



Exit Planning Basics

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Exit Planning Basics



- Can be complicated Assess
- Assess Risks("The 5 D's")
- Distinctions: Owner and Business
- Personal and Financial
- Family Business Governance
- Business Transferability
- Prep takes minimum of 2 years
- Team of collaborative advisers
- Essentials to Better Multiple

KEY CONSIDERATIONS:

Exit readiness is **not** the decision to sell.

Readiness VS “I’m Ready”

Exit readiness is a **state of fact**, not mind.

TWO MAJOR CONSIDERATIONS:

Is the owner ready?



Is the business ready?



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The What and Why of Exit Resistance



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Strategic Planning Areas of Focus



Factors that Drive Business Value and Transferability

- No Owner Dependency
- Accountable management team
- Implemented Strategic Plan
- Strong Culture
- Engaged Employees
- Financials tell an accurate story
- Consistent Cash Flow
- Technology up to date (including AI)
- Systems and Processes that drive efficient operations





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Strategic Planning Areas of Focus



Factors that Drive Business Value and Transferability

- Customer diversity
- Branding is consistent and recognizable in the marketplace
- Marketing is planned, budgeted and drives good leads
- Sales are growing at a steady rate
- Product and service offerings are not too customized



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Let's Make a List:

- ✓ Executive Board
- ✓ Exit Planner/Consultant
- ✓ Attorneys
- ✓ CPA
- ✓ Financial Advisor
- ✓ Family

Core Team





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Exercise 1



Your Ideal Team Member:

- Advisor Name (from your previous list)
- Their role on the team
- Their top strengths
- How well do they match your needs?
- Now that you've assessed each advisor, which ones make the cut?
- Are any professions missing from your top choices?



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Understanding the 5D's

1. Death
2. Divorce
3. Disagreement
4. Disability
5. Disaster

How would your business be affected if it suffered one or more of these?
Where are you most at risk today?





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De-risking the Owner

- Estate and Tax Planning
- Corporate Docs / Agreements
- Exclusive contracts?
- Financial Preparedness
- Proper Insurance Coverage
- Employment Agreements





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More Factors around Owner Preparedness

- Contingency Planning
- Next Act
- Grooming a Successor
- Stakeholder Analysis
- Net Proceeds Analysis



Personal and Financial Preparedness



Have a written plan for how the owner is building financially for the future



Guiding the owner to a place they can maintain their lifestyle after business; is there a wealth gap?



Normalized company financials for 3 years



Tax Planning well before liquidity event



Owner should know the **current value** of the business



Make decisions around wants and needs for the future



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STRENGTHS

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

WEAKNESSES

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

OPPORTUNITIES

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

THREATS

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

Eight Ways to Exit

Internal Exit Strategies

1. Management Buyout
2. Sale to Family
3. Sale to Partners
4. Sale to Employees

External Exit Strategies

1. Sale to a Third Party
2. Partial or full sale to PE
3. Initial Public Offering (IPO)
4. Orderly Liquidation



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Things you might be saying...

*My kids aren't interested in
taking over the business, but I
still want to leave a legacy*

*I think I'm ready to sell, but
where do I start?*

*I'm not sure I want to do this
anymore, but what options do I
have?*

*I don't know what I would do in life
without my business*

*My spouse or my partner is ill, so
now what?*

*If I had the capital, I could
scale the company*



Is your business future-proofed?

The whispers about technology and AI are getting louder and louder.

Put your business ahead of the curve by:

- unlocking hidden potential
- accelerating value
- reducing risk
- maximizing ROI

Asses your current tech/AI capabilities:



Put strategic tech to work and expand your capacity and expertise for a competitive advantage.

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Exclusive Invitation!

Exit Planning Cohort for Business Owners

Six 90-minute sessions, held once a month

October 2025 - March 2026.

From 9:00am to 10:30am CST

\$1099



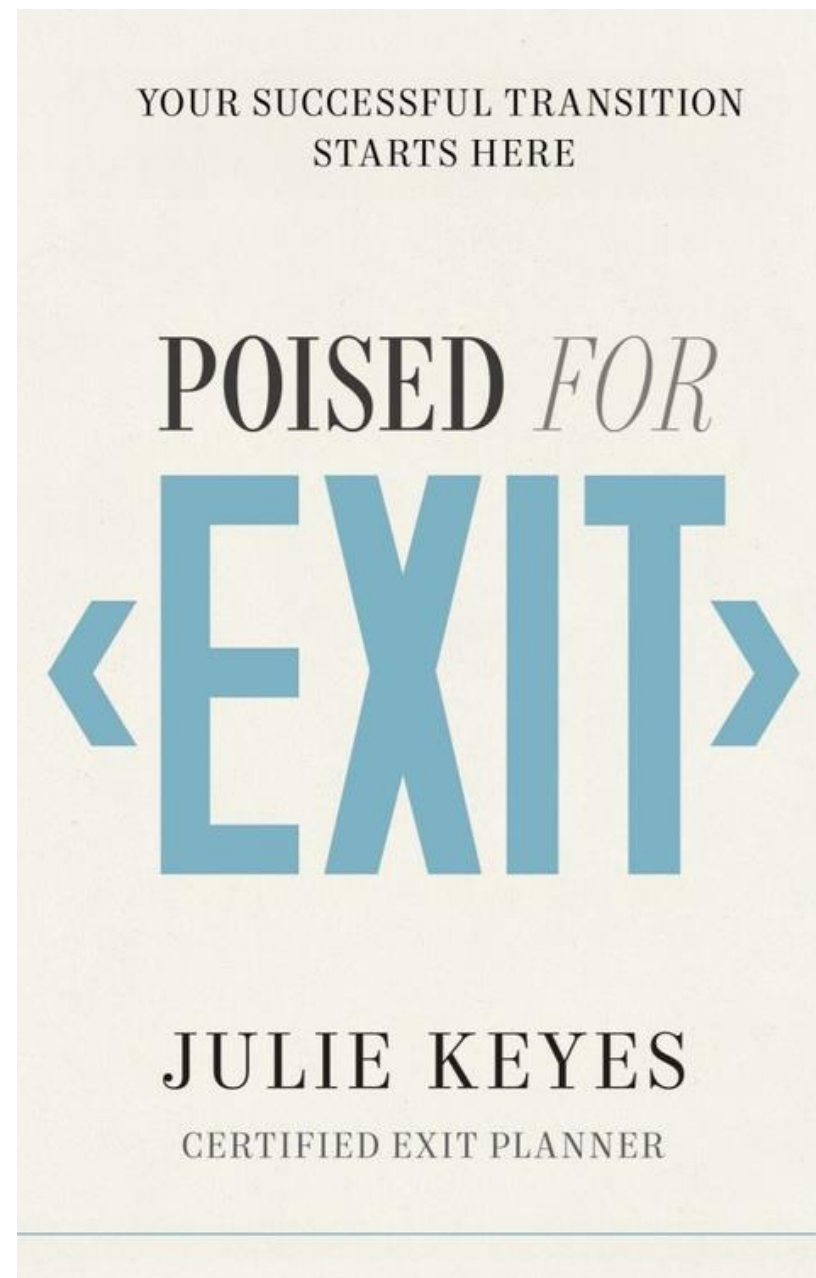
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Poised For Exit

BOOK & PODCAST



Book

How well you exit is largely dependent upon how well and early you plan. This book is meant to help prepare you and your firm for an exit based on your own terms.



Podcast

The podcast for small business owners discusses topics, experiences, and lessons relevant to small businesses with actionable next steps.



Get in Touch



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