life After EO' isn't about stopping; it's about re-purposing. Use the freedom the EOT provides to pursue the 'Life' part of your Financial Plan - whether that's philanthropy, mentorship, or that hobby that you have sidelined for two decades.

The successful EO vendor doesn't just sell a company; they gift themselves a future. By defining your new identity early, you ensure that the business you built doesn't just survive your departure - it flourishes because of it. That's my hope for the future.

On 1st April 2026, as I hit that twelve-month mark, I asked myself a number of questions to stress-test how clean our planned break truly was:

- Who is the first person a client calls if there's a problem? Not me. **Tick**
- Can I articulate Philippa's Clear Blue Water strategy without adding a 'but' at the end? Yes, absolutely. **Tick**
- Am I still on the CC list for operational emails? Thankfully not. **Tick**
- Does Philippa have the keys - metaphorically and literally? Yes, absolutely. **Tick**
- If a major crisis hit tomorrow, who would the senior management team call first? Not me thankfully. **Tick**

Reaching this twelve-month milestone on 1st April 2026 with a clean sweep of 'ticks' is more than just a successful transition; it is a testament to the strength of the legacy and the new leadership team that Philippa has built.

By consciously stepping back, I have sought to create a path for Philippa's 'Clear Blue Water' strategy to thrive. The successful EO vendor doesn't just sell their company, but rather they gift themselves a future. Watching the business flourish without me is the ultimate professional reward. It proves the transition wasn't just a financial transaction - it was a successful evolution. I'm stepping into the next chapter not as a 'former CEO,' but as someone with his own 'Clear Blue Water' ahead.

I can now look forward to the next chapter with total confidence, knowing that the business is in expert hands and that its best days are still to come.

For more information or to discuss anything in this latest Know-How; Contact **Barry Horner** at [bhorner@pnfp.co.uk](mailto:bhorner@pnfp.co.uk).

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