MARDINI STRATEGIC ADVISORY GROUP

BEFORE YOU FAIL

Founder Risk Checklist

22 Questions to Ask Before You Commit Capital, Partners, Reputation, and Family Time

A structured self-assessment drawn from Before You Fail.

An Innovest International Advisory Practice
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Before you begin

According to research compiled by the Founders Forum Group, 90% of all startups ultimately fail. That figure has remained consistent since the 1990s. But when you examine why they fail, the data is specific and sobering: 42% built products nobody wanted, 29% ran out of cash despite showing profit on paper, 23% assembled the wrong team, and 65% of high-potential ventures imploded due to co-founder conflict. These are not market failures. They are preparation failures. And preparation failures are preventable.

This checklist is not a motivational tool. It is a structured set of questions drawn from Before You Fail that surfaces the preparation gaps most likely to damage a venture before the market has had a fair chance to judge the idea. If any of these questions make you uncomfortable, that is the point. Discomfort now is less expensive than a preventable failure later.

How to use this checklist

For each statement, score how true it is for you right now, from 0 to 5. 0 means not true at all. 5 means completely true. There are no right answers, only honest ones. Write your score in the right-hand column, then add a subtotal for each category.

Category 1: Personal and Family Readiness

Before committing to a venture, it helps to know how prepared you and the people closest to you actually are, not how prepared you assume you are.

No.	Statement	Score (0 to 5)
1	I can clearly explain why I am building this beyond income or status.	
2	I have a realistic view of the emotional and time cost of the next 12 to 24 months.	
3	The people closest to me understand what this commitment will actually require of them.	
4	I know what early signs of burnout or poor judgment look like in myself.	
5	I have a realistic timeline for when this venture needs to become self-sustaining, and I know what happens personally if it does not.	
Subtotal for this category (maximum 25)		

Category 2: Market, Business Model, and Financial Readiness

Ideas feel validated long before they actually are, and a business model feels clear in conversation long before it has been tested against real numbers. These questions test what you know, not what you assume.

No.	Statement	Score (0 to 5)
6	I have spoken directly with potential customers, not just people who are supportive of me.	
7	I can clearly explain how this business makes money: what we sell, to whom, at what price, and through which channel.	
8	I have a financial model, not a rough estimate, that shows realistic cash flow covering operating expenses and a reserve for unexpected costs.	
9	I understand my true cost structure well enough to price with confidence.	
10	I have a clear answer for why someone would choose this over an existing alternative.	
11	I understand how customers, partners, and decision-makers actually behave in this specific market, not just how I assume they behave.	
Subtotal for this category (maximum 30)		

Category 3: Team and Governance Readiness

Most damaging founder conflicts trace back to agreements that were assumed rather than made. These questions surface what has actually been decided, not what everyone hopes is understood.

No.	Statement	Score (0 to 5)
12	My co-founder(s) and I have a written, not just verbal, agreement on roles and decision rights.	
13	We have discussed, specifically, what happens if one of us wants to leave or is asked to leave.	
14	I know who has final say when we disagree on a major decision.	
15	We document key decisions rather than relying on memory of what was agreed.	
16	We have agreed, specifically, how ownership or equity would be affected if a co-founder's contribution changes significantly over time.	
Subtotal for this category (maximum 25)		

Category 4: Execution and Sustainability Readiness

A good plan means little without the discipline, the right people, and the structure to carry it out. These questions test operating readiness, not intent.

No.	Statement	Score (0 to 5)
17	I have identified which responsibilities I should hand off as this grows.	
18	I know which roles need to be filled first as this grows, and I have a realistic plan for how to afford them.	
19	I have identified the two or three metrics that actually indicate whether this business is on track, not just activity metrics.	
20	I have a way of tracking whether the business is actually improving, not just staying busy.	
21	I have a realistic weekly routine that protects my health, sleep, and closest relationships.	
22	I have thought through what success looks like for me specifically, not just for the business.	
Subtotal for this category (maximum 30)		

Scoring

Add your four category subtotals. The maximum possible score is 110.

Category	Your subtotal	Maximum
Personal and Family Readiness		25
Market, Business Model, and Financial Readiness		30
Team and Governance Readiness		25
Execution and Sustainability Readiness		30
Total score		**110**

What your total means

Total score	Result	What it means
0 to 36	**Critical preparation gap**	Foundational readiness is not yet in place across multiple areas. Major commitments should wait until this is addressed.
37 to 58	**Moderate readiness, real gaps**	Some real preparation gaps exist and will become expensive if ignored, particularly around capital or partner commitments.
59 to 80	**Reasonably prepared**	The foundations are largely in place. The assumptions underneath your strongest answers are worth pressure-testing before you scale.
81 to 110	**Strong readiness**	Preparation is thorough. The next test is execution discipline, not readiness.

Where your result points

Compare each category subtotal to its maximum. The category furthest below its maximum is where your gaps are concentrated. Then read across the table.

If your result shows	Consider
Critical preparation gap or moderate readiness	The Founder Risk Diagnostic, or the Strategic Business Triage™ Diagnostic if the gaps trace to a broader business constraint.
Gaps concentrated in Category 3, Team and Governance	A Co-Founder and Team Alignment Review.
Gaps concentrated in Category 2, Market, Business Model, and Financial, including item 11 on market and cultural behavior	The Strategic Business Triage™ Diagnostic. If the gap is specifically cross-border, say so when you request the conversation.
Reasonably prepared or strong readiness, but facing a capital decision	The Investor Readiness Diagnostic.
Part of an accelerator, investor group, or family-business cohort	The Before You Fail Founder Readiness Workshop.

NEXT STEP

Request a Diagnostic Conversation

If your results point to gaps worth examining with a senior advisor, the next step is a structured conversation about the situation in front of you. No obligation and no sales pressure.

To begin, visit **MardiniAdvisory.com** and select Request a Diagnostic Conversation.

Individual founders: join the Before You Fail Online Course Waitlist at MardiniAdvisory.com.

Accelerators, investor groups, and family offices: inquire about the Before You Fail Founder Readiness Workshop at MardiniAdvisory.com.

Assessment is where we start. Execution is where we finish.

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