

SB LIFT OFF

SUCCESSFUL BUSINESS TRANSITIONS



Will you be able to sell your business when you want to or will your business flat line as you prepare to sell?

Whether you have a satisfying liquidity event when you sell or not rests on if you have built a business that can be transferred successfully.

Many owners we speak with are very proud of the fact that they personally know all of their customers, are best friends with their vendors and are so busy that they could not dream of taking a 2-week vacation. They are shocked when we tell them that they are doing a great job creating income but may not be creating any enduring value.

While these business owners are extremely hard-working, and often very successful, they don't have a business. They have a job and their employees are simply staff to help them do that job.

A business is an institution that has structure, processes, and the resilience to endure and flourish without the presence of its founder. *I say founder because this problem*

usually exists in companies where the owner is also the founder. The founder may play an important role in the entity, but the entity is distinct from the founder. The company would be different, maybe even more successful, if another person stepped in as a leader. *Some companies find it inconceivable to even think about replacing the founder.*

Having a job with staff is different than owning a business and less desirable. A job leads to an income – a golden egg is provided to the founder at regular intervals. With a company, you get an income **and** an appreciating asset. The golden goose can be sold, probably for far more than just a golden egg or two!

Not sure if you
have a job or a
business?
HERE ARE THREE
STATEMENTS THAT
YOU SHOULD BE ABLE
TO ANSWER YES TO.

_____ The founder can take a 2-week vacation without serious concern about the stability of the business.

_____ Except for the highest strategic levels, all functions in the company (including sales), can be filled by people other than the founder. The company has employees with the responsibility and competency to operate the business.

_____ Customers and vendors have relationships with multiple people at the company, not just the founder. The employee relationship should be sufficient to keep customers around, even if the founder leaves the company.

Think about whether your company is a business or a job. In many cases a job can be converted to a business. This process takes time – but is appropriate for owners who are

thinking about selling in 3-7 years.

If you want your company to endure and be an asset for your family or your community, you need to move from having a job with staff to running a business.

Get clarity. Build value. Grow your options. Then lift off to your next challenge in life. Call us at [\(571\) 306-3616](tel:5713063616) for a free consultation today.

Best,
Sharon Heaton
Chief Executive Officer

P.S. If you are a trusted advisor you have to ask yourself a similar existential question: Are you helping your clients determine if they have a business or a job? If not, it's time to start. Join our mission to keep America's business owners have enduring value!