

LIMBO TO LAMBO



A true story that shows dreams do come true
and demonstrates how you can make them happen.

BRUCE A. BUTLER

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Bruce Butler

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Authors: Bruce Butler © 2010

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PREFACE

By Bruce Butler

The purpose of this book is to show how an average Joe can go from outhouse to penthouse quickly.

The process is simple and cannot fail if you simply apply yourself. If I can do it, anyone can.

My book covers some background to show how far behind the eight ball I was at the start and the factors that put me in the right direction.

I have then included in the book, practical information which you can use immediately to ensure you are successful. The information is simple, practical and, above all, it works.

At the end of the book, I include a number of highly successful documents and forms which lead you in the right direction.

Remember – apply yourself and you cannot fail.

To ACHIEVE just BELIEVE what you CONCEIVE and PERCEIVE you will RECEIVE.

*This book is dedicated to my beautiful daughters,
Madison and Amy.*

The best part about dreams is making them come true.

ACKNOWLEDGEMENTS

I would like to thank the many hundreds of small businesses that have indirectly contributed to the book as a result of Business Plans prepared for them. Without them, this book would not have been written.

I would also like to thank the Universal Power for allowing me to achieve all my goals.

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CHAPTER ONE

THE LIMBO YEARS

In 1994, when I was twenty-four, I had an enormous stroke of luck. I went broke. I don't mean the usual young, single guy's kind of broke, but really broke: belly up, flat broke and living rough. I was married at the time with a young daughter of three. Or, more accurately, I *had* been married. I'd married a really beautiful woman from a good family who was a wonderful mother to our gorgeous daughter – but I'd made a mess of that too. By twenty-four I'd had a number of businesses, made a stack of cash...and blown the lot.

It was the best thing that could have happened to me. Well, that and seeing the picture!

Actually, it was a poster; a car advertisement for a Lamborghini. The poster was stuck on the living room wall of a friend's place. He'd invited me and a few other people over for drinks. I stared at the car. It was a bright, sparkling red Lamborghini Diablo with the scissor doors up and a big V12 engine mounted in the rear. The interior had soft black leather with red piping and the wheels were much bigger than on previous models.

It was a stunning photograph: the picture so sharp and the colors so vivid I could practically hear the sound of that growling, powerful engine. Scotch in hand, I stood and stared at it. Right then I couldn't have afforded to buy the poster – never mind the car. If anybody at the party had seen me staring at that beautiful car they would have marked me down as a loser gazing up at a vision of something he could never have.

Though I have never cared for the labels of “winner” and “loser”, right then I was definitely a loser. Yet it wasn't as if I had anybody else to blame. Nobody had robbed or cheated me; my wife hadn't run off with someone else. What's more, I couldn't blame my past. I certainly didn't have a bad childhood; I didn't have a dysfunctional family; I hadn't married a grasping, shrewish wife. In fact, quite the reverse.

I'd had a happy childhood with loving and caring parents, three sisters and a brother. My wife was generous and kind, only I didn't treat her very well. No, I don't mean I was physically abusive or anything like that, basically I just took her for granted. Just as I took my happy childhood for granted. Just as I took my caring family for granted.

In those days I thought everybody had enjoyed a happy childhood. It was only later on that I was shocked to discover that having a happy childhood put me in the minority. Many people I have met and come to know since then have had to strive very hard to overcome dysfunctional families and unhappiness, sometimes abuse as children, in order to achieve what they have in life. Of course it was striving, working hard to overcome an unhappy or unfavorable start to life that made so many of them strong and successful, much more accomplished and successful than I was right then. Up to the age of twenty-four, I had merely been coasting and taking life for granted.

I had made a lot of money at various businesses and then had blown all of it at the local casino and race tracks. I preferred being

out with mates and going fishing and to the casino than being with my wife until one day, I came home and she wasn't there anymore. Just like my money and all the assets I had accumulated. One day none of it was there anymore. What I ended up with was a lot of debt.

I was contemplating my future like a bewildered rabbit staring into the headlights of an oncoming road-train, though in fact right at that moment I was staring at this red Lamborghini at my mate's house with not two cents to rub together.

Gazing at the fabulous car reminded me of a time when I was a kid at school. Like all school boys of a certain age, we were into cars: fast, sexy, exotic cars.

At the time all my mates were raving about Ferraris. So, to be different, to go against the crowd, I favored the Lamborghini. I raved about the Lamborghini; told all my mates in the way that school boys do, that one day I would own a Lamborghini. I even had a poster in my bedroom for a while, similar to the one I was staring at in my mate's house.

But like most things from our schooldays I moved on and forgot about it. That is, until now, staring up at my mate's picture and remembering the passion and energy and desire I'd had as a kid to be my own boss and do something for myself and to be rich and have businesses and investments and have a family and own a great car and have a big house and take great holidays: in fact to have it all; to own all the trappings of success.

A few months before my downfall I had thought I was well on the way to achieving my dreams. I had my own business, a nice apartment, a great little family and a nice car. But, somewhere along the way, all the fundamental principles I had grown up with, especially within my family, on how to achieve and maintain all that success had fallen out on the road. I had achieved a measure of success through a little bit of planning and foresight, a lot of youthful energy and some luck. But I had taken it for granted...taken my eye

off the ball, which was a sure-fire guarantee that, sooner or later I would crash and burn.

And so here I was, without a cent to my name and a mountain of debt, staring up at a Lamborghini and wondering what I was going to do next. I was in Limbo, with no one to blame for this situation but myself.

How the hell did I, Bruce Butler, with all my advantages, get here?

More importantly, how the hell was I going to get myself out of this situation? How could I go from Limbo to Lambo?

I now have pleasure in sharing with you the secrets of being successful and rich and having all that you want: the secrets that aren't really secrets at all but are more like a set of principles.

Let me tell you a bit about my background.

I was born in 1970 in Townsville, Australia. Townsville is a medium sized city of about 200,000 in northern Queensland. It's a pretty place, surrounded by beautiful countryside (or bush, as we call it in Australia) and the city has, over the past few years, enjoyed a boom economy. I am fortunate in having been part of a happy family. My father is a chartered accountant (CPA), and he and my mother are now semi-retired. My mother owned and ran a health and weight loss centre.

I have three sisters, all of whom are doing well: two are accountants like my father and one has a very successful real estate business. I also have a disabled younger brother who has the great gift of making everyone laugh.

We are a very close family, though unlike my sisters, I was never highly motivated as a kid, although, when I think about it now, the desire to be a success was perhaps not so much lacking in me but lying dormant. The ability to go from Limbo to Lambo isn't lacking in any of us.

Certainly, I was an average student although I had potential: at least that's what most of my teachers said on my report cards. I thought I had potential too. My problem was that I couldn't see why

I needed to learn information and facts that I knew I was never going to use again. What was the point of that? So I didn't apply myself.

I loved playing sport and probably devoted too much time to it. I remember my father telling me that I spent too much time on sport and not enough on study. Of course, being a kid I didn't take much notice of him, though now I know he was absolutely right.

Although I didn't excel in my studies, the thing that distinguished me from all my mates at that time was that I liked to make money and was always thinking of what enterprise I might go into for myself. I started my first venture at age eleven, when I went into partnership with my sister. It was a very successful and highly profitable commercial venture which unfortunately was eventually shut down on environmental grounds for health and safety reasons by a really scary inspector – my mum.

My sister and I started breeding mice to sell to shops and markets. After a very short time we had a number of pet shops buying mice, as well as a lot of one-off direct sales to customers who had heard about our enterprise. We had a great little business going, with 11 tanks and roughly 2000 sales a year, until one day my little sister tried to wash some of them in the laundry and mum found out how big our operation had grown. Mum hated mice – and that was the end of the mice business.

The lesson I learned from that business experience was that the authorities can shut you down and all your efforts go to waste. And if the authority is your mum – well, there's no appeal.

My sister and I started thinking about what else we could do that would comply with the regulatory authority 'my mum.' Even though we were young, we realized that we had established a market with the pet shops and that we would be better off if we continued to trade with them, rather than trying to set up a new venture in an entirely new market. We knew our mum liked budgerigars, so we started a budgie business.

The good thing about budgerigars, was that we could sell individual birds for quite a lot more than we had been able to sell the mice. The downside was that budgies don't breed as quickly. so we had a lower unit turnover but higher dollar sales. The budgie business turned into a good month in, month out earner and for our age we were making very good money. The pet shops to whom we had supplied mice bought budgies off us and to boost one-off direct sales to customers, we ventured into some local newspaper advertising which, though it was expensive, returned us plenty of sales. For a couple of years we had a thriving little business.

