

DELIVERING CLIENT VALUE & DRIVING REVENUE WITH THE BUSINESS COACHING MODEL

Look Back, Look Out, Look Ahead



Tommy Battle, MBA, CEPA, CFP®
President, Financial Designs
February 27, 2023
Legacy Advisors Network
Phoenix Fly-In

About Us



We would welcome the opportunity to share how the Abundance Business Coaching Program is helping leaders and their teams go further faster than they ever thought they could.



Rick Scruggs, CLU, ChCF, C(k)P®
Founder, CEO & Advisor

Rick provides advanced planning for businesses and individuals on matters of continuity, succession, transition, tax and estate planning.



Tommy Battle, MBA, CEPA, CFP®
President, Abundance Business Coach

Tommy services as our lead business planning coach guiding owners and teams to develop vision, accountability and superior results.



Sarah Scruggs Reddell, RICP, AIF®
COO, Qualified Plans Manager & Advisor

Sarah leads the Financial Solutions Division focusing on retirement success, risk and wealth management for businesses and individuals.

David Loy, CPA
CFO, Abundance Business Analyst
David guides companies to design their financial management playbook, to understand their Cash Flow Story and to develop strategic financial scorecards.

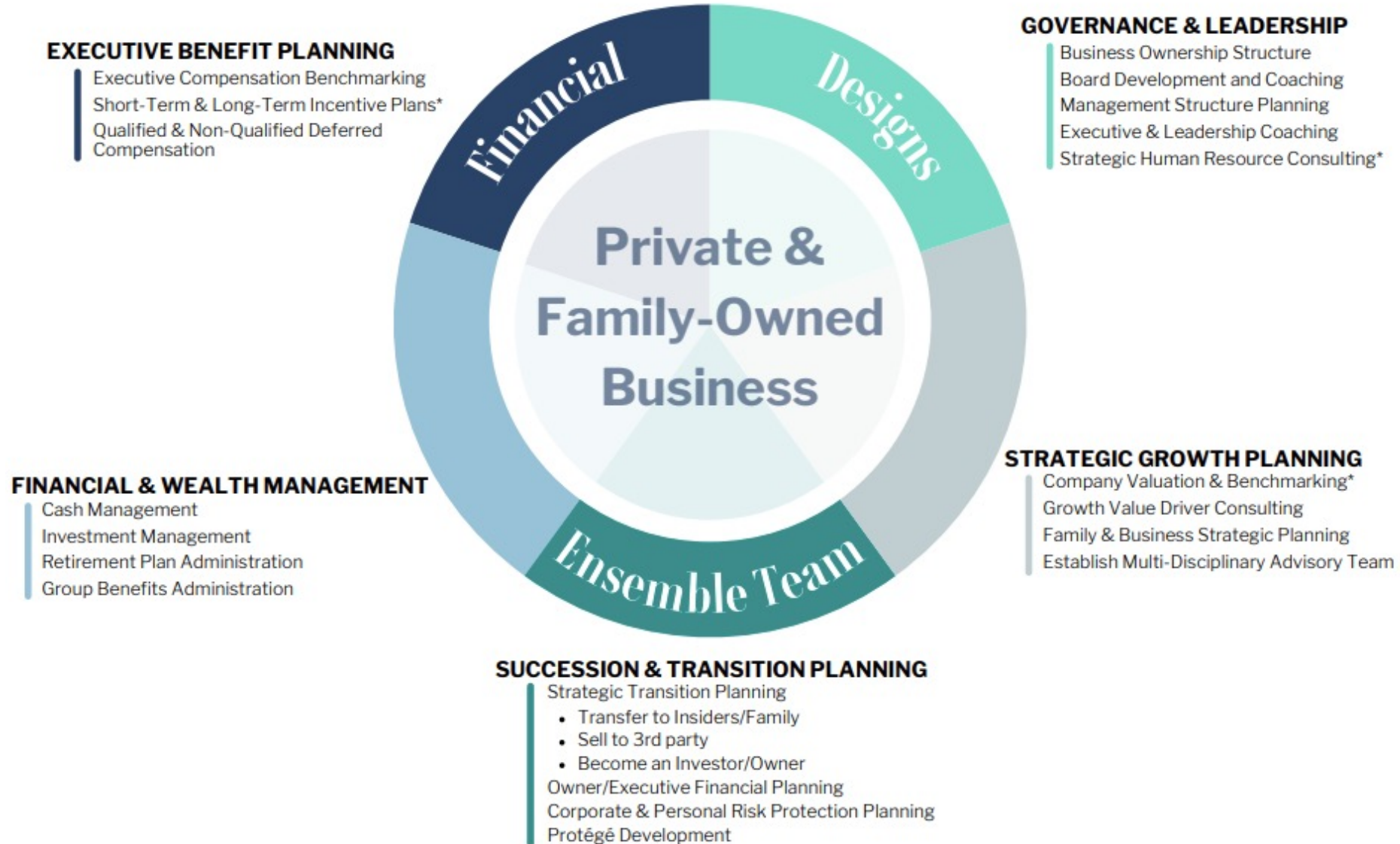
Mission, Vision, Values

**Serving the Needs of
Private & Family-Owned Businesses
Since 1983**

**Positively Impact the Quality of Life in the
Communities We Serve
Through Private and Family-Owned Businesses**

Abundance Mentality | Curious | Collaborative | Committed

Our Business Solutions



*Delivered through 3rd Party Strategic Collaboration.

