



BLUE PRINT FOR BUSINESS SUCCESS

Cheat Sheets

By Craig Ridley

Your Online Business Coach

Hi Friend,

Thanks for signing up to receive a copy of my ***Blue Print for Business Success*** cheat sheets.

This document is a summary of the points I discuss in my Profit Growth Wealth video series which gives you a framework by which you can structure your business to achieve massive profit growth while at the same time creating personal wealth and a much better work life balance.

Sound amazing?

If you like what you see here, check out my Free Business Coaching Club where you can gain immediate access to my 10 part Profit Growth Wealth video series, get a complimentary copy of an eBook on how to survive in business during tough economic times, and get access to my Profit Optimizer Tool which allows you to understand the profit potential in your business.

You will be amazed at how much profit potential you are currently walking past!

Once you have completed the Free Business Coaching series, you can think about joining our Full Business Coaching Program to really turbo charge your path to business success.

Check out all of these resources at www.YourBusinessCoachingClub.com

I hope you get lots of ideas from these cheat sheets, and I look forward to seeing you join one of our Business Coaching Programs in the future.

Best wishes for your business success

Craig Ridley

Your Online Business Coach



Profit Growth and Wealth Solutions for Small Business Owners

Introduction

Outline of Modules

- I. The "Profit Growth Wealth" Pathway to Success Model
- II. The 5 Steps to Profit Improvement
 - *Focusing on the key profit drivers that can massively improve your profit performance.*
- III. The 7 Deadly Wastes
 - *Showing you how to strip waste and inefficiency from your business model as part of your profit improvement program.*
- IV. Building the Framework for A High Performance Business Model
 - *A high performance business is defined as one that functions effectively whether you are there in the business day-to-day or not.*
- V. Analyzing Your Current Business Model
 - *How you can use online assessment tools that will show you the gaps in your current business model.*
- VI. Rules For Creating Wealth From Your Business
 - *You are not in this business to have fun, but you are here to create real wealth for you and your family.*
- VII. How to Value your Business for sale
 - *Your biggest payday may come from the sale of your business – make sure you know how to maximize the sale value.*
- VIII. How To Calculate Your Retirement Needs
 - *How much money do you need to set aside to fund your retirement?*
- IX. Developing Your "Profit Growth Wealth" Plan
 - *It is time to take action!*
- X. Wrap Up

Expected Outcomes From The Profit Growth Wealth Video Series

- ✓ You will learn how to generate **THOUSANDS OF DOLLARS** in extra profit year in year out by focusing on your key profit drivers and building an effective business model that performs whether you are there or not.
- ✓ You will learn how to add **HUNDREDS OF THOUSANDS OF DOLLARS** to the sale value of your business by making it more attractive to a prospective purchaser.
- ✓ You will achieve **FINANCIAL SECURITY** in retirement by learning the importance of paying yourself a commercial wage and following an investment plan outside of the business.

Module 1: Your Pathway to Business Success

Warning Signs of a Business Not Reaching its Potential

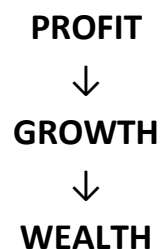
- ✓ Poor profitability and cash flow
- ✓ You are less competitive in the market place, with the competition stealing the march on you
- ✓ Management indecision – especially in making strategic decisions
- ✓ Lower productivity
- ✓ Customer attrition
- ✓ No growth
- ✓ No 'edge'

Consequences of an Underperforming Business

- ✓ Less valuable business
 - *Not worth anywhere near much as it could be if it would be performing strongly.*
- ✓ Poorer economic returns
 - *Profit returns, dividend returns, owner wages*
- ✓ Declining business attractiveness
 - *Less buyers are interested in your business*
- ✓ Higher risk of business failure
- ✓ You will end up working harder to get less
- ✓ No work-life balance

Take Action Now, Create a High Performance Business!

Your Pathway to Business Success:



- **Profit**
 - You need to first concentrate on achieving consistent profit improvement,
- **Growth**
 - When you understand how to achieve your profit potential, you need to look at business growth – but most importantly you need to ensure it is a sustainable growth model.
- **Wealth**
 - Once you achieve consistent profits and sustainable growth, it is time to focus on creating wealth for you as a business owner.

What Does a Successful Business Look Like?

- ✓ Improved profitability
- ✓ Increased business values
- ✓ Increased exit options
- ✓ Decreased business dependency on you as the owner
- ✓ Increased wealth for the owners
- ✓ Better quality of life

Module 2: The 5 Steps to Profit Improvement

The 5 Steps to Profit Improvement

1. Increase customer numbers
2. Increase the number of times they buy from you
3. Increase the average sale value
4. Increase margins
5. Reduce costs

SMALL changes can lead to MASSIVE improvements.