Then my eldest sister found a small injured parrot in the front garden and being a kind-hearted soul, put it in the budgerigar cage. Unfortunately, the parrot was sick and died – taking every last one of our budgerigars with it. Whatever was wrong with the parrot infected our entire stock and wiped it out virtually overnight. Again we were out of business.

The lesson I learned from that incident was not to let kind hearted sisters mess with your enterprise. I also realized that I needed to know what threats could wipe out my business overnight.

Many people didn't believe that the whole world could go from boom to virtual bust as quickly as it did in the last few months of 2008. But the worry of hidden and unregulated debt made the economy as sick as that parrot. Now, whatever business I'm in, I'm always on guard against allowing a sick parrot to get anywhere close.

When I left high school, I wasn't interested in going on to University or any other kind of further education, even if my grades had been good enough. I didn't see the need. But having left school, what was I going to do now?

I'd never had a job while I was at school as my sidelines had kept me in good stead and provided a solid income.

The shock came after I walked out of the school doors for the last time and suddenly realized I had to find something to do. Not

only did I not have great grades; I had nothing worthwhile to put on my resume. The only previous experience I could put down was two failed businesses selling mice and budgies. It wasn't exactly a glittering resume.

So I went to work for my mum in her health and weight loss centre. I was engaged as an assistant to my uncle Kevin who managed the centre and I learned a lot from him about client service. He was brilliant in the way he encouraged clients to maintain their diets and to properly undertake their exercises.

However working for my mother was not an option I wanted to exercise for long. It wasn't that the money was no good or that I couldn't do the work or that my mum was a hard boss. I just knew that there was something out there for me and that I needed to be my own boss.

So I looked around for a business I could get into or start with a minimum investment. I came up with pamphlet delivery. Back then pamphlet delivering was a good business which could be highly successful, though it needed careful management. At first, the business was hard to handle, as the success in pamphlet delivering comes not from chasing your own business and trying to expand it, but in taking other pamphlet deliverers' business.

I soon discovered that dropping pamphlets is very hard work. I believed if it was hard work for me, it would be hard work for everyone else, so whenever I met up with other pamphlet deliverers I made them an offer: I would drop their pamphlets for them at a price which still allowed them to make money without having to do the work.

I was doing very well until two big companies that had State wide distribution connections moved in and undercut everybody, ending up with the majority of the market. So that was the end of my pamphlet business.

I then became involved in a confectionery company. The owner of the company was a hell of a nice guy who promised me that I

could earn a good living. He was right. I was soon on my merry way selling the confectionery door-to-door as well as to shops and, with my natural ability for selling, I quickly found I was doing well but not as well as I wanted. This is when I started thinking that casinos and race tracks would be much easier and more lucrative.

Unfortunately it did not take long to lose all the money I had worked so hard to accumulate. To make things even worse, I borrowed funds to “invest” in the casino thinking that my losing streak would have to end. Unfortunately, it was only a matter of time before I had lost all my borrowed funds.

At this stage, my wife decided that she had had enough and left with my daughter Madison.

CHAPTER TWO

THE TURNING POINT

The real turning point came when I was 25 years old and became involved in the preparation of Business Plans for small businesses. My father had retired from his chartered accountancy practice and became accredited by the State Government as a small business advisor. I then became interested in management consulting and after the following twelve months of intensive study, I knew the fundamentals of business planning. We set up a management consultancy business together and over a number of years had undertaken the preparation of Business Plans for over 500 small businesses.

What an education! I was able to benefit from the 30 plus years of public accounting business experience my father had.

Call it coincidence, or call it fate, but the very first government subsidized Business Plan we did was for a good exhaust workshop in Townsville which I ended up buying some 9 years later. But more on that later.

The preparation of Business Plans gave me the opportunity of investigating businesses in all States of Australia to learn what made them successful or otherwise.

I absolutely loved management consulting, as it gave me the opportunity of comparing my early age successes and failures with those of other small businesses. Some of the entities were not in fact all that small. One Business Plan client, for example, was an Association with an Australian membership of over 40,000 members.

The more Business Plans I became involved in, the more and more I understood how to make a successful business and for that matter, how to have a successful life. The more and more I studied the principles and practical application of Business Plans, the more I realized how appropriate the process was for individuals as well as businesses.

If you look at the fundamentals of what a Business Plan is, you see that it simply comprises:

- (a) A business analysis to see where the business is at present.
- (b) The setting of goals to see what you want the business to achieve.
- (c) The determination of ways and measures to achieve those goals.

How simple is that?

Yet surprisingly, very few small businesses actually operate with the benefit of a Business Plan – which may account for the alarming statistic that approximately 80% of small businesses fail within the first five years of operation. Franchised small businesses have a better statistical survival rate due to the fact that proven systems and procedures (including Business Plans) are in place.

I will talk later about my Business Plan for the exhaust shop I acquired.

What I have noticed is that the Business Plan procedures that have been developed with hundreds of millions of dollars of

research around the world, work equally as well for an individual with simple modifications. Simply call it your Personal Plan rather than your Business Plan.

This is a fascinating exercise which I urge anyone with or without a business to undertake.

Every day and every business was a new learning experience. I loved it then and still love it now as I run my eye over a business or talk to a friend who has business problems.

By the age of 30, I had also completed studies which enabled me to establish my own real estate and business broking agency. I was able to utilize the skills I had acquired from the years of Business Plan management consulting, together with engaging my two sisters who were accountants.

The business was very rewarding in terms of applying skills, gaining experience and making money.

Business broking is very invigorating and involves the analysis of the financial results of a business to arrive at the sale price.

Another enjoyable aspect of the business broking was discussing the potential of various businesses with possible buyers. The years spent in management consultancy and reviewing multitudes of businesses for sale provided the necessary experience to be able to advise the possible buyers of the competitive edge of various businesses as well as areas and ways the business could be made more profitable.

One day, a truly remarkable event happened. A business was listed with us for sale and, as fate may have it, the business happened to be the exhaust shop business that was the very first government subsidized Business Plan we had undertaken some nine years earlier.

The moment I applied the Business Plan technique of conducting a quick 'Situation Analysis' of the business, I knew that it had all the attributes of being a real winner.

A Situation Analysis is business planning terminology and is simply a review of the present aspects of a business to determine its:

- Strengths
- Weaknesses
- Opportunities
- Threats

It is often referred to as a SWOT Analysis (again business planning terminology).

Though the exhaust business was in an industry I didn't know a lot about, its strengths and weaknesses provided all the required prerequisites to be successful. These included:

- The business was in a good industry.
- The industry was safe. In good economic times many customers were buying expensive exhaust systems. In bad economic times, customers were keeping their cars longer and thus spending more on repairs and maintenance.
- The business had good product suppliers that gave it a competitive edge.
- It had a good customer base and good referral contacts.
- The business had a good reputation.
- It had excellent road visibility.
- Procedures and Operations Manuals had been started.
- The business maintained good financial records.
- The workshop was well set out with good modern equipment.

I had to have it. I had a *burning desire*. The next day it was mine.

The day after, I commenced my Business Plan. Now the fun started.

I immediately set goals to learn the industry. It did not take long to find out that 'extractors' were part of the exhaust system and not

equipment that dentists use, and that ‘cats’ were part of emission control and not household pets.

Everything I learned I recorded in note books or directly onto my computer. This formed the early start of my Procedures and Operations Manuals. It is often said that Procedures and Operations Manuals are the most vital ingredients to the success of a business. Once you have them, it is easy to see why.

I could see firsthand how Ray Kroc systemized a unique hamburger outlet (McDonald’s) and made it into the biggest food chain in the world.

How?

Attention to procedures followed by the constant monitoring of those procedures.

What made this hamburger business successful? What were its areas of competitive edge?

Was it the hamburger? No. Although good, they were not outstanding and there were plenty of other hamburger places around making better hamburgers.

Was it the service? Definitely part of it but I remember thinking that I would not necessarily visit a lousy hamburger joint just because the service was good.

Was it the staff? Again, part of the equation; uniforms, name badges, well trained, polite, etc. but not the full answer.

Was it price? I have thought to myself when reading about the McDonald’s success that this was definitely a major part of the answer but then on the other hand I realized that I would not wait an hour for the product even if the hamburger was the cheapest in the city. Nor would I order if the premises were dirty or the staff rude.

And so my analysis went on. I then realized that it was not any *one* thing; it was the *hundred little things* principle.

Wow! How simple – yet how effective!

What did McDonald's offer?