When Do You Ever See Forecasters Look Back?

“The Journey to a \$1M Business Coaching Practice”

	2021*	2022 Goals (Mar. '22)		2022 Actual	
OBA Gross Fees	\$275,000	Annual Billable:	\$300,000	Annual Rev:	\$445,000 +62% (21 Co's)
		New Biz Goal:	\$350,000	New Biz Booked (annualized)**:	\$353,000
		Jan. '23 Run Rate Goal:	\$650,000	Jan. '23 Actual Run Rate:	\$633,500 (18 Co's)
Avg. Fee	\$15,300	\$30,000			\$34,550

*2021 includes \$100,000 non-renewable fee...2022 +154% coaching fees

**2022 suffered \$108,000 recurring fee attrition!

Now Let's Look Ahead

Assumptions

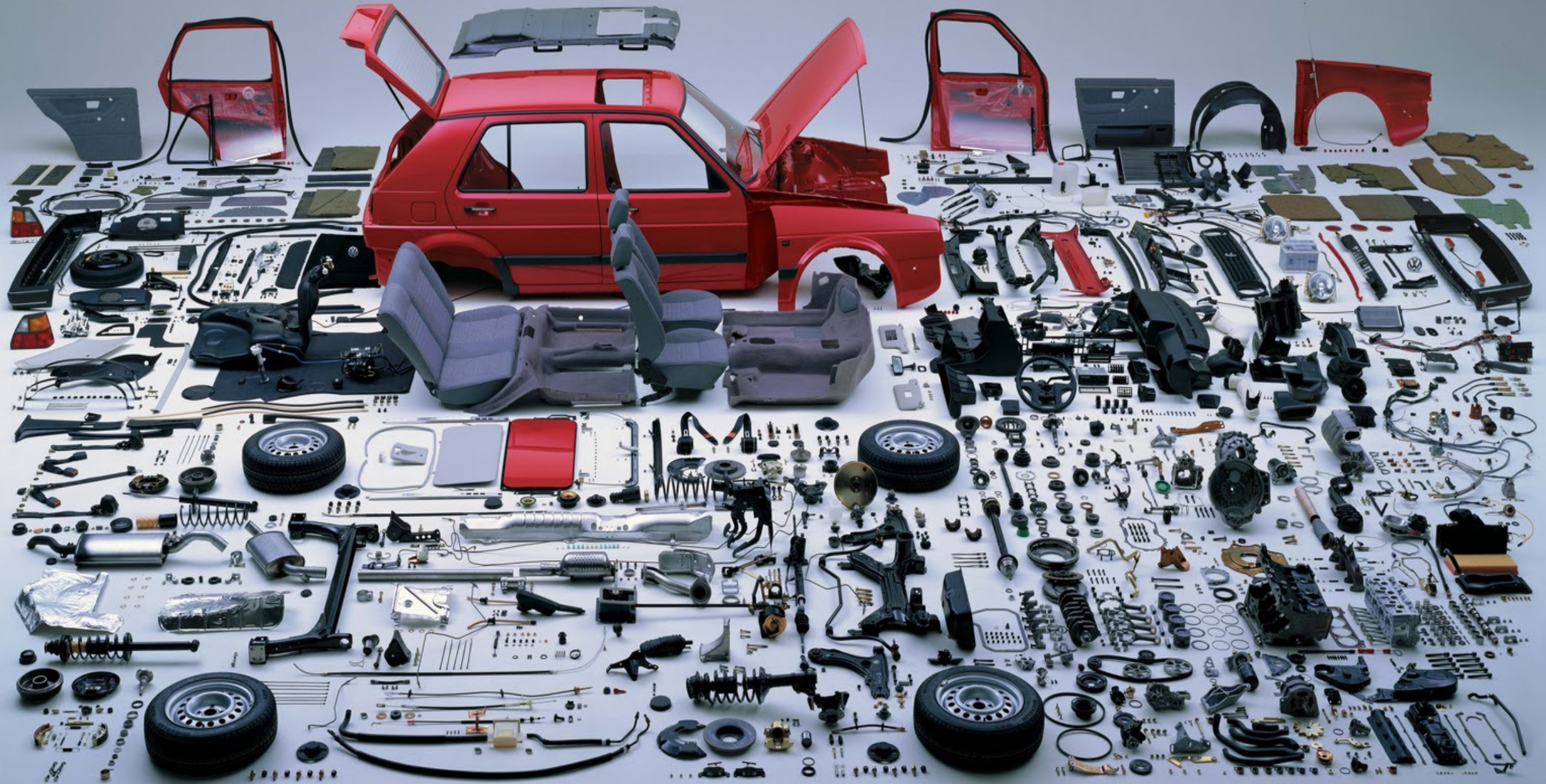
- \$633,500 2023 contracted fees remain sticky
- 8-10 new engagements ranging from \$36k to \$100k
- We add planning capacity to handle 6-8 engagements

