



1

IDENTIFY

Determine the initial value in your business in order to maximize that value. Conducting an annual business valuation will help determine what value factors to focus on to accelerate the value of your business.

2

PROTECT

To best protect your value, you must consider the 5D's: Death, Disability, Divorce, Distress, and Disagreement. Even if you do not think you will be affected by one of the 5D's, without preparing for the worst, your value will be negatively impacted.

3

BUILD

There are two ways to build value: increase your cash flow (EBITDA) and improve your multiple. Your multiple is the number assigned by the private capital market to the value of your tangible and intangible assets and their associated risks. Intangible assets include Human, Structural, Customer, and Social capital.

4

HARVEST

After building your business value, it is time to harvest the fruits of your labor. There are numerous paths your business exit can take. You might discover that after reviewing your options, you decide not to sell your business and instead transition the company to a son or daughter, sell the real estate and keep the company, or continue to build value.

5

MANAGE

You manage value throughout the course of your business lifecycle, but the most important time to do so is after exiting your business. To achieve the most value, you have to manage not only your business value but your personal and personal financial value as well.

