

Escape Overwhelm – Build a Better Business



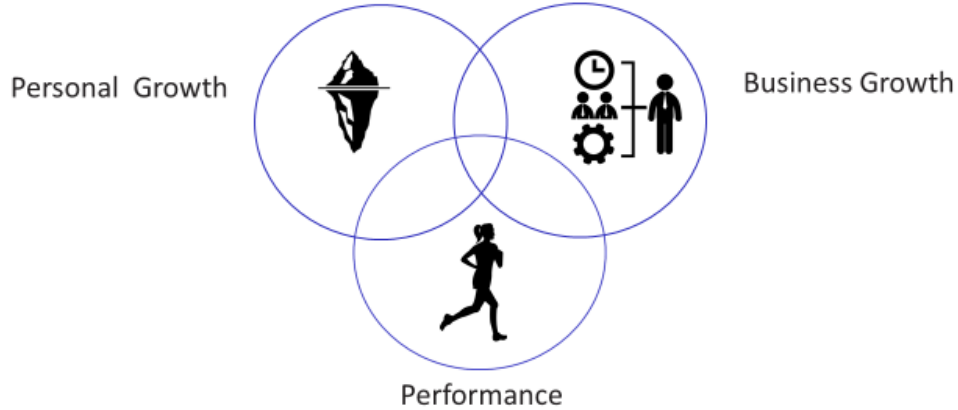
Mindset



Escape Overwhelm – Build a Better Business

Mindset – Business Truth

To have a Better Business You have to Become a Better Owner!



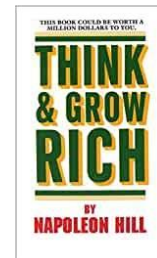


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Mindset Matters!

"The starting point of all achievement is DESIRE. Weak desire brings weak results, just as a small fire makes a small amount of heat."

Napoleon Hill





Escape Overwhelm – Build a Better Business





Why versus How

What do you really want?
And Why do you Want it?

- I want total control of my time
- I want to make lots of money
- I want to build a business that could run on its own and pay me whether I was there or not.
- I want to help lots of people and I knew that if I could do this I would do okay.

Focus on the Why - Figure out the How!



Pain or Pleasure

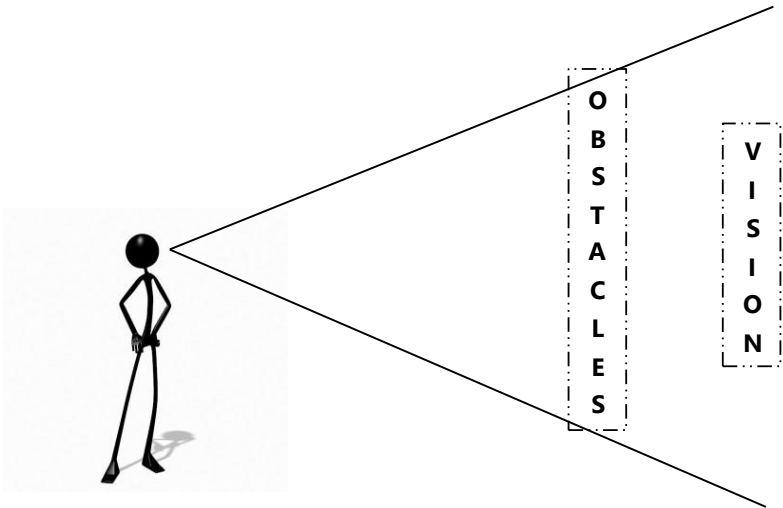




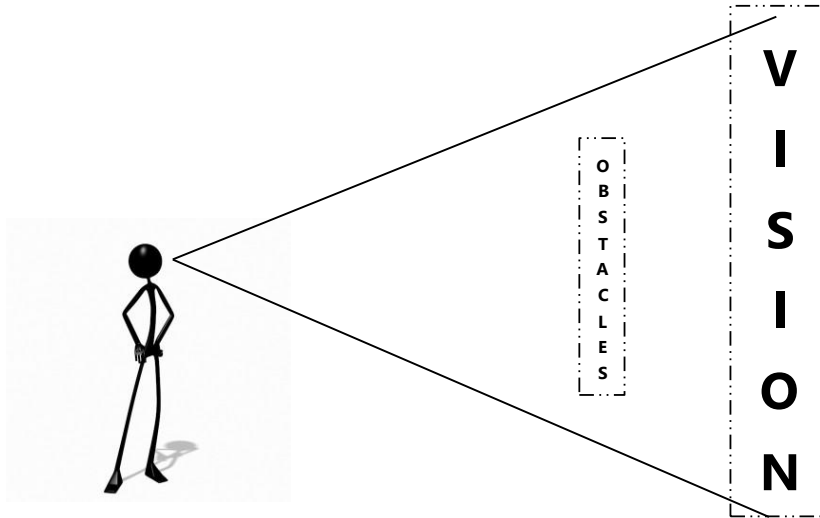
Mindset - Vision



Mindset - Vision



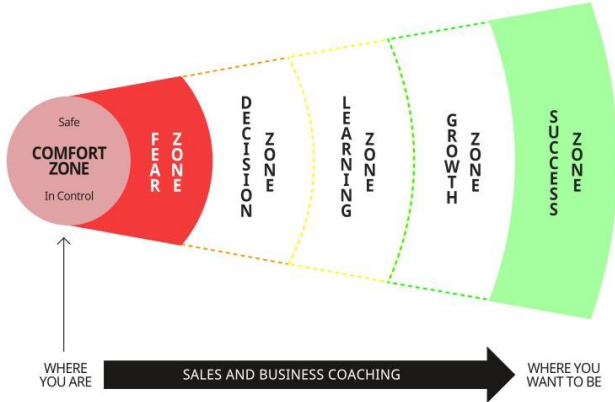
Mindset - Vision



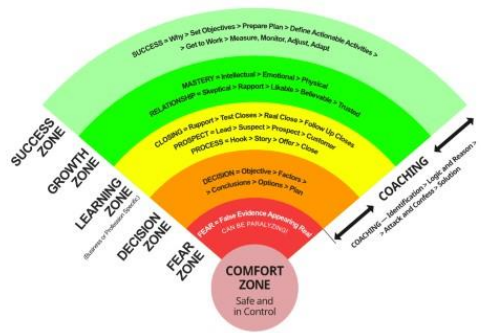
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Roadmap to Results

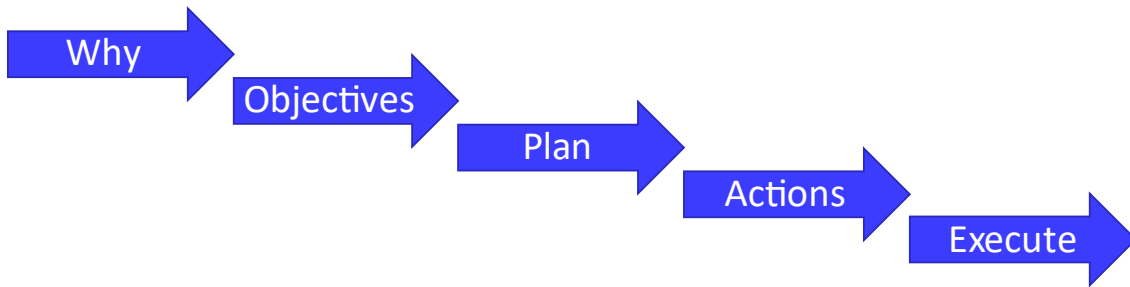
Roadmap to Results "Connecting the Dots" to PROFIT, FREEDOM, LIFESTYLE



Roadmap to Results – The How!



Mindset – Success Continuum



M2A2 – Measure, Monitor, Adjust, Adapt!

The Mastery Continuum

Intellectual →

Training
Formal &
Informal

I Can Do That!

**Systems run
your business**

Emotional →

Coaching
Immersion &
Repetition

I Did That!

**People run
your systems**

Physical →

Leadership
Habits &
Behaviours

I Am In The Zone!

**You Lead your
people**

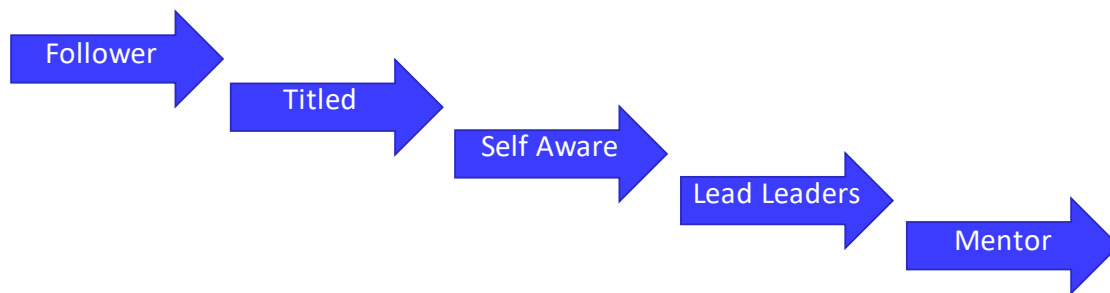
Mindset - Leadership

Leadership is all about influence or getting others to do what they might or would not otherwise do without your leadership.



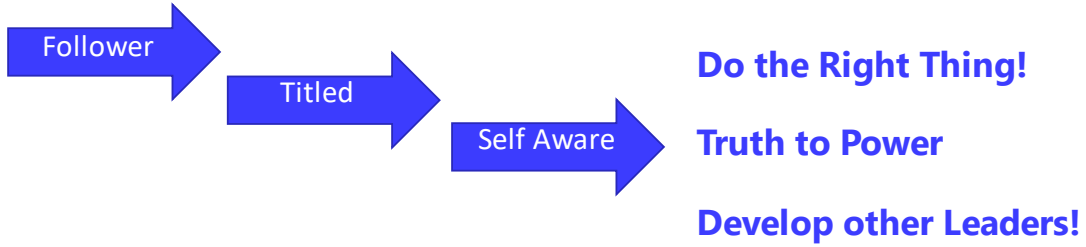
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Mindset – Leadership Continuum



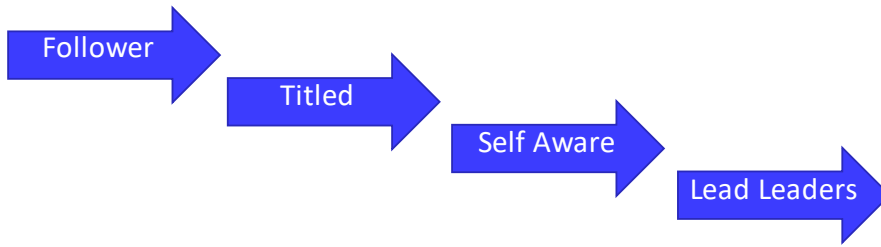


Mindset – Leadership Continuum





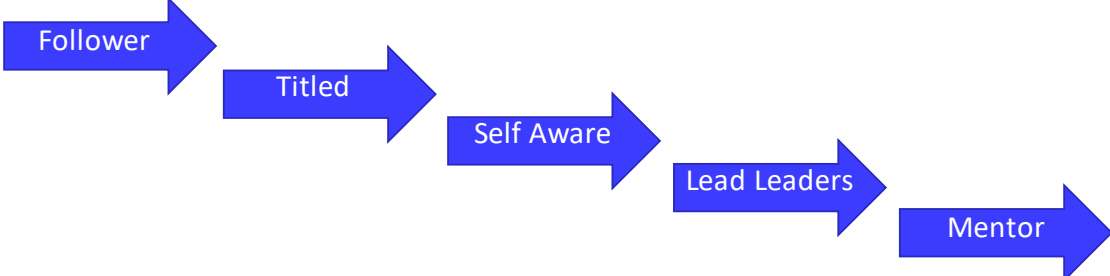
Mindset – Leadership Continuum



- **Consultative Leadership**
- **Avoid Hasty Decisions and Direction**
- **Voice, Veto, Vote**
- **Leadership is a Learned Skill**
- **Focus on your Team**



Mindset – Leadership Continuum



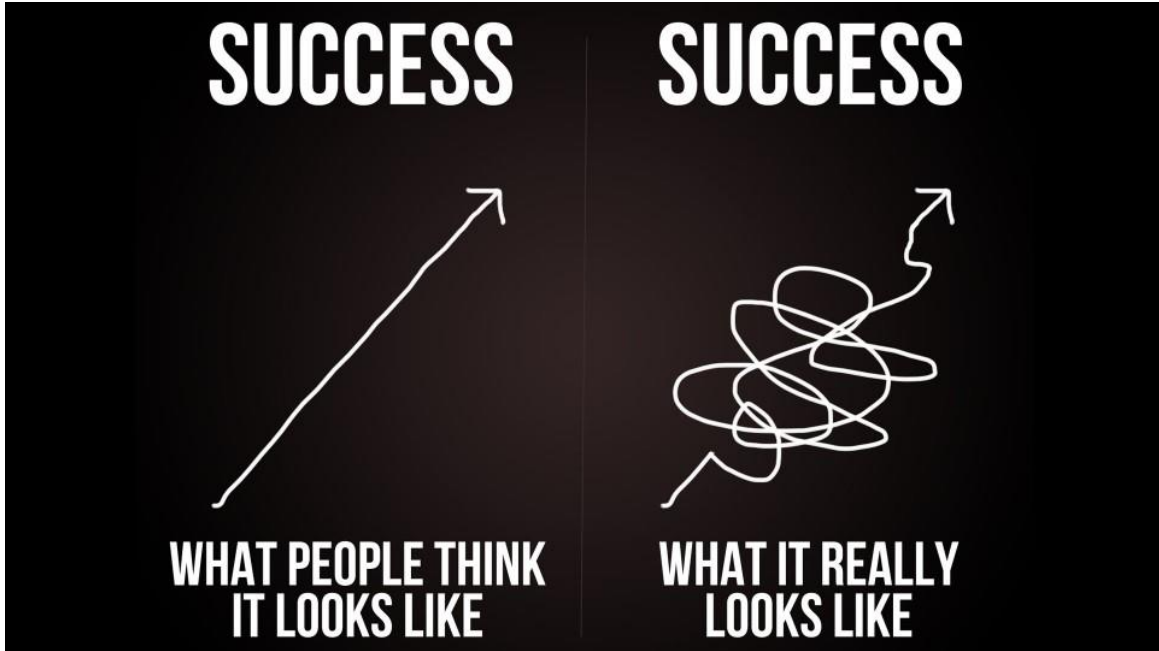
Mindset for Success



I was an overnight success
alright, but 30 years is a long,
long night
Ray Kroc - McDonalds



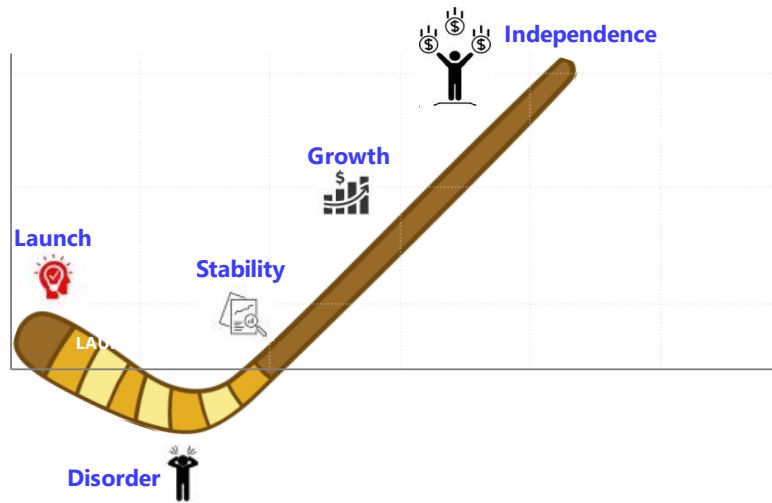
If you really look closely most
overnight success took a long
time
Steve Jobs - Apple





Stages of a Business

The 5 Stages to Business Success



Stage 1 - Launch



- ✓ Starts with an Idea
- ✓ Must have a Business Plan
 - ✓ Start with Vision
 - ✓ Develop a Strategic Plan
 - ✓ Build a Revenue Generation Plan
 - ✓ Do the Math!
 - ✓ Include Revenue, Expenses and Profit Projections



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Stage 2 - Disorder



- ✓ Not all will go through and not always about money
- ✓ Must have these Systems (remember the E -Myth)
 - ✓ Marketing System
 - ✓ Sales System
 - ✓ If you have or will have a Team
 - ✓ Team Building System
 - ✓ Team Work System
 - ✓ May require highly specific Breakeven Plan

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Stage 3 - Stability



- ✓ You survived and are making some money!
- ✓ Your Systems are starting to work
- ✓ Now you need to focus on your People
 - ✓ Work the Team Building System hard
 - ✓ Focus on creating real Teams that Work together
 - ✓ Focus on KPIs and use the M2A2 Strategy
- ✓ Focus on cash flow
- ✓ Set the Stage for Growth

Stage 4 - Growth



- ✓ Can be very exciting time
- ✓ Will require Scaling Up all your existing Systems
- ✓ As the Owner, be totally ON and not IN the business
 - ✓ Continue to develop your leadership skills
 - ✓ Get all your Systems formally documented
 - ✓ Implement Lean as widely as possible



Stage 5 - Independence

- ✓ Reap the benefits of your hard work and time!
- ✓ Focus on Developing and Empowering Leaders
- ✓ May require a Comprehensive Exit Strategy

The 5 Stages to Business Success



Strategic Plan

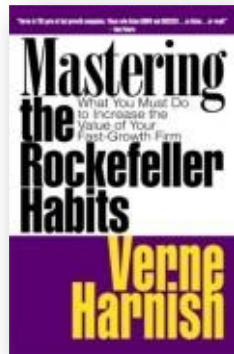


An evolving, written plan that sets forth the vision, mission, and values of your company, long and short range goals, and KPI's to measure progress so that your team moves together as one.





