

Our Handbook for Business, the Bible

Collecting the harvest

I sense a lot of business owners have had enough of the tough economic conditions, Marxist governments & societal changes and would love to sell out.

As most don't have a buyer within the family they will need to list the business for sale.

After decades of working in the small business sector, I can say this about most sellers:

- 1: Their operation is too dependent on them, a big negative with prospective buyers
- 2: They don't understand what buyers are looking for
- 3: They have an unrealistic valuation based on what they need to get rather than true value
- 4: They don't know how to prepare & present their business for sale.

These factors explain why only about 1/3 of businesses sell for the asking price; the rest are sold at a discount; or assets liquidated before they just shut down.

My counsel for business owners:

3 key actions to implement before listing your business for sale, assuming you want to collect the best price (i.e., harvest)...

- The assumption here is that the decision to sell aligns with God's will; and professional advisors have been engaged

First, THINK like a buyer...

- They look for steady growth in new customers, sales & profits to ensure an excellent ROI (Return On Investment)

Second, be able to PROVE the business can run without you...

- Your Operations Manual must fully document all tasks, procedures, systems, and jobs and is already being managed by a dedicated & well-trained team

Third, ANTICIPATE all the information a buyer would likely want and include it in a prospectus...

- in other words, answer all likely FAQs, especially in relation to the customer database.

Finally, you need patience; it can take 12 to 18 months to prepare a business...and that's before it's even listed for sale.

The Bible, our Handbook counsel for today, Ecclesiastes 3:1-2, Voice...

"...there is a season, a right time for everything under heaven...a time to plant, a time to collect the harvest..."

Other Scriptures (NKJV):

Psalms 24:1, "The earth is the LORD's, and all its fullness, the world and those who dwell therein"

Proverbs 16:3, "Commit your works to the LORD, and your thoughts will be established"

Proverbs 16:9, "A man's heart plans his way, but the LORD directs his steps"

Psalms 37:5, "Commit your way to the LORD, trust also in Him, and He shall bring it to pass"