

No Substitute for Experience

I received a visit from a young lady inquiring about the process of selling her husband's business. He had passed away suddenly from a heart attack at forty years of age, leaving her with two small children to care for. The business was a small metalworking company employing twelve.

"Is there anyone in the business who could operate it?" I asked.

"There's no one else. Just me," Nancy replied. "I've been running it for about four months now. After Eddy died, I decided it couldn't be all that hard to run. So I left my job to take on this responsibility."

Nancy had some basic bookkeeping skills, excellent communication skills, and a little knowledge about the business itself from her husband. She did not have a good understanding of accounting or the intricacies of the day-to-day operation of the company.

"I'm really enjoying the challenge of operating this business," she said. "But sometimes I find the employees difficult to manage. I'm also having problems with some of the quoting and pricing of services and products. It's kind of stressful."

The stress is what tipped the balance and convinced her to ask about the process of selling the business.

She heard us out but decided to keep the business and operate it herself.

Nancy came back about a year later. Running a business was definitely not what she wanted to do with the rest of her life, she told us. She was ready to sell.

Our phase one process turned up some irregularities in her company's accounting procedures. Further investigation showed the company was not making the money reported on the books. The accountant quickly revised the statements. Now we had a business for sale that was not profitable. The company had taken a turn for the worse and was losing about \$20,000 per month.

A turnaround team was sent in. They quickly uncovered an error in the quoting program and implemented a number of changes. Within a few months the business was profitable once again.

Four months later the business was sold to a father and son team who had a lifetime of experience operating this type of business.



This story is from Chapter 3 of Doug Robbins' book "**There's Always a Way to Sell Your Business**"

To purchase a copy for only \$19.95 (including shipping), please call 1-888-762-2463.