EXIT READINESS CHECKLIST

Score how ready your business is to sell, or to run without you, and see which areas to work on first.

TYPE: CHECKLIST REVIEWED: NOVEMBER 2026 TIME: 20 MINUTES LEVEL: EVERYONE

AT A GLANCE

- Page 2 is a **fillable scorecard**. Rate your business from **1 (weak) to 5 (strong)** in 12 areas.
- The scorecard totals your score out of **100**, so you can see your readiness at a glance.
- Repeat it every 6 months to track progress. Why each area matters is explained in **X-04 Getting Your Business Ready to Sell**.

The 12 areas

Area	A 5 looks like...
Financial records	Monthly books matched to the bank; reviewed statements; 3 years of history
Profit	Steady or growing profit for 3 years
Owner independence	The business runs normally for a month without you
Management team	Capable managers run each key area
Systems	Key processes are written down and followed. See **O-06 Systems and Checklists: Running the Business Without Doing Everything Yourself**.
Customers	No customer is more than about 10% to 15% of revenue
Recurring revenue	A large share of revenue comes from contracts, memberships or repeat customers
Legal and contracts	Contracts, licenses, IP and corporate records are complete and current
Lease and facilities	A transferable lease with renewal options; well-maintained equipment
Growth story	A clear, believable plan for future growth
Taxes	All taxes filed and paid; a sale tax plan in place with a CPA
Personal readiness	You know what you want from an exit and what comes next

Reading your score

Score	What it suggests
80 to 100	Strong. You're in a good position to sell or step back.
60 to 79	Good foundation. Work on your lowest areas for the next 1 to 2 years.
Below 60	Focus on the basics first: records, profit and owner independence.

> TIP
>
> Calculations work in **Adobe Acrobat Reader** (free) and most desktop PDF apps.

Where to go next

- **X-04 Getting Your Business Ready to Sell**
- **X-03 How Businesses Are Valued When They're Sold**
- **UD-05 The Graduation Standard, Explained**

IMPORTANT
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EXIT READINESS SCORECARD

Rate each area from 1 (weak) to 5 (strong). Scores above 5 count as 5.

	Score (1 to 5)	What you'll do to improve it
Financial records		
Profit		
Owner independence		
Management team		
Systems		
Customers		
Recurring revenue		
Legal and contracts		
Lease and facilities		
Growth story		
Taxes		
Personal readiness		

Readiness score (out of 100)	
Date scored	

80 to 100: strong. 60 to 79: work on your lowest areas. Below 60: focus on records, profit and owner independence.