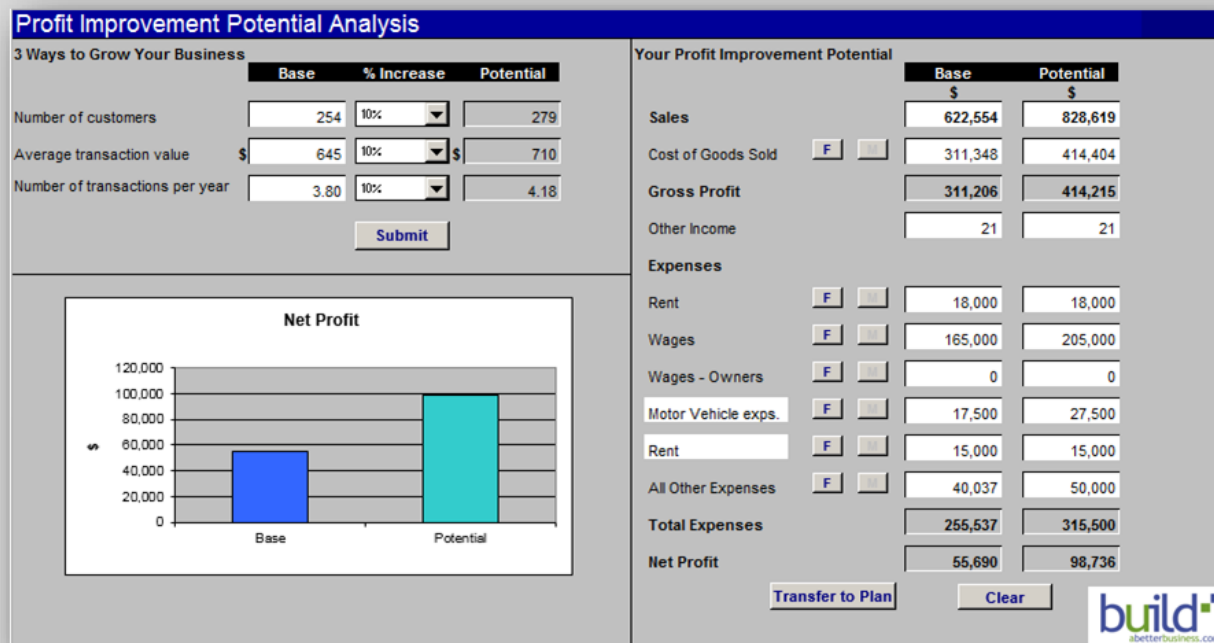




The purpose of this picture file is to showcase a few of the tools you and your clients will use throughout the Build a Better Business courses.

New tools are being created every month as the training programs are produced. I encourage you to build tools of your own to make the complex easier to understand.





Rate Tracker tools used to monitor effectiveness , plan and track weekly performance, as a par of the Contribution Based Activity work you will do with clients.

Hourly Rate Tracker
JULY [Back to Rate Tracker Menu](#)

Enter the details for each job completed for the month

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TOTAL

Average gross profit per hour

Date	Job #	Job Description	Job Type	Customer Name	Cust Type	Invoice Value (no GST)	Cost of Parts (no GST)	Labour Hours	Gross Profit per Hour
01/07/12	4332	minor service	1	Bradley	1	344	105	3.0	79.67
01/07/12	4332	minor service	1	Gordon	1	459	170	2.5	115.60
01/07/12	4333	minor service	1	Jeffries	1	180	35	2.0	72.50
01/07/12	4334	major repair	2	Spalding	1	3,400	2,005	6.0	232.50
02/07/12	4335	pre delivery	3	Smart Cars	2	350	0	7.0	50.00
02/07/12	4336	minor service	1	Bowden	1	257	49	3.0	69.33
02/07/12	4337	major service	2	Frawley	1	1,890	700	6.0	198.33

build⁺ **Rate Tracker**

[Back to Main Menu](#)

[Year to Date Summary](#)

