



BUSINESS TRANSITION EXPERTS

SET FOR LIFE QUESTIONNAIRE

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INSTRUCTIONS:

Step 1: Answer all questions for each category.

Step 2: Rate each of your answers with Common Sense Scoring.

Common Sense Scoring:

- 1- Bad/ Nonexistent
- 2- Needs Improvement
- 3- Slightly Below Average
- 4- Slightly Above Average
- 5- Best-in-Class
- 6- In a Class of One

Step 3: Add your ratings together and put your total in the TOTAL RATING section for each category

Step 4: Divide your TOTAL RATING by the MAXIMUM RATING for each category to get your category ATTRACTIVENESS SCORE.

STEP 5: Add all TOTAL RATING scores together and divide by the total MAXIMUM RATING score to find your business ATTRACTIVENESS SCORE



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1. Do you have an estate plan?

- a) No
- b) Yes, but it is over 5 years old
- c) Yes, my estate plan is current

Answer **Score**

2. Do you have a succession, exit or transition plan defining your eventual exit from the business?

- a) Yes, a plan is in place
- b) Yes, but the plan is incomplete
- c) No plan

Answer **Score**

3. Do you have a comprehensive tax strategy that integrates your long-term goals and objectives with your eventual exit?

- a) No
- b) Yes, but the plan is incomplete
- c) Yes

Answer **Score**

4. Have you ever had a formal business valuation completed for your business?

- a) No
- b) Yes, within the last year
- c) Yes, but over a year ago

Answer **Score**

5. Do you know how much you need, not want, to net, if and when you exit your business?

- a) Yes
- b) No
- c) Yes, but analysis incomplete

Answer **Score**

6. Do you have a contingency plan in case you become incapacitated?

- a) No
- b) Yes, but is incomplete
- c) Yes, plan is complete

Answer **Score**

7. Are your partners and/or family in agreement with your long-term plans and objectives for the business?

- a) Yes, all partners/family members fully agree
- b) No, some disagreement but I have voting control
- c) No, there are unresolved disagreements
- d) Unknown, the issue has never been discussed

Answer **Score**



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8. Do you have a strong management team in place?

- a) Yes, team capable of running business without me
- b) Yes, but there are gaps in management
- c) No experienced management team in place

Answer **Score**

9. Does the business have customer concentration?

- a) Top 5 customers under 10%
- b) Top 5 customers 10-20% of sales
- c) Top 5 customers 20-50% of sales
- d) Top 5 customers over 50% of sales

Answer **Score**

10. Do you have a strategic business plan?

- a) Yes
- b) Yes, but is incomplete or not updated
- c) No, only have an annual budget
- d) No plan or budget in place

Answer **Score**

11. Are your products/services threatened by obsolescence or global competition?

- a) Yes, global competition
- b) Yes, product obsolescence
- c) No product obsolescence or global competition

Answer **Score**

12. Is equipment up to date and in good working condition?

- a) Equipment in good working order
- b) Need minor expenditures to replace or update
- c) No, need significant capital expenditures to replace, expand or update

Answer **Score**

13. Are your offices or buildings adequate to serve the needs

- a) of the business?
- b) Yes, our office and/or building(s) are adequate
- c) Yes, but additional space will be needed in the next several years
- d) No, the business needs additional space now

Answer **Score**

14. Is the industry/market in which you compete growing?

- a) Declining
- b) Flat market
- c) 1-3% growth per year
- d) 4-9% growth per year
- e) 10% or more growth per year

Answer **Score**



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15. How competitive is your marketplace?

- a) Few competitors
- b) Somewhat competitive
- c) Very competitive

Answer **Score**

16. Do you have significant market share or a protected niche in the market?

- a) Small market share and/or no protected niche
- b) Small market share but a protected niche
- c) Significant market share but no protected niche
- d) Significant market share and a protected niche

Answer **Score**

17. Are your profit margins in line with industry norms?

- a) Yes, margins are better than the industry
- b) Yes, margins are in line with industry benchmarks
- c) No, margins are somewhat below industry standards
- d) No, margins are significantly below the industry standards

Answer **Score**

18. Does the company have a consistent record of sales and profit growth?

- a) Growth record has been consistently positive
- b) Sales growth flat or down but profit growth up
- c) Sales growth up but profit growth flat or down
- d) Sales and profit growth flat or down

Answer **Score**

19. Is the company's business seasonal?

- a) No seasonality
- b) Minor seasonality
- c) Company is very seasonal

Answer **Score**

20. What was the company's pre-tax profit in 2019?

Less than \$1 million

- a) \$1 million to \$2 million
- b) \$2 million to \$5 million
- c) Over \$5 million

Answer **Score**

21. Are your financial statements audited?

- a) Yes, financial statements are audited
- b) No, financial statement are reviewed
- c) No, financial statements are compiled
- d) No, financial statements generated internally by Quickbooks or other

Answer **Score**

22. Is your company organized as an "S" corporation?

- a) No
- b) Yes, but "S" election occurred after 2009
- c) Yes, election prior to 2009
- d) Yes, company has always been an "S" corporation

Answer **Score**



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23. Has your company had any material lawsuits?

- a) No
- b) Yes, but lawsuit was settled over 5 years ago
- c) Yes, company was sued in the last 5 years
- d) Yes, company is currently a defendant in a minor lawsuit
- e) Yes, company is currently a defendant in a major lawsuit

Answer **Score**

Answer **Score**

24. Does the company have sufficient business insurance to cover Potential liabilities?

- a) Yes, company has sufficient insurance
- b) Yes, but insurance analysis has not been performed in the last 3 years
- c) Yes, company has some coverage but has known gaps
- d) No insurance coverage

Answer **Score**

25. Has your company ever had an environmental audit?

- a) Yes, completed audit in the last 3 years
- b) Yes, completed audit over 3 years ago
- c) Yes, but there are outstanding environmental issues
- d) No, environmental audit is not applicable in our business
- e) No, never had an environmental audit

TOTAL RATINGS

Personal _____ / 42

Operations _____ / 36

Market & Industry _____ / 24

Financial _____ / 24

Legal & Regulatory _____ / 24

TOTAL COMBINED RATING _____ / 150

ATTRACTIVENESS SCORE

Take your TOTAL COMBINED RATING / 150 to get your ATTRACTIVENESS SCORE.

0 - 17% : Poor or Non-Existent

18 - 33%: Needs Improvement

34 - 50%: Slightly Below Average

51 - 67%: Slightly Above Average

68 - 83%: Best in Class

84 - 100%: Industry Leader "The Standard"

