

The Power of Building a Saleable Business—Even If You Never Sell

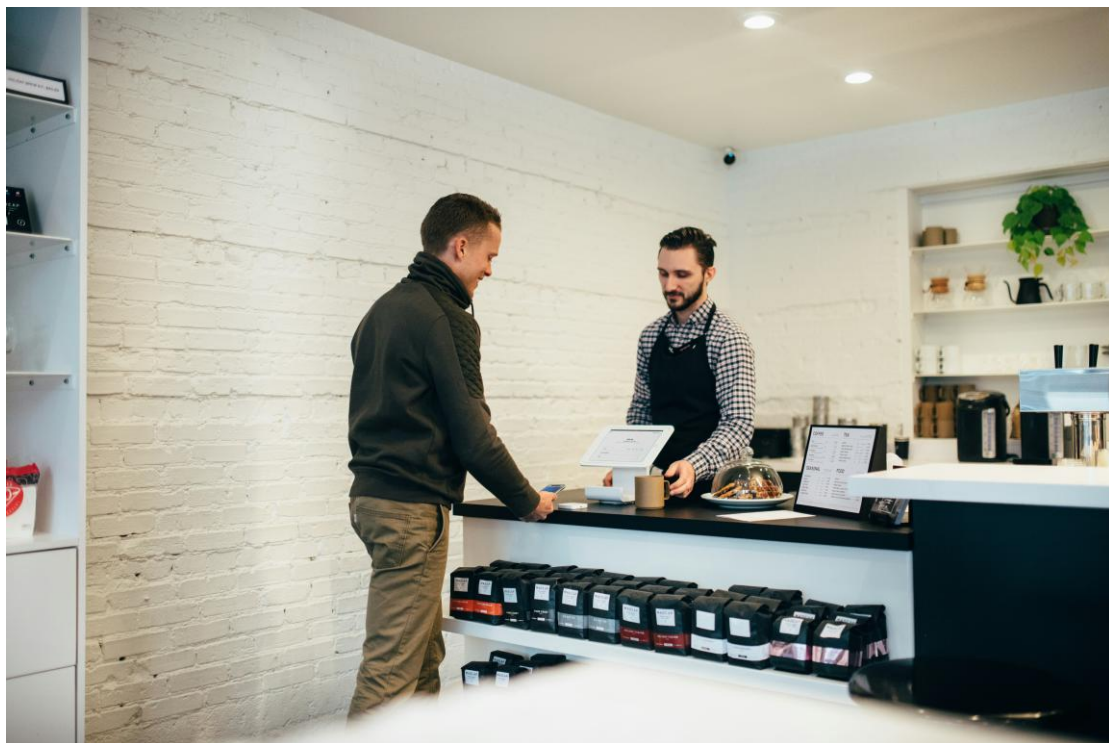
You don't need to want to sell your business to benefit from knowing if you could. This month's guest blog is from Jing Seth of Kāhu Partners Limited.

Is My Business Ready to Sell?

For many business owners, the idea of selling their business sits somewhere between "Not yet" and "I'd rather not think about it."

That hesitation is understandable. Selling a business doesn't happen often; the process is full of unknowns and raises the question of what to do with yourself afterwards. When the business is closely tied to your identity, relationships, and livelihood, it's an easy subject to put in the "maybe later – if ever" pile.

The problem is that avoiding the question often comes at a cost. Not because every owner should sell, but because not knowing your options can quietly limit them.



Why Making Your Business More Saleable Gives You More Options

Business owners need to know how to prepare a business for sale. It helps to separate two ideas that are often blurred together:

The EVENT of selling a business.

The CHARACTERISTIC of a business that is attractive to buyers.

A business that could change hands cleanly, even if it never does, is usually:

- Easier to run
- Less stressful to own
- More resilient to shocks

It does not rely excessively on any one person, and it does not unravel when the owner steps back. That's not only a great business to sell – it's a great business to own and run.

In other words, optionality or saleability is not about having an exit plan for the owner. It is about control.

Common Hidden Risks that Reduce Business Value

Many businesses perform well on paper while still being fragile underneath.

Common patterns include:

- decisions funnelled through the owner
- customer and supplier relationships held personally
- critical knowledge living in people's heads rather than in documented systems
- a leadership team that executes, but cannot fully lead independently

None of these issues necessarily stop a business from growing. But they do affect how confidently someone else could step into the owner's shoes, and how much risk the business carries if circumstances change.

In practice, otherwise strong businesses that are overly reliant on the owner are often discounted by **20–30%**, and sometimes more. What's more, those same businesses often have dramatically fewer interested buyers. What could have been a sale process measured in months becomes one that stretches into years.

Most owners only discover these gaps late in the piece, when options are narrower than expected, and prices insult the hard work they've put in.

How a Mock Sale Reveals True Business Value

Importantly, gaining this insight does not require deciding to sell. One approach we use is a **mock sale**, or external readiness review. It is not a sale, not a decision to go to market, and not a broker process. It is a controlled, anonymous simulation.

The exercise looks at the business through an external investor lens to:

- establish a realistic valuation range
- identify where and why discounts would likely be applied
- surface hidden walk-away risks that cause buyers to disengage
- highlight process and diligence issues that might slow down or kill a transaction entirely.

In effect, it simulates how the market would treat the business, without exposing it to the market.

For most owners, the benefit is not in the number itself. It is the clarity. Understanding where value leaks occur, what would concern an external party stepping in, and which changes would materially improve resilience and optionality.

Why Building a Saleable Business Strengthens It – Even If You Never Sell

Whether a sale ever happens or not, optionality gives peace of mind. A saleable business is one that can run without the owner. It allows owners to make decisions from a position of strength rather than urgency, and to step back, temporarily or permanently, on their own terms. That includes being able to take a real holiday!

If this is something you have been curious about or have been quietly avoiding because it feels too big or too final, a conversation can be useful. Not to push an outcome, but to understand how the market would really view the business, and what would give you more confidence in the options ahead.

- *Jing Seth, Kāhu Partners Limited*



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