Here's a table to show you what you can do if you make tiny 5% improvements in the profit drivers in your business:

	Base Year		5% Improvement
Number of Customers	800		840
Number of Sales A Year	6		6.3
Average Sale Value	\$500		\$525
Gross Sales	\$2,400,000		\$2,778,300
Profit Margin	50%		52.50%
Gross Profit	\$1,200,000		\$1,458,608
Overheads	\$800,000		\$760,000
Net Profit	\$400,000		\$698,608
Profit Increase		75%	\$298,608

In this example we assume there are 800 customers of the business, buying 6 times a year and the average sale value is \$500. So if you multiply the number of customers with the number of sales per year and average sale value, you will get gross sales turnover of \$2,400,000 a year.

Let's say they are making a profit margin of 50% for every sale they make - generating a gross profit of \$1,200,000 on that level of turn-over. If the overheads to run this particular business are \$800,000 it will be generating a net profit of \$400,000 per year.

By making a 5% improvement in each of the key profit drivers, we can increase the profit from \$400,000 up to \$698,608. So that's close to a \$300,000 increase in bottom line profit, or a 75% increase in profit – all from a tiny 5% improvement plan!

Under the 5% improvement plan, instead of 800 customers, there will be 840 customers who will come and they buy 6.3 times a year and increase the average sale value from \$500 to \$525. The business turnover will increase to \$2.8 Million dollars.

If we also increase the gross margin from 50% to 52.5% and reduce overheads by 5% we can generate an extra \$300,000 profit for this particular business. So that's a massive increase in profit by making a very small change in the key profit drivers.

Every business is different and some of these 5% improvements might be difficult for your business to achieve but in saying that, there are probably some of these key profit drivers that can be increased by way more than 5%. Your profit improvement potential may be a lot different from the type of business we are looking at here. Every business has its own potential.

Here are some ideas on how you can achieve these 5% improvements:

Step 1: Increase Customer Numbers

- ✓ Understand your core differentiators
 - *This is a marketing exercise and marketing is all about understanding what makes you different, what is the niche that you are working on that can put you into a different place than where your competitors are, what is it that makes you attractive, and how you can drive more customers to you.*
- ✓ Develop a marketing plan based on the core differentiators
 - *Once you understand what you've got to offer that will attract your customers, and then you can build a strategic plan around those core differentiators, get the message out there to the right people, at the right time, in the right way and the customers will come to your business.*
- ✓ Systemize the sales process
 - *This is very important but always left out.*
 - *Once you understand on how to develop a contact/prospect into a customer and then into the sale, you have to systemize it so that it can be replicated so that it could happen time and time again and the system would work without you driving it so whoever is left can perform this.*

Step 2: Increase the number of times they buy from you

- (Once you get costumers, we want them to come back)*
- ✓ Provide awesome service
 - *Providing them a reason to come back to you.*
- ✓ Nurture your customers
 - *You need to create a relationship with these customers.*
- ✓ Ask them to return
 - *We actually have to ask them to return.*
 - *We need to put them on mailing list, catalogues, mailing cards, etc.*

Step 3: Increase the average sale value

- ✓ Cross selling
 - *If someone comes in to buy a particular product, is there a related product that we can sell to them that they can buy?*
- ✓ Up selling
 - *All about having category A-B-C or gold-silver-bronze.*
 - *Find ways to upgrade to a higher value or to a more profitable product (the customer doesn't know this).*
- ✓ Bundling
 - *All about trying to attach low margin products to high margin products.*
 - *Discount them when they buy bundle products.*

Step 4: Increase margins

- ✓ Avoid discounting
 - *Whenever you possibly can*
 - *If you are prepared to discount your sales price to a particular product, you need to know what volume increase you need to generate as a result of that discount to come out of the same profit figure.*
 - *All business owners should be allergic to this.*
 - *This should be the last option.*
- ✓ Operational efficiencies

Step 5: Reduce costs

- ✓ Operational efficiencies
- ✓ Lean lessons from the GFC (Global Financial Crisis)
 - *What this taught us to do is to really question every cost that comes into the business.*

Bottom line:

Small Changes - Big Results! You don't need to create big changes for big results.

Module 3: The 7 Deadly Wastes

Based on a Model for Improving Operational Efficiency (Developed by Toyota)

The 7 Deadly Wastes

1. Overproduction
 - a. Overproduction occurs when more products or services are produced than is necessary or they are produced at a faster rate than required
2. Waiting
 - a. There are many causes of waiting waste which occurs whenever time is not being used efficiently. Much of a product/services life cycle is tied up waiting for the next operation or for further value to be added.
3. Transporting
 - a. Transporting represents the cost of moving goods, documents or people from one place to another. Transporting waste occurs when there is excessive material handling often due to poor layout and poor planning.
4. Inappropriate Processing
 - a. Often the wrong machine or the wrong person is used to produce a product or service.
5. Unnecessary Inventory
 - a. Excess inventory is the natural outcome of a system where any elements are retained within the system. Inventory hides the inefficiency of the organization and can be found in stock piles of raw materials and FG and WIP.
6. Unnecessary Motion
 - a. All employees are involved in movement. The question is how much of this movement is really required. A work environment which reduced the quantity of unnecessary motion would increase the productivity of the individuals.
7. Defects
 - a. Waste due to rework and defective goods/services is visible and needs to be rectified at the point of occurrence.

