



The Business Sale Workbook

A comprehensive guide to preparing for a successful exit, on your terms

Prepared by Prevail Transaction Partners

Welcome

Selling your business is one of the most significant decisions you will ever make. It is not just a transaction. It is the culmination of years of work, risk, sacrifice, and commitment.

Whether you are years away from a sale or actively exploring your options, this workbook is designed to help you think clearly about what matters most before engaging an advisor.

Most business owners have never sold a business before. The process can feel overwhelming, full of unknowns, and easy to postpone. Our goal with this workbook is to give you clarity around your goals, timing, financial needs, and the factors that influence value so you can make informed decisions with confidence.

You do not need to complete this workbook all at once. Take your time. Be honest with yourself. There are no wrong answers, only insights that help you choose the right path.

Section 1: Your Personal Goals

Before thinking about price, timing, or buyers, it is critical to understand what success looks like for you personally. This is not just about money. It is about lifestyle, legacy, and what comes next.

Why are you considering selling?

Consider the factors influencing your thinking.

- What is motivating you to explore a sale now?
- Are you looking to retire, reduce stress, pursue a new opportunity, or gain clarity on value?
- Do you have a specific timeline in mind, or are you flexible?
- What would make you feel confident that selling was the right decision?
- What does life after the sale look like?
- Do you plan to retire, start something new, travel, or stay involved part-time?
- How important is preserving company culture and taking care of employees?
- What does financial security mean for you and your family?

Section 2: Your Financial Goals

The sale of your business will likely be the largest financial event of your life. Understanding what you need from a transaction is essential.

What do you need from the sale?

- How much money do you need to support your lifestyle after a sale?
- Have you identified your personal number with a financial advisor?
- What are your ongoing monthly or annual expenses?
- Do you have other income sources or retirement savings?
- Are there upcoming major expenses you need to plan for?

Understanding deal structure

Not all deals are created equal. Price is only one part of the outcome.

Consider how you feel about:

- Cash at closing versus future payments
- Seller financing
- Earnouts based on performance
- Staying on for a transition or consulting period

Key insight: Buyers pay more when they are confident in your business. Clean financials, transferable operations, and reduced owner dependence directly impact value.

Section 3: Timing Your Exit

This section is meant to help you assess timing from three perspectives: the business, the market, and you personally. Some of the points below provide context on how timing is evaluated, while others are prompts for self-reflection. The goal is not to determine a single correct answer, but to understand whether selling now, preparing first, or waiting makes the most sense for you.

The best time to sell is rarely driven by the market alone. Strong outcomes occur when personal readiness and business readiness align within reasonable market conditions.

Business readiness

Use the questions below to evaluate how prepared the business is today:

- Are your financials clean, accurate, and up to date?
- Can the business operate without your daily involvement?
- Do you have strong leadership or key employees in place?
- Are core operations documented and transferable?
- Is revenue stable or trending positively?

Lower readiness does not mean you should not sell. It simply indicates where preparation may improve outcomes.

Market considerations

Market conditions influence buyer demand and valuation, but they are only one piece of the equation.

Consider:

- Is your industry experiencing growth, consolidation, or contraction?
- Are valuation multiples currently favorable?
- Are strategic or financial buyers active in your space?
- What competitive advantages does your business have today?
- Markets change. Preparation allows you to act when conditions are favorable rather than react under pressure.

Personal readiness

Your personal readiness matters just as much as business or market conditions. Reflect on the following:

- Are you emotionally ready to let go of the business?
- Have you discussed this decision with family or partners?
- Do you have clarity on what comes next after a sale?
- Are there personal factors that make this the right or wrong time?

Section 4: What Makes Your Business Valuable

This section is designed to help you understand how buyers evaluate businesses and to prompt you to assess where your business stands today. Some of the points below are informational; others are questions meant to spark honest reflection. You do not need to have perfect answers. The goal is awareness.

Buyers do not simply buy revenue or profit. They evaluate future potential, competitive advantage, and risk. Understanding these drivers allows you to identify strengths to highlight and gaps that may be worth addressing before a sale.

Financial performance

Consider how your financial profile would appear to a buyer:

- Are revenue and cash flow consistent or trending upward?
- How stable are margins compared to industry norms?
- Do you have recurring revenue or contracted work?
- Are financials clear, accurate, and verifiable?

Customer base and revenue quality

Reflect on the quality and durability of your revenue:

- How diversified is your customer base?
- What percentage of revenue comes from a small number of customers?
- Do you have long-term relationships or contracts?
- How predictable is customer retention?

