

HOW TO INCREASE BUSINESS VALUE

6 characteristics sophisticated buyers look for when evaluating business value

NEXT-LEVEL MANAGEMENT

Establishing the best possible management team gives you the best chance to receive the best possible price for your business, because management implements and oversees all other Value Drivers.



DIVERSIFIED CUSTOMER BASE

Buyers typically look for a customer base in which no single client accounts for more than 10% of total sales. A diversified customer base helps insulate a company against the loss of any single customer.

GROWTH STRATEGY

A properly communicated, detailed growth plan will help attract buyers. Buyers will give credence to your current growth plan if previous plans have achieved their goals.



OPERATING SYSTEMS

Establishing and documenting standard procedures and systems to increase cash flow sustainability show buyers that your business can maintain profitability after the sale.



DEMONSTRATED SCALABILITY

Scalability is key to a sale. Consider adding value-added services or developing a competitive advantage to increase profit margins without increasing costs.



SUSTAINABLE RECURRING REVENUE

Recurring revenue that is sustainable and resistant to commoditization will show buyers that your company is consistently profitable.