Select a month from the menu below to begin entering your data

July	January
August	February
September	March
October	April
November	May
December	June

4. Tracking Weekly Performance

	Target	Actual	Variance
ed	<input type="text" value="104"/>	<input type="text" value="102.0"/>	<input type="text" value="2"/>
per hour	<input type="text" value="93"/>	<input type="text" value="90"/>	<input type="text" value="3"/>
OFIT	<input type="text" value="9,695"/>	<input type="text" value="9,180"/>	<input type="text" value="515"/>

[Back to](#)

Business owners are taught how budgets build profits and these tools demystify the process



Business Expenses

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CALCULATE YOUR EXPENSES
 Enter your expenses in the amount column, then select the frequency. Some expenses have a specific calculator, just click on the 'C' button next to it.

Expenses	Amount	Frequency	Per Year	Expenses	Amount	Frequency	Per Year
Accountancy Fees	10,000	Yearly	10,000	Conferences & Seminars			
Advertising & Promotion	15,000	Yearly	15,000	Consultants Fees			
Amortisation Expense		Yearly	0	Contract Payments			
Annual Leave Expense		Yearly	0	Couriers & Taxis			
Audit Fees		Yearly	0	Debt Collection			
Bad Debts		Yearly	0	Delivery			
Bank Fees	200	Monthly	2,400	Depreciation - Buildings			
Borrowing Expenses		Yearly	0	Depreciation - Other			
Carparking	50	Monthly	600	Disbursements			
Crates & Packing		Yearly	0	Discounts Allowed			
Cleaning	150	Weekly	7,800	Donations			
Commissions		Yearly	0	Electricity & Gas			
Computer Expenses	2,000	Yearly	2,000	Entertainment			

[Home](#)

Personal Expenses

build⁺

CALCULATE YOUR EXPENSES
 Enter your expenses in the amount column, then select the frequency.

Expenses	Amount	Frequency	Per Year	Expenses	Amount	Frequency	Per Year
Rent / Mortgage	500.00	Fortnightly	13,000.00	Groceries	300.00	Weekly	15,600.00
Council Rates	900.00	Yearly	900.00	Clothing		Yearly	0.00
Water Rates	300.00	Quarterly	1,200.00	Pharmacy		Yearly	0.00
Power & Heating	800.00	Quarterly	3,200.00	Health	150.00	Fortnightly	3,900.00
Telephone		Yearly	0.00	Health Insurance		Yearly	0.00
Mobile Phone		Yearly	0.00	Other Insurance		Yearly	0.00
Internet Services		Yearly	0.00	Entertainment	200.00	Weekly	10,400.00
Child Care	150.00	Weekly	8,320.00	Holidays	6,000.00	Yearly	6,000.00
School Fees	1,000.00	Quarterly	4,000.00	Memberships & Subscriptions	200.00	Yearly	200.00
Motor Vehicle / Transport		Yearly	0.00	Gifts		Yearly	0.00
Loan Repayments	600.00	Monthly	7,200.00	Donations		Yearly	0.00
Registration	800.00	Yearly	800.00	Regular Savings		Yearly	0.00
Insurance	100.00	Quarterly	400.00	Other		Yearly	0.00
			3,200.00	Other		Yearly	0.00
			0.00	Other		Yearly	0.00
				Total Yearly Expenses			\$80,320.00

Budget Planner

[Home](#)

Sales	853,062
Less Cost of Goods Sold	383,878
Gross Profit Margin	55.00%
Gross Profit	469,184
Expenses	318,800
Net Profit	150,384
Tax	25,064
Living Expenses	80,320
Less: Other Income *	0
Loan Repayments	25,000
Other Expenditure	5,000
Required Surplus	15,000

Tools from the Pricing for Profit and Customer Service System courses.



