

SUCCESSION RED FLAGS CHECKLIST

15 Warning Signs Your Exit Plan Is Missing or Broken

Most founders do not fail at succession because they plan badly. They fail because they never start. This checklist identifies the fifteen most common warning signs I have seen in nearly two decades of working inside manufacturing businesses. If you check more than five of these boxes, your business has a succession gap that is costing you value, stability, or both — whether you can see it yet or not.

Check the box if the statement is true for you today.

✓	RED FLAG
	AVOIDANCE
	You have never had a serious conversation with anyone about what happens if you leave.
	Your spouse or family members would not know what to do with the business if you were suddenly gone.
	You dismiss succession planning because "I'm not ready to retire yet."
	PEOPLE
	Your longest-tenured employees have never been told what their role would be in a transition.
	You have a successor in mind but have never tested them in the role.
	Key employees have started asking about the company's future — and you changed the subject.
	CUSTOMERS
	Your top customers have a relationship with you personally, not with the company.
	You are the only person who speaks to your three largest customers.
	A major customer has hinted they are concerned about the company's continuity.
	SYSTEMS
	Critical processes exist only in your memory — pricing formulas, supplier terms, quality workarounds.
	There is no written record of how key decisions get made.
	Your company has survived a quality crisis in the last two years that only you could resolve.
	VALUE
	You have not had your business professionally valued in the last three years.
	You are emotionally unable to separate your identity from the business.
	You have turned down an acquisition or partnership inquiry without exploring it seriously.



0–3 flags: You are more prepared than most. Review the flagged items — even one or two can become critical under pressure. Chapters 7–9 of DEW cover legacy protection and timing.

4–8 flags: You have meaningful gaps. The business is vulnerable to disruption if you exit — planned or unplanned. Chapters 3–6 of DEW address each category systematically.

9–15 flags: Your business has no succession infrastructure. You are one bad day away from a crisis that could destroy decades of work. Read DEW cover to cover and treat this as the most important project in your business.
