

How To Keep Control Of Your Business

You've put in a ton of hard work over the years. You've been slowly building your business one step at a time. You've had a lot of sleepless nights where you've been game-planning and strategizing for how to make things work. You've tied blood, sweat, and tears into making your dream become a reality. You've finally made your business successful, but then outside factors may make you consider selling your business.

If you're considering selling your business, you should be made aware that there are a lot of alternatives to selling your business. In fact, there are many alternatives to selling your business.

Alternatives To Selling Your Business

Eventually, no matter how successful your business becomes, you'll want to have an exit plan, so you can achieve retirement. However selling your business is not the only way to achieve this goal.

Unfortunately, many entrepreneurs do not set up a plan to scale their business nor do many business owners create a succession plan for when they may finally be reaching the age of retirement.

Instead of outright selling your business, you will want to find key investors and partners who are willing to invest in your business and its future. Investors like to know they'll be receiving a return on their investment. To do this, you will have to prove to these key partners that your business will provide a future value.

A large part of this is also proving to these investors that your practices are solid. This means that the foundation of your business does not have a lot of cracks in it, and if the business were to change hands no one else would be able to keep it running. You'll need to prove that your process are repeatable and effective time and time again.

How To Know If Selling Your Business Is A Good Idea

If you are considering selling your business, you'll probably want to consider what the effect will be on your employees, clients, and vendors. You'll want to assess how everyone that you've built a connection with over the years will be touched by this decision.

Some of the factors below are how you can evaluate to know if your business could be truly sellable.

- Financial Performance: revenue, profit, trend, quality of reporting
- Growth Potential: new markets, cross sell, upsell, acquisitions
- Independence from customers, employees, suppliers, product's
- Cash Flow: The way cash moves through a business
- Recurring Revenue: Contracts, auto renewals, subscriptions, retainers
- Value Proposition: How differentiated is the business? Can it control pricing?
- Customer Score: Customer Sat—will customers keep coming back in future?
- Owner Dependency: How dependent is the business on the owner?

Each one of these plays a crucial role in determining how smoothly your business will exchange hands and if selling your business is a viable option to begin with.