

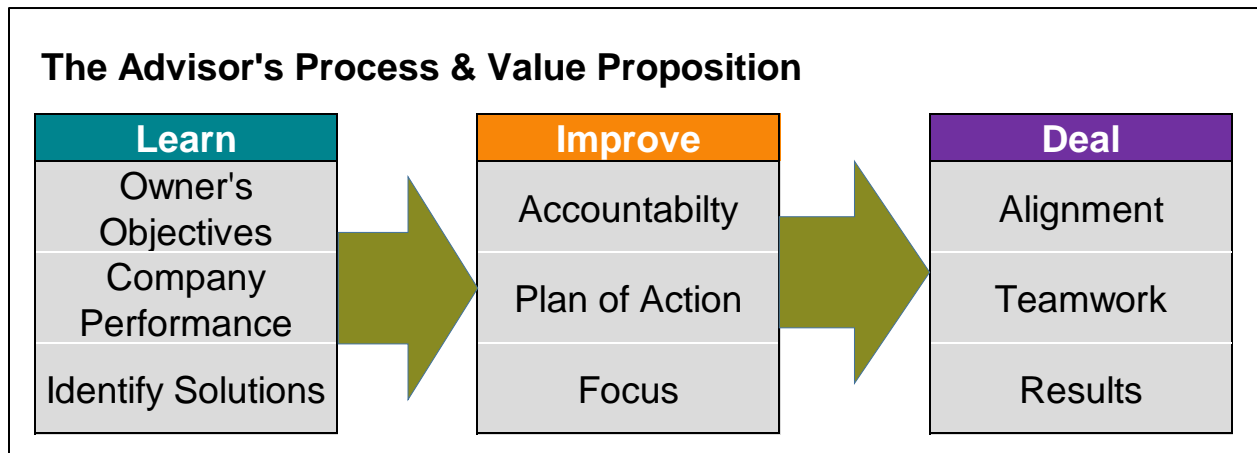
## The Value Proposition of Collaboration and Value Growth

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At the 2017 AM&AA Summer Conference in Chicago, the Alliance unveiled its collaboration model and value proposition “Learn Improve Deal”. The framework offers members a way to present the collaborative model to peers as well as clients, outline a high-level approach for collaboration and convey the benefits for bringing a multi-disciplinary team to a business owner.

Advisors include all the different players in the M&A ecosystem including investment bankers, private equity groups, financiers, value growth consultants, accountants, attorneys, wealth managers and so on. Each player has a role in the life cycle of the business, its growth, sale and subsequent support of the business owner.



“Learn” is the components of the framework that focus largely on the process. “Improve” offers glimpses into both process and the value it delivers. “Deal” conveys impact on the deal transaction; it is the value delivered to the business owner and the collective group of advisors through collaboration.

### “Learn”

An advisor’s process universally begins with “Learn” regardless of their specialty or expertise. She must understand and learn about the owner, their goals, objectives and timetables to establish a foundation for everything that follows. She must also learn about the business itself – its products, markets, customers, employees and performance results – from where the company has been to where it is heading in the future. In order to identify solutions to opportunities, she must understand the people involved, the processes utilized, and the risks to overcome. Many times the owner is learning the reality of his current position as well as his real needs. Finally, the “Learn” phase concludes with identifying, vetting and implementing appropriate solutions.

Throughout the “Learn” process, the advisor dives deeper in their analysis and understanding as shown below to build out their knowledge and understanding of the business owner’s situation.

Learn		
Owner's Objectives	Company Performance	Identify Solutions
Personal	Past	People
Wealth	Present	Process
Relationships	Future	Risks

### “Improve”

“Improve” instills accountability in the process. The best laid plans of actions, documented with assignments, timeframes and expected outcomes, demand discipline in execution. They must be methodically developed, documented, communicated and monitored. External accountability, provided through a business owner’s circle of advisors, accelerates achievement and improves a business’s focus. Focus in execution as well as decision making are enhanced. The result is that resources are more wisely deployed to have the greatest impact and ensure stronger sustainability of the business into the future.

Improve		
Accountability	Plan of Action	Focus
Owner	Who	Resources
Mgt Team	What	Impactful
Advisors	When	Sustainable

### “Deal”

The value in undertaking the “Learn” and “Improve” steps comes to fruition in the “Deal” component of the collaborative framework. For the business owner, it means that his advisory team has been better aligned in their communications and negotiations because they are operating from a common set of directions from the owner. Decision making occurs faster, with a shared understanding of goals and objectives, and is more fluid. Through teamwork, more creative solutions may be built and efficiency is maximized. Lastly, and most importantly, results are better. Through value growth execution, the price will be enhanced – sometimes substantially. The structure better fits goals and objectives. The deal will close sooner with far fewer bumps in the road, minimizing the duration of distraction on the business owner. The advisors similarly enjoy the same benefits as more deals get done.

Deal		
Alignment	Teamwork	Results
Communication	Creativity	Price
Negotiation	Commitment	Structure
Decision-making	Efficiency	Closing

### Share It

The “Learn Improve Deal” framework was developed in response to a need expressed by many transaction advisors and intermediaries. Many shared that they had a challenge convincing a business owner to work with a value growth consultant to help them become deal-ready. This framework an attempt to simplify the message around a process that can be complex, respecting the fact that every situation needs to be customized to the owner and advisor.

For copies of the framework, please contact Kathleen Hoke at The Alliance [khoke@amaaonline.com](mailto:khoke@amaaonline.com)