

Business Succession – Are You Ready?

At some point in time in every business owner’s life; he/she will consider the thought of getting out, retiring, or simply moving on. If you’re thinking that time is now for you; the question is, “Are you truly ready?” This checklist will help you better determine whether there is additional work to be done, or you have things under control, and are ready for the next phase of your life. Be brutally honest with yourself and answer the following questions:

READY, NOT READY

	YES	NO
Have you considered and planned for:		
1. When you want to retire, have an established a date to leave?	_____	_____
2. The amount of annual cash you will need in retirement?	_____	_____
3. Who you want to transfer the business to, identified who will run it?	_____	_____
4. Establishing how much your business is worth today?	_____	_____
5. Maximizing your present and future income?	_____	_____
6. How to sell your business, and minimize the tax consequence?	_____	_____
7. How to transfer the business to insiders, minimize taxes, and maximize your future financial security?	_____	_____
8. Possible contingencies if something unexpected happens to you?	_____	_____
9. The steps necessary to protect your family’s wealth?	_____	_____
10. The management development of your identified successor?	_____	_____
11. 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