- A reasonably priced product.
- A consistent product – you knew what you were getting every time.
- A freshly made product.
- Premises that were clean and comfortable.
- Staff who were well trained.
- Staff who were polite.
- Staff who were in clean uniforms and with name tags.
- Fast efficient service.
- Serviettes and other condiments.
- And the list goes on and on.

My next step was simple.

Establish the hundred little things that would make my new business special (or as many of the hundred as I could find).

I started with the following:

- **Staff:** Determining the necessary requirements for staff using human resource industry forms and formats (see chapter 8).
- **Training:** Determining exactly what was expected from the staff and organizing the training necessary for them to perform in the correct way.
- **Service:** Documentation of what was expected in this area together with procedures to achieve the desired outcomes.
- **Answering phone:** Procedures on the exact way the telephone should be answered e.g. using names or not,

how to take messages, how to deal with complaints or compliments, etc.

- **Supplier contact:** Details of various suppliers' special order requirements, order books, communication details, internal responsibilities, etc.
- **Signs:** Ensure the signage is effective and always fresh. For lit signs, ensure that consistent brightness is achieved by rotating bulbs and tubes.
- **Repaint:** Determine schedules of repainting, rotational if necessary, consideration of color variations and color blending.
- **Blackboard:** Scheduled use of the blackboard for birthdays, witty quotes, business advertising, etc.
- **Uniforms:** Design of uniforms, replacement policy, cleaning and presentation policy.
- **Name badges:** Style of badge, conditions of wearing, replacement policy.

And the list of topics goes on and on covering all aspects of the business operation which collectively form the basis of your business Procedures and Operations Manuals.

It took several months for me to become familiar with the business and the industry but slowly but surely the business began firing with the new found enthusiasm being applied.

I was ecstatic as I knew that I could make big money from applying these principles to the business.

The more I updated my Business Plan, the more I was able to apply the excellent advice contained in the brilliant books such as:

- *The E-Myth* by Michael E Gerber (Harper Collins Publishers 1995)
- *Rich Dad, Poor Dad* by Robert T Kiyosaki with Sharon L Lechter (Tech Press Inc 1997)
- *The Success Principles* by Jack Canfield (Harper Collins Publishers 2005)
- *Awaken the Giant Within* by Anthony Robins (Free Press 1992)

All of a sudden I started to realise how the following classics had such beneficial consequences, not only for individuals but the businesses as well.

- *Power of Positive Thinking* by Norman Vincent Peale (Cedar Books 1953)
- *Think and Grow Rich* by Napoleon Hill (The Ralston Society 1938)
- *The Science of Getting Rich* by Wallace D Wattles (Elizabeth Towne 1910)
- *The Secret* by Rhonda Byrne (Atria Books/Beyond Words Publishing 2006)

I set my business goals as part of the Business Plan and I proceeded to set my personal goals. I bet you will easily guess what my number one goal was on the list.

Yes, you guessed it!

The red Lamborghini!

I took delivery of the red Lamborghini Diablo in 2006. My sudden realization was that I had actually gone from Limbo to Lambo in less than ten years.

I now realize that, with the knowledge I now have, this time frame could have been cut in half or even shorter.

CHAPTER THREE

IF I CAN DO IT, SO CAN YOU

It's easy to think that some people are naturally born to succeed; that great success comes from some innate, natural talent or "gift" given to only a select few, and that the vast majority of the rest of us don't have such a gift. But any inspirational book will tell you that all of us can do just about anything that we really want *once we make up our minds to do it*. We are each capable of much greater things than we realize. Actually this is very good news, as it means that natural talent isn't really that important. Many studies have been conducted of great achievers in fields as diverse as sports, music, business and politics and all have concluded that the lack of natural talent is largely irrelevant to great success. But the downside of the price of greatness is usually years of hard work and single-minded dedication.

For example, when Tiger Woods became the youngest ever winner of the U.S. Amateur Championship, at age 18, he'd already had 15 years practice behind him. Tiger's father had introduced him to golf at the very early age of three, and had encouraged him to practice intensively. So, if each one of us has the potential to achieve great success in our lives, why do we not fulfil our latent potential?

The answer lies in our motivation, our ability to make ourselves do the things we know we should do, to do them *when* we should do them and do them *whether* we feel like doing them or not. That discipline, born out of desire, enables us to succeed; to truly excel and be the best we can possibly be at whatever field of endeavor we have chosen. By developing our mindset and our inner attitudes, we enable and encourage ourselves to aspire to success in every facet of our lives: in our businesses or chosen careers, in our relationships, in our sports or hobbies, in everything.

But we need certain abilities in order to achieve our success:

- Passion – to discover the spark that lights our soul and which drives us.
- Vision – to see, touch and taste our dreams.
- Belief – to have absolute faith in ourselves and our goals.
- Courage – to place our dreams above our fears.
- Perseverance – to keep going in the face of disappointments, setbacks and barriers.

None of the people who are given as examples of success stories (eg. Ray Kroc – McDonald's) laid claim to any special talents. But they all had the qualities listed above. All of these qualities can be developed and *need* to be developed to achieve guaranteed success.

Let me tell you how I developed mine. It didn't happen straight away: it wasn't as if, the moment I saw the Lamborghini at my friend's place, I had a sudden revelation; a moment of insight like Saint Paul on the road to Damascus. It was nothing like that. In fact it's only looking back now that I realize that seeing the Lambo was the inciting incident or trigger for me to step onto a new path. But it took some time for me to accept that I *was* on a path. All that happened when I saw the picture of the car was that I said to a few people around me, "One day, I'm going to have that car." Of course, it was a stupid thing to say – especially out loud. Everyone there laughed at me and said, "In your dreams, Bruce."

Many of them knew I was broke, most of them knew my wife

had left me! So I can understand them knocking me and thinking that I was merely pipe-dreaming. For a while my remarks about owning a Lambo were a constant source of amusement to my friends. But at least seeing the Lambo inspired me to get my act together and to start thinking about how I was going to make some money and get out of the mess I was in.

Basically, I was drifting and for practically a year drifted from job to job. I had a short stint selling land for a real estate company but lost the job through a lack of motivation and for not having a nice enough motor vehicle.

Then I erected “For Sale” signs for my sister’s real estate office, after which I dropped pamphlets for my mother’s health and weight loss business.

When I was twenty-four, my father gave me a motivational book, *The Power of Positive Thinking*. I read it from cover to cover twice.

It was in the second reading when it hit me that I needed a positive attitude for everything I was undertaking. Then I immediately read another book he had given me, *Seed Money in Action*.

That was it.

The combination of seeing the Lambo three years earlier and of reading; in fact, studying and assimilating those two books, turned me around and got me on the right track. As soon as I had read them and started to *apply* their simple philosophy, life’s doors opened for me.

I had learned from those two books, and many more that *thoughts are things* and that if I wished to feel positive, then positives would surround me. If, on the other hand, I did nothing about my situation then that would indicate that I *wanted* to be down and out. In which case, down and out is what I would continue to be. I suddenly realized that for the past few years, I had been contributing to my own pathetic condition, until those books struck the right chord in my body.

The seeds of desire had been planted by the picture of the Lambo. I understood that I couldn't wait for motivation to overtake me like some artistic inspiration. I had to get out there and start something: get off my backside and start achieving.

Even my life on the personal front, once I had started applying the principles of everything I was reading, started to turn around, as it was during this time that I met Nicole, a wonderful woman who was to become my second wife.

Nicole is an accountant and a very astute businesswoman. Things had begun to improve rapidly for me on all fronts.

My twenty-fifth year was a turnaround year for me. From reading many motivational books, I had learned that having a positive attitude would get a positive reaction.

The positives I received that year included:

- Starting a business.
- Developing a winning attitude.
- Purchasing a newer motor vehicle.
- Gaining respect back from people.
- Seeing the light at the end of the tunnel for the first time in years.
- Using my time more productively.
- Stopping smoking.
- Giving to the less fortunate. I believe the seeding of money has assisted in my success.
- Starting to make some really good money.

I knew that goal setting was an important part of any business and also a necessary part of a personal improvement plan.

I also realized that I was only *thinking* about these goals. I wasn't writing them down. I wasn't putting them in hard copy in front of my eyes.

I needed to redefine my vision of success. By now I knew I could achieve it if I really wanted it.

I needed to develop a much stronger sense of purpose. I needed to know exactly what I wanted, why I wanted it, and how I planned to achieve it. I needed to develop the habit of doing things I didn't like to do, so I could accomplish my purposes. I needed to develop a passion for excellence; to no longer be mediocre but to surpass, transcend, succeed in everything I did.

