

TURN YOUR BUSINESS INTO AN ASSET!

BUILD TO EXIT

The best time to think about selling your business is BEFORE you start it, the second best time is NOW and the WORST time is when you want to sell it.

THE BUILD TO EXIT STORY

MARK STECHER

BUILD TO EXIT®

Turn Your Business Into an Asset

Mark Stecher

2017

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It's an honour and a privilege to share a few words about both the book and the author, Mark Stecher.

I have met many people over the years, who excel in what they do and shine their light through their contribution.

His vision, mission and passion to enhance the lives of others and give back is nothing short of astounding.

The Story of Build to Exit is a masterpiece and in my opinion, will be in the future a reference that others will quote! It's genius personified!

I know you will love reading the book and most importantly seek to learn and discover how to impact the lives of others forever.

Enjoy.

**Gary Schuller,
CEO, The Business Marketplace.**

Not only clear, sensible, informative and inspiring for people hoping to make their mark in the business world, Mark Stecher's book is also a delightful read.

**Dr Elizabeth Morrison,
Author and editor**

"Build To Exit" is a great book with heart that anyone can relate to. Although the core message is intended for budding entrepreneurs and business owners, this does not limit anyone from learning valuable insights. It incorporates dreaming big, setting goals, achieving clarity, managing business with good leadership, hiring, training and fortifying a top-notch team that is sharing the same vision, working and heading towards success.

It is also making a difference in the society and getting on a new meaning of life's purpose. It sparks one's innate desire to succeed, drives one's imagination as to what you would like to do and accomplish in your life... without taking for granted, living life on purpose."

**Anna Liza V. Yu
Copywriter
Cebu City, Philippines**

“Build To Exit” has been a life changer for me. I am the founder and owner of Complex Technology, an IP CCTV installation business and before reading the first book in the series I was ready to give up. I don’t read business books, however I read this one from cover to cover. More importantly I took action. This book has opened my eyes in many ways on how I can be successful and to build my business to help my dreams and goals come to fruition. No longer is it a task to work on my business.

This book is an easy read and in fact *anyone with the IQ of two bricks taped together could read and understand this book*. Part of the secret is to take action. I am looking forward to doing the course to learn even more.”

Dennis Frank
Owner, Complex Technology Group

Foreword

The greatest leaders of war, industry, sport, politics, science and the arts have all lived by the one universal mantra ... ***“be very clear of your end objective.”*** Arriving at that desired, and intended destination does not occur by luck or accident. It requires a plan, knowledge and courage.

For any modern day aspiring entrepreneur, or existing multi-millionaire, the journey of self and business success, is predicated on the pathway with the end in mind. As such, I would encourage all readers of this unique book, to start by reading the Conclusion chapter first. From it, ask yourself the question relating to your own business objective ... ***“what is your purpose for having the business, and what legacy will you leave that will enrich the lives of those who walked with you, and will follow?”***

Utilising the valuable contents of Mark’s book, is not to just read it. Use it as a study of yourself as a business person. I would encourage all readers to focus on one chapter per week to understand the message. Establish a process of application and implementation for each chapter. Record your progress. Include other staff members in that process. Build a team approach.

This book is based on Mark’s fascinating life experiences that has taken him to so many parts of the world where he has met so many diverse groups of people. It is about his own journey as a businessman. I believe his greatest strength is how he has risen from failures, learned from

them, and been totally honest with himself as part of his journey of self, and in business success.

The enjoyable narrative of Mark's journey is the template to having a life and business purpose, and living with fulfilment. As a business leader, so much of his underlying philosophy is about creating new leaders. This book is a light that shines in the darker corners of business that many who failed did not know existed, or chose to ignore.

I commend Mark for sharing his experience and wisdom. It would have been most valuable for me forty years ago.

Garry Prigg

Founder of International Consultants to Business and
Who I Am Dynamics
Melbourne,
Australia

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Preface

We are living at the best time in history to create a small business. Never have we had such instant access to global markets and global workforces. The opportunities to use your talents and experience to create a local, national or even global business are unlimited and every day millions of people are joining the growing trend and starting their own businesses.

Most will fail.

There are a multitude of reasons that a small business will fail, sometimes it is because there is not a lucrative enough market for their product, sometimes the owner lacks the experience or maybe is not inspired and willing enough to do what it takes to make it work.

Of the businesses that fail however, there are many that are inherently good and *could* become wildly successful - if only they had the right guidance.

‘Build to Exit’ is a system that is designed to provide that guidance. You are reading the first step in that system – it is a story about the system. I wrote this book as a stepping stone, to whet your appetite to engage in the rest of the system. This book is called the *‘The Build To Exit Story’* and is the story about the main book called *‘Build To Exit’*. This leads onto a series of training courses that are run by professionals and that is what creates ‘the system’. There are many ideas and thoughts throughout the book, however it is the architecture and sequence of the material that is the real essence of the system.

Business can be overwhelming and one small mistake can be enough to go from potential success to complete failure. We are bombarded

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daily with people wanting to sell us services to help us grow our businesses. Financial Planners, Business Coaches, Sales Trainers, Marketing Consultants, Product Specialists, Media Consultants, Recruitment Agencies, Outsourcing companies and the list goes on. The question is who do you use, why should you use them and when is the right time to engage with them?

The **Build to Exit** system is designed to guide the business owner through the maze in a logical and sequential manner, bearing in mind that as a business owner you most likely have very little time and very little cash. By following the principles and the sequence AND *taking action* you WILL start to *free up time* and *increase cash flow* so that you invest more of both back into your business.

Build to Exit is like a living Business Strategy. Over the years I have spent a small fortune on creating Strategic Business Plans only to find that firstly I did not have the time to implement them and secondly, they were out of date within a very short time. Business is dynamic and the plans you made three months ago may have little relevance today. I have seen countless other businesses doing the same thing I did and creating expensive, time-consuming business plans that just end up gathering dust on the shelf. **Build to Exit**, doesn't require you to spend a week in January creating a plan for the year. All you need to do is commit to spending a few hours every week and following the process. After a while, taking that action, you will get results and spending time on growing your business will become a habit. Building value in a business is the real job of a business owner, not working IN the business and fighting the constant stream of fires that are ever present.

Mark Stecher
2017

Introduction

In the 1980's I was working for a large multi-national corporation. My salary was great, I loved my role, I worked a nine-day fortnight and thoroughly enjoyed my six weeks a year of annual leave. Despite this seemingly idyllic lifestyle something wasn't quite right, something was drawing me towards having my own business. I had friends who had their own businesses and at the time it seemed to me that it was a perfect lifestyle. I figured that if I had my own business I'd have financial freedom, I'd be in control of my time, be doing *what* I wanted *when* I wanted, working around five hours a week – and best of all, I'd be doing the work I loved, most of the time.

The more I thought about it and the more I imagined this business owner's lifestyle, the more I knew that was what I wanted to do. Then one day it happened - I had an 'entrepreneurial seizure', as Michael Gerber describes in his classic book *the E-Myth* and so, with very little planning and even less knowledge about business I handed in my resignation and launched my new business.

The first few months were exciting and nerve racking at the same time. I had heaps of time and no boss to answer to. I also had no clients and no cash coming in the door. I was developing products which took longer to complete than I anticipated. My cash reserves were dwindling and it was becoming increasingly evident that I had to take time off the development to find someone who wanted to buy the products. I loved the development process – it was exciting and fun, but it didn't pay my bills.

Prospecting and selling, I soon discovered wasn't as easy as I had imagined. I remember looking at the sales people in my previous job

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and thinking what a nice life they had, company cars, corporate lunches and events and large bonuses. Even though I had an in-depth knowledge of my product and a passion for it, I still had to find someone who wanted to buy it. I had virtually no experience at selling and after a few bad experiences decided that perhaps selling was not one of my strengths. I got to the point where I dreaded going to see prospects. I now had a new respect for the sales people in my previous company and I realised that without sales, I didn't have much of a business.

The next wakeup call came when I needed to start managing my finances. When I launched my business, I hadn't given it much thought. I was good with numbers and figured it would be easy. It was relatively easy; however, I didn't enjoy it, I procrastinated and when I was doing the accounts I was slow and inefficient. It was time consuming.

Finally, after 12 months, with very little cash left I had completed my first product. It was a small celebration because by that time, I was learning to be more conservative with my rapidly dwindling cash reserves.

The good news was that I had found my first *potential* client and so I spent a couple of days putting together a proposal. The big moment for my first sale had come and I excitedly called my prospect only to find that he had left the company the week before. I never found whether he left voluntarily or whether he was encouraged to go – it was a bit unexpected. His replacement wasn't particularly interested in what I had to offer so it was back out hunting again. In those days, we didn't have email or internet or even fax machines so it was either calling into see people personally or using the phone. Compared to what we



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have today, it was challenging. I persevered and eventually made my first sale. Celebration time!

By now, my dreams, like many small business owners I have come to know over the years, were pretty much a thing of the distant past. I was almost broke, I was working twice the number of hours I'd worked when I had a real job, and the worst thing was that I was spending most of my time doing things that I wasn't particularly good at and didn't enjoy doing at all.

Should I quit? I could to back to my secure, well-paying, stress-free job... I'd seen many other small business owners who had mortgages and family commitments do this. I had neither of those responsibilities so I decided to persevere.

More than 30 years have passed since then and looking back I cannot believe how naïve I was. What on earth was I thinking? I now know that it would have been better to learn everything I could about business first, do much more market research while I had the security and income from my job, save enough money to have a buffer, and then perhaps start part-time, while still working full-time. It was a good learning experience, however, and I have since launched a few businesses, all without disturbing the main business that was paying my wages and bills. Some of those businesses failed and disappeared with relatively little consequence, others failed at significant financial cost, and a couple succeeded.

Looking back, the correct path is always so much easier to recognise than looking forward, however it does seem obvious to me now. This clarity is what I wish to impart in this book. If you are in a small business or perhaps wanting to start a business, you will hopefully have a much shorter journey than me, simply by learning from the mistakes that I made.

The Build To Exit Story

Over the past 40 years or so I have read thousands of books, listened to hundreds of hours of audios (cassette tapes, CDs and now MP3s), attended numerous courses and engaged many business coaches and mentors along the way. I learnt valuable lessons from them all, each one contributing to where I am today. The main challenge was that my learning was quite random, which meant that sometimes I learnt valuable things at the wrong time. In this book, I have put these lessons into a more logical sequence that I hope makes it easier for you to follow.

As a result of this insight I decided to write a book called *Build To Exit*, and created the framework for an education system for business owners wishing to build value in their businesses. There are 25 chapters and each provides keys that are actions you can take to get to the next stage. The book became a bit like what my mother calls a ‘shaggy dog story’ and got longer and longer and eventually I realised that it was too detailed for most small business owners who are very time poor. I decided to write a story about the book and that is the book that you are now reading. This book is a series of conversations I have had with many coaches I have engaged with over the years and some of the things that I have learnt. It is meant to be quite easy to read and will then lead into the main book which goes into more detail.

The Journey to my first Business

I come from a family of engineers that dates back to Hungary in the early 1900s. My father was inspired to get into engineering by his uncle in the mid 1900's. He is nearly 83 now, and still engineering. He loves what he does is still developing and patenting new technologies. With that background and not having much of an idea about what I wanted to do when I left school, I chose to follow in my father's footsteps. I completed a four-year engineering degree in 1977. The course wasn't particularly exciting and unlike my father and younger brother, an engineering career didn't hold a lot of interest for me. For some years I had been fascinated by the idea of becoming a stuntman and so, almost as soon as I completed my engineering degree, I signed up for a stunt course. That seemed like a lot more fun than embarking on a career in engineering.

I trained hard and loved it – it was fun and exciting and after graduating from the course I became part of a travelling show. It wasn't without its risks; at one stage, I was concussed after being hit by a car and not landing properly. Another stunt was jumping out of a moving vehicle; my knees came up too fast and broke my nose. Just another day in the office – the excitement was worth it.

I had only been working in my new career for about two months when I saw a fire-breather at a local circus breathing great plumes of flame from his mouth. It looked spectacular and so I decided that I would try it myself. It looked easy enough. In those days, we didn't have the benefit of the internet; otherwise I might have found some very useful instructions on Wikipedia:

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“Fire breathing is the act of creating a plume or stream of fire by creating a precise mist of fuel from the mouth over an open flame. Regardless of the precautions taken, it is always a dangerous activity, but the proper technique and correct fuel reduces the risk of injury or death”

That article may have triggered some warning bells... However, without the benefit of that useful information I pressed ahead and decided to use petrol (or gasoline), which is highly explosive. My idea was to spit the liquid out over a cigarette lighter rather than use the ‘precise mist of fuel’, which I now know is the correct way to do it.

Undaunted by my lack of knowledge I announced my intentions to my younger brothers and marched confidently down to my father’s workshop. I got a gallon can of petrol, a cup and a cigarette lighter.

My brothers watched, smirking... (This was not the first time I had tried a hair-brained stunt like this).

I placed the items on the bench in front of me, unscrewed the cap of the petrol tin and carefully poured a mouthful into the cup. Although I didn’t realise or plan it, having only a single mouthful turned out to be a bit of a genius move. In my second, unplanned genius move I put the lid back on the can of petrol. Then, with the cigarette lighter in one hand and the cup of petrol in the other, I lifted the cup to my mouth and took in the measured mouthful. The inside of my mouth went numb and it was at that point I started to have second thoughts. By this time, my brothers had backed themselves up to the doorway for a speedy exit, saying

“Go on, do it!”

The Journey to my first business

I was past the point of no return.

I lit the cigarette lighter – I now had a mouthful of highly volatile fuel and a lit cigarette lighter within a few inches of my head. What on earth was I thinking?

Too late – I blew the petrol over the lighter....

It exploded in a spectacular ball of flame.... My brothers yelled and bolted out of the open door; the flaming petrol hit the floor in half-liquid form and immediately spread rapidly across the garage setting my father's wooden workbench alight....

I was transfixed – it was a beautiful sight... I was very pleased with myself and it wasn't that hard at all. My brothers eventually returned and helped me put out the fire, somewhat impressed by this new stunt.

I spent the next few weeks perfecting it and showing my friends and becoming quite confident at performing it. It was particularly spectacular at night – this large ball of flame exploding against the night sky.

I decided it was time to show it to a girl that I was keen on since the beginning of High School. She was a friend I had a secret crush on



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but I had never managed to get the relationship to the next stage. My young male brain somehow thought that this was the thing that would do it; she would see me doing this and realise how tough and macho I was and that would get her across the line.

I invited her to my place and explained the stunt I was about to do. She looked at me, wide-eyed, a look that I mistook for admiration. Looking back, I realise that she was most likely thinking ‘you are a complete idiot’.

Again, undaunted by my lack of understanding of the female mind and bolstered by my successful practise sessions, I proceeded. Can of petrol, lid off, mouthful of petrol into the cup (first genius move) and lid back on the petrol can (second genius move). I stood there with the cup in one hand and the lighter in other, taking my time, confident in my new ability. She still had the ‘admiration’ look on her face.

This time we were out in the open, I had learned it was better this way. I slowly lifted the cup to my mouth and took in the mouthful of petrol. I lit the cigarette lighter and again paused, just to give her time to process what was about to happen.

Then I did it – I blew the petrol out over the lighter and it exploded into a ball of flame as usual, only this time the wind changed and the petrol blew back into my face. My face caught fire and my girlfriend to be screamed and ran....

If you have ever been in a situation like that, you know that your mind speeds up and you



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think very fast. I managed to quickly lift my jumper and smother the flames.

Apart from the burnt face I suffered a bruised ego and significant embarrassment. The worst part was that the relationship never did go past that point. Females can be a bit unreasonable at times, I thought.

I presented myself to Box Hill Hospital, with my still broken nose, damaged head and the latest addition of the burns to my face. The doctor looked at me in disbelief and asked what on earth had happened and I explained that it was a series of happenings, not just one. He rebroke my nose, straightened it and then treated the burns and then informed me that I would probably be scarred for life with my burns, which wasn't such wonderful news.

After he had finished, I walked over to the park opposite the hospital and sat on a bench, enjoying the scenery, listening to the birds and taking in the fresh smells of spring. As I sat there, reflecting on my life to that point, I decided that perhaps engineering might be a better profession for me and so I applied for engineering jobs, hoping someone would hire me after having a couple of years off. I was luckily hired and got a great job. I worked hard and ultimately ended up with a cushy position as a senior electronics engineer working for a large corporation. After about ten years working in the corporate world, it was time for a change. It was time to start my own business. It was a change that would take me on a path of highs and lows and challenges I never dreamed of. Looking back, it is a path that I would not change



And so ends my Stunt Career...

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for anything, although there were many times I desperately wanted to....

It was 1987 when I started that first 'real' business, a business that had to pay my wages. At first, it was exciting and fun, I was very clear about where I was going, I was clear about my target market, what I was doing for them and I knew how I communicated my benefits. My business grew and I hired staff, however within a few years the market wasn't big enough to accommodate the cost of my growing business. I had to work very hard just to survive and gradually my clarity about why I was in business and what I was doing turned to confusion and frustration. I was working long hours for very small reward and starting to wonder why I was doing it. I had expanded my range of products and solutions to provide anything related to technology to anyone who would pay for it. I had lost clarity about why I was in business, what my core business was and because I was losing my passion for the business it was very difficult to communicate my message. I was ready to give up and go back to the comfort and security of a job.

Then one day, I was talking to Keith, one of my very successful friends, and he told me he went through many stages of growth in his business and that what I was going through was quite common. Keith had a business that I aspired to have myself, a business that paid him a good salary while he was only working about 5 hours a week in it, and best of all he loved what he was doing. I could hardly believe that he went through the same challenges that I was having – I always thought that he was just 'lucky'.

“How did you do it?” I asked.

The Journey to my first business

“You have just found the first key, ask someone who has already done it,” he responded. “I became insanely hungry for knowledge, like you and so many other business owners, I had a job I was good at and decided I could do better in my own business. But I had no knowledge of business and, like you - I was almost broke within a few years. I was burnt out yet determined to make it work and so I read books on business, went to seminars and listened to audios everywhere I went. In the gym, in the car and on my morning walks. Then I sought coaching from successful people. All that education took me to another level.”

“It sounds great, but it seems like a lot of hard work and I don’t have time to read. Most of my waking hours are consumed by everything I need to do!” I said.

“I get that, and that is exactly why most business owners fail. May I ask you a simple question?” he asked.

“Of course,” I responded, leaning forward in my chair.

“If you could have a business like mine, a business that paid your full salary; all your bills, that you could do from anywhere in the world and you only had to work five hours a week in the business, would you find four hours a week to work on creating that business?”

“Of course,” I responded.

“It may take a few years; however, I can promise you that you will ultimately get the result – you just need to commit. In the first year; you will free up time and cash so that you reinvest both back into growing your business. What I am talking about is a 25-step process that will

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focus on five pillars of value and deal with the five most common business challenges.”

“Okay... That sounds complicated, what are the ‘pillars of value?’” I asked.

“Vision, Mastery, Team, Profit and Brand,” he responded with a smile.

“The challenges that are dealt with in each phase are Frustration, Overwhelm, Cashflow, Lack of Freedom and Lack of Growth. There are 25 coaches that I will introduce you to, one at a time and you will need to spend about two hours every two weeks doing the training and another three or four hours every other week doing the homework. The homework you complete is not simply academic, you will be working on your business live. If you can commit to that you will get the first level done in 12 months and you will be well on the way.”

I must have had a look of disbelief on my face because he said, “Don’t worry, it is not as hard as it seems. Tell me, how much time did you spend working on business plans in the past and did they work for you?”

I shuddered, remembering the countless hours I had spent on business plans and the disappointing results they produced. All the business gurus tell us we need a plan and so I had read books, engaged coaches and consultants, used software and even come up with my own systems. Sometimes on my own and sometimes engaging the entire team. Like so many other business owners I talk to, most plans are not worth the paper they are written on.

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“Good question, perhaps the longest was one time where I had the entire team engaged - it would have been close to 200 hours spent on a seven-step process we developed ourselves. The process sort of worked and we certainly ended up with some magnificent documents, however, it considering the amount of time we spent the result was particularly underwhelming,” I sighed.

“That is the story that I hear from most business owners I meet. There are two main reasons for this; firstly, we tend to file the business plan into the *important* pigeon-hole with very good *intentions* of getting stuck into it the next day. The reality in most businesses however, is that our days are filled with urgent and important jobs and so the business plan gets re-prioritised until it is no longer relevant. Secondly the world is changing so rapidly that the plans we made in January are often no longer relevant by June,” he said.

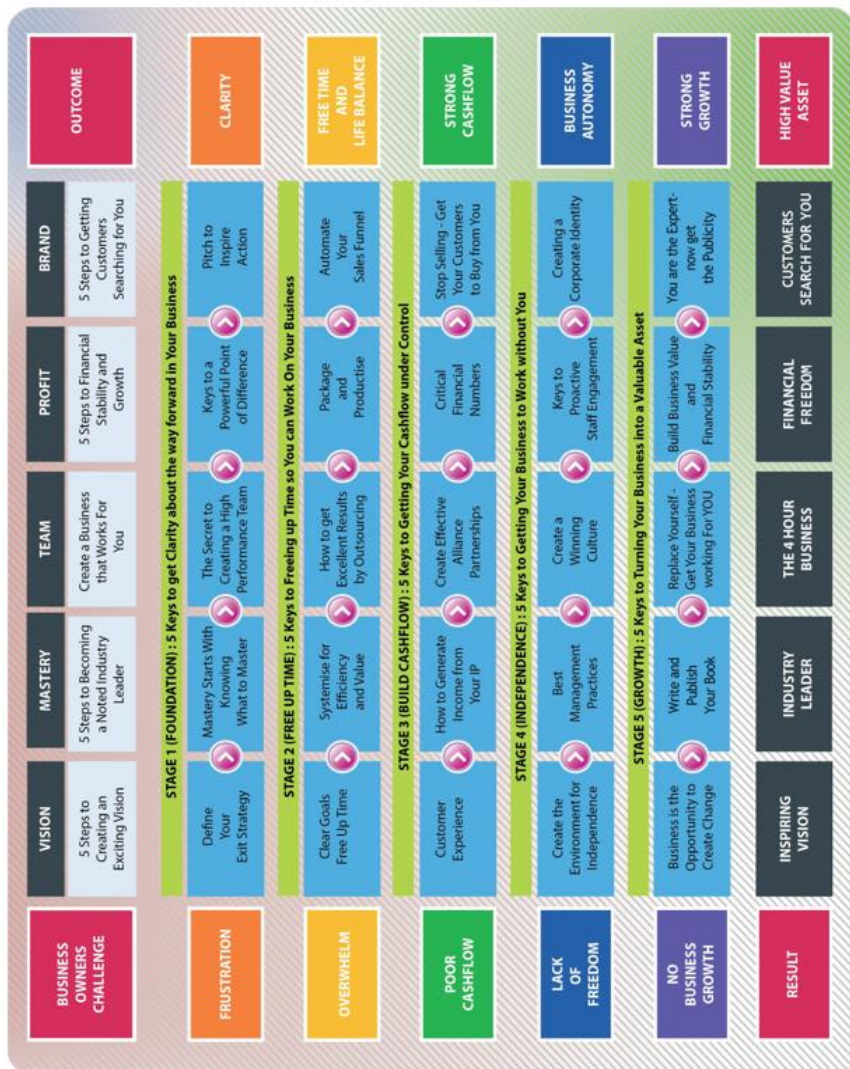
“That is exactly what happened to me! That is why I haven’t done a plan for a few years now,” I replied.

“You still need to follow a system and the one that I am suggesting will take the place of a plan. It is a roadmap that encompasses all the aspects you need to build value in your business and deal with the various challenges along the way. It is a map you can use every year, each year going a bit deeper until you achieve the business you are dreaming about. The time you need to invest in this process over the next 12 months is probably less than you would have invested in preparing some of your business plans.” he said with a smile.

My head was spinning, trying to picture how this was all going to work and how I was going to fit everything in. It was as though Keith was reading my mind.

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“Here is a bit of an overview that might help you,” he said, taking a laminated matrix from his bag “It is called the ‘*Build to Exit System*’”.



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As I studied the multi-coloured matrix, it started to make more sense, although I had to admit I was still finding it overwhelming.

“Don’t worry,” Keith said, “it’s quite straightforward. I’ll be introducing you to the coaches and they will help you through it. Do you think you are up for the journey?”

“I don’t have much to lose, and I have everything to gain. It is probably more than I can afford at the moment though,” I said.

“That is the beauty of this system,” he replied. “It has been designed for business owners who have almost no time and very little cash. In the first year, you might just read the books and do the associated exercises. That will still take you three to five hours a week and cost around \$250 for everything. As you free up more cash flow, you can start engaging with the coaches who will help you take your business to the next level.”

“Great! I am in and you know what? I want to fast track this, I want to engage coaches from the beginning.” I responded, excited by the thought of getting things moving and putting my apprehensions aside.

“Excellent. Let’s have a quick break on the back veranda, and when we get back I will tell you about the first phase of your journey, and organise an introduction to your first coach.”

The Build To Exit® Story

Part 1: Clarity

Unless you have crystal clarity about why you are in business, what the pressing requirements you solve for your clients are and how you do that in a unique and compelling way, business will be hard work.

It was early January, a warm Melbourne day when Keith and I went out to have a cool drink on Keith's back veranda overlooking a stunning garden which stretched down onto the banks of the Yarra River. The sun was streaming through the trees and it was hard to believe we were only about eight kilometres from the centre of Melbourne. It reminded me of why Melbourne is considered to be one of the most liveable cities in the world.

As we were sipping our drinks Keith recounted his own journey. He went through what I was going through many years ago, and had spent many years uncovering the various pieces of the business puzzle. He was in a place now that he wouldn't swap for anything.

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“I still work hard,” he said. “But I don’t have to, I am doing what I love to do and it just doesn’t seem like work – it is fun. Living is about the journey, don’t just ‘enjoy the journey’, create the journey you want to enjoy. It is your choice to make be the driver, not a passenger.”

“Living is about the journey, don’t just ‘enjoy the journey’, create the journey you want to enjoy. It is your choice to make, be the driver and not a passenger”

Mark Stecher, 2017

That statement struck a chord with me - most of my life I had been taught to focus on my goals and just go for it. Not working to make the journey enjoyable – instead it felt more like a race that seemed to never end. When I did look back on my journey, however, the things that stood out were the times I made the effort to create memories - like the team-building exercises and the weekends we spent away with staff. After our break Keith got us back on track.

“Now let’s talk about your next step,” he said.

“The first thing we’ll deal with is the frustration of not being clear about what you need to be focussing on. This is a five-step process and I will be introducing you to five excellent coaches on the way. You will be meeting a different coach every two weeks and it is essential that you spend at least three or four hours completing the homework in the week off. Do you think that you can commit to that?”

“If I am going get the results you are talking about, I will have no problems finding that much time,” I replied with enthusiasm.

Part 1: Clarity

“Great, however, remember this is not an event – it is a journey. The results will come gradually, and you must be both persistent and consistent. This is the first of the five phases and at the end of it you will have clarity in the following areas:

1. What you want from your business (what’s in it for you)
2. What you are going to be the recognised master of
3. What your strengths are and who you need to engage with
4. Your Point of difference
5. How to communicate your message to prospects, team and investors

At this end of this phase you will still have a lot of work on your plate, however, you will have a good idea of where you are headed. Once you have finished you will be ready to start working on things that will free up time,” he told me.

“The first coach I am going to introduce you to is Brian. He is a master at helping people get clarity on their business goals and more importantly on how to create a strategy to reach them. I know Brian well and will organise an introduction.”

As luck would have it; Brian was in town that very weekend to run a workshop and so Keith booked me in. It turned out that Brian was a well-known international speaker and I was surprised and impressed that Keith and Brian were good friends.

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Clarify your destination and the path to get there

1.1 Define Your Exit Strategy

“Don’t work for your business – make it work for you.”

“Make your goals exciting and compelling and visit them often to help you keep motivated.”

Mark Stecher
Build To Exit®

I reorganised my schedule so that I could attend the workshop and woke up on Saturday morning, excited to find out how Brian could help me reignite my passion for my business.

There were roughly 100 other business owners in the room all chatting about their businesses whilst waiting for Brian to appear. At exactly 9 am Brian walked through the doors and strode confidently on stage. The chatter stopped instantly all attention turned to the man in the centre. Brian was middle-aged, dressed in an immaculate blue suit, with a pressed white shirt and red tie. His black shoes gleamed and his silver hair was meticulously combed to one side – not a hair out of place. When he spoke; I was surprised to find that he was softly spoken, yet his words were carefully chosen and full of impact.

He started by sharing his own journey with us and I was amazed that yet again someone so obviously successful had started their own journey with so many challenges and some of them exactly what I was going through. He explained that all successful people have very clear

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written goals. The most successful people review their goals more often than everyone else. The reason this works, he told us, is that the more you do something, the more it becomes embedded in your subconscious. When that happens, you notice opportunities that will move you towards your goals and almost automatically act on them. Those 'opportunities' had always been there; however now your subconscious mind recognised them as important and brought them into your consciousness. As an engineer; I struggled with this concept it didn't seem logical to me at the time. However, I figured that he was very successful and he had helped thousands of others become successful so there must be something in it.

One of the exercises I really enjoyed was a modern version of a vision board. I had created a vision board earlier in my life with a large piece of cardboard and heaps of magazines, cut out photos of things that you want in your life and then pasted them to the cardboard. It was a lot of fun and once the 'artwork' was finished I hung it on my wall where I could see it regularly. Brian's version of this was to write the goals that you wanted and then go to the internet and find images that represented that goal. After that you put them into a presentation application (like MS PowerPoint or Apple Keynote), read the goals out to some background music and embed that into the presentation.

To get the exercise started Brian asked a question:

*“What is the reason you are in your business?
What do you want your business to do for you?”*

1.1 Define Your Exit Strategy

I didn't have a particularly good answer. What did I want my business to do for me? I was very clear many years ago, before I even started, but now I had lost that clarity. My life seemed to be a constant struggle for survival and I had long stopped having the dreams that I started with.

“If you don't know where you are going, there is chance you will go nowhere. Do you remember why you first got into business? There must have been some compelling reasons to entice you from the safety and security of a well-paid job,” Brian said.

That seemed like a lifetime ago now, but it jogged my memory and I realised that they are still relevant now.

“The more time you spend setting goals and taking action to achieve them the more successful you will become. Over time your goals will become an inspiring vision for your future and you will have crystal clarity about where you are going,” he said.

The goal-setting exercise was great fun – it was a chance to dream about my ideal future which Brian told us is the first step. The next step is writing the dreams down, putting a deadline on achieving them, and then taking small, consistent steps towards them. I had pictures of an overseas holiday, the new house that I wanted to buy and the Audi that I had been dreaming of for some time. I laid out the next year in sequence, each month a picture of what I wanted to achieve. It was quite ambitious, and exciting at the same time. After the seminar, I introduced myself to Brian and asked him if it was OK if I could ask some questions.

“Of course, that's why I am here,” he replied.

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“I have set some very ambitious goals and, whilst they are exciting, I really believe they are out of reach. Should I think about toning them down to make them more realistic?” I asked.

“Goals should be realistic and achievable; however, they should also stretch you - the more you have to strive to achieve a goal the more meaning it will have and the more satisfaction it will bring. You may not achieve your goal exactly when you want to but by having the goal and taking action, you will achieve a whole lot more than doing nothing. Over time, you will get better and better at setting and achieving your goals and it will become almost automatic.”

“How often should I review and reset my goals?”

“That’s up to you – the more often you do it, the more quickly and surely you will get where you want to go. Very successful people review their goals daily and the short presentation you just created will make it much easier to keep reminding yourself of why you are doing what you are doing. Being excited by your journey and the destination will help you deal with the inevitable obstacles that will come your way. The other thing to remember is that, as you start moving towards your goals, they will inevitably expand and become more ambitious.”

“Before a plane takes off, the airline staff go through some safety exercises. Do you remember should put on the mask first – you or your children?” Brian asked.

“I should of course,” I replied; I had been on so many planes that I felt I knew the safety drill off by heart.

1.1 Define Your Exit Strategy

“Exactly – and that is how it should be with your business. You need to look after yourself first. Your business should be a fun exciting place for you to be, you should be very clear about the destination – what is in it for you? Otherwise, you may as well go back and get a job.”

I thought about that for a while and realised that I had the first key – I had to get clear on what was in it for me. If I was not inspired by where I was going, how could I deal with the daily challenges I faced? Without that inspiration, how would I maintain the motivation so keep going? I realised that one of the reasons I had lost motivation was because I wasn’t excited by what was in it for me. I seemed to be running around like a mouse on a wheel, never really getting ahead and all I could see was what was right in front of my nose.

Brian broke my thought pattern and asked;

“So, tell me, what do you do better than anyone else?”

I was stumped... again

“Well, we are a one stop shop for technology solutions. If anyone wants anything related to technology we can do it,” I replied proudly, although I was suspecting that might not have been such a good answer.

“That means you will always compete on price and you will always be chasing business. If you want to reach your goals and have the business you described earlier today you are going to need to get very clear on what it is that you are going to become known for. You need to master something. Keith told me that he has referred you to

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Glenn who is an expert in this field. He is young and extremely competent – by the time you have finished his session you will have a very good idea of what you should be mastering.”

“Good luck, and make sure that you complete the exercises I gave to get absolute clarity about what you want your business to do for you,” he said, as I headed for the door.

That night as I was doing the exercises, I was thinking about Brian’s lifestyle, travelling the world and doing what he loved to do. I remembered the old saying: ‘If you love what you do at work, you will never have to work a day in your life.’ The workshop made me realise that I had lost sight of my original dreams and I was so caught up in survival that my business was no longer fun and I wasn’t excited by the future any more. What I learnt from Brian was that I needed to make the business work for me. I learnt many things and decided to write down the three most important lessons of the day:

1.1 Define Your Exit Strategy

3 Key Lessons

1. Set some exciting goals

What were my dreams and goals and how was the business going to help me achieve them? I learnt that being excited and inspired by what my business could do for me was going to help me through the continual challenges that I faced.

2. Create a ‘Digital Vision Board’

This was a visual and auditory representation of my goals. The more realistic I made this, the more clarity I would have around my goals and the more success I would achieve.

3. Review and update regularly

Reviewing and updating my goals regularly would cement them into my subconscious mind and not only move me in the right direction, it would keep me inspired and motivated.

That night, I completed the exercise and played it back before I went to sleep....



The first step to achieving anything worthwhile is dreaming about the result you want. They are your dreams, make them exciting and inspiring for you, turn them into goals and take small consistent action and you will achieve them.

1.2 Know what to Master

*Become a leader in your industry and your clients will come looking for you. It starts with knowing **what** to master and then taking steps that result in writing the book that will cement your position as the authority in your field.*

Mark Stecher
Build To Exit

Getting to see Glenn was not as easy. He was running workshops all over the world. Luckily, he was back in Australia at the end of the month and Brian had organised an appointment for me. I made sure I was early because I knew how valuable his time was and I wanted to be sure to respect him for giving up his afternoon. The first thing that Glenn asked was what I had learnt from Brian. I told him how, when I first started my business I had real clarity about my vision and what I wanted however, somewhere along the way I had lost belief in myself and was just surviving day to day. Brian taught me to believe in myself again, reset my goals and create a vision that inspired me.

“Fantastic! What goals did you set?” he asked.

“I want financial freedom and a business that I only have to work in four or five hours a week in and could run from anywhere in the world.” I replied.

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“Okay great – how do you feel about that?”

“I feel very excited about the future, though the path ahead still seemed very hazy and the goals still seem a long way off.”

“So, tell me what do you do?” he asked.

“I have an InfoTech business and we could provide any technology solution to anyone who requires it.” I replied.

“How many people are searching for you and asking to buy your products?” He asked with a knowing smile.

“Ummm, well, no one actually searches for me, my industry is very competitive and I have to look for work,” I replied a little sheepishly.

I was sure that people googled our products but because there were so many others it would be like looking for a needle in a haystack trying to find us. In fact, I was continually running after people and dropping my prices to get a jump on our competition.

“Right. The first and possibly hardest step is knowing *what* to master. If you spend a lot of time mastering something that has low margins, or something that has a very small market or will take you years to master, you may end up wasting a lot of time,” Glenn replied.

“That’s one of my problems. I do many different things for my clients, but I am not a master of any one thing. I’ve read that it takes 10,000 hours to become a master of anything. How can I do this in less time?” I asked.

1.2 Know What to Master

“The secret is to tap into what you already know and what you are already doing in your business. You must evaluate your existing products or solutions, your strengths and competitive edge and do a market survey to ensure that there is a strong demand with good margins. Once you have good feedback from your clients and information on how well you are positioned against your competition you can decide whether you need to tweak your point of difference, change your target market or even consider a different product or solution.”

“Even if there is a lot of competition you can be sure that there is something they are doing that is not being done well. That is where the real opportunity is,” he continued.

What he was saying made sense, but I felt overwhelmed again – thinking of my normal busy day and adding this on top. I was already working 60 to 70 hours a week and dedicating even a bit more time with all the commitments I had outside of work it was looking like it would be just too hard. Glenn could see by the look on my face that I was struggling and said;

“Let me go into a bit more detail, it is actually not that difficult and all you need to do is follow the process that I have laid out for you. The first thing you need to do is *evaluate* what you currently have. Assess the intellectual capital in your business what is it that you do well? If you have multiple products you will need to assess each in turn, because you will must focus on only one. Mastery is a journey that takes time and energy and your objective is to be recognised as a master of something. In time, you may decide to master other things. It does not mean that you stop doing everything else, because once you are a recognised leader in one aspect of your field, and you gain clients

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as a result of that, you will be able to cross sell everything else you do.”

“I get it, in fact that has been a huge problem for me, we started off with one product and over the years it kept on expanding to the point that we are now in a ‘sea of sameness’. I understand the concept; however I have no idea of what I should pick out of everything we do.”