	2023 Goals	
OBA Gross Fees	Annual Revenue:	\$800,000 +80%
	New Biz Goal:	\$370,000
	Jan. Run Rate:	\$1,000,000
Avg. Fee	\$40,000	

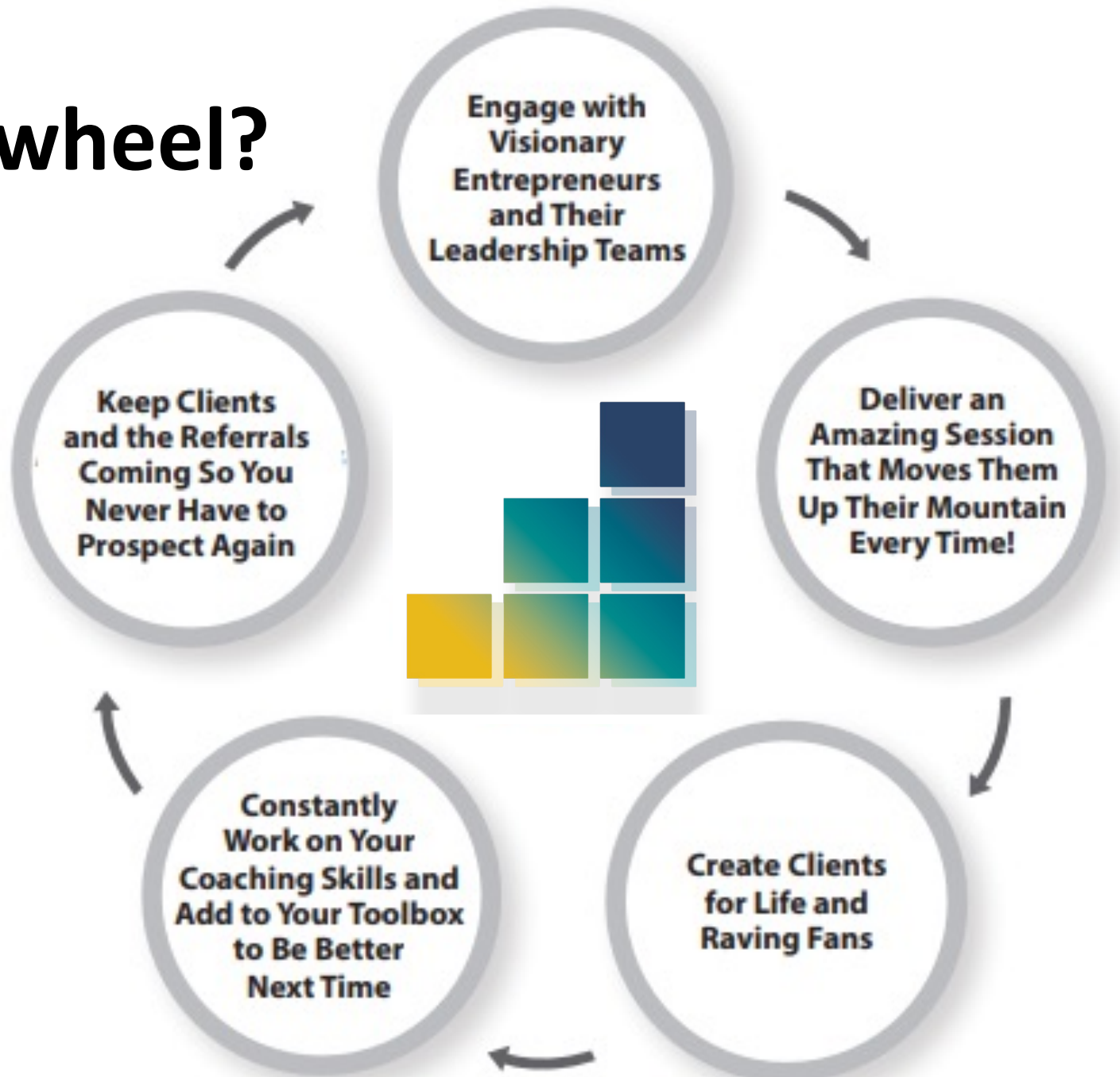
2022-2023 Business Engagements Breakdown

