



A Practice Guide to M&A for AEC Firm Owners



Selling your company is one of the most important decisions you'll make as a business owner. Whether you're exploring to sell in the near term or simply evaluating future options, understanding the factors that influence strategic fit and transaction readiness can help you make more informed decisions.

This guide is designed to provide a practical overview of the mergers and acquisitions landscape for AEC firms. Inside, you'll learn what drives attractiveness for Buyers, how different Buyer types compare, and what to expect throughout the transaction process.

Get Started



Begin With the Decision

Before considering buyer type or transaction structure, start with the most important question: Is selling the right path — and why now?

Common Reasons Owners Consider a Transaction

- 1 Leadership Transition**
Are you—or some members of the ownership group—ready to step back, while others want to keep building?
- 2 Succession**
Is there a clear next generation of leaders who are ready, willing, and financially capable to take ownership forward?
- 3 Liquidity & Diversification**
Do you or other owners want greater liquidity or less of your personal capital tied up in the business?
- 4 Ownership Alignment**
Are owners aligned on timing, ongoing capital and reinvestment needs, distributions, risk, and the future direction of the firm?
- 5 Internal Buyout Constraints**
Would funding an internal ownership transition place too much financial strain on the firm or impose a longer road to liquidity for the owner(s)?
- 6 Growth Capital**
Does the firm need capital, resources, or internal structure beyond what current owners can reasonably fund?
- 7 Operational Demands**
Would greater support across HR, IT, legal, compliance, finance, or other functions allow leaders to focus more on the business?
- 8 Competitive Pressure**
Would greater scale, market reach, or expanded capabilities strengthen the firm's ability to compete and grow?
- 9 Growth & Ownership Plateau**
Has growth slowed, limiting ownership appreciation or the ability of employee-owners to realize meaningful long-term benefit?

Key Takeaway: For multiple owners, alignment on the “why,” timing, and decision-making authority is an important first step before engaging a potential partner.

What Every Seller Should Know Before Going to Market

Whether you're exploring a sale today or planning for the future, understanding what drives strategic fit, identifying the right type of buyer, and knowing what to expect during the transaction process can help you make more informed decisions. Click on the boxes below to learn more.



What is Attractive to Buyers

Learn the eight drivers that position your firm for greater opportunity — and how to act on them before going to market.



Choose the Right Buyer

Understand the differences between employee-owned firms, publicly traded, private equity, and minority investors.

