  

**Succession Planning** - T**wenty Questions to Consider**

Twenty questions for a business owner to consider:

1. Have you had a formal, written business valuation done in the past three years?
2. Do you have a formal contingency plan in place in case you become incapacitated?
3. Do you have a strong management team in place?
4. What % of your total company revenue belongs to your largest customer? Is it less than 33%?
5. Does the business have an active, strategic business plan in place?
6. Are your products and services free of threats from global competition?
7. Is your equipment up to date and in good working order?
8. Is your industry growing?
9. Do you have few competitors?
10. Do you have significant market share or a protective niche?
11. Are your profit margins at or above industry norms?
12. Has your business experienced sales and profit growth over the last three years?
13. How seasonal or cyclical is your business?
14. Do you show a pre-tax profit?
15. Have your financial statements been independently audited in the last 3 years?
16. Do you have an updated personal, estate and tax plan?
17. Do you have a current ***written*** succession, transition, or exit plan?
18. Do you know exactly how much money you will need to comfortably exit your business?
19. Do you know what you would do with your life if you sold your business?
20. Do you have a specific personal life plan in writing?

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