To achieve success would take a lot of preparation and tenacity. I needed to set out to do my best in whatever I did. By doing so I would attain and achieve success in my life, which would set me apart from my old mediocre ways. I knew success could never come out of the mediocrity. To achieve success that could last, I needed to start right where I was and take an inventory of my strengths and weaknesses; personally, professionally, spiritually.

The spiritual aspect was one I had not considered much before. My family had always maintained Christian values, and were highly moral and ethical. I knew I needed to look beyond my commercial activities to the reasons I was doing them and the purposes they fulfilled. I had to re-evaluate what I considered worthwhile in my life: where I invested my time and energy and money.

It seemed obvious to me that my life had to have some meaning and that I needed to know what I wanted out of life. I had to list my dreams, to know what I wanted in the next year or the next five years. I also had to know what I wished to contribute; to achieve; to possess. I needed to make a list of all those things and from that list establish goals that would crystallize my objectives. I also had to set dates when I expected to reach my goals and know in detail what I needed to do to reach my goals.

Out of all that, I would develop a plan of action and list the benefits I would have by attaining each of my goals. Once I had my goals written down and in my mind, reaching my potential then wouldn't seem so ominous and as I fulfilled each one, I would have

achieved lasting success.

I realized that I, and only I, was the key to my success. I knew I had the potential. Even my teachers at high school had known that. Now was the time for me to choose. Up to then I had been choosing to live day by day, just waiting to see what happened. Now I intended to think about what I wanted to do with my life and where I wished to go with it.

The time had come to make a plan which would include:

- Identifying my strengths, weaknesses and areas for improvement.
- Developing clear and compelling goals.
- Planning actions in a clear and concise manner.
- Stimulating my thinking to achieve better results.

In the next chapter I cover the most important tool available to us all - the power of the mind. With use of this power anything is possible.

CHAPTER FOUR

MIND POWER AND VISUALIZATION

So far, pretty well everything I have been dealing with in how you can move from Limbo to Lambo, has involved using our conscious minds. Although all of us have just the one brain, our minds actually possess two very different elements or aspects. And each aspect of our mind plays a vitally different role in our everyday lives.

Firstly, we have our *conscious* mind. This is analogous to an operating system in a computer. The rational, reasoning part of our mind that we use constantly to get us through our day; the part of our mind we use to read a map and pay the bills and make decisions at work or in the home. All our thoughts and all the mind-chatter that goes on, day in and day out inside our heads, all of these are part of our conscious mind.

Next we have our *subconscious* mind. This is the irrational part of our mind. Some people don't like to think that they have an irrational element in their personalities, but all of us possess this side to our personalities, whether we like it or not, and just because this part of the mind isn't rational doesn't mean to say it isn't useful or indeed, absolutely necessary. For instance, the subconscious is the

part of the mind that controls all our involuntary bodily functions, like our heartbeat, breathing and blood pressure as well as all of our emotions. All of us, on being told a joke and hearing something funny, have laughed out loud without thinking about it. That response was triggered by the subconscious mind. Similarly, when we see or hear something that stirs us deeply, many of us are moved to tears. Our subconscious mind is reacting to our emotions and we have scarcely any control over those reactions.

Our subconscious mind is the complete collection of all our memories: everything that we have ever experienced in our lives. It is also the collection of all the thoughts, beliefs and convictions we have ever harbored. All our experiences, from the moment we were born (some say from even *before* we were born), good or bad, are stored in there. The subconscious mind holds *everything*. In this context it's useful to think of our mind like an iceberg, with the conscious part of the mind being that little bit that sticks up on the surface and the subconscious mind the enormous part below the surface which supports the consciousness.

As well as being a massive collection of everything we have experienced, felt and thought, our subconscious mind is also the frame of reference for our future decision making. We usually base our choices, decisions and actions on the framework of our previous experiences, many of which are stored in the subconscious. For instance, part of the reason my wife chooses a red dress is because she likes the color red. But the reason why she likes the color red is buried deep in her subconscious. So her subconscious mind plays an active role in her choices and in her decision to buy that particular dress.

If we look at the process of buying a house for example, not all of the reasons we prefer to buy one house in a neighborhood rather than in another will be rational. We may rationally assess the growth potential of the neighborhood and the size of the plot and number of bathrooms, but there will be many other things that appeal to us;

things we can't quite put our finger on. Maybe it's the shape of the roof or the way the sunlight dapples the garden. Preferences such as these come out of all the memories buried in our subconscious mind.

Whatever the conscious mind notices, takes in or decides, the subconscious processes without question. To illustrate the relationship we all have with our conscious and subconscious minds we can liken ourselves to a ship. Our conscious mind is the captain, giving orders and directing the ship to its destination; while our subconscious mind is the ship's crew, following orders without question. Like any good crew the subconscious will carry out any orders we give it over and over again until the order is withdrawn or superseded. Also, like the crew of the ship, the subconscious is much more powerful than the conscious mind although it is usually very docile. The subconscious is unquestioning. It will always follow the orders given to it by the conscious mind. The subconscious makes no value judgements; it never judges and therefore does not question the validity of any order. Whether "good" or "bad", the subconscious mind will do whatever it is being told by the conscious mind. So, if you repeatedly say to yourself "I'm too poor, I cannot afford it", your subconscious mind will take you at your word. It will process what your conscious mind is saying and it will make sure that you will not be in a position to buy anything you want. On the other hand, if you *really* want something and your conscious mind is repeating how much you want it, and how you intend to get it, that repetition together with faith and determination will ensure that you achieve your desired outcome.

In other words, if your conscious mind tells your subconscious that you *can* do something or that you *will* achieve something, your subconscious will immediately start out on the path to make it happen. Your conscious thoughts are commands, which mean that each one of our thoughts is a cause and every condition an effect. Thought always comes first and from our thoughts we create our world. The outside world is a reflection of what goes on inside of

us. Each of us has our own universe, which means we all have a different perspective. No one sees our world quite the same way that we do.

We see the things that we see because of our beliefs, which are the things that we hold to be true in our world. However, originally our beliefs were nothing more than thoughts about things. Our beliefs are formed through six filters: our education, our environment, the past events and outcomes in our lives, the current events in our lives, those things that are happening right now and finally our creative thinking.

Many of our beliefs are instilled in us by other people, teachers, parents and friends, all of whom either tell us things or suggest them to us. In either case, we often accept what they say. Of course, there are some ideas that we come up with all by ourselves and when we think something is true, we suggest it to ourselves and then accept it. Through this process, called autosuggestion, ‘belief’, which can be either right or wrong, very quickly enters our subconscious and becomes part of our world.

For instance, if at some time in the past someone told us, or we suggested to ourselves, that we are ugly or incapable of love or too stupid to make money, then our subconscious will have accepted it without question. That belief will then have become part of our world and will create our view on life and pretty soon, as the belief percolates down into our subconscious, we will have stopped thinking about it and will have come to accept it as true. This is how so many of our behaviors and reactions become habitual. We don’t think about them because our subconscious ‘crew’ works with them without question.

Think about when you learned to drive. At first it took a lot of conscious effort but after years of driving you just do it. You don’t *think* about it anymore. Your subconscious has taken over. Some of the things we are taught or told, or that we tell ourselves, are good for us. Maybe, when you were young, your parents told you

that a death adder snake is extremely dangerous. That belief trickled down into your subconscious so deeply that, if you suddenly almost stepped on a death adder, you would jump out of the way without thinking about it. Your subconscious would kick in and trigger your reaction well before your conscious mind could catch up. That's a good thing.

But if someone once told you that you were a loser (or even if you told yourself) and you found yourself agreeing with the notion, pretty soon your subconscious crew would have accepted that judgement and would be shaping and coloring your world according to how it looks to a loser. The subconscious would be telling you that it is a fact and indisputably true that you are a loser. This means that our subconscious mind is the seat of most of our emotional reactions. Our beliefs about things, situations, events, people etc. create our response to those things, situations, events and people. The thing, situation, event, person or whatever either gives us a pleasurable feeling or a painful one. We exist in a chicken and egg world. Our emotional reaction to things and events in our lives are dictated by the value labels our subconscious puts on these things and events.

