A FAITHFUL GUIDE

Stewarding What's Been Built

A practical and faithful guide for stewarding a business through an ownership transition.

When the Transition Means More Than the *Transaction*

For some owners, a company is primarily an economic asset. For others, it has become something more.

It may be a place where generations of employees have built careers. A source of stability for hundreds of families. A platform for serving customers, supporting a community, practicing generosity or living out deeply held convictions.

For faith-led owners, those convictions may have shaped the business from its earliest days. Sometimes that influence is explicit: a stated faith-based mission, corporate chaplaincy, support for ministries, prayer before meetings or charitable giving woven into the operating rhythm.

More often, faith shows up quietly. It can influence how employees are treated during difficult seasons. How leaders think about compensation. How a company responds when someone is struggling. How customers and suppliers are treated when no one is watching. How profit is understood. How much is given away.

> Then comes a question many faith-minded owners eventually face: *what happens to these things when ownership changes?*

INTRODUCTION

A sale can create significant financial value. It can also transfer control of an organization that carries years, or generations, of relationships, habits, traditions and meaning. **That reality deserves serious consideration before a transaction begins.**

This guide is written for owners who want to think clearly about that responsibility. It does not advocate for a particular faith tradition or suggest that every business should operate from a faith-based perspective. It is intended for owners who have already decided that faith, values or deeply held principles matter to how their company operates, and want to understand how those priorities can inform a future transition.

THE CENTRAL QUESTION

If your values helped shape the business, how should they shape the way you sell it?

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STEWARDING WHAT'S BEEN BUILT

What's Inside

01 Start by Understanding What You Are Actually Trying to Preserve

Owners often use words such as *culture, values, legacy* and *faith* interchangeably. They are related. They are not the same, and that distinction matters in a transaction.

A buyer cannot meaningfully evaluate a statement such as, "We have a special culture." An owner cannot easily protect it. An advisor cannot build a sale process around it. The first step is to get more specific.

How faith and values may show up in a business

LAYER	WHAT IT MAY LOOK LIKE
Stated Beliefs	Mission statements, faith language, prayer, written values, explicit traditions
Leadership Behaviors	Humility, accountability, honesty, forgiveness, service, treatment of people
Operating Practices	Benefits, compensation, employee assistance, giving, vendor practices, community commitments
Cultural Norms	How conflict is handled, how decisions are made, what behavior is rewarded, how people treat one another
Stewardship Choices	Reinvestment, philanthropy, employee opportunity, long-term thinking, responsibility to community

This exercise often reveals something important. Some values are highly visible but lightly embedded. Others are barely mentioned yet deeply woven into the company.

A business may never describe itself publicly as faith-led, while its approach to employee hardship, generosity, leadership and service clearly reflects the owner's convictions. Another company may display faith language prominently while depending almost entirely on the founder to sustain the underlying behaviors. Those are very different transition situations.

In many faith-led businesses, the clearest evidence of conviction is not a formal program or public statement. It is found in the decisions the company repeatedly makes when doing otherwise would be easier or more profitable.

> OWNER REFLECTION
>
> *If a buyer removed every values statement from the walls tomorrow, which parts of your culture would still survive?*
>
> The answer begins to reveal what is truly institutionalized.

02 Separate Convictions From Preferences

One of the hardest parts of preparing for a sale is deciding what actually matters when real choices emerge. Before going to market, an owner may say: *“I want a buyer who will preserve our culture.”*

That sounds clear — until one buyer offers a materially higher price and another appears more culturally aligned. Or until a buyer supports most of the company’s traditions but wants to change leadership. Or until the strongest financial partner has a different worldview but an excellent record of treating acquired employees well.

These decisions become more difficult once money, timing, family and emotion enter the process. Owners are better served by working through priorities *before* offers arrive.

The values priority framework

CATEGORY	MEANING	EXAMPLE
Non-Negotiable	A material conflict could make a buyer unacceptable	Maintaining a critical facility, or avoiding a buyer whose plans clearly conflict with a core conviction
Strong Preference	Important enough to influence buyer selection and negotiations	Preserving a longstanding employee assistance practice, community commitments, retaining key leaders
Hope	Meaningful, but difficult to require or control after closing	Informal traditions, founder-style leadership rhythms, specific cultural practices indefinitely

If everything is non-negotiable, the owner may not truly be prepared to transfer control. If nothing is, price can quietly become the default decision criterion.

