

## RCM & HCIT Intel

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*Investment Banks:*  
**What's So Special  
About a Specialist?**

**Proven. Focused. Trusted.**

## ***Investment Banks: What's So Special About a Specialist?***

We speak with business owners pursuing a variety of growth and exit strategies, whether they're considering a near-term sale of their business, planning for a longer view, or seeking to make acquisitions. Some understand the benefits of a specialized investment bank to guide them through a successful transaction; others don't. We get it. Everyone's busy. Fact is, most investment bankers are not specialists; they are generalists. In other words, they don't know one industry any better than the next. They may represent a client that manufactures flower pots today, and represent a client in children's retail tomorrow.

Yet some owners still retain generalists for M&A transactions. So, we asked ourselves, with highly-qualified, niche investment banks in the market, why would an owner even consider hiring a generalist?

Many such decisions are based on familiarity and convenience. We've seen owners hire the advisors that sold their uncle's company (even though it was in a different industry), or hire the bankers at the firm that manages their wealth or prepares their taxes. Unfortunately, any track record these advisors possess offers absolutely no indication as to their ability to maximize the sale of a business in a specific industry.

Most owners have probably never needed to know the advantages of specialization in M&A or capital raising transactions. Here's why it matters:

### **Specialized M&A advisors... a sound "investment"**

Specialists have built hundreds of relationships over the years within their area of expertise. They know which groups are well-funded, which fit best with their client's goals, and which ones just want to kick the tires. Being able to narrow the field of potential counter-parties (rather than go to a broad audience) will help immeasurably in protecting confidentiality and time. Further, they possess sector-specific knowledge regarding valuation

**Specialized M&A advisors... a sound “investment”** *(continued)*

drivers and the things that matter most in transactions. The upper echelon of specialists have built dynamic data assets that allow them to identify the best counter-party for a given transaction, or enable them to provide market-based insight into valuations and transaction structures.

**Strategic thinking closes deals and maximizes valuation**

Having depth in a client’s market enables advisors to think strategically to identify the right counter-party, inherent in which are so many factors. Better still, if the investment bank has a team of experienced advisors, they can debate and challenge one another to find the best partner and market approach for each client. A generalist simply can’t consider as many strategic angles for completing the transaction. Their view is limited to what they can research or what the client can teach them. Ultimately, deal-tested knowledge and relationships with buyers can unlock substantial additional value for a client.

**Avoid the learning (and teaching) curve**

The right advisor understands the nuances of the market and can portray their client’s company in the best possible light, while saving owners a significant amount of time and accelerating the transaction timeline. M&A is complicated enough. Who really wants to have to teach their advisor “the basics” about their company, competitors, industry landscape, trends, history, players, etc. only to wonder if they truly understand it or have a deep enough grasp to deftly direct the transaction toward the desired outcome?

At the end of the day, the selection of an M&A advisor should be based on a well-reasoned review of the banker’s expertise, track record, and activity in the market. As many owners have learned, a specialist is the best opportunity to optimize transaction terms and maximize their investment when hiring an advisor to guide them in buying or selling a business or raising capital.

## About Greenberg Advisors.

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Greenberg Advisors, LLC is one of the only firms to specialize in the Revenue Cycle Management (RCM) and Healthcare IT (HCIT) sectors. The firm's professionals have provided trusted M&A and strategic advice to executives and investors for nearly 25 years, resulting in the completion of over 130 merger & acquisition (M&A), capital raising, valuation, and strategic advisory engagements. Greenberg Advisors celebrates its 10-year anniversary in 2019.

GA's RCM and HCIT expertise spans nearly all care delivery methods and specialties, and includes the following IT and service offerings, as well as many others.