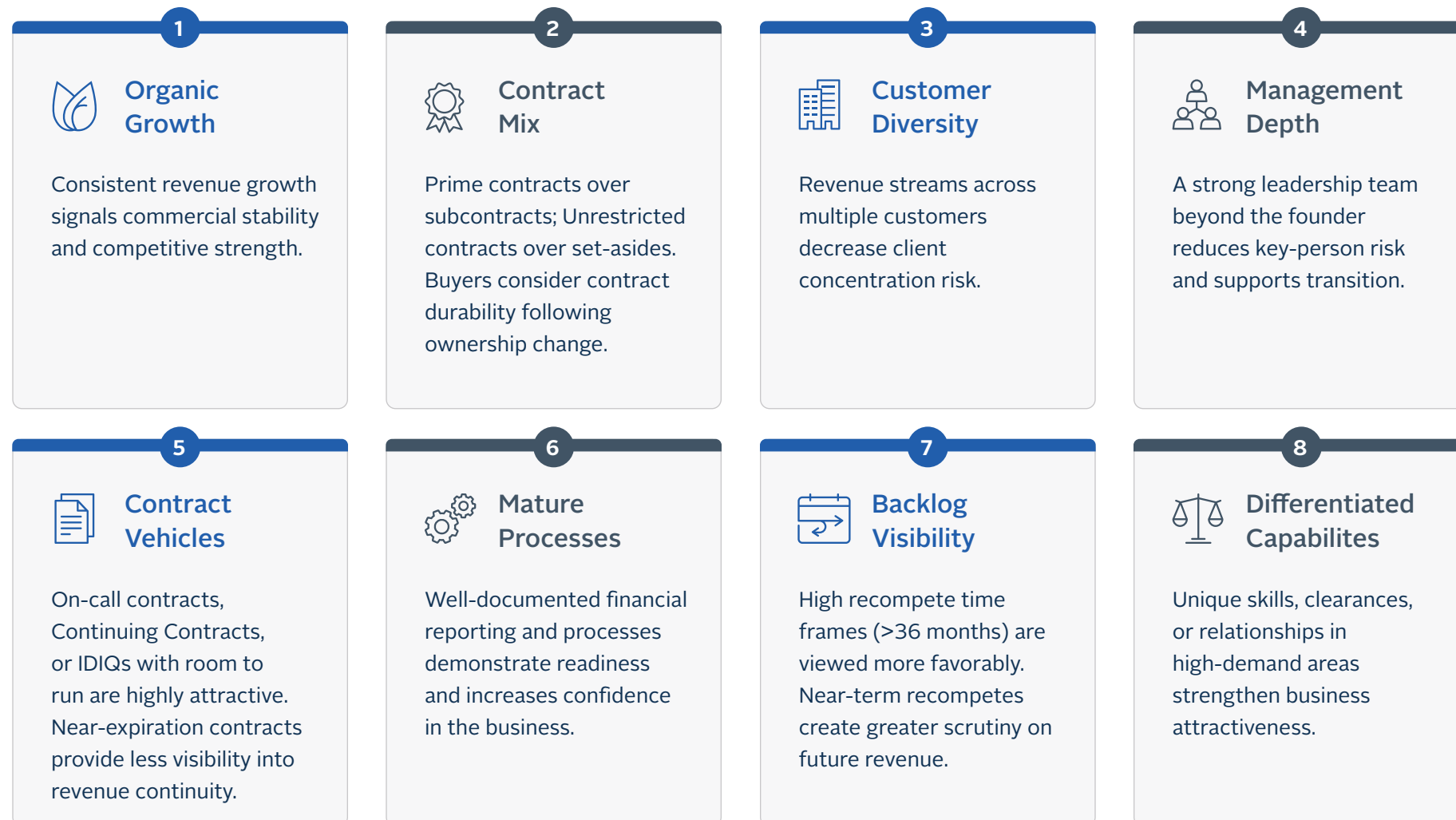


Navigate the Process

Understand the full process from first conversation through NDA, LOI, due diligence, integration planning, and close.

The 8 Drivers that Make a Business Attractive

Businesses that stand out tend to demonstrate consistent growth, operational maturity, strong leadership, and a well-managed risk profile.



Who Should Buy Your Company? Understanding Buyer Types

Employee-Owned Firm	Publicly Traded Firm	Private Equity	Investment Partner (Minority)
► Considerations – Shared ownership culture can support employee retention and continuity – Seller often remains involved in the transition and future leadership – New employees become shareholders in the combined firm – Shareholder equity can grow as the combined organization grows Best when: people, culture, legacy and long-term continuity matter most	► Considerations – Scale, capital and market visibility can accelerate growth – Integration may bring significant systems, brand and culture changes – Employees may experience restructuring or role changes – Founder or seller influence may diminish after close Best when: scale, resources and market reach are the priority	► Considerations – Typically involves a change of control and a defined investment horizon – Hold periods are often approximately 3–7 years before another transaction – A portion of proceeds may depend on achieving post-close performance targets – The business may remain standalone for a period, delaying integration benefits Best when: liquidity and a defined path to a future transaction are priorities	► Considerations – Owner generally retains majority control while gaining capital for growth – Provides an alternative to a full exit – Governance and decision-making expectations will change – The partner may seek a full exit or broader transaction in the future Best when: growth capital is needed but the owner is not ready for a full exit

What to Expect from First Conversation to Close



Key Takeaways & Questions to Ask Yourself Now



Prepare Early

Many improvements that strengthen business attractiveness can take 12–24 months to become evident in your financial and operational performance.



Think Beyond the Transaction

An employee-owned partner can preserve culture and continuity while creating opportunities for employees to become owners and participate in future growth.



Allow Time for the Process

Plan for approximately 5–7 months from the first conversation to close.



Be Ready for Diligence

Clean financials, organized contracts, and accessible business records help resolve questions efficiently and keep the process moving toward close.



Build the Right Advisory Team

Engage experienced transaction counsel and tax advisors early to help navigate key decisions and prepare for the process ahead.

Questions to Ask Yourself Now

- 1 What is my ideal timeline — and is it realistic given my current contract base?
- 2 Do I understand what makes my business attractive to a potential partner — and where I have opportunities to strengthen it?
- 3 Have I identified which buyer type best aligns with my goals for employees, customers, and legacy?
- 4 Is my financial data clean and ready for a sophisticated buyer to review?
- 5 Do I have leadership that can operate without me — or am I the business?
- 6 What does success look like for me 3–5 years after close?



Ready to Explore Your Options?

Whether you're actively considering a transaction or simply planning for the future, an initial conversation can help you better understand your company's value, potential buyer alignment, and the strategic paths available to you.

Contact Us