A practical example

Consider a founder-owned industrial company with several hundred employees. The owner's faith has influenced the business for decades: it has quietly helped employees through hardship, gives consistently to local organizations, promotes heavily from within and has never closed its original plant despite chances to consolidate. At first, the owner says, *"I want all of that protected."* Further discussion reveals a more nuanced picture.

PRIORITY	OWNER'S CONCLUSION
Avoid an immediate plant closure	Non-negotiable
Preserve established employee assistance practices	Strong preference
Maintain local charitable commitments	Strong preference
Keep every current executive indefinitely	Hope
Continue every founder-led tradition	Hope

> The owner has not abandoned the company's values. *The owner has made them clearer.*

That clarity can materially improve buyer screening, negotiations and decision-making.

03 Translate Values Into Buyer Criteria

Most sale processes begin with financial and strategic criteria. Who can pay? Who has a reason to acquire the company? Who understands the industry? Who can close? Those questions are essential. For a values-conscious owner, they may be incomplete.

A buyer's treatment of people, approach to control, acquisition history, governance model and time horizon may also matter. The challenge is to move beyond broad claims. Nearly every buyer says some version of, *"We respect what you've built."* The more useful question is: *what evidence supports that statement?*

Diligence should run both ways

Buyers will examine the seller closely: earnings, customers, contracts, leadership, legal exposure, systems and risk. Owners should also study buyers: reference conversations with prior sellers, former executives, management teams at acquired businesses, lenders and advisors who have seen the buyer operate after closing.

> Shared faith is not the same as demonstrated alignment. *Labels can inform a conversation. Behavior provides evidence.*

SECTION 3

Questions Worth Asking a Potential Buyer

The answers matter. The specificity of the answers may matter just as much.

→ *What happened to the leadership teams of your last several acquisitions?*

→ *How much operating autonomy remained after closing?*

→ *Can we speak with owners who previously sold to you?*

→ *How have you handled an acquired company that missed its forecast?*

→ *What decisions remain local, and what decisions become centralized?*

→ *How do you approach employee retention and compensation after closing?*

→ *What typically happens to community and charitable commitments?*

→ *How do you evaluate culture before an acquisition?*

→ *Who will actually control the business two years after closing?*

→ *What would you expect to change in the first 100 days?*

04 Build Values Into the Sale Process

Values should not appear for the first time when final bids arrive. If they matter to the owner, they should influence the architecture of the process from the beginning.

STAGE	PRACTICAL APPLICATION
Owner Readiness	Clarify priorities before approaching buyers
Buyer Universe	Consider ownership model, acquisition history, reputation, geography and strategic intent
Initial Screening	Identify obvious conflicts or areas requiring deeper diligence
Marketing Materials	Communicate culture and organizational strengths accurately in the company's M&A investment memo
Buyer Meetings	Explore leadership philosophy, integration approach and future plans
Site Visits	Observe how buyers engage with management and the organization
Reference Diligence	Speak with prior sellers and acquired-company leaders
Bid Comparison	Evaluate economics, certainty, structure, culture and transition together
LOI Negotiation	Address specific priorities where appropriate
Definitive Agreements	Document enforceable commitments with qualified legal counsel
Transition Planning	Establish clear ownership of cultural and organizational continuity

This is one reason a broad buyer process can matter even when an owner has a preferred buyer. *Competition can improve price and terms. It can also create choice.*

ONE BUYER	SEVERAL BUYERS
An owner evaluating one buyer has *a negotiation*.	An owner evaluating several credible buyers may have *options.*

For values-conscious owners, that optionality can be particularly important. It creates the ability to compare different visions for the company rather than accepting the assumptions of the only party at the table.

Assemble an Aligned Advisory Team

A values-conscious sale is rarely run alone. Much of the work described in this section (preparing the company, building the buyer list, developing marketing materials and creating a competitive process) depends on assembling the right advisors early and making sure they operate as one coordinated team.

Each advisor protects a different part of the outcome. Engaged late or working in isolation, they can leave owners with avoidable tax, timing or legal surprises. Aligned from the start, they help the process move with fewer surprises and more optionality.

LEADS THE PROCESS

M&A Advisor & Investment Banker

Olivewood prepares the company, builds the buyer universe, runs a disciplined competitive process and negotiates price, structure and terms, coordinating the full advisory team through close.

STRUCTURES THE DEAL

Legal Counsel

Negotiates and documents definitive agreements and translates the owner’s non-negotiables into enforceable commitments.

MODELS THE OUTCOME

Tax & Accounting

Prepares clean financials for diligence, models the after-tax result and surfaces planning that is most effective before closing.

