



**ILLNESS AND BUSINESS
MANAGEMENT PLAN**

*I have to think about
the future for my Family*

**I've just been
diagnosed with
a critical illness...**

*I need to
act quickly*

What about my business?

*I don't know what to do with my Business
and I have to inform my Employees*

Illness and Business Management Plan

business.vic.gov.au/illness



The Victorian Government, through Small Business Victoria has developed an online Illness and Business Management Plan for people like me: small business owners who are facing a life-threatening illness.

It offers practical and relevant information including templates, checklists, useful contact details and case studies to help me manage my business at this difficult time.

This brochure contains an overview of what you will find online.

First steps in dealing with a critical illness

While the emotional impact of a diagnosis is often devastating, there are some first steps I can take to help both me and my business adjust to such a shock.

1. DECIDE WHAT TO DO WITH THE BUSINESS

This will be your most immediate decision. Your answer depends on: the financial strength of the business, the stress of the illness and treatment, and the expected time you'll need to recover from it.

Options you may need to consider are:

- selling the business
- closing the business
- getting a caretaker to run the business on a temporary basis
- handing over to someone on a permanent basis (also called 'succession')
- making big changes to your lifestyle and continuing to work

2. INFORM THE PEOPLE WHO MATTER

Your general practitioner and specialist should be told you run a small business and as a result, the decisions they make about your treatment will affect your livelihood. Apart from family and friends, your business partners, associates, employees, suppliers and customers or clients should all be informed of your illness, the treatment and the length of time you expect to be away from the business.

Checklist: Critical illness and communication



I can go online for a guide to who I should tell and what to say about a critical illness.

3. ASK QUESTIONS AND DEVELOP STRATEGIES

Think about how attached you are to the business and ask questions about what it really means to you. Are members of your family also involved? Are they employees of the business and have they invested money in it? Do you have other interests and job prospects outside the business? Was the business always meant to be your 'retirement fund'? Do you have sufficient superannuation?

Checklist: Strategies to deal with a critical illness



A guide is available online to help me deal with the stress of a critical illness at work and in my personal life.

4. APPOINT A POWER OF ATTORNEY

The physical and emotional stress of a critical illness, and the treatment for it, mean you will not be able to operate like you used to do. The good news is you don't have to do it all by yourself. When you appoint a power of attorney, you're giving them the legal ability to act on your behalf. People commonly appointed are: life partners, business partners, accountants and trusted employees.

Checklist: Critical Information list



I can use this online template to create a detailed file which can be used by someone else to make financial and legal decisions on my behalf.

5. CREATE OR UPDATE YOUR WILL

This may appear to be harsh, but if you've been diagnosed with an illness which threatens your life, it's simply a logical step to get your will in order. If you don't have a will you should spend time and money on an appointment with a solicitor. If a will already exists it may need to be updated in terms of how your finances and assets will be affected by your illness and treatment.

What are the options for your business?

After considering important issues relating to my business operations, my financial situation and my illness, I now have to consider my business options.

1. WILL YOU MAKE CHANGES TO YOUR LIFESTYLE AND CONTINUE TO WORK?

You may still be able to work with a critical illness, but you may have to work at a slower pace or delegate responsibilities to others

2. WILL YOU GET A TEMPORARY CARETAKER TO RUN THE BUSINESS?

Getting a caretaker is not just a matter of employing another staff member - you will be putting your trust in this person to run your business in your absence, maybe with Power Of Attorney responsibilities to make major financial decisions

3. WILL YOU HAND OVER TO SOMEONE ON A PERMANENT BASIS?

Succession planning is a normal business planning process and may be critical to you now. The best successor is someone who is trusted and respected by family and staff alike.

4. CLOSING THE BUSINESS:

If you decide to close the business, you need to consider the following:

- Cancelling business and tax registrations
- Premises and leasing responsibilities
- Employer responsibilities

5. WILL YOU SELL THE BUSINESS?

You will need to consider the following:

- Making sure you're ready to sell
- Choosing the right timing
- What to do if you're a company
- What to do if you own both business and property
- Obtaining a professional valuation



Time for me to go online to find a number of case studies, illustrating how others have dealt with my situation

What about my family? How can they help?