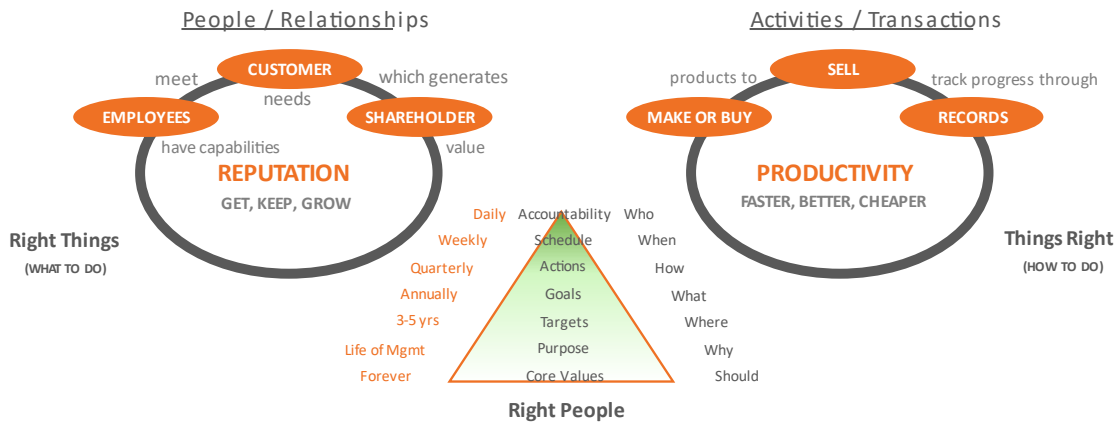
Formula for Winning



The RIGHT People
Doing The RIGHT Things
RIGHT!



Right People – Right Things– Things Right



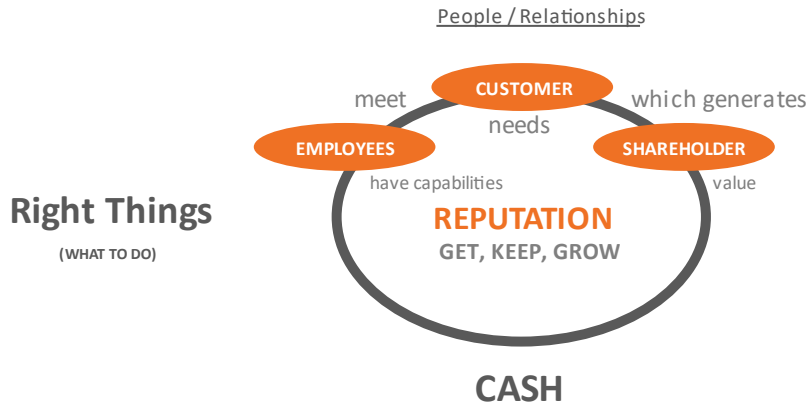
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Right People – Right Things



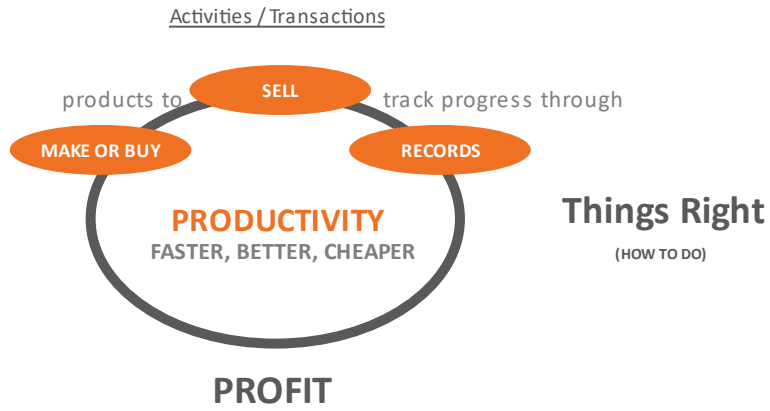
Right Things
(WHAT TO DO)

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Escape Overwhelm – Build a Better Business

Right People – Things Right



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Accountability Pyramid



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Elements of the 1Page Strategic Plan

1. **S.W.O.T. (& Trends)**
2. **Core Values/Beliefs**
3. **Purpose – BHAG**
4. **Targets – Thrusts/Capabilities**
5. **Goals – Initiatives**
6. **Actions – Rocks & Accountabilities**
7. **KPI's**
8. **Brand Promise, Elevator Pitch**
9. **Annual/Quarterly Theme**



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Team Life Cycle

- | | |
|--------------------|--|
| F orming | Team is assembled. <i>Focus: awareness</i> |
| S torming | Reaction to teammates. <i>Focus: conflict</i> |
| N orming | Team blends together. <i>Focus: cohesion</i> |
| P erforming | Task is accomplished. <i>Focus: production</i> |
| D orming | Team is successful. <i>Focus: group-think</i> |
| A djourning | Team disbands. <i>Focus: bitter-sweet</i> |

Team Life Cycle

Notes:

- Beware of the tendency to skip Storming and Norming
- Beware of and avoid the Dorming phase
- Changing membership initiates a new Storming phase
- Modifying variables: size, maturity, duration, task



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1 Page Strategic Plan
Template

S.W.O.T. Analysis				
Strengths of Organization	Weaknesses of Organization	Opportunities to Exceed Plan	Threats to Making Plan	Trends to Watch
1	1	1	1	1
2	2	2	2	2
3	3	3	3	3
4	4	4	4	4
5	5	5	5	5

Core Values/Beliefs Forever	Purpose (Why) 10-50 Years	Targets (Where) 3-5 years	Goals (What) 1 year (2008)	Actions (How) Quarter	Theme Quarter / Year	Baseline Historical																																																																																																																																																																
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Workflow Management System (WMS)

Application software that “provides an infrastructure for the set-up, performance and monitoring of a defined sequence of tasks.”



3 Classifications of Businesses



MAINSTREET
(SMALL BUSINESS)

less than \$10 million revenue



MIDDLE-MARKET

\$10 million - \$1 billion revenue



ENTERPRISE
(BIG BUSINESS)

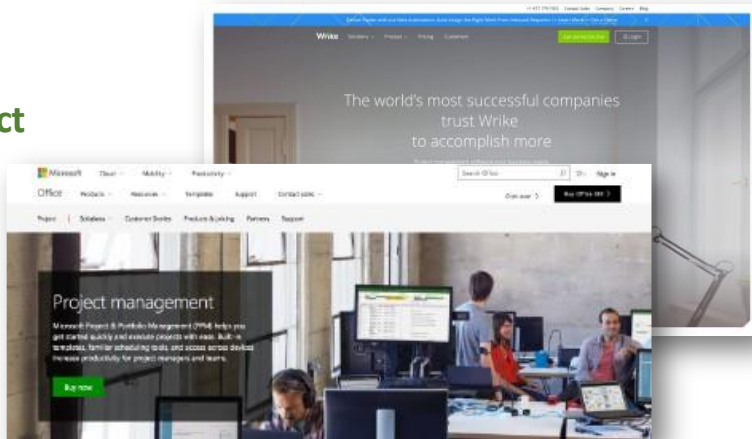
over \$1 billion revenue

Definitions for these business classifications are not set, but many sources generally agree the numbers are somewhere in the middle. Source: Investopedia.com



WMS for Big Business

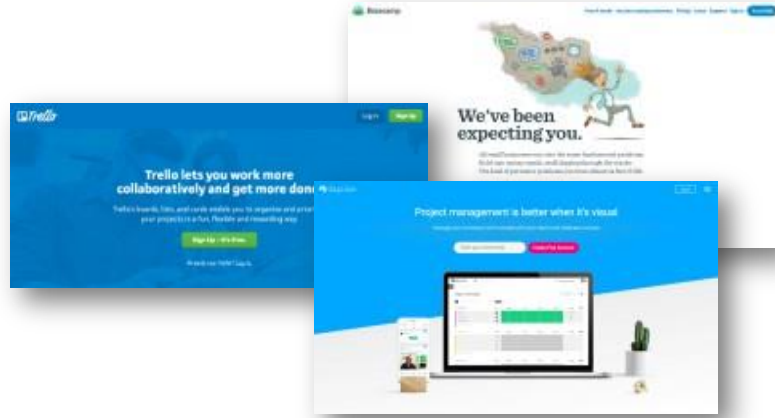
- **Wrike**
- **Microsoft Project**





WMS for Main Street & MiddleMarket Business

- Basecamp
- Trello
- Dapulse
- ClickUp





Take Action Results
Profit! Freedom! Lifestyle!

Escape Overwhelm – Build a Better Business



Take Action Results
Profit! Freedom! Lifestyle!

Own Your Schedule

Own Your Schedule

The objective of getting control of your schedule is **NOT** to find you more time to do more productive work – it is to find you more time to do anything you want, hopefully outside of work



Own Your Schedule

1. The importance of having a **SYSTEM** which stands for
Save Your Self Time, Energy and Money
2. Time is a Business KPI
3. 3 Strategies to identifying your Time Value
4. Applying the A -DOER Mnemonic
5. Creating a delegation plan
6. Creating an apprenticeship plan
7. Creating a New Time Paradigm

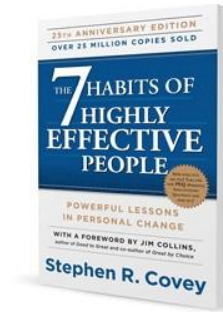




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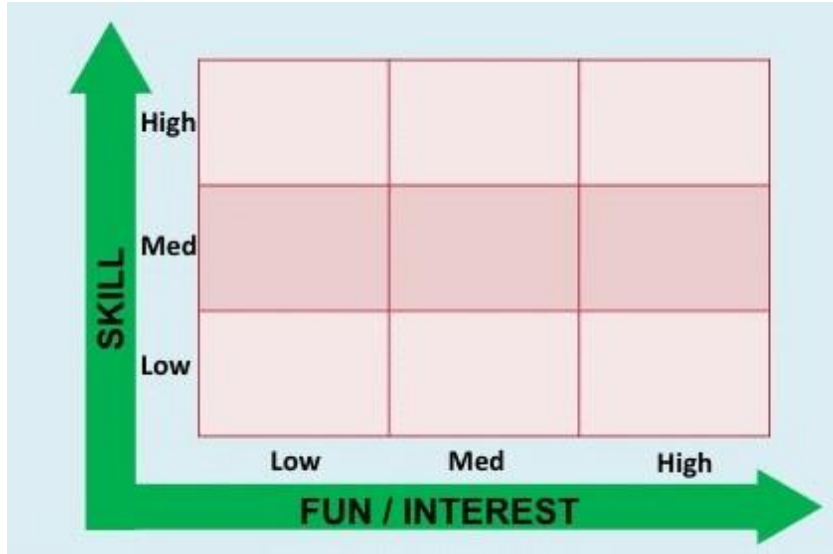
Covey Matrix

	Urgent	Not Urgent
Important	<p>I</p> <ul style="list-style-type: none"> ➢ Crises ➢ Pressing problems ➢ Firefighting ➢ Major scrap and rework ➢ Deadline-driven projects 	<p>II</p> <ul style="list-style-type: none"> ➢ Prevention ➢ Production capability activities ➢ Relationship building ➢ Recognizing new opportunities ➢ Planning ➢ Re-creation
Not Important	<p>III</p> <ul style="list-style-type: none"> ➢ Interruptions ➢ Some calls ➢ Some mail ➢ Some reports ➢ Some meetings ➢ Proximate pressing matters ➢ Popular activities ➢ Some scrap & rework 	<p>IV</p> <ul style="list-style-type: none"> ➢ Trivia ➢ Busywork ➢ Some mail ➢ Some phone calls ➢ Time-wasters ➢ Pleasant activities



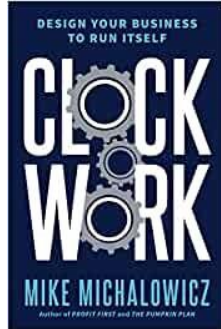
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Skill/Fun Matrix





Mike Michalowicz



The 4 D's - Doing, Deciding, Delegating and Designing



A-DOER Mnemonic

A = Automate



D = Delegate



O = Outsource



E = Eliminate



R = Reduce



Delegation Plan



A deliberate plan to learn how to delegate tasks and responsibilities to your team and ensure they are completed to your standards and expectations.

What is Delegation?

What it is - Delegation is the assignment of any authority to another person (normally from a manager to a subordinate) to carry out specific activities (Wikipedia).

What it is not – Delegation is not just about handing off tasks without very specific guidance and expectations.

Poor Delegation = Abdication

Benefits of Delegation?

1. Completely freeing the owner from certain tasks and responsibilities.
2. Creates a framework for responsibility and accountability
3. Develops a corporate culture for employee value
4. Creates a model to move beyond delegation to full employee empowerment.



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Components of Delegation

Authority



Responsibility



Accountability





The 9 Steps to Effective Delegation

1. Define the Task
2. Select the Individual or Team
3. Assess their Ability
4. Explain the Reasons
5. State Required Results
6. Provide Resources
7. Agree to Deadlines
8. Support and Communication
9. Give Feedback on Results



The 5 Levels of Responsibility and Accountability

Highest Responsibility and Accountability

"Decide where action needs to be taken and manage the situation accordingly. It's your area of responsibility now."

"Decide and take action- let me know what you did (and what happened)."

"Give me your analysis of the situation and recommendation. I'll let you know whether you can go ahead."

"Look into this and tell me the situation. We'll decide together."

