

Better Living Podcast



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Host:

Part of the show, people have the opportunity to send in their questions to Kochi, which is always fun, because we try to throw a few curly ones at him and see if he actually comes up with some good advice. One of the questions we recently had is about getting ready to sell your business. I thought we'd get one of our experts on the show today to talk about how to turn your business into a buyer magnet. Everybody wants to do that—sell your business for a profit, not for a loss, obviously. And Kerry Boulton, who's the CEO of the Exit Strategy Group, joins us now to chat. Kerry, a very warm welcome to you.

Kerry Boulton:

Thank you very much.

Host:

Kerry, when you are finally ready to sell, to wind up your business, and to move on, what are some of the essential decisions you must make before selling?

Kerry Boulton:

I'm actually going to take you back a few steps. The best thing anyone can do is to set their business up for sale from the start. Given that most people don't, the best time to start is now. You need to look at how the business can stand on its own. Can it run without you? If you're the business owner, have you managed to get your business to a stage where you can take a decent holiday without it falling apart? If you are still very much part of the business, you don't have a saleable business—you have a job, which is not easy to sell. This is a huge problem for small businesses across the country. They can't spend a day away from it, let alone a couple of weeks. Correct?

Guest:

Correct.

Kerry Boulton:

The major issue is to start systemising. Look at what you are doing in your business that you are repeating. How can you create a system around that? With today's technology, it's easier than ever. Our smartphones allow us to record videos of processes, and a simple mind map can be the beginning of a system. Document what you're doing, why you're doing it, the steps in the process, and the desired outcome. There's no excuse not to do this today. Allocate time to set it up, and months down the track, you'll have a fantastic system in place. Technology has come a long way since the days of handwritten flowcharts.

Host:

I received a handwritten card today—a rare and welcome sight. But you're right, simple mind maps and documenting processes are key. For someone who's on a holiday in Singapore, leaving their business in the hands of trusty employees and looking to sell, where do you go to find a buyer? Do you advertise it in local papers or classifieds?

Kerry Boulton:

You could. One thing I highly recommend is to think about potential buyers who could strategically benefit from acquiring your business. Consider customers, suppliers, or even competitors who

might be interested. Brainstorm and list potential buyers who could see your business as a valuable addition.

Host:

What about timing? You spoke earlier about having the option to sell in place from the start. Is it important for business owners to set a realistic timeframe for building the business, making it profitable, and then finding a potential buyer?

Kerry Boulton:

Definitely. The best time to sell your business is when it's on the growth curve. Many business owners wait until it's already starting to slide before deciding to sell. That's not ideal. Buyers look for growth potential and future profits. Timing is crucial. As Kerry Packer famously said when he sold Channel Nine for \$1 billion and then bought it back for about \$250 million a few years later, every business should always be ready for sale. When you set up your business properly and ensure it functions without you, you're prepared for when a potential buyer comes along.

Host:

Exactly. That's what you want in place. Thanks so much, Kerry, for joining us. Kerry's new book, "Dollar Payday," is out now if you want to get more advice. It's a pretty good read. I suggest getting into it.