Financial Cost of Business Waste

- ✓ Waste (cost) elimination can be one of the most effective ways to increase profitability in business.
- ✓ Studies have found that waste in a business can be as much as 20% of the total operating costs of the business.
- ✓ That is a potential \$200,000 profit improvement on a \$1M business!
 - *This saving will go directly to your bottom line profit*

Module 4: Building the Framework for a High Performance Business Model

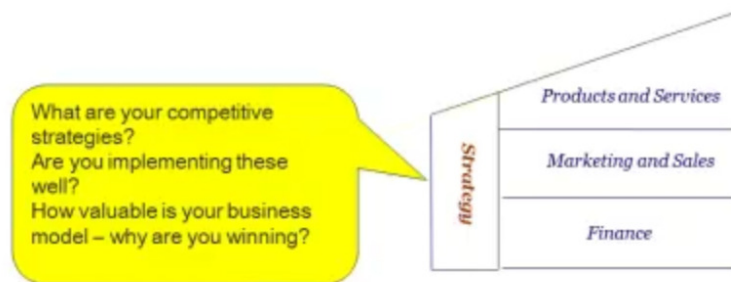
Adding Strategy to the Basic Business Model



Your Basic Business Model:

- ✓ you've got some products and services (something to sell)
- ✓ you've got marketing and sale strategies (a way to sell it)
- ✓ you have a finance system (a way to make money on it)

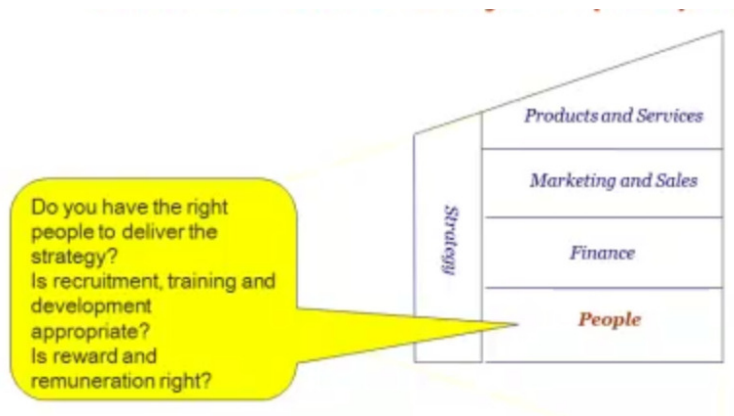
How do you deal with the competition?



Once you are successful with your basic business model, you next need to develop strategies for growth:

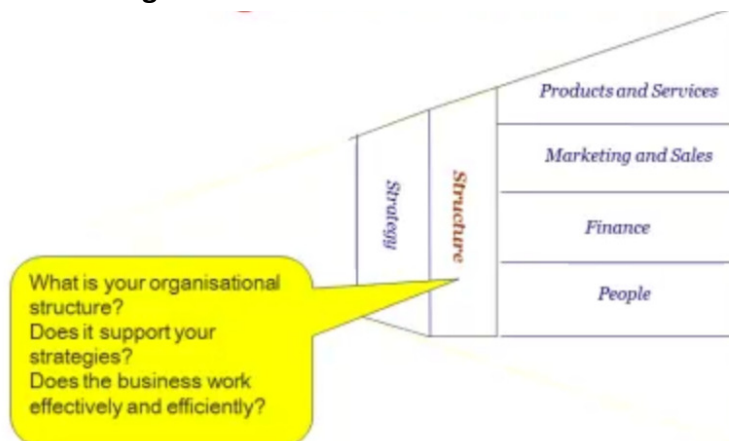
- How to deal with the competitors
- How to market even better
- How to get a greater amount of market share than what we are doing

How effective are your people?



- As you become more and more successful then we find that the business starts to grow and we have to involve people.
- This is the most difficult part of the business.
- As you bring more people into the business, you need to develop policies and procedures to make those people more effective.
- Must have right recruitment strategies to make sure you get the right people in the system.

Do you have an effective organizational structure?



- As more people come into the business, we need to develop an organizational structure around these people.
- The problem with a business that started small is that their original organizational structure still hangs in there too long.
- This organizational structure must be operating effectively to support the business, driving it forward.

With people and structure you need systems to run the business



- Once we have dealt with the people issues and the business is growing such that you cannot be over everything, we now need systems to make the business run effectively.
- The systems need to be integrated with what the business is trying to achieve and support the competitive strategies.
- It needs to be customer-focused.
- We are looking for consistency in service, quality and profitability in all aspects of the business.
- This is very important!

