

Trust & Relationship Equity Assessment

For Business Owners of Companies Under \$20M in EBITDA

Purpose:

This exercise helps you determine whether the **trust, relationships, and reputation driving your business are transferable assets — or dependent on you personally.**

Businesses under **\$20M EBITDA** often face the greatest **key-person risk**, which can significantly reduce valuation during a sale or transition.

Part 1 — The 90-Day Owner Absence Test

Imagine you were **unavailable for the next 90 days.**

Estimate what percentage of revenue would remain.

Current Annual Revenue: _____

Estimated Revenue Retained Without You: _____ %

Revenue at Risk: _____ %

Which areas would be most affected?

(Check all that apply)

- ☐ Sales relationships
- ☐ Strategic partnerships
- ☐ Major client communication
- ☐ Referral flow
- ☐ New business generation
- ☐ Operational decision making
- ☐ Industry credibility / reputation

Write down your Top 10 revenue relationships

Client / Partner	% of Revenue	Would they stay if you stepped back?
	1	YES / NO
	2	YES / NO
	3	YES / NO
	4	YES / NO
	5	YES / NO
	6	YES / NO
	7	YES / NO
	8	YES / NO
	9	YES / NO
	10	YES / NO

Part 2 — Trust & Relationship Equity Scorecard

Score each item from 0 to 4

0 = Not present

1 = Informal / inconsistent

2 = Somewhat developed

3 = Strong but not fully systemized

4 = Fully institutionalized & transferable

Section 1 — Credibility Capital

Does your **company** have visible authority beyond the founder?

Question	Score
Testimonials and client success stories are documented	
Case studies exist under the company brand	
The business is recognized as an authority in the market	
Speaking, media, or thought leadership exists	
Credibility exists beyond the owner personally	
Subtotal: _____ / 20	

Section 2 — Relationship Ownership

Are relationships tied to **you** or **the business**?

Question	Score
Key client relationships are tied to the company	
Referral partners are documented	
Relationship data exists in a CRM	
Team members can manage top accounts	
A transition plan exists for major relationships	
Subtotal: _____ / 20	

Section 3 — Depth of Client Trust

Does trust result in **repeat engagement and advocacy**?

Question	Score
Majority of revenue comes from repeat clients	
Referral sources are consistent and measurable	
Clients publicly recommend the company	
Customer retention is high and tracked	
Clients purchase multiple services	
Subtotal: _____ / 20	

Section 4 — Network Density

Is your business **central to a relationship ecosystem**?

Question	Score
You actively connect clients and partners	
Strategic alliances are formalized	
You collaborate with partners on events or initiatives	
Partners regularly refer opportunities	
Your business is considered a hub in the network	
Subtotal: _____ / 20	

Section 5 — Institutionalization

Is trust **systemized and repeatable**?

Question	Score
Referral generation is documented and intentional	
Client onboarding is standardized	
Relationship ownership is assigned to team members	
CRM usage is consistent across the company	
Trust-building activities are scheduled and measured	
Subtotal: _____ / 20	

Total Trust Equity Score

Add all sections:

Credibility Capital _____ /20
Relationship Ownership _____ /20
Depth of Trust _____ /20
Network Density _____ /20
Institutionalization _____ /20

Total Score: _____ /100

Interpretation for Companies Under \$20M EBITDA

Score	Meaning
80 – 100	Trust is an institutional asset that supports higher valuation
60 – 79	Strong business but still founder-dependent
40 – 59	Moderate key-person risk
Below 40	Significant transferability risk

Reflection Exercise

Answer these questions honestly.

- 1. What part of your business depends most on you personally?**
- 2. What relationship would hurt the business most if lost?**
- 3. What is one relationship system you could build this year?**

Final Question

If you exited your business within the next 5 years:

Would buyers be purchasing **your company** or **your personal relationships**?

- ☐ The company
- ☐ Mostly my relationships
- ☐ Not sure