

Succession and Exit Planning: Key Questions for a Business Valuation Estimate

As a business owner, ensuring the longevity, value, and transition of your business is critical. Here are essential questions to help you assess your readiness for valuation, succession, and future growth:

Business Continuity & Succession/Exit Planning

1. If you had to step away tomorrow, who would run your business?
2. How much of your business depends on you personally?
3. Do you have a written transition plan for leadership and key employees? Yes No
4. Have you identified potential buyers or successors for your business? Yes No
5. What would happen to your employees and customers if something unexpected happened to you?
6. Have you documented key operational processes to ensure continuity? Yes No

Business Valuation Estimate & Financial Insights

1. Do you know what your business valuation estimate is today? Yes No
2. Is your business valuation aligned with your retirement or exit goals? Yes No
3. If you were to sell today, would the sale price allow you to retire comfortably? Yes No Unsure
4. How does your business value compare to industry benchmarks?
5. Are you maximizing the value of your business before selling or transitioning?
6. Have you considered how taxes, debt, and liabilities will impact your exit? Yes No

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Growth & Market Positioning

1. Would a potential buyer see your business as a valuable and transferable asset?
 Yes No Unsure
2. What steps are you taking to make your business more attractive to investors or buyers?
3. Do you know what your operating multiple is? Yes No
4. Have you identified potential buyers or successors for your business? Yes No
5. What would happen to your employees and customers if something unexpected happened to you?
6. Have you documented key operational processes to ensure continuity? Yes No

Risk Management & Wealth Protection

1. What risks could significantly decrease your business value?
2. Are you prepared for an economic downturn or industry disruption?
3. Is your business structured in a way that minimizes tax burdens in a sale? Yes No Unsure
4. Do you have a contingency plan in case of a lawsuit, partner exit, or loss of a major client?
 Yes No
5. Have you secured a key person policy to protect against financial loss if a key employee or owner were to leave unexpectedly? Yes No
6. Have you reviewed your insurance policies to ensure they align with your business valuation and continuity plan? Yes No

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Cont.

Personal & Family Considerations

1. How does your business fit into your personal wealth and legacy planning?
2. Do you want your family involved in the business after you exit? Yes No
3. Do you have an estate set up? Yes No
3. Have you considered how your exit strategy aligns with your estate plan? Yes No
4. Have you discussed your succession or exit plan with your family and key stakeholders? Yes No

Take the Next Step.

Understanding your business valuation estimate is the first step in planning for your business and personal future. Whether you are preparing for growth, an eventual sale, or ensuring a foundation for your future, we can begin next steps in your journey.

Now that we've explored your business considerations, the next step is to provide an up-to-date valuation estimate to give you clarity and actionable insights into your business, allowing us to make informed decisions about your future.