Frank's Plumbing Services. Features:

	Good	Better	Best	Premier
Registered plumbers	✓	✓	✓	✓
Liability Insurance	✓	✓	✓	✓
Government & Council Compliance	✓	✓	✓	✓
OH&S compliance	✓	✓	✓	✓
Clean site on job completion	✓	✓	✓	✓
Premium Australian Made Products	x	x	✓	✓
Imported materials & components	✓	✓	x	x
Extended workmanship warranty	x	x	✓	✓
After installation follow up	x	x	✓	✓
Guaranteed On Time Arrival	x	x	✓	✓
3 Hour Scheduling	x	✓	x	x
Your Happy to Be re scheduled	✓	x	x	x
Out of Hours Service	x	x	x	✓
Priority Booking	x	x	x	✓
General Onsite inspection	x	✓	✓	✓
Detailed Site Inspection	x	x	✓	✓
Written Report	x	x	✓	✓
7 Day Account	x	x	✓	✓
No call out fee	x	x	x	✓

This margin table is from the from Pricing for Profit, and something I suggest should be printed on the back of your business cards. When a prospective client asks you, what is this? You can answer. “It is a margin table, it calculates how many customers you can afford to lose after a price rise without being any worse off because of the remaining customers who are paying more.” It is a great conversation starter.


There is also a table that calculates how many new customers must be won to offset a drop in price. It will convince anyone discounting does not work.

	10%	15%	20%	25%	30%	35%	40%	45%	50%	55%
% Price Increase	The amount by which the volume of your sales could fall before your current level of									
1%	-9%	-6%	-5%	-4%	-3%	-3%	-2%	-2%	-2%	-2%
2%	-17%	-12%	-9%	-7%	-6%	-5%	-5%	-4%	-4%	-4%
4%	-29%	-21%	-17%	-14%	-12%	-10%	-9%	-8%	-7%	-7%
6%	-38%	-29%	-23%	-19%	-17%	-15%	-13%	-12%	-11%	-10%
8%	-44%	-35%	-29%	-24%	-21%	-19%	-17%	-15%	-14%	-13%
10%	-50%	-40%	-33%	-29%	-25%	-22%	-20%	-18%	-17%	-15%
15%	-60%	-50%	-43%	-38%	-33%	-30%	-27%	-25%	-23%	-21%
20%	-67%	-57%	-50%	-44%	-40%	-36%	-33%	-31%	-29%	-27%
25%	-71%	-63%	-56%	-50%	-45%	-42%	-38%	-36%	-33%	-31%
30%	-75%	-67%	-60%	-55%	-50%	-46%	-43%	-40%	-38%	-35%
35%	-78%	-70%	-64%	-58%	-54%	-50%	-47%	-44%	-41%	-39%
40%	-80%	-73%	-67%	-62%	-57%	-53%	-50%	-47%	-44%	-42%



Monthly Business Health Checklist
January to June

Rate yourself each month between 0 and 5. 1 for poor 5 for excellent and 0 not applicable
Do not worry if you score poorly in lots of areas, you will not be alone
Select 3 areas to focus on in the next 4 weeks and commit to actions to improve in these areas (refer following action sheet)



	J	F	M	A	M	J
Work Skills & Quality						
Technical competence						
Training and continual staff development						
Keeping up to date with relevant technology						
Pricing						
Our pricing reflects the value we offer customers						
We offer our customers a range of prices						
Customer Service						
We have a customer service policy						
We regularly obtain feedback from customers						
Our customers rate us highly on customer service						
System & Process						
Employees know exactly what to do						
Strong processes deliver consistent outcomes						
Generally, if someone is absent we can cover						
All critical processes are documented						
Planning & Control						
Work flow meetings are held weekly						
Goals are set and monitored						

A simple business health checklist. The owner, in your presence, self assess various aspects of the business and creates, then prioritises a list of matters requiring attention. Rather than feeling overwhelmed at all that must be achieved, this system instils a sense of calm as the business owner realises a plan is in place to address, over time, each of the issues. Progress is tracked monthly and the self assessment is repeated quarterly as a part of the Management Control Plan process you have instigated.