Type of Engagement	No. of Companies	Project/Annual Fee Range
<i>Projects – Fixed fee and time-frame</i>		
Special Projects (Strat. Plan, Exec. Financial Plan, Compensation planning)	4	\$5,000 - \$15,000
Succession/Exit Planning Projects	3	\$15,000
Fractional CFO Projects	2	\$5,000 - \$46,500
<i>Programs – Monthly Retainer Fee</i>		
Pinnacle Program	3	\$30,000 - \$48,000
Pinnacle + Exit/Succession Planning Program	8	\$30,000 - \$72,000
Chairman’s Program	3	\$15,000 - \$18,000
Total	24	

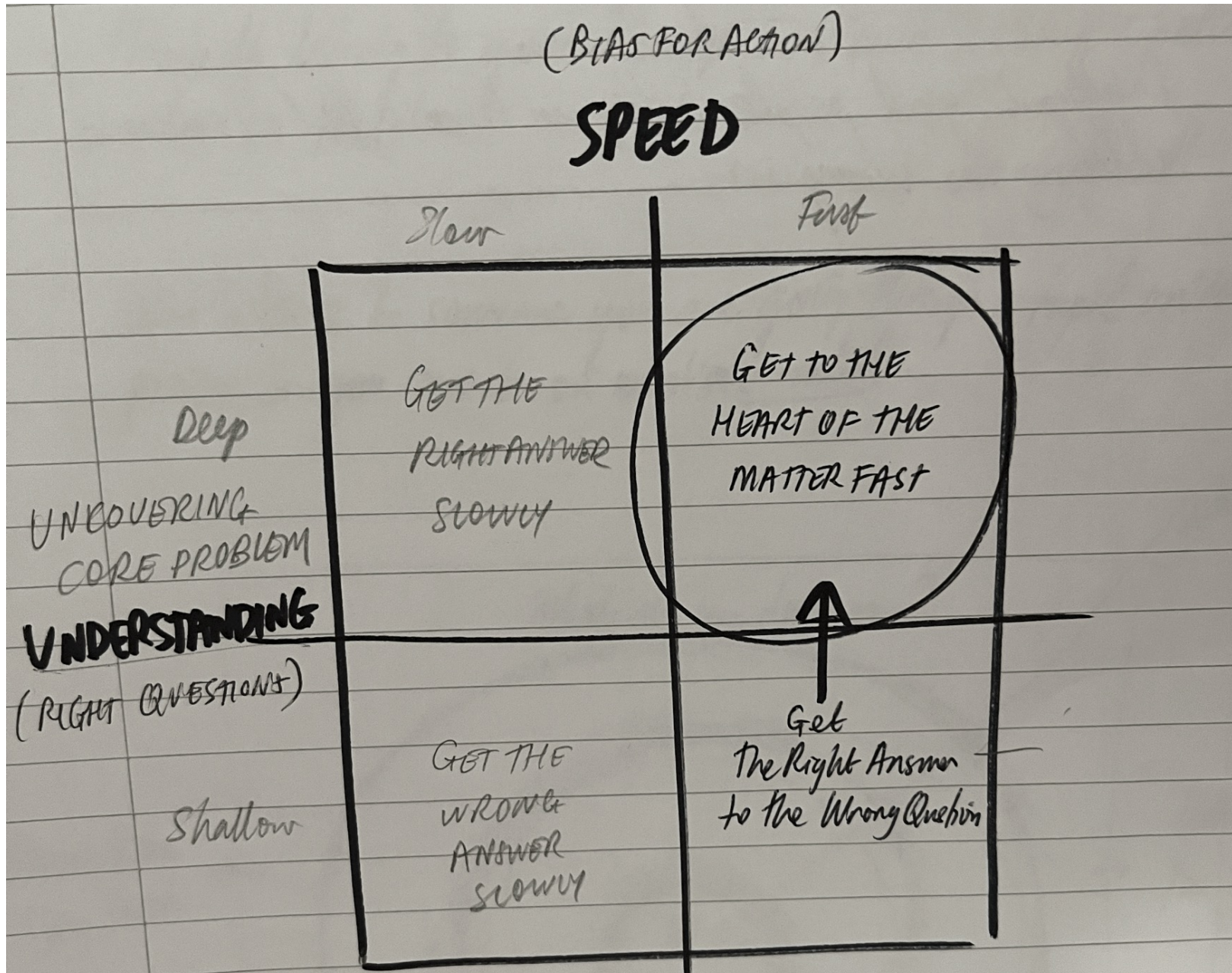
Current Financial Solutions Clients: 9



What's Your Flywheel?