“You are in a better position than some of my clients. I have clients who only have one product and when we have gone through the evaluation phase, we sometimes find that there is no market, or the competition is too strong or the margins are too low and so they must start from scratch. At least you have a few options. Sometimes, you can pick something very simple because one of the main objectives is to poke your head above the crowd or get out of that ‘sea of sameness’ as you so eloquently put it. One of my clients was a technology company working mostly on large and highly technical projects and they decided to become a master in dealing with a strain of computer virus. For them it was very simple and the result was a book they wrote on the subject. That book gave them credibility and they had huge numbers of new leads that converted to sales and enabled them to cross sell their other solutions. When you do this part of the evaluation, keep an open mind and keep focussed on that result which is simply to stand yourself apart from the competition.”

“That makes sense and I already have a couple of ideas,” I said.

“Once you have one or more products in mind, the next thing to do is a market survey to identify the level of requirement for your product. I like to call that ‘*profiling*’ the market. The best thing to do here is to prepare a very brief survey to go out to existing customers and some

1.2 Know What to Master

prospects and find out how desperately your ideal customer wants what you are selling. Many times, we make the mistake of assuming our clients want something, when in fact they don't. Doing a survey can save a lot of time and money.

There are two ways of looking at this; firstly, do your clients or prospects want your product and will they pay for it? Secondly do they need or want your product and don't know it? Many people say, ask your target market what they want and then give it to them, don't develop a product and then find a market. On the other hand, Henry Ford once said; 'If I asked my customers what they wanted, they would have said faster horses'. That is the case for many innovations – if you are creating something new and you know there is a requirement for it, you will need to educate your customers. When you are doing the evaluation just bear that in mind," Glenn said.

“**Alignment** is the next step. Once the research phase has been completed it is quite likely that the approach and even the product may have to be revised to **align** results of the research with the product being delivered. This may save significant time and expense in the long run. There are a number of things to assess from the market research results and the first one is whether or not there is a pressing need for your product. You may have a great product with a good target market who don't really need your product right now. It might be that there is too much competition which could drive the price down unless you can demonstrate a strong competitive edge. It may also be that your product needs some changes to fulfil the changing requirements of your customers - these could be changes to the product itself or they could be changes to the delivery process. At the end of the day, unless you can align your product with a pressing customer requirement that has good margins and you have a strong competitive edge, you may need to consider changing your product or even the

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target market you are aiming at. The important thing is before you embark on developing your mastery you must make sure that you have a solid market for your product,” Glenn paused and waited for me to finish jotting down some notes.

“So, to summarise, before I decide on what I should be mastering, I need to *evaluate* what I am currently doing, go to a sample of my ideal customers and do a *market survey* to find out which is the best product to focus on and finally *align* my ideal product with my ideal customers’ urgent needs or problems?” I said.

“Exactly. You should also think about what sort of future your chosen product has. You might need to do a bit of crystal ball gazing here and see if you can identify whether it has an expected life of 12 months, two years, five years or even more. Things are changing very rapidly and this can be a bit challenging, however it is worth going through the exercise,” Glenn said.

“That’s it for today, here is an eBook with an overview of what we have talked about and a workbook that will guide you through the process,” Glenn reached into his bag and produced two books and passed them across the table.

“I will, although there are things here that I really think I am not so good at. It looks like a lot of work,” I said, wondering how I was going get through the additional workload.

“Yes, that’s true, so focus on what you can do at the moment. Things will start to fall into place a bit more over your next three or four workshops. Your next session is with Roger and he will be helping you identify your strengths and weaknesses. That will help

1.2 Know What to Master

you decide what you should be doing and what you should be passing onto others,” Glenn said with a smile.

On my way home my mind was racing, wondering what product or solution I was going to master. Glenn had helped me realise that it didn't have to be complicated, in fact it could be quite simple.

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3 Key Lessons

When I got home that night I wrote down the three key things I had learnt from Glenn while it was still fresh in my mind.

1. Evaluate

Create a list of the various products and solutions that I had and evaluate which ones had the most appeal to my clients. The objective was to find something that I could become the recognised expert in.

2. Profile

Check with customers and prospects to make sure that there was a current and future need for my solution.

3. Align

Make sure that what I was providing, was a requirement of my target market. If not change the product *or* the target market.

1.3 Understand and Build on Your Strengths

*“You cannot be anything you want; however,
You can be more of what you already are”*

Strengths finder

Over the next three weeks I found time to complete most of the exercises Glenn had given me. Doing the market research was proving to be challenging, however every time I stopped, I remembered that Glenn told me to keep revisiting the Digital Vision Board I had created with Brian. That motivated me to keep going.

I was only able to make it to the first two days of Roger’s three-day event and Keith had organised me to meet with him at the end of the second day. The first two days were very inspiring, Roger was one of the very few presenters who managed to keep me awake after lunch. He was dynamic, presented well, was eloquent in his delivery and provided a wealth of information. The first day was mainly around how the future of technology was going to impact our world as entrepreneurs. He identified opportunities that were coming and suggested that we get on the wave early. The second day was focussed on identifying and understanding our strengths and weaknesses and the third day, that I was missing out on was about ‘Flow’. Roger had developed his own personality profiling system which was a bit different from the normal **DISC** profiling and **Strengths Finder** that I had used in the past. It was designed for entrepreneurs. I took the test

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and found that my dominant strength was ‘Creator’, which made sense to me since I was an electronics design engineer in my previous life as an employee. I discovered with the personality profiling that we all have strengths and weaknesses and we need know and understand what they are in order to use them to our greatest advantage. One of the characteristics of creators is that they get attracted by new things and have a lot of difficulty finishing things. That hit home for me because I always had heaps of new projects on the go and quite often drove the people around me crazy because of my inability or lack of interest in getting things finished. Creators quite often have problems presenting their solutions and ideas to others he explained. That also made good sense to me because there were many times when I had shared my exciting new ideas to a room full of blank faces. What I learnt was that I needed to connect with ‘Mechanics’ who were good at finishing things and ‘Lords’ who were good at process and systems and ‘Stars’ who were good with people and presenting ideas. What was equally fascinating was that each of the people I needed to connect with had weaknesses in the areas that I had strengths in.

Something else I learnt from Roger was that as business owners we tend to attempt to do everything and that is often a hindrance. The most famous and successful people have teams around them so they focus on doing what they are already good at which also means that they get better and better and better until they are masters. Understanding my weaknesses and having a team of people around me to do the things that I’m not good at would free up time and let me focus on more important things that I am good at. I was very excited by this and was looking forward to passing on work that I didn't enjoy doing.

At the end of the second day, Roger met me in one of the meeting rooms as promised. After complimenting him on the dynamic

1.3 Understand and Build on Your Strengths

presentation of the past two days, I asked him what ‘Flow’ was and why it was important.

“Sure – I will give you a brief overview and send you my presentation notes as well,” Roger said with a smile.

“The concept of ‘Flow’ and being in Flow was perhaps best described by Mihály Csíkszentmihályi (try pronouncing that!), who is a Hungarian psychologist born in 1934. He recognised and named the psychological concept of flow which is a highly focused mental state—a state of concentration or complete absorption with the activity at hand and the situation. It is a state in which people are so involved in an activity that nothing else seems to matter. The idea of flow is sometimes described as being ‘in the zone’ or ‘in the groove’. When you are in flow there is a feeling of spontaneous joy, even rapture, while performing a task. Flow is also described as a deep focus on nothing but the activity – not even oneself or one’s emotions.”

“I think I have been in flow a couple of times,” I remarked. “I remember one time when I was in high school, I was so focussed on my work that complex things that I was working suddenly seemed easy. Strangely enough it was after many long hours when I should have been tired, but I just seemed to get this extra energy from somewhere. I also had one similar experience when I was skiing. I think I know the feeling, however I have never really understood how to replicate it,” I said, remembering the almost euphoric feelings I had on those two occasions.

“The way you describe it is exactly what happens, time disappears, you forget to eat and sleep and things that were complex suddenly seem easy. Imagine being able to call that state up when you wanted to and imagine getting your team working together in that

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state. What would that do to your business?” Roger asked, looking excited himself.

“It would be a like rocket ship. Is that possible?” I asked, just remembering how many times I had attempted to get back into that state.

“Well it is certainly not easy and it is unlikely that you or your team will be able to achieve a flow state all the time, however, by applying the principles and practising, there is no doubt that your productivity, efficiency and enjoyment will increase. There a few things that you will need to achieve this state, the first is natural ability and practise. You have already identified your key strength as being a creator, if you keep practising that, you will develop talent. If you keep practising and developing your talent you will achieve mastery and finally when you combine mastery with *conditions* for flow, you may achieve flow,” Roger said.

“Ok, I think that makes sense. What you mean by ‘conditions for flow’?” I asked.

“The conditions were posed by Mihály Csíkszentmihályi and I will just summarise them now. You will find more detail in the presentation that I am going to send you, in the meantime here is a quick overview:

Clear goals

Why are we doing this? The stronger and clearer the goal the stronger will be the motivation to achieve it.

1.3 Understand and Build on Your Strengths

Balance between challenges and skills

If skill is high and the challenge is low, people get bored. If the challenge is too high for the skill level, it can result in anxiety. Peak flow can occur when the skill level is high and the challenge is high or there is a match between skill level and challenge.

Immediate feedback

Without feedback on how they are going, people can become disinterested in the job. Imagine a game of football where you didn't know the results – it wouldn't be so motivating.

Create the environment

The first thing is to remove the 'fear of failure'. If there are negative ramifications for failure, it may create anxiety that will make it challenging to get into a flow state. Achievement, growth and learning should be supported and encouraged.

Right person for the job

This is not specifically listed as one of the conditions, it is possible you have the skills, talent and all the other conditions, however if you don't have an interest in the job at hand, achieving flow will be difficult.

Even with all the boxes ticked, achieving this flow state can be challenging," Roger said.

"I can imagine that," I said. "If it is so difficult to get an individual into a flow state, how do you get your team to work in flow?"

"That is more difficult," Roger agreed, nodding his head. "The key is having staff with complementary strengths working together and achieving their own flow state individually. Then continue to practise and work together."

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“Ok, it looks like a lot of work, however I can see that even if you don’t achieve that state, just going some of the way could result in a significant increase in productivity,” I said.

“Exactly and also enjoyment and team spirit,” Roger smiled.
“That’s about all I have time for today, I will send you the presentations and make sure to logon and do the next stage of your personality profile. Also, here is a workbook for today and I look forward to hearing more about your journey as you go through it.”

3 Key Lessons

1. Identify your strengths

Understanding your own strengths and the strengths and talents of your team and spending as much time working in those areas is the basis of high productivity.

2. Practise creates mastery

Continually practising what you are already good at will develop talent which will eventually become mastery. With the right conditions, you will be able to achieve ‘flow’ or a state of peak performance.

3. Delegate and outsource your weaknesses

Working in areas that you are not good at is demotivating and unproductive. Whilst you can learn to be good, in most cases it is better to pass things you are not so good at to someone who is excellent at it. This is also true for your team members.

1.4 Create a Powerful Point of Difference

“If you don’t have a competitive edge – Don’t Compete!”

*Jack Welch
CEO, General Electric*

After completing the work that Roger had given me, it was very clear what I should be delegating and outsourcing. It sounded great in theory, but I would need to have the money to be able to pay others to do the work. My cash flow was very tight and I didn't see how I could find the additional cash necessary to pay others. It was almost as though Keith had realised that because the next person he had organised for me to meet was Mary who had taken a business from bankruptcy to outstanding success in a few short years. She was an expert in helping struggling businesses create more cash.

Mary lived in another state however I knew this was a key I really needed so I flew to the airport closest to her, rented a car and drove nearly 100 kilometres to her place. She lived on a 20-hectare property with a huge white gate and a long driveway lined with oak trees and white railing fences. I drove up to the gate and pushed the button, noticing that it was one of the most up to date access control systems. Mary's receptionist buzzed me in and I drove up the driveway across a bridge over a small river that was so clear I could see the smooth

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brown stones sparkling in the sunlight at the bottom. The driveway snaked for nearly half a kilometre up the hill and I parked in front of her huge mansion which was situated at the top and had the most magnificent views of hills and valleys stretching into the distance.

Mary met me at the door and even though she was home she was impeccably dressed and looking ready for business. After organising some glasses of mineral water, she took me into a huge office with large French windows overlooking an immaculately manicured and maintained garden. This home office is better than my work office, I mused to myself. We sat down, and she asked me to describe my journey so far so pulled out the three workbooks I had completed and told to her about the journey and the various successes and challenges I had along the way.

"What are your three greatest challenges right now?" she asked.

I didn't have to think too hard about that and said,

"Not enough money, not enough time and lack of clarity about what I should be doing next. The last one is less of a problem now because I am really starting to see that this process has a great road map for the journey ahead," I replied.

"Yes, they are three of the most common challenges that small business owners have. Today I am going to give you a bit of help with ways to generate additional cashflow and in the second phase of your journey you are going to get some excellent techniques to free up time. The first step that I am going to talk about is increasing your margins and the amount of business you get, by having a clear point of difference. You are offering a great product and now people in your

1.4 Create a Powerful Point of Difference

niche need to know about it and how you are better than your competition,” Mary said.

“It’s fantastic that you know what you want to master and the next step is being very clear about your target market, what is your niche within that market and what is the ‘micro-niche’ within that market.”

“What exactly is a ‘micro-niche’?” I asked.

“Well, your target market might be lawyers, your niche might be lawyers in Melbourne and your micro-niche might be divorce lawyers in Melbourne, for example,” Mary replied.

"We talked a bit about that in the second session on mastery and I must say that I am concerned about going that small because I can actually do anything for anyone if it is related to Computer Technology. If I only focus on these micro-niches I am going to miss out on a lot of business," I said wistfully – business was tough and I didn't want to miss out on anything.

Mary looked at me with a small smile and a slightly raised eyebrow.

"How is that strategy working for you?" she asked.

I had to admit that it wasn't working too well and in fact I had to really chase business and compete on price all the time.

"The more focussed your niche is, the easier and cheaper it will be to market to them. In your session on mastery with Glenn, you decided on a product to master and during the process, you found out a

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bit more about your customer's needs. Today we are going to delve a further into what your competitors are doing and more importantly what they are not doing or doing poorly. Once we know that, we can start to really flesh out a point of difference for you," Mary said with a smile.

"I going to get you to start off by doing a competitive analysis. You probably know enough about your top three competitors to write something now, however over the next couple of weeks you need to do some more detailed research. For this exercise, you want to know what they are doing well and more importantly what they are doing poorly."

Mary handed me a workbook and I managed to complete first exercise without too much trouble. I had a guess at a few things, however, the answers were reasonably accurate I felt.

"The next exercise is more about your customers and again, you may be able to answer some of those questions now," Mary said.

It was a simple survey with only two questions:

- *What do your customers want?*
- *What do they hate about your competitors?*

I already had quite a good idea about the first one from the second session, however the second question had me a bit stumped so I guessed.

"Knowing what your customers hate or dislike about your competitors is where there is potential gold. Whatever it is, you should

1.4 Create a Powerful Point of Difference

guarantee to do the opposite. You will become known for disrupting the industry which is a good thing in this case,” Mary said.

“Another good differentiator is your **story** – it is unique to your and no one can take that way. You could answer things like;

- *How did you get into this business in the first place?*
- *What was the need that you saw?*

There are many business owners who have great stories about how and why they got into the business. Write the story and use it to your advantage.”

“Another possible point of difference is a unique **combination of products**. You mentioned before that you had quite a few products and so an option might be to combine your core product with something else that you are doing. That could formulate a unique combination that may be a possible point of difference. I have had situations where there is more than one provider and sometimes the customer ends up getting caught between two vendors who are pointing fingers at each other when there is a problem. If the customer can deal with one provider it quite often a huge advantage. Do you have anything that might fall into that category?” Mary asked.

“Yes, I think we do. As you said, over the years we have built up a large array of products and solutions and in some cases, we are providing a combination of solutions that no-one else has in-house,” I replied.

“Perfect, just write down everything you can think of.”

The Build To Exit® Story

“The last thing I want to talk about today is your *process*. You can deliver the same product as the company next door; however, your process can be different. For example, you could have a five-step process from evaluation to project sign off. That would be your competitive edge. I am sure that you have a process, however it may not be documented as such now. It is something you will be doing in more detail in a later session, however, based on your current knowledge you can make a start today.”

“Great, I said, we do have a process and you are right we have not documented it in that way. I can do that. What about customer service? We provide outstanding customer service and I really believe that is a differentiator for us,” I said.

“That’s a tough one because that is what all your competitors would be saying too. The best way to promote your customer service is through testimonials. If it is as good as you say, your customers will be happy to give you testimonials and even *‘like you’* on the social media platforms they use. That is far more effective than you telling everyone yourself.”

“Ok, I get that,” I replied.

“Well, that’s about it for today. Make sure to finish those exercises and do some real market research on your customers and your competitors just to make sure your assumptions are correct,” Mary said with her best school teacher voice.

“Of course, and if I can summarise what I learnt today it was that I can increase my prices and get more business by having a very clearly defined point of difference and the first key to developing a point of

1.4 Create a Powerful Point of Difference

difference is having a focussed micro-niche. From there I can explore things like:

1. Gaps in the service that my competitors are providing
2. My unique story
3. Unique Product Combination
4. My process for delivering my product

Anything else?”

“Yes, there are other things and you will find them in the workbook. I think what you have there is a good start,” Mary replied.

“It has been a great session today Mary, thank you. I can really see the various pieces of the jigsaw now. One of my challenges now is being able to communicate all this great information to my clients and prospects,” I said.

“Well, Keith told me that he has already lined you up with Eric. Eric is a master at putting all this together and making it presentable,” Mary replied. “He has the next key in your journey. With his help, you will be able to combine everything you have learnt and communicate in an inspiring way to others.”

I was excited! The keys I had been give so far made a lot of sense to me, and; I could see that if I managed to put everything together and communicated it well with others, I would have absolute clarity about what my business was doing and where it was going. That would be another big step towards my goals.

3 Key Lessons

1. My Story

My story is unique – it is a point of difference. Do I have a story that will capture the attention of my prospects? Consider the journey, either mine or a clients, that will reflect my customers journey.

2. Competitors Failings

It is likely that my competitors are not doing something or doing something poorly when they are servicing clients in my target market. Find what this is and resolve to do the opposite. This will provide a great point of difference.

3. My Process

I may have the same product or solution as my competitors, however I can define a process that will be unique. For example ‘5 Steps from Problem to Solution’ is certain to be a different process than others, even if they have one.

1.5 Pitch – The First Marketing Step

Pitch to Inspire Action

Your opening line should catch the attention of people in your target market and it must arouse enough curiosity for them to ask you to tell them more.

Mark Stecher
Build To Exit

Meeting Eric was a great experience, he was friendly, dynamic and so enthusiastic about his specialty of helping business owners and sales staff to craft powerful ‘pitches’. As he talked and presented I couldn't help but wonder how he became so professional at such a young age. He seemed to be no more than 30 years old and yet was a real master at his craft. He asked me about my journey so far and I told him about my vision for myself, what I was going to master, what my strengths were and what my competitive edge was.

“That’s perfect, you have all the ingredients to create a pitch that will inspire your audience to act,” he said.

“Your pitch is the first step to your marketing and it is the opening sentence or the headline that is most important,” he continued.

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“I thought a pitch was something you used at networking meetings or when you were in a sales situation with a potential prospect,” I replied.

“If you cannot inspire someone to engage with you in a face-to-face meeting, you are even less likely to be able to do it in any of your marketing efforts. Thanks to the work that have already done, you know your target market and their pressing requirements, and you know that you have a competitive edge over other products. You now just need to present it in a compelling manner. The good news is that more and more people are turning to audio and video media on the internet, so if you can create a compelling pitch face to face, it can become one of your primary internet marketing tools.”

“Great, so how do I put this together? It seems like I have a lot of information to compress into 30 to 60 seconds and I cannot see how I can do that,” I said.

“Well, you have all the ingredients and so put it together is going to take a bit of work and I am here to assist anyway. The workbook associated with this chapter goes into this in much more detail. There are many ways to craft a pitch and the workbook provides a number of templates that you can use. I will give you an example:

Who are you?

Good morning, My name is And I am

Be brief here – I may come as a shock, but people are not interested in you. They are only interested in what you can do for them.

1.5 Pitch to Inspire Action

Your Story

Tell a story that people connect with. People engage on emotion – not logic. If you can find a story that shows some vulnerability such as the fact that before you came up with the solution yourself, you went through years of pain, people will connect if they have similar pain and challenges.

Target Market

Our target market is...

(As we discussed above, the more clearly you can define this the more powerful will be your message. You will need to change this to suit the current audience).

Pain points

What are their major pain points or requirements? The more clearly you can demonstrate a knowledge of this, the better you will connect. If you understand them well enough, you may even come up with a new innovative solution.

What is your process?

What do you do to resolve the pain or meet the requirements? Do you have or can you create a process?

What is the Feeling?

What is the feeling they will have when we solve the problem?

Your Difference

How are you different from your competition?

What do they do poorly that you can do well?

Call to Action

How can people trial your product at very low cost and low risk?

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Practice

Now is time to Practice, Practice and Practice more. When you get to the point of people being inspired to take action, you know that you have a very good start to ***all*** your marketing collateral. The more you practice the more natural it will sound and the more natural you are the more confidence you will have and the more relaxed and engaged the audience will be.”

Eric taught me how to put the ingredients together and most importantly how to present congruently and with passion. I felt excited. The last ten weeks of my journey had been very challenging and rewarding. I had started off, overwhelmed and in a fog, not knowing which way to turn next.

Now it was like someone had turned on a light and whilst I still had a huge amount of work to do, it didn’t seem so overwhelming now. I felt it was manageable because I could see a way forward.

Eric suggested we go out for a drink so we went down to St Kilda beach just as a magnificent autumn sun was starting to set. We sat watching the sun sinking over the horizon and Eric asked me if I was



Sunset on St Kilda Beach

going to act on what he had taught me. He had worked with many business owners in the past and was very aware that whilst we have the best of intentions, we get so busy that on many occasions the action doesn’t happen.

1.5 Pitch to Inspire Action

“If you want to achieve your goals and your vision; you will need to set aside time to work on your business and spend less time in it,” he said with a smile. “I believe that the next phase of your journey is going to be working on techniques that will help you free your up time.”

“You’re right I really need that,” I agreed, curious to know how it was going to work.

“Before you go, here is a card that will help when you are writing your pitch.”

Keys to a Great Pitch

1. Define your target market
2. Define the niche within that target market
3. Define your ‘micro-niche’ within that niche
4. Be very clear about their most pressing needs or headaches
5. Create a unique and compelling solution
6. Finish with strong call to the next step
7. Think about the perspective of the people who receive your pitch and this will determine the language you use

As I left Eric; there was a full moon shining brightly and the light was dancing off the waves creating a bright path all the way to the horizon.

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As I was driving home I couldn't help but think how helpful everyone had been on my journey so far – everyone was so willing to pass on their knowledge and experience. I was deeply grateful.

It was a week before I could meet Keith again, which gave me time to catch up on work and do the exercises Eric had given me. One of the most important things he said is to “Sharpen your pitch on the whetstone of the market – go out and practice it until it is perfect. When you can inspire people to refer you to others or immediately engage with you, then you know your pitch is working.”

Part 2: Free Up Time

*When you spend money, you can make it back.
When you spend time, it is gone forever.
Invest your time wisely, make it count.*

Mark Stecher
Build To Exit®

It was two weeks since I had left Eric on that moonlit night in St Kilda. I was excited and had a firm resolve to start on the exercises the very next day. When I arrived at the office on the Monday morning, it was a normal crazy Monday morning. On this occasion, there had been a storm the night before and the radio mast that one of our contractors had installed on top of an arts building had come crashing down. It had hit the roof which resulted in a huge hole and water was leaking onto the theatre stage. To make matters worse, the mast held important radio communications equipment that was the data feed to all the CCTV cameras in the city. The manager of that business was doing a great job in handling the situation, however, it was serious enough that I needed to become involved. The rest of the week became very hectic and was filled with a series of ‘Important and Urgent’ things that required my attention, as were most of my weeks. I remembered Eric’s suggestion to review my digital vision board, every day if possible, and I resolved to start that night.

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It was nearly 9.30 p.m. when I finished work so I grabbed a quick dinner at my favourite Vietnamese restaurant and hurried home to study my vision board. As it was only about ten minutes long, I watched it three times, each time, I got more and more engaged. At the end of the third time, I was inspired and re-energised by my dreams. Over the next two weeks, I ran my Digital Vision Board every night and each time adding a bit more to it. What I found truly amazing is that the more I reviewed my dreams and goals the more real they become and the more clarity I had about the path to get there. When Brian told me this, I must confess that I was a bit sceptical. But beyond the questions and scepticism, there was a part of me that became hopeful. Brian had explained that the more you repeat any action the less you need to think about it consciously. Some examples of this, he said, are tying your shoelaces, riding a bike or driving a car. The first time you do it, you are very conscious of every small action and look closely into every step. Consciously incompetent, is what he called it. After several repetitions, you become very capable and competent. This phase is called conscious competence. The final stage is when you have done the task so many times that you could literally do it in your sleep – this is unconscious competence. When you get to this point in anything, things happen automatically and your conscious mind is free to do other things. It is the same with goal setting, the more clarity you have and the more they are imprinted into your subconscious mind, the more success you will have.

I was looking forward to my meeting with Keith again because I wanted to tell him about my progress on the first phase of my journey so far and thank him for organising everything. I also wanted to get a bit of perspective on what was coming up in the next phase. It was nearly three months since our last meeting and I was in a much better state than I was at that time. He was flying out to deliver a keynote for a business

Part 2: Free Up Time

conference in New York and so I met him in at Rydges in Carlton, one of my favourite meeting places because it has good parking and plenty of quiet meeting spots.

Keith was already seating in the comfortable leather lounge chairs over-looking the park when I arrived and after ordering a bottle of sparkling mineral water he asked me for an update on my experience with the first phase. I proceeded to tell him excitedly that I had made great progress and delivered my 60 second pitch which was the result of that first phase.

“That’s great, I can see that you are really ready to start doing things to free up time now,” he said “two of the most important benefits you will get from freeing up time are firstly, it can allow you to start getting some balance in your life and secondly, you will be able to spend more time working ***On*** your business and not ***In*** it. Unless you start to get some life balance, particularly in some of the more critical areas such as health and relationships, you will find that life will balance things for you and that is generally not a good outcome. In terms of your business, we have spent quite a bit of time talking about the importance of spending time working on your business and to achieve the ambitious goals you have set. It is critical that you keep up the good work you have started.”

“So, tell me more about this next part of the journey,” I asked. The apprehension that I had felt in the first meeting with Keith had disappeared and I was more excited to continue my journey now and discover what was in store for me.

“Well, just as in phase 1, there are five steps and at the end of it, if you do the work and follow the steps, you should have much better

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balance in your life and be spending more time working high value tasks and building your business. The five steps in this phase are:

1. **Clarify your goals** to free up time
2. **Systemise your business** for efficiency and value
3. **Outsource** and automate what you can
4. **Package** your product
5. **Automate your sales funnel**

The first step is to define key goals in different areas of your life to make sure that you are always moving in the right direction and your life has some balance. One of the masters of this area is Tony and he will be in Sydney next week doing a two-day personal development event. I can guarantee that you leave a changed person and have some great tools to free up time. Be prepared for an action-packed weekend. You will come out of that event, inspired and very focussed on where you are headed. I am looking forward to catching up with you in about ten weeks to get an update on your progress,” Keith said.

2.1 Get clear on your goals to free up time

“Be clear about your goals and continually ask yourself if your current activity is contributing to your progress. This will save time and get you to where you want to be - faster”

Mark Stecher
Build To Exit

I was counting down the days to Tony’s workshop, I had heard a lot about him and it was all good. It seemed that almost everyone I spoke to, had either been to one of his workshops or had read some of his books.

The event was in Sydney and I arrived a day early so that I could catch up with some friends and make sure that I was in time for the start of the event. It was fortunate I did that because they were long days and action packed from start to finish. There were more than 400 people attending and Tony managed to keep us all engaged for the entire two days.

One of the most important steps on the journey is to ensure that you have a good balance in life. In the first session Brian was mainly focussed on setting business goals. Tony explained that this is great, but unless you have proper balance in life with clearly prioritised goals in key areas you are likely to drift around where life takes you. There are eight key areas and the first step is to set some basic goals in all eight and then focus on the three of four that will have the greatest positive impact right now.

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When you do this the objective is to set processes in place that will continue as habits after about 12 to 13 weeks. For example, health and fitness is one of the most important goals. Spend some time in understanding the consequences of poor eating and lack of exercise.

Then think of all the things that you want to do or achieve in your life. It might be camping with your children and grandchildren when you are in your eighties like my father, or travelling, skiing, climbing trees and fulfilling your purpose when you are 100 which what I intend to be doing. Find some great reasons to motivate yourself, then learn what you need to learn to start setting good habits in place to ensure that this happens. Update your Digital Vision Board to include health and fitness. Start the process and keep going until it becomes a habit that is part of your lifestyle. At this point, this goal can be moved off the main priority list and a new one added in.

There was a lot to take in over the two days and I was still struggling with some of the concepts luckily, I managed to get some time to speak to Tony in person during the afternoon break on Sunday.

After introducing myself, he shook my hand and said “I am glad you made the time to connect, Keith has told me about your journey. How can I help?” he asked.

“Well, I ummm, errr...” I stammered, feeling a bit intimidated by his size, intense look and booming voice and wondering if perhaps my questions were a bit naïve. “I understand about the eight areas of life that I need to get balance in, however, I am not really convinced that some of these goals are really so important to me right now. Can you give me a bit more explanation why I should really care about some of them?”

2.1 Clear Goals Free up Time

“Easy,” he said. “Let’s start with *health*. Have you ever had someone close to you who lost their health?”

“Well, yes actually. I had a close friend who had a great career, a new car and she had just moved into a new two-story house. She seemed quite healthy and was only 38 years old. She went to the doctor one day who did some tests and immediately sent her off to a cancer specialist. It turned out that she was in the late stages of cancer and was told that she only had 12 months to live,” I answered.

“So, tell me, what was the most important thing in her life at that time?” Tony asked.

“Her health of course,” I responded.

“Yes, and prevention is much easier than the cure and so health should always be a priority,” he said.

“What I would like you to do now is to reflect on your life so far and tell me about all the highlights you remember over the past ten years,” he continued.

I spent about five minutes going back into my life over the last ten years and it quickly became evident what the next goal should be and why it was so important.

“I get it,” I said. “The next most important goal is *relationships*. When I think about the highlights in my life they all involve either friends or family. When I travel to places or have parties or get out to dinner or entertainment or play sports – there are always people around

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me. Life is so busy at work and I spend the majority of my time working and yet, almost none of that comes up in my memories. In fact, I am always making excuses why I need to be working such long hours. I now realise that I need to make time to spend more time with my friends and family and create as many memories as I can.”

“Yep, you got it – without relationships life doesn’t have a lot of meaning. Business owners in particular, get so caught up in running their businesses that life passes by,” Tony said.

“Next thing, tell me, apart from sleeping, what do you spend most of your time doing?” he asked.

“Well before I started my business it was my job. Now, I am spending even more time in my business. I can see why that is important and I have spent quite a bit of time doing Brian’s goal-setting exercises to make sure that I enjoy that journey.” I said.

“Do you enjoy everything that you are doing?” he asked.

“Well no actually, a lot of it is a pain,” I replied, already seeing where he was leading me and so, not waiting for his response, I continued, “One of the things that I learned in the first phase of my journey was to build on my strengths and I have really enjoyed that. Professional and ***Personal Development*** is the next most important goal to focus on.”

“Exactly,” he said. “As humans, we are wired with a desire for continual and never-ending improvement. In addition to this it is a key aspect of health. Living an inspired and inspiring life will keep you young until your old age. You have already set some financial goals

2.1 Clear Goals Free up Time

with Brian and we all know why they are important. I have been poor and I have been wealthy and of the two, I can tell you that wealthy is better. The good news is that if you have a *career* or business that you love to do, the *financial* goals will ultimately take care of themselves,” he continued.

“The next goal is easy,” I said, getting into the swing of things “We all know why we need *leisure* activities and sometimes that is what we are working for. I remember visiting Austria with my grandfather in 1981 when he was 80 years old. His sister had died and I was his travelling companion whilst he was sorting out her affairs. My grandfather was a very successful and relatively wealthy businessman from Hungary. He came to Australia in 1949 after the war, lucky to escape with his life he arrived with a wooden box of belongings, a suitcase and not even able to speak English. At the age of 48, he had to start from scratch and spent the next 30 years rebuilding his life. There was a defining moment on that trip to Austria when I asked him if he would like to come to Vienna with me for the weekend. He looked at me for what seemed like minutes and eventually said sadly ‘Mark, it is too late for me to enjoy myself now, I wish that I had taken the time to do it when I was younger.’ I remember sitting there in stunned silence for a while and I just felt so sad that someone who had worked so hard all his life, had come to the end with the realisation that living is something you do as part of the journey. I was 25 years old at the time and since then I have always made sure that I have enough leisure activities in my life.”

“Great story,” Tony responded. “That is exactly one of the biggest challenges facing many business owners. They spend their days in the

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operations of their businesses and after-hours bogged down in the endless administrative tasks.”

“The next goal I want to talk about is *contribution*. This is really about your destiny. We are all able to make a huge contribution to the world around us. Some people say that we should find our purpose while others say we should create it. Either way there is a great opportunity to discover something significant. One the greatest imaginable joys in life is giving and making other people’s lives better in some way. People who miss out on this, miss out on the real essence and joy of life. I won’t talk too much more about that because you are going to cover that in a lot more detail in session 5.1 with Keith,” Tony said. I could see that he was very passionate about this and I also was so I could really relate to it.

“So, what about the final goal – *spirituality*” I asked. I was quite unsure about this one.

“This an interesting one,” he said. “Some people relate spirituality to being close to their God. That is fine for people who are religious. For people who choose not to be religious, spirituality may be more about being at peace with the world and the environment. There is a lot of anger and aggression in the world and many people choose to focus on this and become affected and stressed by it. If you were to decide on your purpose and have complete focus on that, knowing that you can change your part of the world and let other people take care of the rest, you can be at peace. Work on your ‘circle of influence’ and let the rest go. If you can achieve a state where nothing makes you angry or sad or envious and you are working on your higher purpose, that on its own is a form of spirituality. It may not be the most important goal

2.1 Clear Goals Free up Time

right now, however, it is an important part of having good life balance and so it is something you should spend some time on.”

“Thank you so much Tony, I really appreciate your input and I really enjoyed the last two days,” I added.

“Well that’s excellent,” he said. “Keith told me to tell you that your next coach is Michael, by the way. One of his specialities is systemisation and after you have worked with him, you will definitely free up more time. Remember to do the exercises I gave you, and keep setting goals. Good luck with your journey,” he said with a smile as hand engulfed mine in a firm handshake that cracked my knuckles together.

“Thanks again Tony, I will send you an update when I complete my journey,” I promised.

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Three Lessons

1. Create Life Balance

Most business owners work long hours and even when we are not working, we tend to be worrying about something. Life balance is essential and starts with Health and Relationships. These most important areas are often neglected and should be an absolute focus before it is too late.

2. Set Goals in all Areas

There are eight main areas of life and a 'perfect' life will have good balance in all. There are different priorities at different times, however just the act of setting goals in areas that are less important now, will start to condition your subconscious mind. This will, over time enable you to see and act on opportunities that you may have otherwise missed.

3. Focus on productive activities

It is very common and easy to get caught up in activities that are not beneficial or moving you in the direction you want to go. Having clear goals, and consistently analysing and prioritising daily activities will save time and get you to the destination faster. Keep focussed on your goals, however remember to create the journey you want to enjoy.

2.2 Systemise your business for efficiency

“Great systems and processes enable you to reduce costs, free up time, produce predictable results and add value to your business”

Mark Stecher
Build To Exit®

As the date for the meeting with Michael approached, I started reading some of his blogs and studying his website to get more of an understanding of how he could help me. The more I read the more excited I became at the thought of introducing systems that could be taught to others so that I could stop working so much **IN** the business and more **ON** it. He was in Australia for a conference and had agreed to meet me in the café next to the hotel where he was staying. I was there ten minutes early as I always aim to be. As I walked into the café, I spotted him sitting in the far corner reading a paper. He was easily recognisable, even from that distance. As I approached, he stood up and thrust out his hand in a firm and vigorous handshake. He was a middle-aged man, impeccably dressed in a dark grey suit with a yellow tie and a bright white shirt. Apart from his bald head and slightly more ample appearance, he could have been Brian’s brother, I thought to myself. He had an energy about him that suggested a man with a passion for what he was doing, and an air of accomplishment. He asked me a bit about my journey so far and I told him about the

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amazing coaches that I had already met. He appeared to be impressed by the fact that I had been to see six coaches already and had actually acted on the work that they had given me to do.

“I really enjoy working with business owners who take action,” he said. “Most are so busy caught up in the day-to-day urgent and emergency tasks in their businesses that they don’t take the time to work on themselves or their businesses. I believe that is the biggest reason for business failure.”

“Yes, I can definitely relate to that, before I started this journey I was almost ready to give up too. My friend Keith told me that if I was to commit between three to four hours per week working on my business and taking advice from the coaches he recommended, I would turn things around within 12 months. I had nothing to lose so I decided to commit, and it is really paying off,” I responded with a smile.

“Ok great. How much time do you think you spend on very important tasks that are not urgent,” he asked with a hint of smile as though he already knew my answer.

“I am not sure exactly what you mean by that,” I answered, stalling a bit while I thought of a sensible response.

“Ok, you are very clear about what you want your business to achieve. There are tasks associated with building value in your business that are very important. However, if you didn’t do them right now, it would not be a major problem. For example, things like Strategic Planning, Team Building, Developing Business Relationships, Developing Business Culture and so on,” he said.

2.2 Systemise Your Business for Efficiency

“Oh, I see,” I responded, pretending that the penny had just dropped. “Well I, err ah, probably spend about an hour a week now. You see there are so many things that only I can do and that seems to take up the entire week,” I continued. I could already see the weakness of my reply and even without Michael’s almost predictable response I had made a mental note to myself that I would change.

“I thought that you told me that one of your goals was to have a business that ‘works without you’,” he said with one eyebrow raised in mock surprise. “You do realise that if your business requires your presence, you don’t actually have a business, you have a job. How do you intend to achieve your goals?” he asked.