Lowest

"Do exactly what I say." or "Follow these instructions precisely."



Apprenticeship Plan



A deliberate plan to identify the lower value tasks in your schedule and train team members to do them for you so you can focus on the tasks that add more value to your business.



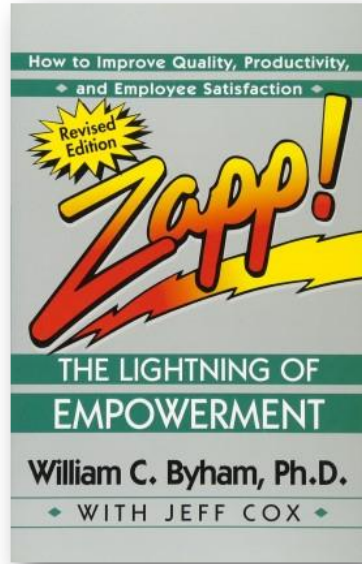
Why Leaders Don't Empower

1. No one can do the job as good as me.
2. I've tried to empower people and it backfired.





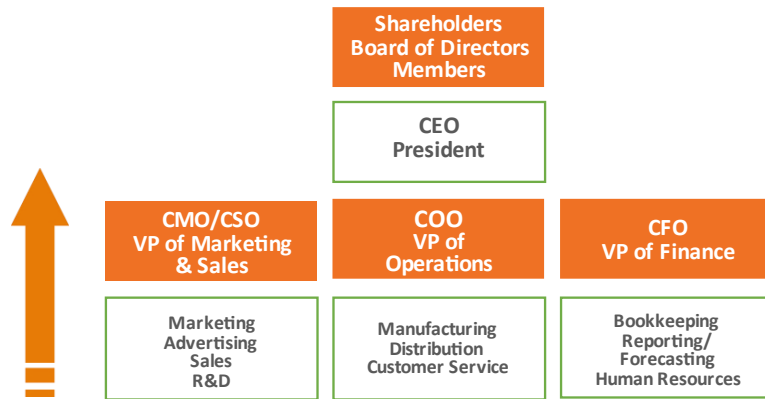
Escape Overwhelm – Build a Better Business



Value/Fun Matrix



Delegate Tasks Bottom to Top



Worksheet



Apprenticeship Plan (AP) Worksheet

Tasks	Value/Fun Quadrant (1 to 4)	Team Member To Be Apprenticed	Stage in 4 Step Apprenticeship Process
Reply to client service emails asking for help logging on to our site	3	Joe Quick	2 (do/watch)

Raise Your Revenue Generation IQ

1. Money Mindset
2. AIDA Classic Marketing Mnemonic
3. The Prospect Continuum
4. The Sales Continuum
5. Ideal Customer Profile
6. Unique Sales Proposition and Guarantee (versus Value Proposition)
7. Tactical Marketing Plan
8. Sales Management System

Money Mindset # 1 - 4 Sales Truths!

1. Sales is really just 2 things; Find Someone to Talk to and Talk to Them!
2. You Cannot Control your Results - You Can only Control the Activities that Lead to Results!
3. People hate to be Sold but love to Buy!
4. Sales is a Process and not an Event!



Money Mindset #2

1. The Magic is in the Message
2. The Message must Match the Target Market
3. The Ideal Customer Profile is the Target Market
4. The Media is the Method to the Target Market
5. Make use of Multiple Messages and Media
6. M2A2 – Measure with Math (focus on ROI), Manage the Money, Adjust and Adapt Meticulously
7. Make sure to not Miss out and leave Money behind!
8. Only Outcomes and Results Matter!

Money Mindset #3

4 – P's to Prosperity

1. **Problem**
2. **Pain**
3. **Prescription**
4. **Presentation or Proposal or Product**





Prospect Continuum

Lead → Suspect → Prospect → Customer

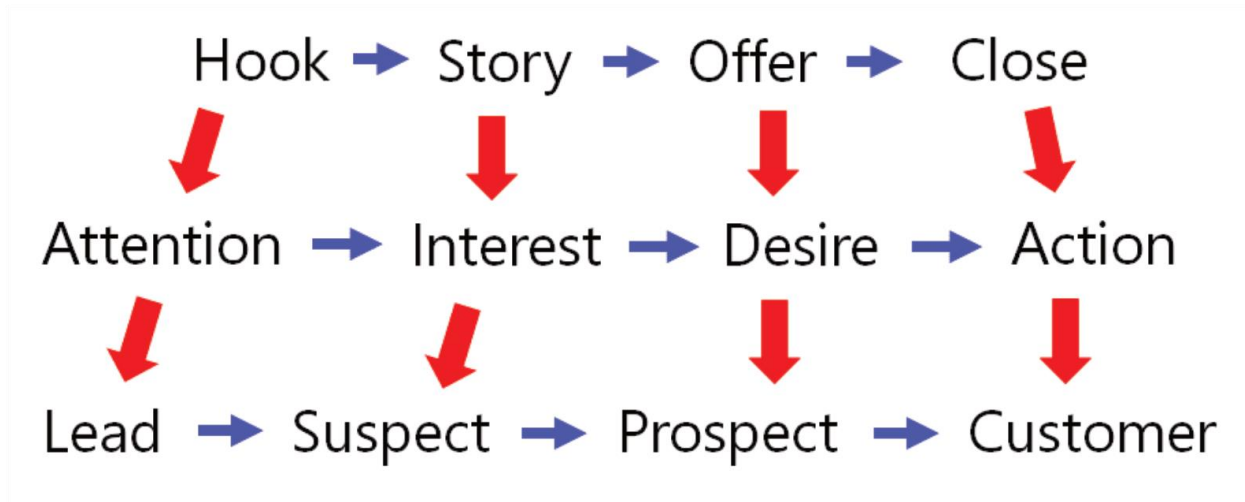


Sales Continuum

Hook → Story → Offer → Close

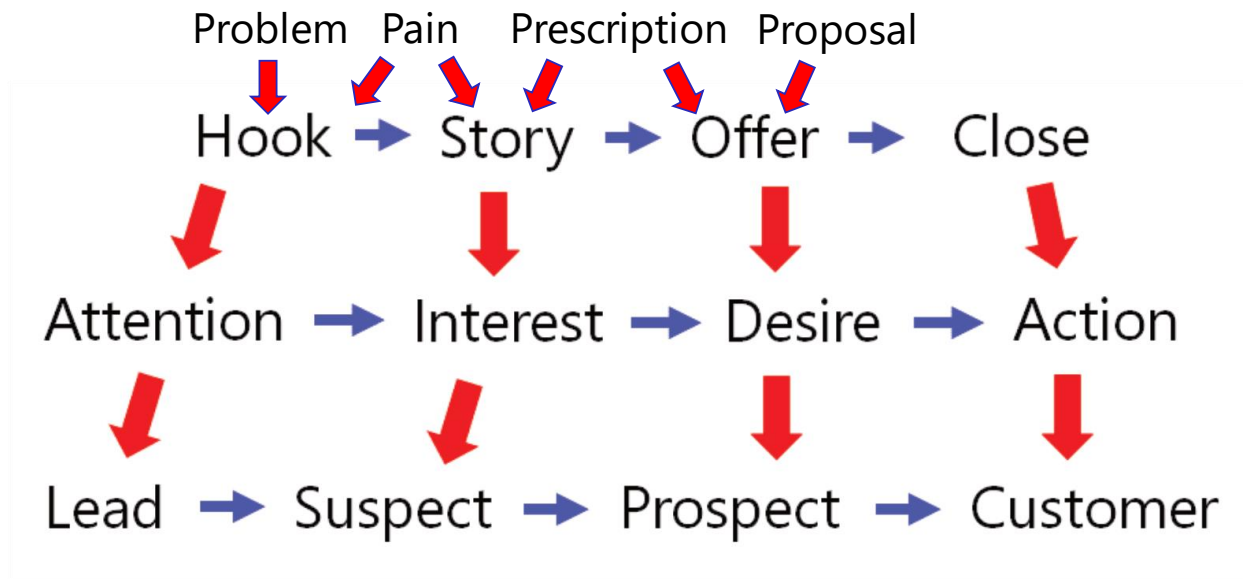


Connect the Dots!





Connect the Dots!



Ideal Customer Profile

What is an Ideal Customer Profile? If you sell B2B, It is a description of the company, not the individual buyer or end user, that is a perfect fit for your solution. If you sell B2C, then it is a detailed description of the person that is a perfect fit for what you offer.

Ideal Customer Profile

Why is having an Ideal Customer Profile Important? One of the best definitions of Marketing is attracting your ICP prospects and rejecting all the rest. You cannot afford to be wasting your time, budget and team resources on attracting companies or people that do not fit into your Ideal Customer Profile.



Ideal Customer Profile



Who Is Your Ideal Client? Developing A Customer Avatar



Unique Sales Proposition and Guarantee

What is a Unique Sales Proposition and Guarantee (USP&G)? It's a persuasive proposition that removes risk and compels your ideal customers to do business with you, instead of your competitors, because you're different than all the rest.

Unique Sales Proposition versus Value Proposition

What is the difference between your Unique Sales Proposition and your Value Proposition? The USP is brand level and the Value Proposition is product or service specific. You can have multiple Value Propositions for each product or service depending on how many decision makers you might need to address in the sales process. If you have multiple offerings, you will have a single USP and many Value Propositions.



Diffusion of Innovation Theory

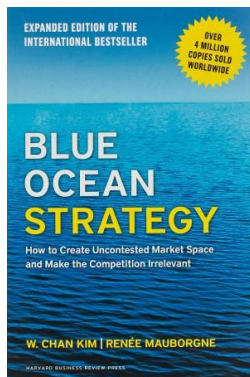


Escape Overwhelm – Build a Better Business

Diffusion of Innovation Theory



Diffusion of Innovation Theory



How to innovate your product or service and get back on the left side of the curve!

My USP&G

I am an experienced senior Army Officer and Business Executive with outstanding Planning, Sales and Marketing and Leadership and Team building skills. I help small business owners escape overwhelm, grow their profits and achieve the freedom and lifestyle they dreamed of having when they started their business. Investment presumes there will be a return. Coaching will pay off over the long term - and I guarantee results using what I call a 'Find your Fee' model. Assuming we are a good fit and you keep up with your end of the agreement, my guarantee is that after 4 months of coaching, you will earned my fee over and above what you are earning now or I will continue working with you at no cost until we achieve that milestone or for 4 months, whichever comes first. No ifs, no ands and definitely no buts.

Tactical Marketing Plan

Why is a Tactical Marketing Plan important? Very simply, a TMP is not just important but critical to every business. Death of a business is defined as having no new leads so unless your business continually creates leads without any cost or effort on your part, you must have a TMP. There are so many different types of marketing strategies and tools that can be implemented so you have to have a plan to focus on the few that best apply to your business.

Tactical Marketing Plan Considerations

1. How many tactics should you include in your TMP?
2. Hunting or Farming?
3. Cost of Tactics?
4. Speed, Control and Autopilot?

Marketing Tactics List	Category	Control	Speed	Inexpensive	Leverage	Quality	Head Trash	Auto -Pilot
Affiliate marketing	Agency	Green	Red	Green	Green	Green	Green	Yellow
Agents/distributors	Agency	Green	Red	Green	Green	Green	Green	Yellow
Buy leads from a lead gen company	Agency	Green	Red	Green	Green	Green	Green	Yellow
Franchisees	Agency	Green	Red	Green	Green	Green	Green	Yellow
Multi-level marketing team	Agency	Green	Red	Green	Green	Green	Green	Yellow
Network marketing team	Agency	Green	Red	Green	Green	Green	Green	Yellow
Party plan selling	Agency	Green	Red	Green	Green	Green	Green	Yellow
Private label rights	Agency	Green	Red	Green	Green	Green	Green	Yellow
Sales representatives	Agency	Green	Red	Green	Green	Green	Green	Yellow
Spying on yourself and others	Brand Message	Green	Green	Green	Green	Green	Green	Green
Benefits list	Brand Message	Green	Yellow	Green	Green	Green	Green	Green
Case studies	Brand Message	Green	Yellow	Green	Green	Green	Green	Green
Company mission, vision, values	Brand Message	Green	Yellow	Green	Green	Green	Green	Green
Company name	Brand Message	Green	Yellow	Green	Green	Green	Green	Green

Tactical Marketing Plan – Some of my Favorites

1. Ask for referrals – create a formal program!
2. Create a rewards program!
3. Invite inactive customers back.
4. Understand why people leave?
5. Create relationships with your prospects and customers, new and old.

Sales Management System

What is a Sales Management System? It's a practical system for building a top-performing sales force by scripting their approach managing their activity with a CRM software solution (customer relationship management), measuring their performance, and tying their paychecks to results. If we do those four things with any sales team, we'll have a highly productive sales team and we'll see revenue growth.



Sales Management System

Why is a Sales Management System important? In the book the E-Myth by Michael Gerber the ideal business model is achieved when Systems run your Business, Your people run your Systems and You lead your People. With this in mind, it is absolutely critical you have a Sales Management System regardless of what or how you sell. The SMS defines your sales process, how you track and manage your sales funnel or pipeline, how you compensate your sales team and more.





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Profit Equation

Profit Equation Worksheet

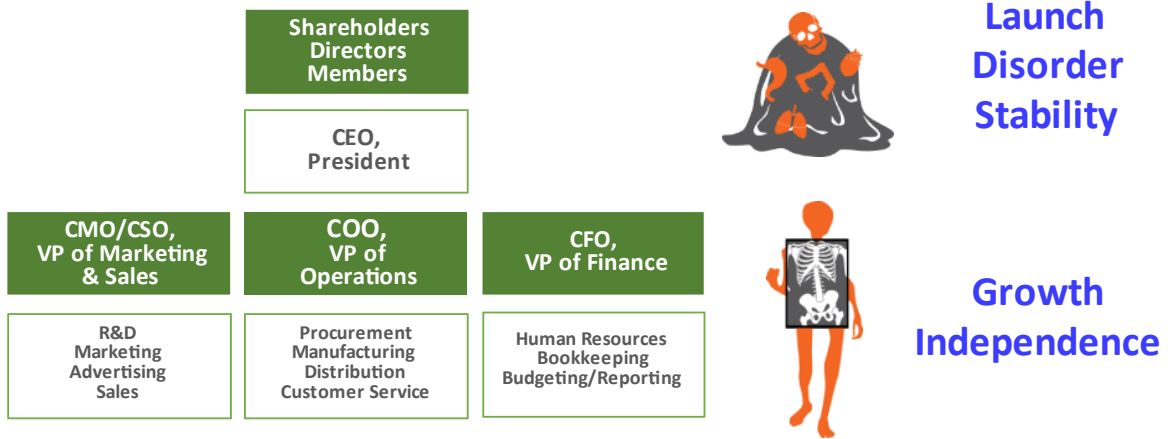
	CURRENT	FUTURE	Change
Leads Generated	1,000	1,100	10%
X			
Conversion Rate %	25	27.5	10%
=			
New Customers	250	303	21%
+			
Retained	2,000	2,250	13%
=			
Total Customers	2,250	2,553	13%
X			
Revenue/Customer	\$360	396	10%
=			
Revenues	\$810,000	\$1,010,790	25%
X			
Gross Margin %	39	42.9	10%
=			
Gross Profit	\$315,900	\$433,629	37%
-			
Fixed Costs	\$180,000	162,000	-10%
=			
Net Profit	\$135,900	\$271,629	100%



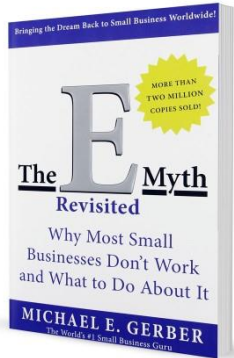
Organizational Plan

Why is an Organizational Plan important? The opposite of organized could be either disorganized or unorganized and that is not a great way to describe any business. There are many different organizational models to choose from; it really does not matter which one you choose to follow but you must have one in place. The Organizational Plan defines your ‘chain of command’ or reporting lines. Most importantly, the Organizational Plan assists to define individual roles, responsibilities, authorities and accountabilities.