PROTECTS THE PROCEEDS

Wealth & Estate

Aligns proceeds with the owner’s long-term goals for family, legacy and charitable intentions, well before the money arrives.

> *Engage the team before the process begins, not after an offer arrives. The earlier the coordination, the more options the owner keeps.*

05 Understand What Can (and Cannot) Be Protected

Owners sometimes enter a transaction believing that the right contract or legal documentation can preserve the company exactly as it exists today. That expectation deserves scrutiny. Certain priorities may be documented. Others are difficult to guarantee once control changes hands.

MORE CAPABLE OF BEING DOCUMENTED	MORE DIFFICULT TO GUARANTEE
Defined employment arrangements	*Long-term leadership behavior*
Certain governance rights	*Genuine commitment to founder values*
Board participation	*Informal cultural norms*
Specific transition obligations	*How future leaders interpret the culture*
Certain facility commitments	*Permanent local decision-making*
Defined charitable commitments	*Long-term generosity*
Treatment of specific employee programs	*Continuation after a later resale*
Rollover or consent rights in defined areas	*Preservation of founder influence without control*

A contract can protect terms. *It cannot manufacture conviction.*

That does not make contractual protection unimportant. It means owners should avoid confusing documentation with alignment.

The strongest situation is often a combination of factors working together:

- Thoughtful buyer selection
- Evidence from the buyer's past behavior
- Appropriate contractual protections
- Aligned leadership
- Realistic expectations about what ownership transfer means

06 Different Buyers Create Different Questions

No buyer category is naturally better for culture. The right question is rarely "which buyer type is best?" but *which ownership model best fits what we are trying to accomplish?*

BUYER PATH	POTENTIAL ADVANTAGES	QUESTIONS TO EXAMINE
Strategic Buyer	Industry knowledge, synergies, resources, potential long-term ownership	Integration plans, facility overlap, leadership retention, centralized control
Private Equity	Growth capital, management incentives, professionalization, potential rollover of equity	Hold period, leverage, governance, future sale, operating autonomy
Family Office	Potentially longer horizon, flexible capital, stewardship orientation in some cases	Actual mandate, decision rights, investment experience, succession within the office
ESOP	Employee ownership, continuity, potential cultural alignment	Financial feasibility, leverage, governance, management readiness
Management Buyout	Leadership continuity, cultural familiarity	Financing, management depth, concentration of risk
Family Succession	Family continuity, potential values alignment	Readiness, fairness among family members, governance, capability
Long-Term Independence	Continued control and optionality	Owner readiness, succession depth, capital needs, concentration risk

No category guarantees alignment. The work is in evaluating the actual buyer.

07 Ask Whether the Values Are Transferable

This may be the most uncomfortable part of the readiness process. An owner may sincerely believe that faith and values are central to the company. But what happens when the owner leaves the room?

If generosity depends entirely on one person writing checks, is it institutional? If care for employees depends entirely on the founder stepping in personally, is it truly part of the culture? If principled decisions are made only when the owner intervenes, has the broader leadership team learned how to make them?

> The issue is not whether the founder has been sincere. *The issue is transferability.*

Values transferability assessment

AREA	KEY QUESTION
Leadership	Do senior leaders model the company's values without founder intervention?
Hiring	Are values reflected in how leaders are selected and evaluated?
Incentives	Does the company reward behavior consistent with its stated principles?
Decision-Making	Can leaders apply values when financial tradeoffs become difficult?
Employee Experience	Would employees describe the culture consistently?
Community	Are commitments institutional or personally controlled by the founder?
Governance	Do board and ownership practices reinforce stated priorities?
Succession	Are future leaders prepared to carry the culture forward?

A company does not need to become bureaucratic to make its values transferable. It does need to move beyond founder dependence. *The same work that makes a company more transferable operationally can make its values more durable.*

08 Recognize the Tension Between Price and Priorities

Many owners say culture matters. A sale process eventually tests how much. Imagine three credible offers.

OFFER	ECONOMICS	VALUES / CULTURE FIT	OTHER CONSIDERATIONS
Buyer A	**Highest**	Uncertain	Aggressive integration plan
Buyer B	**Competitive**	Strong	Greater leadership continuity
Buyer C	**Lower**	Very strong	Long-term ownership orientation

There is no universal answer. Each of these can be a legitimate decision. The purpose of preparation is to prevent the decision from being made *accidentally*. If an owner has never defined priorities, the highest number can become the default.