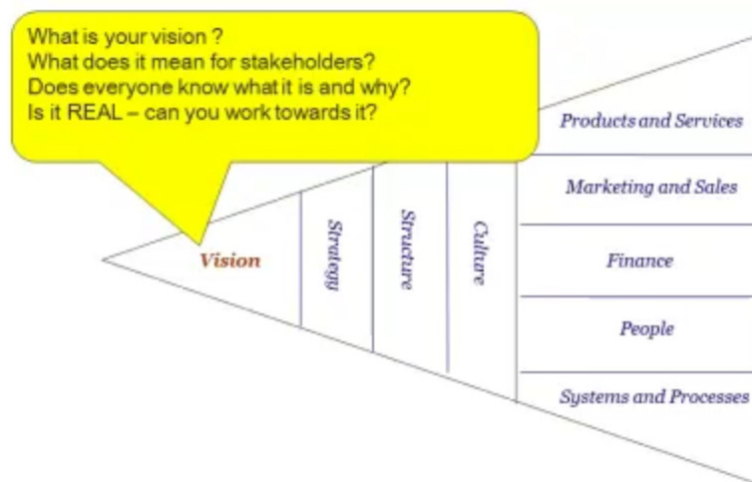
The business needs a culture of success and innovation



- Culture is defined as the way we do things around here.
- When a business grows from a small size to a large size firm, the culture develops and changes along the way.

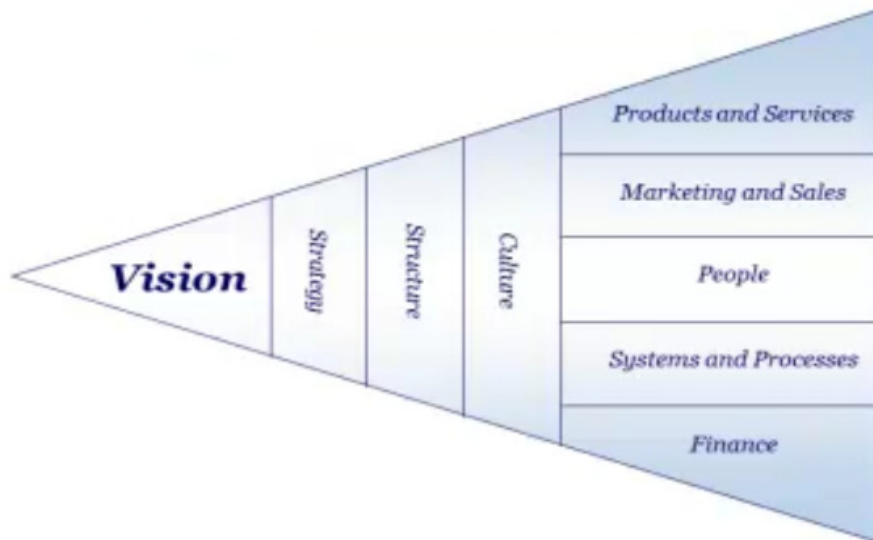
- Perhaps the culture that developed organically over time may not be the culture that the business needs today.
- People must know the expectations of the business, the way we do things and the values that run the business.
- The culture of the business must be towards one vision.
- Changing your culture midstream is quite difficult so you should always start with a culture in mind. Unfortunately, this is not what happens in the real world.

And it needs a vision for the stakeholders



- On top of all of this is Vision!
- Vision is a commonality of the goals of all stakeholders; it is what we are striving for.
- Vision is where we are pushing the company, and why we are doing it.
- Every decision that we make should be in line with our long-term vision.
- Vision is something that we ideally have at the start of the business venture but in reality, this is not what happens.
- Our vision might not be about how we exit but on how we maximize the business.

Put this all together and you have a framework for a high Performance business



- This is the integration of the basic business model and strategic direction.
- On the right side of the graphic is the engine of the business model (products & services, marketing & sales, people, systems & processes, and finance).
- On the left hand side, the strategic part of the business, the direction of where we want our business to go and how we will get there.
- All these areas must be working in tandem for the business to be successful.

Implementing a Business Growth Program

- Analyze the effectiveness of your current business model
 - You need to have a deep look into your business and how it operates.
- Identify opportunities for improvement
 - Identify the gaps and think about how we can build a better business.
- Develop a strategic plan for growth
 - The business must have a strong understanding of the vision and where you are in the present with respect to that vision.
- Use an (external) facilitator to drive the growth process
 - Role of a facilitator is to keep you honest about your business.

