|  |  |  |
| --- | --- | --- |
| Exit Readiness Score (score on a scale of 1-6) | Rating | Considerations |
| Brand Issues |  | Does the brand add value? |
| Company Documentation |  | Corp. Docs, Legal, Operating agreement, Buy-sell |
| Compliance Issues |  | Taxes, Environmental, Regulatory, Retirement |
| Credibility and Justification |  | Customers, Awards, Community |
| Customer Contracts |  | Customers & strategic alliances, Warranties, Maint. |
| Employee and Management Issues |  | Reliance, Competency, Morale, P&P, Turnover |
| Expense Contracts |  | Suppliers, Leases, Insurance, Web, etc. |
| Expense Management |  | SGA, Insurance, Banking, Cash, Payroll, GM, Payroll |
| Financials |  | Taxes, Financial statements, Customer analysis |
| Immediate Value Readiness |  | How ready right now - strategic buyer? |
| Intellectual Property |  | Trademarks, Patents, Software, Domains |
| Look at Government Grants |  | R&D, Fed., State, Local |
| Management Systems and Forecasts |  | 12 months - 3 years, Scorecard |
| Marketing Documentation and Systems |  | Systematic, proof |
| Payment Considerations |  | Net proceeds, Terms considerations, Exit options |
| Personal Expectations |  | Post sale expectations & plan |
| Personal Knowledge |  | Understanding of how buyers place value |
| Product and Marketing Strategies |  | Ansoff matrix. Products and Markets Analysis |
| Revenue Drivers |  | S&M, Lead generation, Conversion, Conversion rate |
| Shareholder Goals |  | Shareholder Alignment when how who |
| Systems Processes and Databases |  | CRM, Accounting, customer, sales, fulfillment |
| Valuation Expectations |  | Valuation, transition timeframe, needs analysis |
| TOTAL RATING | - |  |
| MAXIMUM RATING | 132 |  |
| Readiness Score (Your Total / 132 = %) | - |  |

A screenshot of a cell phone

Description automatically generated

**Instructions:**

Step 1. Rate each category from 1-6, based on the below key:

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 2. Add all ratings together and put your total in the TOTAL RATING section.

Step 3. Divide your TOTAL RATING by the MAXIMUM RATING of 132. The result will be your percentage READINESS SCORE.

**Example:**

TOTAL RATING = 88

MAXIMUM RATING = 132

88 / 132 = .67

READINESS SCORE: 67%

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