

DISCOVERY QUESTIONS FOR BUSINESS OWNERS

Questions for Your Clients

- What are your goals for the business over the next 2-5 years and what challenges do you currently face, or expect to face, that would stop you from achieving those goals?
- Do you know what your business is worth? Do you know what it needs to be worth by the time you are ready to transition in order to meet your personal financial goals?
- Are you aware of the most common pitfalls that business owners make when selling and what you can do to avoid making similar mistakes?
- Are you interested in transitioning your business to employees while also creating the cash you need to fund your own goals?
- Are you interested in converting some of your business equity into cash while retaining ownership of the business?
- Have you considered the pros and cons of different methods for transitioning the business?
- Would you like to know more about the unique considerations for owners of family businesses?
- Do you have interest in learning about a risk management solution that may reduce insurance costs and provide an upfront income tax deduction?
- Is it a priority for you to equalize the amount of assets that you pass to your children?
- Who will run the business if you are not around? Do you have documents in place that provide direction as to how any leadership change will occur?
- What life insurance policies does the company own on the shareholders' lives and is it sufficient to cover each owner's interest in the business?
- Will your heirs be taken care of in the event of your death?
- Are you interested in providing an incentive comp plan for your leadership that pays out only if they meet certain performance goals and a vesting schedule?
- Do you know if your 401(k) plan meets the needs of your company and is competitive with similar size plans?
- Are you familiar with the different types of retirement plans that may allow for larger tax-deductible contributions?
- Have you done any planning in advance of a potential sale that may enable you to reduce your income taxes?
- Are you optimistic about the growth prospects for your business?
- Have you done any planning to protect your wealth in the event of any potential litigation?
- Do you have an overall allocation strategy that includes not only your liquid assets, but also your illiquid ones such as business interest & real estate?
- How much do you need to "net" from the sale of the business to be financially independent?
- How will you "get paid" after you sell the business?