**The Sellability Index Quiz**

Business owners should always know their business is sellable even if they don’t want to sell it just yet.

Even so, in these Covid times only the best businesses are going to be sold at a decent value. Standing out from the crowd is necessary to obtain the best offer and to do this the value needs to be more in five years’ time than it is today.

So, do you want to know how sellable your business is?

Start by taking this 10-question “Sellability Index” quiz from John Warrillow, author of “Built to Sell”:

***Money & Growth***

**Q1 - When comparing your last complete financial year with the previous year, by how much did your turnover grow?**

|  |  |
| --- | --- |
|  | Our turnover was flat or lower in the last complete year than in the previous one. |
|  | We grew 0–10%. |
|  | We grew 10–20%. |
|  | We grew more than 20%. |

**Q2 -What do you project your turnover growth to be over the next 12 months?**

|  |  |
| --- | --- |
|  | Flat or negative. |
|  | 0-10%. |
|  | 10-20%. |
|  | More than 20%. |

**Q3 - When do you ask your customers to pay you?**

|  |  |
| --- | --- |
|  | 100% after the customer receives what was bought. |
|  | An upfront deposit, followed by the balance after the customer receives what was bought. |
|  | An upfront deposit, followed by staggered bills over the time it takes us to deliver what the customer bought. |
|  | 100% billed when the customer agrees to buy. |

**Q4 - Which of these statements best describes your business plan?**

|  |  |
| --- | --- |
|  | We don't have anything formal. |
|  | We have some basic turnover and profit goals for this year. |
|  | We have turnover and profit goals for the next three years. |
|  | We have a three-year growth plan that includes turnover and profit goals, along with corresponding plans to drive and support our growth in the areas of sales and marketing, product/service delivery, and finance. |

**Q5 - In your last complete financial year, what percentage of your overall turnover did your largest customer represent?**

|  |  |
| --- | --- |
|  | More than 50% |
|  | 25-50% |
|  | 15-25% |
|  | Less than 15% |

***Sales Engine***

**Q6 - Over the past 12 months, what percentage of your turnover was a direct result of your personal sales efforts (or those of your equity partner/s)?**

|  |  |
| --- | --- |
|  | More than 50% |
|  | 30-50% |
|  | 10-30% |
|  | Less than 10% |

***Repeatable & Scalable***

**Q7 - Which of the following best describes the level of customization you offer your customers?**

|  |  |
| --- | --- |
|  | We offer a complete custom solution to meet the unique needs of every customer we serve. |
|  | We have a basic set of products, methodologies and services but we often customize them a lot for customers. |
|  | We have a standard set of products, services and methodologies that we tweak slightly for some customers. |
|  | We do *not* customize our products, services or methodologies for individual customers. |

**Q8 - Which of the following frequencies describes how often your customers need to buy your product or service?**

|  |  |
| --- | --- |
|  | Only once. |
|  | Once every few years. |
|  | Every year. |
|  | More than once per year. |

***People & Management***

**Q9 - Which of the following statements best describes your management team?**

|  |  |
| --- | --- |
|  | We don't have one. |
|  | We have a couple of more senior people who act as informal leaders, but their leadership roles are not clearly spelled out. |
|  | We have managers in charge of sales/marketing and producing our service/product. |
|  | We have a management team in place, and they have a remuneration package that provides a long-term financial incentive to stay with our company (i.e., more than an annual bonus). |

**Q10 - What percentage of the employees that were with you 12 months ago are still employed by your company today?**

|  |  |
| --- | --- |
|  | Less than 50%. |
|  | 50–75%. |
|  | 75–90%. |
|  | More than 90%. |

Once you have completed this exercise, return the replies to me: awatkin@assyntcf.co.uk.

I will review your answers. I’ll arrange a call with you, and we can go through your replies.

The exercise will give us both an idea of how ready your business is to be sold. More importantly the specific steps you need to take in your business.

I look forward to hearing from you.