“Well, that is why I have come to see you,” I responded, somewhat sheepishly.

“Ok – fair answer. Luckily for you, the answer is relatively simple. Perhaps the execution is more difficult, on the other hand, if you know the principles and follow them, you will ultimately succeed. It is just a matter of defining all the areas of your business, listing the recurring tasks, evaluating them, optimising and fully documenting all the recurring processes, creating training materials and then training others to take over. The key areas you will be looking at are:

- (1) **Marketing** – Attracting prospects
- (2) **Sales** – Converting prospects to clients
- (3) **Operations** - Providing services to the clients
- (4) **Finance** – Ordering goods, getting paid and reporting
- (5) **Customer Relationship** – Following up with clients
- (6) **Marketing** – Obtaining referrals from clients and others

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Within each of these ‘systems’ you will have sub-systems and all of them need to be designed, documented, tested, filed and passed onto your team to execute.”

“Hmm, as you said, it sounds easy. Nevertheless, I can already see that creating these systems will be quite a challenge. I hate doing that sort of thing and every time I have attempted it in the past, I have given up after a few hours,” I said with a sigh.

“You and about 80% of other business owners,” Michael chuckled. “That is completely normal, however creating systems in your business is one of the most important keys to survival, growth and ultimately business value. The people who do it are the ones who are different and ultimately create great businesses. Fortunately, there are tools and methods to make the job easier. Also, there is quite a bit of the job that can be outsourced,” Michael said. “Let me give you a bit more background.”

“To make it easier, I will summarise it into four steps; Evaluate, Record, Optimise and Educate,” he continued.

“After creating a list of all the recurring tasks in your business, the next thing to do is to prioritise them and work through each in turn. The first step is to evaluate the task;

1. Evaluate Task

Who is the end customer? Even if it is an internal job such as providing a financial report, the person receiving the report is an end customer. Ask them, why they need this job done. Go through the ‘5 Why’ process to identify if this task is really

2.2 Systemise Your Business for Efficiency

required or what the real reason behind it is. The ‘5-Why’ process involves asking the question ‘Why is that important?’ up to five times. This generally gets to the real reason and in many cases it may be found that the task is not relevant.

2. Record and Document

The second step is to get a senior staff member to perform the task and recording what they do as they are doing it. Senior staff will be more efficient at doing the task and also are likely to see and implement better ways as they are doing it.

Depending on the task you may record it on the computer using a tool like ‘Snagit’ or if it is a more physical task you may take a video or take notes of each step in the process.

3. Optimise

The third step is to optimise the process. This starts with listing every step in the process and asking if it will add value to the end customer. If the answer is no, then that step may be waste and can be eliminated. If the answer is yes, can that step be automated? If not, can it be delegated to a lower level resource?

4. Educate

Once the process is optimised, the recordings can be converted into presentation and training materials so that more junior staff can be trained in the process. The final step is to put the completed training materials into a Document Management System such as Google Sites so that they are easily accessible to staff.

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Over the next hour, Michael went into depth explaining how to set up systems, how to decide what I needed to do and what I could delegate or outsource to others. At the end of the session my head was spinning, yet I was enthusiastic about the journey because I realised that I didn't have to undertake the mountain of work myself. I thanked Michael for his time and as I got up to leave the table he reminded me;

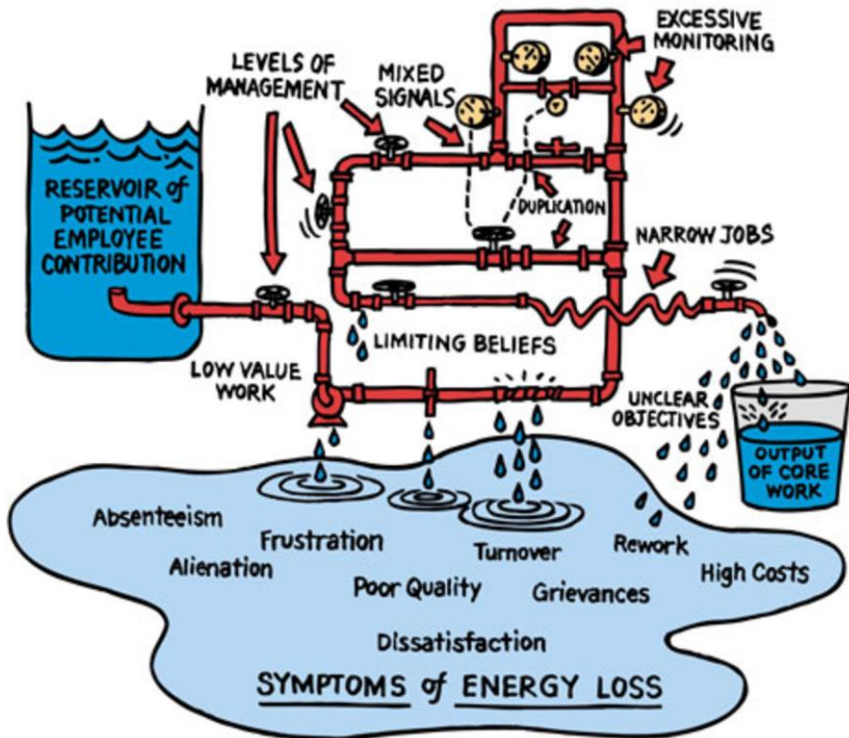
“Make sure that you make an immediate start on the exercises I have given you. Unless you get some momentum on this one you will procrastinate and the work will never get done.”

On the plane home that evening, I started writing a list of the things that I needed to do and committed to get started early in the morning. The first thing was to organise a meeting with all the staff and I sent an email scheduling a meeting for 10:13 the following morning. I decided on the very specific time so that it would send the message that this was not ‘around 10.00 a.m.’. It was very specific. Waiting around for people in meetings is an incredible waste of time.

By the time the meeting came around I had already divided up the tasks for everyone. I reiterated that we would be meeting for a progress review at the same time the following week. There were still quite a few jobs for me to do in addition to overseeing the whole process, however I was making progress. Within four weeks we were able to employ some more junior staff to do jobs that had previously been done by the highly paid senior staff and some of my management load had also been taken on. Whilst much of the time I had gained was taken up with managing this new process I knew that I had to bite the bullet because time spent now, would save time later. The senior staff were deployed to do higher level jobs that suited their experience and

2.2 Systemise Your Business for Efficiency

capabilities and they also enjoyed them a lot more. This was an additional benefit that I hadn't seen coming. For years I had quite a high turnover of technical staff because after two or three years of working on the lower level work, they wanted to leave to find more challenging work. By enabling them to move into these more challenging positions, I would be able to retain them longer and also make additional margin because I could charge higher rates for the higher-level work.



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3 Key Lessons

1. Eliminate Waste

There are many things that we do in business that are done because that's the way there were always done. Heaps of time can potentially be saved by identifying firstly whether or not the task is still relevant and secondly whether every step in the task has value or is 'waste'.

2. Optimise

Every step in the process of delivering an outcome needs to be assessed to see if it can be automated, delegated or outsourced to a more cost effective resource. Doing this meticulously for each step in the process can result in significant time and cost savings.

3. Educate

Creating documented procedures and training manuals and presentations for any process that is recurring is essential. Staff who are involved in delivering the service are also encouraged to propose new ways of doing things if they can see efficiencies. The final step here is to post the training materials on a web based document management system for easy access.

2.3 Outsource the Work You Hate to do

When it comes to saving time and getting rid of important work that you tend to procrastinate over, outsourcing is one of the most exciting additions you can make to your business. Until relatively recently it was the domain of larger businesses, however it is now very accessible and affordable to small business.

It was a Friday evening in mid-April and I was relaxing after quite a hectic week when I got an unexpected call from Keith. He was interested in how my journey was going and so I said that I was making some real progress but still overwhelmed with work.

“Yes, that will happen” he responded. “It happened to me, however I realised that the ‘short term gain, would result in long term gain’ for me and so I persevered. When I was at your stage in the growth of my business I was introduced to Robert who was a real advocate of outsourcing. I started outsourcing a lot of the entry level pain-in-the-neck type work and the result was amazing. Best of all, it freed up a heap of my time. I was calling you today to let you know that I have organised for you to meet him in two weeks so you had better get all of your current homework done.”

“Maybe I will just outsource it,” I said, grinning to myself.

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“Now you are getting the idea – in fact you will be able to outsource quite a lot of it,” Keith replied.

I had to admit that I had some concerns about outsourcing, however I was looking forward to the session with Robert because a great deal of my time was spent doing things that I wasn’t good at and didn’t enjoy doing. While many of these tasks seemed trivial, they were important and in many cases urgent. In the early days of my business, I they didn’t seem to be a problem, however, over the years as I got busier, I was continually asking myself how I could get rid of this seemingly never-ending stream of admin tasks or ‘administrivia’ that I had come to hate doing.

I managed to complete all the tasks that Michael had given me a few days before the workshop and was eagerly awaiting the 24th.

The workshop was held at Crown Casino located on the banks of the Yarra River in the heart of Melbourne’s business district. There were around 100 other business owners at the event and unlike many other events I had been to, quite a few of these business owners appeared to be well established. Robert was a younger man, around 35 I guessed, energetic and engaging. His huge smile never left his face, and I wondered whether it was because he was making a small fortune or because he loved what he was doing. He had a very strong philanthropic element which I really admired. The whole day was packed with great information, including a segment on outsourcing back-office work.

Up until that point I had thought of outsourcing as employing people in developing nations who had heavy accents and poor-quality phone lines.

2.3 Outsource the Work You Hate Doing

Robert explained that the world had changed and was continuing to change. Within the next few years education, communication skills and communication technologies were going to be so advanced that it would be difficult to tell the difference whether people were working from the office next door or from a remote part of the world. By the end of the day my head was buzzing with ideas as it generally is when I attend these workshops and I couldn't wait to try some out, however there were still a few questions that needed clarification so I arranged to see him. After congratulating him on the motivating presentation, I asked him what he thought about sending Australian jobs offshore. His response was almost predictable...

“Good question and I get asked that a lot. Before I started outsourcing myself I had similar concerns. At the time, I was struggling with the huge workload and simply could not afford to employ someone locally. I realised that outsourcing would not only help me survive and grow my business, I could also employ people locally to do the work that needed to be done locally. I also realised that most of the clothes I wear were made overseas, the car I drive was made overseas and in fact, when I looked around there were many things that I use in my own daily life that were made overseas. The manufacturing industry had changed as a result of globalisation and now the same was happening with knowledge workers. As an entrepreneur, I also know that whatever the circumstance there are always opportunities for success. Like what happened with many manufacturers, there are three options;

1. Firstly, we can bury our heads in the sand and say that jobs going off-shore is not happening. Well just like manufacturing, it is happening.

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2. Secondly, we can put up a fence to protect ourselves, however it is too late and that doesn't necessarily help us grow stronger anyway. The government realised this in the 1980's and stopped things like tariff protection, saying that we needed to learn how to become competitive in a global marketplace.
3. The last option is to look for the opportunity. That is what good entrepreneurs do. We survive by identifying a need or a niche in the market and servicing that. All we need to do now is understand that we are now working in a global economy, where not only is there a more competition, there is also a lot more opportunity. I realise that good businesses of the future are going to be the ones who work out their competitive edge in this global economy. They say that the three most important things in property are location, location and location. In business, it is competitive edge. Outsourcing is a great opportunity for us to supplement our local workforce and increase our competitive edge.

That was a bit of a long answer to a short question, I know," Robert smiled.

"That's OK, I can see you have thought a bit about it and it makes sense. What you said about employing staff is also interesting because I have been on the verge of employing staff for a while now, however I don't have the continuity of work to employ someone full time and quite frankly, I really just cannot afford to anyway," I said.

"Exactly, most small businesses fail and one of the primary reasons is the overwhelming workload that business owners face. The second

2.3 Outsource the Work You Hate Doing

reason is the high cost of operation, the highest of which is employing staff. By outsourcing, you reduce the workload dramatically and at the same time you can reduce costs by employing staff who are a lot more cost effective and you only pay when you require them,” Robert said.

“Ok great,” I replied. “What about security? How can I trust people in another country with my sensitive information?”

“Good question and the fact is that it doesn’t matter whether you have local staff or offshore staff, you are likely to have those same challenges. We have reviewed many options in terms of off-shore outsourcing and we believe the best to be the Philippines at the moment. Their English-speaking skills are generally good, they are trustworthy and loyal and have a great work ethic. You should always make sure that they have the National Bureau of Investigation (NBI) security clearance. This is highly sought after, difficult to get and if they have they protect it very carefully. I would also recommend that you start by restricting access to sensitive information and providing low-level tasks. Work on building the relationship and the trust. Like local staff, this can take time, however the results are well worth it. In addition to that you should have all the normal data security measures appropriate to your business,” Robert replied.

“Fair enough, I need to be as diligent as I would if I was employing locally. My next question is about getting started. I have a few friends who have had some bad experience with outsourcing and I was wondering what is the best approach?” I asked.

“That’s another question I get asked quite a lot and many small businesses get burnt because they are looking for a quick and cheap

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solution. There are many options and I would suggest that you start by trying out a few small projects first. This is quite often referred to as ‘out-tasking’ and there are companies like Freelancer, Fiverr and Upwork that are great at this sort of thing. Find a task such as a logo or landing page design or any other small task, go to one of their websites and engage with a specialist to get the job done. There are challenges and the main ones are you are likely to face are:

- (1) **Recruiting** – finding the right person for the job can be time consuming. Be prepared and persistent and when you post your project, select three applicants because typically one may not do the job, one may not be quite what you want and one may give you what you want.
- (2) **Managing** – quite often these people require management and that can take as much time as doing the job yourself. When the job is going to be repeated many times, this initial investment will pay off.
- (3) **Continuity** – People working in this environment need to keep working and you may engage with one and next time you want them to do a job, they are not available,
- (4) **Cultural Differences** – regardless of where you recruit your offshore outsourced team from there are likely to be language and cultural differences.

As with many things in business there are pros and cons however with practice you will get better and really see some great benefits,” Robert replied.

2.3 Outsource the Work You Hate Doing

“OK, so what about tasks that are recurring where I can’t afford someone full time, but I do want some permanency? I asked.

“Some companies offer full time Virtual Assistants (VA’s) which may be partly a solution. However, this person will have a limited skill set and also, as you mentioned, you may not have a requirement for a full-time VA. One of the best solutions for small businesses like yours is to use an organisation like DyCom SmartStaff who have a very flexible model they call the ‘Executive Office Team’. In this program, you are assigned a senior Personal Assistant (PA) who has access to an entire team of skilled staff. You assign jobs to your PA who assesses them and assigns them to the team members who are most appropriate for the job. If a job is something that will be done more than once, it is generally assigned to a more senior resource whose role it is to document the process, optimise it and create training materials before assigning it to more junior staff. That way you are paying only for the work done and it is done by the right specialist at the right time. This also solves a lot of the challenges around recruiting and managing,” Robert responded.

“My last question is around the cultural and languages differences you mentioned. That was one of the big ones that many of my friends mentioned, particularly when we had off-shore staff talking to his local clients,” I said.

“That is an interesting one there are a number of factors that come into this. When I first started I was engaging people in eastern European countries, Vietnam and India. As I mentioned earlier, I finally decided on the Philippines because they are culturally very similar to us, there is a small time difference, their accents in many

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cases are good and they have great ethics and pleasant personalities. The main thing to do when you are engaging an offshore worker is to take the time to develop a relationship and make sure you look after them well. I would suggest starting with easy, low level jobs first and get some wins on the board. Develop the trust and create a good working relationship. Over time, you will find that they will become proactive and a very valuable member of your team,” Robert said with a smile.

“Great, thanks so much Robert – I am keen to get started and at least I know exactly where I am going to start now,” I said.

Over the next two weeks I completed the exercises that Robert had given me and started outsourcing a heap of tasks that I had been procrastinating about and were giving me real headaches. It was interesting that many of these so-called ‘low level’ tasks are important and quite often urgent. Outsourcing freed up a heap of time without the risk and pain of employing full time staff. Within four weeks I had most of my admin tasks covered, I was getting timely financial reports and the systems that I was struggling with were being handled. I started to realise just how much work I was lagging behind on and how inefficient that was for me and the business as a whole.

The next step in this second phase was productising and packaging. Keith had told me that productising my core products was going to increase efficiencies even more and in turn that would increase my net profits. Even though I had done a few things to decrease costs and increase revenues, cashflow was still tight so I was looking forward to anything that would improve it.

2.3 Outsource the Work You Hate Doing

3 Key Lessons

1. Out-Task first

Getting started in outsourcing is relatively easy. Find a small task like a logo design or simple webpage and outsource it to sites like Fiverr, Upwork or Freelancer. There may be challenges, however with practise you will master it.

2. Engage a Team

There are many things that can be outsourced and there are many different skill sets required. For recurring tasks, it is best to create permanent relationships with a number of workers who will fulfil these skill requirements. The ideal solution is to engage an organisation like DyCom SmartStaff who will provide a fully managed team of specialists and you only pay for the time you use.

3. Develop Relationships

The best results will come from looking after your team and developing relationships with them. Treat them as part of your local team and over time they will become an invaluable, proactive and cost-effective resource.



2.4 Productise for Profit

“Products don’t sell, Product Ecosystems do”

Daniel Priestley
Key Person of Influence

It had been four months since I started the journey and I had only come three steps into this phase of freeing up time and yet I was already starting to feel a sense of freedom. I could see the steps that I had been taking were really starting to work. The next step in this phase was to ‘package’ what we were delivering to our clients. I was looking forward to this step because I was hoping to solve one of my nightmares, which was to provide an easy ramp for prospects to engage and ultimately, making them clients. Keith had already organised the next coach whose name was also Gary and told me that the best thing to do was to go along to one of his networking days and then organise a one-on-one meeting after that.

My introduction to this Gary was at a business networking event as Keith had suggested. He was one of the most dynamic, entertaining and focussed speakers that I had seen on stage. Not only that, he was direct and cut through the hype, telling us directly, ‘don’t just say what you are going to do, get on and do it and don’t procrastinate – do it now.’

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He focused on business networking and facilitating real engagements between business owners that would result in meaningful business transactions. Apart from getting business owners to act and connect, he was a huge advocate of packaging and productising. When the networking event had finished Gary approached me.

“Thank you for coming today, I hope you enjoyed it, and now ‘how can I serve and delight you’?” he asked.

“Great day,” I responded. “Actually, there is one thing, I believe that you are an expert in productising and packaging and I could use some help with it.”

“Great, let’s set aside a day for that. Meet me in my office at 8.00 am on Friday morning and we will get stuck into it,” he said.

“Wow, I can see that you really are a man of action,” I said

“Yes, I get so disappointed with so many business owners because they say they are going to do something and then just procrastinate. You need to learn to think fast and take action. Say what you are going to do and then do it.” Gary said.

His office was two hours’ drive from my place and knowing that he was very particular about punctuality, I arrived 15 minutes early. I was pleased with that, because I am a night person not a morning person and I generally only see 5.00 am from the other end of the day!

After settling in with a coffee, he asked me to deliver my pitch. Fortunately, I had good training from Eric and had continued to develop my pitch and was able to present it without hesitation.

2.4 Productise for Profit

“Ok,” Gary said, “You know your target market, you have clearly identified their headaches and your solution to the headaches. That is all great, however, what do you have that they can try for no cost and no risk?”

“Not much,” I admitted. “In fact, nothing really and I don’t know a lot about productising, perhaps you can give me an idea of the main benefits?”

“The main objective of productising is that it makes it easier for clients to understand what you do and how they can benefit from engaging with your business. The product ecosystem includes all the marketing, advertising and information about the product. When you go to supermarket to purchase goods, the manufacturers make it easy for you to choose by providing information about why their product is the best choice. They also use marketing techniques to attract your attention and quite often give you special package deals to entice you to buy. Having a clear definition of your target market and understanding their requirements is the starting point. There are different categories of products and I will very briefly explain three of them,” Gary said.

“Firstly are physical products. If you are reselling products that are manufactured by someone else, there is likely to be a lot of competition. If you are early to market with the product, you may enjoy good margins, however over time, there will be more competition and eventually this product will become commoditised and margins will be very low,” Gary continued.

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“Yes, I can relate to that. I am in the InfoTech industry and I remember in the 1990’s we were selling PC’s with about a 25% margin. By 2000, the margins had dropped to less than 5%,” I said, recollecting the challenges we had at that time.

“Exactly, 5% is an unsustainable margin unless you are doing huge volumes. What did you do about that?” Gary asked.

“Well two things really, first was that we found new products which had good margins and secondly we included services with what we were selling. Eventually our business became more about services and the hardware products were simply an added value to our solution,” I replied.

“Exactly and services is the second product I wanted to talk about. Most people don’t think about the fact that they can package their services as products. It is as simple as doing things like providing your product with a support service helpdesk or listing out the processes you use to deliver a solution and packaging that as a product. You could have different levels of service starting with a very low cost one that is such good value people will engage. The important thing here is that you are continually in communication with your client and can always be marketing new products and services and cross-selling or up-selling when appropriate.” Gary said.

“Interesting, we provide lots of services and I have never through of productising them. How do go about doing that though?” I asked.

“Well, just as in the example of the supermarket product, the first step is the marketing. You already have a great pitch which describes the target market, their requirements and your unique solution to them.

2.4 Productise for Profit

You need to have a lead magnet or free information and also a tripwire product which is a low cost high value item that your prospects can use to try you out. Both of these are going to be discussed in more detail in the next session on ‘Automate Your Sales Funnel’ so I won’t go into it here. The next thing is that you need some simple and predictable pricing, and I would recommend three levels, for example; Bronze, Silver and Gold or words that work for you. Each level you have has more value and be sure to include items of high perceived value, not just high cost. You will also need a good production process, so that if you get large orders, you can scale,” Gary said with a smile.

“Nice problem to have,” I chuckled. “What about the third one?”

“Good, I almost forgot about that and that is the best one. It is a digital product. Something you create once and sell it on your website. It will generally be educational or informative and you are going to be doing work on this in session 4.2 so I won’t go into it now. The main thing is that once you have created a digital product, there is virtually no cost in delivering it. If you have a good product and your marketing is good, this could end up being a source of significant revenue,” Gary said with a smile.

Over the next four hours we spent time looking at the various solutions we had and the processes we had for delivering them. At the end of the day, I had the basis of a product that was packaged and ready for testing. There were three different levels for this core product and decided to call them Basic, Premium and Elite.

“In your next session with Richard, you will be developing the Lead Magnet which will be something like an educational video or

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eBook which are free downloads where the prospect can learn a bit about your business. If you have done your homework and you really know your clients, you really understand their headaches and your eBook shows how you can address them. In most cases, they will be keen to engage to go to the next step. You will then create a ‘tripwire’ product. This is where your prospects become clients by making a small and low risk investment. At that point, you can start to have a ‘sales conversation’ around your core product,” he continued.

“Great – thanks Gary, it has been a great day, I really appreciate it and look forward to coming to your next event,” I said.

3 Key Lessons

1. **Productising your solutions make it easy to buy**

Creating a product ecosystem that includes all the marketing information and outlines the delivery process that is easy to understand, makes it easy for clients to buy from you.

2. **Package Services**

Turning your existing services into products is a great way to get extra revenues, from things like support agreements. The added benefit is that there is good opportunity to generate sources of recurring revenue.

3. **Create or Resell Digital Products**

Creating or reselling products that can simply be downloaded from your website is a great source of income. Apart from marketing there is almost no cost to delivery and you have access to a 24x7 global market.

2.5 Create an Automated Sales Funnel

The internet is one of the most powerful tools we can use to create a stream of properly qualified leads. Face to face selling is expensive and time consuming and an online sales funnel will start cost effective and meaningful engagement with your prospects that will result in real quality leads.

Mark Stecher
Build To Exit

I hadn't heard of an 'Automated Sales Funnel' before but I really liked the idea. I was like many other business owners that I know, head down and backside up working in my business and since the meeting with Michael, I had a bit more time working *on* it. Marketing was always a 'black art' to me and I had used consultants on a few occasions and tackled it myself at other times. It always seemed to be a cycle; market, sell, fulfil, run out of work and back to marketing again. The idea of automating some of this sounded almost too good to be true. Richard was very passionate and clearly an expert in his field. We spent some time chatting about my journey and he asked me about my current marketing process.

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“Well, we don’t have much at the moment,” I said - a bit sheepishly. “Most of our business comes from word of mouth, network events, some email campaigns and a bit of telemarketing.”

“How is that working for you?” he asked, with a hint of a smile.

“Not great” I had to admit.

“Tell me about your target market, their needs or challenges and your unique solution,” he asked.

I felt a bit better about this one because of all the work that I had done up until that point, I confidently delivered my pitch which had been honed and practised quite a bit over the past 12 weeks or so.

“Great,” he said. “It also seems that you are like many small businesses I meet; caught up in the ‘Market and Implement’ cycle. The early stages of the business is hard work delivering solutions and in many cases the work keeps rolling in through referrals and getting more business from existing clients. As the business grows however, and particularly when you start employing staff there is generally not enough work coming in and so you go from hands on implementing to furiously marketing. Then you get business coming in, so it is back on deck implementing again until the work starts drying up. Back to marketing again and so the cycle continues,” Richard said.

“Exactly, it is so frustrating. I can see it happening, I know what I should be doing, however I just cannot seem to get off the treadmill,” I said. “I have tried engaging marketing companies and employing sales people, however it is very expensive and in many cases not that

2.5 Create an Automated Sales Funnel

effective. I have heard about this ‘Automated Sales Funnel’, you talk about and I am very excited to learn more.”

“Great!” Richard said. “The first thing I want to talk about is a ‘Sales Ramp’ which is a method of engaging slowly with your prospects and gradually guiding them through a process to end up with your core product. It is a bit like dating, the first time you meet a girl, you don’t ask her to marry you, you might take her out for coffee and then the next date might be to a movie. You are developing a relationship and trust. For some reason when we are selling our products we completely skip all the steps between the first meeting and asking to marry. We meet, deliver our pitch and ask for a sale. In the old days, it was called the ABC of sales; ‘Always Be Closing’. A much better way is to develop a relationship and the process I want to talk about follows the model described by Daniel Priestley and Glen Carlson from Key Person of Influence (KPI).

The principle is that people won’t part with money for your core product until they trust you and the best way to start building that trust is to start by giving them something of value for nothing. This is called ‘the Lead Magnet’. The next step is to provide something of High Value for a small cost – this is called the ‘HVLR’ (High Value Low Risk) or the ‘Tripwire Product’. The great news is that up to this point the sales funnel can be almost fully automated which saves a lot of time and money. After the prospect has tried the Tripwire product, they are now a client because they will have paid for it. It is at this point you can have a sales conversation where you provide value again. Whilst you don’t charge for the conversation, the client should see it as adding value. By that stage, if they are in the market, they should be ready to buy your core product,” Richard said with a smile.

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“It makes a lot of sense, I had never thought of it like that and it does sound like a lot better way of selling,” I said smiling back. I liked this because I found that once prospects had already engaged and shown interest, it was much easier to have a conversation.

“It is and some people call it a ‘sales ramp’ or the term that KPI use is the ‘Ascending Transaction Model’. Here is a diagram that shows you what it looks like,” Richard said, handing me a card from his notebook case.



THE SALES RAMP ADVISORY MODEL

The Sales Ramp or Ascending Transaction Model

“I get it, that makes sense, I can see how you are gradually developing a relationship to get to the Core Product,” I said.

“Exactly and once we have the Lead Magner and Tripwire Products we can wrap the ‘Sales Funnel’ around it. This will include a Lead generation program, a Landing Page, an Email Sequence and a Customer Relationship Management system to manage the communications and contacts with the prospects and clients,” Richard

2.5 Create an Automated Sales Funnel

said. “It looks a bit like this,” he said, passing me another card with a diagram of the components he was talking about.



Components of a Typical Sales Funnel

2.5 Create an Automated Sales Funnel

“The first thing is the ***Landing Page*** itself. The landing page is simply a single web page with a call to action. You don’t require a website, however if you had one, the landing page could be part of it. There would be a separate landing page for each niche you are targeting and each product or solution you are promoting.

The most important thing on the landing page is the ***Headline*** – we have very little time to engage with the prospect and so the Headline needs to address them directly and also their wants. (wants are emotional, needs are logical – people buy on emotion and justify with logic). The headline will need to capture the ‘feeling’ they get when they use the product.”

“Hang on, can I just clarify that?” I interrupted. “You are saying that I don’t need a web site and I require a different landing page for each target market or solution?” I enquired. This seemed to be a bit over the top to me.

“Yes – that is exactly what I am saying. Having a website is great, however this is about a system for converting leads into prospects and what we are aiming for is to send a message to prospects directly. For example, if you had a product or solution that was good for parents who were driving their kids to school and also to truck drivers in mines, we would have a very different landing page and marketing campaign all together. The more directly you can address your audience, greater the chance of success,” Richard replied. “All we want them to do at this stage is to click on the Free Product or Lead Magnet button.”

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“Next on my list is the *‘Lead Magnet’*. Most people want to try before they buy. If you are not providing something of value at no cost, your competitors are. They will win the business. There are many things that you can provide free and it needs to be relevant to your product and also provide the prospect with some real value.” Richard said.

“Yes, I see a lot of that on the internet and I have downloaded heaps of free eBooks. What else would you suggest that I can use as a lead magnet?” I asked.

“I was about to give you some examples and the main key is that you want to give something that doesn’t require you to be there, or if you are, you are addressing many prospects at the same time. This of course is relative to the value of your core product. If you have a high cost, low volume core product, then more face to face time could be relevant, however if have a higher volume, low cost or low margin core product you want to automate this part of the process as much as possible. I will give you some examples of things that don’t require much of your time and then some examples that are still good, however will require you to be physically present.

Firstly, some examples of lead magnets that won’t require you to be physically present are:

- Free information (Ebook, Report, Audio, Video)
- Free Time Saver (Template, Checklist, Catalog)
- Free Voucher (Gift card, discount, Coupon)”
- Free Trial (Lesson, Test drive)

2.5 Create an Automated Sales Funnel

Here are some that will require some of your time, and, depending on the product you are selling, are great things to start the relationship with:

- Free Event (Seminar, Workshop, Webinar)
- Free Quote (Inspection, Appraisal, Report)
- Free Advice (Review, Audit, Assessment)

There are others of course, this is just a few to get you started.

“The next thing on the list is the the ‘*Email Sequence*’. Once a client comes to your website, you want them to exchange their email address in return for the Lead Magnet. Once they have the lead magnet it will have a call to action to the next product in the sequence which is the ‘Tripwire Product’. If they don’t go for the Tripwire, you start sending what is known as ‘Nurturing emails’ which aim to further develop the relationship. These are preformatted and sent automatically at set times. Not too frequently and not too long between each email. Personally, I suggest once a week, however you will need to determine that for yourself. As soon as the engagement occurs the email sequence is stopped.”

“It seems like a lot of work,” I said, thinking to myself that this is really something that I would outsource.

“Yes, it is a bit of work initially, however you only have to do it once and you reap the rewards for some time after. You can also outsource most of it if you like,” Richard said with a smile.

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“The next thing is the ‘*Tripwire*’ product, which is something that is High Value and Low risk. The tripwire is something that will allow your prospect to try out your services without a huge investment in either time or money. You need to charge something because at this point you really want to be dealing with people who are serious. It is also recommended to include a money back guarantee to further reduce the risk. Your prospect wants to know that you believe in your own product and a guarantee is the best way to do that.”

“How much should I be charging for this tripwire product?” I interrupted.

“That depends on a few things, however you need to have a high ‘perceived’ value for a low dollar value. I would generally suggest anywhere between \$50 and \$150, however I know of a company that offers a 3-day workshop for \$300. That workshop would normally cost around \$2,000 and so there was a high perceived value and they were covering their cost with only 50 participants. They generally get 100 participants in the workshop and that gives them a good profit on the workshop itself. They then sell their core product which is \$10,000 to around 10 participants,” Richard replied.

“I get it, and in fact I think that I have bought quite a few tripwire products myself,” I said, suddenly realising that I had been led through a few sales funnels without even being aware of it.

“Yes, most of us have, it is a good system and sometimes we go to the next stage and sometimes not. Before you ask, the next stage is generally the point where the internal sales team will engage in a ‘*Sales Conversation*’ because now they have a well-qualified lead. The Sales Conversation is something you should also plan carefully. It

2.5 Create an Automated Sales Funnel

will address the clients most pressing needs and should provide them with value. In the ideal situation, the client should feel that you have given them an education or something of real value. Think about some information that you would sell for \$100. This will lead the client to ‘buying’ from you rather than you ‘selling’ to them. A subtle but important difference,” Richard said.

“I like that, I would much prefer a client ask if they can buy, it sounds so much better than the techniques I have been using. My main question now is, where do I find the leads to feed into the sales funnel?” I asked.

“That is where the **‘Lead Generation’** comes in. It is generally done after you have setup your Sales Funnel, although it is first step in the sequence. The process of generating leads can be done in a number of ways and the most appropriate will be dependent on your target market and also your product. Some examples are:

- Social Media Marketing
- Search Engine Optimisation
- Content Marketing
- Video Blogs
- Networking
- Events
- Partnerships

There are many others and the important thing is that every time you get a new lead, whether it be from an online marketing campaign or a face to face meeting, is that there is an easy process to engage with

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you and ultimately become a client,” Richard, paused and then continued,

“You will also need to setup a ‘Customer Relationship Management’ system or CRM so that you can manage the leads when they come in. That is beyond our discussion for today, however it is something that you need to be aware of. Do you have any more questions before we wrap up?” Richard asked.

“Yes, this is a lot to get my head around, do you have a workbook?” I asked.

“Glad you asked, I almost forgot.... Here it is, and here is the eBook for today’s session,” Richard said as he handed me the two books.

2.5 Create an Automated Sales Funnel

3 Key Lessons

1. The Sales Ramp

The idea of a ‘Sales Ramp’ is to create a relationship with your prospect and ensure that you are able to provide the value and solution that suits them. This starts off with providing something of good value such as some education for no cost. For example a free eBook, if done well and properly targeted is a great way to start. This leads into a ‘Tripwire’ product that is something that has good value for very low cost and demonstrates your capabilities. By the time you get to the ‘Sales Conversation’ the prospect will know enough about you to buy from you rather than you ‘selling’ to them. They already know and trust you also know that your product is right for them.

2. Lead Generation

There are many ways to generate leads both in person, in media and online. All leads generated should be directed to the landing page so that they go through the sales funnel in an automated manner.

3. Customer Relationship Management

An important part of the funnel is to prepare to automatically deal with an influx of clients and communicating with them before, during and after the sale is essential. This the job of a CRM and there are many options available. Time spent evaluating and selecting the one that is appropriate to your organisation is well spent.

Part 3: Cashflow

“If I had to run a company on three measures, those measures would be Customer Satisfaction, Employee Satisfaction and Cashflow”

Jack Welch

Like many small business owners, I always seemed to be challenged with cashflow. When I was on my own, things were much easier because if I was running short of cash, I would just tighten my belt and be more conservative in my spending. I remember at one point I was struggling to get enough money to buy a pizza and using computer printouts for toilet paper (too much information, I know, but things were tough!). If I thought that was hard, employing staff took things to another level. I had to pay wages, taxes and superannuation every month whether I could afford it or not. I could always negotiate with suppliers and even the taxation department, but when it came to wages there were no options. Growing the business, there always seemed to be more things to spend on than I could afford and so I was looking forward to this phase, which promised to help smooth out my cashflow challenges.

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As promised, I made an appointment with Keith before starting the next phase of the journey. He had moved into new offices in the city and they were located on the 45th floor of a high high-rise office building at the top end of Collins Street. The first thing that impressed me was the number of plants in the reception area – it was almost like walking into a jungle. The receptionist greeted me and after taking



my order for a cappuccino, I was then ushered into the meeting room. There was a large mahogany table with the most comfortable office chairs I had seen in any office. There were floor to ceiling windows that overlooked the Botanical Gardens and all the way out to Mount Dandenong in the east. Keith walked into the room at exactly the appointed time and asked me how the second phase had gone. I told him that I had already freed up a heap of time and was also spending more working on my business, more in the gym and more with my family and friends. Things were still hectic; however, I was feeling more relaxed now.

“Have you been completing your homework?” he asked, with a quizzical look.

“Actually, I have,” I said. “This is a bit different than any homework or study that I had to do at school or the various courses I have done over the years. I was always leaving that until the last minute and in this case, I am quite enjoying it because it is practical and the exercises are actually working on my business. In addition to this I have started to

Part 3 : Cashflow

outsource some of the work that I am not so good at, and not really interested in.”

“Perfect,” Keith responded. “Now before I introduce you to your first coach, let me give you a quick overview of what you are going to be doing in phase three of your journey.”

“I am looking forward to this one,” I said. “Cashflow is a continual challenge for me.”

“Well it won’t solve all your problems and some of it will be a medium to longer term strategy rather than a ‘quick fix’,” he said with a smile.

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“I have a new electronic whiteboard that I would like to try out and we can then briefly overview each of the five sessions,” Keith continued, as he started sketching on his new toy.



“Nice diagram,” I commented. “Don’t give up your day job though,” I added, with a smirk.

“Hmmm, point taken,” Keith responded, with a raised eyebrow that reminded me of one of my school teachers when I was answering back.

Part 3 : Cashflow

“Of course, these steps are not the only way to increase cashflow. Many of the other steps that you are learning on your journey will ultimately also contribute to increased revenues or decreased costs or expenses, which results in better cashflow. These five steps are quite often things that business owners don’t spend enough time focussing on.”

“Your first coach is Brad, who is going to focus on ‘customer service’. During that session, you will work on your vision for a great customer relationship. By providing outstanding customer service you will sell more to existing customers and also get referrals. This will increase cash-flow over time.”

“The second session is training programs. You will be coming back to see me for that one and there is some unmined gold here and many business owners neglect this. You have already established the systems for delivering your service and you can now package and sell it.”