Mentor Implementation Guide

Profit Improvement — First Steps

Mentor Implementation Guide



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Sustainer's Planning & Reporting System

Pricing for Profit

	Owner 1	Owner 2	Owner 3	Sustainer
Read the objectives of this course.	x	x		x
The Power of a Price Increase.	x	x		x
What a 10% Price rise means for cash flow.	x			x
How many customers will be lost if you lift price by 10%?	x			x
Price only matters when other things are equal.				x
How to win the war against discounters.				x
Do not have a one price fits all strategy.				x
Understanding why people volunteer to pay more.				x
The real reason why customers ask how much? And how to respond.				x

YOUR PROFIT IMPROVEMENT POTENTIAL

Strategy	Profit Improvement	
	Annual	Weekly
Strategy 1: Revenue Drivers	\$ _____	\$ _____
Strategy 2: Pricing Strategy	_____	_____
Strategy 3: Effectiveness	_____	_____
Let's be conservative	_____	_____

4. Tracking Your Clients Progress

You will receive emails notifying of your clients progress through each course. Use this tracking sheet to keep a record of where your client is at. Simply tick the step as you receive advice the client has completed a topic. (If suggest this task be delegated to an assistant.)
If a client stalls at any point I will send you a prompt to follow up, with the clients Sustainer.

Lesson 1: Considering the Possibility of Profit Improvement

Topic	Tick when complete	Links in this Guide
Topic 1: Welcome & Overview	<input type="checkbox"/>	
Topic 2: Examining the impact of a New pricing Strategy	<input type="checkbox"/>	
Topic 3: Creating a Consistent Stream of Quality Sales	<input type="checkbox"/>	
Topic 4: Segmenting Customers to Improve Effectiveness	<input type="checkbox"/>	
Topic 5: Considering the possibilities	<input type="checkbox"/>	Link
Topic 6: Solutions if Numbers Mess With Your Brain	<input type="checkbox"/>	
Topic 7: Lessons Handouts	<input type="checkbox"/>	

Lesson 2: Accountability Drives Results

Topic 1: Appointing a Sustainer Will Be Your Best Decision	<input type="checkbox"/>
Topic 2: Sustainer Resources	<input type="checkbox"/>

Lesson 3: Focusing on Profit as Opposed to Revenue

Topic 1: Achieving More Profit From the Same effort	<input type="checkbox"/>
---	--------------------------

Lesson 4: Calculating Profit Improvement Potential

Complete the Profit Drivers Profit Improvement Spreadsheet	<input type="checkbox"/>
Complete the 3 Page Business Plan	<input type="checkbox"/>

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Profit Improvement — First Steps

Mentor Implementation Guide



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2. Client Details

Client Name

Business Name

Email address

Telephone

Sutainer's Name

Sutainer's Email address

Notes

3. How to Use this Guide

As your client works their way through the First Steps guide there will be a number of activities for them to complete. Each activity is referred to in this guide, and your role as facilitator is to encourage the client to report the outcomes of the activities to you, and for you to record them in the guide.

The Learning Management System allows me to track, with consent, the progress of your client through the course. The system will automatically send emails to you, again with client consent, as to where they are at in the course. You will now therefore if an activity is due to be completed and you can ask for the outcome to be reported. For example, you can ask your client to advise you of the profit improvement potential they have calculated is possible.

In the event the client has not completed the activity you can encourage them to do so.

Again the client will be conditioned to expect this prompting from you.

I have prepared a series of emails for you to use, and/or adapt, to follow up clients. If you are using the electronic version of this guide (recommended) you will be able to follow hyperlinks to the emails.

Clients do not have to complete the activities in linear order, so be prepared for the client to work in a slightly different pattern to this guide.

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Mentor Implementation Guide

1. Course Outcomes

Objective	Why this is important for ...	
	Your Client	Your Firm
1. Calculate the profit earning potential of the business.	To remind them what is achievable, and how that compares to.	You have a client who is motivated to improve.
2. Establish a plan for the achievement of this potential.	The plan places gives key strategic initiatives a priority among the clients of weekly operational matters.	The plan forms the basis for the monthly Management Advisory Board meetings you will chair.
3. Appoint a Sutainer.	The Sutainer will make the business owner accountable.	The Sutainer will be the person you and your team have with, allowing you to help the client stay on task, without having to barge the client directly.

