

THE OWNER'S OPTIONALITY CHECKLIST

Is your firm built to choose?

The most valuable firm is the one you are free to keep, grow, merge, sell, or transition on your terms. Optionality is that freedom, and it is built one driver at a time. Check every box you can honestly say is true today. The unchecked boxes are your roadmap: each one you close makes the firm both more valuable and better to own. Score honestly; the only person an inflated answer fools is you.

1. Owner Dependence

- ☐ The firm runs 30+ days without me.
- ☐ Work goes out the door without my review.
- ☐ My largest client relationships belong to the team, not to me.
- ☐ Pricing and proposals happen without me.
- ☐ I personally bill relatively few hours.
- ☐ Client intake and onboarding run without me.

2. Leadership

- ☐ We have a clear, functional org chart.
- ☐ Team leaders truly own their areas and outcomes.
- ☐ We run a real operating system with cadence and accountability.
- ☐ Most decisions get made without me.
- ☐ Every leadership seat has an identified successor.
- ☐ Leaders can take a week off with no interruptions.

3. Systems & Processes

- ☐ Core processes are documented, not in people's heads.
- ☐ Onboarding and offboarding are standardized.
- ☐ We use our practice management software well.
- ☐ Repetitive work is automated.
- ☐ Quality control is systematic and independent of any one person.
- ☐ Every key process has an owner and a metric.

4. Client Quality

- ☐ Most of our revenue is recurring.
- ☐ No single client is too large a share of revenue.
- ☐ Client and revenue retention is strong.
- ☐ We deliver advisory, not just compliance.
- ☐ Our clients fit our ideal profile.
- ☐ Clients are loyal to the firm, not to one rainmaker.

5. Financial Performance

- ☐ Our margins are healthy.
- ☐ We have real pricing discipline.
- ☐ Revenue is growing.
- ☐ Cash flow is predictable.
- ☐ Revenue per employee beats benchmark.
- ☐ Our financials are clean and a buyer could trust them quickly.

6. People

- ☐ Turnover is low.
- ☐ Career paths are clear.
- ☐ Our recruiting engine works.
- ☐ Our culture is strong and defined.
- ☐ Compensation is systematic and fair.
- ☐ We have a written training and development plan.

7. Technology

- ☐ Core systems are cloud-based.
- ☐ We adopt AI where it genuinely helps.
- ☐ High-volume tasks are automated.
- ☐ Cybersecurity is strong.
- ☐ Our data is clean and reliable.
- ☐ Our tech stack is modern and integrated.

8. Market Readiness

- ☐ Financials are diligence-ready today.
- ☐ Client agreements are in writing and assignable.
- ☐ Employment agreements are in order.
- ☐ We could pass due diligence today.
- ☐ We know our approximate valuation range.
- ☐ There are no undisclosed liabilities or legal issues.

Want your score? Take the free Optionality Score at rwmadvisory.com/optionality to turn these boxes into a grade, your biggest risks, and your three highest-ROI moves. Adapted from the forthcoming book *Sell on Your Terms* by Robert W. Morris III, CPA.