Buyer A	may be chosen to use the additional wealth to serve family and community in ways that matter deeply.
Buyer B	may be chosen because the economic difference is modest and the cultural evidence is stronger.
Buyer C	may be chosen because continuity outweighs a portion of the financial difference.

If an owner has romanticized culture without understanding the financial consequences, regret can move in the opposite direction. Good advice requires both.

> Values should be taken seriously enough to *define*. Value should be taken seriously enough to *measure*.

09 Consider the Employees, Without Making Promises You Cannot Keep

For many owners, employees are the first concern raised in a sale discussion. Some have been with the company for decades; others are relatives, friends, neighbors or members of the same community. A transaction changes that relationship. Owners should think carefully about employee priorities while remaining realistic about what can be promised.

DISTINGUISH CAREFULLY BETWEEN…

Buyer Language
What a buyer says it intends to do

Documented Commitments
What is written and enforceable

Demonstrated Behavior
What the buyer has actually done before

Personal Hope
What the seller wishes will remain true

This is another area where buyer reference diligence matters. An aligned advisor will ask former sellers what happened after the announcement. It's important to understand whether the buyer honored the spirit of its commitments when circumstances became difficult, and what changed at six months, eighteen months and three years.

> A polished presentation tells you what a buyer *intends*. History tells you how that buyer *behaves*.

10 Prepare for the Personal Side of Stewardship

For many founders, the deepest values questions do not concern the buyer. They concern the owner. A business can become intertwined with identity, routine, relationships, reputation, purpose and service. For a faith-led owner, the questions may run deeper still.

→ *What has this business been entrusted to me to do?*

→ *What responsibilities come with the wealth created by a sale?*

→ *Am I holding on because I am still the right steward, or because I cannot imagine who I am without the company?*

→ *Would a new owner provide resources I cannot?*

→ *What am I moving toward?*

These questions do not have standard M&A answers. They can, however, affect an M&A process.

An owner who has not considered them may:

- Hesitate after receiving offers
- Change priorities during diligence
- Resist reasonable transition planning
- Discover late in the process that a full exit was never truly desired

> *Personal clarity is part of transaction readiness.*

For some owners, that work involves family. For others, a wealth advisor, pastor, spiritual advisor, board member, peer group or trusted friend may be important.

The investment banker has a role as well: to understand what the owner is actually trying to accomplish before designing a process around it.

OWNER INSIGHT

Stewardship Begins Before Closing

Many owners plan to support the causes, ministries, schools or communities they care about after selling their business.

Some of the most effective planning happens before the transaction closes, when giving can be structured far more tax-efficiently than after proceeds are received.

This is where a values-aligned wealth advisor earns their place. Beyond managing assets after a sale, the right advisor understands what the proceeds are *for* and builds a plan around those objectives, whether family, generosity or a next chapter of purpose. Choosing one who shares your convictions matters as much as choosing the right buyer.

If charitable giving is part of your long-term vision, begin the conversation well before a transaction becomes imminent. Early planning can create more options than last-minute planning.

Olivewood Advisors does not provide tax or legal advice. Owners should consult qualified tax, legal and wealth advisors regarding charitable planning and transaction-specific strategies.

11 A Practical Roadmap for Values-Conscious Owners

The work should begin before buyers are at the table. Readiness is built in phases: each one compounding on the last.

24-18 MO	18-12 MO	12-6 MO	PROCESS
Clarify & Assess	*Institutionalize*	*Prepare*	*Execute with Discipline*

> *The earlier this work begins, the more it becomes ordinary preparation rather than a scramble under pressure, and the more optionality the owner preserves.*

24–18 MONTHS BEFORE *Clarify & Assess*

OBJECTIVE	PRACTICAL WORK
Clarify owner priorities	Define financial, family, employee, faith, culture and community objectives
Assess embedded values	Identify what is institutional versus founder-dependent
Begin family alignment	Discuss timing, liquidity, involvement and legacy expectations
Identify cultural vulnerabilities	Determine which practices disappear without the owner
Strengthen leadership	Develop leaders capable of carrying values and operations forward

18–12 MONTHS BEFORE *Institutionalize*

OBJECTIVE	PRACTICAL WORK
Institutionalize culture	Connect values to leadership, hiring, incentives and decision-making
Define buyer criteria	Establish non-negotiables, strong preferences and hopes
Evaluate ownership paths	Compare strategic, PE, family office, ESOP, succession and independence
Align advisors	Bring M&A, legal, tax, wealth and other trusted advisors into the conversation
Address dependencies	Reduce excessive founder reliance across relationships and culture

