Guiding Clients Through the Hidden Barriers of Transition

At the October 3rd Euclid Harding Roundtable, professionals turned their attention to the less visible, but equally critical, challenges that arise during business transitions. Beyond financial and legal complexities, the group explored how physical and mental strain, identity attachment, and misaligned expectations can quietly undermine even the most promising deals.

This portion of the discussion focused on how multidisciplinary professional teams can do more than solve functional problems — they can help clients regain clarity, restore confidence, and reframe their approach to planning. By creating a supportive environment grounded in experience and empathy, advisors can guide clients through uncertainty and help them emerge with renewed purpose and strategic direction.

The conversation shifted to a second scenario — one that many advisors recognized from experience. Two business partners had recently attempted to sell their company, but the deal collapsed late in the process. What had begun as a promising opportunity ended in disappointment, leaving the owners drained and uncertain about their next steps. The group acknowledged that the lead-up to a sale is often intense, and when a transaction fails, the aftermath can be disorienting. In these moments, the role of a multidisciplinary advisory team becomes especially critical — not just to address the financial and operational implications, but to help clients process the emotional toll, regain clarity, and reframe their path forward.

Brian Fischer emphasized the need to help clients regain composure before making major decisions.

"There's a lot of grief that you have to work through, a lot of anger. And it's important that the owners are thinking clearly in that situation and making rational decisions instead of lashing out.

And that's probably the worst thing you can do. It's calming them down, taking a day off, and then collectively coming together and figuring out the next step."

Brian Lasher agreed, noting that one of the most valuable roles a team of advisors can play, by virtue of their collective experience, is in restoring perspective and therefore offering hope to clients. The formation of an Advisory Committee was suggested by John Weidner, to buoy clients up, help them reorient and plan next steps, and Nathan Klatt recommended helping clients create both psychological and operational distance from the business to help them shift from operator to investor mindset.

The importance of that shift in mindset came more into focus as the group discussed stepping back to see exactly why the transaction had failed, drawing on examples from their previous experiences. "I think most people that own businesses don't think well in advance of the sale in order to start preparing for the sale." observed Michelle Orr. "And if the owners are way too involved in the day-to-day, that is definitely something that scares a buyer."

Both she and others noted that, often, owners tie their personal identity to their business, particularly those who have built it from the ground up, and that this attachment can cloud judgement, making a company harder to sell for a variety of reasons. One common outcome is an inflated sense of value. "What really is the inherent value?" asked Dustin Muscato. "Business owners often have strong ideas about what makes

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Michelle Orr

their company special and what its value should be. For example, they may believe it's worth $30 million, but if no offers exceed $25 million, they need to step back and ask: Why did that happen?" Muscato emphasized the importance of encouraging any owner considering a sale to conduct a thorough analysis of core value drivers and industry-specific metrics in order to align expectations with reality.

The group also noted that this identity attachment can also lead to weak succession planning which also affects how a buyer views the company.
"If you look at the hit-by-a-bus scenario for everyone that's key in your company," said Greg Pepin. "You can determine what happens if this person's gone. Are we okay or not? And it really starts from the top down."
Orr agreed that this was also a critical factor for buyers and something she raised when working with clients. "We need to make sure that the business is sustainable without the owner. If you take the owner out of the picture and the whole thing collapses, then it's not a sustainable business. You want to make sure that the systems, people, and processes are in place so that it can continue to operate and thrive, even if the owner steps away."

Nathan Klatt drew on personal experience of this need to shift mindset. "When I stepped back from running one of my businesses day to day, it took me a while to adjust. You have to detach emotionally and start thinking like an investor instead of an operator. It's a completely different mindset — you're looking at the long-term sustainability of the company rather than the next sale or client. But once I made that shift, it actually became easier to support the management team and make better decisions."

Owners, the group discussed, may also find themselves financially ready to exit but unprepared for life after business. Dave Place noted that valuation and pro forma planning can help owners to visualize the future more realistically, and the Lasher team also emphasized that advisory support can help owners clarify their goals and maintain perspective throughout the process.

Collectively, the group agreed that a successful advisory team working with a client looking to sell their business would help reframe the narrative so owners can view their business as a transferable asset as opposed to a personal legacy.

Returning to the scenario involving the two business partners, and what may have caused the deal to fail, Canestri highlighted the importance of multi-partner coordination in preparing for a sale: "In a multi-partner scenario, you have multiple personalities. People tend to pull back if the number isn't what they expect. It's critical to talk early about acceptable outcomes and make sure everyone is on the same page, because if not, that can also derail the deal."

Family and personal complications were also discussed, with the group noting that in many instances, small businesses may be owned by a husband and wife team, and that divorce and other family breakdowns and dynamics can further complicate matters. This, it was agreed, makes proactive planning even more critical.

A key thread throughout this portion of the discussion was that internal challenges can often be hidden barriers to successful business transitions. Emotional attachment, misaligned expectations, and lack of preparation can quietly undermine even the most promising deals. By fostering collaboration among advisors–legal, financial, operational, and even psychological–professionals can create a supportive environment that helps clients stay grounded, align expectations, and move forward with confidence and clarity.

This kind of multidisciplinary teamwork doesn't just solve problems — it restores perspective, builds trust, and empowers clients to navigate change with resilience and purpose.