Quick vs. Deep: Quick gets us in the door...Deep keeps us in the house



Growing Enterprise Value Is Your “True North”



Our “Quick” Tools

differentiate + pinpoint/calculate + create urgency

For Business Owners:

The Owner’s Advantage Scorecard™



STORIES Interviews

Situation

Target/Timetable

Obstacles

Responses

Impact

Emotion

Summarize



asset+map

BIZ|EQUITY



Potential Value: \$5.23M

\$1.57M

Value Gap

Enterprise Value

\$3.67M

At Pre-Exit

The RED Report

Rapid Essential Diligence

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differentiate + pinpoint/calculate + create urgency

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asset+map

BIZ|EQUITY



ValuCompass

Potential Value: \$5.23M

\$1.57M

Value Gap

Enterprise Value

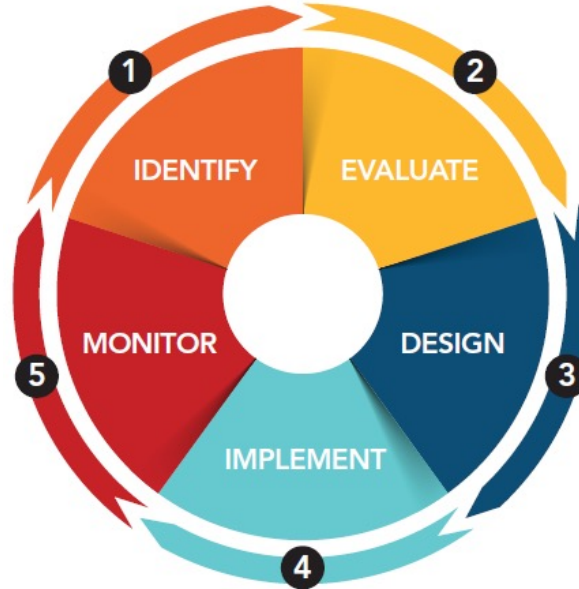
\$3.67M

At Pre-Exit

The RED Report

Rapid Essential Diligence

Our “Deep” Tools

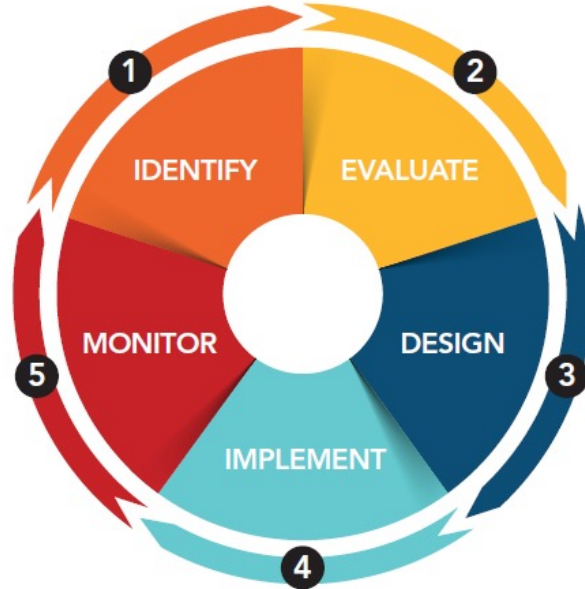


At Pre-Exit

The RED Report
Rapid Essential Diligence



Our “Deep” Tools



At Pre-Exit



The Coaching Investment















Abundance Business Coaching Program Investment			
	Base	Mid-Level	Premium
Abundance Business Network Membership	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ValuCompass Growth Drivers			
Discover Assessment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Perspectives Report with Leadership Team	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Business Insights Report	Separate Fee	Separate Fee	<input checked="" type="checkbox"/>
Continuity, Succession, Transition Planning			
Continuity Risk Audit and Plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Succession Plan Road Map		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Transition/Exit Plan Road Map		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Executive Financial Planning	Separate Fee	Separate Fee	<input checked="" type="checkbox"/>
Pinnacle Business Operating System Program			
Base Camp 1,2 & 3	<input checked="" type="checkbox"/> 3 Days	<input checked="" type="checkbox"/> 3 Days	<input checked="" type="checkbox"/> 3 Days
Quarterly Sessions 3	<input checked="" type="checkbox"/> 3 Days	<input checked="" type="checkbox"/> 3 Days	<input checked="" type="checkbox"/> 3 Days
Annual Session	<input checked="" type="checkbox"/> 2 Days	<input checked="" type="checkbox"/> 2 Days	<input checked="" type="checkbox"/> 2 Days
CEO/COO check-in Calls	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
1:1 CEO/COO Coaching Monthly		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Once a month Weekly Tactical Monitoring			<input checked="" type="checkbox"/>
Mid-Manager Session: Half-Day			<input checked="" type="checkbox"/>
Assessment Tools for Team Health	Separate Fee	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
VisionLink - Performance-Driving Pay Plans		Separate Fee	Separate Fee
Monthly Fee	\$4,000	\$5,000	\$7,000

The
Coaching
COST...
Always
Know Your
Place...

6260 · Professional Fees				
6260.01 · Legal	3,912.63	33,262.68	-29,350.05	-88.24%
6260.02 · Accounting	44,660.66	39,280.60	5,380.06	13.7%
6260.03 · Consulting	15,446.00	70,385.00	-54,939.00	-78.06%
Total 6260 · Professional Fees	64,019.29	142,928.28	-78,908.99	-55.21%

Date: 12/20/2022

...Always
Show
Value...

