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While business owners work to sustain their operations, few report making the necessary arrangements to protect their businesses for the long-term, according to a new study by Massachusetts Mutual Life Insurance Company (MassMutual).

Only 44 percent have a buy-sell agreement in place, leaving many businesses unprotected, should unforeseen and unfortunate events occur. The [2015 MassMutual](#)

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first steps on their own and don't always know where to turn for help.

“We found that business owners are spending the majority of their time working in their businesses instead of on their businesses,” said Tara Reynolds, corporate vice president, Life Company Marketing, MassMutual. “It's never easy to think about death or disability, but in order to raise awareness about these longer-term issues, business owners need to be confronted directly with the potential risk and damage of unexpected events.”

Among the business planning essentials, business owners answered that the most top-of-mind are:

How the business would be affected by the death or disability of an owner or key employee

Protecting the business from disability and death of an owner or key employee had the second and third highest level of importance (44 percent versus 42 percent, respectively). However, these two pillars were not very top of mind, with 55 percent saying they rarely or never think about the effect of disability and 59 percent saying they rarely or never think about the effect of death. Of those with a buy-sell agreement in place, just over half say it is funded with life insurance, but only 5 percent say it is funded with disability buy-out insurance. The rest were either funded with cash flow from the business or not funded at all.

Keeping key employees loyal to business

Eighty-one percent of respondents said keeping key employees loyal is important and nearly two-thirds say they think frequently about the issue. Ninety percent of survey respondents report offering some kind of benefits to their employees, with the top

three most common cited as health care (60 percent), generous salaries (55 percent),

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surveyed said they have had their businesses valued in the last three years, and the resources they are most likely to turn to for guidance are CPAs and financial professionals.

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