



RISING TIDE

# MASTERMIND RECAP

SEPTEMBER 2021

## BUILDING YOUR BUSINESS WITH AN EXIT-MINDED STRATEGY

*No matter where you are in your business lifecycle an exit-minded strategy is a great tool for achieving near and long-term goals. What this really means is stepping outside of the business and looking at it from the perspective as an investment to enhance the way you manage it as an operation. Exit-minded strategic planning is a critical practice to enhance your perspective, decision making, and resource allocation from start-up to sale.*



### VALUE ISN'T SOLELY A FACTOR OF EBITDA

*While it's true that business value is generally interpreted as a multiple of EBITDA, it's imperative to understand that the multiple is a reflection of inherent business risk. Identifying and mitigating business risk are the key to success and drive the following:*

- Long-term durability and adaptiveness
- Cash flow
- Overall business value and market attractiveness

### HUMAN CAPITAL - ARE YOU MANAGING DIVERSITY OR INSANITY?

*As an owner-operator if your's is the only voice you hear, then you will continue to do the same thing expecting the different results. Whereas consistently striving for input from your team and stakeholders provides the opportunity for innovation.*

*Entrepreneurs and business owners often struggle to develop top level leadership and transfer their relationships and knowledge because they feel, whether consciously or subconsciously, that this will dilute their own personal value. This mindset will only hold you and your business back.*

*Tying this to an exit-minded strategy, we recognize that presently human capital is at a premium, so developing processes to transfer knowledge, cultivate leadership, and employ the voice of stakeholders will deliver significant intrinsic value to your business. It will also make your business more marketable as a leadership transition will not be so disruptive to the overall operation.*

## KNOW YOUR FINANCIALS

*Assessing business value is a powerful tool to enhance organizational management by providing insights and considerations not generally addressed in day-to-day operations.*

*These may include:*

- *Benchmarking your business against industry peers to identify opportunities and strengths.*
- *Assessing the business' standing with respect to long-term durability through balance sheet and working capital analysis.*
- *Identifying external factors that could negatively impact your operation so that you and your team can develop contingency plans.*

