



Jim's Profit Accelerator 147 The #1 Thing Buyers Are Looking For

Business owners who are thinking of selling know exactly what they “need” to do to sell successfully, and it’s brought to them by their financial, accounting, and legal specialists. It’s usually accurate, so these advisors are essential for success. Following them will get you into the game of selling, but it will leave millions on the table—yes, I’m talking about you, dear business owner, missing out on proceeds that you and your family might rightfully enjoy.

If you’re waiting for the “**But wait, there’s more!**” I don’t blame you. There is more, but the drama here isn’t to exaggerate, just to get your attention, briefly.

SPEED BUMP: Getting your business “house” in order isn’t all there is.

Buyers look at two sets of data, in this order:

Historic Data: Financial results for the past three years, analysis of what the financials mean, and clear ownership are essential. To get into the selling game, these must be done correctly and well, and real problems are often hard to spot, so your specialist advisors are right to urge you in that direction. Some call this running your business with pre-due diligence. Crisp and accurate data almost always improve the odds of business success, whether or not you intend to sell.

Real Future Potential: One of the most destructive clichés in business is that investors invest based upon past results. Like most things, it’s true enough to be considered, but it’s not how things work.

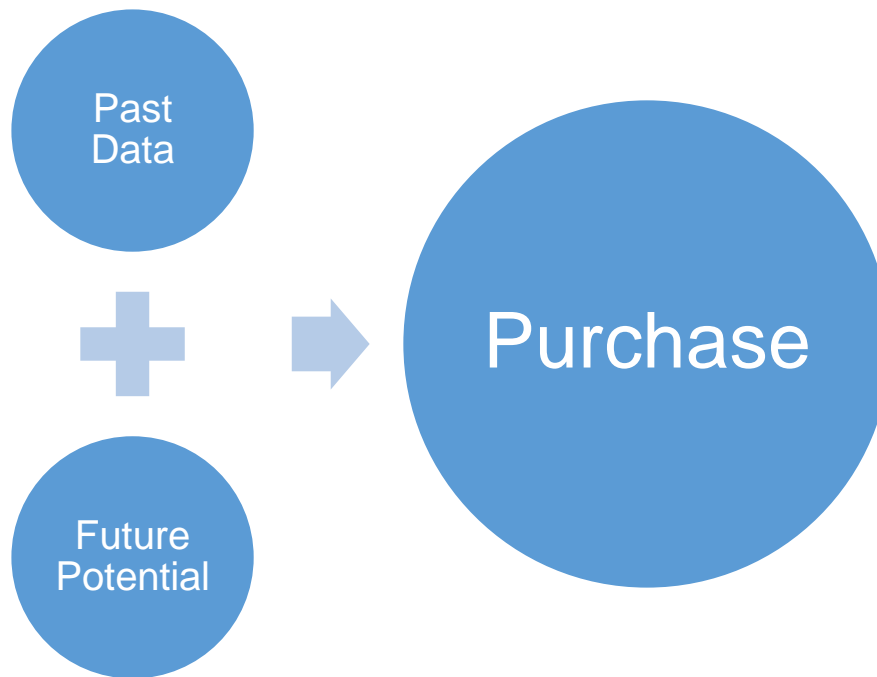
Think about it: When you bought your last car, did you read the stats, take a drive, and negotiate a purchase? Yes, but actually the question you asked yourself when you were thinking about the car was this: what would it be like to own it?

SPEED BUMP: Buyers buy the future, not the past.

When you buy a car you seek data about it, including specs, accident history, comments from friends, and so forth. All that is to help you picture what it WILL be like to own and drive it. The history is of no value by itself. None. How do I know? Because if you don’t buy the car, you drop the data like an old sock.

Historic data gets your business to the table with a buyer, but it’s only an empty frame. Without it there’s no discussion. With it the subject moves with blinding speed to future potential. The data is part of building a picture of the future, and it does impact what a buyer will pay.

Did you ever wonder why some buyers pay more than others? You know the answer: It's not just the internal efficiencies that they imagine; it's the performance of the business that they imagine when THEY own it. The data helps their confidence in the probabilities for their future, but the deal driver is the future, not the data.



SPEED BUMP: Buyers buy probabilities, not certainties.

Just because the business has done it before doesn't mean it will do it again. As owner you know this, so why do you think your buyer will ignore it? She won't.

ACCELERANT: What's your growth plan now?

For more information on how you can accelerate revenues and profits in your business, please call or email me.

A note on **SPEED BUMPS:** Use them to click quickly with an idea that can immediately be implemented in your life as a business leader. Think: "How can I use this today?" or "Who can use this?"

For more information, visit www.grewco.com.

Jim Grew, the Business Defogger and Accelerator, helps leaders discover hidden opportunities within their businesses and exploit them for dramatic results. Jim has led 9 businesses, worked in 31 companies at C-level, and is an expert in strategy and executive leadership. He presents regularly to industry groups, mentors business leaders, and shares insights in his Executive Letter (above). Jim holds BA and MBA degrees from Stanford University. In his new book, *The Other Side of Succession*, he shares how to plan for the future by growing your business now.

©Jim Grew 2017. All Rights Reserved. *Do Business Faster*