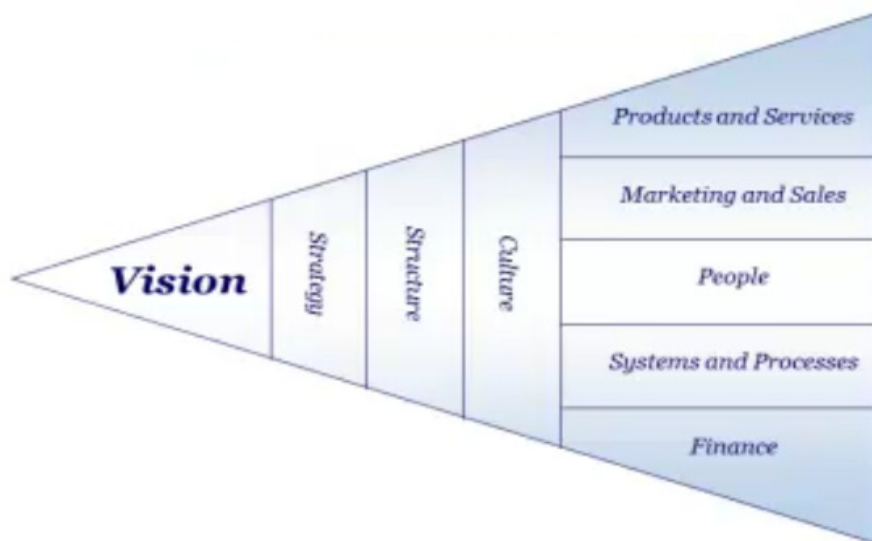
The facilitator should drag you out of your day to day business role to make you think strategically.

Module 5: Analyzing Your Current Business Model

Introducing the Advisapedia Tool

- Online business analysis tool developed by RAN One Pty Ltd
- Deep review of the effectiveness of your current business model
- Review of external and internal factors
- Ideal SWOT tool
- Graphical output – Spider graphs

Framework of a High Growth Business



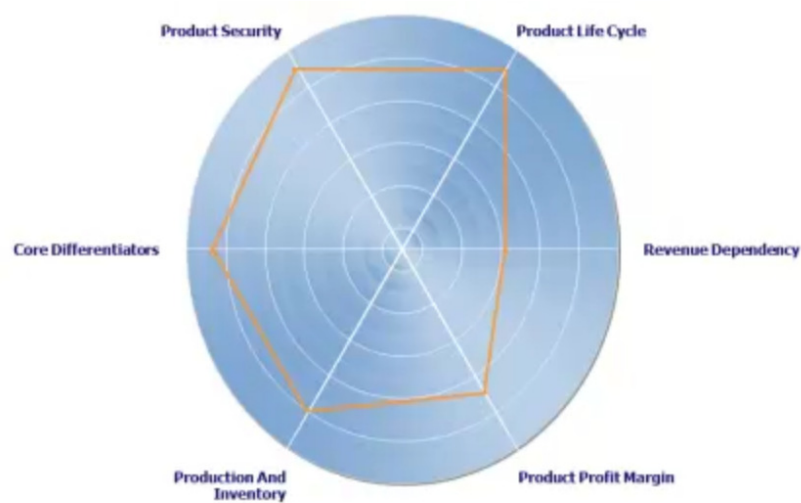
- The Advisapedia tool is very aligned to our Framework of High Growth Business.

Lets look at how this Advisapedia tool can perform a world class SWOT review of your current business model.

An overview of the Spider Graph reporting format

- Imagine that there is a poisonous deadly spider sitting in the cross hairs, right in the middle of the spider graph. You will understand that when you plot your answers to the business diagnosis questions that the last place you want to be is close to the center.
- Anything answer that is plotted close to the center of this graph will represent a weakness or threat to your business.
- If it is plotted closer to the outside of the graph, then this will be considered a strength or opportunity of the business

Products and Services – example spider graph produced by the Advisapedia tool



This graph shows the business has a couple of areas that needs to be looked at:

- Revenue Dependency – too reliant on too few products
- Product Profit Margin (to a lesser degree)

Let me explain what each assessment category represents:

- **Product Life Cycle**
 - Future stability of the products and services you are offering
 - Are you selling something that has perhaps peaked and demand is waning?. If that is the case, then you have to introduce new products in the business to maintain its longevity.
- **Revenue Dependency**
 - Spread of products
 - Are you dependent on one type of products or one type of customer?
- **Product Profit Margins**
 - How much profit are you making in these products? Is it enough?
- **Production and Inventory**
 - How effeiciently do you control the production process and inventory process.
- **Core Differentiators**
 - How different are your products from your competitors?
 - If it is low, you have to introduce products that differentiate you from your competitors

- **Product Security**

- How secure are your rights to sell the products?
- How well protected are your products?

