DUNN TO PERFECTION FOUNDATION

The Business Exit Playbook

Prepare for a sale or succession with a clear set of priorities, a buyer-ready file, and a 30-day action plan.

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Define a good exit

Turn a vague idea into a set of priorities you can use to assess buyers and offers.

Set the timeline

Choose a target transfer date and a date when you would be ready to start conversations. Work backward to allow time to prepare records, compare offers, complete diligence, and plan the handoff.

Write down your non-negotiables

Decide what matters most: cash at closing, continuity for employees, retaining the brand, keeping a stake, or stepping away quickly. Rank your top three so you can make tradeoffs deliberately.

Compare your paths

A family transfer, employee or management buyout, and outside sale have different funding and continuity needs. Compare who can operate the company, how the handoff would be funded, and how much involvement you want after closing.

Decide who needs to know

Choose which advisors and internal leaders need to be involved now. Keep a short list of what can be shared in early conversations and which details should wait.

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Target date and preferred handoff period

Three priorities I will use to compare offers

Build a buyer-ready file

Start with a private folder and an index that tells a reader what each document covers.

Assemble financials

Gather three completed years of profit and loss statements, balance sheets, and tax returns, plus year-to-date figures and the same period last year. Verify that statements can be reconciled to your accounting records.

Explain unusual items

List material expenses or income items that may recur differently under new ownership. For each, note the amount, date, reason, and evidence. Ask your accountant which adjustments are supportable.

Break down revenue and cash needs

Summarize concentration by customer, recurring versus project revenue, seasonality, and payment terms. Prepare a list of receivables, inventory, and payables so you can discuss operating cash needs.

Inventory assets and obligations

List equipment, intellectual property, leases, loans, guarantees, and key licenses. Identify ownership, payoff or renewal dates, and any consent needed to transfer them.

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Financial reports still missing

Questions for my accountant

Make the business transferable

A buyer needs to see how work gets done and where the business relies on you personally.

Map owner dependencies

List the tasks only you perform, including bids, payroll approvals, vendor decisions, key customer calls, and hiring. Pick a backup, define what a good handoff looks like, and test the handoff.

Document recurring work

Write a short procedure for each important workflow. Include the owner, inputs, deadlines, quality checks, and the tools people use. Start with the three processes that would disrupt operations if they stopped.

Review fragile relationships

Track key employees, customers, and supplier renewals. Note which relationships depend on personal trust, which agreements need approval, and who could introduce a successor.

Protect sensitive records

Use controlled access for documents and keep a record of what you share. Remove unnecessary personal details from early-stage materials and discuss disclosure timing with your advisors.

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Three responsibilities to delegate first

Key relationship or contract to review

Qualify potential buyers

Use the same core questions for each prospect so you can compare the answers.

Ask about strategic fit

What attracts you to the business? Have you operated a similar company? What plans do you have for employees, customers, and the current brand? Who would run day-to-day operations?

Ask about funding and process

How will you finance the purchase? Who needs to approve it? Which diligence items could change the offer? What timeframe can you reasonably commit to?

Share in stages

Start with a non-identifying overview. Before sharing detailed financials or customer information, discuss confidentiality terms with counsel and confirm which individuals can access the material.

Compare the whole offer

Look at cash at close, deferred payments, conditions, financing risk, your transition duties, and what happens if milestones are missed. Ask your advisors to review the implications before you commit.

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Questions I want every buyer to answer

Information to hold until confidentiality is in place

Understand the handoff

Put the process on paper before you start, so deadlines and decisions have clear owners.

Initial discussion

Agree on the buyer's goals, the broad transaction scope, a realistic timeline, and the next information to exchange. Keep notes on material promises or unresolved points.

Written indication or letter of intent

Ask counsel to explain which provisions are binding and what the proposal says about exclusivity, transaction structure, financing, and diligence. Make sure you understand what is up for negotiation.

Diligence and definitive documents

Assign an owner for each diligence request. Keep an index of responses and versions. Have legal and tax advisors review documents, consent requirements, and allocation or payment terms.

Closing and transition

Plan who communicates with employees, customers, and vendors. Schedule account and access transfers, training, and the first checkpoints after closing. Document who owns each task.

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Approvals or consents that could affect timing

My proposed role after closing

Put the first month to work

Use these weekly outcomes to turn preparation into a trackable plan.

Week 1 - Decide

Write your exit goals, preferred timing, deal priorities, and list of advisors. Assign one person to maintain the preparation checklist.

Week 2 - Organize

Build the financial and contracts index. Pull current reports and flag gaps. Set a realistic deadline for completing missing records.

Week 3 - Reduce dependencies

Choose the three most important tasks that still depend on you. Document the workflows and test at least one handoff.

Week 4 - Review readiness

Review your priorities and document gaps with an advisor. Decide whether to prepare further or begin confidential exploratory conversations.

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Next action / owner / due date

One result I want to see by day 30