FIVE M&A MISTAKES TO AVOID

SELLING YOUR BUSINESS

COMMON SELLER MISTAKES THAT COST VALUE, AND HOW TO AVOID THEM



AEKLVYA

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Why it matters. Selling a business is often a once-in-a-lifetime event for owners of middle-market companies. The process is time-consuming, costly, and emotionally demanding, and its complexity raises the risk of costly errors. The stakes are high, so before starting a sale process, it pays to understand the mistakes sellers most often make.

01

GOING IT ALONE

You may be smart and savvy, but finding the right home for your business requires support. A capable internal deal team, even a small one, makes a significant difference in preparation and due diligence. Buyers, whether financial or strategic, also look for well-functioning mid-level managers and a management team. Make sure your team can continue to drive the business effectively if you step back from day-to-day operations after the transaction. A business that depends entirely on its owner rarely commands a premium.

02

OVERLOOKING OPERATIONAL EFFICIENCY

Improving operating procedures before a sale can be worthwhile. That may mean investing in equipment or technology, business development, marketing, data management, IT and data security systems, or adjusting staffing. Stronger internal systems also reduce integration costs for a buyer. A more efficient business attracts more buyers, and more buyers lead to better offers.



03

WAITING FOR A "WHITE KNIGHT"

Pursuing a single unsolicited offer typically reduces value because there is no competition. Yet owners often sell to such buyers at a lower valuation or on unfavorable terms, after spending months and significant legal and advisory fees. An experienced M&A advisor presents your company to multiple qualified buyers, helps you control the timeline, and runs a competitive process designed to maximize value.

04

RELYING ON GUESSWORK VALUATION

Every business owner should know what their business is worth, even if a sale is not on the horizon. Understanding and improving the key metrics that drive valuation is one of the most effective ways to build value over time. A "back-of-the-envelope" estimate, advice from a friend, or an online calculator can leave you either anxious or overconfident, and unprepared for the realities of a sale. An M&A advisor can provide sector-specific market intelligence and a realistic valuation range.

05

CHOOSING THE WRONG ADVISOR

The last thing a business owner wants is to update financial models or track buyer communications while running the business. The right advisor is accessible, understands the limits of your internal resources, and manages the process on your behalf. At larger firms, a middle-market mandate often gets handed down through a chain of junior bankers, with senior bankers involved mainly at the pitch and the closing. A boutique advisor works with you directly, with senior-level attention at every stage, from preparation and buyer outreach through negotiation and closing. Look for an advisor with middle-market experience who offers tailored service and agility and uses that expertise to save time and negotiate better terms.

TAKEAWAY

AVOIDABLE MISTAKES, LASTING CONSEQUENCES

Most of the mistakes that cost sellers value are avoidable. They stem from going it alone, entering a process unprepared, or negotiating without competitive tension.

Owners who build a capable team, strengthen operations, understand their valuation, and engage the right advisor early give themselves the best chance of finding the right buyer on the right terms.

Every business has its own unique characteristics. Contact us if you have questions or would like to learn how Aeklvya Advisors can help. We are happy to have a confidential conversation, without commitment or pressure.

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