“The third step is partnerships, which will enable you to do provide services without the cost of staff and also the potential to sell your services to the partners. You will be meeting Felicity for that one – she is a guru in that area. The fourth step is understanding what numbers are critical in your business and when to focus on them. You are very lucky to have Jack for that one. He has had incredible success with his systems. Finally, Alex is going to introduce you to a new way of selling – which is not really ‘selling’ it is about getting your customer to ‘buy’ from you rather than you selling to them,” Keith concluded.

“Wow, I can see there is a lot of content there. I am keen to get going,” I responded.



3.1 Outstanding Customer Service

*You'll never have a product or price advantage again.
They can be easily duplicated,
but a strong customer service culture cannot be copied."*

Jerry Fritz

I was looking forward to spending time with Brad. I had heard about him prior to Keith mentioning him. He was a young and very wealthy entrepreneur who had 'retired' before he was 30 and got back into coaching again because he enjoyed it. Brad greeted me with a smile that exuded an air of one who didn't need to work but was doing it because it was fun and fulfilling for him. After asking how Keith was and about my journey so far, he said: "Let's get stuck into it, unfortunately I only have an hour or so and I want to give you as much value as possible. Today I am going to talk about outstanding customer service, but before we begin, can you tell me a bit about what you believe it to be?" he asked.

"Well, I always pride myself on looking after my clients and ensuring that they are happy with the work we do. We focus on three things;

- Speed of response at every step of the transaction,
- Good communication before during and after the service
- Providing a great quality service,"

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I responded, feeling a bit pleased with myself. Over the years I had distilled the key elements of customer service down to these three things.

“Great start,” Brad responded. “As business owners that is generally how we all start. As your business gets busier however, it becomes more difficult to maintain these levels of service, particularly if you have staff. I am going to suggest a few things:

1. **Environment.**

Create a great environment for your staff. As you grow your business your staff will become the face of your business and if they are not happy or inspired by it, this will reflect in poor customer service and you will lose clients, which is very costly. You will be covering more of this in phase four of your journey.

2. **Monitoring systems.**

Even if you have great staff, things can still fall through the cracks and it is important to have automated monitoring systems that will alert you to potential emerging problems that may arise before they become real problems. Hopefully you have great relationships with your customers and they will speak to you about problems. Sometimes however, things get too much and if a competitor happens to be at the right place at the right time you may lose your customer.

3. **Feedback Systems.**

These are simple systems that allow your customers to give you feedback on how you are doing. There are applications like Net Promoter Score, Customer Thermometer and Customer Effort

3.1 Outstanding Customer Service

Score that can assist with this. Even if things do happen to ‘slip through the cracks’, the customer has an opportunity to tell you about it.

4. **Account management.**

Nothing substitutes for picking up the phone and calling your customer, and depending on the average annual spend, you should also schedule face-to-face meetings. Your objective should be to develop strong relationships with your clients and maintain and grow mutually beneficial relationships with them.

5. **Guarantee.**

You should have a guarantee around your service. If you have confidence in what you are delivering (and you should) a service guarantee is important. If the customer feels you have not been delivering according to expectations, they should feel comfortable to let you know.”

Brad stopped and looked at me as he could see that I was processing what he had said.

“I must confess that I hadn’t really thought too much about my team not doing a great job. I get the fact that they don’t own the business and they are less likely to provide the level of service that I have been providing,” I said.

“Yes, exactly. In terms of business ownership, there is a session in phase four of your journey that will cover that. I know the coach for

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that session personally, his name is Jack and what he has achieved with his team is remarkable,” Brad said.

“So, if I can summarise, by providing great customer service I am going to get more work from existing clients, which will increase cashflow, I will increase customer loyalty, which will save costs in terms of finding new customers, and I will get referrals from my existing clients, which again will result in increased cashflow?” I asked.

“Aha, you have been paying attention,” Brad responded. “In addition to that you will be able to increase your margins and you will get testimonials that will be good on your marketing material,” he continued. “Do you have a written service guarantee?” he asked.

“Well, not exactly,” I responded. “I do guarantee my service, just not written.”

“Ok, let’s see if we can come up with something.”

Over the next 20 minutes Brad and I brainstormed various ideas for a service guarantee. Obviously, Brad knew many good ways of doing that but I could see he wanted me to come up with my own. Eventually we ended up with something that was a bit of a stretch for me. Nevertheless, it was something that I really felt my customers would be very happy with:

3.1 Outstanding Customer Service

Our Guarantee

Unless you think our service is outstanding – it is Free!

“I like it,” said Brad, “and we just finished in time. Here is a quick recap on some of the elements of Customer Service:



“All the best on your journey and of course you are going back to see Keith for your next session. He will be talking about turning your IP into cash which is a good session,” Brad said as I was leaving.

“Thanks for your time today, there were quite a few insights that were new to me. I look forward to catching again as I move through my journey,” I responded as I headed for the door.

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3 Key Lessons

1. Create the Environment

As a sole trader or a business owner delivering service, you will always do a good job because your survival depends on it. As the business grows, you will depend on your staff providing the same level of service. The key to that is creating an environment in your business where staff will want to do that.

2. Monitor

Things slip through the cracks. Your team might be coming to work with every intention of doing an outstanding job, however things happen. It is recommended to have automatic monitoring systems that pick things up. As a back up always keep in touch with your clients – their perception of your service is reality (in almost all cases).

3. Provide Guarantees

Make excellent customer service part of your core values. At the end of the day, that is one of the main differentiators you have and having your staff living up to your values is essential. Provide an amazing and ironclad guarantee around the service and make sure to honor it.

3.2 Generate income from your Knowledge

“There are literally thousands of people in the world who would pay for your knowledge. There are kids making small fortunes showing other kids how to put on makeup. Your experience and knowledge is valuable, package and market it on the internet. This is the new age – get with it.”

Mark Stecher
Build To Exit

I was looking forward to seeing Keith again – I always left his meetings feeling more inspired and upbeat. It was the first week of winter and the opening of the ski season was that weekend. I enjoy the skiing, but not the cold Melbourne winters and the first few weeks of winter are probably worst because it takes time to acclimatise. It was only about three weeks since the sunny autumn afternoon that I had spent in the Botanical Gardens and that seemed like a distant memory as the cold Melbourne wind was blowing up Collins Street as though it was a wind tunnel. Keith’s office was a welcome relief and he was already waiting for me as I entered.

“How was the session with Brad?” he asked, as we walked through to the meeting room.

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“Excellent,” I responded. “He has quite amazing experience and passion and clearly doesn’t really need to be working at all.”

“Yes, he loves what he does – the money is secondary for him,” Keith said. “Let’s get stuck into today’s session.”

“The phase you are currently going through is Cashflow and looking at ways of increasing revenues and reducing expenses. Creating training materials is going to do both,” he continued.

“Great, but I don’t really have any training material that I would be able to sell,” I said, curious as to how this would pan out. I couldn’t really imagine who would want to buy training materials on the services that I was providing.

“You would be surprised what people will pay for. If you go to YouTube there are young girls teaching others how to put make up on. Some of them have literally millions of followers and are making a small fortune for something so simple. We are dinosaurs when it comes to this stuff and you just need to have more confidence that there are millions of people around the world who would be willing to pay for your knowledge. You don’t need to charge a lot, there is a huge market out there.

Now, let’s address the material that you have first and then we can look at how you can reduce your costs and also who will potentially purchase what you have,” Keith said.

“In the first phase of your journey you identified the solution that you are going to become a master in and you created a plan to get you to that point. From that point, there are five key steps:

3.2 Generate income from your knowledge

1. Systemise, Optimise and Productise

In the second phase you ‘systemised, optimised and productised’ your solution. You now are an ‘expert’ in delivering that solution.

2. Record the Process

The next thing you need to do is to record the processes from the starting point through to the delivery and even support.

3. Document

The recording may be a combination of Video, Audio and computer screen capture which needs to be merged into a single document.

4. Create Training Materials

If you have had experience with and enjoy creating training materials you can turn the document into training manuals and presentations. If not, I would suggest that you outsource it. (You now have a small outsourced team and that is something they can do very cost effectively).

5. Learning Management System

The final step is to put the finished material into a Learning Management system that can be accessed on the web. This will also include a payment gateway for when you want to sell it.”

“Hmmm,” I said. “It sounds easy when you say it like that, however I can see that it is a lot of work.”

“Yes, it is a bit of work, however there is quite a bit of it that you don’t really need to do. For example, your team are already doing a lot

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of work when they deliver your solutions. All you need to do is to get them to record what they are doing. When you look at the various tasks you can decide which ones you are good at and simply outsource the rest,” Keith responded.

“Ok, no problems,” I said. “You mentioned that it will reduce costs and increase revenues – how does that work?” I asked.

“Firstly, if you have good training materials you will be able to train more junior staff to do the job and that will reduce costs. In addition to that, the very optimised and systemised process you are following will be a further reduction. You can sell your training materials online, and as part of your journey you are going to be marketing to a large market that could even be global. You only need to sell your training materials for a very small amount to a large customer base to make quite a bit of money,” Keith responded.

“The other thing is to sell to partners and potential partners who are going to help you scale your business. When you do this and you engage them to work for you, if they are following your process at least you will know they are conforming to your standards. You are going to learn more about this in the next session with Felicity, which is about partnering,” Keith continued.

“Excellent!” I said. “Perhaps one of my main concerns is competitors getting hold of this information. How am I going to prevent this?” I asked.

“One of the best ways to protect Intellectual Property is to keep innovating. Before I got into coaching, I was an engineer like you and I found that it wasn’t worth patenting things because if I had a really

3.2 Generate income from your knowledge

good idea and someone copied it, I couldn't afford to fight it in court anyway. I decided that if my product was so good that bigger companies wanted to copy it, that was like an endorsement and by the time they got their copy to the market, I would be releasing my next innovation. In addition to this, you are writing a book on the subject and when a prospect wants to engage, you are the guy with the book so they will assume that you are the expert. You may also be less expensive if you are competing with a big company and that is a double bonus," Keith responded.

"That's all for today and remember to download the workbook and complete the exercises before your session with Felicity."

"Sure will." I said. "Also, I will need to postpone that session for a week or so, because I am going to sneak up to Mount Hotham to get a bit of skiing in. It's been a while since I last skied and I am getting withdrawal symptoms."

"No problems, I will let Felicity know," he said with a chuckle. "Don't let work get in the way of having fun."

"Too true," I said as I left. "I learnt that in phase two." I smiled, thinking of how my life had changed so much over the past six months since starting this journey.

"Ok, see you soon and remember to keep me updated or give me a shout if you need assistance," he said as I left.

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3 Key Lessons

1. People want your Knowledge

The internet has changed the game. There are thousands of people around the world who would pay for your knowledge in order to shorten their own journey. In the old age, we needed to sell our knowledge to small numbers of people for a high price. We can now sell to thousands or even millions for a very small amount.

2. Create Training Materials

We already have clearly defined systems on delivering the solution. These now need to be recorded as video and audio training tools. The first part of the training could be free or a 'Lead Magnet' which leads to paid information.

3. Publish

Once the material is complete you can upload it to your website or publish it on sites like Amazon.

3.3 Strategic Partnerships

Great business partnerships can help reduce the costs and stress associated with employing and managing staff and at the same time increase capability and reach. This will result in increased profitability and more free time.

My session with Felicity was on my birthday, 22nd of June and Keith must have let her know because she greeted me with a cup cake and a single candle.

“Very funny,” I said, warming to her instantly. I had stopped counting birthdays a few years ago.

I could see that she was very professional and took her work seriously. She was building a national networking business with a difference. Her main objective was to ensure that businesses she got into her small exclusive events were well matched and so there was a higher chance of making meaningful connections.

“Tell me a bit about your journey so far,” she asked, after we had settled into a couple of lounge chairs in what looked like a small

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library attached to her office. “You have had some great coaches and I actually know many of them myself.”

I proceeded to tell her about my journey so far, and how I had gained clarity about the road ahead in phase one, freed up time in phase two and was now working on improving cashflow.

“Excellent, so tell me about your challenge related to staff,” she asked.

I hadn’t actually expected that question because I thought that we were going to be talking about partnerships.

“I am not exactly where to start on that one, there are so many – not just one,” I responded.

“Well start with whatever comes to mind,” she said.

“Well, perhaps the greatest challenge is finding good hard-working and capable staff and when I do find them, it takes quite a long time to get them trained and productive,” I said, reflecting on challenges I had over the years.

“Perhaps it is not so much about ‘good staff’, it is more about ‘right staff,’” she responded. “One staff member who is not good for your business may be excellent in another role or even another business.”

“Yes – I learnt a bit about the importance of ensuring that we have the right strengths and skill sets to match the job in the session with Roger in phase one,” I said.

3.3 Strategic Partnerships

“Exactly, so tell me more?”

“OK, next is the cashflow. When we are busy, it is great, however there are many times that we don’t have enough work. A lot of our work is tenders and projects and there are never guarantees about the work coming in. I still need to pay staff regardless and it is a huge challenge. The other thing is management – I am continually finding that we lose money on jobs – not so much because the staff are not good, but because there are things that somehow seem to come out of left field,” I said with a bit of a sigh, reflecting on the challenges that I had encountered since becoming an employer.

“Anything else?” Felicity asked.

“They are really the main ones that spring to mind,” I said.

“Good partnerships are going to go some of the way to solving those challenges,” she said. “There are a few different types of partnerships you should consider, each of them having their own benefits. One of the golden rules of partnerships is to create partnerships that benefit both parties, equally if possible. If it is a one-way street, the relationship will not last.”

“There are many types of partnerships and I will discuss the three that I think would be most useful to you; the first two are alliance partnerships and the third is a type of business partnership.

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1. Alliance Partnerships

The first type of alliance partnership is where you and your partner have similar clients and you provide similar solutions with slightly different specialties. The benefits of this type of partnership are:

(i) Scale your workforce easily

When you are busy, you can increase your workforce without the risk and cost of employing staff.

(ii) Increase Reach

You can increase your reach and go to locations where it is not viable for you either employ staff or send staff.

(iii) Additional Business

If it is a good two-way relationship, they will also provide business for you, either if they have an overflow of work, or if they require some of your specialist skills.

2. Complementary Partnerships

This is where partners have a similar target market and client base and are in a similar industry or have complementary products.

This type of partnership can work very well; however, when you engage with a partner you will again need to have something to offer. It would be great to partner with Apple or Google, but you would need to have something significant enough to offer. Start small and build trust and grow the partnership. Remember to keep thinking about what is in it for your potential partner.

Complementary partners can provide you with a commission or some form of compensation for accessing your client base or it could simply be a straight swap and joint marketing campaigns to your respective databases.

3.3 Strategic Partnerships

3. Business Partnerships

This type of partnership is something that most people miss. All businesses have expenses, things like rent, phone, utilities, insurance, training and so on. All the businesses you spend money with are potential referral partners. For example, if you have your phone and utilities with one of the major carriers, consider using an agent. You will probably get a better deal, and let the agent know you will consider changing if they have a client base they are willing to promote you to. You can go through every expense because if you are spending money with someone, they should be motivated to keep you as a client. Your objective should be to make enough money from referral business to cover all your operating expenses. In this case, you are spending money with these partners and this time, your attitude should be ‘What’s In It For Me?’”

“I like that last one,” I said. “I hadn’t thought of that, and we do have quite a few expenses. I have good relationships with many of my suppliers and I am sure that they would be quite willing to help out.”

“I know that is a bit to take in and I have a workbook that will help you identify and setup some great partnerships,” Felicity said.

“That’s great, thanks Felicity,” I replied. “I have a few partners; however, I can really see the benefit of developing closer relationships.”

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“Great, do you have any questions before I give you your workbook for this session?” Felicity asked.

“Perhaps my main question is around trust, particularly with partners who have similar services and a similar target market. When I engage, how can I trust that they won’t poach my clients?” I asked.

“Good question, and of course that is the one that stops most people from engaging. Personally, I believe that most business owners are honest and understand the long-term benefits of reliable partnerships based on good ethics and integrity. The idea is to go in with a belief that we can all benefit through collaboration rather than competition. If you protect those relationships they will bear fruit. There will be the occasional poor choice and sometimes that can be a costly learning experience. However, that’s life and business. If you go through life worrying about that, you will attract more problems. If you go through life with a belief that people are good and honest, you will attract people with good intentions almost all the time. Set the example you want to see,” she said.

“Great answer, and it sits well with me too,” I said.

“Before we finish, here is a quick summary of the benefits of good partnerships:

- Increased revenue from partner referrals
- Reduced staff costs
- Increased capability
- Reduced management and recruiting nightmares
- Increased reach

3.3 Strategic Partnerships

I hope that this has helped and please keep me informed about the rest of your journey. I am curious to see how it turns out. Also, remember to complete your partnership workbook and start making those partnerships work for you,” Felicity said as I got up to leave.

“Thank you so much for your time and I will certainly keep you posted on my journey and let you know how I go with the partnerships,” I replied.

The Build To Exit® Story

3 Key Lessons

1. Alliance Partnerships

Partnering with businesses who are in a similar business to yours can be beneficial because it will allow you to scale your business without employing more staff. Partners can help take the load when you have too much work and easily scale back when the work drops off. You can also extend your reach and capabilities. The other benefit is the partners will also refer work to you which makes a mutually beneficial arrangement. Many businesses miss out on the opportunity here because they are afraid of the possible negative outcomes.

2. Complementary Partnerships

Complementary partnerships are also a great source of new business. These are businesses who are doing different things, however have a similar target market. There are some very famous examples of this like Disney and McDonalds. These partnerships can be very lucrative for both parties.

3. Business Partnerships

Again, this type of partnership is largely untapped. We all have expenses in business and we pay money to companies like insurance, utilities, office supplies and so on. Look for opportunities to get referrals from your suppliers. They should be motivated to help you grow your business because that means more business for them and also a closer and more secure relationship.

3.4 Critical Numbers

Business can be confusing and overwhelming at times. Focusing on three or four key metrics that are critical to your business right now will reduce the overwhelm and have a very powerful and positive effect on your results.

My next coach was Jack, who had organised a management buyout of a large manufacturing company in America in the 1980's when the parent company of the division he was working for went into bankruptcy. Neither he nor the staff saw the problem coming, and rather than lose his job along with all the staff, Jack decided to do something about it. He and 12 other management staff managed to raise enough money to buy the division and take control. The first decision he made was to understand the financials and ensure that all staff were also able to understand these and know how their role contributed to those numbers. He took the company from being valued at only 10 cents a share in 1983 to over \$420 a share today.

The Build To Exit® Story

Keith and Jack were close friends and Keith had been to Jack's business headquarters in the US a number of times. On Keith's recommendations, I had signed for one of Jack's courses, which he was running in Melbourne on 7 July. Prior to the course Keith had organised a one-on-one meeting with Jack in Hilton on the Park, just on the outskirts of

Melbourne. It was another freezing day and getting a parking spot was almost impossible. I often wished that people would make their business meetings a bit further out of the city where it is easier to get parking. I ended up

walking about a kilometre and by the time I got to the Hilton the wind was howling and the rain was bucketing down. The umbrella I had was virtually useless because the wind had blown it inside out. I had often thought that there was a business to be had for someone who could come up with a decent umbrella.

I was looking a bit like a drowned rat by the time I arrived and was glad to get into the warmth of the hotel. I met Jack in the lounge, sitting in a comfortable chair in front of the fire, looking annoyingly warm and relaxed. He was a stocky man, with a hairstyle and appearance that reminded me very much of Teddy Kennedy. He stood up immediately and greeted me with a big smile and a slow American drawl that made me think that he must have been from the down South somewhere. After organising some drinks, he asked me questions



A miserable rainy day in Melbourne

3.4 Critical Numbers

about my business and my journey so far. He then proceeded to tell me his amazing story and the lessons he had learnt along the way.

“Your staff are one of the greatest assets in your business and one of the best things that you can do for your cashflow is get them involved in your business,” he said. “The first thing is understanding the numbers and more importantly knowing which ones are critical to your survival right now. Not knowing your numbers is like navigating a ship around the world without a compass. If **you** know your numbers and your staff don’t, it is a bit like playing a game of football and covering the scoreboard so that only you and the coach can see what the score is. If your staff know the numbers but don’t understand them it is a bit like playing the game where no-one knows the rules. One of the best ways to increase cashflow is to have your entire team focussing on one or two of the most urgent and important numbers right now. This is also true if you happen to be the only player on the team.”

“Ok, that sounds good, however I have two concerns,” I said. “Firstly, what if my numbers are really bad, won’t my best staff leave? Secondly, if my numbers are really good, won’t everyone want a piece of the pie?” I asked.

“Both great questions and let me answer them one at a time,” Jack chuckled quietly as though it was a question he got asked a lot.

“Firstly, if your numbers are really bad you have to have a lot of courage to share them. That is what happened to me in the 1980’s. My staff morale was at an all-time low, our parent company had gone into bankruptcy and we had just borrowed a huge amount of money to

The Build To Exit® Story

buy ourselves out. We had a great vision however and we shared it with the staff. Then we opened the books, warts and all. Some staff did leave, however, most really appreciated the honesty and trust and bought into the vision we had. We continued and the rest, as they say, is history. One of the keys in this situation is to have an inspiring vision that you are passionate about because if you don't and you are in diabolical financial trouble, it will be an uphill battle," Jack said.

"I must confess that before I started my journey with Keith I didn't have an inspiring vision and I really would not have been comfortable communicating my financial status to my team. I am more than halfway through now and I am much more inspired about what lies ahead and more confident about the future," I responded.

"Excellent. The other benefit is that if you are in that situation the staff that do stay will be the ones that you know are loyal and will support your vision. On the other hand, some of the good staff may leave because they find it easy to get jobs and sometimes the ones who stay are those who find it difficult to get a job elsewhere. They are just some of the highs and lows of being in business," he said with a smile.

"Yes, I can see why you would have to have courage in that situation. It certainly seems to have worked well for you," I said.

"Yes, it did and it can be the same for you. Now to your second question, which is about staff wanting a 'piece of the pie' in good times. That's easy. In my view, if you don't want to share your wealth with the team that helped you become wealthy you shouldn't be in business. In stage four I am going to be meeting you again and we will be talking about how you can make that work. If you really want to build a business that works without you, you need to look after your

3.4 Critical Numbers

team and part of that is making sure the entire team benefits from the success of the business,” Jack said.

“Actually, I can relate to that. I feel really comfortable about including my team into the success of the business so I am looking forward to that session,” I responded with a smile.

“Great! Well, our course starts first thing in the morning and I am looking forward to working with you and your team,” he said.

“Before you go, let me quickly summarise some of the key points for you,” Jack said, pulling out a card with the points listed already:

- 1. Know your critical numbers, both financial and non-financial*
- 2. Teach your team how to understand these numbers*
- 3. Teach your team how their input contributes to the numbers*
- 4. Be open about the reasons you have chosen*
- 5. Be open to feedback and suggestions*
- 6. Concentrate your efforts until you reach your targets*
- 7. Celebrate the wins*

“Great, thanks Jack, I am really looking forward to your session tomorrow,” I said, as I picked up my useless umbrella, getting ready to go out and brave the elements again.

The Build To Exit® Story

3 Key Lessons

1. Educate Your Team

If you want to create a business where staff are truly part of the team, then it is reasonable to teach them how to understand the game. Imagine getting a team of football players to perform their particular task without understanding how their role fits in with the rest of the organisation. Basic business financials are not difficult and understanding the rules is essential to get your team working towards a common financial goal.

2. Communicate the Financials

Communicating the financials of your business can take courage and foresight. Imagine what sort of result or motivation the same football team would have if no one but the coaches knew the score. It is bizarre to think of a team sport in those terms and yet that is how most people run businesses.

3. Celebrate Wins

The business owner sets targets and people are motivated to achieve them if there is some sort of reward at the end of it. It is good to regularly recognise both individual and team contributions.

These lessons apply whether you are the only member of the team or you have staff.

3.5 Solution Selling

If you have done your job properly, you will not have to ask for the sale, your customer will ask if they can buy from you. The best method of selling is to ensure that you have the perfect solution for your clients wants and needs.

The last coach on my list for the cashflow phase was Alex. I had met Alex at an event earlier in the year, and he had told me a bit about solution selling and I was keen to learn more. Selling was never one of my strong points because I was taught that the ABC's of selling are that you should 'Always Be Closing' and I was never comfortable with that. That pushy style of selling went against my nature and so I would procrastinate and avoid the selling situations. When Alex told me that with his method, you don't need to be like that at all, my interest was aroused immediately and I called Keith to get his opinion.

"Perfect timing," Keith said, almost sounding relieved. "I had you booked in with a coach who specialises in that area, however he had to rush home to England to be with his father who was going to have a heart operation. Please book in for the session with Alex and let me know how it goes, I may want to promote him in future."

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“Thanks Keith, I will keep you posted,” I said, quite pleased at the way things had turned out because I was looking forward to working with Alex.

I called Alex and arranged a 90-minute consultation for that afternoon. After giving him a more detailed background on my journey so far and a bit of an overview of my business he asked me what I thought about selling.

“My business had grown through word of mouth and I didn’t really do much selling because I feel that I am being pushy,” I said, feeling a bit uncomfortable because I am aware that businesses need sales to survive and selling should have been one of my priorities.

“The good news is that that is no longer considered to be the best way to sell. You know your customer, you know your product, you know your competition and you have a genuinely good solution for their needs and headaches. If you don’t feel that your solution is a great fit for the customer, tell them so and if possible, refer them to someone who can help,” Alex said.

“You must be passionate and knowledgeable about your product or solution and you must know that it is going to be a great benefit to your customer. If those critical elements are not in place selling will always be difficult for you,” Alex continued.

“I agree and I get that,” I replied. “In fact, I remember a time when I went to Harvey Norman to buy a \$15 HDMI cable. The young salesman was bright and enthusiastic and got my cable and asked me what I was planning to use it for so I told him that I wanted to connect my CD player to a screen that I had purchased the day before. Ok he

3.5 Solution Selling

said, have you thought of upgrading to a Bluera^y DVD player? It has all these great features and benefits and this Sony unit is one of the best and a bargain at only \$99. I have never even heard of a Bluera^y Player and ended up buying it as well. Then he asked me what I was planning to use the system for and I explained that I was going to be listening to music and watching videos. ‘Excellent,’ he told me, ‘In that case you might want to consider one of these Amplifiers. He proceeded to enthusiastically tell me how good these Harmon Kardon amplifiers were and that there was also a great special on them. I ended up spending another \$1,500. In effect, I walked into the store with the intention of buying a \$15 cable and walked out with about \$1,600 worth of equipment under my arm.”

“Exactly, great story,” Alex said. “It demonstrates some of the qualities of a great sales person that include:

- An excellent knowledge of the product
- A passion for what they are selling
- A good knowledge of the customer and their desires
- A genuine desire to provide a great solution to the client
- Confidence in the team behind the product

If you have those ingredients you are well on the way to making some great sales without being pushy. If you are pushy, customers will be able to tell straight away and will reject you nine times out of ten. Solution selling is about becoming a trusted advisor to your clients and only selling if you have a solution that is suitable. It is better to have a small number of very happy customers than a large number with a percentage who are indifferent or even unhappy.”

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“That’s great,” I said, feeling somewhat relieved. This was also great advice for my own sales staff.

“What I would like to do today is go through a couple of examples from a ten-week training course that I have just finished developing and after that you may decide to sign up for the course,” Alex said, keen to get some beta testers for his new course.

“Sounds great,” I responded, eager to learn more of his system.

“OK, there are a couple of things that I will cover briefly now. The first thing what I call ‘finding the gap’ and the second is to ‘map the customer experience’.

“Firstly ‘finding the gap’ is finding things that your prospects and customers hate about other businesses in your industry. Quite often, there are things that providers in your industry are renowned for either doing poorly or not doing at all. There is gold in this and your job is to find out what these are,” Alex continued.

“Can you give me some examples, I am not quite getting it,” I said, hoping I didn’t sound too naïve.

“Ok, have you ever called a plumber to your home?” he asked.

“Yes, actually quite a few times,” I replied, remembering some of the not so pleasant experiences I’d had with them.

“Great, and how was your experience with them?” he asked, as if reading my mind.

3.5 Solution Selling

“Well, firstly I really struggled to get one that would answer the phone and when I did, some of them were clearly on a job and told me they would call me back, which they never did. Then when they came onsite, the long face and chin scratching meant that it was going to be an expensive job and to make matters worse they left a mess when they completed the job,” I responded, suddenly getting the idea of what the gap might be.

“Exactly!” Alex replied, “and there are some other characteristics that people relate to, such as not having the right equipment, turning up late, answering calls whilst they are working on your job. This is the gap between what is and what could be. If you pick the top ones and do just the opposite for each you will have a powerful story. In the case of the plumber, if you had a plumber who promised to always answer the phone within three rings, be on time or the service is free, provide a fixed price quote and leave your place as clean if not cleaner than he or she found it, would you be likely to use them?”

“Absolutely, I get it, it’s great and so simple too,” I said, wondering why everyone was not doing this.

“Great, now all you need to do is go out and do some research on your customers and find out what is it that upsets them about service providers in your industry. It would also be a good to survey some prospects too, because that is not a bad way to start a customer conversation,” Alex said.

“No problems, I already know quite a few of the challenges my customers face and think I can already see the gap,” I responded.

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“Just remember that it is important that even though you think you know your customers’ complaints, make sure you actually do surveys,” Alex said with a smile, knowing that a lot of business owners skip the step of doing the surveys, assuming that they know their customers well enough.

“OK, I get the message, I will do that. Can you tell me a bit about customer journey you mentioned before?” I asked.

“Sure, let me ask you a question; do you have any clients who talk about your business to everyone they meet, in other words they like working with you so much they rave about the experience to others?” he asked.

“Well, actually I used to have quite a few and that was certainly my aim, however, it seems to be a lot harder these days. We have more customers and my staff are dealing with them more and more and I seem to be spending a lot of my time ‘managing’ things,” I responded.

“Yes – a very common complaint. Firstly, your staff may not always treat your customers the same way that you do. This is something that is going to be resolved in stage four of your journey, so I won’t go into it now. The other reason is that you need to keep reinventing your customer service. What you do in an excellent manner this year is being copied and improved upon by your competitors next year. If you are not keeping on top of things you will be falling behind. I have a simple exercise for you to do,” Alex said.

“What I would like you to do is to write a detailed list of steps involved in delivering your core product, right from the first customer

3.5 Solution Selling

interaction down to the last step in the transaction. Next, I would like you to rate each step in terms of the level of service, based on a scale of minus three to plus three. Plus three is outstanding service, minus three is lousy service and zero is just Ok, nothing special. Be realistic about this and if you like you can also engage your current customers in the process. Once you have done this you can create a map and then work out what you must do in each step to make the customer experience outstanding,” he said.

“Wow, that answers a question since I did the customer service session with Brad a couple of months ago. Brad helped me to create a service guarantee that said, ‘Unless you think our service is outstanding, it is free!’. I thought it was great, however I was really struggling to get clarity on just how I was going to do it. This exercise is going to help a lot,” I said with a smile as another penny dropped.

“Excellent,” said Alex. “Well, that’s probably enough for one day, I see that you have got some good ideas already.”

“Absolutely,” I replied. “What next?”

“My next course starts in two weeks. I think you will get a lot out of it,” Alex said.

“Great, count me in,” I replied, “see you then.”

The Build To Exit® Story

3 Key Lessons

1. Assets of a Good Sales Person

The aim of a good sales person is to get the customer to buy when they are ready. This is the opposite of the old days when the adage was to 'Always Be Closing'. You want to create long term relationships with your clients and make sure they are getting great value. To do this, you should have a good knowledge of your product, a passion for what you are doing, a good knowledge of the customer and the confidence that your solution is a great fit. Providing great value combined with a genuine interest in solving the clients' requirements will result in customers buying from you.

2. Find the Gaps

There are very likely to be gaps in how your competitors are delivering solutions to your target market. Find out what these gaps are and guarantee that you will make sure there is no gap between what you deliver and what the customer wants. This will ensure great results.

3. Map the Customer Experience

List every process that involves customer engagement in your business from the first interaction to the final service. Analyse each in turn and write down how you can turn each one into an outstanding experience. Get the customer involved in this because the customer's perception of your service levels are the reality of how you are delivering service.

Part 4: Business Autonomy

*A business that can operate without the owner
has real value to the owner and a potential investor*

Mark Stecher
Build To Exit

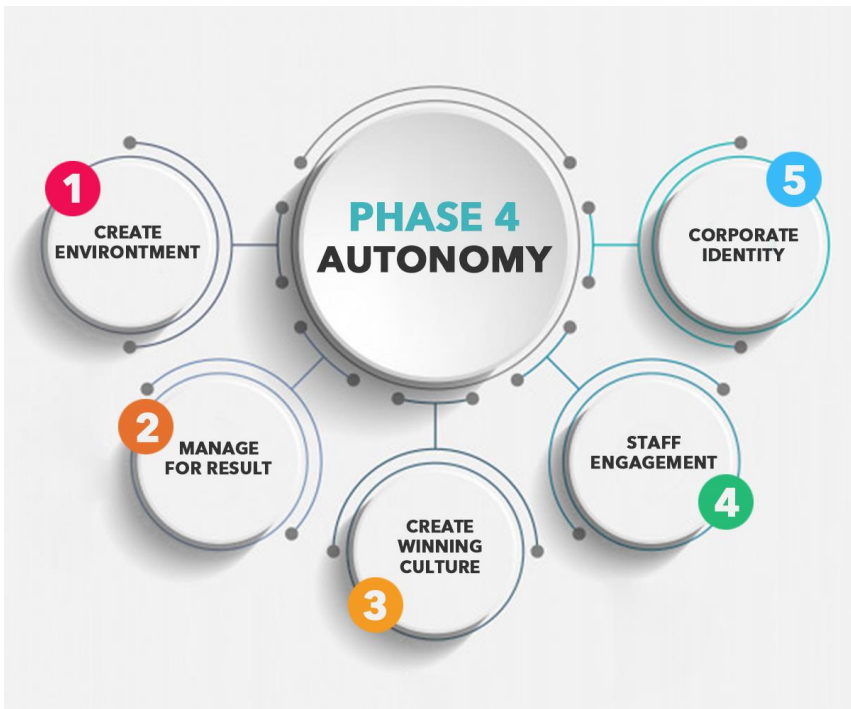
Now that I could see that my cashflow challenges were gradually going to reduce, the next burning issue that I was having was the reliance that the business still had on me. Even though I was outsourcing and partnering, I was still struggling to take time away from my business. I hadn't managed to get more than about five days off in a row in the past 15 years. When I did manage to take some time off, a lot of it was spent worrying about what was going on in the business. By the time I got back to the office, the work had piled up and because I didn't really get a chance to relax, I was worse off than before I started.

Keith had explained to me that phase four was about 'Autonomy' or putting things in place to start removing the reliance of business from me. I was very excited about that and keen to get stuck into it.

Keith got up and walked over to the white board and proceeded to map out the fourth phase of the journey. He said, "I believe that you are going to really enjoy this phase. This is where things can really start to come together and you will begin to see the beginnings of freedom."

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“In the first session, you will be meeting with Greg who is a leadership expert. Before you can have a business that will operate without you, you need to create an environment where your team will be inspired to work proactively in your absence. The leadership principles you will learn here will be the core of the culture of your business moving forward.”



“The second session is about management best practices. This area is very important because there are many different styles of management and most of them don’t work too well in an environment where you are

Part 4: Autonomy

wanting a proactive and engaged team. Do you remember Brian from your first session?” Keith asked.

“Of course, he was great, I loved that session,” I replied enthusiastically.

“Well he is coming back to take you for the second session and Stephen, who is a well-known author and international speaker will be taking you for the third session which is about creating a winning culture which encompasses, your team, clients, the organisation and the community.”

As he was talking Keith continued sketching out the map of the sessions coming up in the fourth phase.

“OK,” Keith continued. “The fourth step is staff engagement. Jack will be coming back to teach you that one. This is really answering the question of what’s in it for the staff, what stake do they have in the success of the business. In an ideal world, you want your staff operating as though they are owners in the business and you need to treat them that way. The final step is brand and you will be working with Sarah on that one. Brand is important because up until now, *you* have been the brand for your business. The business now needs to stand on its own. It needs to be about the company and not about you anymore.”

“Great, thanks once again Keith, I am really looking forward to this phase,” I said.

“Yes, you will enjoy it, particularly the result. Also, your first session is here in my offices. Greg is coming down from Queensland

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and he normally uses my offices when he is down here so I will see you on Wednesday at 3.00 p.m.,” he said as I got up to leave.

“Make sure you are earlier, Greg is a real stickler for time” he added with a grin.

4.1 Create the Environment for Autonomy

“A good small business leader genuinely wants the very best for the people working in their businesses. An important part of his or her role is to create that environment.”

Mark Stecher
Build To Exit®

As agreed, I was early. In fact, I was at Keith’s office by 2.30. Greg and Keith were already there, chatting over a coffee. Greg was a large man with loud confident voice and as soon as I met him, it was clear there were no airs and graces. He called things as he saw them, if you liked it great, if not too bad.

“Good afternoon young man,” he boomed as he shook my hand in an overly firm handshake with his large rough hands.

“Good afternoon, I have heard a lot about you,” I responded, thinking quietly to myself that it had been about 20 years since someone had called me ‘young man’.

After settling in and giving a bit of background on my business and my journey so far, Greg got straight down to business.

The Build To Exit® Story

“What do you think would happen if you decided to leave your business for a couple of months and only check in with your team once a week or so?” he asked, looking directly at me with a look that indicated he already knew the answer.

“Well, it would be a much better result than I would have had six months ago because I now have some great partners and I am also outsourcing a lot of my back-office work. However, I wouldn’t feel confident about leaving for more than a few days because there is still so much that depends on me,” I replied with a sigh.

“If that is the case you realise that you have a job and not a real business,” he said. “I would also imagine that you are earning way less than you would if you had a job and probably working twice the number of hours,” he added.

“You are right actually and I suppose that is quite a typical story. It is a story that I am keen to change,” I replied.

“Great, I am going to help you with the first step,” he said.

“Gentlemen” Keith interjected as he stood up “Do you mind if I leave you to it? I have some things to attend to.”

“No problems,” Greg replied as he turned back to me.

