FREE GUIDE · THE SMALL BUSINESS STANDARD™

Why most small businesses fail or stall — and the four causes underneath.

Every business that fails or stalls does it for reasons that were built in long before the trouble showed up. This guide names the four. Shows you which are active in yours. And gives you the first honest look at what it takes to close them.

WHAT'S INSIDE

- The four root causes — and why none of them is you
- The eleven domains where they show up, domain by domain
- A 44-question diagnostic you can run on your business today
- Why every framework you've tried produced recognition without change
- Three next steps — specific, sequenced, starting free

"Small business is the only industry without a standard for how to build one. That's why most fail or stall for the same predictable reasons. We built The Standard to end the pattern."

THE PROBLEM

Nobody ever defined how a small business should be built.

Every other industry has a standard. Aviation. Medicine. Construction. Manufacturing. There's a defined way it's supposed to be built — and when it isn't, people know. **Small business is the only industry with no standard at all.**

So every founder makes it up, one emergency at a time, until a house of cards is standing that only works because you show up every day. And here's what the research shows: the businesses that fail and the businesses that stall break for the **same four structural reasons**.

ROOT CAUSE 01

Nothing is written down.

The business lives in your head.

Shows up in: **Clarity · Strategy · Leadership**

ROOT CAUSE 02

The money has no floor.

No buffer. No forecast. No room to be wrong.

Shows up in: **Finance · Risk & Compliance**

ROOT CAUSE 03

Selling depends on you.

You don't have a sales system. You have you.

Shows up in: **Revenue**

ROOT CAUSE 04

The work has no repeatable way of being done.

Quality holds because you're watching.

Shows up in: **Operations · Technology · Innovation · People & Culture**

Four root causes. One result — a business that can't run without you.

And yes — every one of those was in your hands. That's why the list stings. But here's what was never in your hands: a definition of what right looks like. Every other trade builds from a standard. You were handed a business and asked to make one up, and every founder improvising alone builds the same four gaps. **You didn't fail a standard. There was no standard to fail.**

Left open, the four end one of two ways. Some businesses die of them — most that fail, fail for exactly these reasons. The others survive as a business that can't be sold, can't be stepped away from, can't grow past you. **You can white-knuckle survival without a standard. You can't buy options without one.**

WHERE THEY SHOW UP

Four root causes.
Eleven ways you actually feel them.

You don't experience a root cause. You experience a Tuesday. The four show up as eleven distinct failure modes — and those eleven are the levers, because each one maps to the Essential Elements that close it.

01 **Clarity** ROOT CAUSE 1
No clear sense of who you serve, what you solve, or why customers choose you. Operating in fog.

02 **Strategy** ROOT CAUSE 1
No defined path forward. Every decision is reactive — responding to what's in front of you.

03 **Finance** ROOT CAUSE 2
Cash fragility. Weak unit economics. No visibility into what's actually working.

04 **Operations** ROOT CAUSE 4
Processes live in heads, not systems. Reactive, fragile, unscalable.

05 **Revenue** ROOT CAUSE 3
Revenue depends on the founder — relationships, sales, delivery. Unpredictable, undefendable.

06 **Founder** OUTPUT
Burned out. Indispensable. Trapped. **Not a root cause — what the other four produce.**

07 **Leadership** ROOT CAUSE 1
Every decision flows through one person. No succession depth. The team waits for the founder.

08 **Technology** ROOT CAUSE 4
No leverage from tools, AI, or automation. Manual effort doing work that should belong to systems.

09 **Innovation** ROOT CAUSE 4
No protected time to work on the business. No pipeline of what's next. Stagnation while the market moves.

10 **Risk & Compliance** ROOT CAUSE 2
Unprotected IP. Unsigned agreements. No data-privacy practice. One bad event from existential harm.

11 **People & Culture** ROOT CAUSE 4
A team built to follow instructions — not to own outcomes. Culture lives in a document, not behavior.

65%
of small businesses fail within 10 years
U.S. SBA

70%
of businesses listed for sale never find a buyer
EXIT PLANNING INSTITUTE

82%
of small-business failures have cash-flow problems as a contributing cause
U.S. BANK / SCORE

Four root causes. Eleven ways they show up. Twelve elements that close them.

That's the whole architecture — and it's why the frameworks that promised you four steps only ever closed two of them. **Domain 06 is the exception:** founder dependency isn't a fifth cause. It's what the other four add up to.

THE DIAGNOSTIC · PART 1

Which failure modes are active right now?

Check every statement that is currently true. Be honest — not how you want things to be. How they actually are today. Forty-four statements, four per domain. Each one is tagged with the root cause underneath it.

01 CLARITY — RC1

- [ ] You can't articulate in one sentence what the business does and who it's for
- [ ] Different team members would give different answers about priorities
- [ ] You haven't defined what "built right" looks like for your business
- [ ] Decisions get made in the moment because there's no clear framework

02 STRATEGY — RC1

- [ ] Your plan for the next 12 months exists mostly in your head
- [ ] Most weeks you're reacting to what's in front of you, not executing a plan
- [ ] You haven't said "no" to a real opportunity in the last 6 months
- [ ] There's no written definition of what success looks like a year from now

03 FINANCE — RC2

- [ ] You don't know your gross margin on every active offer without looking it up
- [ ] Profit is whatever is left — not allocated first
- [ ] You can't see 60 days of cash visibility on demand
- [ ] Cash-flow surprises happen at least once a quarter

