

**Family Owned/Private Held Business
Diagnostic Tool
Presented by Sobel & Co., LLC**

The family owned/closely held business has been the core of the client relationship at Sobel & Co. LLC for over fifty years. In that time we have been able to identify four key areas affecting the closely held business. How a business functions in these areas can diagnose how well a business is positioned well to be a leader in their industry now and into the future. Take the short self-diagnostic test to see how well your business is positioned.

Business Planning and Strategy:

	Yes	No
1. Do you have a written strategic plan identifying the company vision for growth and development over the next five years?		
2. Do you have a succession plan in place that deals with both the business and tax issues related to succession?		
3. Do you have a current shareholder agreement?		
4. Do you have written company policies regarding employment and human relations issues for both family and non-family employees?		
5. Do you have a formal policy to identify and develop your next generation of leaders?		

Growth and Opportunity:

	Yes	No
6. Do you actively manage your financing options in order to fund sustained growth?		
7. Have you identified your current target market and your target market for the next three years?		
8. Do you have a formal marketing strategy?		
9. Have you considered buying a business or selling your business in the past year?		
10. Do you prepare formal budgets/cash flow projections?		

Governance:

	Yes	No
11. Do you have formal compensation policies directed at owners and upper management?		
12. Do you have internal monitoring policies in place to prevent and detect fraud?		
13. Have you updated these policies with in the last year?		
14. Do you have a company code of ethics?		
15. Do you have a formal advisory board or a board of directors that meet regularly?		

Exit Planning:

	Yes	No
16. Do the owners have formal retirement packages in place?		
17. Have you updated the company retirement plan with in the last year?		
18. Do you have formal buy sell agreements and are they current?		
19. Do you know the value of your company?		
20. Does your exit plan include tax strategies to maximize benefits under current tax laws?		

Scoring:

If you answered 16 to 20 of these questions with a yes, your company is positioned well and under strong leadership.

If you answered 12 to 15 of these questions with a yes, your company is on the right track. You would benefit from focusing efforts on these four key areas more closely.

If you answered 8 to 11 of these questions with a yes, your company needs to move more aggressively and actively in the areas where you answered no. Positioning your company to be a leader in your industry is possible.

If you answered less than 8 of these questions with a yes, your company is not positioned for the future. The bottom line is not the only measure for success. The total leadership package is what defines your company position now and into the future.