

Business Succession – Are You Ready?

At some point in time in every business owner's life he/she will consider exiting the business. If that time is now for you, the question is, "Are you ready?" This checklist will help you determine whether you need a plan or if you are ready for the next phase of your life. Be honest with yourself and answer the following questions

Are You Ready?

| | YES | NO |
|--|-------|-------|
| HAVE YOU THOUGHT ABOUT AND DEVELOPED A PLAN FOR: | | |
| When you want to retire, leave your business | _____ | _____ |
| What amount of annual cash you will need in retirement | _____ | _____ |
| Who you want to transfer the business to | _____ | _____ |
| How much your business is worth today | _____ | _____ |
| Maximizing your present and future income | _____ | _____ |
| How to sell your business and minimize your taxes | _____ | _____ |
| How to transfer business to insiders and minimize taxes and maximize your financial security | _____ | _____ |
| Possible contingencies if something unexpected happens to you | _____ | _____ |
| The steps necessary to protect your family's wealth | _____ | _____ |
| The management development of your identified successor | _____ | _____ |
| Communicating your decision to all the stakeholders | _____ | _____ |

Score your results, if you answered:

- YES to 9 or more – CONGRATULATIONS, you appear to be well prepared.
- YES to 6-8 – you have a good start to planning for your exit.
- YES to 4-6 – you have an average start to planning for your exit
- YES to less than 4 – you should consider seeking professional assistance