I recommend you assist clients work through the Profit Improvement—First Steps course without charging them. The work you will be required to do is minimal, an hour or two at the most, and the aim is to motivate the client to begin the business development process.

As a result of completing the second of the three Foundation Courses, Pricing for Profit, your clients will benefit from an immediate improvement in cashflow and will therefore be able to afford the fees you will charge to help them achieve the full profit earning potential of the business.

If your client achieves the three course outcomes outlined above they will be convinced significant profit improvement is achievable and they will be committed to implement a plan to achieve this.

However, because of the nature of small business, most clients will fail to implement the plan unless they receive outside coaching and encouragement. This is your role, and throughout the First Steps course the clients are reminded their accountant is best placed to assist them implement the Build a Better Business Strategies.

The client is also conditioned to the idea of having to pay more in accounting fees, and that the outcomes achieved by completing the Pricing for Profit Course will fund the higher fee. It makes sense therefore to invest some time in the process so as you and your client benefit through participation in the Build a Better Business Process.

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4. Tracking Your Clients Progress

You will receive emails notifying of your clients progress through each course. Use this tracking sheet to keep a record of where your client is at. Simply tick the step as you receive advice the client has completed a topic. (I suggest this task be delegated to an assistant.) If a client stalls at any point I will send you a prompt to follow up, with the clients Sutainer.

Lesson 1: Considering the Possibility of Profit Improvement

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Topic 6: Solutions if Numbers Mess With Your Brain	<input type="checkbox"/>	
Topic 7: Lesson Handouts	<input type="checkbox"/>	

Lesson 2: Accountability Drives Results

Topic 1: Appointing a Sutainer Will Be Your Best Decision	<input type="checkbox"/>
Topic 2: Sutainer Resources	<input type="checkbox"/>

Lesson 3: Focusing on Profit as Opposed to Revenue

Topic 1: Achieving More Profit from the Same Effort	<input type="checkbox"/>
---	--------------------------

Lesson 4: Calculating Profit Improvement Potential

Complete the Profit Drivers Profit Improvement Spreadsheet	<input type="checkbox"/>
Complete the 3 Page Business Plan	<input type="checkbox"/>

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FINANCIAL STATEMENT ANALYSIS TEMPLATE



Sales

COGS

Gross Profit

Gross Profit %

Selected exp. #1 (Advertising & Mkt.)

Selected exp. #2

Wages

Wages % GP

Other Expenses

Total Exp.

Net Profit (A)

Net Profit % of sales

Income Tax (B)

Depreciation & Amortisation (C)

Normalised Dividends (D)

(A) + (C) - (B) - (D)

Financial Statement Analysis and Report Writing templates

Easy Rider Pty Ltd
Management Report - June

Area of consideration

Note the graphic does not include the entire funds statement, just what you want to highlight. Not everything has to add up & balance. True!

Cash Flow

Over the past 3 years the cash position of the business has worsened considerably. There are a number of factors influencing the final cash position each year, but one stands out, your drawings are in excess of the profit.

The decline in cash may not be evident to you as there is lots going on including the purchase of new equipment, equipment finance, growing sales and profitability etc. However if things continue along this path I predict you will run out of cash sometime during the next 6 months, and this means you will not be able to grow the business any further.

I recommend we meet to prepare a forecast of your living requirements and business cash flows over the next 12 months so you are aware of, and are able to monitor the cash situation.

	2017	2016	2015
Cash Surplus	(17,225)	(8,900)	(16,900)
Profit (before deprec.)	214,000	198,000	194,000
Drawings	255,000	255,000	255,000

The information in the box is an element

Past performance

What this means for you

Recommendation



Financial Statement Analysis and Report Writing templates



Areas of Consideration—Profitability

Sales ([Link](#))

Gross Profit ([Link](#))

Selected expenses

Wages ([link](#))

Areas of Consideration—Cash flow

Profitability

Borrowing

Working capital ([link](#))

Capital Contribution

Dividends

Working Capital Review

	2017	2016	2015	2014	2013
Working Capital—Days					
Accounts Receivable					
Days In Inventory					
Accounts Payable.					