The reverse is also true. Our beliefs create many of the experiences we have in life because we focus on these experiences which fit in with the view of the world our subconscious has given us. Thus, if your subconscious crew is working on the premise that you are a loser (because you told it so) then you will only associate with other losers. To be with successful people would be too uncomfortable for you. And for as long as your subconscious is telling you that you are a loser, you will continue to do the things losers do and live where they live, also do the kind of work losers do. After all, your subconscious crew is only doing what you once told it a long time ago. The solution to all of our problems and negative experiences starts with the realization that we have two very different aspects to our mind, along with the realization that our experiences and reactions are based on the beliefs and convictions we have stored

in our subconscious mind. We need to acknowledge that with our conscious mind, we are captain of the ship and that with our subconscious mind; we have an enormous crew at our disposal which we can use at our will. The problem is that so much of our behavior is habitual. All of us go through much of our lives on autopilot. This is because, at some time in the past, captain conscious mind gave orders which the subconscious crew is *still* carrying out. The problem is that by now the captain has forgotten that he or she gave those orders and, as he or she hasn't issued any new orders, the ship is sailing in the wrong direction and is quite possible about to sail into the rocks.

In moving from Limbo to Lambo we need to give our subconscious crew quite a lot of new orders and directions. But we have to make sure that we give it the correct orders, for the moment our subconscious has been given an idea, it begins working on it straight away. It doesn't matter whether the idea is good or bad, it becomes our focus and whatever we focus on is what we will get; this is the immutable law of attraction, the universal axiom of cause and effect.

If we keep saying that our lives are miserable and that nothing ever goes right, we can be sure we will get more of the same, nothing but grief and frustration. Alternatively, if we are grateful for everything that occurs in our lives and focus on all the good things that happen to us, we can also be sure of getting more good things coming our way. So, in order for captain conscious to start issuing new orders we must first be aware of the suggestions made, both by ourselves and by the other people who influence us. What currently are the repeating patterns in our lives?

For instance, if we often use the words 'never' and 'always' in our thoughts and conversations such as, "*why is this always happening to me?*" or "*why does it never go right?*" we may be sure that our subconscious crew is working to old orders. We need to create some new thinking in our conscious and to firmly change such expressions of negativity. We need also to be aware of the feelings certain events

in our lives evoke in us. If we like them (and they are good for us) we should keep them. If not, there may be some negative subconscious beliefs causing us to experience the same events over and over again. We should try to find out what those negative beliefs are and then think of the emotions we would like to replace them with and work towards creating those feelings.

The fact is that, if we were once able to create beliefs in our subconscious that now get us unwanted results, we can reverse those beliefs and begin to create new beliefs that will get us the desired results. Our subconscious minds are enormously powerful, they never sleep, they are working for us day and night and they will react to any changes we need to make. For instance, there are many events that happen to us in our lives that we would not have chosen if we could possibly have had a choice. But even if we can't choose what happens to us, we can definitely choose how we *respond* to those events. By changing our responses we change our outlook on life and this in turn creates a new belief in our subconscious.

What can we do to create new subconscious beliefs that will move us from Limbo to Lambo and enable us to achieve guaranteed success?

Simple! We build in detail a clear vision of our desires.

This aspect of goal achievement is critical to the successful implementation of our wealth creation plan. Virtually all highly successful individuals use the visualization technique. In fact, it is difficult to see how it would be possible to achieve the success implementation process without it.

For each of your goals you need to create a detailed mental image of the result you want. One way you can create an image of what you want is by way of an actual picture. For example, if you want a new car, you could cut out a picture from a magazine or take a photo of the vehicle you are planning to buy. There's no doubt that having this picture or photo of the vehicle is much better than just a few words describing the new car. Even better, this image

builder would be far more powerful if, in the photograph of the car you have set your heart on, you included yourself along with your family standing smiling next to the vehicle. That way you establish ownership in your subconscious mind.

Using a physical image in this way becomes really powerful. You have probably read how highly motivated people always have a picture of what they are seeking pasted in a prominent position such as on the bathroom mirror or the refrigerator door. These pictures, however, must be accompanied by other image building techniques in order to guarantee success as quickly as possible.

You need to do as many of the following as possible:

1. Define Carefully What You Want:

It is important to go into detail and specify as much as possible what you want. For example, if your goal is a new car, you need to be specific about the color you want, the interior finish you desire, the model you prefer, the price range etc. The more detail you go into, the greater the impression you leave on your subconscious mind.

2. Start a Vision Board:

A Vision Board is a cork board or a magnetized white board on which you pin or place relevant photos and other information, for example pictures of the car you want. You can affix not only photos of the vehicle (along with you and your family) but also anything else associated with the car such as sales and operating brochures, details of any extras you want on the vehicle, even road maps for the many exciting trips you propose making in the new vehicle.

3. Burn the Image in Your Mind:

The image of your goal must be firmly fixed in your mind so that you create a burning desire for it. In the case of your new car, you must be able to actually feel and smell the leather upholstery, feel the steering wheel as you move your hands around it, hear the sound of the motor starting and the rich throaty roar of the engine. In the case of a house, you would need to smell the perfume of the plants and flowers in the garden; actually see the views you would get from each of the windows. In fact you should try to go on a virtual sensory tour of the property.

4. Actually See Yourself in Possession:

You need to see yourself in possession of whatever you want by constantly thinking about it. You have to regularly see, feel and touch the car or the house in all the detail I have outlined, at least once a day. Every day you see yourself driving the car, both around town and on long trips. You see yourself parking it and cleaning it. Do all this in as much vivid detail as you can; even picturing the other occupants in the car on your road trips or see the other occupants also living in the house you desire.

The following shows how to act on the image you have created:

1. Have Regular Visualization Periods:

At least once a day you need to sit down with your eyes closed and quietly think about and meditate on your goals. This procedure has constantly been utilized by the majority of the most successful people in the world. The more you practice this meditation procedure, the better you will become at it and the quicker you will achieve your goals.

2. Let Infinite Intelligence Help:

When you seek help from the Higher Power through the burning desire you have for the detailed image created in your subconscious, the positive vibrations are so strong that help will immediately be on its way. Simply ask for Divine help with faith and belief and it will happen. Remember the teaching... *“Trust in Me and I will bring it to pass.”* All you need to do is cultivate the feeling that miracles and wonders are actually coming to pass. Know that all you desire is already on its way.

3. Allow Positive Thinking to Work its Wonders:

Over the last two hundred years, virtually every successful person has used the magic of thinking positively to reach their success. Simply believe that the goal you are seeking will be obtained. If your conscious mind is harboring the slightest negative thought, replace it with a positive affirmation such as, “I know that it is on its way”. This affirmation will percolate into your subconscious which will then do all in its power to help the goal be achieved. It is as easy as that.

Although you will have gone through all the steps from Limbo to Lambo and will have done all your planning and listing of goals, you don’t have to worry about *how* the plans will actually be achieved and realized; all you need is faith that they will. As you begin to tap this wonderful technique, you will be amazed at the secrets it will have in store for you. *“Acknowledge Me in all your ways and I will direct your paths.”* This technique will definitely work for you. But always be sure to give thanks for your immediate supply.

The elements listed above all make up what is known as Creative Visualization, a mental technique that is almost wholly based in the subconscious mind and which uses your imagination to help you to move from Limbo to Lambo and achieve guaranteed success rapidly.

In other words, Creative Visualization can enable you to make your dreams come true. Used in the right way, Creative Visualization can improve your life and attract success and prosperity. It has a tremendous power that can alter your environment and circumstances. It can cause wonderful events to happen and attract money, possessions, a successful career, health, people and love into your life. Creative Visualization uses the power of the subconscious mind; the entire crew under the direction of the captaincy of the conscious mind. It is the power behind almost every success.

As I have already pointed out, by visualizing certain objects, events or situations we can attract them into our lives. The process is not dissimilar to daydreaming and for some people it may look like magic. Yet there is no magic involved, only the natural process of the power of the subconscious mind under conscious direction. Many people use this technique naturally in their everyday lives without even being aware that they are using some sort of power. All successful people use it, either consciously or subconsciously. They attract the success they want into their lives by visualizing their goals as already accomplished. Visualization techniques have in fact been used for thousands of years for spiritual, emotional and physical healing. By conjuring up positive pictures, visualization can change our subconscious emotions, which then subsequently have a positive effect on our conscious mind and on our bodies. Yet many people believe that they can't do it; that they cannot visualize. In fact, everyone can do it. If you can see your front door and see what color it is then you can visualize. That's because you have to 'see' it, however briefly, to be able to remember it.

Why not try this? Close your eyes and visualize, really intensely visualize, taking a bite out of a slice of lemon. The chances are that you will feel your taste buds react and salivate in that unique way that they do when you bite into a lemon.

