

HOW TO INCREASE THE VALUE OF YOUR COMPANY – BEFORE YOU SELL

To get the maximum value for your company it takes time. If you wait too long to start thinking about selling your business, you will miss out on getting the most value.

Preparing your business for a sale can take up to two years, so start preparing immediately and do these three things:

1. Grow sales

It may seem odd to spend time increasing the revenue of a business you're about to sell, but you'll get more money in the sale. A business that shows consistently growing revenue for two or three years increases the buyer's willingness to pay a higher price.

2. Put systems in place

Buyers look for companies that have systems in place to successfully operate without excessive supervision.

If your business has a heavy reliance on your skills and relationships, the riskier it is to a buyer (decreasing their willingness to pay a higher price).

Make sure that your business can still function successfully without your presence. If you or a key staff member gets sick or hurt, you want to ensure that the business can operate on its own. Employees should be thoroughly trained so they can function without you. So develop procedures and operating systems to prevent too much power concentrated with any one employee.

3. Get your affairs in order

Make sure any aspects of your business that may affect the saleability and price of your business. This may include: financial documentation, lease issues, staffing problems, etc. Get these in order, before your business is listed!

This resource has been kindly provided by



If you have any questions, please call 0800 CHAMBER (0800 242 623).

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