Organizational Plan



Organizational Plan



The Entrepreneurial Myth is the mistaken belief that most businesses are started by entrepreneurs or people with tangible business skills. In fact, most are started by “specialists or technicians” who know nothing about running a business.

Employee Acquisition Plan

What is an Employee Acquisition Plan? It's a practical plan to win the battle for top talent by consistently generating more than enough leads, screening out non-performers, and using a skills-based test-drive process and psychometrics to choose team members that deliver results.



Employee Acquisition Plan

Why is an Employee Acquisition Plan important? Studies indicate that if you only use a resume and interview to determine who to hire your probability of success is barely 60% so you might as well just flip a coin. Using the Employee Acquisition Plan coupled with the Psychometric Profiling Process, which is another strategy I will go over next, you can improve the odds to over 85%.



Team Building and Team Work System

Get the **Right People** (= hire the right people)

In the **Right Seats** (= in the right roles based on ability)

Exhibiting the **Right Behavior** (= play well together)

On the Bus

Based on Jim Collins in Good to Great



Team Building and Team Work System

Right People = Employee Acquisition Plan

Right Seats = Psychometric Profiling

Right Behavior = Team Work System (to follow)

On the Bus

Based on Jim Collins in Good to Great



Escape Overwhelm – Build a Better Business

You Are the Buyer, Not the Seller



“Hiring is like fishing. The firms that get the best people are the ones that get a lot of fish on the deck so that they can be choosy.”

- Eric Dombach

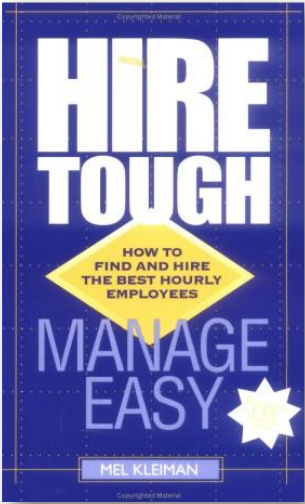
Four-Step Recruiting System

1. **PREPARE THE BAIT**
(Create Your Ad)
2. **CAST THE NET**
(Generate Leads)
3. **SORT THE FISH**
(Virtual Interview)
4. **REEL THEM IN**
(Test-Drive)





Employee Acquisition Plan



Psychometric Profiling Process

What is a Psychometric Profiling Process? It is a proven process for avoiding mis-hires by using psychometric assessment tools to evaluate and de-select candidates based on position-specific benchmarks.

Psychometric Profiling Process

Why is the Psychometric Profiling Process important? You want to get the right people, in the right seats, exhibiting the right behavior. In other words, you want to recruit the best, most talented people in the market, make sure they're playing the right role on your team, and make sure they're playing nicely with each other. More importantly, the hard and soft costs of a mishire can be staggering.

Psychometric Profiling Process

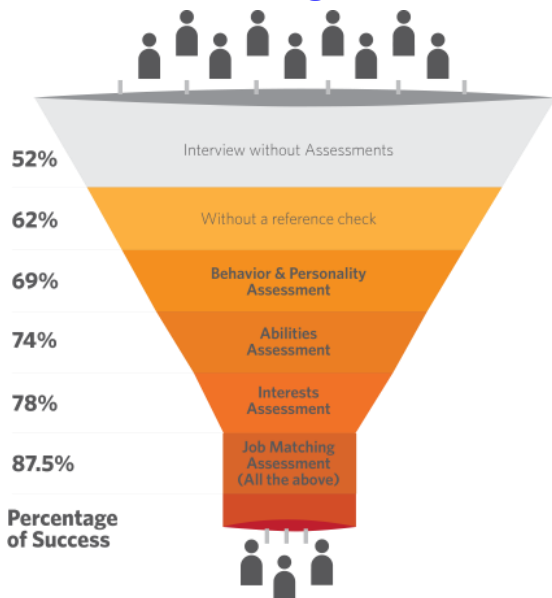
Hard Cost to Hire an Employee

\$4,263

Include Soft Costs

**Employee – 1.5 x
Manager – 8 x
Executive – 15 x**

Psychometric Profiling Process



Job Matching:
The process of matching the right person to the right job based upon understanding both the job and the strengths of the person under consideration.



Team Dimensions Profile



Performance Incentive Plan

What is a Performance Incentive Plan? It's an incentive plan that rewards your team members for exceptional performance and motivates them to work as hard as you do and care about the business as if it was their own.

Performance Incentive Plan

Why is a Performance Incentive Plan important? I have taught for years that a sales truth is that your sales team behavior is totally driven by how they are compensated. Upon reflection, this applies to everyone in your business; their commitment, passion and motivation to the company success is directly impacted by their behaviors which in turn are directly related to how they are compensated.



Performance Incentive Plan

TEAM = Together Everyone Achieves More

STAFF =

Salaried people clocking

Time on the Job

And just barely

Following orders with no

Fun at all

Most people do not quit their jobs, they fire their bosses!



Performance Incentive Plan

Foundational Premise

Every employee should have a fixed and variable component of their overall compensation.



Performance Incentive Plan

Fixed Compensation Considerations



1. Independent of revenue, margin or profit
2. Part of your overall annual financial business plan
3. What do you pay as a base hourly or salary?
 - a. pay what the individual is worth to the business and not what the job is worth
 - b. every position you should have a range
 - c. offer should be based on the qualifications, skills and experience of the individual
 - d. must be aware of what the market pays so you can be competitive

Performance Incentive Plan

Variable Compensation Considerations

Salespeople tend to have commission based variable plans

- a. Focus on On Target Income which is combination of fixed + variable
- b. Variable is typically only based on personal results
- c. Commissions are based on either sales or margins (I prefer margins)
- d. Commissions are normally monthly or quarterly (I prefer monthly)
- e. Should include uplifts like Accelerators
- f. May include SPIFFs



Performance Incentive Plan

Variable Compensation Considerations



Non salespeople tend to have bonus based variable plans

- a. Should be a combination of company and personal performance (I like 33/67)
- b. Need to decide if % of fixed or based on defined pool
- c. Typically an annualized plan
- d. Company performance should be based on sliding scale with minimum to trigger .
- e. Personal should be based on defined metrics with sliding scale ratings



Performance Incentive Plan

Variable Compensation Examples



Company Component

Target Payout at 100%ie if company does \$10M the bonus pool is funded 100%

Min payout at 80% or \$8M, pool funded only 70%

No max but at 120% or 12M, pool funded 130%

Personal Component– based on total possible performance points of 20

Full payout at 16 points

Min payout at 12 points but lose 5% for every point below 16 so at 12 = 80%

Max payout at 20 points but gain 5% for every point above 16 so at 20 = 120%

Performance Incentive Plan

Final Considerations

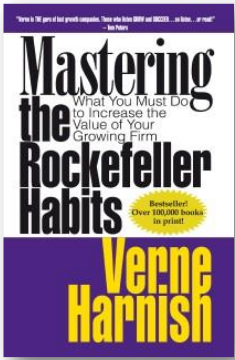


1. Provide all your people with a written compensation plan
2. Provide all your people with written personal performance objectives
3. Help your people prepare personal plans to meet or exceed targets great coaching or mentoring opportunity. This is NOT management, it is a Leadership!
4. If possible, provide some type of ‘calculator’, especially salespeople to figure out how improved performance directly affects their income.

Team Meeting Rhythm

What is a Team Meeting Rhythm? It's a disciplined rhythm of recurring team meetings focused on goal-setting, alignment, reporting, and accountability that occur on an annual, quarterly, monthly, weekly, and daily basis.

Formula for Winning



The RIGHT People
Doing The RIGHT Things
RIGHT!

Existing Meetings

1. Is there an agenda?
2. What's the purpose of the meeting?
3. What's typically accomplished?
4. Who participates and why?
5. How often do they happen?
6. How long are they?



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Accountability Pyramid



Mastering the Rockefeller Habits Copyright © 2002 Ventamish



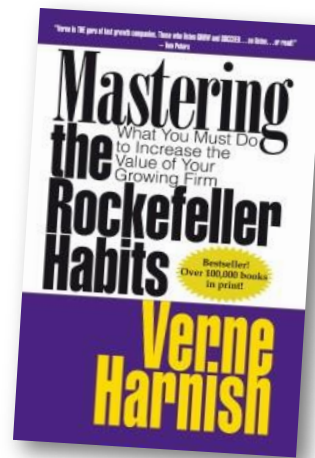
2 Disciplines of Executive Leadership



Mastering the Rockefeller Habits Copyright © 2002 Venkatramish

Team Meeting Rhythm

1. Annual – 1 to 2 days
2. Quarterly – 4 to 8 hours
3. Monthly – 4 hours
4. Weekly – 2 hours
5. Daily – 10 to 15 minutes





On Change

**“The art of progress is to preserve
order amid change and to
preserve change amid order.”**

- Alfred Lord Whitehead



Team Building System

What is a Team Building System? It's a reliable system for placing your team members in roles best suited to their strengths and building them into a powerfully cohesive and committed team that delivers business results.

Are you building a...

Salaried folks clocking

Time on the job

And just barely

Following orders with no

Fun at all



Escape Overwhelm – Build a Better Business

Or are you building a...

T OGETHER
E VERYONE
A CHIEVES
M ORE



Team Building System

1. RIGHT PEOPLE
2. RIGHT SEATS
3. RIGHT BEHAVIOR



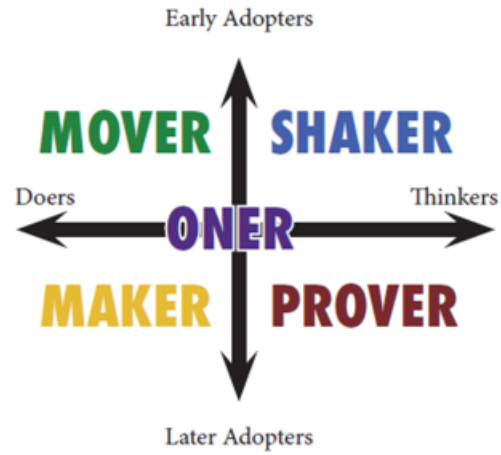
Team Dimensions Profile

- Identify your team members' strengths
- Place team members in roles that allow them to use those strengths



5 Key Roles

- Movers – 15%
- Shakers – 35%
- Provers – 25%
- Makers – 25%
- Oners – less than 1%



Team Dimensions Profile

TEAM DIMENSIONS 3.0

Your Core Nature of Work and the S.P.E.E.D. Relay



- Describe preferred role
- Explore strengths and challenges
- Gain insight into work habits
- Learn about team members' contributions
- Learn how to work effectively as a team

Team Dimensions Profile

No role is **better** or
worse than any
other

Movers

- Early Adopters who are natural doers
- Know how to get and keep things moving
- Easily plan how things will get done
- Choose the best idea
- Introduce the right people to each other

Movers are 'fast forward' on a remote control

Shakers

- Early Adopters who are natural thinkers
- Like to shake things up with new ideas
- Easily solve problems by seeing the larger context of a situation
- Some of their ideas may seem outlandish, but many are potential home runs

Shakers are the 'power' button on a remote control

Provers

- Late Adopters who are natural thinkers
- Often seen as skeptics by others, they challenge new ideas
- Comfortable with proven solutions
- Feel like it’s their duty to warn others about what can go wrong

Provers like to ‘rewind’ things and go through them again



Makers

- Late Adopters who are natural doers
- As great finishers, they put ideas into action
- They are the ones who dot the i’s and cross the t’s
- Honor the details that others miss
- Would rather do ‘real’ work than sit in meetings

Makers are the ‘play’ button



Oners

- Their role depends on the needs of the team and the phase of the project
- Equally balanced across all four Core Natures of Work: Mover, Shaker, Prover, and Maker.
- Equal parts early and later adopters
- Equal parts thinkers and doers

On a remote control, Oners are the MULTIFUNCTION button



Relationships



S.P.E.E.D. Relay Process

Solutions: Brainstorm by looking at the issue in different ways.

Priorities: Identify the best idea, or set of ideas and focus on them.

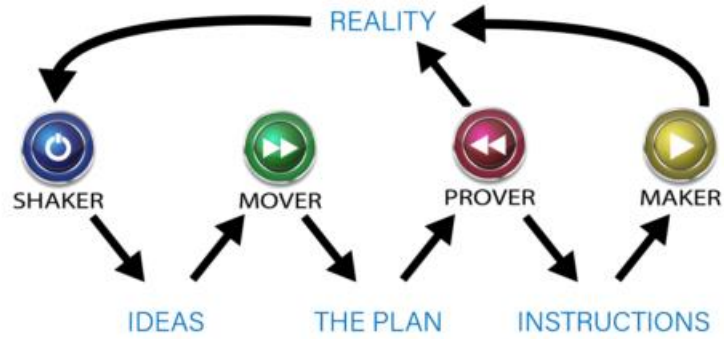
Errors: Take a closer look at the chosen idea(s) and identify their flaws.

Edits: Solving issues takes new ideas.

Doing: Implementation means making something repeatable and scalable. It means people following the instructions and making things happen. That work becomes the new reality, and the relay starts all over.



S.P.E.E.D Relay Graphic





Team Building System

1. RIGHT PEOPLE
2. RIGHT SEATS
3. RIGHT BEHAVIOR





Right Behavior



The Five Behaviors of a Cohesive Team





The Five Behaviors of a Cohesive Team



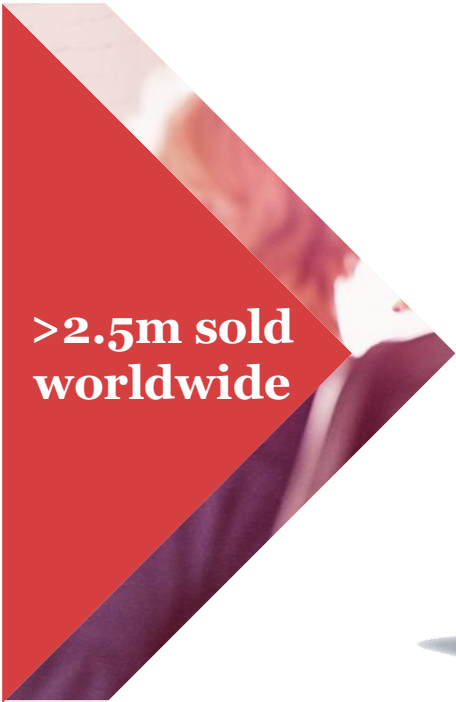
Authorized Partner

THE FIVE BEHAVIORS OF A COHESIVE TEAM™

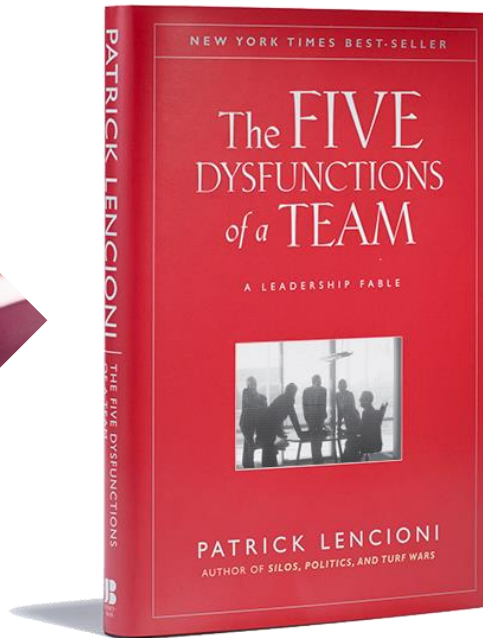




Escape Overwhelm – Build a Better Business



>2.5m sold
worldwide





Patrick Lencioni

“Not finance. Not strategy. Not technology. It is **teamwork** that remains the **ultimate competitive advantage**, both because it is so powerful and so rare.”