“If you want your business to work without you, you will need to have a team that is inspired and keen to work and continue to grow your business in your absence,” he said, looking at me as though this was going to be earth shattering news.

4.1 Create the Environment for Autonomy

“Keith mentioned that last week and since then I have been thinking about how I could build a team that would do that,” I said. “The good news is that I am really keen to help my team become successful.”

“That’s a good start. The key is to start by creating an environment for that to happen and that needs to come from you as the business owner. Just because you were a great technician at your previous job and you have been running a business for many years, doesn’t mean that you are going to be a great leader. In fact, so many small business owners are lousy leaders because they are used to doing everything themselves and they struggle to let others do the work that they feel they can do better. It is a bit of a conundrum that on the one hand, business owners want their businesses to operate without them and on the other hand they struggle to support and coach their team to do the work,” Greg said with a look that indicated he couldn’t understand why people didn’t get something that was so clearly obvious

“There is a quote from Theodore Roosevelt that I like,” Greg said as he wrote it on the whiteboard/

“The best leader is one who has the sense to pick good people to do what has to be done, and the self-restraint enough to keep from meddling with them while they do it”

Theodore Roosevelt

“The bottom line is that if you are not a good leader, you need to recognise that and either learn to become one, or hire good managers and step out of the way. The good news is that you have a choice,

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either learn to become a good leader or hire someone to get the job done. Leadership is an interesting topic, it is one of the most widely written about business topics on the internet and as with anything on the internet there are strongly opposing points of view on what is right and what is wrong. The truth is that there are different leadership styles that are correct for different situations. The same is true of management style which is different from leadership,” Greg said.

“Actually, I have read heaps of books and blogs and listened to many different people discussing leadership and I must say that I do find it a bit confusing. I always thought that I was a good leader until I did an anonymous 360-degree assessment on myself one time. It was quite an eye opener and I really had to take a hard look at my own opinions of myself,” I responded, remembering that somewhat confronting experience. I had always thought that because I was the business owner, I was a good leader. I knew that I had the right intentions.

“Yes, I have had the same experience a few times,” Greg admitted. “It can be a bit of a wakeup call. If you are going to be a good leader in a small business environment, one of the ways that I like to sum it up is in this sentence”:

4.1 Create the Environment for Autonomy

“A good small business leader genuinely wants the very best for the people working in their businesses. The role of the business owner is to create that environment”

Mark Stecher
Build To Exit

“OK, interesting,” I said. “I can go along with that, it makes sense. Why did you use the term ‘business owner’ instead of leader?” I asked.

“Good question,” Greg replied. “That is because the business owner may choose not to be the leader, however he or she has the responsibility of creating the environment for the leader to work in.”

“In terms of the Management structure of a small business I like to think of three distinct areas; Business Owner, Leader and Manager. When you first start your business, you will be wearing all three hats. As the business grows you will engage someone to take on some of the management roles and finally someone else to take on the leadership role,” Greg paused, aware that things were going to start getting a bit complicated.

“OK,” I said. “I sort of get it. I did start wearing all three hats and now I have delegated some of the management responsibility. Tell me more.”

The Build To Exit® Story

“This is all about creating the right environment - an environment where people are excited to come to work and proactively contribute and will do it whether the owner is present or not. I will outline some of the different roles of leaders and managers and as the business owner, you should identify your strengths and work out which of these roles is suited to you. You might be a great leader and poor manager or good at some of the management roles and not a good leader. You will get the best results by aiming to put the best people in the correct roles,” Greg said.

This was all becoming a bit confusing to me. I understood that leaders and managers were different and now it seemed that I could pick and choose different roles within each. I didn't understand how that could work.

“Perhaps you had better show me on the whiteboard, I am a bit confused,” I replied.

“OK, let me do that,” Greg said as he started sketching a map on the whiteboard.

4.1 Create the Environment for Autonomy



“Let me explain a bit more,” he continued. “Let us start with some of your primary responsibilities as the business owner. Your job is to either create the environment or provide the authority for your leaders and managers to do so. A great environment is one where people are excited to come to work because they believe in the big picture or vision of the business. It is the leader’s responsibility to create and communicate this vision and to set some clear targets so that everyone is clear about what is expected of them,” Greg said.

The Build To Exit® Story

“That makes sense, although I do struggle with creating a vision that will inspire others I must say,” I responded. I was remembering the countless hours that I had spent on attempting to come up with something that was going to be inspiring to more people than just me.

“Yes, creating an inspiring vision takes time. During this journey you are on, if you don’t already have a great vision for your business it will inevitably evolve. In this phase you are developing a vision for your team. Each time you go through the 25-step process it will grow,” Greg said. “The next most important thing you need to do as the owner, is to define the core values and principles of the business or what does the business stand for. There could be quite a number of these, however the top three are going to be the most important and need to become the identity of the business or what the business is known for. This will be covered in more detail in session 4.5 on Creating a Corporate Identity. Some examples of these values and principles could include things like honesty, responsibility, accountability and integrity. As the business owner, you must clearly define what these mean and ensure that you meticulously follow them and set a good example.”

The last point I would like to make is that you as the owner or leader you need to create an environment that supports personal and professional growth and encourages participation. Professional Development is a key to keeping people engaged and the excellent return on investment is well documented. Sometimes this can be a challenge if cash flow is tight, however there are many things that you can do that are quite cost effective. Many leaders neglect the personal development aspect of personal growth and this is a mistake. Good

4.1 Create the Environment for Autonomy

life balance is a key to good productivity and creating a vibrant culture and inspired team that works well together.

The final key role of the leader that I want to talk about today is to create an environment that supports and encourages staff participation and innovation.. People like to be part of an organisation that cares about what they think and feel. You as the owner or leader want to create an organisation where your team is proactively engaged in the growth and welfare of the business. This sometimes takes a bit of courage. It means that you need to enable an environment where your team will not be afraid to make mistakes. If you have an organisation where everyone is afraid to attempt anything for fear of being punished, you will have an organisation that will wither and die,” Greg said, looking at me to ensure that I was still listening.

“Yes, I am listening and it makes good sense actually,” I said. “You have talked about some of the roles of owners and leaders, where does management fit in? I am curious to learn a bit more about the differences between leadership and management”

“Well management is really going to be covered in your next session however I will mention a couple of things here,” Greg said.

“The main point I want to make is that I would like you to think about management as being more about supporting your team to become successful as opposed to ‘managing’ people. Most people are perfectly capable of managing themselves and don’t need someone running around telling them what to do. Managers should provide targets, goals, guidance and then support for their teams. If you run around ‘managing’ everyone, you will end up with a team of people who need to be managed, rather than a team of responsible, proactive and engaged individuals working together,” Greg said.

The Build To Exit® Story

“OK, so what about when people do the wrong thing? Shouldn’t I take action to make sure it doesn’t happen again and keep a closer eye on what is going on?” I asked, already half knowing the answer.

“Have you ever made a mistake?” Greg asked.

“Yes, of course,” I replied.

“Did you need anyone to point it out to you?” he asked.

“Hmmm... no not really, I knew the mistake very clearly and I was quite embarrassed and made sure that it never happened again,” I replied.

“Exactly. In spite of what a lot of managers will tell you, people generally come to work to do a great day’s work that they can feel proud of. When they make a mistake, they are mostly likely aware and don’t really need anyone to point it out to them. In some instances, a discussion and support might be required, however, as I mentioned before, you want to create an organisation where people are not afraid to make mistakes,” Greg said.

At that point Keith wandered into the meeting room and asked if we would like to join him in the café downstairs for afternoon tea.

Greg said, “Perfect timing, we were just finishing up and I am a bit peckish”

4.1 Create the Environment for Autonomy

3 Key Lessons

A key role of the business owner is to create an environment where the team want to proactively engage in the achieving the vision and goals of the business whether or not the owner is present. Some key aspects of this are:

1. **Communicate the Vision**

The owner or leader needs to create and communicate an inspiring vision for the business. A business without an exciting and inspiring vision will not have a lot of success motivating staff to engage proactively.

2. **Define the Core Values and Principles**

Solid and consistent core values are another important aspect of the environment that need to be defined and communicated by the owner or leader.

3. **Support and encourage growth and participation**

Supporting and encouraging personal and professional development, innovation and participation are essential for an environment where people will come to work and engage at high levels.

Whilst it is the role of the owner or leader to *create* this environment, it is the role of a manager to ensure that it is implemented. The owner or leader may or may not be involved in that implementation.



4.2 Manage for Results

“One of the biggest gaps in business today is the gap between managers and their teams. A ‘them and us’ attitude in an organisation is counterproductive and destructive. The job of a good business leader is to eradicate that gap”

Mark Stecher
Build to Exit®

My management coach was Brian and I was looking forward to meeting him again. It was more than eight months since he had done the first session with me and it seemed like a lifetime ago. So much had happened in that time. He was in Melbourne to run another workshop in his program and I had arranged to meet him in the lobby of the hotel he was staying at. We settled in and ordered a sparkling mineral water each. (I was hanging out for a coffee, however I felt that I should take the healthy option like Brian.)

Brian asked me to give him an update on the journey since January, and as I went through the various things that I had learnt I could see he was impressed.

“I can see that you are actually completing all the work along the way,” he noted.

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“Yes, I am in the swing of things now and it has become a habit,” I smiled.

“Great, let’s get stuck into some of the key management principles that apply to a business owner like you who wants the business to operate without you,” he said.

“Great, let’s do it” I responded with an expectant look.

“If I could sum up what I want to achieve from today’s session in a single sentence it would be this,” Brian said. “One of the primary objectives of a manager in a small business is implement an environment where staff are inspired to proactively collaborate and innovate to achieve the targets and vision set by the owner.”

“I am sure that it is more difficult than it sounds,” I responded, thinking to myself that it didn’t sound that simple anyway

“Yes, you are right, it is not quite that easy, however, as the owner you have already done much of the job in the last session. One of your objectives in that session was to create the ‘environment for innovation, growth and autonomy’. One of the jobs of the manager is to facilitate and implement that environment. In order to do this, you will need to hire well and make sure that the manager looks after the team well,” Brian said.

4.3 Creating a Winning Culture

“As I mentioned, it is quite a big topic and today I just want to address four areas that will assist in understanding the ‘management’ role:

1. Removing the gap
2. ‘Managing’ the team
3. Charting the course (Strategy)
4. Implementing the Environment”

“In the last session Greg would have mentioned that there are three main management roles in a small business; Owner, Leader (or general manager) and Manager (or department manager). When you first started your business, you would most likely have been wearing all those hats. Right now, they are shared between the management team, however the roles and responsibilities still need to be achieved,” Brian said, and seeing the slightly confused look on my face, he continued “Don’t worry I will address your questions as we go through the session.”

“Great” I said, wondering what on earth he meant by ‘Removing the Gap’.

Removing the Gap

“Let me start with what I mean by ‘Removing the Gap’,” he said, as if reading my thoughts.

“I refer to that as the gap between management and their teams. It is that ‘them and us’ mentality or the ‘politics’ that you hear about in so many organisations. Once you have that culture in your business it is extremely difficult to get rid of it and it can be very

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counterproductive and even destructive. At the end of the day you want everyone on the same page and working towards the same goal. In the last session with Greg you have already completed the first step in this requirement. Having the *intention* to create a great environment for your team is essential. These philosophies and intentions need to be carried through to your management team. In the rest of the session today and in the next two sessions you are going to be having with Stephen and Jack, this culture will be further developed,” Brian said, clarifying some of the questions that were already forming in my mind.

“So, if I am understanding what you are saying,” I interjected. “To have a properly functioning team, I need to work on making sure there is not a ‘them and us’ type mentality in the business. The first step in that is to have a real intention of wanting the very best for my team?”

“Exactly,” Brian responded. “You can’t fake your intentions. If you want a business that operates without you and you don’t genuinely want great things for the people who are going to make it happen for you, your journey will be more challenging, if not impossible. In addition to that, I am sure that it must be much more enjoyable to come to an organisation where people are happy, inspired and excited to be there.”

“Absolutely,” I responded. “Even before I started my first business, I worked for many years in management and I experienced a lot of that divide. It wasn’t pleasant for anyone.”

“Yes. The good news is that you are in the early stages of your journey, and like many things, it is much easier to prevent the

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problem from starting than it is to get rid of it once it is there,” Brian responded.

“Let’s talk a bit about ‘management’,” he continued.

Managing the Team

“Many people think that management means driving people to get results and running around after them to make sure they are working and performing and delivering the outcomes. In the old days people had to clock on and off and in the worst cases had their bags checked when they arrived at work and left for home. In the business you are creating there is no place for that. The first thing to change is the assumption that people cannot manage themselves. We are employing adults and they have complicated lives, they manage their own finances, their families, schedules and a host of things related to day to day living. They work in teams to achieve results. Why should we assume that when they come to work, they cannot manage themselves? As the business owner, you have created the vision and the targets. The role of a manager in this environment is to provide a roadmap, co-ordinate the resources and provide any necessary support to get to the job done.”

“Interesting,” I said, “so you are saying that the role of a manager in this situation is more of a support role?”

“Exactly,” Brian said. “At the end of the day, you want your team to achieve the outcomes. The more they do that on their own the more independent they will become. Jack is going to talk more about this in the session on Staff Engagement. His entire business philosophy has been based on this and he has achieved incredible success in his business. Another great success story was Ricardo

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Semler from Semco. In around 20 years he turned his father's business around and went from an organisation of 90 staff to over 3,000 in 2003 with a waiting list of over 2,500 people wanting to get jobs there. Would you like to hear a bit about that?" Brian asked.

"Of course," I said. "That sounds amazing!"

"Well, Ricardo's father Antonio started an equipment manufacturing business in the 1950s and it grew to be quite a successful business. Antonio had visions of his son Ricardo taking over the family business when he retired. Ricardo at that time was a long haired, guitar playing university student and had very different ideas. The main thing was that he didn't like his father's autocratic style of running the business. Workers had their bags checked on the way to and from work, they had to clock on and off and they were very closely monitored and directed. Ricardo and his father had many clashes and eventually when Antonio's health was starting to fail, he convinced Ricardo to come on board. Antonio resigned as the CEO and Ricardo, who was 21 years old at the time, took a majority ownership in the business. Ricardo told his father to take some time off and on his first day as CEO, he fired 60 percent of the top managers. He then organised meetings with all his staff and talked about a new vision for the company. He said that we are all adults, we all come to work to make a living and we want job security and a job that engages our strengths and talents. We will define the outcomes and how we achieve those outcomes is not so important as long as it is ethical, moral and legal. You can choose your own salaries, create your own work environments, have control over your time. Work together and work out ways to achieve the outcomes. There will be no clocking on and off and no more checking of bags.

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We are a team working together to achieve better outcomes for all of us,” Brian paused.

“Wow, that took huge courage and insight!” I exclaimed. “That is amazing for someone with no business experience and only 21 years old.”

“Yes,” Brian replied. “Of course, not everything worked as planned, nevertheless, he was clearly genuine and wanted the best for his workers and the proof is in the results. Apart from the huge increase in staff, the business went from a turnover of \$4 million in 1980 to over \$212 million in 2003.”

“Great story,” I said. “I can actually relate to that, it is the way I like to be with my team. It can be quite challenging at times, however it seems that it is worth persevering.”

“Absolutely,” Brian responded. “One thing that is really important if you want to create this type of environment is that you manage in the right manner yourself and as you grow the business, you hire the right managers.”

Hire the Right Managers

“I have seen so many businesses struggle because the owner, who is also the manager, has this autocratic management style,” I said.

“Exactly,” Brian responded, with a nod and smile that indicated he thought the problem was quite common. “It is an interesting challenge that occurs when business owners start to employ people. I see so many business owners ruining their chances of creating a great business by not giving their staff the opportunity to shine.

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They have been so used to doing things on their own and in their own way, that they struggle to step back and ultimately put so many controls in place that it completely destroys creativity. We have established that to create the type of collaborative and proactive work environment we need, hiring managers with the right attitude is critical. It is also essential to recognise that as a business owner you may not be a great manager. If that is the case, you either need to change or hire someone who can do the job for you. What is interesting about that is that the business owner, even though he or she is the boss, still needs to be accountable for results and somehow, recognise their own faults and do something about them.”

“One of the problems I have is when I see my staff working on things that are clearly wrong and they are making mistakes, I feel the need to point out their mistakes and tell them what they are doing wrong. How do you deal with that?” I asked, remembering all the times I felt frustrated by the quite often very simple and careless mistakes my staff were making.

Mistakes

“I prefer to call mistakes, learning experiences,” Brian responded. “One of my favourite stories is about Tom Watson, the CEO of IBM. One of Tom’s senior staff member made a mistake one day that cost IBM nearly \$12 million. Tom summoned his employee into his office and before he had time to say anything the employee said, ‘it’s OK, don’t worry, I realise that I have made a huge mistake, I admit it, and I will resign without giving you any trouble’.



Are you kidding?

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‘Resign!’ Tom said ‘Are you kidding me? I have just invested \$12 million in your education, now let’s talk about your next project!’.”

“Incredible, that would be a rare sort of person to have that attitude,” I said. “I get your point, I really need to create an environment where people are willing to take chances and learn along the way.”

“Exactly,” Brian replied. “It does take a certain sort of person to do that. As a leader, you need to create the environment and then employ managers who will follow through. If your staff are making mistakes it means that they are taking responsibility and growing. Ultimately they may well become better than you.”

“One question I have about all of this is that there are many different management styles from autocratic to democratic to participative to open book and so on. Are you saying that one management style fits all situations?” I asked.

“Great question, and it is one that could take an entire book, so I will briefly address it in the context of the small business that you are building,” Brian replied.

Levels of Management

“In a small business, I like to think of two main levels of management. You really want to avoid creating complicated and expensive hierarchies of management, and quite frankly, at this level they are not necessary,” Brian said with a smile, as he walked over to the whiteboard.

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“The first level is where you are managing the staff who are working for you and the second is managing the managers. Let me describe each in a bit more detail,” he said as he started writing on the whiteboard.

Level 1 : Department Manager or Team Leader

This is the level that you start at as a business owner when you begin employing staff. It is a mix of the following:

- **Authoritative** - Firm but fair and gives clear direction
- **Coaching** – Develop strengths and improve performance
- **Participative** – People first, task second, keep staff happy

As the business grows you will start to employ team leaders or department managers who will take over the role and styles that you had as an owner / manager when dealing with staff. This now brings us to the second level of management which is ‘General Management’ where the department managers or team leaders are being managed.

Level 2: General Manager

This is a very different situation and the management styles are more a combination of:

- **Democratic** – everyone has input, reward team effort
- **Developmental** – supports personal and professional development
- **Open Book** – share vision and financials

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Initially this role will most likely be taken on by the business owner and as the business grows the next step will be to engage a part-time general manager and eventually a full-time general manager. At this point the business owner can move out of management and into a leadership and consulting role to support the general manager.” Brian turned to me and asked if it all made sense.

“Well it does actually. One of the things that I was curious about, was how I was going to hire a General Manager because I knew that was going to be quite costly. I can see the benefit of hiring someone part-time but I am just wondering if you can get those type of people?” I asked.

“Good question, and the answer is yes, although it is not that easy. I believe that more and more small businesses are going to realise that it is a great way to go and over time, it will become easier to find people to do this,” Brian replied.

“Great, I wish I could find someone right now,” I said. “You mentioned earlier that one of the responsibilities of a manager is to create strategy? Tell me a bit about that,” I continued.

Charting the course (Strategy)

“Yes, this is particularly relevant when your team is a bit inexperienced. They may have quite a good grasp of their role in the business and a good idea about the vision of the company, however just how to create the strategy to get to the end goal may be beyond them. At the end of the day, they need to be focussed on delivering the results and the role of a manager in this situation is to support the team in implementation by providing direction and support,” Brian said.

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“That sounds easy, however I know that it is more difficult than that,” I said, remembering all the challenges I have had communicating my strategy to the team over the years.

“Yes, that’s true,” Brian replied, with a knowing look. “In general, the manager will be experienced in the strategy and will learn how to communicate that. What I suggest that you do is get your managers to sign up to one of my coaching courses if their experience is lacking in this area.”

“We are running out of time and I have a plane to catch so I just want to quickly talk about the last aspect of the role of a manager that I would like to cover today,” Brian said glancing at his watch.

“Great, let’s do it,” I said, a bit thankful that we were nearly done because my brain was going into overload again.

Implementing the Environment

“The role of the owner and leader was to define and create the environment for Autonomy and it is the role of the manager to see that it is implemented. Here are some of the key areas,” he said as he wrote on the whiteboard:

- **Implement Values**

These have been defined by the leader and it is essential that the team understand and abide by core organisational values and principles. Part of the managers role is to see that these are implemented

- **Support Professional Development**

Professional development and training is essential for a vibrant environment and the role of managers is to support,

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guide and encourage their team to learn and grow, both personally and professionally

- **Communicate Vision**

The vision of the business should be inspiring to staff, managers, the owner, clients and investors. It is the role of a good manager to support and communicate this vision

- **Support Innovation**

Innovation is the future of a good business. Innovation can come from all team members and creating an environment where the team is encouraged and supported in order to innovate is an essential element of a manager's responsibility. This could be as simple as the staff who are delivering solutions according to a defined process coming back to management and suggesting better and more efficient ways of doing things."

Brian turned towards me again and asked if that all made sense.

"Yes, actually, I get it," I said.

"Great," Brian said. "The final thought that I would like to leave you with is that the management structure and philosophies of an organisation are critical in terms of building value in your business. A great business has an inspired, focussed and efficient organisational culture that motivates the people in the business to be efficient, productive and excited about what they are doing. If you want to build a business that truly works without you, you need to develop a management style that supports this. This is not necessarily a natural talent or gift that we all possess; however, it is important to recognise

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and be truthful about any shortcomings. If you are unable to address these, then it is essential that you employ someone who can manage the team for you.”

“Thank you so much Brian. As usual, I have heaps of things to think about and really appreciate your time today,” I said.

“My pleasure, I enjoy working with you because you really seem to take everything on board and more importantly take action to get things done. I am looking forward to hearing more about your journey in the coming months,” Brian responded as he stood to leave.

“Thank you and I will keep you posted,” I said as I said goodbye.

4.3 Creating a Winning Culture

3 Key Lessons

1. Implement the Environment

The ‘environment’ has been defined by the owner or leader. The managers role is to implement that environment which includes ensuring core values are kept, supporting personal and professional development, supporting innovation and communicating the vision.

2. Self-Management

Many business owners get involved in ‘micro-managing’ their staff because they have difficulty ‘letting go’. The best result is to aim to have people managing themselves and the managers role is then more about supporting the team to achieve what they need to achieve. That is a positive step towards creating a business that operates without the owner and also will save time and money.

3. Chart the Course

A key role of a manager is to implement the strategy. The owner or leader will set the goals and the manager will manage the resources to achieve them. This will include deciding whether the resources required are internal staff, contractor, partners or outsourced labour. Bringing in the right resources at the right time for the right cost is an essential role of management.

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“The culture of a good organisation is defined as a group of people working enthusiastically towards the common goals of Self, Team, Customer, Organisation and Community”

Business Quote

It was the middle of August and even though spring was only two weeks away it was still very cold in Melbourne. I was scheduled to meet with Stephen for this session. I had heard quite a lot about him and read one of his very popular books which was very detailed and full of great information. We had arranged to meet at the venue where he was running his seminars and fortunately where there was parking which meant I didn't have to walk miles in the freezing wind. I was looking forward to spring bringing bring out the flowers and hopefully starting to see things gradually warming up a bit. As I was driving to the meeting, I started to formulate some questions about culture. The first one being what is culture? How do you define it? When you have it, what does it do? How do I create this culture? I felt that I already had quite a good culture, however I wasn't sure how I could determine that. How did I know whether it was good or bad – how was culture measured?

It was a Sunday afternoon and as there wasn't a lot of traffic I got to the venue in very good time. As part of the venue hire Stephen had

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a very nice executive office which had four large plush leather chairs and a very solid wooden coffee table in the meeting room. The room was warm and after greeting each other I sank down into my chair, thankful to be out of the cold. Stephen started by telling me a bit about his journey and I couldn't help but marvel at how much he had achieved. After giving him a quite snapshot of my journey so far, he asked:

“We are here to talk about culture today, can you tell me what culture means to you?”

“Well I am not exactly sure how to define it; however, it probably means the ‘environment’, which could be creative, fun or professional,” I said, sort of knowing, but not really sure.

“Well that is part of it. In fact, it is a bit difficult to define and even more difficult to create and everyone seems to have a different definition. The one that works for me is:

‘The culture of an organisation is defined as a group of people working enthusiastically towards the common goals of Self, Team, Customer, Organisation and Community’

You have already spent some time creating the environment to support a great culture, and you have developed some excellent management strategies and philosophies. Now you are ready to create a culture that will encompass and support all those elements,” Stephen said.

“OK, great, at least I have a bit of a head start,” I said with a smile.

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“Have you ever dealt with a company where people seem to be happy, motivated and highly productive? Apart from having great leaders and managers there is generally another element in these businesses and that is called corporate culture. Even if you are the only one in your business, you have a culture. Corporate culture generally starts with the cultural values and beliefs of the business founder. This may well work whilst the business is a sole-trader however as the business grows, these beliefs and values will need to be shared and engaged in by the team who will ultimately be representing the business. When I describe my ideal business as being a business that can be run from anywhere in the world, pays an excellent salary, has good growth and profits and the business owner only needs to work five to six hours a week in it, most small business owners agree that this is a good model. What do *you* think?” Stephen asked.

“I agree of course,” I said. “In fact, when I first started my business that is exactly what I visualised. I had the idea that within a few short years I would be financially free and able to choose what I wanted to do and when. Somehow, life didn’t turn out quite that way.”

“Yes, it’s a very common story. I also went through that early in my business life. Fortunately, with hard work and a bit of luck I managed to move on. Anyway, if we agree that these are the characteristics you are looking for in your business then it follows that you will need to have an inspired and driven team around you. It is the ‘culture’ of the organisation that is the foundation of that inspiration and so it is imperative that the values of the business are examined carefully to ensure they support the development and engagement of the culture. Here is a diagram of some of the elements of culture we will talk about briefly today,” Stephen said passing me a laminated card.

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SELF

“I will start by talking about *self*. We are all motivated by what’s in it for us. That is the reality and for us to be ‘enthusiastic’ about being engaged there must be something in it for us. This may vary from person to person, however there are some common elements such as recognition, opportunities for growth, work that is exciting to us personally, and of course, financial rewards. In the previous sessions on leadership and management elements of this were already covered. I will cover a couple in bit more detail here, starting with staff development:

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Staff Development

The highest profit companies spend the most on training. For example, Xerox claimed a \$20 return on every dollar invested and Motorola claimed a \$33 return for every dollar. One of the best sources of sustainable competitive advantage is our ability to learn and apply new ideas to our business. As an owner or business manager one of your objectives should be to train and develop your staff. Give coaching, feedback and acknowledgement wherever and whenever you can. Facilitate when appropriate. Give instructions if you need to. Acknowledge and celebrate success frequently.

Assist staff to become experts in an area they choose.

A direct follow on from having professional and personal development programs for staff is having everyone (including the business owner) working in their areas of excellence. This in fact, is perhaps one of the most important aspects of creating a great organisational culture. If you are naturally good at something you most likely enjoy doing it and whilst you are doing it, your productivity will be highest. High performing teams have everyone working this way and complementing each other's strengths and compensating for weaknesses. As you found out in your third session with Roger there are eight main personality types and we tend to have a dominant profile with two secondary profiles. In some people, the dominant profile is clear and easy to see and others it is less obvious.

Roles and Systems

Clearly defined roles, systems and processes for staff to follow are essential. One of the main jobs of business owners is to help their staffs become successful. People work much better when they know what they are supposed to be doing. As mentioned above, having

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clear goals and strategies are the first steps. The next step is to define roles and create systems and processes so that staff can act.

Provide Challenging Opportunities

In an ideal world, we would all be working in our areas of excellence. We all have strengths, either innate or learned or we can learn strengths in things we enjoy. In reality, it is difficult to achieve this 100% of the time, however the business owners should plan to provide growth opportunities for staff. As human beings, we have a strong desire to learn new things. Many people cannot wait for 5.00 p.m. to come, watching the clock, and waiting for the weekend. In my view, this is a huge waste for the worker and also a huge lost opportunity for the business. If you want your staff to be excited about coming to work, it is important to provide them with opportunities to learn and grow,” Stephen said, pausing to allow me to finish taking notes.

“I can relate to that, I really enjoy learning and have done heaps of courses both personal and professional,” I said with a smile.

“Yes, and your staff are the same. We get inspired by learning new things and if it is done well, it is a real boost to the organisation,” Stephen said.

TEAM

“Let’s talk a bit about your team now. The best cultures manage to create an environment of ‘camaraderie’ where staff become friends, both within the business and outside the business. People look forward to working and achieving together. Your staff or team in fact, are one of the most valuable assets in your business.

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This starts with hiring well.

Quite often you hear bosses complaining about their staff. It is very easy to become focussed on good and bad or right and wrong when in fact, in most cases it is simply that you have the wrong people in the wrong job or you have a toxic organisational culture.

Hiring the right people for the job is one of the most important roles in a business and making mistakes in this area can be costly and at times devastating for the business. Once you are at that point you will have a very good idea of the staff you need and it is wise to take the time necessary to ensure you hire well. This includes making sure that the chosen candidate is excited by the vision of the business and has the motivation and background to be trained in your area of specialisation.

This is a good starting point and if you look after them and support them to achieve their goals you will have a valuable member of staff. A good measure of success in this will be team and customer feedback.

Create High Performance Team

The starting point to creating a high-performance team is something you learnt about in Roger's session on flow and the key principles are around ensuring that the job that people are doing matches their strengths. With continued practice, your staff will master what they are doing. The objective is to create an environment where staff are in 'flow' as individuals and ultimately as a team. Team 'flow' will result in high productivity, satisfaction and camaraderie.

Know how to play the game

Jack Stack from Springfield Remanufacturing Company in the US created a system called 'The Great Game of Business'. It is based

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on the idea that employees who understand what the financials mean and what they are, know the goals the company wants to achieve and also understand how they contribute to that, are going to be more engaged in the business. Like a team sport, they will become part of a team engaged in achieving the goals of the business. The three key areas that Jack talks about are; ‘Know and teach the Rules, Keep Score and have a Stake in the Outcome’.

Communication

Communicate frequently with your immediate team – both through scheduled meetings and unscheduled calls and discussions. This can be a real challenge for some business owners. We get very used to doing things on our own and spending a lot of time communicating can seem like a waste of time. To create a good proactive and open culture however, effective communication is essential.

Here are some questions to identify how well you communicate” Stephen said as he handed me a card.

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TEAM COMMUNICATIONS QUESTIONS
When did you last meet your members as a group?
When did you last meet each person individually?
Do all your staff know your goals and vision?
Do they know how and where they fit into the big picture?
Are there things you are NOT communicating?
Are there good reasons for this?
How open are your people with you?
Are your staff confident to give you direct feedback?

“I am just going to organise a drink while you complete that,” he said as he got up and went next door to get some drinks. A few minutes later he appeared with a couple of scolding hot lattes.

“How did you go?” he asked as he handed me a latte and sat down.

“Not particularly well I must admit,” I confessed. “I have some work to do.”

“That’s fine and perfectly normal, you should be freeing up more time now. Also, that is a task that you can pass on to your general manager when you get one,” Stephen said smiling at me. “That is not a complete list of course, however it is a start. Let’s talk about the customer and how they impact your culture,” he continued.

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CUSTOMER

“The next part of creating a great culture is the relationship with your customers – that means the relationship you have with them and the relationship they have with you. An ideal customer is one who is so impressed with your service and culture that they refer you to others. When you achieve this, it means that not only are you solving their problems or requirements in an exceptional way, you are also great to do business with. Having happy, enthusiastic customers are a requirement for a great working environment. Part of the corporate principles and policies should be an intolerance to aggressive, abusive or disagreeable customers. Sometimes your organisation or solutions are not a good match and sometimes (rarely) customers are just not worth dealing with. It is essential for management to fix the problems – either with the service delivery or with attitude of the customer. If you cannot fix the problem you may need to sack the customer.”



HAPPY CUSTOMER!

“I hear what you are saying,” I said. “In fact, it is something that I take very seriously. I had to ‘sack’ customers on a few occasions and I remember one case in the mid-90s where a customer was treating one of my team very poorly. I investigated the situation and found that the

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customer was being unreasonable so I called the business owner and let him know that we could no longer do business with them and that they would need to find a new provider. He was somewhat surprised and when I told him the story, he told me to leave it with him, he would deal with the situation. He called me back the next day to let me know that the problem had been sorted and we should have no more trouble.”

“That’s great,” replied Stephen “It also sends a very clear message to your staff, that you are there to support them – well done!”

“On the other side of the customer equation is your team. Good customer service comes from your staff and they must ‘want to’ provide good service and creating the culture for that is key. In my view, the environment the staff are in, comes first – if they are in a great environment, they will naturally want to provide the best service they can. This in turn should lead to great feedback from the customer,” Stephen said, pausing to take another sip of his latte. “That really brings me into talking about the organisation now.”

ORGANISATION

“When an organisation supports the people within it, people will naturally want to support the organisation and the goals of the organisation. When you add what you learnt above with Self and Team with what you have already achieved with leadership and management, your team is quite well looked after. Your next session with Jack is going to take that one step further and so you will have all the ingredients for your team and your customers to look after the organisation. Your organisation will then in turn, look after you, the owner,” Stephen said with an approving smile.

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“I like the sound of that, and it makes good sense,” I said, returning the smile.

COMMUNITY

“The final element of culture that I wanted to talk about today is community. One of the most exciting opportunities for a business is the opportunity to create a better world in some way. Providing a solution to your clients is a great thing, however when we can become engaged in some meaningful purpose outside the business it can take the culture to another level.

More businesses are becoming interested in contributing in some way and people like to work for companies like that. It’s exciting and inspiring and very much a part of creating a winning culture. This is something that is going to be discussed in the first session in the final phase of this journey and so I am not going to spend any time on it here,” Stephen said.

“Yes, Keith is doing that session and I am really looking forward to it. In fact, I have already been doing some work on it and am very excited about the potential,” I said.

“Good on you, that’s great,” Stephen said encouragingly.

“I would like to finish up by talking about some of the benefits of spending time working on creating a good organisational culture,” he continued.

“The culture of most businesses is based around the founders’ personality. As the business grows however, it becomes increasingly important to develop a culture and a value system that staff will engage

4.3 Creating a Winning Culture

with and provide a positive face to the business. Some of the benefits of spending time putting in place processes to ensure a good culture is maintained through the business are:

Attract and Keep good staff

Good staff can find work anywhere. Staff are one of your most important assets and you want your best staff representing your business. If your values and business culture are not excellent your staff may move on and you may well lose one of your best assets.

Create great customer relationships

Customer relationships are key to strong business growth. Quite often when you deal with people you get an idea of the culture in the organisation simply by how people engage with you. If you are met with a bright smile and someone who will go out of their way to ensure that you get outstanding service, you can be sure that the culture in the organisation is good. The reverse is also true of course.

Help through challenging times

There will be times when your business faces challenges. Small business has an incredible ability to throw curved balls when you least expect it. If you have a supportive team and a strong culture it will help through these trying times.

Increased Business Value

Your business should be valuable to you the owner and of course to a potential investor. If your business is an exciting place to work and is providing you flexibility and financial freedom there is a chance you may just want to keep it. The staff in the business are one of the greatest assets if they are motivated and enthusiastic about the

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culture, values and vision of the business are more likely to stay around.”

“There’s a lot to it and I must say that while I understand what you have told me, I think that it will take me ages to get on top of it,” I said.

“Yes, there is a lot and I am sure that some of it will come naturally, particularly if you have a mindset of *genuinely* wanting the best for others. Also remember that it is a process, the first step of which is understanding. After that you simply resolve to tackle it a bit at a time and the workbooks are designed to help you do that. There is a great quote from Zig Ziglar that I really like:

*You can have everything in life you want,
if you will just help enough others get what they want”*

Zig Ziglar

That is true, whether it be your staff, contractors or customers. In fact, if you develop that attitude for anyone you are involved with – and attitude of ‘what’s in it for them’, you will become truly successful. It is not something you can fake. In the old days the used car salesman was your best friend until you didn’t buy from them. These days, people, particularly the younger generations are much more savvy and see through that,” Stephen said smiling.

“That makes good sense and fortunately that is my basic nature, so I don’t feel that I have a lot of learning to do here,” I said.

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I could see there was a lot to do, however when Stephen explained it in this way, it seemed much easier.

“That is really all I have for today; do you have any questions for me?” Stephen asked, sipping the last of his already cold latte.

“Not at this stage, there is a lot more involved than I thought and I have quite a bit of work to do I can see,” I responded.

“Yes, it is a lot, although I feel quite a bit will come naturally to you. I have a something that will guide you through some of the areas,” Stephen smiled as he handed me a colourful looking workbook.

“Thank you for today Stephen, I really appreciate it,” I said.

“My pleasure and please keep me updated on your progress,” he said as I started towards the door.

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3 Key Lessons

1. Individual

A great culture starts with happy staff. Looking after staff individually and making sure their needs are met is a requirement for the culture you are developing.

2. Team

Getting your team to work together in harmony is one of the key objectives of a manager creating a good culture. This involves hiring well, group activities, good communication and ensuring that the team members are all engaged in supporting the corporate vision and goals.

3. Customer

Having good customers and treating them well will ensure that they treat your business and your team well. Great relationships is an essential component of a good corporate culture. There are times when the customer is not a good fit and in order to maintain the cultural values it may be necessary to end the relationship.

4.4 The Key to Staff Engagement

One of the most important aspects of having your team truly engaged in the success of the organisation is to let them share in that success.

I was looking forward to meeting Jack again. Since I had applied his principles of teaching the staff about the financials and getting everyone in the business focussed on a few critical numbers the financials and customer feedback had improved considerably. We were meeting at the Hilton again and fortunately this day was magnificent clear and sunny, which was a welcome change from the driving rain and howling gale that was blowing last time.

This time I arrived before Jack and was seated at the same table as last time when he walked in. After the customary updates and praising me for actually doing the work each week, he got started.