Accounts Receivable—Calculation of Days outstanding.

Total Credit Sales divided by trading days during period = Average daily sales .

Accounts Receivable Balance divided by Av. Daily sales = days outstanding.

Example

Annual Credit Sales \$1,315,000
 Trading days for year 250
 Accounts Receivable Balance \$221,000
 $\$1,315,000 / 250 = \text{av. daily sales of } \$5,260$
 $\$221,000 / \$5,260 = 42 \text{ days}$

Days in Inventory

The days in inventory refers to the total number of days a company takes to sell its average inventory. Follow [this link](#) or the link on the lesson page for details of how to calculate days in inventory.

Accounts Payable —Calculation of Days outstanding.

Total purchases divided by trading days during period = Average daily purchases.

Accounts Payable Balance divided by Av. Daily Purchases = days outstanding.

Example Source & Application of Funds

SOURCE OF FUNDS	LONG TERM	SHORT TERM	TOTAL
Normalised Profit + Depreciation + tax (3 months)	188,956		188,956
Increase in Accounts Payable			
TOTAL SOURCE OF FUNDS	\$188,956		
APPLICATION OF FUNDS			
Purchase Equipment	6,674		
Increase Accounts Payable			
Increase in Stock			

Working Capital Review

	2017	2016	2015	2014	2013
Working Capital—Days					
Accounts Receivable					
Days In Inventory					

FINANCIAL STATEMENT ANALYSIS TEMPLATE

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outstanding.

uring period = Average daily

. Daily sales = days outstanding.

Days in Inventory

The days in inventory refers to the total number of days a company takes to sell its average inventory. Follow [this link](#) or the link on the lesson page for details of how to calculate days in inventory.

Accounts Payable —Calculation of Days outstanding.

Total purchases divided by trading days during period = Average daily purchases.

Accounts Payable Balance divided by Av. Daily Purchases = days outstanding.

Profit Improvement Potential and 3 Page Business Plan



Seven Steps That We Will Take To Work Towards The Achievement Of Our Key Goals			
No.	Action	Due Date	Comments
1	We will examine our existing pricing structure and consider alternative pricing strategies. We will work through a tutorial on pricing strategy and discuss an alternative strategy with our accountant.	/ /	
2	At the same time we will examine our existing customer base to see if some customers are more profitable than others. In the event that we determine some customers are more profitable than others, we will explore ways to encourage less profitable customers to seek services elsewhere and use the capacity freed up to invite better customers into our business.	/ /	
3	This will require us to implement a world class customer service strategy. We will examine the buildabetterbusiness service.		
4	We will gather our top Business program by		
5	We will then examine closely examine the		

The work we did during that tutorial made it clear that we

\$ to \$ and the

to \$

We have broken these increments into 5 stages as set c

	Now	Now + 1	N
Sales			
Profit			

This increased profit will be applied across the following

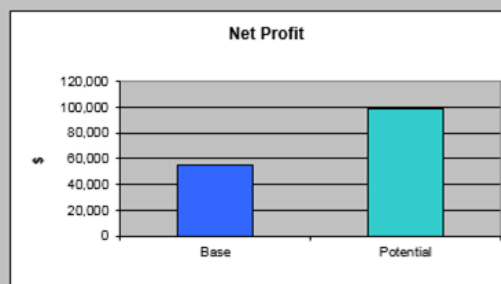
The owners will receive a greater distribution from the business

Profit Improvement Potential Analysis

3 Ways to Grow Your Business

	Base	% Increase	Potential
Number of customers	254	10%	279
Average transaction value	\$ 645	10%	\$ 710
Number of transactions per year	3.80	10%	4.18