Teamwork

noun | team·work | 'tēm-, wərk



The work done by people who work together as a **team** to do something.



CHARACTERISTICS OF A DYSFUNCTIONAL TEAM

Unhealthy Competition

Finger Pointing

Poor Results!

ME-Focused

LACK OF TRUST

Pessimism

Few Opportunities to Learn

Blame





It's Time To Get Real

With yourself & with your teams



CHARACTERISTICS OF A COHESIVE TEAM

Transparency **Accountability**
Healthy Conflict **Goal-Focused**
Results! **TRUST** **Direct**
Optimism
Support **Learning Environment**

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THE FIVE BEHAVIORS
OF A COHESIVE TEAM™



The Five Behaviors™ Framework

RESULTS
ACCOUNTABILITY
COMMITMENT
CONFLICT
TRUST

Authorized Partner
THE FIVE BEHAVIORS
OF A COHESIVE TEAM™

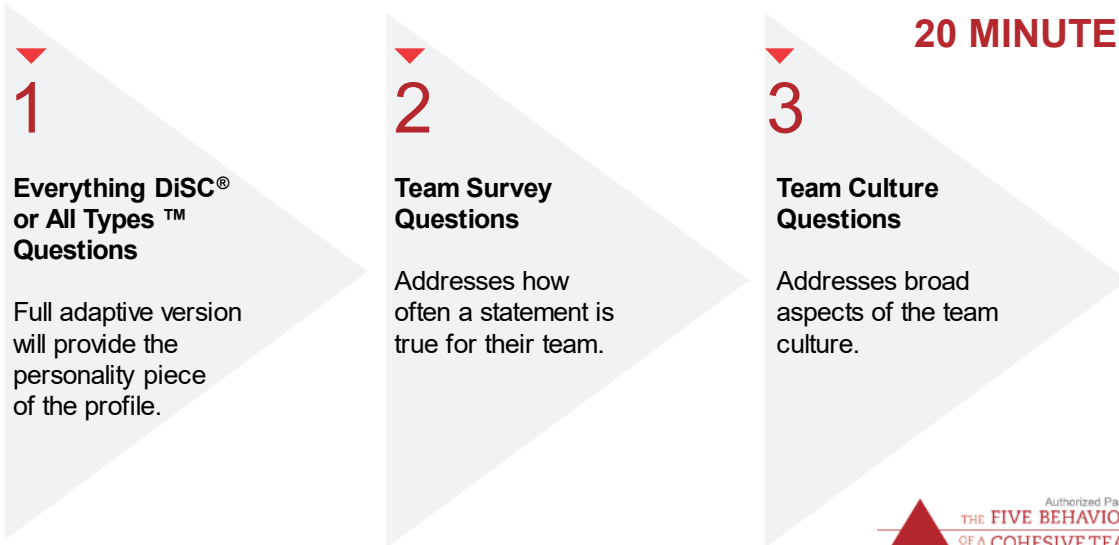


The Process of the Program

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THE FIVE BEHAVIORS
OF A COHESIVE TEAM™

The Five Behaviors™ Assessment

20 MINUTES



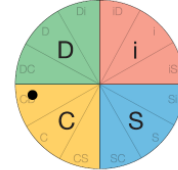


Personal Profiles

The Impact of Your DiSC[®] Style

Your DiSC[®] style: CD

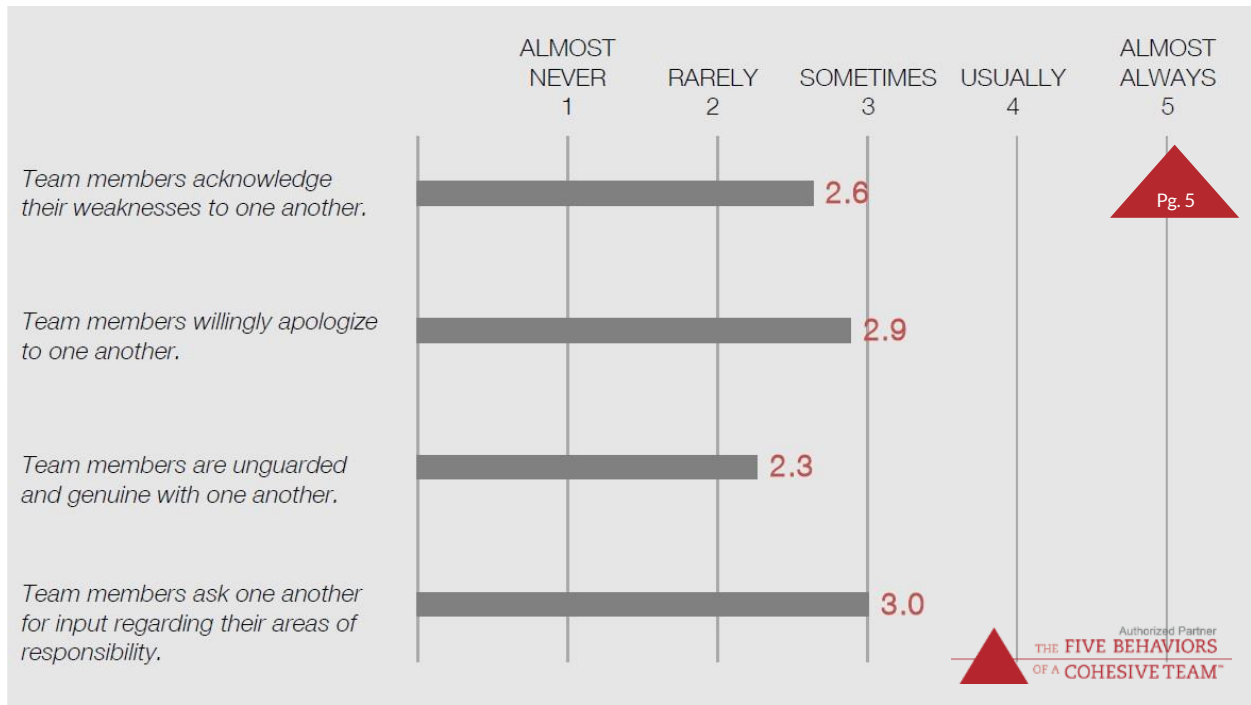
Because you have a CD style, Martin, you probably take an efficient, no-nonsense approach to your work. You may be drawn to positions of authority that give you the freedom to ensure that things are done correctly. And, since you value expertise, people



Your dot location is near the edge of the circle, so you probably relate well to the characteristics associated with the CD style.



Escape Overwhelm – Build a Better Business





Team Culture

Building Trust

What is needed to achieve trust?

As part of the assessment, you and your team team to focus on in the interest of building trust appears in the corresponding box below. Note:

There would be more trust on our team if people:

<input type="checkbox"/> 7 Reduced the amount of gossiping	<input type="checkbox"/> 2 Got to know each other on a personal level
<input type="checkbox"/> 6 Admitted their mistakes	<input type="checkbox"/> 1 Readily apologized
<input type="checkbox"/> 5 Let go of grudges	<input type="checkbox"/> 1 Spent more time together
<input type="checkbox"/> 5 Understood each other's working styles	<input type="checkbox"/> 0 Shared professional failures and successes
<input type="checkbox"/> 4 Were more forthright with information	

Points of Discussion

1. A number of group members felt that there might be more trust on the team if the amount of gossiping was reduced. How has this hurt trust in the past? Are people ready to let go of that past? What is it going to take to reduce gossiping?

2. Trust might also improve if people more readily admitted their mistakes. Why would not admitting mistakes be an obstacle to trust? How valuable would it be to the group's effectiveness?

Points of Discussion

1. A number of group members felt that there might be more trust on the team if the amount of gossiping was reduced. How has this hurt trust in the past? Are people ready to let go of that past? What is it going to take to reduce gossiping?

2. Trust might also improve if people more readily admitted their mistakes. Why would not admitting mistakes be an obstacle to trust? How valuable would it be to the group's effectiveness?

Martin Glimore

Pg. 11



**Experience
The Five
Behaviors**

Authorized Partner
THE FIVE BEHAVIORS
OF A COHESIVE TEAM™



The Five Behaviors™ Framework



Authorized Partner
**THE FIVE BEHAVIORS
OF A COHESIVE TEAM™**

TRUST

When team members are **genuinely transparent and honest** with one another, they are able to build vulnerability-based trust.



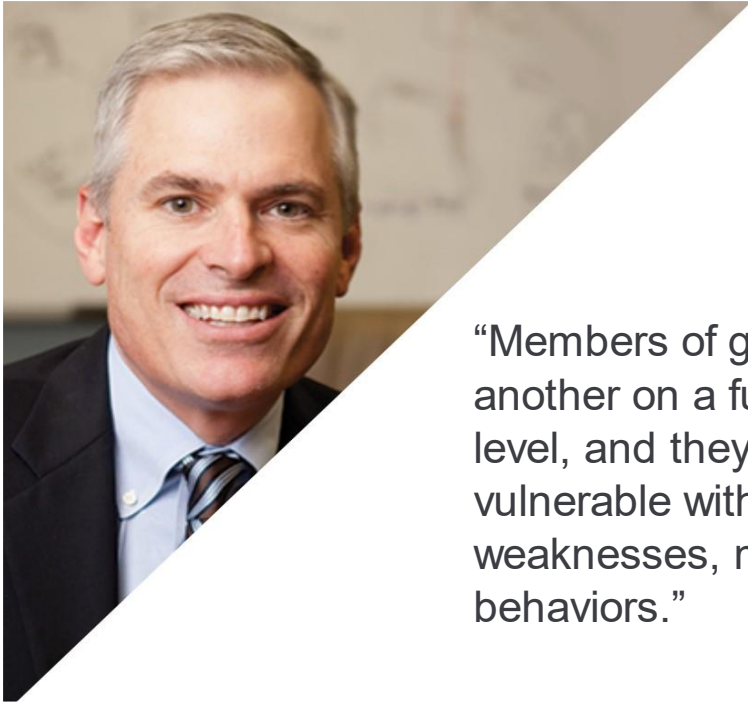
Authorized Partner
THE FIVE BEHAVIORS
OF A COHESIVE TEAM™



Personal History

- ▶ Where did you grow up?
- ▶ How many siblings did you have and where do you fall in the sibling order?
- ▶ What was an important or unique challenge of your childhood? How did that impact your professional life?





Patrick Lencioni

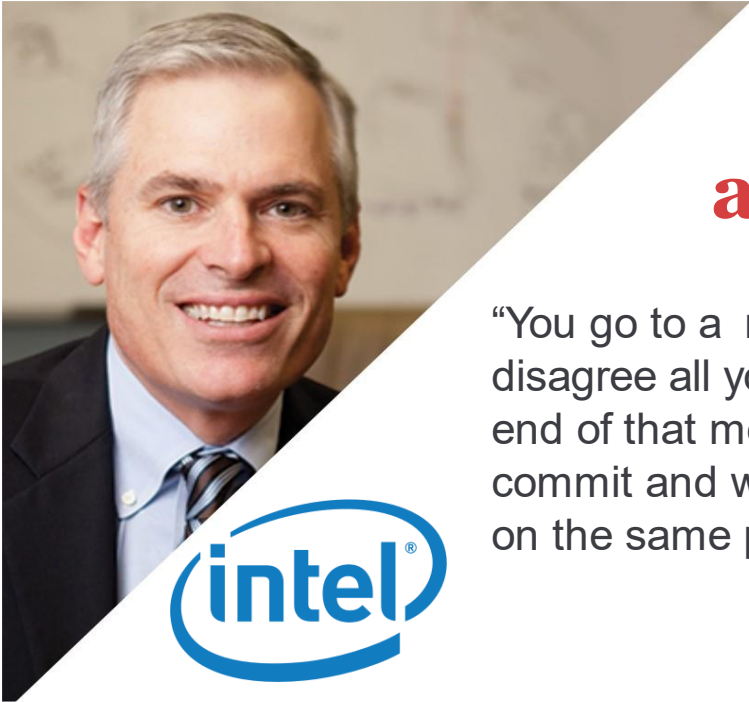
“Members of great teams trust one another on a fundamental, emotional level, and they are comfortable being vulnerable with each other about their weaknesses, mistakes, fears, and behaviors.”



COMMITMENT

When team members are able to offer opinions and debate ideas, they will be more likely to **commit to decisions.**





Disagree and Commit

“You go to a meeting and you can disagree all you want, but at the end of that meeting you will commit and walk out of the room on the same page.”



ACCOUNTABILITY

When everyone is committed to a clear plan of action, they will be more willing to **hold one another accountable.**



Feedback is a Gift



- ▶ “It’s my manager’s job to do that. Not mine!”
- ▶ “It’s not my place to criticize anybody.”
- ▶ “My boss won’t do it. Why should I?”
- ▶ “I can’t be bothered with that. I have my own stuff to worry about!”
- ▶ “Every time I say something, he shuts down.”



RESULTS

For a team to excel, all members must be willing to put the team’s goals ahead of any individual goals.



TEAMS THAT FOCUS ON COLLECTIVE RESULTS

Bothered by losses to competitors Minimalize individualistic behaviors

Members take personal responsibility to fix problems CELEBRATE SUCCESS!

AVOID DISTRACTIONS

Retain achievement-oriented members

MEMBERS POINT OUT EACH OTHER'S CONTRIBUTIONS

Members willing to sacrifice for the team

 Authorized Partner
THE FIVE BEHAVIORS
OF A COHESIVE TEAM

The Five Behaviors™ Framework



Authorized Partner
THE FIVE BEHAVIORS
OF A COHESIVE TEAM™

Why Does The Five Behaviors Work?

Gives the team a **common language** and process to talk about issues

Helps team members take and **internalize** ownership

It **surfaces** issues

Builds **trust** and courage on teams



Escape Overwhelm – Build a Better Business



Lead With Purpose

Leadership

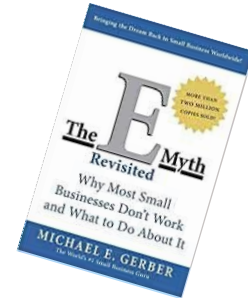
What is leadership? At its simplest, it is all about influence or getting others to do what they might or would not otherwise do without your leadership.



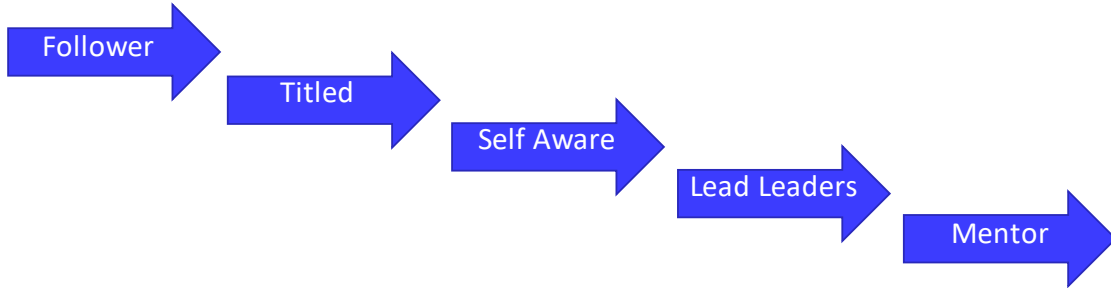
Hallmarks of a Well Led Business

A Well Led and Managed Business Runs on Systems! In his book the EMyth Revisited, Michael Gerber offer this simple advice - build a business that is not dependent on the owner being there to be successful. If the owner is the only person empowered to make decisions or solve problems, the owner is the bottleneck for growth and success.

