

# Going Public: Why IPO readiness is an enterprise-wide transformation



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An IPO is often seen as a capital markets event. A company files its DRHP, completes regulatory reviews, conducts investor roadshows, rings the bell on listing day, and begins life as a publicly traded entity. From the outside, the journey can appear linear, technical, and transaction driven.

In reality, successful IPOs are rarely defined by the transaction itself. They are shaped by the choices a company makes long before it enters the public markets.

Over the years, I have observed that companies preparing to go public often focus on the visible aspects: regulatory compliance, financial reporting, valuations, investor engagement, and transaction execution. All of these are important. None of them should be underestimated.

The companies that navigate public markets most successfully understand a deeper truth. An IPO is not merely a financing event. It is an institution-building milestone and, a leadership transformation. True IPO readiness requires a company to strengthen governance, internal controls, reporting discipline, strategic clarity, and organisational maturity well before the transaction begins. The real question is not whether a company is ready to go public, but whether it is ready to operate as one. Those are not always the same thing.

## **Growth creates success. Maturity sustains it.**

Many businesses reach the IPO stage because they have achieved scale. They have built strong products, captured market share, expanded geographically, attracted capital, and delivered growth. Growth gets companies to the starting line. Public markets, however, place a premium on something different: maturity.

Investors are not simply buying into what a company has achieved. They are placing confidence in how the company will operate, govern itself, allocate capital, manage risks, and create value in the future. This is where the conversation around IPO readiness needs to be broadened.

The transition from a privately held company to a publicly listed one is not just a shift in ownership structure; it is a change in operating philosophy. Decisions that were once informal become institutionalised. Founder judgement increasingly needs to be supported by governance frameworks. Relationships give way to processes. Individual knowledge must become organisational capability. Going public requires a company to deepen its maturity across various dimensions, as the expectations placed upon it and the scrutiny every action receives fundamentally change.

## **Governance becomes a strategic asset**

Governance is often discussed in the context of compliance: boards need to be constituted, committees established, policies documented, internal controls strengthened, and reporting processes made reliable, repeatable, and transparent. These are all necessary requirements. But reducing governance to a checklist misses a larger opportunity. The strongest public companies do not treat governance as a regulatory obligation; they treat it as a strategic asset. Good governance improves decision-making quality, creates accountability, enables constructive challenge, and provides confidence to investors, lenders, employees, and other stakeholders. Most importantly, it sets up the foundation for scalability and managing risks in an ever more complex operating environment.

This becomes particularly relevant for founder-led businesses, family-owned enterprises, and rapidly scaling companies where decision-making has historically been concentrated among a small group of individuals. As businesses grow, the challenge is no longer speed alone. It is ensuring that growth remains sustainable, repeatable, and resilient. Strong governance provides the foundation for that transition. The question is not whether governance slows organisations down, but whether organisations can continue scaling effectively without it.

## **Culture faces its first real test**

Governance tends to receive significant attention during IPO preparation. Culture receives less, even though it is frequently where the most profound transformation occurs. Private companies often operate with a high degree of entrepreneurial agility. Teams move quickly, decisions happen informally, and founders remain deeply involved in day-to-day operations. These characteristics are often responsible for the company's success.

Listing introduces new layers of scrutiny, accountability, transparency, and stakeholder expectations. The challenge is to preserve entrepreneurial energy while introducing greater discipline. Too much structure can dilute agility, too little can create inconsistency and execution risk. The organisations that navigate this transition most effectively are those that recognise culture cannot remain static. It must evolve alongside the business, often well before the company enters the public markets.

This does not mean abandoning what made the organisation successful. It means ensuring that values, behaviours, decision-making norms, and leadership expectations remain relevant in a more complex environment. In my

experience, some of the most successful public companies achieve something that appears contradictory: they retain the ambition and agility of a growth company while building the discipline of an institution. That combination is difficult to replicate. It is also powerful.

### **Strategy comes under a different spotlight**

Going public changes the strategic conversation. Private companies often have the flexibility to absorb short-term volatility in pursuit of long-term goals. Public companies operate in a more visible environment; performance is scrutinised more frequently, expectations are more demanding, and communication becomes more structured. This does not mean companies should become short-term in their thinking. If anything, it requires greater strategic clarity.

Public companies need a clear narrative around where they are going, why they are going there, and how they intend to create value. That narrative must be understood not only by investors, but also by employees, customers, partners, regulators, and boards. The discipline of being public often forces organisations to answer questions they may previously have deferred.

- Which markets matter most?
- What is the organisation's capital allocation philosophy?
- How will growth be funded?
- What risks are acceptable?
- What capabilities need to be built?
- What should the company stop doing?

These are questions that a company needs to address before they become investor questions. The strongest IPO candidates typically begin answering them well before listing day.

### **The challenge is remarkably consistent across companies**

This journey cuts across organisations—family businesses approaching professionalisation, new-age technology companies preparing for public market scrutiny, private equity-backed firms planning an exit, and mid-market organisations entering their next phase of growth.

For promoters, investors, boards, and leadership teams, the agenda is consistent: build an organisation that is ready not only to list, but to lead with credibility after listing. Listing cannot be the end goal but the outcome of strategic and execution harmony and the beginning of a new chapter in the company's growth journey.

The details may differ, but the underlying challenges remain surprisingly similar: how do you build an organisation that can thrive when transparency increases, accountability deepens, stakeholder expectations expand, and complexity becomes permanent? This is ultimately an institution-building challenge. The IPO simply brings it into sharper focus.

### **The best IPO preparation starts earlier than most companies think**

One of the most common misconceptions about IPO readiness is that it begins when a company decides to pursue a listing. In reality, preparation often starts years earlier. It begins when leadership teams strengthen governance, internal controls, reporting discipline, and finance-function maturity before regulations or investors require them. In this journey, the CFO and finance function play a central role in building credibility: translating performance into reliable information, strengthening controls, enabling better capital allocation, and giving boards and investors' confidence in the organisation's ability to deliver consistently.

It shows up when finance functions invest in better controls before investors demand them; when organisations build management depth before growth makes it necessary; when strategic priorities become clearer before public scrutiny arrives; and when culture evolves before scale exposes its limitations.

Businesses that undertake this work early tend to experience a smoother transition, not because they avoid challenges, but because they have already started building the organisational muscles required to navigate them.

### **Beyond the IPO**

While it is tempting to view listing day as the finish line, it is closer to the starting point. Public markets do not reward companies merely for completing an IPO. They reward companies for consistently delivering performance, maintaining trust, demonstrating resilience, and creating long-term value. That requires much more than transaction readiness. It requires IPO readiness in its fullest sense covering governance, controls, strategic, cultural, and leadership readiness. The most important IPO question is therefore not, "Are we ready to go public?" but, "Are we ready to become the kind of institution that public markets expect us to be?" Companies that ask this question early often discover that the journey is not simply about going public; it is about growing up.