

Return on Value Drivers

*Criteria are rated from 1 to 10. A higher rating is better – a 10 rating for risk means the action is lower risk and a 2.0 rating for risk means the action is higher risk. A 9.0 rating for investment indicates that a low investment is required, and a 2.0 rating indicates a high investment is required.

| Financial | Potential Return | Risk Involved | Time Required | Investment Required |
|--|------------------|---------------|---------------|---------------------|
| Preparation | | | | |
| Document adjustments to your financial statements | | | | |
| Profit & Loss Statement | | | | |
| Increase or stabilize revenue | | | | |
| Increase/stabilize gross profit margins | | | | |
| Increase profitability | | | | |
| Reduce capital expenditure requirements | | | | |
| Balance Sheet | | | | |
| Ensure accounts receivables are current | | | | |
| Formalize your terms with customers | | | | |
| Reduce or stay current on debts | | | | |
| Reduce working capital requirements | | | | |
| Operations | Potential Return | Risk Involved | Time Required | Investment Required |
| Strategy | | | | |
| Prepare a short business plan | | | | |
| Document your operations | | | | |
| Increase prices | | | | |
| Branding | | | | |
| Print customer testimonials, case studies, etc. | | | | |
| Consider changing the business name (different than owner's name) | | | | |
| Operations | | | | |
| Implement cosmetic enhancements | | | | |
| Diversify your supplier base | | | | |
| Limit your involvement to business hours | | | | |
| Mitigate customer concentration risk | | | | |
| Reduce personal customer relationships | | | | |
| Real Estate | | | | |
| Move real estate to a separate entity | | | | |
| Lease | | | | |
| Pre-negotiate a renewal for your lease | | | | |
| Inventory | | | | |
| Prepare an inventory list | | | | |
| Purge your inventory | | | | |
| Reduce the amount of inventory | | | | |
| Equipment | | | | |
| Prepare a detailed equipment list | | | | |
| Perform a preliminary equipment inspection | | | | |
| Sell inoperable, outdated, or unused equipment | | | | |
| Consider paying off equipment leases | | | | |
| Remove from the premises any assets that are excluded from the sale | | | | |
| Do not purchase new equipment | | | | |
| Franchise | | | | |
| Contact your franchisor to see what assistance they provide, the sales process, buyer qualifications | | | | |
| Contact your Franchisor to make sure the terms of your Franchise Agreement will remain the same | | | | |
| Contact your Franchisor to verify the length and fee for the training | | | | |
| Contact your franchisor to request they become approved for the SBA Franchise Directory | | | | |
| Legal | | | | |
| Perform a UCC search to see if any liens exist on your business | | | | |
| Ensure your entity is up to date | | | | |
| Document your intellectual property | | | | |
| Document your customer agreements | | | | |
| Resolve pending litigation | | | | |
| People | Potential Return | Risk Involved | Time Required | Investment Required |
| Staff | | | | |

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| | | | | |
|--|--|--|--|--|
| Avoid hiring new employees | | | | |
| Ensure employee compensation is at market rate | | | | |
| Prepare an employee manual and/or handbook | | | | |
| Consider asking key employees to sign a non-compete | | | | |
| Consider asking employees to sign a non-solicitation agreement | | | | |
| Make sure your employee agreements address ownership of IP | | | | |
| Request that all employees sign a non-disclosure agreement | | | | |
| Reduce dependence on your key employees | | | | |
| Build a management team | | | | |
| Implement a retention bonus for key employees | | | | |
| Owner's & Partners | | | | |
| Reduce owner dependence | | | | |
| Obtain all partner's approval to sell | | | | |
| Family | | | | |
| Replace or reduce the involvement of family members who won't be staying | | | | |
| Formalize family members' roles and compensation | | | | |