

Questions to ask potential M&A advisors when selling your boutique

Finding a good M&A advisor is crucial when it comes to selling your business. The right advisor can help you get the best deal, navigate the complex legal and regulatory issues, and manage the sales process effectively. However, choosing the wrong advisor can result in a sub-optimal outcome or even a failed deal.

One of the most critical factors in selecting an M&A advisor is trust. You must trust that your advisor has the expertise, experience, and connections necessary to get the job done. Additionally, you need to trust that your advisor will always act in your best interests, provide honest and transparent advice, and keep you informed throughout the process.

To find a trustworthy M&A advisor, start by asking for recommendations from other business owners, your own growth advisor or board member, or industry experts. Make sure you meet with potential advisors in person to get a sense of their personality, communication style, and approach. Finally, be sure to choose an advisor who is responsive, accessible, and who takes the time to understand your business and goals. By finding an M&A advisor you trust, you'll be in a much better position to achieve a successful outcome when it comes time to sell your business.

Here's my list of questions I (or my clients) ask advisors when conducting the beauty parade:

1. Given the information with which you have been furnished, what is your approximate valuation of our firm?
2. Which buyers do you think would be most interested and why?
3. How do you suggest we position and market the company?
4. What is your experience in selling similar companies? Can you please provide cases and references who we can talk to?
5. What is your approach to identifying potential buyers? What databases and networks do you have access to?
6. What is your access to potential international buyers?
7. What is your UVP? What makes you better than others?
8. Who from your company is likely to be working on our transaction?
9. What are your fees and how are they structured?
10. How do you ensure confidentiality?
11. What is your process for preparing a company for sale? What are your milestones and activities for you and us (a hand-out is fine here!). Can we see some sample deliverables (e.g. profile, NDA, information memorandum)?
12. What would your approach be to marketing the company?
13. How do you handle any issues that arise during the sales process?
14. How do you handle competing offers from multiple buyers?
15. What is your approach to post-merger integration?
16. How do you determine which potential buyers to approach?
17. How do you manage the legal and regulatory aspects of the transaction?
18. What is your approach to addressing cultural differences between our company and a potential buyer?
19. How might you help us improve the valuation of our firm between now and when we go to market?
20. What legal and financial resources do you have access to during the process?
21. Who would be leading your team and working with us?