2022 Accomplishments (backward looking...)				
Action Items	Who	To Begin	In Process	Completed
Bonus Compensation Planning	Chris/Debbie/ Tommy			
Integrate Cash Flow Story Tool (2019, 2020, 2021, YTD 2022)	David/Debbie			
Strategic Vision & Execution Plan Rollout (Deferred to 2023)	ALL			
Basecamp Three, October (Strategy Square, Win the Week, Rocks)	ALL			
Strategic Vision & Execution Plan Completed	Tommy			
Basecamp Two, August (2023 Growth Plan; Trends, Strengths, Weaknesses; Flywheel)	ALL			
Core Values Rollout - PATCAD!	ALL			
Introduced Tools: Talent Assessment, Core Values, Accountability Chart, FAST ROCKs, Meeting Structures, Purpose	ALL			
Basecamp One, June (3-Year Milestones, Goals for 2022, Quarterly Rocks)	ALL			
Monthly Meeting Participation & Support (Jan-March)	Tommy			
Outline and Review Agenda for Weekly Meetings	Tommy/Chris			
On-call for Leadership Check-ins (Jared, Murrell, Debbie, Chris)	Tommy			
Develop Capital Investment Forecasting Model	Tommy/ Debbie			
Review, Approve and Fund Reserve Policy	Tommy/ Debbie			

...Become
Indispensable...

Outstanding Rocks for Leadership Team/Financial Designs

Action Items	Who	To Begin	In Process	Completed
Accountability Chart Rollout with KPIs for each seat	Chris		●	
PATCAD Coaching Process Refined and Rolled Out	Chris		●	
ROA – Clarify and Communicate Russ’s Role and Metrics	Jared		●	
Define List of Priority Playbooks – 5 to 7	Debbie		●	
Deliver Director Monthly Sales Reports	Debbie		●	
Define, Educate and Implement Procedures for Price changes	Sam		●	
Concur Credit Card rollout	Debbie		●	
Build and Utilize the Win The Week Scorecard V1.0	Debbie		●	
Roanoke Game-Plan (Location, financial model, FD Recruiting plan)	Chris		●	

Timeline & Projects for 2023

Action Items	Who	To Begin	In Process	Completed
Update Executive Summary of ValuCompass Operational Report	Tommy		●	
January 12 - Quarterly Summit (Rock Accountability, Celebrate 2022, Confirm 2023 Goals, New Rocks, SVEP Rollout Plan)	Tommy	●		
Strategic Vision & Execution Plan Rollout (Deferred to 2023)	Chris/ LT	●		
Operationalize KPI, Financial & Rock Accountability	LT/Tommy	●		
Improve Financial & Operational Scorecards	Tommy/ Debbie	●		
Develop, Train and Implement on Core Playbooks (Employee		●		



A Few Case Studies



QUESTIONS?

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For Business Owners: The Owner's Advantage Scorecard™

The Owner's Advantage Scorecard™ helps you clearly understand your current situation. Rate your reaction to each pair of phrases on a scale from 1 to 10. A 1 means the phrase on the left is a better description of your situation; 10 indicates that the right hand phrase is better. Add up the total in each column and discuss with your advisor.

		1	2	3	4	5	6	7	8	9	10		
1	We do not have a written strategic business continuity and succession plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	We have a written strategic business continuity and succession plan	
2	We do not have all our business agreements executed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	We have executed documents and agreements that are relevant and sustainable to our future	
3	We have not identified key employees and provided a compensation package for retention, attraction and growth of future company value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	We have identified key employees and implemented a compensation package for retention, attraction and growth of future company value	
4	We have not established an active board of advisors/directors that includes outside advisors/directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	We have established an active board of advisors/directors that includes outside advisor/directors	
5	I do not know the Enterprise Value of my company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I do know the Enterprise Value of my company	
6	We do not review financials monthly at the leadership team level with our CPA and key employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	We review financials monthly at the leadership level with our CPA and key employees	
7	Our financial and business advisors do not meet regularly and work together to leverage our growth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Our financial and business advisors meet regularly and work together to leverage our growth	
8	We do not review our performance standards and written goals regularly and lack accountability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	We review our performance standards and goals regularly with accountability	
9	I do not understand how to extract the value in my company to benefit my retirement income and my family's net worth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I do understand how to extract the value in my company to benefit my retirement income and my family's net worth	
10	We do not feel as confident in our future vision, mission and goals as we would like	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	We feel confident about our future, have the clarity to make wise choices each day, and have reviewed the tools which may help us achieve our vision	
<div style="display: flex; justify-content: space-between; align-items: center;"> ADD COLUMN TOTALS → <table border="1" style="border-collapse: collapse; text-align: center;"> <tr> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> </table> ← YOUR SCORE </div>		0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0		



MAJOR LEAGUE SALES

Artifact Template

Subject: Next Steps

Jack,

Thanks for your candor about XYZ. My understanding is that XXXXXX is on your radar because XXXX.

