



# Business Value Assessment

CATEGORY	ITEM	0 points WEAKNESS-0	1 point NEUTRAL-1	2 points STRENGTH-2	0 points NA
<b>I. Strategic &amp; Business Planning</b>					
Documented Plans	Do you have clear, written annual strategic plans?				
Documented Plans	Do you have marketing goals/strategies/tactics?				
Documented Plans	Is there a formal succession plan in place for key roles, including ownership?				
Top-Level Planning	Is there an established process to execute your plans?				
Performance Measurement	Are key performance metrics (KPIs) identified, tracked, and regularly reviewed?				
Performance Measurement	Is there clear accountability for performance across the organization?				
Market Knowledge	Do you deeply understand your industry's market dynamics and growth norms?				
Market Knowledge	Are you actively monitoring your competitors and their strategies?				
<b>II. Financial Condition/Cash Position</b>					
Financial Reporting & Records	Are your financial statements accurate, timely, and well-organized?				
Financial Reporting & Records	Are independent reviews, traditional audits, or annual audits performed regularly?				
Financial Reporting & Records	Are P&L, balance sheet, cash flow reviewed frequently (e.g. monthly or quarterly)?				
Financial Reporting & Records	Do you know how your financial metrics compare to industry benchmarks?				
Cash Flow & Working Capital	Do you have cash management processes in place?				
Cash Flow & Working Capital	Do you clearly understand your business's cash flow cycles?				
Cash Flow & Working Capital	Is your working capital sufficient to support operations and growth?				
Capital Structure & Banking	Do you have an active line of credit?				

		0 points	1 point	2 points	0 points
		WEAKNESS-0	NEUTRAL-1	STRENGTH-2	NA
Budgeting & Forecasting	Is your banking relationship strategic, rather than merely transactional?				
Budgeting & Forecasting	Is there a well-defined budgeting process?				
Asset Management	Do you regularly create and review financial forecasts and projections?				
Asset Management	Do you have clear documentation and control over your tangible assets?				
Asset Management	Are capital expenditures planned and budgeted effectively?				
Valuation	Do you identify and eliminate unnecessary spending?				

### III. Operational Dependence

		0 points	1 point	2 points	0 points
		WEAKNESS-0	NEUTRAL-1	STRENGTH-2	NA
Processes & Procedures	Are core business processes and procedures documented and consistently followed?				
Processes & Procedures	Is there minimal reliance on undocumented “tribal knowledge”?				
Communication	Are communication channels clear and effective, both vertical and horizontal?				
Efficiency	Do you understand and leverage IT and HR functions for maximum efficiency?				
Efficiency	Are you continuously looking for opportunities to improve operational efficiency?				
Efficiency	Have you analyzed benefits across all operational items for potential improvements?				
Supply Chain	Have you conducted a thorough supply chain analysis?				
Supply Chain	Is there a high concentration of vendors that could pose a risk?				

### IV. Growth Potential

		0 points	1 point	2 points	0 points
		WEAKNESS-0	NEUTRAL-1	STRENGTH-2	NA
Market Share & Opportunity	Do you have a clear definition of your market and your position within it?				
Market Share & Opportunity	Can you quantify your market share and demonstrate a dominant position if applicable?				
Market Share & Opportunity	Is there a large potential market for your products/services?				

Market Share & Opportunity	Is your revenue predictable/recurring vs. project work or bid business?
Growth Strategy	Have you been growing over the past 5 years? Good future growth opportunities?
Growth Strategy	Have you explored synergistic growth opportunities and challenges?
Product/Service Differentiation	Are your products or services differentiated from competitors?
Product/Service Differentiation	Do you have a competitive advantage in terms of pricing or margins?
Product/Service Differentiation	Are there significant barriers to entry for new competitors?
Brand Strength	Do you have strong brand awareness and a positive brand reputation?
Brand Strength	Is your brand documented, protected (trademarks), and consistently applied?

**0 points**      **1 point**      **2 points**      **0 points**  
**WEAKNESS-0**      **NEUTRAL-1**      **STRENGTH-2**      **NA**

**V. Human Capital & Leadership**

Organizational Structure	Is your organizational chart clear and up to date?
Organizational Structure	Are roles, responsibilities, and reporting relationships well-defined and documented?
Organizational Structure	Are job descriptions comprehensive and current?
Key Personnel	Is the business reliant on the owner and/or key leaders for day-to-day activities?
Key Personnel	Is there a strong team functionality within senior management?
Key Personnel	Are key employees identified. Are there cross-training or redundancy for critical functions?
Key Personnel	Are family members in critical roles adequately skilled and not a source of risk?
Key Personnel	Is there a regular review of the education, experience, age, and health of key personnel?
Key Personnel	Is there a clear succession plan for senior management and key positions?
Employee Management	Do you have an employee performance review process and metrics in place?
Employee Management	Is there regular employee review and turnover monitoring?
Employee Management	Is compensation competitive and performance-based?
Employee Management	Do you have a recruitment process?
Employee Management	Is there a sufficient training budget for employee development?
Culture	Does your culture support collaboration and strategic thinking, not control and silos?
Advisory Board	Do you have an independent advisory board providing guidance?

## VI. Customer Relationships

Customer Satisfaction	Are your customer satisfaction goals clean, documented, communicated, and reviewed?
Customer Satisfaction	Is there a defined process for ensuring customer satisfaction?
Customer Satisfaction	Are metrics tracked and reviewed regularly (online reviews, repeat business, referrals)?
Cust Concentration & Diversification	Is your customer base diversified, avoiding high concentration with a few key clients?
Cust Concentration & Diversification	Do you make active efforts to engage with clients (e.g., calling clients)?
Industry Involvement	Are you actively involved in your industry associations?

**0 points**      **1 point**      **2 points**      **0 points**  
**WEAKNESS-0**    **NEUTRAL-1**    **STRENGTH-2**    **NA**

## VIII. Innovation & Intangible Assets

Innovation	Do you have a dedicated investment in innovation and continuous improvement?
Intangible Assets	Have identified, protected, and leveraged IP, patents, proprietary knowledge?

**0 points**      **1 point**      **2 points**      **0 points**  
**WEAKNESS-0**    **NEUTRAL-1**    **STRENGTH-2**    **NA**

## IX. Preparing for Exit (Readiness)

Business Readiness	Is your business in "salable shape" with all documentation and processes in order?
Business Readiness	Do you have a clear transition plan for ownership and management?
Financial Readiness	Do you have a clear understanding of your personal financial requirements post-exit?
Financial Readiness	Do you know what your business is currently worth?

**0 points**      **1 point**      **2 points**      **0 points**  
**WEAKNESS-0**    **NEUTRAL-1**    **STRENGTH-2**    **NA**

### YOUR TOTAL POINTS:

**Total possible points:** There are 78 items in this checklist. The maximum score for each item is 2 points (Strength).

Total possible points = 78 items \* 2 points/item = 156 points.

#### Readiness Scale:

**Low Readiness (0 - 59 points approx.):** Significant areas require improvement to maximize business value.

**Moderate Readiness (60 - 119 points approx.):** Some strengths exist, but crucial weaknesses need to be addressed.

**High Readiness (120 - 156 points approx.):** The business is well positioned for an exit, with strong value drivers.