Submit



Your Profit Improvement Potential

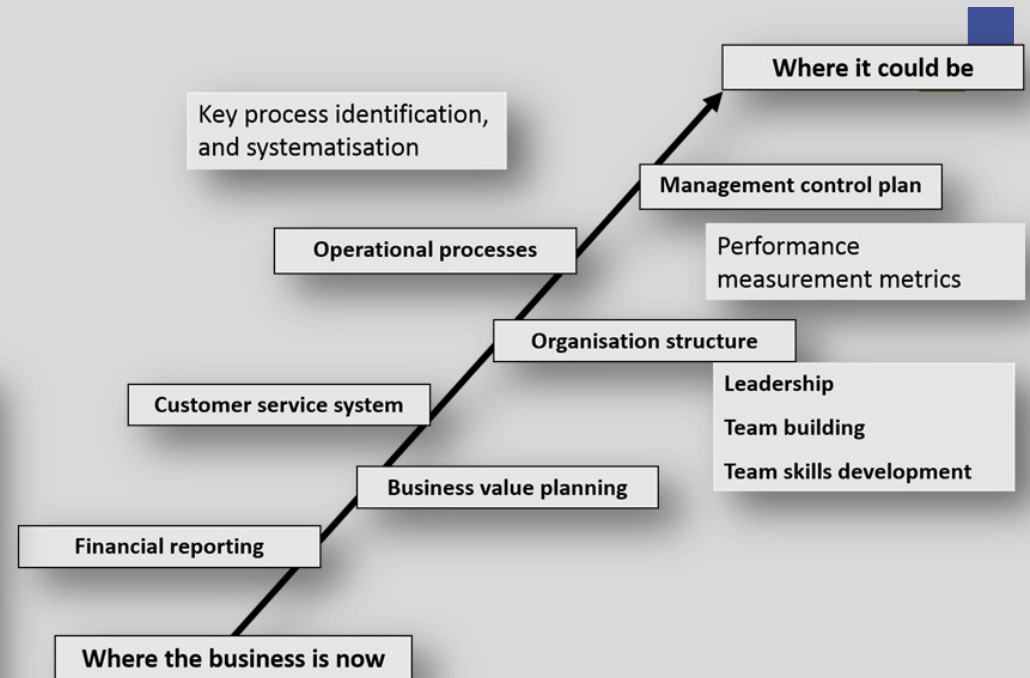
	Base	Potential
	\$	\$
Sales	622,554	828,619
Cost of Goods Sold	311,348	414,404
Gross Profit	311,206	414,215
Other Income	21	21
Expenses		
Rent	18,000	18,000
Wages	165,000	205,000
Wages - Owners	0	0
Motor Vehicle exps.	17,500	27,500
Rent	15,000	15,000
All Other Expenses	40,037	50,000
Total Expenses	255,537	315,500
Net Profit	55,690	98,736

Transfer to Plan

Clear



Management Control Plan





THERE ARE ONLY THREE WAYS TO GROW REVENUE

Mentor Meeting Guide



What Gets Measured Gets Managed

How many new clients are won each week / month?

How many clients are lost each week / month?

If you are not already recording how many clients you lose each month, how might you find out?

What is the estimated annual gross profit from the customers won last week / month?

What is the advertising cost of acquisition for the customers won last week / month?

What is the estimated annual gross profit from the customers who have defected last week / month?

Unique Core Differentiator

Why would a customer choose your product or service in preference to something similar offered by one of your competitors? Write down your answer in the space provided.

Does your advertising focus on:

Even when selling products and services, there are a number of ways including:

- Your customer service
- Guarantee / risk reversal
- Reputation
- Location / ease of access
- Staff expertise
- Your knowledge of the market
- After sales service
- Quality
- Complimentary services
- Environmental considerations
- Local connections and relationships
- Reliability and trustworthiness

What Gets Measured Gets Managed

How many customers do you have?

What is your target?

What do you plan to do to achieve this target? How long will it take to achieve the target? Who will you report to, and how often in respect of progress? (Take into account actions in respect of new customers won and customer retention).