

# Business Transition Readiness Checklist

17 questions every business owner should be able to answer before any transition decision.

Readiness is not a feeling. It is a set of conditions — in your business, in your finances, and in yourself — that position you to respond to any circumstance with confidence rather than scramble. Use this checklist to assess where you stand across all four dimensions of transition readiness. For each item, ask honestly: is this done, in progress, or not yet started?

<b>How to score yourself</b>	<b>14–17 complete:</b> Strong readiness. Begin the transition process with confidence.	<b>8–13 complete:</b> Partial readiness. Prioritize the gaps before proceeding.	<b>Under 8 complete:</b> Early stage. Value acceleration and planning work is the right next step.
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## GOALS & ALIGNMENT

### ■ Personal goals defined

You have clearly articulated what you want your life to look like after the business — financially, personally, and in terms of how you spend your time.

### ■ Business goals aligned

Your personal and financial goals are linked to a clear business plan, and the three are interdependent rather than operating in isolation.

### ■ Financial goals quantified

You know the number — what the business must deliver to support your personal financial goals — and have validated it with a financial advisor.

### ■ Family and key stakeholders informed

You have had honest conversations with your family, business partners, or significant others about your intentions and timeline.

## BUSINESS READINESS

### ■ Business valuation completed

You have had an independent, evidence-based valuation of your business within the last 12 months — not an estimate, not a back-of-napkin calculation.

### ■ Owner dependence assessed

You have honestly evaluated the degree to which the business depends on you personally, and have a plan to reduce that dependence.

### ■ Systems documented

Your core processes, client management procedures, and operational infrastructure are documented and teachable to someone new.

### ■ Value gaps identified

You know which of the five value dimensions — financial, operational, human capital, customer, and structural — are suppressing your multiple.

### ■ Management depth in place

Your leadership team can operate the business independently — making decisions, managing client relationships, and delivering results without your daily involvement.

### ■ Customer concentration managed

No single client represents more than 20-25% of revenue, or you have a concrete plan to diversify before any transition.

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**PLANNING & ADVISORY**

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**■ Exit options understood**

You have a clear understanding of all available transition options — third-party sale, management buyout, family transfer, ESOP — and have weighed each against your stated goals.

**■ Contingency plan in place**

You have a documented plan covering what happens if an unexpected event — health, partnership dispute, or unsolicited offer — forces a decision before you are ready.

**■ Advisory team assembled**

Your transition advisory team includes, at minimum: a CEPA-certified exit advisor, your accountant, legal counsel, and a financial planner with exit planning experience.

**■ Written transition plan exists**

You have a written plan with defined goals, accountabilities, timeline, and budget — not just an intention to transition at some future point.

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**PERSONAL READINESS**

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**■ Post-transition identity considered**

You have thought seriously about who you are beyond the business and what you will do with your time, energy, and identity once you step away.

**■ Financial independence validated**

A qualified financial advisor has confirmed that your projected transition proceeds — combined with existing assets — will support your desired lifestyle.

**■ Life-after plan developed**

You have begun developing a plan for the chapter that follows — activities, purpose, relationships, and how you will engage with the world.

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This checklist is grounded in the **Value Acceleration Methodology™**, developed by the Exit Planning Institute. Grey Monks advisors hold the **CEPA® designation** and use this framework to assess owner and business readiness in every engagement.

Not sure where you stand? Start with a 45-minute Discovery Conversation.

No cost. No obligation. We'll tell you honestly what we see.

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