- Systems Run the Business
- People Run the Systems
- The Owner/CEO **Leads** the People



Mindset – Leadership Continuum





My 10 Leadership Principles

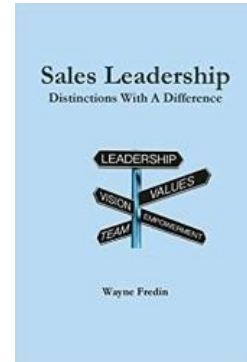
What is leadership? At its simplest, it is all about influence or getting others to do what they might or would not otherwise do without your leadership.





My 10 Leadership Principles

- Leadership Must Be Visible
- Lead by Example
- Leaders Must Know What It Is Like To Be Led
- Are you Decisive or Impulsive?
- Be Irrelevant and Not Irreverent To Your Success
- The 3-Legged Stool Of Leadership
- Business not Personal
- Leading Leaders versus Leading Followers
- Leadership Is Not An 8-5 Job
- Share Success and Accept Blame



Leadership Versus Management

Managers React And Leaders Act

You Manage Resources – You Lead Individuals

Managers Focus On Rules – Leaders Focus On Values

Managers Focus On Process, Leaders Focus On Outcomes

Managers Insist On Compliance, Leaders Ask For Commitment



Leadership Development Plan

What is a Leadership Development Plan? It's an intentional process for developing high-potential leaders in your business, incentivizing their long-term commitment with profit-sharing, and laying the groundwork for your eventual succession.

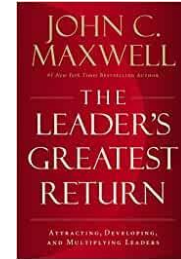
Leadership Development Plan

Why is a Leadership Development Plan important? An LDP creates a pathway to the Independence stage that offers Freedom and Lifestyle for a business owner and does not leave to chance how subordinate leaders are identified, developed and groomed. When leadership is based purely on seniority and ignores merit and capability, growth and success will be stunted at best and business failure is possible at worst.



Maxwell's 10 Step Process

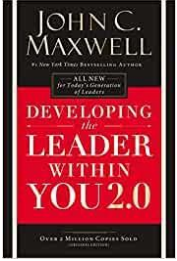
- Step 1 - Identify
- Step 2 - Attract
- Step 3 - Understand
- Step 4 - Motivate
- Step 5 - Equip
- Step 6 - Empower
- Step 7 - Position
- Step 8 - Mentor
- Step 9 - Reproduce
- Step 10 - Compound





Maxwell Developing the Leader

- Position
- Permission
- Production
- People Development
- Pinnacle





The Work of Leaders

Crafting a Vision

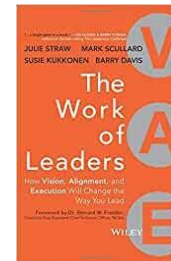
- explore ideas
- boldly advance ideas
- and test assumptions

Building Alignment

- developing clarity on a plan
- dialoguing with stakeholders
- being inspiring

Championing Execution

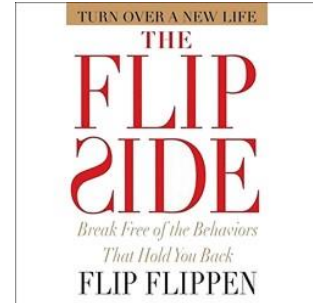
- being responsible for driving momentum
- building a structure
- providing feedback





Flippen's 10 Killer Constraints

Bullet Proof	
Ostriches	
Marshmallow	
Critics	
Icebergs	
Flatliners	
Bulldozers	
Turtles	
Volcanoes	
Quick Draw	





Create a Leadership Development Plan

1. Name
2. Current leadership status based on The Leadership Continuum
3. Work of Leaders Development Focus
4. Teamalytics Personal Constraints
5. Personal Growth Plan in as much detail as possible
6. Depending on the individual you may also need to put together an Apprenticeship Plan
7. Implement a ‘pay for performance’ incentive plan



Entrepreneurship is Thriving

7.2 million businesses (US)

98% < 100 FTE

90% will fail in 10 years

(and this is pre-COVID)



78% lack a solid plan
73% optimistic about sales
77% not pricing properly
70% don't seek help



Escape Overwhelm – Build a Better Business

Leading Through Crisis

Management is the Science of Reaction
Leadership is the Art of Action

Freeze and Fail
Fumble and Maybe Survive
Fight and Thrive



Leading Through Crisis - Mindset

1. Be Decisive and not Impulsive
Act – Do Not React
2. Be a Leader not a Manager
3. Have an Abundance and not Scarcity Mindset



Crisis Leadership

Crisis leadership is more than doing a single plan.

1. It is a series of plans and contingencies.
2. Driven from the top down.
3. Starts with a strategic high-level plan.
4. Create a series of tactical plans.
5. When faced with a crisis, make a decision then finalize, implement and execute on one or more tactical plans.

Crisis Leadership Immediate Actions

1. Protect your customer base.
2. Overcommunicate.
3. Be resilient and competent.
4. Expand your audience.
5. Engage your prospects and customers in the conversation THEY are having.
6. Make it easy for customers to buy including allow on demand or remotely.
7. Know your numbers or KPIs and use M2A2 Strategy = Measure, Monitor, Adjust and Adapt



Decision Making and Planning



Great Decision Making

**Most Owners do not Plan to Fail
They just Fail to Plan!**

Why? Most do not know how to Plan



Great Decision Making

Decision = Objective -> Factors ->
Conclusions -> Options -> **Plan**

Take Action Results
Profit! Freedom! Lifestyle! 4

Step 1 – The Objective

The Objective (Aim, Goal, Mission)

Create a plan to increase sales by 20 percent for presentation to the Executive Team next Friday morning

Step 1 – The Objective

Objective Analysis

- **Questions?**
- **Limitations?**
- **Assumptions?**

Step 2 – The Factors

Factors -> Conclusions

SO WHAT?



Step 2 – The Factors

Factor Categories

- **Competitive Landscape**
- **Customer Profile**
- **Current Staff**
- **Current Budget**

Category – Competitive Landscape

Factor – Highly Competitive Marketplace– SO WHAT?

1. Conclusion 1– Must Differentiate – SO WHAT?
 - a) Sub-Conclusion 1– Competitive Analysis – SO WHAT?
 - i. Ask Marketing Coordinator to Complete– **ACTION ITEM**
 - b) Sub-Conclusion 2 - Revisit Unique Selling Proposition– **ACTION ITEM**
 - c) Sub-Conclusion 3 - Revisit Value Propositions– **ACTION ITEM**
2. Conclusion 2– Messaging to Ideal Customers – SO WHAT?
 - a) Need Marketing Strategy – SO WHAT?
 - i. Sub-sub-Conclusion 1– We outsource marketing now – SO WHAT?
 - 1) Can current contractor do this? SO WHAT?
 1. Find another Marketing Agency – **ACTION ITEM**
 - ii. Sub-sub-Conclusion 2 – Budget? SO WHAT?
 - 1) Work with Marketing to estimate– **ACTION ITEM**

Category – Customer Profile

Factor – We know our customers well– SO WHAT?

- 1. Conclusion– Marketing must Target – SO WHAT?
 - a) Create plan with Marketing– ACTION ITEM

Category – Customer Profile

Factor – High Touch Multiple Step Sale – SO WHAT?

- 1. Conclusion 1 – Need Prospect Tracking System – SO WHAT?
 - a) Need CRM – SO WHAT?
 - i. Must research and identify budget – **ACTION ITEM**
- 2. Conclusion 2 – Must be Simple to Buy – SO WHAT?
 - a) Sub-conclusion 1 – Need website update – SO WHAT?
 - i. Discuss with Marketing – **ACTION ITEM**
 - b) Sub-conclusion 2 – Need Prospect to Sales Consistency – SO WHAT?
 - i. Sub-sub-conclusion 1 – Assign all prospects – SO WHAT?
 - 1)2 more SO WHAT lead to **ACTION ITEM**
 - ii. Sub-sub-conclusion 2 – Calendaring system.. Leads to **ACTION ITEM**

Category – Customer Profile

Factor – High Touch Multiple Step Sale – SO WHAT?

- a) Sub-conclusion 3 – Need Sales Process – SO WHAT?
 - i. Create process – ACTION ITEM
- b) Sub-conclusion 4 – Need Sales Training – SO WHAT?
 - i. ..2 more SO WHATs lead to ACTION ITEM

Conclusions and Action Items

Conclusions and Action Items

- Need to discuss the following with Marketing
 - Our USP
 - Our Value Prop for each of our 3 primary product lines
 - Our core differentiators
 - An updated Lead Generation plan including budget
- Need to find and cost out a CRM
- Need to define a sales process
- Need to create a new sales compensation plan including impact, if any, on budget
- Need to find and cost out a calendaring system for prospect management might be a feature of a CRM.
- Need to create a sales training program and cost out



Step 3 – Courses Open and Options

Option 1 – Hire 2 More Salespeople

- **Pros**
 - **No change to existing sales systems**
 - **Little effort for Marketing**
 - **Simple to Manage Budget**
- **Cons**
 - **Will it actually work?**
 - **If does not work will be harder to make changes later**

Step 3 – Courses Open and Options

Option 2 – New Tactical Marketing Plan and Sales Management System

- **Pros**
 - **Budget neutral or less**
 - **Create systems that can be easily adopted**
 - **Can be scaled for even more growth later**
- **Cons**
 - **Complex to implement**
 - **Potential for sales people turnover**

Step 4 – Recommendation and Plan

1. Make a Recommendation or Decision
2. Prepare Draft Plan based on process
3. Finalize Plan and then Execute



Take Action Results
Profit! Freedom! Lifestyle!

Escape Overwhelm – Build a Better Business



Take Action Results
Profit! Freedom! Lifestyle!

Fun With Financials

Fun With Financials

1. Current Business Plan
2. Revenue and Profit Budget
3. Breakeven Plan
4. Cash Gap Plan

Current Business Plan

What is a Current Business Plan? It's a credible, written plan, detailing a company's unique selling proposition, strategic plan, and revenue and profit budget, designed to induce financial partners to invest in or lend to the business.

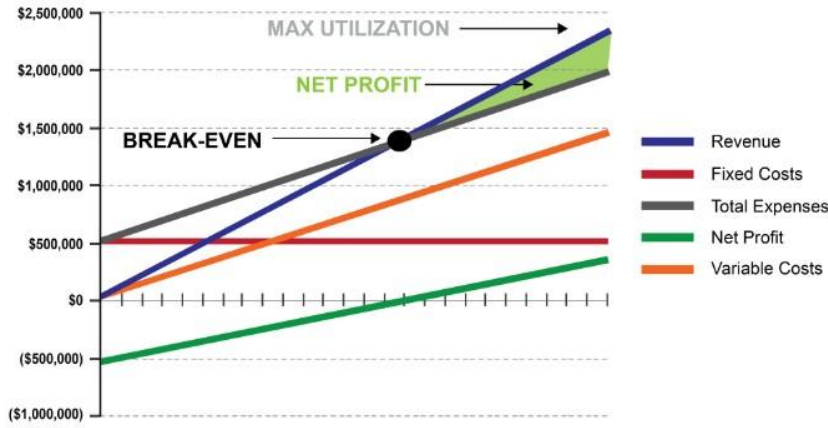


Current Business Plan

Why is a Current Business Plan important? The Current Business Plan is mandatory if you want to find investors for your business, whether they are traditional commercial lenders like the banks or angel investors taking a chance on your success. This Current Business Plan includes more than just the raw financials, but the financials are a critical component of the plan.



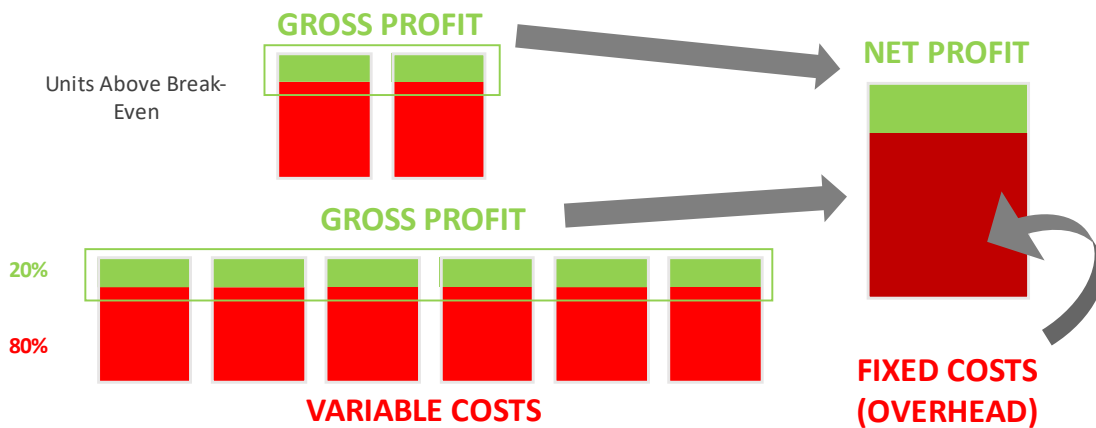
Break-Even



Investors:
How quickly can I get a return of and return on my invested capital?

Owners:
How quickly can I get my business above break-even and generating profit?

Gross Profit vs. Net Profit

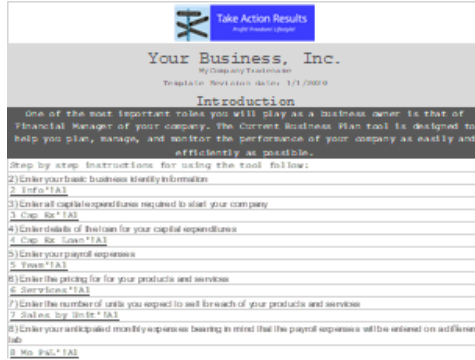


Options

OPTION 1



OPTION 2





Escape Overwhelm – Build a Better Business

LivePlan HOW IT WORKS FEATURES PRICING CUSTOMERS SOLUTIONS CONTACT US
LOG IN

Write your plan in half the time with twice the impact
Pick a package and sign up in less than 60 seconds. Change or cancel at any time.