Here's another experiment. Sit still and close your eyes and visualize or 'see' yourself running up a flight of stairs. It's a long

flight. Go on; run up them as hard as you can. Run...Run...Run. Now you've reached the landing at the top of the flight of stairs and, oh no! There's another flight to run up. Run up this flight...keep going...keep going. At last, you are at the top. Now, still sitting in your chair, feel your pulse. The chances are that your heart rate has increased even though you are sitting down and relaxing.

These are just a couple of examples of how visualization techniques can produce real physical changes. Perhaps you can begin to see what a powerful tool visualization can be. As you can see, although it can be likened to daydreaming, Creative Visualization is very different to daydreaming. Creative Visualization is done in the first person and in the present, as if the scene you are visualizing is unfolding all around you in real time. Daydreaming on the other hand, is usually in the third person and is set some time in the future. The "you" of the daydream is a puppet with the real "you" watching what's going on. You are in the role of an observer. Creative Visualization techniques have been used to cure phobias, lower blood pressure, turn average athletes into good ones and improve the good ones even more. In fact, research shows that visualizing ourselves making the perfect golf swing or delivering the perfect tennis volley actually increases our ability to do just that!

Visualization techniques have also been used for stress, pain relief, motivation and personal development, curing allergies, immune system disorders and many other personal issues. In fact, when our subconscious crew is working on visualizing something for us, there are very few things that it cannot achieve.

In physical terms, and according to neuroscientists, Creative Visualization is believed to encourage activity in the right side of our brains because that side is related to our creativity and emotions. As our imaginary visual experience gets under way, our blood pressure and heart rate may fall and we may begin some deep, even breathing as new energy and vitality streams into the body. While our subconscious mind is busily delving into unexplored realms, our bodies are in healing mode.

So how does it work and why?

Well, we have already seen that thoughts, if powerful enough, are accepted without question by our subconscious mind which then changes our mindset along with our habits and actions accordingly. This, in turn, enables us to achieve guaranteed success; bringing us into contact with new people, situations and circumstances. Thoughts are real, as real as bricks. And as we use bricks to build a house, so we use our thoughts in visualizing our goals. But thoughts are not only real and tangible, they are also creative. They mould our lives, and those thoughts we hold constantly, either in our conscious or subconscious minds, attract similar thoughts, ideas, people and situations into our lives. Thoughts can travel from one mind to another and if they are strong enough they can be unconsciously picked up by people who may be in a position to help us materialize our desires and goals. Thoughts are energy, especially those concentrated thoughts that are charged with emotional energy. Thoughts change the balance of energy around us and bring changes to our lives which can be good or bad. It all depends on the nature of the thoughts.

To realize that we have the ability to achieve guaranteed success, to move from Limbo to Lambo and to create our life's deepest wishes is tremendously empowering. We have all been creating our life's experiences, both good and bad from the day we were born. Now you can make the choice to start using Creative Visualization consciously, in order to create new subconscious beliefs that enable you to build the image of those things you really desire. The more we work on our Creative Visualization techniques, the more we activate our subconscious to work *for* us rather than *against* us and the more adept we become at building the image of what we want. We can all improve our visualization techniques. We can start with the basic outlines of what we want and then gradually develop and enrich the picture by adding more detail. Sometimes, along with creating a Vision Board, it helps to write down a description of our

particular goal which is rich in sensory details; not just visual but also our feelings about achieving the goal along with the sensations, tastes, smells, sounds, etc. If you read what you have written while looking at the Vision Board, then later, when you are away from the Vision Board, you will still be able to bring the picture and all its accompanying sensations to mind.

There are other techniques to enhance and improve your visualization.

- Drench your subconscious mind with the image of your goals by creating a dream-like picture of you doing, being or having what you want, and focus only on that. Push the picture down into your subconscious and believe that the outcome will be as you wish.
- Visualize strongly what you would like to be, do or have. Go fully into the emotions attached to it and try to create a complete brightly colored movie of your success.
- Allow yourself to fall into a drowsy state akin to sleep and then impress your subconscious with the desired outcome. You'll find that you are more receptive because your alpha brain waves are lowered when you get into a meditative state, which is why visualization works very well just before falling asleep or as we are waking up.
- Create written affirmations of your goals; of what you want to have or to be. Be willing to change by decreasing your resistance to change while affirming that everything in your life is going smoothly in the direction of your goal and with ease. Repeat your affirmations as often as possible.

Other practical visualization exercises are:

- ‘Seeing’ through closed eyelids.
- Drawing, sketching and doodling more.
- Making visual mind-maps.
- Recording your dreams.
- Using more visual words and phrases in your language.
- Using visualization software and drawing packages.

All of these techniques will help you visualize your goals. Creative Visualization will move you rapidly and successfully towards your goals.

CHAPTER FIVE

ESTABLISH YOUR GOALS

You can achieve success if you really want it. Of course, most of us will never achieve great fame or world renown – the Nobel Prize, an Olympic Gold Medal or an Oscar at the Academy Awards. But that doesn't mean we can't be successful in the context of our own lives and aspirations. Life is too short and too precious to squander by merely existing in the belief that we cannot achieve our dreams. How many people do you know who just take life as it comes; who don't strive; who just get by? Are they happy? Are they successful? Are they fulfilled?

Successful people have a strong sense of purpose. They know what they want; they know why they want it and they know how to achieve it. Successful people even make themselves do things they don't especially like to do, just so they can accomplish their goals. Successful people have a passion for excellence.

Excellence is the absolute opposite of mediocrity. To excel means not only to surpass, transcend and exceed; it also means to distinguish oneself. In his book, *A Passion for Excellence* (Random House: 1985), the great management guru, Tom Peters, says that

doing better than average takes a lot of tenacious preparation. Part of that tenacious preparation is setting goals. But when you have a genuine passion for excellence and when you act on it, you will see things happen.

Each of us possesses the ability to grow way beyond our self-imposed limitations. Mainly we impose those limitations on ourselves because we wish to avoid trouble and because we want a “quiet life”. Yet not one of us will get through life without some conflict, so what we need to remember is that there are no victories without conflict. This means we have to develop a belief in ourselves and in our abilities. So long as we truly believe that there is absolutely nothing we cannot achieve, we will attain success.

If you set out to do your very best in whatever you intend, you can, and will, attain your goals. You will achieve success and excellence in your life which will set you apart from all that is mediocre. Success never comes out of the mediocre. To achieve lasting success you need to start right where you are. When you set yourself goals you need to not only decide on what you want and where you want to be, but also how you are going to get there *from here*. Where are you *right now* in every area of your life? Where are you personally; professionally; financially; spiritually? This is a moment of truth. Be honest with yourself about who you really are. Make an inventory of your strengths and weaknesses. You can begin with the physical by rating yourself on appearance, exercise, weight control, and nutrition. What do you wish to achieve in this area? Then think about your relationships. I didn’t think about my relationship with my first wife and I ruined a good marriage. So, actually thinking about and considering the people we love and who are close to us is vital. How important are your relationships to you?

How well do you listen? Do you spend enough time with your partner; with your family and friends? Are you a good role model to your children and to others? How is your relationship with yourself?

How is your self-esteem? How do you value yourself? How is your self-confidence? Do you truly believe you can achieve your goals? If you do, you will, as Norman Vincent Peale says in his book, *The Power of Positive Thinking*. So, do you maintain a positive attitude? Do you know how to laugh at yourself and at circumstances? Are you still learning or sharpening your skills? How is your work; your business or profession or career? Are you competent in what you do? Are you effective? Do you understand your purpose? Do you know what you want to get out of your work; out of your business? Where are you spiritually?

All of us need to look beyond what we are doing to the reasons we are doing it. What purposes do your goals and aspirations fulfil? What do you consider worthwhile in life? If you're not sure, look at where you invest your time, energy and money. Is your goal in life to search for meaning or to search for God who gives you meaning? As you take an honest look at all the various areas in your life, it's vital you know what you want out of life. Consider your dreams, images and visualizations. What do you want to contribute, achieve, experience, enjoy and possess in the next year and the next five years? Whatever your objectives are, you need to list them. But be careful that you itemize only those things that you truly want to achieve. Be careful you aren't aiming for something others expect you to do or to be. Be yourself! You have vast potential. Most of us can do extraordinary things if we have the confidence or take the risks. Yet most people don't; somehow they treat life as if it's going to go on forever. It isn't. Life is limited; that's why it's so precious; that's why we need to make the most of it by not allowing ourselves to be limited in our aspirations. Remember, our limitations are almost always the things we can do, maybe even *ought* to do, but don't. *You are the key to your own success*. You have unlimited potential. But you have to make a choice: either to choose to live day to day and see what happens, having very little control over your life or your future; or to think and dream about what you want to do

with your life and where you want to go with it then develop a plan to get there.