“How would you like all your staff to treat your business the same way you do?” he asked, his deep blue eyes twinkling as he looked at me. He had already told me that he was on a tight schedule and so I really appreciated that he had taken the time out to see me.

“That would be excellent – if I could achieve that, it would reduce my stress levels immensely. I must say that since setting up the leadership and management structure and creating a team-based culture

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in the business I feel that we are moving in that direction,” I responded, thinking about how much more enjoyable it was to come to work now.

“They are critical elements of course. Also, the fact that you are actively finding out your team’s strengths and passions and putting them in jobs that are matched is an excellent initiative. The final step is to give them a piece of the action or a ‘stake in the outcome’. There is nothing better than being rewarded for your effort and if the reward is tied to the results it is a huge motivation. Your team are then like real business owners,” Jack said.

“Yes, actually when I first started the business that is what I wanted. I had a vision that all my staff would be well looked after and come to work in the business as though it was their own. Over the years I tried several different schemes, however none of them worked that well. I was lucky that I had good staff. However, we never managed to get the point where they could feel they had a real stake in the business. I am really interested to hear your thoughts on this,” I said, as I recollected the frustration of wanting to come up with a workable system and somehow not managing to get anything that worked particularly well.

“It might sound obvious and simple; you need to treat them like business owners.” Jack said with a smile. “It is a minefield of challenges; however, when you achieve it, the rewards make it worth the effort. We have gone from around 100 staff in 1983 to over 1,600 now and there is a huge waiting list of applicants wanting to work with us. Apart from the fact that I don’t have to worry so much about the business I now get heaps of time to focus on where I can add the

4.4 The Key to Staff Engagement

most value and do the things that I enjoy. In fact, I don't have to work, I don't need the money, I do it because I love doing it."

"Well, that is exactly what I envisioned when I started my business all those years ago. I think that it is what many business owners dream of, and very few achieve. I can really feel that I am very close, and what you are talking about seems like the missing link," I said, feeling a tingle of excitement as I visualised my own business achieving those goals.

"Well you don't want the missing link in your business"

Jack chuckled, perhaps referring to the missing link between ape and man.



"There are so many benefits of really having your staff engaged and proactively looking at how they can contribute to the stability and growth of the business and providing a stake in that is an essential ingredient. Let's talk a bit about how we can add the final step to this puzzle. The first thing to think about is what benefits you get as a business owner and start thinking about how you can transfer them to your team."

"When I think of that, I think of freedom," I said. "Things like financial freedom, freedom to choose what I do with my time, control over my destiny and freedom from answering to a boss. These of course are the freedoms I dreamed about and never really achieved

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apart from not having a boss. In fact, I think that it would be better to have a boss to keep me accountable.”

“Good point. Somehow, we need to provide the perceived benefits of being a business owner without so many of the downsides. When you achieve that everyone wins because you will get the freedom that you want and your team will also benefit. There are, as you have found in your journey, many ways to provide a sense of ownership to staff, some are successful and some not so. I am going to briefly discuss a couple today, one based around profit share and the other around stock ownership,” Jack said as he got up and wandered over to the water cooler and brought back two glasses of cold water.

“Great, I am really interested to see your views on that. I have tried both and neither worked that well,” I said ruefully.

“Well, I can tell you, we certainly had our ups and downs through this journey. The benefit I had - was starting with 12 partners in the business and so we had quite a number of sharp brains working on the challenge. The first step is to celebrate successes. You have already decided on your organisational critical numbers and now you really need to create celebrations when you achieve your targets. It is important to include everyone – everyone in the business should be part of the action. Celebrating wins will help increase the team culture and start that feeling of ownership,” Jack said, glancing over at me and pausing until I had finished taking notes.

“The important thing to remember is that we are all motivated by one of two things; to move away from pain or to move towards pleasure. To take any action, there must be something in it for us and the stronger that driving force is the more likely we are to act. When

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the business achieves the goals it has set, what is in it for the team who were part of this success? It's important to establish this up front so that when the results are achieved, the commitments can be delivered. The reward for achieving results can mean different things to different people and I have found that one of the best ways to find out what people really want is to ask them."

"An exercise that works quite well here and is a lot of fun is:

'Assuming that there were no barriers, what would the organisation look like to you?'

"The idea is to get input from everyone in the team and then set some goals to start achieving it," Jack smiled and peered over his glasses at me.

"That does sound like a bit of fun," I nodded as I made a note of that last line.

"Actually, I borrowed that from Julia, one of my business associates. Her suggestion was to get all the staff into a general meeting and brainstorm how we are going to share the profits. The idea is that the company has profit targets that it needs to meet and 60% of anything over and above the target is split between all staff in a manner that they decide on. She suggested that depending on how many staff you have, you divide them into groups of two and then let them brainstorm ideas and come back with two lists; one that are things that don't cost money and the second is things that do cost money. When you do this put some dates on them.

When we did this, we created different areas to consider such as :

- Working Environment (Non-Financial)

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- Benefits (Financial)
- Training and Development (mixed)
- Social (mixed)
- Community (mixed)

The results that came back from the groups were quite exciting and collectively we created an environment that anyone would love to work in,” Jack said.

“Some questions that Julia suggested we use to get started are:

- What benefits would you like to get from the company?
- Describe your working conditions and environment
- What is your relationship with management, peers, staff?
- Describe your perfect role in the organisation
- Imagine you had \$10m to start your own company – what benefits would you provide for your staff?
- Perhaps search for some companies that you find inspirational – what do they have that we don’t?”

“We found that this produced a lot of good discussion and staff had no problem in coming with some great ideas,” Jack sat back in his chair as he waited for my response.

“That sounds great, but what I am wondering is how you managed to fund it. We did something along those lines and everyone was quite excited at the start, however we were unable to achieve the targets and so everyone became a bit disillusioned,” I responded.

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“Good point, and that can be a challenge. What we did was to put some time frames and priorities around the lists that we had and then put down the figures that we needed to achieve in order to start ticking off some of the items. We already had our current financial targets and we simply overlaid the new targets on top. The first one was simple, it was just a lunch out at a local restaurant for all staff and partners. From there we had bigger and more ambitious targets to reach. We didn’t always reach them, however there was always some sort of celebration. We would have regular meetings to keep an eye on the critical numbers and how we would achieve our targets,” Jack said.

“OK, so can you give me an idea of some of the financial and non-financial targets?” I asked, wondering more about what the ‘non-financial’ targets could be.

“Sure, the financial targets range from things like a lunch out for staff, to weekends away, to company cars, increase in superannuation, bonuses and some recreational facilities at the office. The non-financial targets were things like team-building, clear and understandable policies and procedures, open door policies and better lines of communication between management and staff. The non-financial targets were things that we started on immediately and because staff saw this, they started to gain confidence in the process,” Jack said.

“OK, there are some ideas there that I can implement. It doesn’t seem too difficult and is really only an extension of what we are already doing anyway,” I said.

“That’s great and good luck with it,” Jack said smiling encouragingly.

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“That brings me to the final thing I wanted to touch on which is Employee Stock Option Plans or ESOP’s,” Jack continued.

“ESOP’s and other employee ownership schemes can get quite involved because there are so many contingencies that you need to be prepared for and it is well beyond the scope of our talk today, however it is worth a quick discussion because it has worked extremely well for us and many of our employees have ended up millionaires as a result. You would be excused for thinking that by giving staff shares in the business they would start to think like business owners because in fact they own part of the business. In many cases however, this results in disappointment and misunderstanding. Part of the problem is that companies use stock as a form of compensation and as an incentive to get employees to work harder. If this does not tie in with the big picture and if staff are not engaged in the vision of the business, the stock options simply become about the money. It needs to be more than that, it needs to engender a sense of belonging in an organisation that is achieving great things. In addition to that, you can have situations where people with larger shareholdings have a larger say in the operation of the business and if their views and philosophies happen to be opposed to the culture you have taken time to build up, it can have disastrous consequences. It happened to us, one of our founding shareholders became increasingly overbearing as the value of our stock increased and he started creating huge problems in the business. His treatment of staff and other minor shareholders went against everything we had been building in our culture. There are other challenges such as what happens when shareholders want to cash in and also the large cost of setting them up and maintaining them. As I mentioned, it is beyond the scope of today’s discussion, however it is good that you are aware of the option because it has been incredibly

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successful for my business and done the right way it can work really well,” Jack said.

“Well, I am interested in finding out more, do you have some suggestions?” I asked.

“You are already booked in to my course next month and so you’ll learn a lot more there. The bottom line is that there are many options and you will decide on what works best for you and your team,” Jack said, smiling as he glanced at the clock on the wall behind me.

“Thanks Jack, I am really looking forward to that. I know that you need to go, so thank you so much for today. As always, I enjoy your insights and appreciate your time,” I said, as I stood up to go.

“My pleasure, keep up the good work and I look forward to chatting with you soon,” Jack smiled as he shook my hand.

3 Key Lessons

1. Think of Your Team as Business Partners

As you grow your business your staff will most likely be your single greatest asset. If you treat them the same way that you would treat a good business partner, they will step up and be like a partner in your business. Brian Tracy had a great saying that even if you are working for a boss, you are in effect working for your own personal services organisation. It just happens that your current employer is your largest client. Look after your staff and they will look after the business.

2. Stake in the Outcome

Many business owners get into business because they dream of the freedom that the business will ultimately bring them. One of the first freedoms we dream of is financial freedom. Having a program that provides staff with a percentage of the profits or some form of equity in the business, will increase engagement and a sense of ownership.

3. Participation

Another freedom we dream of is being more in control of our environment. Getting staff involved in how the business is run and also how the benefits are distributed can be very motivating. It is also a very powerful and essential step towards creating a business that works without you.

4.5 Creating a Powerful Corporate Identity

*“Your brand is what people say about you
when you are not in the room”*

Jeff Bezos, CEO and Founder of Amazon

Keith had attempted to explain the importance of branding my business, though I didn't really get it. One of my father's many business ventures was cattle farming and the brand was the logo that was imprinted into the cows hide (poor cow). Keith told me that it was not his forte, however Sarah, the specialist he had organised for this session was very passionate about branding and he felt that she would give me some great insights into its world. We had logos, colours and fonts already in my business and so I thought that this session with Sarah was going to be a bit of a waste of time. I had made the appointment on Thursday afternoon which was the time I generally reserved for meetings, however I was unusually busy that week and I almost cancelled the meeting. Something Keith had said to me about the importance of people recognising and communicating what my business stood for, prompted me to keep my appointment.

Luckily Sarah lived reasonably close to work and she agreed to pop into our office for the meeting. She arrived on time and the first thing I noticed was that she was impeccably dressed, red being her

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dominant colour - even the lipstick, earrings, shoes and necklace were either red or had red highlights. After the introductions, we settled into the meeting room and she handed me her red business card and pulled out her stylish tablet which was of course in a red leather case with her logo embossed on the front. I see the consistency here, I thought to myself. She then asked me to give her a bit of an overview of my journey so far and asked me what I knew about branding. I told her my cattle story and showed her our business cards and logos, which I was quite pleased with.

“That’s a start, now can you tell me a bit about your core values. Do you have them written anywhere?” she asked, thinking perhaps that she had caught me out.

“Well, actually, I have a heap of values that talk about our ethics and integrity and how we value our team and many other things. They are all in our Policies and Procedures Manual,” I said, feeling confident that I had nailed that one.

“OK, so how many of your staff and clients would be able to tell you what those core values are and could an outsider determine those values simply by observing the behaviour of your team?” Sarah asked and looked at me with a look that indicated she already knew the answer.

“Ummm... well, maybe not in so much detail,” I responded sheepishly, knowing that the only time our staff would have ever read the procedures manual was when they first joined the company, if even then.

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“Don’t feel too bad, most small companies and even some large ones are like that. In fact, Zappos which was acquired in 2009 for \$1.2 billion by Amazon had no written values. The owner Tony Hsieh lived and breathed the values and ingrained them into his staff. It was nearly seven years of operation before one of his staff managed to convince him to write the values of the business down. It was a formalised definition of the culture that already existed and it was needed for them to scale and grow. Tony said that he wished he had done it sooner,” Sarah said.

“Ok, so can you tell me what you mean by branding and in fact why I really need to do it. I know that it is expensive and I just wonder whether the time and money investment is really worth it,” I said, still not really convinced about all this ‘branding stuff’.

“Well perhaps the best way I can describe it is that it is what people say about your company when you are not there. That is a quote from Jeff Bezos the founder of Amazon and that pretty much sums it up,” Sarah said.

“Can you please go into a bit more detail?” I asked, thinking that these marketing and branding people like to talk in mysterious ways about things that were already mysterious enough.

“Of course - I was going to,” Sarah said with a smile. “You mentioned that you have a list of values in your policies manual. Can you give me an example of one of those?”

I had to confess that I was struggling to remember our list of values in any detail myself, because even though I had written most of them, it was years since I had looked at them.

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“One was related to Quality of Service and how we aim to provide outstanding service each and every time,” I responded.

“If I were to do a survey of your customers and ask them what your top three strengths were, would that show up as one of them every time?” Sarah asked.

“I couldn’t really say that for sure,” I responded, starting to see what Sarah was driving at.

“Again, that is quite a standard answer. When you have a strong brand, people will talk about you to each other and they will talk about your top values. If you are consistent in all your communications and you follow it up with your actions, people will be able to see what you stand for. You can tell people that you provide outstanding customer service, however, so do all your competitors. If you went to your competitors and asked them about their customer service, what do you think they would say?” Sarah asked.

“I get your point – of course they would say they provide excellent customer service. No one really aims to provide poor customer service,” I replied.

“Exactly and so just saying that without any proof, actual and social, is a waste of words. If, however other people say it and say it particularly when you are *not* asking them for testimonials, it is very powerful. The very best version of this is when people refer your business to others, for example they are talking to a friend who is looking for your type of service and they say, ‘You should go to these guys – they provide outstanding customer service’. Outstanding

4.5 Creating a Powerful Corporate Identity

customer service becomes part of your identity and is communicated as part of your brand – it becomes what you are known for,” Sarah paused, sensing that I was processing what she had just said.

“I think I understand. What you are saying is that my brand is what people say about my business when they are talking to others and better yet, they are actually referring my business to others when they get the opportunity,” I said, still a little unsure of how all this was going to work.

“Exactly – it is not just your collateral like website, flyers, presentations and emails that needs to communicate the message it is everything that you and your team do to back up the claims. Branding is a lot about deciding the values that suit your business and then making sure that you are consistent in your communications and more importantly in your actions,” Sarah replied.

“OK, I get it. How many of these values should I have?” I asked, remember that we had pages and pages of them.

“Well there is no predetermined number, however, less is more in this case. The more simply and directly you can communicate your message the easier it will be for your staff to be engaged and the easier it will be to communicate it to your prospects and clients. Personally, I would suggest between three and five and perhaps pick one centred around how you conduct business, another for how you deal with customers, one for how you deal with staff and then one for how you deal with the community. That will get you started. Would you like some examples?” Sarah asked.

“Yes, that would help a lot,” I replied.

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“OK, here are the values of a few well known companies :

Facebook

- Focus on impact
- Move fast
- Be bold
- Be open
- Build social value

Virgin Airlines

- We think customer
- We lead the way
- We do the right thing
- We are determined to deliver
- Together we make the difference

One that I particularly like was a campaign slogan that Fedex came up with in 1982 which was:

‘When it absolutely, positively, definately has to be there overnight’ Fedex

The reason I like this is because it is very simple and communicated a very clear message about the integrity and reliability of the organisation to both staff and customers. Apparently, there was a time when one of the Fedex couriers was delivering some parcels in his truck and got stopped by floods. Based on this one core value, he took the initiative to hire a helicopter to overcome the obstacle and get the parcels delivered. The reason this is so powerful is that if your employees can start to make these decisions on their own, that will free

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up your time as the owner and it really means that you have nailed some of your core principles. This is where the branding and identity of your organisation can start to take a life of its own. It is an essential component of getting your business to operate without you,” Sarah said, finishing the last sentence in almost a whisper as though it was a carefully guarded secret.

“I am finally starting to get an idea of why this is so important,” I smiled, realising why Keith had been so insistent on me coming along to meet Sarah. “I think that I can come up with five core values that will have meaning. I might need some assistance to refine them however.”

“Yes – it takes a bit of practice. It is important to come up with something that your team will be able to engage with and recite, not so much because they have memorised them but because they are living them. Your customers should be able to tell you what they are simply by the experience they have of your organisation,” Sarah said.

“I notice that you haven’t said anything about logo’s and colours and all those sorts of branding stuff, how does that fit into the branding picture?” I asked.

“Well there are a few things to talk about before we get to that, you just need to be patient. May I use your whiteboard?” Sarah asked as she stood up and walked over to the whiteboard anyway.

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“Of course,” I responded, even though she had already picked up a whiteboard marker and started drawing.

“We have already had a bit of a discussion about values and now I just quickly want to touch on the rest. This is not a complete list, however just about

enough to look at today. You will see that the visual side of things that you are referring to is quite a way down the list,” Sarah said.



“The second thing on the list is your purpose. Why you do what you do. I know that you have spent quite a bit of time on this already and your final session on vision will really bring this home. Some companies purpose goes along the lines of ‘We want to be the best at doing what we do’. That is not really a very engaging and powerful purpose. Sometimes the purpose comes from the founder and, in many cases, it is an evolution. The journey you are currently on is going uncovering and evolving that purpose and so I don’t need to go into any more detail on this. You will know when you and your team are inspired by what you are wanting to achieve.”

“The next step is the language you use – how you communicate internally in your business and how you communicate externally. External communication is everything from your marketing campaigns and messages to your presentations to how your team communicates with the outside world. All communication must be consistent with

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your brand and build your image. Once you know your values and purpose, the language you use will reflect that. Is fun one of your core values? Your language should be funny. Integrity? Reliability? Focus on team? High Quality of Service? Whatever your core values, principles and purpose are, your language should reflect that at all levels.” Sarah stopped and asked if I had any questions.

I was busily jotting down some ideas I was getting and didn’t have any questions at that point, so she waited until I finished.

“The next thing on my list is behaviour and I am referring to the behaviour of people in your organisation. If quality of service is one of your top values and you have some of your staff doing a poor job, that will ruin your brand very quickly. In this day of social media, there are some people who are just waiting for an opportunity to write bad things about you. Behaviour needs to be consistent across the organisation and it needs to reflect your core values,” Sarah said.

“I know what you mean, we recently had a contractor who did a very poor job of some cabling work – way below the standards we set and we didn’t find out about until another contractor pointed it out to our customer. It was very embarrassing; however we were able to rectify the situation very quickly,” I said remembering the challenges of organising the rectification of that particular problem.

“Exactly and of course, with social media, one poor experience can put a severe dent in your reputation. If your values are clear and consistent and trained to all staff and contractors who work for your business, that should hopefully influence behaviour to reflect the values,” Sarah responded.

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“Now I see why having a smaller number of very concise definitions is the best way to go,” I responded.

“Yes, you should be able to fit it onto a piece of A4 paper and in your monthly general meetings perhaps you can add in an agenda item that discusses how your team has behaved according to your brand values. *Now* we come to the visual representation of your brand. This is really where you need to employ professionals. The good news is that now that you have completed the first four steps, it will be relatively easy to communicate what your organisation stands for. The graphic designers will be able to come up with colours, logos, font types and styling that will go on all your collateral from your website to your business cards to your email layout and letterheads,” Sarah said.

“That was what I noticed as soon as I met you today, even the colour of your clothes and shoes,” I said.

“Yes, it is particularly important for me because that is the business that I am in of course,” Sarah smiled and appeared pleased that I had noticed.

“We can now get down to marketing. The good news is that now you are clear on what your brand is, where, when and who you promote it to is much easier when you are choosing *how* to promote it. Marketing is going to include advertising of course, public relations, merchandising, websites, landing pages, social media and various other methods of communicating to your target market. This is something I cover in more detail in my course; however, unless you are passionate about it or you are keen to learn, I would suggest outsourcing this activity for the best results.”

4.5 Creating a Powerful Corporate Identity

“You bet I will be doing that, I have more of a technical background and every time I have engaged in marketing myself it is a slow process and produces spectacularly unsuccessful results. One of the things that I have learnt over the past seven months is to focus on what I am good at and get others to do the rest,” I said, remembering gratefully how much time and aggravation that had saved me.

“Yes, it’s a good thing you recognise that. It is of course, good to have a high-level knowledge of all these things. Obviously before today, you would have not spent any time or money on branding. Now that you know a bit more, how do you feel?” Sarah asked.

“Excited,” I replied. “Before today my knowledge of branding was almost non-existent and now I can really see why it is so important, particularly if I want to grow my business and also have it working without me being the face of the business”

“Excellent, in that case my job is done for today, any more questions?” Sarah smiled encouragingly.

“Well no actually, you have given me quite a bit to think about already and I will be joining you for your course next week so I am sure that anything that pops up will be answered there,” I replied.

“Great, in that case I had better get going, I have a family to feed,” Sarah smiled as she stood to go.

“Thank you so much Sarah, it has been informative to say the least. I appreciate your time and look forward to seeing you next week. Let me walk you to your car, it is already dark,” I said.

3 Key Lessons

1. Define Values

The definition of a good brand is when people recognise your company name and can immediately and consistently list your top one to three core values. For example, your top values might be to provide outstanding service, top quality products and impeccable integrity. The first step is to define the type of business that people in your target market will identify with. If for example, being always contactable and on time delivery are important, then you must define those, guarantee you will do them and make sure that you deliver consistently.

2. Train Your Team

Your team must live and breathe the values of the organisation and so they need to be trained and engaged. This is another essential step in creating a business that works without you. The more clearly defined and easy to understand your core values are the more confident your staff will be to make decisions in your absence and that is a key objective of the business you are creating.

3. Create Collateral

This is the last thing in creating a brand identity. The visuals and how you communicate your brand can be done once you are clear about *what* you want to communicate. This is the job for specialists and unless it is one of your core strengths, or something you want to learn, it is best to outsource this work.

Part 5: Creating Growth and Value

The real work of a business owner is to create growth and value in their businesses. Clarity about the destination, ample time and sound financials are a good foundation for this work.

It was September and I had gone through the first four phases of the journey. Whilst I had made great progress I was still having challenges. What I had learnt from the coaches in the first phase had given me a lot of clarity about where I was and the journey ahead. There was however a lot of extra work ladled onto my already full plate and so the second phase helped deal with that by helping me free up time. By the end of the lessons in phase two, I had more time and could focus on things that really made a difference in the business. Cash flow was always a challenge, it seemed that the more work I got, the more expenses I got. Phase three didn't entirely resolve the problem, however there were some great exercises that certainly helped in the short term and I could see that applying the principles would have great medium and long-term benefits in terms of my cashflow. The fourth phase of my journey that I had just completed was perhaps the most exciting so far. I had started to put things in place that would enable me to step back from my business and have more choice over my time. That was particularly exciting

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because it was one of the goals that I had set when I had started the business all those years ago. Whilst I felt I was still a long way from achieving that freedom, at least I had made a start and knew what I needed to do to achieve the goal.

I was really looking forward to my next meeting with Keith because this was the start of the final phase for this year and I was excited to find out more about the final keys to creating value and growth.

It was a magnificent spring day and we decided to meet in the Botanical Gardens which were only a short distance from where Keith lived. I arrived earlier this time and was already sitting at a table under magnificent old oak tree overlooking the freshly cut, vivid green lawn and the lake, which was full of water for the first time in a while.

Keith strode over to my table and greeted me with his normal huge smile. The first thing he did was to compliment me on my new clothes. In our previous meeting Keith had taken me aside and suggested that I think about improving my look. I wasn't exactly sure what he meant because I was generally well dressed, in a suit and quite often a tie. He explained that I was a bit too formal and the colours I was wearing didn't reflect who I was. That was way too complicated for me I must confess. However, also admitting that I really had no idea, I took his advice and engaged someone to assist. It was an expensive process and whilst I didn't feel particularly comfortable with the change, I was prepared to listen to someone who was had some knowledge on the subject.

“Good grief,” he said. “You really did take my words to heart.”

Part 5: Creating Value and Growth

“Yes,” I responded, “choosing clothes and colours is not really one of my strong points and so I am happy to listen to an expert.”

“Well I wouldn’t consider myself to be an expert, however I have spent some time researching and learning and I have discovered that the way you present, can create a lasting first impression. I too, had to make changes and I almost immediately started getting positive comments,”

I still felt mildly uncomfortable in my new slightly bold attire, however Keith’s encouragement made me feel much better.

We ordered coffees and a fresh muffin and Keith asked me what I had learnt during the last phase. When I had finished describing my experiences he asked me if I had any questions or concerns.

“Well, I feel that I understand everything, however I don’t feel that I am quite keeping up. There are certain personality characteristics that I learnt about myself that are quite detrimental to developing the culture that I need to have. I know that I have to engage others to complement areas that I have challenges in, however I am finding it difficult,” I replied.

“Excellent!” Keith responded. “Recognising your shortcomings is a huge step in the right direction. Most people go through life thinking they are magnificent and not stopping to think that in fact, no-one else agrees with them. The world is full of unsuccessful people, who never stop complaining about everything and everyone around them and if they were to be open to some confronting self-assessment, they would open the door to a whole new world.”

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“Yes, I can really see that now. I always thought that I was quite a good leader and manager. I am a reasonable person, considerate, respectful and easy to get on with, I think. I found that there were quite a few things that were correct, however there were many areas of my personality that I was totally unaware of and it was quite confronting,” I said.

“Well, as I said, that is excellent. Now that you are aware, you can either make some changes or engage with others who will complement your strengths and make up for where you have challenges. You have strengths - recognise and build on them – you don’t have to be perfect at everything, and understanding that is a breakthrough. I would suggest that you continue this journey of self-discovery. Whilst you will find it confronting and at times extremely challenging, it will be the foundation for personal growth that will open up new opportunities that you may not have had if the ‘old you’ had showed up,” Keith said with a smile.

“Anything else?” he asked.

“Yes actually. As I have gone through this journey, I have been setting new goals and almost every step and I am finding that they are keep expanding as I approach them. Now that I have completed phase four, I can see that it is quite possible for me to have a business that pays me a good salary and operates almost without me. Even though that is still quite a long way off, I can clearly see the path in front of me and I have already started to wonder, what is next? Once I have a successful business and I have financial freedom and control over my



Part 5: Creating Value and Growth

time, I really can't see myself sitting on a beach, sipping cocktails for the rest of my life," I said, thinking to myself that I wouldn't mind a bit of that right now.

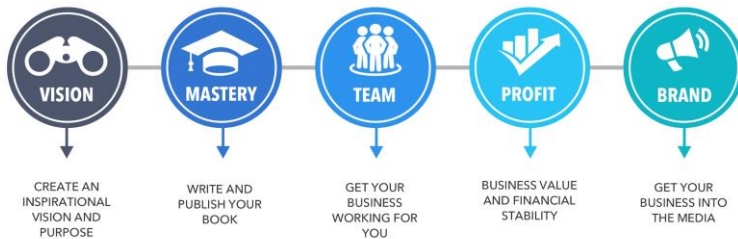
"Interesting that you have come to that realisation at exactly the right time. Our next session is on 'purpose and legacy' and it is the most exciting aspect of being in business. It is the perfect introduction into the first session for this final phase of your journey. The good news is that I am taking this session myself," Keith said with a smile.

This was the second time I was going to engage with Keith in the training and I was looking forward to it. I knew that he was very passionate and had great experience in helping his clients find their life purpose.

"Before I start on the first session let me just give you a quick overview of what to expect in the final phase of your journey," Keith said as he switched on his notebook and opened a diagram showing the five steps in the final phase.

"I will quickly explain each step before we start today's session. Here is an overview," he continued as he handed me a card.

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“We have already briefly discussed today’s session on purpose and the next session which is already locked in for Monday fortnight is about finishing your book. You already have quite a lot of the content and in this session, you will be meeting with Russell to who will be assisting you with creating the structure and getting the content written. He will also help with editing, publishing and getting the book done. This a huge step and will really cement your position as a leader in your industry.”

“The third session is about how you can start to get your business to operate without you. In the fourth phase, you spent a lot of time setting things up and in this session, you will learn some very practical tips to get you to the final stage. Session four focusses on financial metrics that will actually add value to your business and the final session is about how you can use everything that you have learnt to get yourself into the media,” Keith paused, as if waiting for a question.

Part 5: Creating Value and Growth

When none was forthcoming he continued, “The last step in this part of your journey will be on December the 18th, just before Christmas, and this is really the start of a new journey. Over the past 12 months you will have increased the value of your business, increased your cash flow and reduced the time spent on less productive areas and increased time spend on real business building activities. This cycle will repeat every year from now, and every year, as you increase your cash flow and available time, you can engage with the coaches to a deeper level and continue to increase the value of your business.”

“If there are no more questions, let’s get stuck into it” he finished.

5.1 Business is the Opportunity to Create Change

*“We only get one chance to create an exciting and inspiring life -
Take it!”*

Mark Stecher 2017

“The first thing is to answer your question about what is next. ‘After I achieve financial freedom, what then?’ You may find that as you get closer to your goals, you will start asking that question more and more. As you do, your mind will start to expand with new possibilities. This is quite normal and that is one of the exciting things about setting goals and acting. What starts off as a small goal can grow into an inspiring vision over time. It is almost like planting a seed and tending and nurturing the plant as it grows. The key is to keep resetting your goals and taking action,” Keith paused, elbows on the table bridging his fingers and peering at me over the top of his glasses.

“I believe that you should start thinking about the change you want to make and taking action on it as soon as possible. There is nothing more motivating than finding a cause that will improve the lives of others in some way. I started thinking about what I wanted to do many years go. It started as a goal and over time, it got bigger and bigger until it became an inspiring vision for my life. I wasn’t in a financial position to do a lot, so I just did small things. Eventually it became

The Build To Exit® Story

greater than the vision I had for my business and when things were tough in the business I always came back to visualise my future and the change I was going to make. It re-energised me and the stress I was having at the time seemed less significant. If there is one thing and only one thing that I could pass onto you it would be this: ‘Find out the change you want to make or how you want to contribute to making the world a better place and focus single-mindedly on that until it becomes an inspiring vision. In the early stages, it may move around or change a bit, that is fine, go with the flow. When you get it, you will know and when you know, you will get what I am talking about,’ Keith said.

“There are many things that I want to do,” I said. “How will I know which one is for me?”

“I was at a presentation with Clinton Swaine from Frontier Training the other day and he quoted something from Brian Tracy. He said to imagine a long corridor with lots of doors and behind each door is a vision for your future. The idea is to keep in motion, move from one door to the next, looking inside to see if this is the one for you. Every so often you will find something that appeals, so try it. If it feels right, spend more time with it, if not go on to the next one.’ It may take some time, even years, however keep moving. You will find it.” Keith said.

“That sounds easy enough, however I am still not quite understanding how I will know if it is the right one,” I responded. This was something close to my heart and I had spent quite a bit of time on it already.

5.1 Your Business is the Opportunity to Create Change

“There are two questions you can ask yourself and if you answer positively to both, then you know you are on the right track. The first question is:

‘If you had enough money to last the rest of your lifetime and beyond, would the vision you have chosen still be the same?’

In other words, if you no longer have to work for a living, would the contribution that you wanted to make to the world still be the same? The second question is:

‘If you had nothing, no money, house, job or any possessions would the vision you have chosen still be the same?’

In other words, you are struggling to survive and perhaps starting from scratch. You know that if your vision or what you want to contribute is still the same, then you have a powerful vision,” Keith said, pausing to allow me to comment.

“Wow, that is clear and I get it. Unless I can answer positively to those two questions then, I should keep ‘opening doors’,” I said.

“Well, almost. Remember that in many cases your inspiring vision will start of as a goal or simply a wrong that you want to make right. You will get a feeling if it right and over time, that will evolve into the vision that is right for you. It is hard to explain, and the best that I can say is to keep moving and you will know when it is right,” Keith said.

“Let me get back to your initial question about what happens when you do achieve financial freedom. With that freedom, you will have some choices and most people choose one of three:

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1. Retire and do the things you always dreamed of doing - travelling, fishing, restoring cars and so on
2. Keep building your wealth like Steve Jobs – and as you will learn, maybe not a good option
3. Use your energy and the resources of your business to create the change in the world that you would like to see.”

“I must confess that I like the idea of relaxing for a while and travelling the world, skiing and exploring faraway places. Continuing to build my wealth doesn’t sound like a bad option, and I do take your point, changing the world sounds wonderful, however I think I would go for the first option first and then perhaps think about the third,” I said as my mind drifted off to skiing in Squaw Valley with my friend Tom. It had been a few years since I had managed to get away and I felt a tinge of excitement coming from my stomach as I imagined flying down the slopes over-looking the magnificent lake Tahoe.

“Of course, we make choices all the time and the first two choices are real and valid. In my view however, the third option is the exciting one for business owners. There are so many business owners now realising that they can make a difference and collectively the change can be significant. Many people retire at the age of 65 and 70 or leave their businesses at that age, have a wonderful time for a few years and then start to think that there must be more to life than just having fun,” Keith said, breaking me out of my daydream.

“You are not making a very convincing argument at the moment; however I must confess that when I was younger I always thought that I was going to change the world in some way. Then life got busy, business was challenging and that vision has long since disappeared.

5.1 Your Business is the Opportunity to Create Change

In reality, how could I make a difference? I am just one person in a huge world of problems that seem to be getting worse and worse every day. Drugs, terrorism, global warming, domestic violence, wars and the list just seems to go on and on,” I said.

“You are partially correct and of course if everyone thought that way, things *would* get worse and worse. If you spend a lot of time watching the news and reading the newspapers it is easy to become overwhelmed with the barrage of bad news. Bad news sells, good news doesn’t. If you stop paying attention to the bad news and start associating with the current generation of entrepreneurs, you will be pleasantly surprised. A very high proportion of them are either doing something to create change or have plans to do something. I believe that, like you, most people want to do something and if you have that desire, it is just a matter of deciding what it is that you want to do and then taking action. Almost every great achievement started with a normal person, just like you and me, who had a dream of a better world and started by doing something – even something small. If you don’t know what it is, just do something, anything to make someone else’s life brighter in some way. The reward is sometimes as small as a grateful smile, however the positive feeling you get from that, will inspire you to do it again. Eventually, it will become a habit and over time you will find what it is that really excites and inspires you. When that happens, it is like a light switching on inside your brain and it will seem obvious,” Keith, paused and beckoned the waiter over to order a serve of scones and more coffees.

“Actually, I know what you are talking about because I used to donate to some charities and whilst I felt that I was doing something good, I really felt a bit removed from the connection with the people I was helping. I remember I was in Beijing one time and an old lady

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came to me to sell me a small toy. She would have been in her late 70's I guessed, she had one tooth in her head, was stooped over and had difficulty walking. I found it so sad that someone of that age had to go around trying to sell these trinkets to strangers, just to survive. I didn't have any use for the toy, however I gave her some money, which was very small for me, however quite a lot for her. Her eyes lit up and she gave me a huge smile, showing her one tooth. That small experience was one of the highlights of my trip. In fact, it had more meaning to me than walking on the great wall of China," I paused and felt my eyes misting a bit as I recalled the incident.



I reflected on Keith's conversation for a while and realised that it made good sense. I had heard of many stories of people who had achieved incredible things in their lives and had generally started off doing something small on their own.

"I understand that, and I also understand that adding value to someone else's life is a wonderful feeling but, in terms of creating a significant change. I also understand your examples before and I like the story about the corridors and I want to make change, however I am still struggling with what I need to do to get started. How would I know what it is that I should be or could be doing and how do I even get started?" I asked. I had pondered this question many times and not really come up with any real and inspiring answers.

5.1 Your Business is the Opportunity to Create Change

“It is likely to be a combination of your experience, talents, education and passions. Look around you, what are the things that you feel are unjust and not right in the world see if something strikes a chord and take some small steps. Don’t worry about the size of the problem – just make a start. The wonderful feeling you get from that will motivate you to continue. I have a friend called Peter who was in Indonesia helping build schools for children in 2002. When the 2004 Tsunami hit, it demolished the schools and all the houses in the area in which he had been working. He went back to visit and was horrified by the extent of the devastation, it was overwhelming. He was standing on top of a huge pile of rubble thinking that it was all too much. What can I do, what can one person do with such devastation? He was overcome by a feeling of hopelessness when a small child came running up to him, excitedly calling him. She recognised him as the man who helped build the schools and grabbed him by the hand and dragged him over to meet her parents. It was at that moment that he realised he could not change everything in the world, however if he could change one thing that would be a very positive contribution. He is now in Vietnam helping build schools in remote areas. He found what it is that he wants to do with his life and he is not only inspired, he is inspiring. He is focussed on the one thing that he wants to do and he will achieve great things. He now has an organisation called ‘Change The One’. The main thing is to do something, anything and over time whatever is perfect for you will appear,” Keith replied as he tea-spooned the fresh raspberry jam onto his scone.

“I really understand that feeling of hopelessness and I like that story because if we are all overwhelmed by the enormity of the problem then nothing will happen. I really can’t see myself doing anything on this one for a couple of years though. I am just so busy. I learnt in session 2.1 that I need to have life balance and I decided that I

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was happy with the contribution part of my life and that would have to wait for a while,” I responded as I was thinking about all the competing priorities in my life.

“I get that,” Keith replied with a knowing nod. “It is still worth taking some baby steps. We did cover this in earlier chapters, however if you have a very powerful and inspiring vision, one of the unexpected benefits is that will help you through stressful times in your business. I remember that when I finally discovered a really inspiring and meaningful life purpose I realised that all those normally stressful situations were just bumps in the road. After that there wasn’t much that got me ruffled. In fact I believe that having a great vision is the cure to things like stress, depression and anxiety, some of the greatest causes of illness and early death, particularly in business owners.”

“Really? Can you explain how that works?” I asked.

“Sure. I believe that we are born to serve and we are all born with potential greatness. When you discover what it is and start on the journey of implementing that change, two things are likely to happen. The first one is that you become inspired by your journey and you cannot be inspired and depressed at the same time. The more inspired you are, the less time you will spend being stress and anxious. The second thing is that you are starting to focus on the world outside yourself. If you are depressed or anxious, you have an inward focus. When you focus on others, you will quickly realise that your own situation is actually quite good compared to most. I firmly believe that if we all had an exciting and inspiring vision, we would solve most of the stress induced illnesses that are sending many people to an early grave,” Keith said, looking quite serious.