SAVE 40% OFF

\$11.66
Per Month, Billed Annually

ANNUAL PACKAGE

START PLANNING TODAY

SIGN UP IN UNDER A MINUTE

#LivePlanGives \$10 from every new annual package to fight poverty. Learn more

\$19.95
Per Month, Billed Monthly

MONTHLY PACKAGE

START PLANNING TODAY

SIGN UP IN UNDER A MINUTE

60 DAY Try LivePlan for 60 days and get a 100% refund if you're not satisfied.

- Simple, straightforward pricing
- No contracts
- No hidden fees
- Just sign up to get started



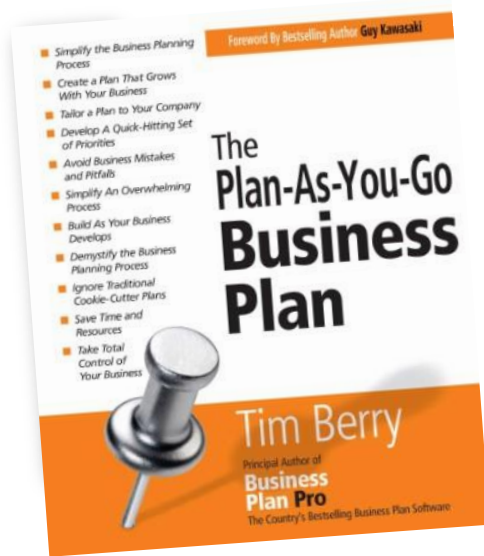


Escape Overwhelm – Build a Better Business

Live Plan Sample



Escape Overwhelm – Build a Better Business

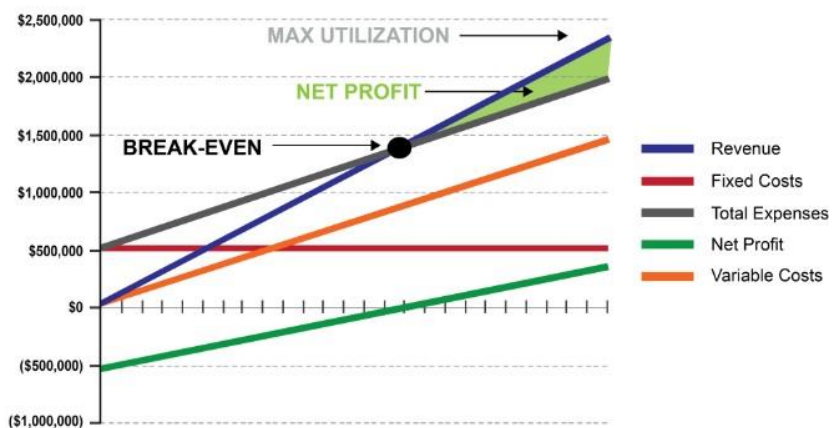


Revenue and Profit Budget

What is a Revenue & Profit Budget? It's a reliable budget that forecasts discretionary cash-flow, identifies your required working capital, and demonstrates your ability to service debts and deliver a return to investors.

Escape Overwhelm – Build a Better Business

Breakeven



Investors:
How quickly can I get a return of and return on my invested capital?

Owners:
How quickly can I get my business above break-even and generating profit?

Fixed Costs

Take Action Results		Fixed Cost Schedule											
	January	February	March	April	May	June	July	August	September	October	November	December	
Accounting services	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	
Advertising expense	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	
Bank Fees	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	
Business coaching	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	
Credit Card Processing Fees	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	
IT support services	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	
Lease - phone equipment	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	
Lease - server	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	
Legal fees	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	
Marketing	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	
Payroll - admin	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	
Payroll - owner salary	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	
Payroll expense	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	
Phone charges	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	
Rent	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	
Taxes	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	
Web site hosting	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	
Office 365	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	
Email Autoresponder	\$ 90.00			\$ 90.00				\$ 90.00			\$ 90.00		
CRM	\$ 975.00												
Fixed Costs	\$ 23,235	\$ 22,170	\$ 22,170	\$ 22,260	\$ 22,170	\$ 22,170	\$ 22,260	\$ 22,170	\$ 22,170	\$ 22,260	\$ 22,170	\$ 22,170	
Notes:													
Fill in shaded areas only													

Variable Costs

Variable Cost Schedule												
	January	February	March	April	May	June	July	August	September	October	November	December
Materials to produce goods	\$ 25,000	\$ 20,000	\$ 22,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Labor to produce goods	\$ 15,000	\$ 13,500	\$ 11,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Variable Costs	\$ 40,000	\$ 33,500	\$ 33,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000



Escape Overwhelm – Build a Better Business

Revenue and Profit

Take Action Results Profit Freedom Lifestyle												
Revenue and Profit Budget												
	January	February	March	April	May	June	July	August	September	October	November	December
4 Revenues	\$ 100,000	\$ 85,000	\$ 50,000	\$ 45,000	\$ 45,000	\$ 50,000	\$ 65,000	\$ 60,000	\$ 52,000	\$ 72,000	\$ 65,000	\$ 70,000
5 Gross Margin	60%	39%	34%	11%	11%	20%	38%	33%	23%	44%	38%	43%
6 Gross Profit	\$ 60,000.00	\$ 21,500	\$ 17,000	\$ 5,000	\$ 5,000	\$ 10,000	\$ 25,000	\$ 20,000	\$ 12,000	\$ 32,000	\$ 25,000	\$ 30,000
8 Fixed Costs												
9 Accounting services	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
10 Advertising expense	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
11 Business coaching	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250
12 IT support services	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
13 Lease - phone equipment	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
14 Lease - server	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
15 Legal fees	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
16 Marketing	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400
17 Payroll - admin	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475
18 Payroll - owner salary	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
19 Payroll expense	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
20 Phone charges	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
21 Rent	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750
22 Taxes	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
23 Web site hosting	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75
24 Office S&S	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00
25 Email Autoresponder	\$ 90.00	\$ -	\$ -	\$ 90.00	\$ -	\$ -	\$ 90.00	\$ -	\$ -	\$ 90.00	\$ -	\$ -
26 CRM	\$ 975.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29 Total Fixed Costs	\$ 20,695	\$ 19,620	\$ 19,620	\$ 19,710	\$ 19,620	\$ 19,620	\$ 19,710	\$ 19,620	\$ 19,620	\$ 19,710	\$ 19,620	\$ 19,620
30 Net Profit	\$ 39,315	\$ 1,880	\$ (2,620)	\$ (14,710)	\$ (14,620)	\$ (9,620)	\$ 5,290	\$ 380	\$ (7,620)	\$ 12,290	\$ 5,380	\$ 10,380
31 Balance Sheet												
32 Items												
33 Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -
34 Debt reduction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,500	\$ -	\$ 15,000	\$ 15,000	\$ 15,000
35 Cash in/(out)	\$ -	\$ -	\$ -	\$ 7,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000
36 Other	\$ -	\$ -	\$ -	\$ -	\$ (5,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Balance Sheet Items	\$ -	\$ -	\$ -	\$ 7,500	\$ (5,000)	\$ -	\$ (10,000)	\$ 12,500	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
37												
38												
39 Net Cash	\$ 39,315	\$ 1,880	\$ (2,620)	\$ (7,210)	\$ (19,620)	\$ (9,620)	\$ (4,710)	\$ 12,080	\$ 7,380	\$ 27,290	\$ 20,380	\$ 25,380
40 Cash Position	\$ 44,315	\$ 46,195	\$ 49,575	\$ 26,365	\$ 16,745	\$ 7,125	\$ 2,415	\$ 18,295	\$ 22,675	\$ 49,965	\$ 70,345	\$ 95,725
41 Starting Working Capital	\$ 5,000.00											

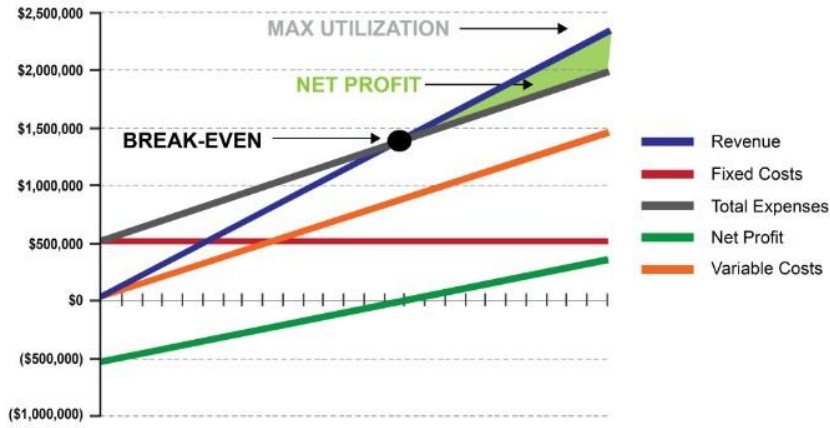


Breakeven Plan

What is a Breakeven Plan? It’s an aggressive plan to stop the bleeding of cash by temporarily cutting all non-critical expenses while driving sales above break-even by selling existing inventory or service capacity to cover operating costs, debt service, and personal drawings



Breakeven



Investors:
How quickly can I get a return of and return on my invested capital?

Owners:
How quickly can I get my business above break-even and generating profit?



Breakeven Formula

$$BE = FC/GP\%$$

BE = Revenue Required to Breakeven

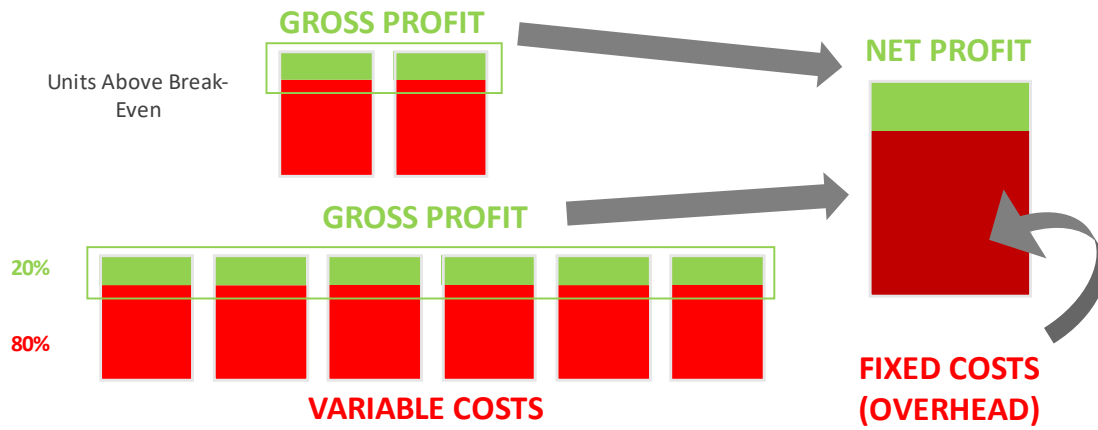
FC = Fixed Costs

GP% = Gross Profit Margin %

Gross Profit Margin % = Gross Profit/Revenue

Gross Profit (Contribution Margin) = Revenue – Variable Costs

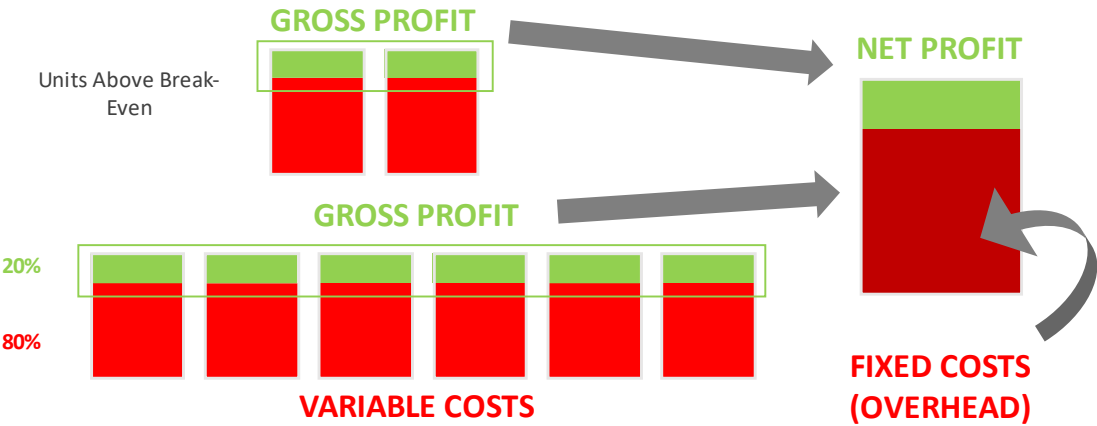
Gross Profit versus Net Profit



Decreasing Prices

Take Action Results Profit Freedom! Lifestyle!										
Decreasing Your Prices										
		20%	25%	30%	35%	40%	45%	50%	55%	60%
1										
2										
3	If Your Present Margin Is:	20%	25%	30%	35%	40%	45%	50%	55%	60%
4										
5	And you DECREASE your prices by:									
6	Your sales must INCREASE by the amount shown to keep the same Gross Profit									
7	2%	11%	9%	7%	6%	5%	5%	4%	4%	3%
8	4%	25%	19%	15%	13%	11%	10%	9%	8%	7%
9	6%	43%	32%	25%	21%	18%	15%	14%	12%	11%
10	8%	67%	47%	36%	30%	25%	22%	19%	17%	15%
11	10%	100%	67%	50%	40%	33%	29%	25%	22%	20%
12	12%	150%	92%	67%	52%	43%	36%	32%	28%	25%
13	14%	233%	127%	88%	67%	54%	45%	39%	14%	30%
14	16%	400%	178%	114%	84%	67%	55%	47%	41%	36%
15	18%	900%	257%	150%	106%	82%	67%	56%	49%	43%
16	20%		400%	200%	133%	100%	80%	67%	57%	50%
17	25%			500%	250%	167%	125%	100%	83%	71%
18	30%				600%	300%	200%	150%	120%	100%
19										
20										
21										
22	The table indicates the increase in your sales that are required to									
23	compensate for a price discounting strategy. For example, if your margin									
24	is 40% and you reduce your price by 10% you need your sales volume to									
25	increase by 33% to maintain your profit. Rarely has such a strategy									
26	worked in the past and it's unlikely it will work in the future.									

Gross Profit versus Net Profit



Cash Gap Plan

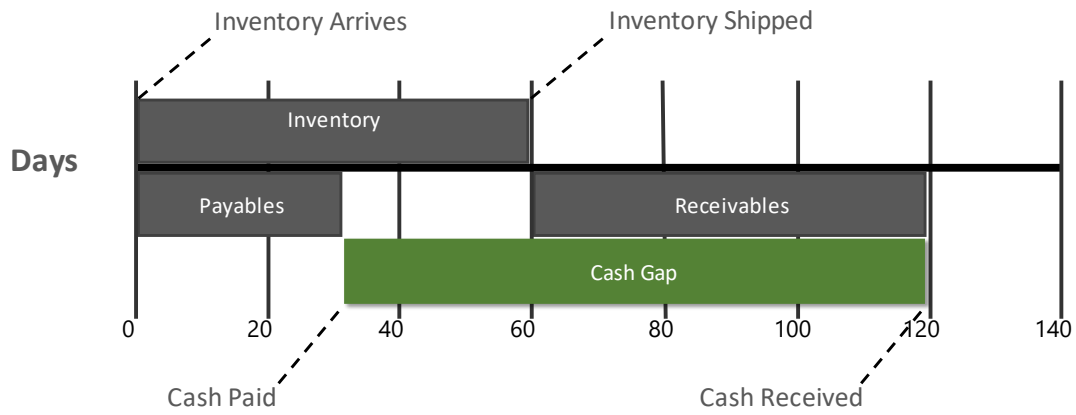
What is a Cash Gap Plan? It is “an efficient plan to quickly collect your outstanding receivables, get your customers to pay faster, and negotiate better terms with your vendors so your bank account always has plenty of cash in it.” You know that you need a Cash Gap Plan if you are perpetually struggling with cash flow and are not managing your receivables and payables as well as you should.