People who maximize their potential stand out from the crowd. They possess the uncanny ability to know exactly who they are and how to make the most of themselves. They do not waste time and energy trying to be something they are not. So, do you want to be successful?

Do you want to achieve your potential and live a full life? If you do, then the next step in making it happen is to set goals that will bring you to your objectives.

Goal setting is absolutely vital in achieving success. But a goal without a deadline is just a vague wish. So when you start to set your goals, be sure to set the dates by when you expect to reach your objectives. Know in detail what you need to know or do to reach your objective. Make sure your short term goals are consistent with your long term goals and that you can still lead a balanced and flexible life while working towards them; in other words, don't commit yourself to more than you can handle.

You also need to know in detail what obstacles and barriers might keep you from your objectives. Identify them. Remember, you can invent your own obstacles by taking your eyes off the prize. Fear of failure is one of the primary reasons why many people don't even attempt to reach their goals. Yet, the only thing worse than a quitter, is someone who is afraid to begin. Force yourself to try and try again. Failure is the spark that leads to greatness. If we were successful at everything we attempted, our lives would be shallow. We'd never have the opportunity to develop resiliency, perseverance and character and experience the deep satisfaction that comes through the constant effort to improve.

Next, develop a plan of action and list the benefits you will have by attaining each goal.

What follows is a step by step guide on how to develop a detailed plan of action incorporating your life goals.

GOAL SETTING

This is the starting point for success creation. Once you have your list of goals, you then take them one by one and prepare Goal Activity Sheets for each.

The following techniques have been used by the world's most successful people in setting and defining their goals:

(a) Goal Selection:

Take one of your goals (start with the most important) and proceed to complete the Goal Activity Sheet for it. This will require some time, as it needs to be thought out in graphic detail. When doing this, it is beneficial to undertake the thinking with a partner or friend. Many of the world's most successful people maintain that the utilization of two minds creates a third mind. This is really powerful and works wonders.

(b) Goal Parameters:

Although it is often said that the Universal Power will manifest whatever you ask for in faith, it must be remembered that the hard part of the exercise is not the asking but having the faith. Theoretically, it should make no difference if you were seeking a \$500,000 home or a ten million dollar home. However, the question of faith and belief in the outcome must be considered and there are many examples where better success is obtained when more realistic goals are set.

(c) Timing of Goal:

Another mistake often made is the timing of the fulfilment of the goal. Although possible in theory for the goal to be achieved overnight, it must be remembered that such manifestation requires

complete faith and belief that it will happen. Allowing a reasonable period will enable you to have greater confidence in the outcome, thus leading to the right degree of faith. You must maintain faith by ensuring that you use a positive thought to cancel any negative thoughts you may have. Remember the words of Jesus *“If you have faith as small as a mustard seed, nothing shall be impossible unto you”* (Matthew 17:20).

(d) Burning Desire:

The reason why it is so important that you visualize and describe your goal in full and graphic detail is because you need to create a burning desire. This is a vital part of the realization process. The greater your desire, the more you impress your subconscious mind with the visualization of your desire, the faster the actualization will occur. Many of the world’s most successful people use a motivator the same or similar to this:

Visualize ---- Prayerize ---- Actualize

Visualizing your burning desires (for example, your new home) and having repetitive affirmations such as “My desired new home is on its way with good to all concerned” will bring about Actualization.

(e) Vivid Goal Details:

A static picture of your goal is nowhere near as good as an action picture. For example, if the goal were the acquisition of a boat, the visualization should be one of your family and friends fishing from it, rather than just a picture of the boat only. Another reason for detailed particulars of your goal is so that you can pretend you actually have the boat. By knowing its size and its particulars, you can make believe you are fishing on it, swimming off it, preparing

food, eating on it, sleeping, showering, etc. Remember, the more vivid the pretence, the greater the speed of realization. It all comes down to maintaining enthusiasm and creating that burning desire. The world's great success stories all contain details of impressing the subconscious mind with the burning desire resulting in the manifestation from the Higher Power. "When faith is blended with thought, the subconscious mind picks up the vibration and transmits it to Infinite Intelligence" - *Think and Grow Rich* by Napoleon Hill.

(f) Review Your Goal Details Often:

Many inspirational authors have related success stories about how they used the principle of reviewing the details of their major goals on a regular basis in order to ensure they were achieved. Reviewing allows the power of the subconscious mind to come into play. You will see why it is so important to have well thought out details of your goals recorded in depth.

THE GOAL ACTIVITY SHEET

This allows you to provide overall details of the goal you are seeking.

Taking as our goal, the acquisition of a new home, the Goal Activity Sheet would be along the following lines.

GOAL ACTIVITY SHEET			
Relevant Goal	Acquisition of Home		Date xx/xx/xx
Requirements	1	<i>City and suburb desired</i>	
	2	<i>Preferred streets</i>	
	3	<i>Number of bedrooms</i>	
	4	<i>Number of bathrooms/toilets</i>	
	5	<i>High set/ low set</i>	
	6	<i>Car accomodation</i>	
	7	<i>Patios</i>	
	8	<i>Construction material (brick, block etc)</i>	
	9	<i>BBQ area</i>	
	10	<i>Pool requirements</i>	
	11	<i>Garden requirements</i>	
	12	<i>Price range</i>	
	13	<i>Other requirements</i>	
Sundry comments	<i>Details to my answers to the above requirements are contained in my goal note book.</i>		

Once you have listed all your requirements for your goal, it is then a simple matter of providing the answers in an attachment. The undertaking of the thinking with a partner or friend (creating the third mind) will result in a more comprehensive list of the requirements for the goals and also powerful answers to the requirements.

The items shown on the Goal Activity Sheet are the macro items. I use the procedure of utilizing a goal note book to record the masses of detail required on each aspect of the goal.

For example, I would have a section in the note book for the BBQ area and would have any notes, ideas, sketches, etc relating to that aspect recorded there.

The First Instructions for my Goal Setting

The instructions I received very early on in respect of setting goals were very simple and very effective.

I was told to:

“Sit down with a piece of paper and write down a list of goals you want. It doesn’t matter what they are at this point of time. Take your time and spoil yourself.

Write down holidays, new relationship, a better employment position, new car, new home and whatever else.

This process is where you can unleash all your dreams and get ready to put them into reality.”

At this point in time, all you need to do is just keep writing. It doesn’t matter how unrealistic your goals may seem, or how far off, just keep putting them down. Remember, the more the merrier. Why? Because the more goals you can achieve the better and happier your life is going to become.

You may not achieve every goal you write down because you will be more passionate about some goals than others. Yet you need to be passionate about those things you want to achieve or you won’t successfully achieve them.

My First List

My first list included everything and anything. The first item I put on the list was the red Lamborghini which I categorized as a “long term” goal. I spent about two days, on and off, writing the list of goals I wanted to achieve. I still have that list and, even though these lists are very personal, I am going to share them with you. Note, however, that it is generally a good policy not to disclose your lists to too many people, as you may find that some friends and colleagues ridicule what you are trying to achieve.

Here is my original list which has been categorized into short, medium or long term. My short term goals are less than six months while my medium term goals are usually between six and twelve months. My long term goals are over twelve months.

Short Term Goals (up to 6 months)

- Improve my fitness.
- Sleep more.
- Spend more time with my family.
- Stop wasting time.
- Read more books.
- Spend more time with my parents.
- Spend more time with my brother.
- See my sisters more often.
- Have dinner at home more.

Medium Term Goals (7 months to 12 months)

- Take a holiday to New Zealand.
- Improve my business coaching business.
- Buy a new computer.
- Buy a beer fridge.
- Buy a new washing machine.

Long Term Goals (more than 12 months)

- Own a Lamborghini Diablo.
- Buy a new home.
- To be a millionaire.
- Have a convertible Mercedes Benz.
- Add to my business portfolio.
- Sponsor five World Vision children.
- Write a book

Nothing that I have outlined above is overly difficult.

Of course, goal setting is only one of the steps on the path to achieving guaranteed success.

To attain success we need to set goals which are specific and time-related.

Establishing our goals enables us to focus our attention on what we want (the goal) and away from what we don't want; which may be anything that isn't the goal.

Goals increase our efforts; they make us work harder because they are constantly in the forefront of our minds. A list of goals makes us strive harder.

The more we think about what our goals mean to us, the more we visualize attaining them, the more effort we will put in attaining them. And a list of goals makes us persistent; we are more likely to work through and overcome setbacks if we have a clear vision of our goals.

