Your Next Owner Might Already Be on Payroll

When owners picture selling one day, they usually imagine a stranger arriving with a cheque. Yet some of the smoothest handovers happen with someone who already knows the business inside out. The manager who has run the floor for years, kept the customers happy, and carried real responsibility is often the most natural buyer of all.

Why An Inside Buyer Works

An internal buyer knows the staff, the suppliers, and the customers. There is no long handover, no learning curve, and far less risk that the business stumbles after you leave. Customers see a familiar face, the team feels secure, and the value you built is far more likely to hold. Funders are often more comfortable backing a buyer who already knows the business than an outsider starting cold.

It Starts with How You Treat Your Best People

This kind of exit does not appear overnight. It grows from how you develop and reward the people who matter. Owners who share responsibility, involve key managers in decisions, and let them feel real ownership of results tend to keep those people for years. Some go further and tie a portion of reward to the performance of the business, so the manager thinks like an owner long before they become one.

Making The Numbers Work

The obvious problem is that a manager rarely has the full purchase price in the bank. This is where structure matters. A management buyout can be funded through a mix of the buyer's own contribution, funding from a bank or an investor, and payments made over time from the profits the business earns. It takes planning and honest numbers, but it is done successfully far more often than most owners realise.

The earlier you start thinking this way, the more options you have. A manager you begin grooming today could be ready and funded in a few years, exactly when you want to step back.

If you have people who already run your business like it is their own, they may be your best exit.