04 OPERATIONS — RC4

- [ ] Critical processes exist primarily in your head — not in documented systems
- [ ] There's work you do yourself because no one is trained to replace you
- [ ] You regularly do tasks below your level because it's faster than delegating
- [ ] Quality varies based on how much of your personal time it gets

05 REVENUE — RC3

- [ ] Your most important client relationships are with you personally — not the business
- [ ] If you left, at least one major client would likely follow you or leave
- [ ] Most revenue flows through deals you personally close
- [ ] You don't know your churn, customer lifetime value, or top-3 client concentration

06 FOUNDER — OUTPUT

- [ ] You work more than 45 hours most weeks — not because you want to
- [ ] Your business couldn't survive two full weeks without your daily involvement
- [ ] You haven't taken a real break (no phone) in over a year
- [ ] If something happened to you tomorrow, the people you love would be left with a business they couldn't run

Continued.

07 LEADERSHIP
RC1

- ☐ Significant decisions require your approval before anyone acts
- ☐ When you're unreachable, decisions get delayed or made incorrectly
- ☐ No key leadership role has a documented, ready successor
- ☐ Your leadership team can't run their cadence without you in the room

08 TECHNOLOGY
RC4

- ☐ Your business runs on manual effort that should belong to systems or AI
- ☐ You don't have a documented list of every tool, its cost, and its owner
- ☐ AI isn't in active use anywhere to reduce time or improve quality
- ☐ Your CRM is missing, ignored, or doesn't reflect how you actually sell

09 INNOVATION
RC4

- ☐ You have no protected time each week to work ON the business — only IN it
- ☐ Your business hasn't launched a new offer or significant improvement in 12+ months
- ☐ You don't have a structured way to surface and evaluate new ideas
- ☐ You couldn't name three things competitors are doing that you should respond to

10 RISK & COMPLIANCE
RC2

- ☐ Not every active client relationship has a current, signed agreement
- ☐ Your IP — trademarks, confidentiality, key processes — is not formally protected
- ☐ Your business has no documented data-privacy policy or practice
- ☐ An attorney hasn't reviewed your contracts or structure in 24+ months

11 PEOPLE & CULTURE
RC4

- ☐ Your team executes — but most don't truly own outcomes
- ☐ Your core values are written but don't shape hiring or firing decisions
- ☐ Performance issues drag on for months because there's no documented process
- ☐ You haven't measured team health (safety, accountability, growth) in the last 90 days

WHAT YOUR COUNT MEANS

Read it twice.
Once for the total. Once by domain.

The total tells you how much is open. **The domains tell you where to start** — that second read is the useful one. Root causes explain the pattern; domains are the levers you pull.

0–9	**Minimal.** You're ahead of most. The Standard may still reveal gaps worth closing — take the full Standard Score to verify and sharpen what remains.
10–20	**Moderate.** The weight is real and compounding. Every year these stay open, they cost more — in cash, in hours, in the options you don't have. The Score shows which to close first.
21–31	**High.** The business can't run without you. These have to be addressed before you build anything else. Start with the Score, then the Blueprint.
32–44	**Critical.** Everything runs through you. This is the architecture that has to change — and can be. Start with a Stabilize Call and get the immediate fires under control.

Now read it by root cause. Add your checks under each: **RC1** = Clarity + Strategy + Leadership (12) · **RC2** = Finance + Risk (8) · **RC3** = Revenue (4) · **RC4** = Operations + Technology + Innovation + People & Culture (16). Scale each to a percentage so they compare fairly; the worst one is generating the most of what you're living with. **If it's RC3 — selling depends on you — pay attention.** It's the least self-diagnosed of the four, and the one nearly every competing framework leaves open. It's why founders fix a great deal and still can't leave.

WHY NOTHING HAS WORKED YET

The books named this decades ago. Founders can quote them — "I own a job, not a business" has been in circulation since 1986. And the failure rate hasn't moved. Every framework you've tried could name the problem; none of them could make the fix hold. That's the gap: **recognition was never the missing piece. A standard was.**

A standard doesn't stop the rent from doubling.
It decides whether you're still standing when it does.

Rent, wages, supplier costs — rising together, in the same quarter, for everyone. You don't control that, and closing the four won't make you immune to it. What conformance changes is your capacity to absorb it: whether a hard quarter is a hard quarter, or the end.

THE NEXT STEP

You've named the problem.
Now measure it precisely.

This diagnostic is a mirror. The Standard Score is an instrument — all eleven domains scored, reported against the four root causes, ranked by which lever moves the most.

1. **Take The Standard Score — free**

   66 questions. 11 domains. About 15 minutes. Instant results — your four root causes scored, your eleven domains ranked, and what to close first.

   smallbusinessstandard.com/score

2. **Book a Standard Blueprint**

   A 90-minute session with a Standard Architect. Your score validated, root causes diagnosed, and the sequence built around your business. $2,500 — and if the first 30 minutes don't prove it, you don't pay.

   smallbusinessstandard.com/blueprint

3. **Build The Standard**

   A Standard Architect works alongside you until every gate is passed. Not coaching — installation. The engagement ends when your business meets The Standard, not when the calendar says so.

   smallbusinessstandard.com

It's exhausting when it's all on you.

No one defined how a small business should be built so it doesn't fail or stall. We did. That's The Standard — and what comes out the other side isn't just a business that works. It's the freedom to sell it, scale it, step back, or keep it. **Built to Last. Built for What's Next.**