

NAVIX Owner Independency Audit

The Ideal Business to Exit From is the Business No Ceo Wants to Leave



INDIVIDUAL NAME: _____

BUSINESS NAME: _____

DATE COMPLETED: ___/___/___

Many businesses are highly dependent on the CEO/owner’s skills, relationships, and experience. Take the CEO/owner out of the business, and exit may be difficult, or at a reduced value, or altogether impossible. To overcome this, build businesses that is not dependent on you. If you succeed, the result may ironically be a business you will not want to leave—it profitably runs on a day to day basis with little requirements of you. Getting to that point is immensely rewarding, whether you exit at that time or hold onto the business.

Complete the Owner Independency Audit to evaluate current areas where the business is dependent on you, and identify tactics to increase independency between now and exit.

OWNER INDEPENDENCY AREA	YES	CLOSE	FAR	UNSURE
1. The business has value as an ongoing concern that is not significantly dependent upon me or any other individual.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. The company’s leadership/management team can run the business for up to several months without my involvement.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. The management/leadership team has a track record of making sound, impactful decisions without my direct input.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Meetings of the management/leadership team are held according to a set schedule, conducted effectively, occur even when I am absent, and produce clearly defined decisions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. The management/leadership team members have current, written job descriptions. Job performance is measured against clearly set benchmarks.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Sales and business development, all the way from lead generation to closing the sale, is done largely without my involvement.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. My normal daily/weekly duties are either non-essential to the business, or could be readily filled by others upon my exit.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. If I exited today, top employees would not be seriously concerned.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. If I exited today, top customers would not be seriously concerned.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. If I exited today, other important external relationships (suppliers, lenders, etc.) would not be seriously concerned.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Areas that you evaluated as either “Far” or “Unsure” could undermine or block your successful exit. Whether your desired exit is around the corner, or years from now, proper planning begins now in order to one day exit happily.