Marketing and Sales – another Advisapedia spider graph



Points of Concern:

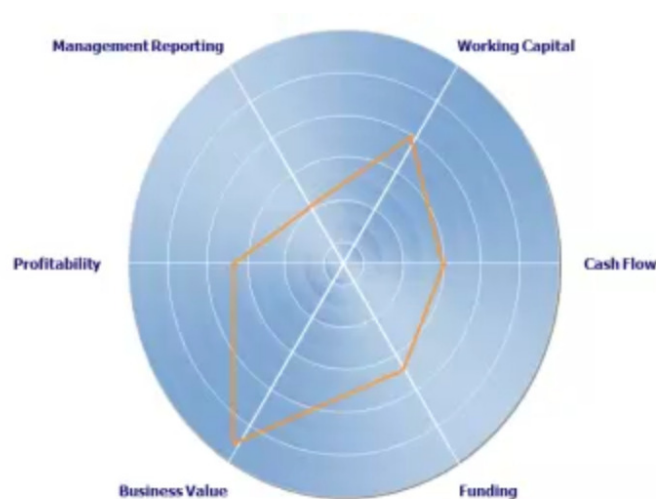
- Promotion and Advertising
- Customer Retention
- Customer Acquisition

Other Areas:

- **Branding**
 - Having a brand that is consistent with the visions and values of your business is vital
 - Make sure that your brands are consistent across all your paraphernalia
- **Customer Acquisition**
 - How good are you at acquiring customers of the type that you want and that will make you very successful?
- **Customer Retention**
 - What are your strategies for keeping them?
 - Do you have loyalty programs?
 - Do you constantly stay in touch?

- **Promotion and Advertising**
 - Look at your marketing messages and channels used
 - Target the right customer at the right time
- **Sales Strategy**
 - How you manage your sales pipeline and increase sales conversions
- **Pricing Strategy**
 - Do you have control over your price?
 - Do you have a clear pricing strategy?

Finance – one more Advisapedia graph to illustrate its usefulness in analyzing the effectiveness of your business model



- **Working Capital**
 - Liquidity of the business
 - How safe is your short-term working capital?
- **Cash Flow**
 - You may be profitable but are you able to pay your bills on time?
 - Do you have a good credit history?
- **Funding**
 - Looking for alternative funding for the business?
 - Is your reputation with the bank strong?
- **Business Value**
 - Do you understand the value of your business and how to make it more valuable?

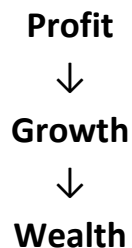
- More importantly, do you believe that your business is increasing in value?
- **Profitability**
 - Is the business as profitable as it can be?
 - As the owner, are you happy with your business profitability?
- **Management Reporting**
 - We often see areas of concern here
 - Are you producing appropriate information to help improve the business

Advisapedia is one of the best online business analysis tools on the market today.

As a member of Your Business Coaching Club you will be offered the chance to use the tool to improve your business performance.

Module 6: Rules for Creating Wealth from Your Business

Step 3 in our Profit Growth Wealth cycle is focused on Creating Personal Wealth



Rules for Creating Personal Wealth

1. Your business owes you more than just a living

- Pay yourself a commercial wages (it is reflected in business value anyway)
 - *This is your return for effort*
 - *Your business must pay you commercial wages*
 - *Commercial wage – the money that you need to pay to a person to perform your role if your weren't there*
- Return on investment must reflect risk
 - *Remember that you invested your personal money in this business*
 - *Your business owes you a return on that investment*
 - *The return should be higher than bank interest given the riskiness of investing in any small business*

2. Maximize business value but don't rely on the sale of your business

- Demographic, consumer and economic changes keep coming
 - *These changes may make the business worthless at the end of the day*
 - *Future generations might not be prepared to buy your type business as work expectations change*
- Generational transfers rarely occur at market value
 - *You may look to pass the business on to your children, but this is rarely done at commercial values*
 - *You must create a personal wealth outside of the business to make the succession process run smoothly*

3. Retiring with the right amount of money takes planning

- Understand timeframes and expectations for your income and capital needs
 - *How much retirement capital do you need?*
 - *How much time do you need to accumulate that capital?*
- Develop and implement a strategic investment plan NOW!

Module 7: How to Value your Business for Sale

Even if you have no plans of selling your business in the short term, it is still important to know how much your business is worth today so you can track the results of your business improvement strategies.

Business Valuation Process

Most used methodology is to capitalize maintainable earnings

- *Of course the true value of your business will not be known for certain until the moment of sale (during the meeting of minds between a buyer and a seller).*
- **Step 1** – Adjust profits for owner specific items
 - *Look at today's profits or the profits from the last three or five years.*
 - *Adjust for any income or expense items that are specific to you as an owner (personal cars, interest on loans etc)*
- **Step 2** – Adjust profit to reflect commercial wages for owner effort
 - *Note that even if you have never paid yourself full wages, the real figures will still be used in the business valuation – more reason to make sure you pay yourself properly!*
- **Step 3** – Confirm current profits are maintainable
 - *Is that level of profitability maintainable in the future?*
- **Step 4** – Determine an appropriate capitalization rate (required return on investment)
 - *Most small businesses will sell at a capitalization rate between 25% and 50%*
- **Step 5** – Divide maintainable profits by the capitalization rate
 - *When you divide these two, then you will get the valuation of your business.*

What is Your Business Worth?

