

Writing an executive summary for a sale or investment: a guide for consultancies & boutiques

Summary

The Executive Summary is the first, crucial document sent out by your M&A broker to entice potential buyers. Potential buyers see hundreds of these documents each month, so you probably only have 2-3 minutes to showcase your value. The Executive Summary is a trailer for your movie, a sample for your album, an abstract for your paper.

An M&A executive summary is not the same as the 'executive summary' that you might write at the beginning of a report. In addition to providing a simplified and digestible overview of your firm, it is also written with a view of enticing prospective buyers to show further interest in your amazing company. Your target buyer should come away excited and keen to learn more.

What is the Executive Summary used for?

Buyers and investors will have a set of criteria that inform their search: location, market, size, growth, products, number of employees and so on. These will be used to quickly eliminate 95% of consultancies wishing to sell.

The Executive Summary helps shorten the list further and target in on companies that not only tick the major boxes but could provide additional value to the buyer over and above the acquisition price.

The Executive Summary is not the Confidential Information Memorandum, which is much longer, less 'story focused', and more detailed.

What's in the Executive Summary?

Your M&A advisor will help you select headings most appropriate to your firm, but typically, it would include the following slides.

- Company Overview
- Leadership Team
- Market Opportunity
- Services
- Competitors
- The Marketing Plan
- Pipeline Forecasts
- Financials
- People

Depending on your firm, you might prepare more specialised decks for services and/or market.

Advice

1. Keep it brief. Ten to fifteen slides are fine.
2. Be passionate not boring. Tell them a story that will stick in their minds.
3. Don't keep the best til last: open with your strengths and value
4. Don't get bogged down. That's what the presentation, CIM & due diligence is for.
5. Highlight your big achievements, clients and awards.
6. Emphasis timing: why is this the perfect time to buy you?
7. Think future potential: how can they add value easily to improve your growth?
8. Why you? What makes you different to others like you?
9. Avoid jargon. Remember not everyone knows (or wants to know) your TLAs.
10. Invest in a professional make-over and several reviews from experts.