FREEDOM
FINANCIAL PARTNERS

Business Owner Readiness Assessment

Instructions: As a business owner, your journey involves continuous growth, transition, and strategic planning across all phases of your enterprise. This includes preparing for future transitions, whether they involve scaling up, shifting focus, or eventually planning for succession and exit.

This assessment comprises 20 critical measures designed to encompass various facets of your business and personal planning. Each statement prompts you to consider how well-prepared you are in that area, as well as identifying areas for further improvement.

How to Score Your Strategic Readiness:

Respond to each statement below by rating your level of agreement or preparedness on a scale from 1 to 5, where:

- **1 indicates a lower level of preparedness** (suggesting uncertainty or identified gaps),
- **5 represents a higher level of preparedness** (indicating confidence and comprehensive strategies in place).

If a statement does not seem to apply due to your current phase of business ownership, please rate it as a 1. This will help in recognizing areas that might require your attention or further action.

Name: _____ Date: _____

Company: _____

1.	**Business vision** - I have developed a clear and powerful set of business goals and have a clear vision for the future of my company.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
2.	**Business valuation** - I feel confident in my knowledge of how much my business is worth.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
3.	**Business growth and value maximization** - I feel confident that I understand the drivers to grow and maximize the value of my business.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
4.	**Financial planning and business value** - I feel confident in understanding how the value of my business fits into my financial plan, including identifying how much I would need to sell my business for to achieve my financial goals.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
5.	**Business exit strategy** - I have a clear understanding of when I would like to sell and exit my business.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
6.	**Business succession planning** - I have clarity on who I would sell my business to (e.g. next generation, third party, internal sale) and devised a strategy to ensure a smooth transition for both customers and employees.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
7.	**Business sale structure and post-sale involvement** - I understand the optimal structure for the sale of my business (i.e., asset sale vs. stock sale) including its implications on my role should I decide to stay involved in the business.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
8.	**Business sale tax strategy** - I have a comprehensive understanding of the tax implications of different sale structures for my business and have planned accordingly to minimize potential tax liabilities and optimize my financial benefits upon sale and into retirement.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
9.	**Unplanned events** - I am well-prepared for various contingencies that might impact the business, including the death, disability, or divorce of myself, my business partner(s) or a key employee, ensuring continuity and stability.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

10. **Business insurance coverage** - I am secure in the knowledge that my business is well-protected through comprehensive insurance coverage, spanning general liability, cyber threats, inventory, and property. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

11. **Corporate retirement plans** - I have established retirement plans designed to align with both my employees' future financial security and my own retirement objectives, ensuring full compliance with all regulatory guidelines. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

12. **Key business documents** - I have thoroughly reviewed and understand my buy/sell agreements and other important business documents. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

13. **Business expenses in retirement** - I have budgeted for expenses that have traditionally gone through the business when I retire such as healthcare costs. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

14. **Financial numbers** - I am confident in the accuracy and reliability of the numbers related to my business and my personal financial planning. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

15. **Tax strategy** - I am confident in my strategic approach to tax planning, ensuring that I've developed a comprehensive strategy to minimize personal and business taxes. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

16. **Life beyond business** - I have a clear vision of what my life would look like and where I would spend my time if I were not involved in my business. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

17. **Financial goals and values** - I understand my financial goals and values as well as how they connect to my financial plan. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

18. **Investment portfolio management** - I am confident that my investment portfolio is being managed in a way that aligns with my financial goals and risk tolerance. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

19. **Business proceeds investment** - I have a plan to invest the proceeds from my business sale in a tax-efficient manner that aligns with my financial plan. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

20. **Estate planning** - I have a comprehensive understanding of how my business ownership integrates into my personal estate planning, ensuring business continuity, the strategic distribution of my assets and minimizing tax burdens. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

The score represents your general preparedness. Here's a general interpretation of your score:

YOUR TOTAL SCORE: 0

80-100: You are well-prepared in most areas. Keep refining your plans and stay informed.

60-79: You're on the right track, but there are some areas that could use more attention and planning.

40-59: There is room for improvement. Now is a good time to dive deeper into some of the lower scoring areas.

Below 40: Don't worry, it's never too late to start. Now is the perfect time to actively engage in your planning process to address areas of need.

This score offers an overview of your strategic readiness, highlighting strengths and pinpointing areas that might benefit from enhanced focus or planning. Lower scores in certain areas are an expected part of the process, serving as a guide for where to concentrate your efforts to solidify your business's future. This assessment is a stepping stone, meant to foster a deeper understanding of your current positioning and how you can effectively navigate your business through its next chapters.

Your path to financial freedom starts here.

Want to raise your score or find out where to focus first?
Set up a complimentary call with an advisor today.

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