Operations and scalability

Evaluate how transferable the business is:

- Are key processes documented and repeatable?
- Can the business operate effectively without your daily involvement?
- Is there room to grow without significant capital investment?

Team and leadership

Think about the depth of your organization:

- Do you have a management team or key employees who could remain post-sale?
- Are roles and responsibilities clearly defined?
- How reliant is the business on you personally?

Competitive position

Assess how the business is positioned in the market:

- What differentiates your business from competitors?
- Do you have a niche focus, proprietary capabilities, or intellectual property?
- What barriers to entry protect your position?

Note: This section is not a scorecard. It is a framework for understanding how buyers think and for identifying areas that may influence value, deal structure, or buyer confidence. Knowing where you are today allows you to intentionally close gaps over time.

Section 5: Identifying Risk Factors

Every business has risks. Buyers do not expect perfection, but they do expect transparency, awareness, and a plan. The goal of this section is not to judge your business, but to help you identify areas that may affect value, deal structure, or buyer confidence.

When risks are understood and addressed proactively, they can often be mitigated, explained, or reflected appropriately in pricing and terms rather than becoming surprises late in the process.

Common areas buyers evaluate closely

- Customer concentration risk, including reliance on a small number of customers or contracts. (*One customer making up more than 15-20% of business, and 3 customers making up more than 40-50% of business*)
- Owner dependency, where revenue, relationships, or decision-making rely heavily on you
- Legal or regulatory exposure, such as licensing, permits, contracts, or unresolved disputes
- Financial or accounting complexity, including inconsistent reporting or unexplained adjustments
- Deferred maintenance, underinvestment, or aging equipment
- Outstanding debt, liens, or obligations tied to the business

Note: Identifying these risks early gives you control over the narrative and allows time to reduce friction before a transaction begins.

Section 6: Creating Your Exit Timeline

Selling a business rarely happens overnight. The strongest outcomes are the result of intentional planning, realistic timing, and disciplined execution.

Most successful exits involve a combination of preparation and active sale efforts, often spanning 6 to 18 months. This section is designed to help you think through timing in a practical way, grounded in both business realities and personal readiness.

Your ideal timeline

- When would you ideally like to exit the business?
- What personal or financial milestones should be met before selling?
- Are there seasonal, industry, or business-specific factors that influence timing?
- Would additional preparation materially improve value or reduce risk?

Preparation phase

This phase focuses on positioning the business so buyers feel confident.

- Cleaning and normalizing financials
- Reducing owner dependence
- Documenting operations, systems, and processes
- Addressing legal, regulatory, or compliance issues
- Stabilizing or growing revenue to demonstrate momentum

Sale process

Once the business is ready to go to market, the process typically includes:

- Valuation and positioning
- Confidential marketing and buyer outreach
- Reviewing offers and negotiating terms
- Buyer due diligence
- Closing and transition

Pro Tip: Businesses that sell for the highest values are often those where owners begin preparing one to two years in advance. Preparation creates leverage.

Section 7: Your Next Steps

By working through this workbook, you have taken an important step toward clarity. Whether you are ready to sell now or simply gathering information, understanding where you stand gives you control over what happens next.

Where are you today?

- Ready to sell now
- Ready after some preparation
- Not ready yet, and that is okay

There is no wrong answer. Many owners benefit from preparation before going to market, even if a sale is years away.

Ways to move forward

- Obtain a confidential estimate of your business value to establish a baseline
- Schedule a no-pressure conversation to discuss goals, timing, and options
- Begin targeted preparation to improve value, reduce risk, and increase flexibility

Even if you decide not to sell, the work you do to prepare often strengthens the business and improves the quality of life as an owner.

How Prevail Helps

Prevail Transaction Partners works with business owners navigating transitions with clarity, discretion, and intention.

We understand that selling a business is not just a financial event. It is a personal transition that affects your identity, your family, your employees, and your future.

Our role is to help you understand your options, prepare thoughtfully, and move forward with confidence, whether that means selling now, preparing for later, or simply gaining clarity.

We focus on:

- Objective, owner-first guidance
- Value-focused preparation and positioning
- Thoughtful buyer selection aligned with your goals
- A calm, confidential, and disciplined process

Continue the Conversation

If you are seeking clarity around timing, purchase price, or next steps, the best place to start is a conversation.

You may choose to explore your options independently, or you may benefit from speaking with an advisor who understands what is at stake. Either way, the goal is the same: making informed decisions on your terms.

Visit www.prevailprttnrs.com to schedule a discussion, access additional resources, or learn more about how we help business owners plan successful transitions.