When a business owner is diagnosed with an illness it's not just the patient that suffers. The carer has the double anxiety of learning they might actually lose someone they're close to, while also having to stop the patient worrying about the business.

The Illness and Business Management Plan website also provides useful information for those caring for business owners with a critical illness.



For a comprehensive guide to everything that's available, please visit business.vic.gov.au/illness

The screenshot shows the 'Business Management Plan' website. The page has a red header with the title 'Business Management Plan'. Below the header, there is a navigation menu with links for 'Home', 'About Us', 'Contact Us', 'Help', 'Feedback', and 'Privacy Policy'. The main content area is divided into several sections:

- Business Services:** Includes links for 'Starting a Business', 'Running a Business', 'Business Management', 'Business Planning', 'Business Development', 'Business Finance', and 'Business Insurance'.
- Business Management Plan:** A section for 'How to create a business plan in 10 steps'.
- Illness Management Plan:** A section for 'How to create an illness management plan'.
- Business Planning:** A section for 'How to create a business plan'.
- Business Development:** A section for 'How to create a business plan'.
- Business Finance:** A section for 'How to create a business plan'.
- Business Insurance:** A section for 'How to create a business plan'.

On the right side of the page, there are logos for 'Business Victoria', 'Community Development', and 'Heart Foundation'. There is also a 'Business Loans' section with a 'Get a loan' button.

Checklist strategies to deal with a critical illness

SOME OF THESE STRATEGIES MAY HELP YOU WORK MORE EFFECTIVELY DURING THE TIME OF YOUR ILLNESS:

- At the end of each week write down your goals in a diary for the following week, and every night write down your main tasks for the next day.
- If you're not used to delegating tasks to others, get used to it. Start delegating specific tasks to key staff or subcontractors and ask them to report back. This can make a big difference to your workload.
- Negotiate with your business partners or colleagues to work from home, or at least to have the flexibility of working from home if you're not well enough to be at work, or your job doesn't require you to be there.
- If you're still working normal hours and your treatment requires regular sessions (e.g chemotherapy or radiotherapy), arrange these sessions for times which suit you e.g. late in the afternoon.
- Note the time of day you usually have the most energy. Set this time aside for essential business.
- Get on top of face-to-face meetings by preparing a list of points in your diary to be discussed.
- Have a support person with you at important meetings, whether they're business meetings or meetings with doctors. If you're having a bad day they can ask your list of questions and keep a written record.
- If you're suffering from loss and grief, get some ongoing professional grief counselling, ask your doctor about a counsellor near you and visit the National Association for Loss and Grief website nalagvic.org.au.

How a critical illness led to a successful change of management in a family business

BIANCA'S STORY:

Bianca was the principal partner in a family run coffee roasting business based in Melbourne. Bruno, her husband managed the roasting process, while Bianca made the key business decisions. Shortly after Bianca turned forty she developed a melanoma on her leg which required surgery and chemotherapy. This meant Bianca would be out of action for a long time and an immediate decision had to be made about handing over the management of the business.

Bianca wanted Bruno to take on the management role, but Bruno wasn't confident about this decision. Bruno felt Georgia, the daughter of a family friend would be more qualified to do the job as she had a commerce degree and had worked in the business for five years. Rather than upset his sick wife Bruno went along with what Bianca wanted and he became the business manager.

As a result the business went downhill; after a family meeting it was decided that Georgia would become the new principal partner and Bruno would go back to his role of managing the roasting process. Furthermore if Bianca's treatment was successful she would return to work as an equal partner.

* Visit the online *Illness and Business Management Plan* for a comprehensive overview of this story plus other case studies.

SUMMARY:

Bianca's business succeeded but it took time for the changes they implemented to work. After careful planning and assessment of the family members' strengths and capabilities, a successful solution was found.

Inform yourself for better outcomes for you and your business

For a comprehensive guide to everything that's available,
please visit **business.vic.gov.au/illness**
or call **13 22 15**

Small Business Victoria has a number of other valuable programs and services.
Call 13 22 15 or visit business.vic.gov.au



This resource has been produced through significant input from many individuals and organisations. This resource is endorsed by The Heart Foundation and Cancer Council Victoria.

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