5.1 Your Business is the Opportunity to Create Change

“Wow, so this is in fact a really important aspect of health, I need to take it more seriously,” I said, “Can you give me an idea of how I should go about it?”

“Sure, simple – it is only two steps:

Step 1: Set Goals – you have already done quite a bit of goal setting through the Build To Exit® process. Start setting some goals in the area of contribution. Think about who you would like to contribute to. This is not necessarily about giving money, it could be time or expertise. Just give to someone else and experience the feeling you get from making someone else’s day. It is one of the most wonderful feelings in the world.

Step 2 : Take continuous action - Once you have started contributing, resolve to think about what you want to do and take consistent small actions. Eventually it will become habit – part of your personality and more importantly part of your identity. You will find that over time, there is one thing that will stand out. Whatever that is, it will inspire you when you start to put all your focus onto whatever it is. At first, it will seem like you are beating through the undergrowth following a goat track. As you spend more time on this, the path will open up and you will have absolute clarity about what you are doing, why you are doing it and where you are going.”

“OK, two steps, you make it sound easy. I know how to set goals; however, I wouldn’t even know where to start on this one,” I said.

“Again, an understandable reaction. Do you remember the first session when Brian asked you to dream about how you wanted your

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life to look and then you started setting some dates and action steps?” Keith asked.

“Yes, in fact I use those techniques quite a lot,” I responded.

“Well, this is the same thing, start dreaming of a better world, what would you change, dream of how it could be, *not* how it is. People who achieve great things start by dreaming and then taking action. When those dreams become reality they can be enjoyed by the whole world. One of my favourite stories of someone who took dreaming to its limits - he was a man who had a passion to create places and things that would entertain and touch the imagination of people. He was very ill in hospital, in fact so ill that he was only able to lie down and so he had the hospital staff tape the plans of his latest project to the ceiling above his bed so that he could study them. A reporter came to visit him in hospital one day and he still couldn’t sit up so he moved across to one side of the bed and asked the reporter to lie down beside him. He began to excitedly explain his latest project to the reporter, pointing out all the features and the things that he was building. He died later that afternoon. He was so passionate about his vision for the future that he was fully engaged right up until the minute he died,” Keith paused momentarily.

“What a story, that’s amazing, who was he?” I asked.

“You know him, his name was Walt Disney,” Keith said with a smile, watching the reaction on my face. “I find it quite amazing that we live in a society where people want to ‘retire’ when they are 65. So many people are living their lives for the next destination, life will be good when I....

5.1 Your Business is the Opportunity to Create Change

- Finish school,
- Turn 21,
- Get my first job,
- Get my first house,
- Get married,
- Have Children
- Retire
- Go fishing

What's left? ... death?

When people are in their sixties, retirement is the last thing they should be thinking of. This is where they should be starting on their next journey, a journey of inspiring change. At that age, you have all of those years of experience and knowledge – it is one of the world's greatest opportunities and yet most people completely miss it.”

“I get it and I must say that it sounds exciting. When I think about all the people who have achieved incredible things, I had never thought of them as normal people who started taking small steps. It makes good sense,” I said. I was really excited by the thought that a ‘normal’ person like me could do great things one day.

“People say things like we are all destined for greatness or they admire people who have achieved great things. The fact is that we all have the opportunity. There is no mystery, there is not necessarily any significant brilliance, it starts with a dream or desire and then very simply consistent frequent action. Most people don't achieve greatness because they either take no action or give up before they achieve anything,” Keith said.

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“That’s all for today and remember to do your homework. Make sure that you do some dreaming, set some goals and resolve to take small action steps,” he continued.

“Absolutely, I am looking forward to it. I have also been looking forward to meeting Russell in the next session on book writing and publishing. I am really having difficulty getting my head around becoming an author I must say,” I said.

“That’s quite normal, I am sure that you are thinking what most aspiring authors think as they go through the journey;

- Will anyone want to read my book?
- Will it be good enough?
- How will I find time?
- How can I write enough to fill a book?

and no doubt many more,” Keith chuckled with a knowing nod.

“Exactly, I know that I have a reasonable amount of content already, however, I still have a lot of doubts,” I replied.

“Don’t worry, Russell will help you with those - he has a lot of experience in the area,” Keith said with a smile.

“Great, and as usual, thank you so much for your time today, I really appreciate it and everything you have done for me so far. Can I get you a glass of red before we go?” I asked.

5.1 Your Business is the Opportunity to Create Change

“Absolutely, it is a beautiful afternoon and where better to be than sipping a glass of wine in the best Botanical Gardens in the world,” Keith said as he snapped his notebook shut and stretched back in his chair, watching the black swans gliding around the lake just in front of us.

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3 Key Lessons

1. Why?

We all have the opportunity to do great things and the feeling or internal reward you get for making someone's life better is the best feeling in the world. The other great reason is that having an inspiring and exciting vision will reduce things like stress, depression and anxiety which are causing all sorts of health issues in our society.

2. Get Moving

Start doing small things for others. Keep doing different things and eventually you will zero in on what is the perfect fit for you. It is likely to be at the intersection of your experience, strengths, talents and passions.

3. Set Goals and take action

Once you find what inspires and excites you, dream of how the world could be if you made a change. Start small and take small steps. Even if you have very little time or money, you can make a start. Make it a habit and very soon it will take on a life of its own.

5.2 Write and publish your book

Russell was in Melbourne doing a three-day workshop on book writing and publishing and had agreed to meet me the night before his first day. We decided to meet in his hotel, overlooking Albert Park and I arrived a few minutes before the appointed time and picked a comfortable chair in a quiet corner of the lounge area. I had hardly sat down when Russell walked over to where I was sitting as though he already knew me (perhaps it was because I was the only person in the area who was dressed in business attire apart from the waiters). Russell was also very easy to recognise and looked exactly as he did in the publicity photos that I had seen. He was middle-aged, with a very impressive grey handlebar moustache that tapered into fine points on either end and were meticulously curled up to complete the handlebar effect. He had a huge welcoming smile that seemed to light up the room.

After ordering some drinks and settling in to our seats, Russell asked me about my journey so far and seemed quite impressed with the progress I had made since I first started in January. He then proceeded to give me a background on his life and how he started from very poor beginnings and eventually became one of the fastest growing business book publishers in the world. It was easy to see that he loved his work which was helping business owners like me write books.

After the introductions Russell said, “Let’s get started, I am sure that you have some questions we can start with,” he said as he stroked his moustache.

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“Well yes, and my first one is that when I think about writing a book it seems like a such huge task and I really don’t think that I have the skills, experience or qualifications to do it. Another thing is that I really don’t know what to write about, even though I know that it will be about my business in some way,” I replied.

“Don’t worry, most people who think about writing a book have the same questions. Let me respond to your second point first by asking you a question,” Russell said and without pausing for an answer he asked

“Have you ever managed a project, either in your business or personally, and if so, how did you do it?” he asked.

“Well I have done both,” I replied “What I normally do is start by clearly defining the goals or objectives first, then I map out all the phases in the project and who needs to be doing them. Next, I get the team in (if there is anyone other than me) and get their input in terms of times, dates and actions. Finally, I compile all the information into an action plan and we get started.”

“Exactly,” Russell said. “Writing your book is going to be similar. The good news is that in the Build to Exit journey you have been on so far, you have already completed quite a few steps. Firstly, you know what it is that you want to master and that will be the one of the key points of the book. Secondly you are very clear about your target market, who they are and where they are and you also know their headaches or needs. Thirdly you have already started creating some training materials for what you are doing.”

5.2 Write and Publish Your Book

“Great – it sounds like I don’t have to start from scratch,” I said, feeling a little relieved.

“Yes, and there is more good news on that one,” Russell said, pausing again and seeming to enjoy the suspense he was creating.

“Go on, I like good news,” I said with a smile.

“The objective of your book is quite simple – it is to position you as a leader in your field and that is all. It is not a novel, nor is it a high level educational book. It is simply to help you stand out from your competitors. The fact is that most of your competitors will not have their own book and even if they are better than you, you will be seen as the expert. Writing and publishing a book will position you as the **authority**. The content needs to be good of course, however it will mostly be what you are the expert at anyway so that shouldn’t be difficult,” Russell said.

“Interesting, I had never thought of it like that,” I said, feeling slightly relieved that this mammoth task was not quite as bad as I had first thought.

“Excellent, so let’s tackle the question of not feeling good enough to write a book,” Russell said. “Again, that is very common, almost anyone who starts writing a book, will have the same feeling unless they have been trained in that area. I even had it when I first started. In most cases, people writing this type of business book will have quite a lot of the content already, as we mentioned above. The main thing to do is to follow the process and write. There is an old saying in the book writing world that says, ‘You can edit a poorly written page, however you cannot edit a blank page’. The process will make things

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a lot easier and once you are done, you can get an editor to tidy it up and make it more readable.”

“You keep mentioning this *process*, can you tell more about that?” I asked, a little curious to know how this ‘process’ was going to help me write the book.

“Ok, here is a list that explains it,” said Russell, pulling out a laminated page from his expensive looking black leather A4 folder.



“The first step is *planning* your book, which is pretty much the best first step to any project you undertake,” he continued. “Ten minutes spent in planning will save you ten hours in execution. In this case you have pretty much done three of the planning steps already:

“The first one was ‘**What is the book for?**’ What are you wanting to achieve and of course it is simply to position you as the authority as we discussed before. The second step is to answer the question; ‘**Who is it for?**’ and again, you have already answered that in the first phase of this journey. The third step was to answer the question ‘**Why are they interested?** Or what’s in it for them?’ and you have also answered this question in the first phase of your journey.

“The final step in planning is to **create a structure** for your book. I tend to use mind-maps for this. There is some great software

5.2 Write and Publish Your Book

available and whilst I have used that, I still really like to use a pencil and either an A4 or A3 drawing pad. If you want to use mind-maps, you will need to determine which is the best option for you. Start by writing out at least ten chapter titles and then come up with six to ten subtopics related to the content of the chapter.

“The second step is *writing* and if you are not comfortable with writing, you can record your voice. The recording can then be easily transcribed into a document. During the planning phase above you should have come up with between 60 and 100 topics to talk or write about and one method to do this is to ask some questions, the three main ones being, What? Why? and How?

- What is it about?
- Why is it of relevance or interest?
- How do you do it?

“When you are asking or answering these questions, assume that that you know nothing about it, because it is quite likely the reader will not. People will read books if they understand them, however as soon as you start using acronyms or jargon, or big words (like acronym and jargon) they will switch off. You can also get potential readers in your target market to ask questions because they will be real.”

“Once you have the questions mapped out, one thing that I found really helped me was to get someone to interview me by asking the questions to which I responded. The interview was recorded and then transcribed,” Russell paused for a moment, and sipping his drink as he leant back in his chair.

“That’s a great idea Russell, I am good at writing, however I can really see this technique saving a heap of time,” I said. “I notice that

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the next step is the book title which seems a bit strange, considering that by this time we have mostly written the book.”

“Yes, the next step is the book *title*, and I admit, that it would seem strange to have it at this point. If you have a great title already, then of course you should use it. What we tend to find is that most people have a real challenge with the title and as you are writing the book, the thrust can change and even the main message can change. What I find is that by the time you have written most of the content of the book and you are clear about the message, the right title will come much easier. The fourth step is getting the cover designed and it is best to outsource this. You can use companies like Fiverr, Freelancer, DyCom or Upwork to do cover and book design for you. This is easy and very cost effective.”

“The final step before publishing is getting the book edited. This is essential and can take a few forms. If the book has been very well done, the editor can do a ‘light edit’ which is mainly focussed on spelling, grammar and other simple mistakes. The next level is to make sure that the book reads well and the structure allows a good flow. Beyond that, the editing can involve rewriting large chunks and making the book more readable. This is a bit more expensive and it may not even be that important to your objective,” Russell said, again leaning back in his chair.

Russell spent the next 60 minutes talking about getting endorsements, creating a synopsis for the book, then a press release, copyright and getting an ISBN. When it was all mapped out like that, it did seem relatively straight forward and a lot of the work could be outsourced too, which was a bonus.

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“What about printing?” I asked. I knew that printing was expensive and could take quite a lot of time.

“In the old days, printing was very expensive and you needed to do huge print runs to make it worthwhile. Imagine having 2,000 books printed when you found a mistake,” he said.

“Not something I would like to think too much about I must confess,” I replied.

“Nor me,” he said with look that suggested that he had already had that experience. “Anyway, these days we have digital printing with ‘Print On Demand’ capabilities so you can quite cost effectively print out small runs. There is a small setup fee and if you get more orders you simply get as many as you need printed. If there are mistakes that need to be corrected, the loss is minimal.”

“That’s great, no wonder so many people are writing and publishing books these days,” I said.

“Exactly,” Russell responded with a nod. “The final step in the process, once you have the book in your hand, is to market it and I believe that is going to be covered in last session, so I won’t go into it today. Before we finish for today do you have any questions haven’t been answered?”

“If I write a book on how I do things, won’t I be giving away my secrets?” I asked.

“Don’t flatter yourself,” Russell responded with a smile. “Pretty much anything you do can be found on the internet in a few seconds.

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Imagine that you are competing for a job with someone who does what you do, they are a bigger organisation, have a better quality product and are cheaper, but they haven't written a book. Who do you think the client will favour?"

"OK I get it," I said. "Perhaps my main challenge now is going to be finding the time to write this book. Through this process, I have managed to free up a lot of time, however writing a book is a huge undertaking."

As we got up to go Russell handed me a workbook and told me that it contained a series of templates that would help me get things done.

I was excited about attending his workshop the next day and I was also already thinking about the next step in my journey. This was where I would learn how I could 'replace myself' and start working less hours on the business.

3 Key Lessons

1. Plan

Writing a book is like any other project and the first step is planning. Who is the target market, what are their requirements and how do you solve them? Create between eight and ten chapter headings and three to six key points for each chapter. Mind mapping is a great tool to use for this process.

2. Write

From the planning phase you should have between 24 and 60 key points, choose a 'central question' for each chapter and write answer the questions '**What** is it about, **Why** is it important and **How** do you do it? Add an introduction and conclusion to sum up by reinforcing the central question and that will take care of a good deal of the content in the book. Once the draft content has been completed, finalise the chapter headings, book title, get the cover and layout designed and send it to an editor.

3. Publish

The objective of a book written by a business owner is to establish you as an authority in your industry. The good news about that is that you can self-publish which is quite easy. Now that the book has been written, designed and edited all you need to do is get an ISBN (International Standard Book Number) which is easy and get it printed. There are printers that will do short runs and 100 copies of a 150 page book will cost around \$7.00 each. Writing and publishing a book with current technologies is much easier and cheaper than it was a few years ago.

[illegible]

5.3 Replace Yourself – the 5 Hour Workweek

To have a business that works without you, you need to create the environment, establish the team and get out of the way.

I was really looking forward to this session because in the 4th phase of my journey I had learnt about what I needed to do to create the environment for replacing myself. I had learnt about the leadership culture, the management structure I needed, how to create an engaging team culture, how to provide benefits to staff and how to recreate my brand to be less about me and more about the organisation. This session was the final step in the process and would teach me how I could step away from the day to day running of the business. Despite all the great work I had done in phase four, I was struggling with this step and hoping to have some light thrown on the challenge in this session.

My coach for this session was Michael, who had been coach for the session on systemisation. I was looking forward to meeting him again because he was a very engaging speaker and I enjoyed learning from him. I met him in the same hotel as last time, only now he appeared more relaxed, perhaps because he had just finished the training he was doing and was having a bit of downtime before flying home. He asked me to give him an update on my progress since the

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last meeting and seemed to be quite impressed with what I had achieved.

“Well done, it looks like you have come ahead in leaps and bounds. Most people get really inspired by coming along to training courses and by the time they are back at work for a few days the inspiration has worn off and been replaced by dealing with the day to day activities of working in the business again. I have been coaching for years and it is one of the most frustrating things, particularly since I am giving people tools to be able to step back from their businesses,” Michael said, a slight look of frustration appearing on his normally jovial face.

“Yes, and that was me before I started on this journey. I went to heaps of courses, listened to audios and watched videos and almost all of them had something very valuable to take away, however when I took time off, the work didn’t stop piling up. It was there when I got back and there was even more pressure than normal,” I said, thinking about the huge amount of money and time I had spent on training courses over the years.

“Interesting, so what changed?” Michael asked, an eyebrow raised quizzically.

“I did,” I said. “In the first session Brian got me to create a Digital Vision Board that would inspire me and keep me motivated. I did that, and every time I found myself procrastinating I would spend some time visualising my goals with the help of the board. In addition to that, every coach I have had, has reinforced the message and I actually found that I didn’t need to do too much – just a small amount every day and it is now a habit.”

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“That’s excellent, I wouldn’t mind using your journey as an example for my other students, they could do with a bit of motivation,” Michael chuckled.

“Let’s make a start. You mentioned that you have completed all the exercises in phase four and started to implement the principles, however you are still having some challenges. Tell me a bit more about that,” Michael said.

“Perhaps my biggest problem is that there still seem to be a huge number of things that rely on me. I have outsourced and delegated everything that I think I can, however, I still need to do technical things, there is a heap of administration that only I can do and I still seem to have to put out fires with clients. As a manager, I have learnt a lot and I think there many things that I am well, however I have a way to go it seems. I now have an awareness of what I need to do and whilst I am making a real effort, when the pressure is on I seem to go back to my old habits. A simple example of this is that I know a good manager will spend time with their staff, supporting them and looking for ways to compliment them on a good job. I make a real effort to do this and I know that I should be doing it, however it feels a bit uncomfortable and unnatural to me,” I said, pausing for a moment, feeling a bit better about just articulating some of my challenges.

As I drew breath, Michael quickly took the opportunity to jump and said “OK, let’s see if we can deal with some of these issues one at a time. Firstly, let’s look at what you are doing with the technical things that you are getting involved in. You told me that you have developed good systems and even good training materials for your staff. Why are you still getting involved?”

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“You are right, I have some good systems and I also have some great staff, however I am still finding that they don’t seem to do it as well as I do. They are also always coming to me for advice because even though we have these systems, there are still new things that are cropping up all the time,” I replied, already starting to realise the flaws in the point I was making.

“That is one of the greatest challenges for many entrepreneurs and that is exactly why many of them stay in small businesses, with no potential for growth or building value. In some cases, it is because they like to feel important and indispensable (perhaps unconsciously) and in other cases it might be because they really believe that no-one can do the job quite as well as they can. You need to make some decisions here, and my first question is ‘do you really want a business that operates without you?’” Michael asked.

“Of course, and I know that I need to get over this feeling,” I responded with a sigh.

“You are a typical entrepreneur and most entrepreneurs who have survived and built good businesses have to become excellent at solving problems and dealing with challenges. You would have needed to learn to think on your feet and come up with quick decisions. You have become so good at this, that when someone comes to you with a problem or challenge, you can almost instantly see the solution and can provide the right guidance within seconds. That seems efficient and of course it strokes your ego. A great business saying that has been around for many years and promoted by business leaders like Tom Peters is that ‘Great leaders create more great leaders’.

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“Good leaders don’t create followers, they create more leaders and the measure of a great leader is how many leaders she or he creates.”

Tom Peters and others

“If you want to become a great leader, you must have trust. People come to work and want to contribute. They want to feel important and the more they are involved the more they will contribute. If you continue to solve everyone’s problems, they will not grow and you will never get out of your business. When one of your staff comes to you with a problem and the solution is standing out like a sore thumb, resist the urge to provide it. Ask them instead, what they think the solution is. If they don’t know, ask them to go away and work on it and come back with an answer. When they come back with the solution, put your ego in the drawer and consider that their solution might actually be better than yours. If not, perhaps talk about what could be good about the solution, ask some questions that might steer them towards a more acceptable solution. At the end of it, step back and let them take the ownership and credit for the solution.”

“In my experience, both personally and with people I deal with, this is a huge challenge. So much so, that I am going to give you an exercise. I want you to take a notebook with you and every time you have a conversation with any of your staff over the next two weeks, write down how many times your staff solved a problem and how many times you solved the problem. You should aim to have your staff either solve all their own problems or at least come to you with their recommendations. Your only job should be to ask questions, that might guide them. If they feel like they have come up with the

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solution themselves, then you have done your job. The added benefit is that they will be much more likely to take ownership of delivering the result,” Michael paused and signalled the waiter to come over. We both ordered green tea and some water for the table.

We sat in silence for a while as I was digesting this. It really made sense to me, I had an engineering background and was very good at solving problems. That skill had really helped me as I was growing my business and running it for over 20 years had really honed it to a very high degree.

“What you are saying makes good sense, and whilst I don’t like to admit it, there is a certain amount of ego involved. It is nice to have people think that I am smart because I can solve problems. In fact, everyone at work sees me as a problem solver. Interestingly, I have done a lot of training in this area and whilst I know that I should be standing back, somehow, like a moth is drawn to a flame, I end up stepping in. What you said about leaders creating leaders, really struck a chord with me and I will now resolve to change my thinking and approach,” I said, knowing that it would be challenging, however the rewards would be worth the effort.

“That’s great!” Michael said enthusiastically. “If you can achieve that, most of your other challenges will disappear. I have some suggestions that might help:

Firstly, let mistakes happen. To have the success you have already had, I am sure you made plenty of mistakes. Mistakes are lessons that result in growth. This a necessary condition for the business autonomy you are seeking and a good team will be proactive and out there doing

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things. This will inevitably lead to mistakes or learning experiences as I prefer to call them.

Secondly, anytime your staff come to you with a problem or challenge, get them to come to you with the solution as well. After a while you will be conditioned to wait for that and they will be conditioned to come up with their own solutions.

Thirdly, take a break – just go away for a while and let things operate on their own. As humans, we subconsciously move in the direction of least effort. When required or when there is no other option, our ability to step in and do what it takes is remarkable. Give your team this opportunity by simply not being there.”

“OK, I can do that because I can really see the benefit,” I said, thinking that it was going to take some very consistent and conscious restraint on my part.

“That takes care of the technical and administration of the business however there is still the management. I have considered getting a General Manager to replace me, however, I just cannot afford it at the moment. The place does need management and even if I develop this culture you are talking about, I simply can’t just walk away and leave things running on their own,” I said, presenting Michael with my next major challenge.

“Agreed and so what is your solution?” said Michael with a big smile as he leaned back in his chair, steeping his fingers, looking at me expectantly.

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“Hmm, I see that you are applying the leadership principle now,” I replied.

“Yes – and you are up for it” he said with a grin, clearly enjoying the moment.

“Well, because of the work that I have done in the past three months, my team are almost self-managing and if I can get to a point where they are solving all their own problems, it will reduce the management overhead by quite a lot, however there will still be a requirement. I have some more senior staff who could take on some of the role, however they are already very busy and I don’t want to put any more pressure on them. They work long hours and as we learned in the session on life balance, it is important they spend quality time out of the office,” I replied, still not seeing a good solution.

“That’s a good start. Tell me what you mean by ‘there will still be a requirement’,” Michael said.

“Well, before I felt that I needed someone full-time to be managing the business, however I can see that once everything we have talked about is in place, full-time may not be a requirement,” I responded and even as the words came out of my mouth I could see the solution staring me in the face.

“I have the answer!” I exclaimed. “I only need to engage someone part-time, perhaps even only two hours a day. That will dramatically reduce the financial burden and at the same time relieve me of those duties. I also know that there are good experienced managers who are older and have either stopped work or lost their jobs due to downsizing and are looking for something like this.”

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“Excellent, that is a great solution,” Michael said, looking genuinely pleased with himself, almost like he came up with the solution himself.

“One of the other things you mentioned is that you recognise that you still have some weaknesses when it comes to managing your team, so perhaps we can address that quickly,” he continued.

“That would be great,” I said. “However, I can see that if staff become more self-managing and I also have a part time general manager, most of that problem will go away.”

“Exactly, however, for a time you will still need to be involved. The good news is that you now recognise some of your shortcomings and when you are looking for a general manager, you need to make sure that he or she will bring complementary strengths. Apart from that, you already have the solution,” Michael said with an encouraging nod.

“I have a workbook that has some exercises that will assist you in dealing with some of these issues. In the meantime, do you have any more pressing concerns or questions about this?” Michael asked.

“No, I know what I need to do and the great news is that, the first part is not going to cost anything. I have everything I need and I just need to make some changes personally. I am actually quite excited about getting into this now because I can see that it will bring some great results very quickly,” I replied.

“Awesome!” Michael said. “I am looking forward to hearing how you go with this.

3 Key Lessons

1. Replace yourself technically

One of the biggest barriers to business owners getting someone else to take over their area of expertise is accepting that someone else may not do it as well. Good systems are part of the solution, however the greater challenge is letting go and let mistakes happen. This will result in growth and is the basis of developing a proactive and self-managing team.

2. Build the capabilities of your team.

Get staff to come to you with solutions and resist the urge solve the problems yourself. Invest in personal and professional development for your staff – it will be repaid many times over.

3. Engage a part-time General Manager

Once you have technical staff generating revenues, it is time to start stepping back from the day to day management of the business. The most cost-effective way of doing this is to employ a part time general manager. When the time is right, you can either engage that person full time or employ a full time general manager. You will know you have succeeded when you can take 6 to 12 months off and just be a consultant a few hours a week in your business.

5.4 Build Business Value and Financial Stability

Paul was the coach lined up to talk to me about building value and financial stability in my business and he was very busy with his own business during the week and the only time that Keith had managed to get an appointment for me was on the 1st of December which was a Sunday afternoon. Wonderful, I thought at the time. I was used to working on Sundays, however going in for a training session was a bit much. The good news was that even though it was the first day of summer it was miserable and raining and staying inside was a good option. I arrived at his home office in St Kilda Road which was a very modern looking unit overlooking a park. Paul greeted me at the door and let me know that he was going out for dinner later and asked if it was OK if we get started straight away.

“That’s fine, of course,” I said. It suited me too because it meant that I would have time to go the gym and get a much-needed workout.

“I want you to imagine a business that has enough recurring revenue coming in every month to pay all expenses and leave you with a 20% monthly net profit. It also has a growing pool of assets that are increasing in capital value and are cash flow positive. In addition to that it is investing in innovating new products and solutions. Now that you have that picture, what do you think?” Paul asked.

“That sounds incredible, I wish I had a business like that. It sounds like a business that would be easily able to weather the normal ups and

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downs that we all seem to get. How can I do that?” I asked, wondering if there really were small businesses like that.

“You have already started actually. Everything that you have learnt in this pillar of your journey over the past 11 months contributes and today, we will talk about some final steps that will move you in that direction. Before I do that, why don’t you tell me what you have learnt in the first four financial sessions that you have completed?” Paul asked.

“I think that I remember everything,” I said, hoping quietly that I could. It had been a long year and whilst everything I had learnt and achieved was in a logical sequence it was still a lot to remember.

“Firstly, I learnt about the importance of having a strong ‘*Point Of Difference*’ and how I could increase revenues because by having that clear definition I would be able to increase revenues from existing clients and also attract new clients. In addition to that I was able to increase my margins which was something I found quite amazing,” I said, remembering, how I was really surprised when I put my prices up and no one complained.

“The second thing I learnt was to ‘*Productise and Package*’ the solutions we were delivering. This increased efficiencies and therefore the profit we were making and I was also able to use lower level staff to deliver a lot of the work which further increased our margins. I found that when we introduced a new product or solution to the market we didn’t make much money at first, however as we productised our margins increased and we were still very competitive,” I said, recollecting that we had started at about a 5% margin and managed to increase it to nearly 30% over a six-month period.

5.5 Get Publicity and Build Your Credibility

“The third thing, was our focus on ‘*Critical Numbers*’. Before that session we were always looking at a heap of different financials and it was all very confusing. By having the entire team focused on just a few numbers, both financial and operational, we were able to really get some results. In addition to that, our team was trained to understand what the numbers really meant and how they contributed to them. It was almost like we took the blindfolds off and everyone could see the goals they were aiming at. The results and engagement were amazing,” I recounted.

“The last session we did, which was only last month was about giving staff a piece of the action or a ‘*Stake in the Outcome*’. I have spent some time looking at the options and I am very keen to progress this, however, it is, as Jack my coach said, a ‘potential minefield’. The easiest thing is profit share, which I have started already,” I said.

“Well done!” Paul responded “You have really taken the lessons in this journey seriously and applied them to your business. Not too many people do that, most get excited in the training sessions and get back to work and after two or three days, the excitement fades.”

“Let’s get on with today’s session. I am going to talk about three things that will help with your financial stability and increasing business value. The first one is *recurring revenue*, the second is *innovation* and the third is *investments*.”

“Recurring revenue is essential in your business. There are all sorts of challenges that you will encounter from GFC’s to losing major clients to changes in the market to losing staff. In fact, there seems to be a never endless stream of new financial crises that we are faced with as small business owners. Most small businesses spend most of their

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time sitting on the knife edge between success and failure and any small disturbance to the status quo sees them fall off the edge.

Building up sources of recurring revenue will help protect you and having good solid long-term revenue streams will also make your business more attractive to potential investors should you want to go down that path. The question is what? Do you have some thoughts? Do you have any sorts of recurring revenue in your business at the moment?” Paul asked.

“We have a few *support agreements*; however, they don’t come close to covering costs. We find that we are winning new ones but old ones are dropping off for various reasons and so we are kind of staying still,” I responded, wishing that we had a lot more of these contracts because it was good money for not a lot of work.

“Why do you lose existing contracts?” Paul asked.

“Well, partly because we were not paying attention to our clients and partly because some of the equipment was no longer used,” I said, realising as I said it that I was walking away from money on the table.

“Well I probably don’t need to tell you that even though you are making good money, you still need to allocate some time to look after the customer and the contracts. It is much easier to work with an existing customer than find new ones,” Paul said admonishingly.

“You’re telling me,” I said, feeling like a schoolboy who was being told off.

“Anyway, there are various forms of recurring revenue that you could be looking at. Another one is *subscriptions* to products related

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to what you are doing. Look for suppliers in your field because many companies are now going down the path of providing digitally downloadable products on monthly subscriptions. It is likely that you will start off with very small revenue streams, however as you grow your database this will increase,” Paul said.

“OK, that is something we can do, we do get some very small revenues from software subscriptions, however we are not really promoting it at the moment. We can add these into our website and promote it to our database. I had never really thought a lot about it because the margins are so small,” I said.

“That’s true, however once you have set it up on your website and make it part of your ‘Automated Sales Funnel’ you don’t need to do anything very much,” Paul said with a smile.

“Another area is reselling for your partners. I believe that you have been building your partner database – what are they doing that you could resell? What other companies can you partner with simply to resell their subscriptions? Make sure that these companies are complementary to your business and your message. If for example, you are selling technology products you don’t want to suddenly start promoting monthly massages and of course vice versa. You have an area of mastery and you must make sure that your message is consistent. In addition to this, you have developed some training courses that you are selling. Think about how you can package these to generate recurring income. Think small price and big numbers. We are now in a global economy with easy access to global markets. The more product and knowledge you can make digitally downloadable the more you can generate from these markets. Remember also that once

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you have a client, you can also cross sell your other products and solutions,” Paul said.

“Well that has certainly opened up a few possibilities that I hadn’t thought of. I imagine that if I have some brainstorming sessions with my team, I am sure that we will come up with more,” I replied, my mind already thinking of other possibilities.

“Yes, and sometimes it wouldn’t be a bad idea to get someone in from outside also,” Paul said.

“Let’s talk briefly about *innovation*. Innovation is important because unless you spend some time and money on working out where the market is going and being at the head of the wave, you will be left behind. The world is moving fast and changes are being driven by technology that is making business faster, cheaper and better. It is essential that you are a part of that change in order to ensure the financial stability and continued growth of your business. I am not going to tell you how you should innovate, that is your expertise, however when you think of innovation, you should be thinking of new products of course. That could be products or solutions that you develop yourself or it could be new products or solutions that you get from your suppliers and you package them in your unique way. Another form of innovation for your business is to be looking for new markets, how can you develop what you are currently doing for different markets? Go to trade shows read industry magazines, talk to your suppliers – what is coming up? What is new? My suggestion is that you dedicate a percentage of your time to this area. As the owner of the business, part of your role is to be looking to the future. Your vision for the company may not change, however the path to get there certainly will. What you are doing this year, may not be relevant next

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year. You need to be prepared for change. You must also, consider having multiple sources of revenue – if one dries up or changes unexpectedly, which happens, you may still be able to survive,” Paul paused, waiting for questions.

“Well, we do actually spend a bit of time in this area, however it is a bit haphazard and unorganised. I can see the importance of it and as soon as I get back to the office, I will organise monthly meetings with my team,” I said.

“If you have got your phone, why don’t you make the meeting now?” Paul asked, smiling. He was a man of action – don’t procrastinate – do it now was one of his motto’s.

“OK!” I said, and pulled out my phone and made the meeting request for 10 am the following morning.

“The final thing I would like to talk about today is *investments*. This is another area that is extremely important when it comes to valuing your business. When a prospective buyer looks at your business they will look at your database, your recurring income, your profits, growth strategies, your team, your profile and of course the equity in the business. It is like any sort of investment, you start by putting a small amount aside on a regular basis and then use that to invest. As an example, some years ago, I was renting my office and had saved a small deposit. I found that by buying the office, I was paying less in repayments than I was in rental. Over the subsequent five years, I managed to pay the office off completely. Since that time, I have moved into new offices and rented out the old one and I am halfway through paying off this new office,” Paul said.

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“That’s fantastic, what a great idea,” I said, reflecting on all the money that I was shelling out on office rental.

“There is one more thing that I would like to cover before we wrap up for the day and that is asset protection. One of the objectives of ‘Building To Exit’ is to create an asset that has significant value and the very best time to start thinking about protecting the asset is before you actually need the protection. Many people wait until they are being investigated before they think about this and by then it is way too late. There are things like insurances and setting up your company structures to properly protect yourself. You need to go to experts for this and one book that I would strongly recommend you read is ‘Bulletproof Asset Protection’ by Ed Burton,” Paul paused, sensing I had a question.

“I do have some insurance which is quite expensive and there are other things that have looked at in terms of structuring my business and trusts but I don’t really understand it and it costs too much. I probably haven’t paid much attention to it because I don’t have a lot of assets at the moment either,” I said.

“Here is a copy of Ed’s book, read the first ten pages and you will have a very different view. We are living in the second most litigious country in the world and people can sue you for any reason. If you have built an asset, there is a very high probability that you will be sued at some point and once lawyers get involved it will cost you. Just because you are in the right has no relevance. People see opportunities to make money from frivolous claims and as someone with wealth, you are a target. Once someone decides to sue you, it is up to you to prove your innocence and that can take years and ruin your business and reputation. Ed’s own story would make your hair curl and he has

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built a business around educating and helping others not to go down the same path,” Paul said.

“Of course, there are many things that you can do and I would recommend that you see your financial advisor and make it part of your strategy to build equity,” Paul said.

“Anyway, that’s really all I wanted to talk about today. It is not a complete list of course, however there are some things to think about and make it part of your growth strategy. If you can get recurring revenues up to a point where they cover all expenses and generate extra cash from investments, your cashflow will be a lot easier to deal with,” Paul said.

“Yes, I am looking forward to that. Increasing recurring revenues, having a program of innovation and putting some money into investments all sound like good strategies,” I said.

“Don’t forget to put some asset protection in place,” Paul reminded me with a smile “I guess you are looking forward to finishing the first year of your journey in a few weeks too.”

“You bet, it has been a long and full-on year. Thank you so much for your time Paul, it’s been very informative. I will be having about six weeks off before I start again next year,” I said, with a sigh of relief. Even though I had really enjoyed the work – it was still a lot and quite tiring.

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3 Key Lessons

1. Recurring Revenue

Recurring revenue is a key aspects of building business value. More and more businesses are going down the path of Support Agreements, Subscriptions and Licensing to tie their customers into small amounts of recurring revenue. The objective is to get solid streams of monthly income that cover all operating costs and ideally have a profit margin on top. There are many ways to generate recurring income and reselling partner products and developing online training courses are another popular way.

2. Innovation

Innovation is an essential component of business value. Technology is driving rapid change in many industry sectors and business that are solid today maybe completely disrupted by new technology within the space of one or two years. Innovation is not only about developing new products and solutions it is also about predicting future changes in your industry and being close to the leading edge (which is a bit behind the 'bleeding edge'. Being an early adopter is also where the best margins are likely to be for a short time.

3. Investments

Business investing is similar to personal investing. The objective is to put a small amount (or large if possible) of money away each month and invest both in business development and also bricks and mortar type investments. Over time this will form solid equity in the business.

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Believe it or not there are journalists waiting to write your story. As long as your target market is also their audience, all you need to do is remember it is about exposure not selling and add real value to their audience.

It was the 9th of December and I had finally come to the last session for the year. Getting myself into the media was not something I was particularly excited about, not so much because I thought it wouldn't be a great benefit, but more because of fear of public speaking and my ability to be able to express myself in a way that others would be interested in listening to. Ever since I was young, I tended to avoid the limelight and speaking in public was a huge challenge that I went out of my way to avoid if possible. The thought of being on Radio or Television was nerve-racking. The other thing I thought was that in order to get into the media it was necessary to engage with Public Relations firms, and that was incredibly expensive. Getting to speak to a journalist I thought would be almost impossible because they were busy dealing with important people like celebrities and PR firms.

Because of this, it was not even on my radar and it was only because it was part of the journey that Keith had put together for me that I was even considering it. Keith organised for me to meet a specialist who helped small business owners get free media publicity.

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She was based in Sydney and since I had a couple of meetings there the following week, we organised to catch up in the famous Rocks area on Sydney Harbour. It was a typical Melbourne day



when I left and even though summer had started, it was raining, windy and down to about 12 degrees. Sydney was a magnificent sunny day and 22 degrees. As I was making my way to the restaurant we had chosen and taking in the wonderful sights of the harbour with the sun glittering off the water and the Opera House standing majestically with its pearly white sails, I thought that moving back to this city seemed like a very nice idea. I had lived there for five years in my thirties and found it to be a vibrant interesting place with so much to offer. The best part was that we could be swimming on the beach right up to May when everyone in Melbourne was huddled around their heaters – complaining about the cold. I put that thought to the back of my mind – I had work to do and things to learn.