Cash Gap Plan

Critical you pay attention to KPIs that will be explained next module

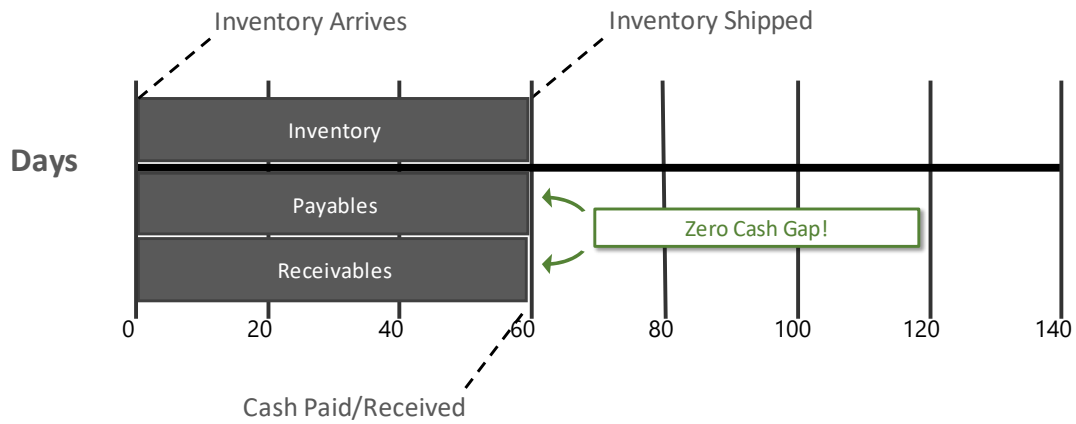
1. Quick Ratio
2. Inventory days
3. Accounts receivable days
4. Account payable days

Cash Gap Concept





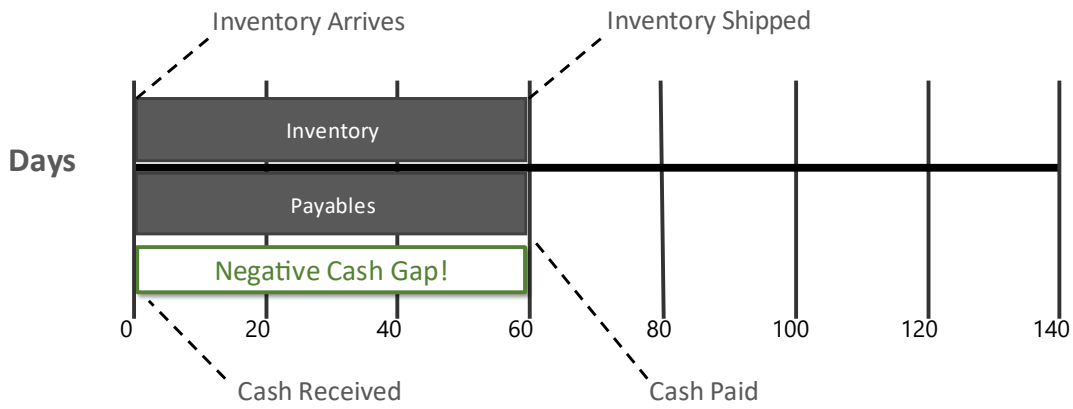
Cash Gap Concept





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Cash Gap Concept



Cash Gap Plan (CGP)

- 1. Shorter terms with customers**
- 2. Faster collection system**
- 3. Bonus AR staff**
- 4. Outsource AR**
- 5. Longer terms with vendors**
- 6. Cut inventory**



Lean Program

What is a Lean Program? It’s an ongoing program for rallying your team around a commitment to eliminate wasted time, material, and movement so you can dramatically improve operational efficiencies, cut production costs, and compete more effectively.

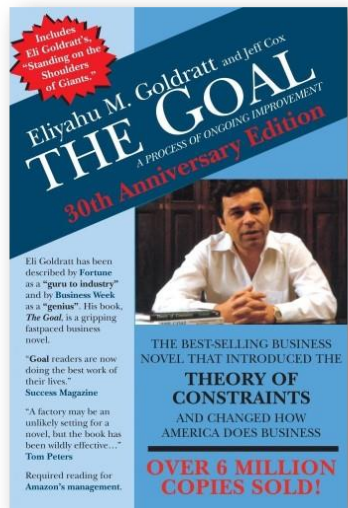


Identify And Eliminate “ Muda ” (Waste)

- 1. Over-Production
- 2. Inventory
- 3. Waiting
- 4. Defects
- 5. Motion
- 6. Transportation
- 7. Processing



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What Lean IS NOT

1. NOT simple cost cutting
2. NOT cheaper material
3. NOT lay-offs
4. NOT cutting a supplier's margin
5. NOT cost avoidance
6. NOT "point improvements"
7. NOT a tool (i.e. 6 Sigma, TQM, TPM)



Identify And Eliminate “ Muda” (Waste)

- 1. Over-Production
- 2. Inventory
- 3. Waiting
- 4. Defects
- 5. Motion
- 6. Transportation
- 7. Processing



1. Over-Production

1	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
OVER-PRODUCTION	Producing more than the customer needs right now	Producing product to stock based on sales forecasts Producing more to avoid set-ups Batch process resulting in extra output	Forecasting Long set-ups “Just in case” for break-downs	Pull system scheduling <i>Heijunka</i> – level loading Set-up reduction TPM

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>



2. Inventory

2	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
INVENTORY	More materials, parts, or products on hand than the customer needs right now	Raw materials Work in process Finished goods Consumable supplies Purchased components	Supplier lead time Lack of flow Long set-ups Long lead times Paperwork in process Lack of ordering procedure	External kanban Supplier development One-piece flow lines Set-up reduction Internal kanban

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>





3. Waiting

3	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
WAITING	Idle time created when material, info, people, or equipment is not ready	Waiting for parts, prints, inspection, machine, info, machine repair	Push production Work imbalance Centralized inspection Order entry delays Lack of priority Lack of communication	Downstream pull Takt time production In-process gauging Jidoka Office Kaizen TPM

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>



4. Defects

4	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
DEFECTS	Work that contains errors, rework, mistakes or lacks something necessary	Scrap Rework Defects Correction Field failure Variation Missing parts	Process failure Misloaded part Batch process Inspect-in quality Incapable machines	GembaSigma Pokayoke One-piece pull Built-in quality 3P Jidoka

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>

5. Motion

5	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
MOTION	Movement of people that does not add value	Searching for parts, tools, prints, etc. Sorting through materials Reaching for tools Lifting boxes of parts	Workplace disorganization Missing items Poor workstation design Unsafe work area	5S Point of Use Storage Water Spider One-piece flow Workstation design

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>

6. Transportation

6	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
TRANSPORTATION	Movement of product that does not add value	Moving parts in and out of storage Moving material from one work station to another	Batch production Push production Storage Functional layout	Flow lines Pull system Value Stream organizations <i>Kanban</i>

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>



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7. Processing

7	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
PROCESSING	Effort that adds no value from the customer’s viewpoint	Multiple cleaning of parts Paperwork Over-tight tolerances Awkward tool or part design	Delay between processing Push system Customer voice not understood Designs “thrown over the wall”	Flow lines One-piece pull Office <i>Kaizen</i> 3P Lean Design

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>



Waste Worksheet

Waste Worksheet

1. Over-Production	Causes	Counter Measures	Accountability	Date
Making too many wingers to bolt onto the widgets, so unused wingers pile up on our shelves	Making wingers in batches	Making wingers as needed rather than in batches	Winger crew	mm/dd/yy
Making too many wingers to bolt onto the widgets, so unused wingers pile up on our shelves	Making wingers in batches	Making wingers as needed rather than in batches	Winger crew	mm/dd/yy





M2A2 – KPIs That Matter



M2A2 – KPIs (or Metrics) That Matter

Do you really understand the state of your business today?





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M2A2 – KPIs (or Metrics) That Matter

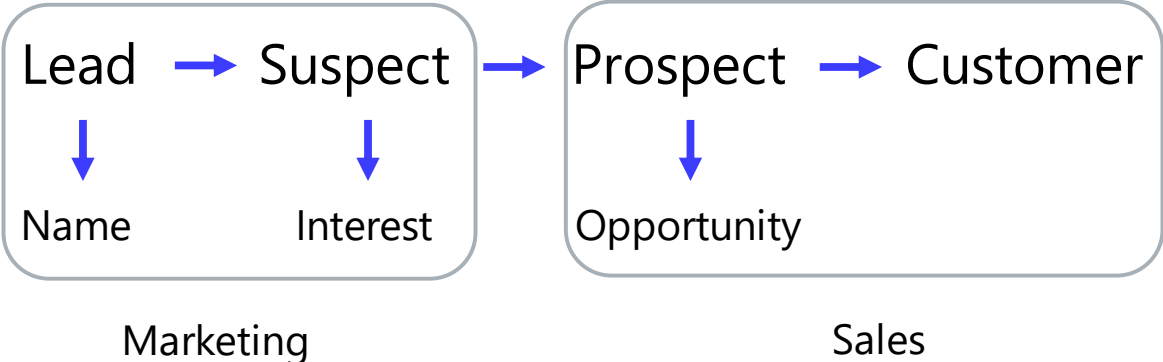
New Leads!

Death of a Business = No New Customers

The Prospect Continuum

Sales = 2 Things

1. Find Someone to Talk To
2. Talk to Them



Marketing Tactics Plan

Hunting vs Farming

Business Stage	Startup	Growing	Stable
Hunting	3	2	1
Farming	1	2	3

1. Must be targeted (to your Ideal Customer Profile)
2. Should have a specific and unambiguous Call to Action
3. Each should have a highly monitored and measured budget

M2A2 – KPIs (or Metrics) That Matter

Cost per Lead!

Worst is monthly, next is rolling 4 weeks and best is weekly!

M2A2 – KPIs (or Metrics) That Matter

Conversion Rate!

Gives you your Customer Cost of Acquisition



M2A2 – KPIs (or Metrics) That Matter

Conversion Rate Example!

Cost per Lead = \$1.00

Conversion Rate = 5%

Therefore 100 leads = 5 Customers or \$20.00 per customer



M2A2 – KPIs (or Metrics) That Matter

Customer Value!

Your Best Customer is an Existing Customer!

M2A2 – KPIs (or Metrics) That Matter!

Gross Margin!

$$GM = \frac{\text{Revenue} - \text{Cost of Goods Sold}}{\text{Revenue}}$$

M2A2 – KPIs (or Metrics) That Matter

Example #1

$$GM = \frac{100 - 50}{100} = 50\%$$



M2A2 – KPIs (or Metrics) That Matter

Example #2

$$GM = \frac{100 - (50 + 15)}{100} = 35\%$$



M2A2 – KPIs (or Metrics) That Matter

Plumbing Example

- \$99 service call
- .50 cents/mile vehicle costs
- \$50 journeyman and \$22 apprentice = \$72/hour labour
- 10 miles and 20 minute each way call so

$$GM = \frac{99 - (10 + 48)}{99} = 41\%$$

- 15 miles and 30 minutes each way so

$$GM = \frac{99 - (15 + 72)}{99} = 12\%$$

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Profit Equation Worksheet

	CURRENT	FUTURE	Change
Leads Generated	1,000	1,100	10%
X Conversion Rate	25%	27.5%	10%
= New Customers	250	303	21%
+ Retained	2,000	2250	13%
= Customers	2,250	2553	13%
X Revenue/Customer	\$360	\$396	10%
= Revenues	\$810,000	\$1,010,790	25%
X Gross Margin	39%	43%	10%
= Gross Profit	\$315,900	\$434,640	38%
- Fixed Costs	\$180,000	\$162,000	-10%
= Net Profit	\$135,900	\$272,640	101%





M2A2 – KPIs (or Metrics) That Matter

Quick Ratio!

$$\text{Quick Ratio} = \frac{\text{Cash} + \text{Receivables}}{\text{Accounts Payable}}$$



M2A2 – KPIs (or Metrics) That Matter

Inventory Days!

(Days Sales of Inventory, Days Inventory Outstanding, Sold Inventory Days and the Average Days in Inventory)

$$\text{Inventory Days} = \frac{\text{Inventory} \times 365}{\text{Cost of Goods Sold}}$$

M2A2 – KPIs (or Metrics) That Matter

Accounts Receivable Days!

$$\text{Accounts Receivable Days} = \frac{\text{Accounts Receivable} \times 365}{\text{Sales}}$$

M2A2 – KPIs (or Metrics) That Matter

Accounts Payable Days!

Days Payable Outstanding

$$\text{Accounts Payable Days} = \frac{\text{Accounts Payable} \times 365}{\text{Cost of Goods Sold}}$$



M2A2 – KPIs (or Metrics) That Matter

Profit Equation Review based on

1. Leads Generated
2. Cost per Lead
3. Conversion Rate
4. Annual Customer Value
5. Gross Margin

M2A2 – KPIs (or Metrics) That Matter

Liquidity Indicators

- 1. Quick Ratio
- 2. Inventory Days
- 3. Accounts Receivable Days
- 4. Accounts Payable Days

Trend and Compare

M2A2 – KPIs (or Metrics) That Matter

Plumbing Industry Comparison

1. Quick Ratio = 2.53
2. Inventory Days = 17.1
3. Accounts Receivable Days = 58.24
4. Accounts Payable Days = 38.96

How do you stack up?



Exit Strategy

Exit Strategy

Why is a Comprehensive Exit Strategy important? When you decide it is time to exit your business you want to get the most value for what you have likely spent years building. In the absence of a CES, you will most likely waste time and money and never truly realize the net proceeds you hope for; it really is that simple.

Exit Strategy

What is the elephant in the room on this topic? Most business owners wildly overestimate the value of their businesses. It's very likely that they have never had their business formally valued by a business transfer professional.



Exit Strategy Steps

1. Identify Target Value
2. Determine Current Value
3. Math gives you the Value Gap

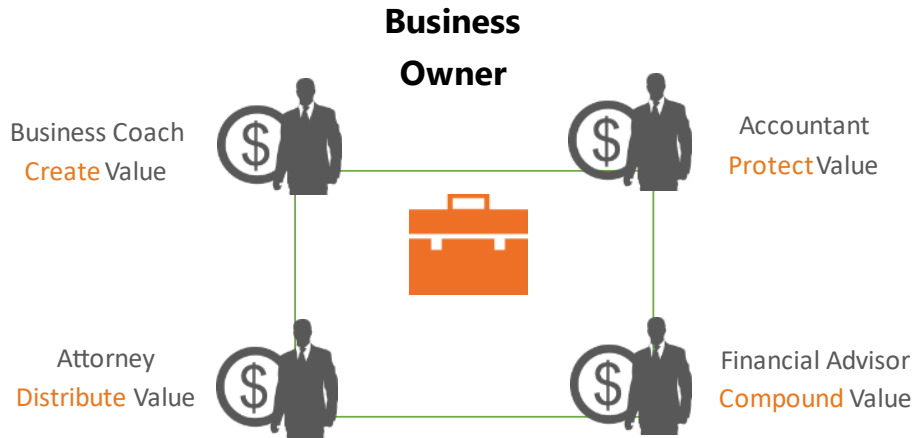
$$\begin{array}{r} \text{Target Value} \\ - \\ \text{Current Value} \\ = \\ \text{Value Gap} \end{array}$$

Exit Strategy Steps

1. Identify Target Value
2. Determine Current Value
3. Math gives you the Value Gap
4. Close the Gap using strategies outlined in this course
5. Assemble and Prepare the Team

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Exit Strategy Team

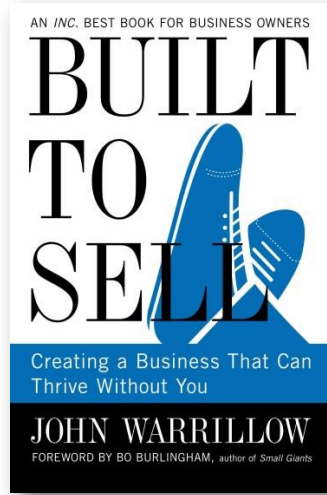


Exit Strategy Steps

1. Identify Target Value
2. Determine Current Value
3. Math gives you the Value Gap
4. Close the Gap using strategies outlined in this course
5. Assemble and Prepare the Team
6. Identify Internal and/or External Buyers



A Primer on Selling Businesses



Contact Info

wayne@takeactionresults.com

15 minute phone call

<https://takeactionresults.com/15-minute>

30 minute zoom call

<https://takeactionresults.com/30-minute-virtual>