Situation:

- XXXXX
- XXXXX

Target:

- XXXXX
- XXXXX

Obstacles:

- XXXXX
- XXXXX

Responses:

- XXXXX
- XXXXX

Impact:

- Financial:
- Personal:

If nothing changes, XXXXX

Next Steps:

Item	Timeline	Action	Owner
1	15-Nov	xxxxx	John
2	18-Nov	xxxxx	Paul
3	23-Nov	xxxxx	George
4	30-Nov	xxxxx	Ringo
5	5-Dec	xxxxx	John, Paul
6	10-Dec	xxxxx	George, Ringo

<NAME>, please confirm we're on same page and course correct me where necessary.

Looking forward to our next milestone

<Your Name>

Test Business XYZ Discover Report

Name: Elias Donovan
Industry: Wholesale Trade
Objective: Sustainable Growth
Completed: Mar 5, 2021 04:25 PM

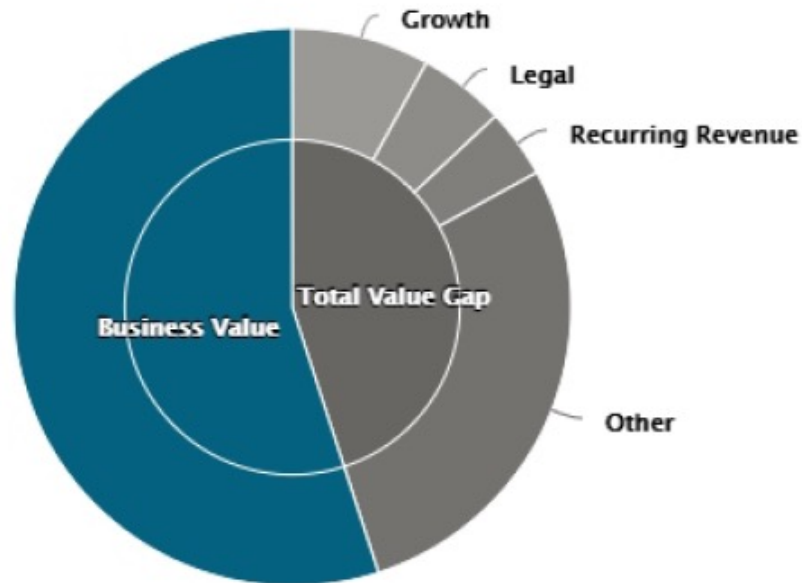
Enterprise Value: **\$7.7M**

Potential Business Value: **\$11.3M**

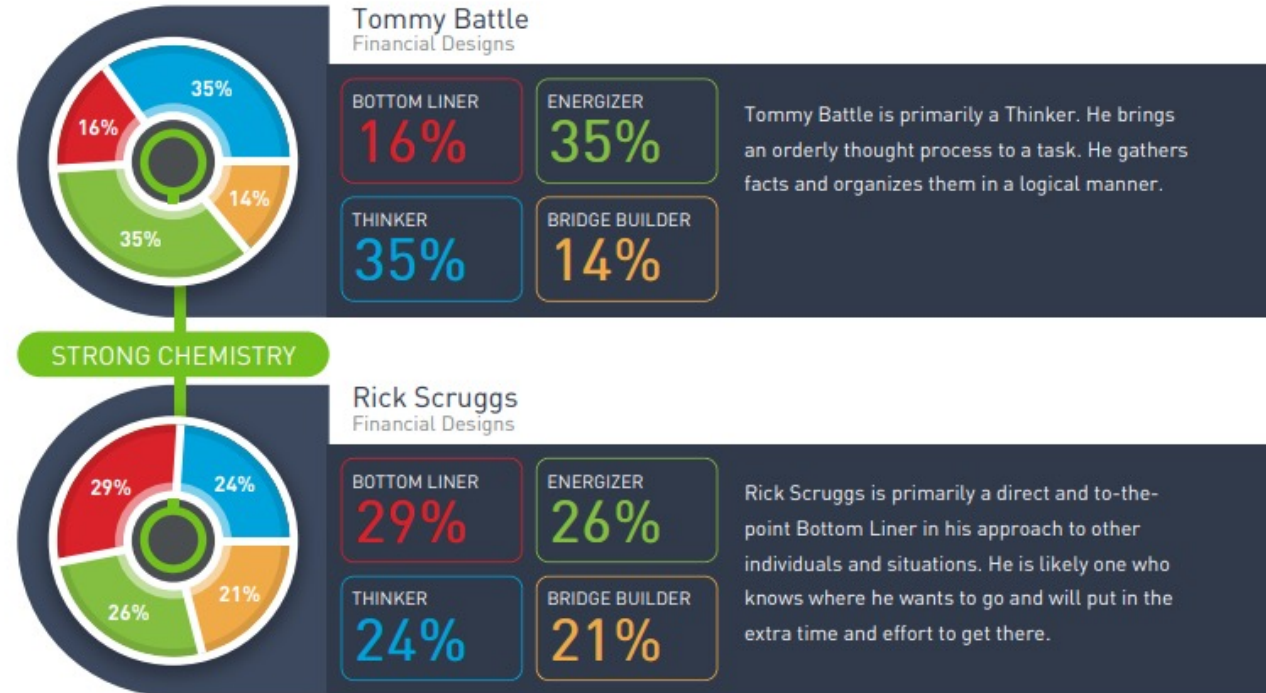
Value Gap: **\$2.53M - \$4.69M**

Growth and Value Opportunity

Test Business XYZ



INDIVIDUAL SUMMARY:



