

Test Your Transition Readiness - Exit Strategy

How prepared are you today for selling or transferring the ownership of your business?

		1	2	3	4	5	Score
1	Have you documented what your objectives are in transferring your business ownership to others?	No	Tax and legal issues addressed	Certain contracts are in place	Personal & financial objectives also addressed	I have a written strategy	
2	Have you completed an independent report with an approximation of the value of your business?	No	I vaguely know what it's worth	The business has been valued	It's valued on similar transactions	Yes	
3	Have you organized a team of collaborative advisors to assist you with planning and implementing your transition strategies?	No	Not really	Starting to address this	Addressing this now	Yes	
4	Is your business prepared for an unforeseen event such as your death or disability?	No	Started but it's incomplete	Some things are in place	Yes, but need to review them	Yes	
5	Do you know whether you're better off transferring business wealth at exit or while operating the business?	My business has no exit value	No, I don't know	I'm starting to address this	Yes, I know but it needs revisiting	Yes, doing so as per a plan	
6	Is the Company properly owned and structured for selling or transferring my shares so that I minimize taxes?	Don't know	No	Starting to address	Yes, but needs revisiting	Yes per our plan	
7	Does the company have written agreements with its key employees, customers or suppliers that would survive a change in ownership?	No agreements exist	Incomplete agreements exist	Some agreements are in place	Yes, but they need to be updated	Yes agreements are ready	
8	Is my industry undergoing changes which might significantly impact my ability to sell this business in future years?	Don't know	Yes	I'm starting to address this	Now in process of resolving how to deal with changes	No	

		1	2	3	4	5	Score
9	The best exit strategy option for the business continuity has been determined and documented?	Don't know how to start	No	Only started the process	Identified, not implemented	Strategy documented and in progress	
10	Do I have stable, motivated and competent managers in place, so the business is not dependant on me?	No	Don't know	Starting to address this	Some in place and working on others	Yes	
11	How dependant is the business on me the owner, on a single product, on a key customer, or supplier to mitigate future risk ?	Very dependant	As owner I am "the business"	Don't know	Slightly dependant but could improve	Not dependant at all	
12	Do I have operating systems that systemize many of the day-to-day operations and procedures that make my business easier to transfer?	No	Don't know	Starting to address this	Yes, but they need to be updated	Yes, they are among the best in my industry	

Total score

IF YOUR TOTAL SCORE IS:

less than 35

You should consider creating a plan for your business transition and succession.

While we realize this is a hard step to take, the earlier you begin your plan, the better prepared you will be for unexpected events and the ability to achieve the independence you likely have dreamed of. We encourage you to contact your trusted advisers, to discuss working with us to develop a comprehensive transition plan.

Between 35 and 45

You've made a great start and are well on your way to being prepared.

Now would be a good time to ensure that your advisers and managers are working together collaboratively, to develop a list of action items to cover off all of the elements of your personal succession plan and so that the business transition plan provides for the highest possible value and you to realize your objectives after all those years of hard work. If you would like us to offer possible additional suggestions, please contact one of our offices.

greater than 45

Congratulations! We'd be honored to be a part of your "dream team"

You are on your way to a smooth exit from your business and to fulfilling many of your transition objectives. It is a good idea to meet regularly with your collaborative team of advisers to review and update your plan as per changing business opportunities and/or concerns. This is particularly important if some other significant change has occurred in your life. If we can be of any possible assistance to you and/or your advisory team, contact one of our offices.