I was feeling a bit apprehensive - on the one hand I was excited about the possibility of learning how to get media exposure and on the other hand I really could not see why any media would see anything of value to promote in either me or my business. I had a heap of questions racing around in my head and was looking forward to getting some answers.

Nicole had already arrived at the restaurant and was seated at a table near the window overlooking the Harbour with a clear view of the Opera House and the ferries coming and going. She was easily recognisable and impeccably dressed, with perfectly groomed blonde hair. She greeted me with a smile and I noticed what seemed to be a

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professional reservedness, as though she was focussed on the business at hand. We ordered drinks and she started by telling the story of her journey from being a newspaper journalist, to becoming an editor, then working for a PR firm and finally running her own business. It was easy to see that she was passionate about helping small businesses like mine, get media exposure and dispelling the myth that getting PR can be difficult and expensive.

“I am going to start by answering some of the most common questions and misconceptions that people have around traditional media publicity. The very first thing to understand is that this is not about advertising. Ads on radio or television are largely ineffective unless you are prepared to spend a lot of money. This is about creating awareness and building your credibility and brand. The beauty of the system we have is that it is actually free publicity if you do it the right way,” Nicole said, looking to make sure that I had digested her words.

“OK – you have my attention. I have looked into all sorts of advertising before; newspapers, television and radio, and it is very expensive. We did run a few ads in different newspapers in the past and got no result at all,” I said, reminiscing over the money I had wasted on advertising in the past

“I am not surprised, writing good copy is an art and takes a lot of practice. Also, you probably need to be consistently advertising so people get to know you and start trusting you,” she said. “The type of publicity that I am talking about is where reporters will run a story about you or for you. It is not advertising and you will need to create something of interest or real value for the listener or viewers.”

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“It is one of the best forms of marketing,” she continued. “So many people get caught up in the hype of digital marketing which is great. However traditional media is literally a gold mine if it is done the right way. Imagine getting yourself on radio in prime time, talking to people who are in your target market. In the current environment of digital marketing this is often overlooked. If you do your research properly and know your target market, their needs and where they go for their media, the benefits are huge.”

“Well as part of my journey so far, I am very familiar with my target market and their pressing needs so that is a start,” I said, remembering all the work I had done on this earlier in the year.

“Yes, imagine if your target audience reads the *Sydney Morning Herald*, listens to drive time radio or watches Good Morning Australia, some of the real and immediate benefits would be:

- Instant results
- Potentially nationwide reach
- Message targeted reasonably well to your demographic
- Huge boost to your brand and reputation

and imagine being able to put ‘As seen on Good Morning Australia’ on your website,” Nicole said with a smile. “I have had some clients go through my training and get onto these shows and it has catapulted them to amazing success almost overnight.”

“That’s exciting!” I said thinking about what I would do if that happened. I mentally put myself in that position being interviewed on national TV and suddenly my stomach knotted and my knees started to feel like jelly.

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Nicole must have seen the look of silent terror on my face and so she said, “Don’t worry, you are the expert and by the time this happens you will be quite well practised in what you are going to say. Not only that the journalists want to help you to succeed. The more successful you are the better it will be for them. No one wants to see a quivering mess on national prime time TV.”

“I can’t even perform in front of a home video and even my voice recording puts me to sleep,” I said.

“Don’t worry, there is a lot to do between now and then and by the time you get to that point you will be ready,” Nicole said reassuringly and then continued. “Preparation is the key, you are an expert in your subject matter, you have written the book on it. If you are not good at public speaking, get lessons, go to toastmasters and above all get practice. There is a specialist in this area called Sam. He is based right here in Sydney and he runs a global business that helps people become great speakers. I will introduce you to him if you like, it will be the best thing you can do for your business,” Nicole said, realising that this fear of speaking publicly was something that had been with me for a long time.

“That would be great, thank you so much,” I replied.

“OK, I will call him as soon as we finish today. In the meantime, always remember to talk in terms of what is in it for the customer – what are the real benefits for them?”

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“I guess you have been through this many times before,” I said. “What am I going to write about or present though? I have no idea what to do there.”

“Great question. Journalists are always looking for good ‘stories’. They are not interested in your company or your product; they are interested in you and your story. If that story either entertains or has value to their target audience then it is likely you will get a run. In terms of your story you could write about your successes and failures. People love to hear how someone battled, struggled, persevered and eventually succeeded. Because it is **your** story it should be easy to talk about. You could also talk about the success stories of others who are like the audience. These success stories would be of people who used your system, products or solutions to go from failure to success. Just remember that when you tell the story, you are not promoting or attempting to sell your products. This is such an important point that I am going to make it a few times today,” Nicole said, pausing and taking a mouthful of mineral water.

“I think I can do that. I certainly struggled for many years before becoming moderately successful. You also mentioned that the story might have value – what did you mean by that?” I asked, half knowing the answer already.

“The thing to remember is that you are pitching to the audience of the journalist. How are you going to add value by showing them how to do something or providing some valuable tips and insights. There needs to be some real tangible value in the interview and if you have a free eBook or video that they can access that would be even better. It is important to remember that at this stage you are not selling anything, you are starting to build trust and credibility,” Nicole said.

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“It makes good sense, I hadn’t really thought of it like that,” I said nodding thoughtfully.

“Something that a lot of people aren’t really aware of is that journalists are very busy and coming up with entertaining stories or providing things of value is a lot of work. If someone does that work for them, it makes their life a lot easier. Your job is to know what their audience wants and how the journalist wants to communicate it and do as much work as you can to save *them* work. They are always on the lookout for experts because it looks much better if they can quote an expert. Most journalists have a good working knowledge of the subject matter they are dealing with; however they won’t have as in-depth knowledge as someone who specialises. If you do this well and their audience loves what you have to say, you may be picked up by other reporters and very soon you could be the media expert in your area of specialty,” Nicole said.

“OK, that sounds exciting, however I think that I had better start at the beginning,” I said grinning widely.

“Haha – good idea. Now that you have a bit of an idea of what you are going to write about, we can talk a bit on how you can go about it. There are two main ways, the easy way and the hard way,” she said.

“Let me start with the easy way first. There are websites that connect journalists with sources of information. Journalists will quite often write about things that are hot topics at the time and will be working to deadlines. Rather than do the research themselves they put out a brief of what they are looking for in the article and people who are experts in that subject can respond. There are quite a few of these

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websites and one of the most popular ones is ‘HARO’ or ‘Hire A Reporter’ and another one that is more based in Australia is ‘Source Bottle’. It is fast, cheap and easy, however you need to be prepared and it is essential that you do your homework. At the end of the day you want to create a relationship with these reporters or journalists and be seen as an expert who can be relied upon,” Nicole said, one eyebrow slightly raised, which reminded me of my maths teacher in high school.

“Amazing, I have never heard of such a thing,” I responded.

“Yes, when you sign up, you can choose what areas you have expertise in and you will get emails every day with reporters looking for articles. When you see a match, you can contact the journalist. It’s a quick and easy way to get quoted and possibly get a link to your website in the process,” Nicole said, smiling as though she had just given me the keys to Fort Knox.

“So, that’s the easy way and I like it, what about the hard way?” I asked, thinking to myself that I like the sound of the easy way better already.

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“The hard way has more steps which I will describe in turn from this mind map,” Nicole said as she pulled a laminated sheet from her notebook case.



“The good news is that you have already done some of the work in your journey so far,” she said. “The first step is to have a clear definition of your target market and that is something that you have defined and redefined over the past 11 months.”

“Yes, that has really been drummed into me. It is obvious that with any sort of marketing having absolute clarity on your target market is key. I learnt that the broader your market the more expensive it is to market to them. I used to target all small businesses and it really wasn’t working,” I said, as I reflected on those somewhat expensive and unsuccessful days. You would think that success would be proportional to the money spent, I thought to myself.

“Exactly,” Nicole responded “With traditional media it is even more important because it is so much more expensive. If your audience is listening to morning radio between 8 and 9 am as they

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drive to work that is where you want to be, not on the Gardening Show on Saturday morning. You have also completed the next step which is getting absolute clarity about what their most pressing requirements are. Having an intimate knowledge of their most pressing requirements or headaches is key to being able to create a great newsworthy article,” Nicole continued, seeming pleased that she didn’t have to go into detail explaining everything to me.

“You have also already created some content. In terms of content there are three things to consider and you can use any one or all of them, however you must always be thinking in terms of the benefit to the audience. The first one is education – what useful and applicable information, tips or ‘How To’s’ can you produce that will provide instant value to the audience. The second is your story – if it is relevant and interesting, then use it. Particularly, as I mentioned before, if your audience can relate and they can see you have gone from where they are to where they want to be. The third is something entertaining. That is more difficult and may not be appropriate in your situation,” Nicole stopped momentarily, sensing I wanted to say something.

“The good news is that I have already created my lead magnet which is a free eBook providing a heap of good information. Are you able to expand on the other two a bit?” I asked.

“Sure, firstly, in terms of your eBook you need to give away your knowledge and sometimes it will be in an interview so you will need to practise answering questions and making sure that they provide value to the audience. It would be well worth while testing on a few clients and prospects. Just remember that this is an educational piece with no

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reference to you or your business. It must provide something new to the audience and help them to solve a problem on their own.”

“The important thing to remember is that you are not selling anything – you are building credibility and setting yourself up as the expert in your area. One of your objectives is to get asked back or picked up by other journalists so that you continue to build your profile. Generally, there will be opportunities to leave contact details and this is where you can guide people to your landing page.”

“The second option is to write a story about your journey or a story about someone who engaged with you. The story should have a good headline and perhaps have a before and after situation where you have resolved the issue or fulfilled the requirement. Then of course they will apply the tips or information you are going to share and resolve their issue or fulfil their own requirements.”

“The third thing I mentioned was to do something entertaining and I would suggest that if you want to go down that path, you should engage with an expert in that area, unless of course that is a hidden talent of yours,” Nicole chuckled and looked at me wondering perhaps, if I was a clown or some other form of entertainer in another life.

“Hmmm, maybe I could do some Karaoke,” I joked, remembering the effect I had on other people when I did attempt singing. I recollect a time where someone recorded my song and I was horrified to find that the voice on the inside of my head sounded very different than what was on the outside. My short-lived singing career ended up the same way as my stuntman career.

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Nicole smiled briefly and continued “Next is to find out where your audience goes, what TV shows they watch, what radio programs they listen to and what news articles or magazines they read, what events are they attending and what blogs are they reading? You may have to do a bit of market research on this, both from online research and actually asking prospects and existing clients.”

“So, I should create a questionnaire?” I asked.

“Yes, that should work, however, remember to make it very short. They should be able to answer it in less than a minute or so. You are aiming for small business owners and they are likely to be very time poor. If you are going to approach some prospects in your target market they could also become clients. You may offer them a bottle of wine or box of chocolates for completing the survey too,” Nicole said, glancing at her watch.

“My goodness, time has flown, we had better get through this quickly now, I have another appointment in an hour” she said, suddenly becoming more official.

“The next step is to find the journalists, bloggers, presenters or copywriters who are working in these areas. If you have done your homework correctly, and there is a real need for your services, these writers will be looking for you and your story. Create a database and then start to create a relationship with them by following them on social media. Like and contribute to their posts. Over time, they will get to know you and when it is time for you to submit your media release, there is a good chance that they will pick it up. Study their style and content, what is in their articles for their audience?”

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“When you do write, aim to write something in that style and save them time,” Nicole said.

“That makes sense actually, and just looking at your diagram here the final step before approaching them is the media release?” I asked, wondering what that really was.

“Yes, that’s it, creating a media release is relatively straight forward now. You already have the headline and all you need to do is to take some carefully selected bits out of the main story that will get the attention of the presenters or journalists. I have a template here that you can use,” Nicole said as she pulled a small booklet out of her folder “There are a number of examples in here and you can use them as a guide. Now all you need to do is to send it to your database. Just remember that you may have to personalise it a bit, depending on the media and the audience. They are busy so you may have to follow up but don’t spam or follow up too often. Nothing is surer to annoy them and you don’t want to get a reputation for that,” Nicole said with a slightly stern look.

“So that is the process and there are only a couple of things that I would like to discuss before we finish for the day,” Nicole said, again taking another quick glance at her watch. “The first one is about being prepared. I have had clients who have got themselves a spot on national television and literally been inundated with responses. Over the past 11 months you have set up most of this, however it would be good to run some tests:

- Is your landing page working properly?
- Can your lead magnet be downloaded easily from the website?
- Is the collateral online and up to date?

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- Do you have a self-service tripwire product?
- Can your CRM System cope with demand?"

"Yes, I do have that all setup, however I haven't thought about how it would cope in the happy situation that I do get a lot of responses at the same time. I had better do some testing," I said, thinking it would be a nice problem to have for a change.

"Great. One final thing – there are some rules to make sure that you will have better results:

"The first and most important I have already mentioned a few times; journalists and presenters are looking for good articles they are not looking for advertisements. You need to be really on the ball with this one. Secondly, they want to know how you can help their readers. That is something I have mentioned a few times – you always need to be thinking about the value you can provide to their audiences."

"The next one is to create a relationship on social media and in person if possible. Give out invitations to your book launch for example. Finally – be patient, don't be pushy they are busy." Nicole gave me a look that I could tell she had been on the receiving end of this type of person before.

"Great, thanks Nicole. I really appreciate your time and I now have an entirely different perspective. I am quite excited about the fact that I can see I have a good story and that I can potentially get some free publicity. I still have a bit of work to do, I know," I said, wondering how I was going to cram this in with some of the other homework that I had started to fall behind on.

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“It will be worth it. I see that you are booked into my two-day workshop next week. That will help a lot and in fact we will be writing a live media release on that day and sending it to real journalists,” she said with a smile

“Just before you go, you mentioned that you would be able to introduce me to Sam who could help me with speaking in public,” I said.

“Oh yes, I almost forgot, let me call him right now,” she said as she pulled out her mobile phone and called Sam.

Sam’s receptionist knew Nicole well and put her straight through. After chatting for a few minutes she turned to me and asked if I would be able to stay for the weekend because Sam was running a three day workshop, that I could join if I wanted to.

“Absolutely, I will be here on the weekend anyway,” I replied, smiling.

Sam’s course turned out to be the best public speaking course I had done and by the end of the three days I was quite confident in delivering an eight minute short presentation. I also felt that I was much better prepared to answer interview questions and so the idea of getting media publicity didn’t seem quite so daunting any more.

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3 Key Lessons

1. The media wants your story

Advertising in traditional media can be incredibly expensive, however providing reporters and journalists with good information that will add value to their audiences can be free!

Journalists, just like bloggers, need followers and it is not possible for them to create the material themselves so they need experts. You are the expert in your field and so by creating something of value to their audience, you will be able to get some free publicity.

2. Know your audience

Who are they, what are their pressing needs and what media are they engaging with. Once you know that, you can find the journalists and reporters who they are reading, listening to or watching. The next step is to follow the journalists and send out your media releases. There are sites like HARO and Source Bottle where journalists actually post the stories they want. If you follow these, you can respond with your stories. Make sure they add value and don't spam the reporters.

3. Don't Sell – Provide value

It is about building your profile and credibility. In most cases you will be able to provide a link to your free products that the audience can engage with. You don't need to sell anything at this stage – it is all about providing something of real and tangible value.

The Final Chapter

It was the 17th of December, a week before Christmas and I had finally finished the first year of the Build To Exit journey. Keith had called me back to his office to recap my key learnings and I was excited to give him the update. Finally, I had all the keys, and whilst I had only gone to the first level, I had a very good overview of the big picture and felt that I had made a lot of progress. After settling in, Keith asked me:

“What are the three most important things that you have learnt over the past 12 months?”

“There were so many great lessons and distilling it down into just three is going to be challenging,” I replied. “I think the three that had the biggest impact on me were;

1. *Creating a balanced life*
2. *Building value in my business*
3. *Finding and living my purpose.”*

“You picked three great lessons, can you go into a bit of detail on what you learnt?” Keith asked.

“Sure, I’d love to,” I said, excited to talk about how far I had come in less than a year.

“During this ‘Build To Exit’ journey I have come to realise that most of us only live ‘half-lives’, we never really reach anything like the

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potential we could and as business owners there is so much opportunity for more. What I mean by a ‘half-life’ is that we spend the first half working for the freedom we so desperately want and the last years of our lives are spent enjoying that freedom and basically cruising to our final destination of death. During these final years there is an opportunity for excitement and fulfillment screaming at us. Most of us simply don’t hear or heed the call and completely miss out on the most wonderful opportunity we have been given. I would like to define a ‘full-life’ as the life of someone who has made a significant positive impact on the world around them. It is someone who has used all their talents, skills, experience and passion to make a difference. In order to do this effectively, we first need to have good balance in our lives and also have a financial vehicle to help us on our journey. As successful business owners we already have the qualities and attributes required to succeed in this,” I said.

“Wow, I see you have come a long way, even since we last spoke! Tell me a bit more about how you see a balanced life,” Keith asked, curious to hear my new interpretation.

“OK, I will talk about my views on the importance of creating a balanced life because I have seen so many business owners who are going to get their life in order one day. I have seen that in many cases that one day never comes. Life balance is a journey, not a destination and many leave it until it is too late,” I replied.

Create a balanced life

“When we did the life balance pyramid in the goal-setting exercise, I learnt that the foundation of health and relationships were the most important things to start with. There was no point working like crazy to build a successful business only to discover that I had lost my health or family. From there I could prioritise things in a logical sequence,” I said.

“Well said! Setting goals and taking some action in all areas is essential to success. The pyramid concept is good because it starts off with the most important things first. Once you have dealt with each one, you can move to the next in turn. Do you remember what each one was?” Keith asked.

“Yes, I do, I have been reviewing them every few weeks and when I started, I did very little with the things at the top of the pyramid, however now I am doing more. What I remember is this:

1. **Health and Relationships** are the foundation or base of the pyramid. *Health* is number one, because without it nothing else matters. It is much better to prevent the cause of health problems by living a healthy lifestyle than to deal with the effect that is almost inevitable by not. I personally relate to this because I am quite focussed on maintaining good physical and mental health and in fact have had less than ten days off work in 30 years.

Relationships are on the same level because life is about the connections we have with people. Our family, friends and the people we touch in some way.

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2. ***Career and Personal Development*** are next because my career, business or vocation is where I spend most of my time and is ultimately what will provide me with a life of choice. Personal and professional development is important because the best way to keep excited and inspired about my job and my life is to continue learning and growing.
3. ***Finance*** and leisure are on the next level. Financial freedom is important of course, because it will allow me to have more choice about how I spend my time. Having a great job or business that I love, will ultimately result in good cash flow. That is why career and personal development comes first.
4. ***Leisure*** is an important aspect of a healthy lifestyle. As business owners, we can tend to put leisure activities off until later. I remember my grandfather worked his entire life for his 'retirement' and when he finally did retire at the age of 70, he didn't know how to enjoy his leisure time. I definitely don't want to go down that path, so I am scheduling in leisure and social activities into my life.
5. ***Contribution*** is an opportunity to use my experience, talents and passion to make a difference and give my life real meaning. Most people never discover their true purpose however when we do, there is nothing more fulfilling, exciting and inspiring than the journey.
6. ***Spirituality*** is about peace and acceptance. When you at peace with your life, your journey and the world around you, it is a form of spirituality. Some peoples spiritual journey is through a higher power or a god, others can find spiritual peace within

The Final Chapter

themselves. Either way, it is a very important part of health and life balance.

I have made a lot of progress in the top four and have set goals in the rest and I am quite comfortable with where I am,” I said, smiling.

“Great answer, what else did you learn about creating life balance?” Keith asked.

“I learnt the importance of the journey and creating the journey that you want to enjoy. I discovered that if we are too focussed on the goals we set, we can somehow forget to have fun on the way. This is part of life balance and I would like to demonstrate with a story, if I may,” I replied.

“Be my guest, go right ahead,” Keith said.

“Some years ago, I planned a trip from San Francisco to Las Vegas with my partner. Our destination was Las Vegas and we were free to choose the way we got there. If we were totally focussed on the destination, we would have simply driven the most direct route to arrive in the shortest possible time which would have taken around eight to ten hours. Instead we took the coastal route and rather than do it in the shortest time possible, we decided to stop when we felt like it. On the first day, we stopped for lunch in Monterey which is only a few hours out of San Francisco. That afternoon we stopped in Carmel and had dinner in Clint Eastwood’s restaurant. We ended up staying overnight and the next day after breakfast we continued our journey, stopping to take photos of anything



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that caught our eye. This time we got a few more hours down the coast to Santa Barbara and stayed the night again. There were a few more stops along the way like Malibu and Santa Monica before arriving in Los Angeles where we went to Hollywood and Beverly Hills. After dinner in Hollywood we stayed the night in Beverly Hills. We met someone there who suggest that we go to an old cowboy town in Oatman on Route 66. That was a four-hour drive that took all day and the sun was just setting when we arrived. We had a great time there and stayed the night, before heading off to the Grand Canyon and Hoover dam and finally arrived at our intended destination of Las Vegas, about eight days after we started.



Oatman on Route 66

When I look back on that trip, the journey itself with all the highlights and experiences along the way was more memorable than the destination. If we had been so focussed on the destination we would have completely missed the wonderful experiences of the journey,” I said, feeling rather pleased about my analogy.

“I have come up with a saying that describes my thoughts on this,” I said, wondering what Keith was going to think about my saying.

“Ok, I am listening, what is it?” Keith asked.

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*“Living is about the journey, don’t just ‘enjoy the journey’,
create the journey you want to enjoy.
It is your choice to make, be the driver and not a passenger”*

Mark Stecher, 2017

“Good story, and you are right, we need to set goals and take action, and we also need to enjoy the journey. I also like your saying,” Keith said with a smile. “Tell me a bit about your next point of building your assets.”

Build business value

“Well I have been running my business for twenty-five years and during that time there were many times that I wanted to give up and go back to the security of a job. I persevered and a couple of years ago I decided to sell my business. I found, that to my deep disappointment, no-one wanted to buy it and so it was effectively worth nothing. This was a huge shock to me and one of the things that I learnt in my first year of the ‘Build To Exit’ program was that taking steps to build value in my business only requires a few hours a week. It is a matter of following the roadmap and taking small consistent steps,” I said.

“I hear your pain and you are certainly not on your own. There are very few businesses that survive as long as you have and there is only a tiny fraction of those who actually manage to sell their businesses for what they want. I know quite a few business brokers and they tell me that one of the hardest parts of their job is letting their clients know the true value of their business. Your realisation that something is only worth what a buyer is prepared to pay for it is spot on. It is essential that you create a business that someone else wants to buy. Perhaps you can tell me a bit more about how you found the steps in the program,” Keith asked.

“Yes, sure,” I replied. “As you remember when we met nearly 12 months ago now, I was on the verge of giving up and going back to full time employment. I am so glad I didn’t because over the past year I have learnt that building businesses is a great way to build wealth. The main thing is to understand the elements of value and take consistent action to develop them. The Build To Exit system does that,

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and all I need to do is follow the roadmap every year, each time, going to a deeper level,” I said. “The steps involved five pillars of value which are Vision, Mastery, Team, Profit and Brand.

1. ***Vision*** – was about creating an exciting and inspiring future for myself, my team and the community. That first step of creating an inspiring vision for myself really gave me inspiration to continue taking action. I made time to revisit my goals every week and kept reminding myself why I was doing what I was doing. The next few steps in the process were about creating a vision for my team and although I only have a small team at the moment, they are inspired about their future and really engaged in the success of the business. I also discovered that it is a wonderful feeling to know that I am contributing to their lives in a positive way. Perhaps the most exciting aspect of vision is the clarity of what I am going to do in the future. I have now created a great vision of my future, where I am going and the difference I want to make. In twelve months, I have gone from being almost burnt out and wanting to give up, to being inspired and excited by my future. I now see that spending time creating the vision, believing in it and taking action is perhaps one of the most important activities that anyone can do.
2. ***Mastery*** was a process to become a recognised industry leader. I spent many years diluting my expertise by being a ‘one stop shop’. It was difficult to market and almost impossible to stand out from the crowd. This meant that we were always running around looking for customers and in order to attract them from the competition we were competing on price. I thought that becoming an industry leader was going to be a mammoth task, however I discovered that I only need to pick a single aspect of

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what we were doing and develop specialist expertise in that. The first part of the process was to find something that we were already good at and something that our target market really wanted. It was then a matter of developing every aspect of our delivery process to a point where we provided an outstanding result each and every time. Along the way, we created training materials for our team, which we are now selling to partners and others in the industry. The last step in the process was to write a book which I thought was going to be really difficult, however by following the process I managed to get most of it done within a month. It is at the editors at the moment and I am really excited because, it will cement that perception that I am an authority in the area. The interesting thing that I realise is that the book is really only designed to open the door to other aspects of my business.

3. **Team** was about creating a team around me so that I could step back from the business and have the business working for me, not the other way around. This pillar started off with understanding my strengths which was important because it also clearly identified areas of weakness. As a business owner, I had to do everything in my business for years and found that I was continually procrastinating over the things that I didn't enjoy doing. It turns out that these things were the areas that were not part of my skill set. Perhaps the best example of this for me was marketing. I spent ages creating marketing collateral which really didn't look that great and produced almost no result. A very simple example of this was the cover for my book. I decided to have a go myself and produced something that was very ordinary and not eye catching at all. I ended up outsourcing that job and it came back within one day

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and cost only \$25. I am outsourcing a lot of my work now, both locally and offshore and it has freed up a huge amount of time and reduced my stress levels significantly. I also have quite a few partners on my team now. This has been a huge benefit because I can keep my internal staff levels to a minimum and focus on our area of expertise. I have managed to increase the amount of work I do, and in fact the profitability of projects has increased. My strategy now is to build our internal expertise and the team to deliver our solutions and to continue developing our partner network to increase our reach and capabilities. This final step in this process was to employ staff and I am now developing a team to deliver the solutions and also have a part time general manager who is helping take care of running the business. I can see that within 12 months I will be able to start stepping away from the business.

4. ***Profit*** was about creating sources of recurring revenue, good net profits, building equity and financial stability. Ultimately this is about creating *Financial Freedom*. The first step in this process was to refine our point of difference and this resulted in being able to increase margins and also increased the number of referrals we were getting. The next thing was to productise our solutions which resulted in increased margins by reducing costs. In the next step we focussed on critical numbers which was about having a clear understanding of our financial position and having clarity about the numbers that are critical to our business at the time. We found that by the team have a collective understanding and focus on particular metrics in the business we got a far better result.

We ended up by looking at innovation and investment.

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Innovation for us was bringing new products and solutions to our existing clients and that enabled us to have higher margins. Investment was a difficult one for us because our cash flow is quite poor, however we have started the habit by putting aside a small amount each week. We have also managed to add in a couple of streams of recurring income which are small at the moment, however it is looking promising. Our goal is to get our monthly recurring income to a point that it covers all our operating costs.

Part of the final step in this pillar was to protect the asset I am creating. It is something that I was thinking about doing one day, however I realise how important it is to put steps in place very early on.

5. The final pillar is **Brand** which was about creating an awareness that would have my customers searching for me. This involved being very clear about my customers' requirements, my unique solution for them and also the identity of my business. I realised that when I was doing the exercise about corporate identity that in the early days of my business my customers identified with the outstanding customer service that I provided. I was always available and would always go beyond the call of duty. I thought that would simply continue with my staff, however I was shocked to find out that this wasn't the case. I have great staff; however, they didn't have quite the same commitment to the business that I had. I found that once I had staff engaged in wanting to provide great service it was just a matter of defining some key principles and values and making sure they understood and identified with them. This is still a work in progress. The final step was engaging with media and I have just started going through the

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steps. I was quite amazed about the fact that journalists are really looking for good success stories and I really see that I have something valuable to offer now.

Continuing to develop each of these areas will continue to build value in my business. I am aware that it may take a few years to reach the point of financial freedom. However, I can see the process and at least now I am taking steps in the right direction. Before I was just wandering around not really having any idea of what to do next,” I said, smiling.

“Excellent! That brings me to a short story that will lead in to your final point. Would you like to hear it?” Keith asked.

“Of course, I like stories,” I replied.

The story of two men....

“There were two men, both born in the same year and both had accumulated huge amounts of wealth by the year 2000.

“One man decided to retire from his business and go out to do good things in the world. He spent money on finding cures for illnesses like aids and cancer and also working on building businesses and making a difference in developing nations. His life focus was on contributing by using the wealth that he had accumulated.

“The other man decided to continue building his wealth. He became even more wealthy until he was one of the richest men in the world. Then one day he became ill. He continued to work, however his health deteriorated until one day he was in hospital dying.

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He was on his death bed surrounded by the life support machines that were keeping him alive and the last words he wrote before he died were:

*“When we have accumulated sufficient wealth to last our lifetime, we should pursue other matters that are unrelated to wealth. Non-stop pursuing of wealth will only turn a person into a sad, twisted being like me.
There should be something that is more important....”*

“When I read that statement, I was astounded, I could not believe that one of the wealthiest people in the world, someone who had so much money that they could surely do anything, would discover that they had missed the golden opportunity to create change, just before he died,” Keith paused.

“That is so sad, is that a true story?” I asked.

“Yes, it is true, and you know of both men, the first one is Bill Gates...” Keith paused again, watching for my reaction.

“Can you guess who the second one was?” he asked

I racked my brain, but couldn’t really think of who it could be.



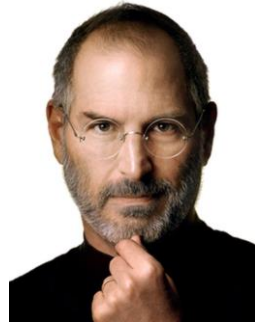
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The second one was Steve Jobs!” Keith said dramatically.

“Wow! It is hard to believe that Steve Jobs actually wrote that before he died,” I said.

“Yes, when I first read that I was stunned. It really brings home the importance of life balance and building your assets and of course leads into your final point,” Keith said.

“Amazing, so my three points are covered in Steve Jobs dying words. I will talk about the last one then,” I said, still a bit stunned myself.



Live a ‘Full Life’

“I remember when we did the session on purpose, you used a quote by Mark Twain that was something like *‘the two most important days of our lives are the day we were born and the day we found out why’*.”

“When I first got into business, I thought I knew why. Looking back now, I realise that I had no idea. My ‘why’ was all about me. Over the past 12 months, I came to realise that even though I am nearly 62 years old and some of my friends are already winding down, I know there is so much more to do and contribute. I have years of experience and knowledge and I am passionate about using that to help others. I am gearing up and have never been more excited about my future and the change I can make in the world. I have discovered that there is no better feeling than being able to brighten someone’s day in some way.”

“One of the best things I discovered was that as I became more engaged in my vision, the things that were normally stressful, no longer were. My vision continued to grow and the more it grew the more focussed I became. The more focussed I became the more real the vision became and the smaller those previously large challenges became,” I said. This was the discovery that had made me the most excited.

“That is great and as you know, it is something I am also very passionate about,” Keith said. “In fact, everyone I know, who discovers their ‘purpose’ or ‘why’ says the same thing. Suddenly those day to day pressures of life become almost insignificant. I believe it is one of the most important things that anyone, especially

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business owners, can do for themselves. Amazingly, it is not that difficult,”

“You are right, I remember looking at people who had achieved great things and being overawed by what they had done. I didn’t have the belief in myself and so I was stuck. When I did the session on vision and realised that I just needed to start small and focus on one step at a time, the road ahead suddenly appeared so much easier. Now I am focussed on one thing only and because of that focus the goal is so much more believable and achievable.”

“Over the past 12 months I have learnt that as human beings we are wired for growth and whilst the traditional view of retirement is fun and potentially exciting, there is no real growth. A huge number of people who retire when they are 65 are dead within 15 short years and to me it is such an incredible waste. It is like you have only lived a half life - years of experience and talent simply gone. The age of 60 to 65 can in fact be the start of the second half of your life – why not make it exciting and inspiring? Engaging your brain, emotions and heart could add 50 or 60 years to your life or what I call the ‘second-half’,” I said.

“Wow, I didn’t see that coming,” Keith said, beaming with pride, almost as though he had discovered it himself. “You mentioned earlier that business owners have more opportunity to do this, can you explain that a bit?”

“Yes sure. Anyone can change the world around them in a positive way, it doesn’t matter if you have been an employee, a business owner, an entrepreneur or even unemployed. People who manage to create and build successful businesses however, have some unique qualities and attributes that put them in a special position for this journey and some of

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those are; Vision, Focus, Integrity and a burning desire to enhance the lives of others around them. Let me expand a bit on that;

(1) Vision

Successful entrepreneurs and business owners have a very clear vision of the future and are inspired and excited by it. This in turn inspires their teams and the people around them. As a business owner, if you are not inspired, you will not be inspiring and people working for you will leave their hearts and minds in car park and turn up to work with their hands and simply do the job they are paid to do. When people are inspired, they will move mountains.

When you discover the change you want to make in the world, if you have the same sort of inspiration you will be able to leverage your time and resources by inspiring others to join you in your journey.

(2) Focus

The most successful business owners have a strong focus on results. They have a clear vision and a strategy and focus that drives them to achieve that.

It is the same with your focus on making the world a better place. Just like in business, there are so many opportunities to enhance the world in some way that it is easy to become overwhelmed and jump from one to the other, achieving very little. My good friend Peter Nicholls has started an organisation called ‘Change the One’ because as he says, we cannot change everything however, with focus we can change one thing. When we all do that, the world will be a better place.

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(3) Integrity

Successful business owners have integrity. The word integrity has different meanings to different people, however if you establish something that is about enhancing the lives of others first and about personal gain second, that is a sign of integrity that will stand the test of time.

(4) Desire to enhance the lives of others

Many entrepreneurs, including me, start businesses for personal reasons. We dream of the freedoms having our own business will bring us one day. As part of the Build To Exit process I learnt that creating a better life for my staff, my customers and my community was in fact even more rewarding. The money and those personal reasons became secondary. As I am now embarking on the second half of my life I am finding that the high that I get from helping others is addictive.

There are of course many other attributes and qualities of successful business owners and entrepreneurs that make them ideal for creating these social enterprises,” I said.

“Interesting, I like your perspective, however what about typical business owners who just wants to sell their businesses or ‘exit’, relax and spend time enjoying themselves?” Keith interjected.

“Good point and when I think of success in business, I imagine the end goal many of us have is to achieve financial independence and have that choice. In my life I have set and achieved many goals and quite often arriving at that goal can be a bit of an anti-climax. When we have got what we have strived hard for we sometimes wonder what is next or is this really it? As we get older this can result in a feeling that there

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must be more, however the problem can often be that we have run out of energy or our life is so out of balance that we cannot face the challenge of creating another goal. That is the wonderful thing about finding your true purpose. It is a goal that will be reached long after you are no longer here, however the journey will excite and inspire you and others around you. It creates an energy that will keep you living many years after your normal use-by date,” I said.

“I am impressed – I can see that you really did engage in your course work this year, well done,” Keith said with a grin.

“I did and partly because even though it was a lot of work at the end of it, it was only a consistently small amount every week and I could actually see the progress almost every day.”

“As I was going through this process of discovering and creating my vision I came up with a couple of sayings, would you like to hear them?” I asked.

“I am all ears,” Keith replied.

“The first, came about I am just discovering how exciting and inspiring it is contribute and perhaps it echoes Steve Jobs final words:

*“We only get one chance to create an exciting and inspiring life -
Take it!”*

Mark Stecher
Build To Exit

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“I like it!” Keith said, smiling. “I might even quote you myself.”

“That is high praise indeed,” I said with a huge smile.

“What is the second one?” Keith asked, leaning towards me as he listened intently.

“This second one came because of some of the work that I have been doing in the Philippines and was the result of how the smile that someone you help can give you immeasurable joy:

*“Measure your success by the smiles you create –
Not by the dollars in your bank account”*

Mark Stecher
Build To Exit

“I think one of the best things I learnt this year is the joy of brightening someone else’s day. If people reading this book, only take that one thing away, it has been worth it,”

“You have really found the true meaning of life,” Keith said smiling. “So just to finish up now, if you were to distil all of your learnings down into one single message to give to other business owners, what would it be?”

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“That is a tough one because there are so many, however if it was to be just one it would be this :

My message to fellow business owners....

Collectively we can change the world. We cannot do everything ourselves, however we can do one thing. Building and growing a successful business is challenging, it takes vision, focus, ambition, drive, integrity and a burning desire to help others. As successful entrepreneurs and business owners, we already have these qualities and attributes, it is simply a matter of putting them into practice to create the change you want to see in the world. It is the legacy you leave and will go on way beyond your time on earth. The world is changing dramatically and with easy access to knowledge, global workforces and global markets there has never been a better time to start or build a business. I believe that more and more people will be starting their own businesses instead of working for others and as these small businesses start doing their bit to make the world a better place, the collective energy will be a force that will create huge change for the better. Once you have decided on the change you want to make, stop listening to the news and all the negativity that is around us every day and focus on the one thing you can change. I don't have a TV and don't read newspapers. There are people who are gloomy and will tell you about all the disasters going on in the world, just let it go and focus on your dreams for change. Tell these people not to complain about it – get off your armchair and do something. I am surrounded by other businesses owners who are positive and also believe in taking action to contribute in some way. We are at the best time in history to make our world and the world for our children and grandchildren so much better. I feel so excited and inspired about the future and the fact that we can actually contribute to that,” I said.

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“Amazing, you have come a long way from the guy I met right here in this office less than 12 months ago. The same guy who was feeling burnt out, overwhelmed and wanting to give up his business and get a job. As a parting word, what would you say was the secret to that incredible turn around?” Keith asked

“Simple really, firstly having the Build To Exit journey mapped out for me was a huge thing, I didn’t really have to think too hard about the next steps. Secondly taking a small amount of action every day. I think that once I set my goals and realised that I really need to spend a small amount of time working on myself and on my business and not in it, I started getting results. It was really as simple as that,” I said smiling.

“That’s great and it has been a pleasure as always and I look forward to continuing our journey next year,” Keith replied.

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