RELATIONSHIP SUMMARY:

Despite some differences in style, Tommy Battle and Rick Scruggs are well-matched and will generally find it easy to effectively communicate with one another. Tommy Battle is detail-oriented and organized, preferring to gather and analyze information before acting, and Rick Scruggs is determined and strong-willed, preferring to make quick decisions. Both will tend to appreciate the other's focus in achieving shared goals.

Rick Scruggs's need to get things done immediately will sometimes conflict with Tommy Battle's thorough and methodical pacing.

Tommy Battle and Rick Scruggs are both slightly direct in their approach. While both can be subtle when necessary and are unlikely to make the others uncomfortable when doing so, their natural tendencies will be toward straightforward conversation.

Tommy Battle and Rick Scruggs are both slightly task-focused in their approach. With a minimal effort, both can be personable when necessary, though they will tend to favor a structured and deliberate plan.

The RED Report

Rapid Essential Diligence

A fast & powerful way to understand a company, assess its performance, and quantify the value of addressing potential red flags.

[January, 2023]

Reduce Transaction Risk & Cost

The RED Report combines research from MIT, generally accepted business standards and in-field learnings gained from 50,000 business engagements to create a fast, comprehensive and cost-effective tool for understanding the essence of a business.

For Buyers and Sellers the RED Report:

- Reduces risk of late-process surprises
- Reduces overall transaction cost
- Increases speed of execution
- Improves certainty of deal close
- Adds objectivity

RED Helps These Critical Steps

Awareness Discovery Analysis LOI Final Diligence



Understand Businesses at Their Core

The RED Report efficiently examines in a standardized way the four core components that constitute any business. These include:

- The General Profile
- The Market Profile
- The Financial Profile
- The Operational Profile

The RED Report is used by PE firms, VCs, brokers and owners because it is:

- Completed in 72 Hours
- Based on Accepted Industry Standards
- 3rd Party Executed
- Composed of Actionable Elements

Interested in the RED Report, contact our founder:



Chuck Richards, CEO
crichards@corevalueresearch.com

Created Through Collaborations With



Massachusetts
Institute of
Technology



NIST

NATIONAL INSTITUTE OF
STANDARDS AND TECHNOLOGY
U.S. DEPARTMENT OF COMMERCE

The RED Report

Rapid Essential Diligence

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THE PINNACLE PRINCIPLE

PEOPLE

+

PURPOSE

+

PLAYBOOK

+

PERFORMANCE

=

PROFITS

The Power of One

Your Power of One		Net Cash Flow \$	EBIT \$
Your Current Position		-3,260,073	4,618,850
Your Power of One	- 1.0 + Reset	Impact on Cash Flow \$	Impact on EBIT \$
Price Increase %	- 1.0 + %	333,699	420,000
Volume Increase %	- 1.0 + %	-43,438	130,200
COGS Reduction %	- 1.0 + %	377,137	289,800
Overheads Reduction %	- 1.0 + %	84,012	84,012
Reduction in Debtors Days	- 1.0 + days	115,068	
Reduction in Stock Days	- 1.0 + days	79,397	
Increase in Creditors Days	- 1.0 + days	79,397	
Your Power of One Impact		1,025,272	924,012
Your Power of One		Net Cash Flow \$	EBIT \$
Your Adjusted Position		-2,234,801	5,542,862

It Starts with Insights



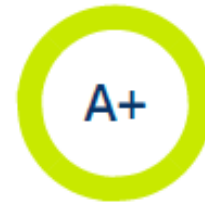
Business Insights



Financial



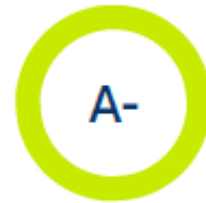
Non-Financial



Credit



Exit Readiness



Benchmark

Achieving Your Value Potential

	As of today	Resolve profit gap	Best in Class financials	Attractiveness	Strategic Exit
Revenue	\$8,093,000	\$8,093,000	\$8,093,000	\$8,093,000	\$8,093,000
EBIT	\$1,322,153	\$1,597,188	\$1,618,600	\$1,618,600	\$1,618,600
NOPAT	\$1,039,593	\$1,255,849	\$1,272,685	\$1,272,685	\$1,272,685
EBIT Multiple	4.02	4.02	4.02	4.80	5.59
NOPAT Multiple	5.11	5.11	5.11	6.11	7.11
Valuation	\$5.31M	\$6.41M	\$6.50M	\$7.78M	\$9.05M