Cap Rate Profit	50%	33%	25%
\$250,000	\$500,000	\$757,575	\$1,000,000
\$500,000	\$1,000,000	\$1,515,151	\$2,000,000
\$1,000,000	\$2,000,000	\$3,030,303	\$4,000,000

In the sample table

- Left: three lines of profitability of business generating an adjusted profit of \$250,000, \$500,000, or \$1 Million
- Right: capitalization rate of 50%, 33%, 25% return of investment
- So if you have a 50% capitalization rate, the value of your business becomes two times earnings
- If you are only looking for 25% return the business value is four times profit.

- If you are able to increase the profitability of your business overtime from \$250,000 to \$1,000,000 a year, and let's say you also increase the attractiveness of your business to a new owner such that their required capitalization rate moves from 50% to 25% - That \$1M profit a year business, being sold at a 25% capitalization rate is now worth \$4 Million dollars compared to the original \$500,000!.

What is a High Performance Business Worth to You?

Let's go back to the 5% profit improvement table

	Base Year		5% Improvement
Number of Customers	800		840
Number of Sales A Year	6		6.3
Average Sale Value	\$500		\$525
Gross Sales	\$2,400,000		\$2,778,300
Profit Margin	50%		52.50%
Gross Profit	\$1,200,000		\$1,458,608
Overheads	\$800,000		\$760,000
Net Profit	\$400,000		\$698,608
Profit Increase		75%	
Valuation Multiple	3		4
Business Value	\$1,200,000		\$2,794,430
Value Increase		133%	\$1,594,430

- Remember that in the past modules, we showed you how small changes can create big improvements?
- If the business was generating \$400,000 and we believe that the profit was maintainable going forward and we are willing to accept a 33% capitalization, then the business will be worth \$1.2 Million.
- In the 5% improvement model we managed to increase the profit by 75% to \$700,000. If the business is still worth three times profit, it will now be worth \$2.1 Million dollars. So the 5% improvement model not only makes more profit year in year out, it also significantly increases the business sale value.
- But what if we also built a high performance business model at the same time we implemented the 5% improvement model? Perhaps a future buyer will be happy to pay 4 times business profit to reflect the better risk and organizational structure. The required capitalization rate is now 25% and the business value has increased from \$1.2 million to \$2.8 Million.
- **That's a value increase close to \$1.6 million or close to 133% by making 5% improvements in your profit drivers and building a professional organizational structure that also frees up your personal time! .**

Drivers of Business Value

1. Profit

- Maximize Profits
- Convert profit to sustainable growth

2. Return on Investment (or Return for Risk)

- Make the business attractive to a buyer
 - *You want many buyers who are attracted to the business*
- Buyers are looking for maximum return for minimum effort – just like you should be!

Structure the business so it operates effectively without you being there every day – not only will you improve your work life balance, you will also significantly improve the sale value of the business.

Module 8: How to Calculate your Retirement Needs

Capital Needed to Fund Annual Retirement Income

Assumed Investment Earnings Rate 5%

Years	5	10	15	20	25	30
Capital Value						
\$500,000	\$109,988	\$61,699	\$45,877	\$38,211	\$33,787	\$30,977
\$1,000,000	\$219,976	\$123,338	\$91,755	\$76,422	\$67,574	\$61,954
\$1,500,000	\$329,964	\$185,007	\$137,632	\$114,632	\$101,361	\$92,931
\$2,000,000	\$439,952	\$246,675	\$183,509	\$152,843	\$135,148	\$123,907
\$2,500,000	\$549,940	\$308,344	\$229,386	\$191,054	\$168,934	\$154,884
\$3,000,000	\$659,928	\$370,013	\$275,265	\$229,265	\$202,721	\$185,861

Left Column: The amount of capital you have in retirement

Top Row: Number of years you anticipate that you are retired for

Example:

Retire at age 60, expected to live at 85 thus I need to fund the retirement for 25 years.

Across the chart, on the 25 years column, let's say I want a \$100,000 annual retirement income stream. So if you look at the chart, under the 25 years column, there's a value of roughly \$100,000 (\$101,361). So if you trace it to the left, it shows \$1,500,000. Therefore if I want to generate an income of \$100,000 every year for 25 years, then I need to generate \$1,500,000 before retiring. But if I go beyond 85, my money would all be gone and I have to find other revenues to survive on.