12-6 MONTHS BEFORE *Prepare (w/ Advisor Team)*

OBJECTIVE	PRACTICAL WORK
Build the buyer framework	Incorporate owner priorities into buyer universe development
Prepare the story	Explain culture accurately without overstating its transferability
Develop diligence questions	Create a structured approach to evaluating buyers
Identify legal priorities	Discuss potentially documentable protections with M&A counsel
Plan references	Determine which prior sellers or executives should be contacted

DURING THE SALE PROCESS *Execute with Discipline*

OBJECTIVE	PRACTICAL WORK
Maintain competition	Preserve options across credible buyers
Evaluate behavior	Watch how buyers interact with management and respond under pressure
Conduct reverse diligence	Investigate prior acquisitions and seller experiences
Compare whole outcomes	Evaluate price, structure, certainty, culture, governance and transition
Document appropriately	Negotiate specific commitments where feasible
Prepare transition	Clarify leadership, communication and continuity plans

SECTION 12

THE OWNER WORKBOOK

12 What Are You *Really* Passing On?

This workbook is designed to be completed before a sale process begins. Answer honestly: the value is in the clarity, not the wording.

TEN QUESTIONS · COMPLETE BEFORE GOING TO MARKET

1 Which values are genuinely embedded in the company?

Do not list aspirational words. Identify behaviors that employees can observe.

2 Which values or traditions depend primarily on you?

If you stopped coming to work for six months, what would disappear?

3 What would you most regret seeing change after a sale?

Be specific: a way of treating employees, a commitment to local jobs, a principled boundary.

4 Which priorities are truly non-negotiable?

Would you decline an otherwise attractive transaction over them?

5 Which priorities are strong preferences?

How much economic or structural flexibility would you accept to improve the outcome?

6 Which priorities are hopes?

Where do you need to acknowledge that a transfer of ownership also transfers control?

7 How would your employees describe the culture?

Would their answers match yours?

8 What evidence would make you trust a buyer?

Prior seller references? Leadership retention? Community history? Governance rights? Behavior under stress?

9 What are you willing to trade for a higher price?

The question may be uncomfortable. Answering it early is useful.

10 What are you moving toward?

If the transaction closes, what will give structure, meaning, service and purpose to the next season?

CASE IN POINT

AN ILLUSTRATIVE OWNER SCENARIO

When the Highest Offer Was *Not* the Only Question

A second-generation owner had spent decades growing a regional services business employing several hundred people, with a strong local presence. Faith was part of the owner's personal story and had influenced the company in practical ways: it supported employees through hardship, invested heavily in leadership development, shared success broadly and maintained meaningful community commitments.

As the owner considered a transition, several buyers emerged. One offered the highest headline value. Another presented a competitive offer with a different operating model: one that retained more local leadership, provided greater continuity for management and appeared more consistent with the owner's priorities.

The decision was not immediate. The owner and advisory team examined the economic differences, transaction structure, certainty of close, future governance, employee implications and the buyers' prior acquisition histories. Reference conversations became particularly useful. The owner ultimately made a decision based on *the full outcome being offered, not a single variable*.

> The lesson is not that owners should accept less money for culture. It is that owners should know *what they are optimizing for* before the market forces the question.

Ownership Is a Form of Control. *Stewardship* Is a Form of Responsibility.

Selling a business requires an owner to make decisions that can be measured. It also raises decisions that are far harder to place in a spreadsheet.

DECISIONS YOU CAN MEASURE	DECISIONS THAT RESIST A SPREADSHEET
Purchase price	*Who will lead?*
Cash at close	*What will change?*
Rollover equity	*How will employees be treated?*
Working capital	*What happens to the culture?*
Escrow	*Will the company keep serving people?*
Tax impact	

Those numbers matter, and they deserve rigorous advice and serious negotiation. For owners whose faith has shaped the way they built and led, the other questions may carry particular weight.

There are no perfect buyers. No contract can freeze a company in time. No seller can transfer ownership while retaining unlimited control over what comes next. *But owners can prepare.*

- Define priorities before money is on the table
- Distinguish conviction from preference
- Choose and build an advisory team aligned to your values to help shepherd you and the business through the process
- Build a process that creates choice
- Investigate buyers as carefully as buyers investigate them
- Negotiate protections where protections are realistic

And they can enter a transition with greater clarity about what they are selling, what they hope to preserve and what they are ultimately willing to release.

The question is not only what the business is worth. *It is also what has made it worth building.*

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