Annual Savings Needed to Build the Capital Base

Assumed Investment Earnings Rate 5%

Years	5	10	15	20	25	30
Target Value						
\$500,000	\$86,178	\$37,859	\$22,068	\$14,401	\$9,997	\$7,167
\$1,000,000	\$172,357	\$75,719	\$44,136	\$28,802	\$19,995	\$14,335
\$1,500,000	\$258,535	\$113,578	\$66,203	\$43,204	\$28,932	\$21,502
\$2,000,000	\$433,714	151,437	\$88,271	\$57,605	\$39,909	\$28,669
\$2,500,000	\$430,892	\$189,297	\$110,339	\$72,006	\$49,887	35,837
\$3,000,000	\$517,071	\$227,156	\$132,407	\$86,407	\$59,864	\$43,004

- *To understand how much capital you need to put away by the time of retirement*
- *How much money you have to set aside each year to earn that capital.*

From the previous example, I need to put aside a capital sum of \$1,500,000 to fund my \$100,000 retirement income stream.

Across the top, we are talking about the number of years until I retire.

Example - I am 45 years now and will retire by 60, so I have 15 years till retirement. The above chart shows me that during the next 15 years, I need to put aside \$66,203 each year and invest it at 5% per year to reach the \$1,500,000 capital sum that I need.

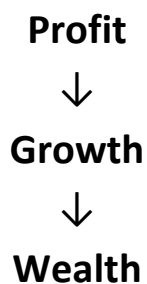
There is no wrong or right answer here. All you have to do is to balance everything out to give you an idea of what you need to do to ensure you have the retirement you want.

Module 9: Developing your own “Profit Growth Wealth” Plan

Your Profit-Growth-Wealth Plan

- Understand the profit potential of your business
 - *Identification of profit drivers and small changes can have big impacts*
- Understand how to grow the value of your business and make it an attractive sale proposition
 - *Go back over the framework for a High Growth Business and break your business into those areas mentioned*
 - *Use the Advisepedia tool help you*
- Invest outside the business NOW to reduce your reliance on a successful business sale
 - *You should not rely on a business sale to fund your personal wealth in retirement*
 - *It is the cream on the cake, not the cake itself!*
- Work to a personal investment plan to ensure you can retire comfortably

Remember the Process



The Secret to Successful Implimentation

(but this is the hardest part of the strategic plan)

- Educate yourself on best business practice
 - *Make sure you understand fully what makes the business tick*
 - *Learn from other businesses around you*
 - *Never stop learning, never stop looking for answers*
- Allocate regular time to a strategic planning process
 - *You need to simply lock it in your diary if you have a hard time allocating your time*
- Break the strategic plan into a prioritized implimentation plan
 - *The implementation plan works best if it is broken down into chunks*
- Use an external facilitator to drive change and keep you focused on the big picture
 - *Consider the use of an external facilitator*
 - *Your external facilitator is your mentor, your coach*

Module 10: Wrap Up

Summary

1. The "Profit Growth Wealth" Pathway to Success Model
2. The 5 Steps to Profit Improvement
3. The 7 Deadly Wastes
4. Building the Framework for A High Performance Business Model
5. Analyzing Your Current Business Model
6. Rules For Creating Wealth From Your Business
7. How to Value your Business for sale
8. How To Calculate Your Retirement Needs
9. Developing Your "Profit Growth Wealth" Plan
10. Wrap Up

What were the Target Outcomes of this program?

- You will learn how to generate **THOUSANDS OF DOLLARS** in extra profit year in year out by focusing on your key profit drivers and building an effective business model that performs whether you are there or not.
- You will learn how to add **HUNDREDS OF THOUSANDS OF DOLLARS** to the sale value of your business by making it more attractive to a prospective purchaser.
- You will achieve **FINANCIAL SECURITY** in retirement by learning the importance of paying yourself a commercial wage and following an investment plan outside of the business.

What did we show you in this program?

- 5% improvements in your profit drivers may lead to a 75% increase in year-in year-out profitability
 - *Remember that small increases can create enormous improvements in your profitability*
- A review of waste and inefficiency in your business may reduce cost and improve margins by up to 20%
 - *Are you able to strip out 20% of your inefficiencies? And what difference would it make?*
- An effective business model that strategically grows your business and makes it infinitely more saleable may increase the sale value of your business by more than 100%
- Investing business profits allows you to create real wealth independent of success of the business

What about the Non-Financial Outcomes?

- How do you value an improved work life balance?
 - *To create a well-structured business model that will allow you to work strategically on the business rather than you working hands-on every day.*
- How do you value better physical and mental health?
 - *More personal time and less stress*
- How do you value better family relationships?
 - *Imagine owning a growing business but still having time to spend with your family!*
- How do you value your pride in a successful, profitable and growing business?

THANK YOU

- Your time is valuable but so is your business education
- Look for other resources available to you at **www.YourBusinessCoachingClub.com**
- Join our FREE business coaching program and watch the video series that these notes were taken from.
- Join our Gold membership program and get immediate access to every business coaching module we have released to date and all that we will release in future (there are more than 60 modules to work through)
- Join our Monthly membership program and get access to a new coaching module each month to implement in your business – but most importantly, get access to me as your personal business coach.

My very best wishes for your continued business success.

Craig Ridley

Your Online Business Coach