But the most important aspect of setting goals is our commitment to attaining them. Goal commitment is especially important when we have difficult or long term goals which require us to maintain our motivation over a sustained period of time.

If we lack commitment to a specific goal then we will lack the ultimate motivation to reach it. So, once we have listed our goals, we need to feel a deep sense of obligation towards them. We must

believe that reaching the goal is absolutely vital; that the goal is deeply significant to us and that our lives will be so much better when we have reached it. That way, we will be prepared to endure the discomfort; to overcome the difficulties and setbacks that inevitably occur on the way to attaining anything worthwhile.

Of course, we must believe that the goal is attainable. For instance, a person in their forties can set themselves an eminently attainable goal of losing twenty pounds.

But to set them the goal of making the Olympic swimming team would not be realistic. They would be setting themselves up for constant disappointment. So our goals should be realistic. That doesn't mean to say that our goals should be easy. On the contrary, they should be difficult, just not impossible.

And naturally, we have to believe in our own ability to reach the goal; that we have the capability to take all the steps along the way. This self belief has to do with the level of self-esteem that we possess.

Self-esteem is vital in goal setting, although the very act of setting goals can do wonders in boosting our self-esteem. With the right goals in place we set ourselves up a virtuous circle in which our self-confidence is greatly elevated by reaching a goal and, having reached that goal, we set out to strive towards a larger and more difficult goal.

Goal setting helps us believe in ourselves. Success in reaching one's goal boosts our self-confidence.

This is why it is vital to mark out the steps, like markers or milestones, along the way towards our goal so we can see our successes as they occur.

Of course, having markers along the way also means that we can see where we are falling short, which enables us to correct our course towards attaining the goal.

Some of the world's most successful people advocate having a daily "To Do" list. I personally do this and it is very powerful. It is

in effect your “goals” for the day.

By clearing your mind at the end of the day through listing all of the things you want to achieve the next day, you will increase your productivity enormously.

This is a very simple exercise and results in better use of time and far greater output. If you don’t already do this, try it from today. You will be amazed just how effective it is.

Put your personal tasks as well as your business tasks on the list. The whole point is to achieve more each day.

You can be certain that this daily “To Do” list technique is a winner.

CHAPTER SIX

MAKING MONEY AND SETTING BUDGETS

For many people, money is an uncomfortable subject. Most of us would rather talk about our sex lives than about our bank balance. We love money – and yet we hate it. It's hard to live with it; yet we can't live without it. Money can be a great source of joy and creativity; or it can bring us nothing but frustration and misery. It all depends on our relationship with it. Every time we deal with money we bring with us all our worries, doubts and fears as well as our hopes and expectations. This happens not only when we meet with our bank manager, or a financial planner or a loans officer, but in almost every transaction which involves us with money.

Money touches every aspect of our lives; work, leisure, home, family, creative needs, even our spirituality. Everything we do and dream of is affected by our relationship with this powerful form of energy called money.

Whether our dream is to travel around the world, pay for a house, establish a new company, buy a new car, get out from under a mountain of debt, or take a year off to write a film script, our vision is

intertwined with the possibilities and pitfalls bound up in the energy of money.

It is easy to see why our relationship with money is one of the most fundamental yet complex elements we have to handle in our lives. If our attitude to money is well-balanced and positive, then money can take its proper and natural place in our lives and we can allow it to enhance not only our wealth, but also our levels of health and happiness too.

However, if we develop the wrong relationship with money it will be reflected in everything we say, think or do. Almost all our thoughts, feelings and actions can become colored and affected by the wrong attitude to money. Such wrong or negative attitudes can range from an unhealthy obsession with making as much money as possible, to believing it to be the “root of all evil.”

Let’s examine the attitude of people who have an obsession with making money and being as rich as possible. Firstly, there is absolutely nothing wrong with wanting to make money and to be rich. Money brings comfort and, when it’s used properly, a certain level of security. It’s certainly easier to be happy when you have money compared to when you don’t. I’ve been rich and I’ve been poor and believe me – rich is better.

But it’s when the desire to make money becomes an obsession that the trouble starts. If you look at the verse in the Bible which talks about “the root of all evil,” you will see that Saint Paul says that it’s the *love* of money that’s the root of all evil.

Not money itself.

Money is impartial; money is morally and spiritually neutral; money is a form of exchange which allows us to compare the cost of a kilogram of carrots in Sydney with the price of a ticket to the cricket at Lords in London. At its most basic level, money is energy. Once society became more civilized, bartering (swapping my potatoes for a couple of your sheep) became too complicated. So, money came along.

It started out as a calculation of units of energy or value: for an

hour or day of their time, laborers earned a certain amount of money which they then exchanged for food or clothing or whatever. Then the State demanded a proportion of that energy in the form of taxes and then someone realized that if you invested the energy in other energy creating enterprises, it would generate more energy in the form of interest or a return on the investment. Even today it is useful to view money as energy: I am willing to exchange an amount of energy in the shape of many thousands of dollars for another amount of energy in the shape of a Lamborghini; which itself is the product of thousands of mechanical parts, all with an added energy value, along with the time and labor (energy) of countless mechanics and engineers.

This view of money allows me and many other people like me, to get it into proportion. I don't love money, yet on the other hand, I don't think it's the root of all evil. Instead, I view it as a very useful commodity; one that I am able to use and manipulate in order to help me realise my goals.

This healthy attitude towards money is very liberating, it sets us free from an obsession with wealth and possessions that can divert us from our goals and, in a spiritual sense, lead us down the wrong path. From a spiritual point of view, money and materialism are merely illusions that hide the real nature and meaning of life. This is why it is so much easier for us when we clarify the concept of money and begin perceiving it as energy. When put in that context, money is an "energy flow" similar to the Life Force; what Buddhists and others call *prana*, or *chi*. The concept of money as energy, makes it similar to atomic energy, electricity, heat, water, or any other natural force and, like all forms of energy, the flow of money follows the physical laws of the universe.

Balance is the key to all energy flow. Electrical equipment only functions with the proper flow of current. Too much and the wires burn out or the equipment catches fire; too little, and nothing works. It's the same with a flow of heat that keeps us warm and comfortable;

too much and we burn; too little and we freeze.

So how much money is “enough”? The answer is simple, especially once we have thought about how to achieve success, set our list of goals and devised an action plan. We need enough money to realize our goals, depending on what those goals are. After all, the amount of heat we need to make our homes comfortable would be totally inadequate for heating a hotel. The amount of electricity that a digital camera uses is a drop in the bucket compared to what’s required to run a refrigerator. We determine how much money we need in our lives when we think through our goals. Once we have understood this, then what we need to do is to make the money flow towards our goals. After all, if money is energy then, like all energy, it has to flow in the right direction. Atomic energy, heat or electricity flowing in the wrong direction is either dangerous or wasted. The same is true of money. It needs to be properly directed.

Of course, the reverse is also true. If we block the flow of money by hoarding it, putting it into some “safe” investment and leaving it there to do nothing, we are blocking the natural flow. We know that if our natural Life Force or *Chi* is blocked we become ill. So too with money. Its natural state is to flow. If we hoard it we become fearful. We need to be unafraid about spending money on ourselves in order to realize our goals, and about using it to help others. So money itself is not an issue. It’s our goals that matter. We do whatever we need to do, spend whatever we need to spend, knowing that the resources will flow to us and through us.

So many people worry about the lack of money or wealth in their lives, yet it’s those fearful thoughts which actually push prosperity and success away; which deny those people the opportunity to achieve success. Worrying about money or, more accurately, the lack of money, depletes our creative energies and inhibits our ability to make well informed choices. As a result many people are consumed by a sense of material impoverishment as they don’t live in the house they would like to live in; they don’t drive the kind of car they would

like to drive; basically, they don't live the kind of life they would like to live. Not only that, but worrying about money also creates in us a spiritual poverty as well as a sense of failure.

Conversely, when we feel confident and grateful for what we have, we attract success, prosperity and money making opportunities. People actually prefer to do business with those of us who have an upbeat attitude rather than with people who project unhappiness and failure such as people who are so beaten down by concern over their lack of money that they don't expect to achieve success.

So how can we develop a healthy relationship with money? Two of the best books ever written on the subject are: *Think and Grow Rich* by Napoleon Hill and *Rich Dad, Poor Dad* by Robert T Kiyosaki with Sharon L Lechter. One of the overarching messages in both of these excellent books is to stop buying things that camouflage our deepest desires. A good way to do this is to examine your check book and your credit cards. Does the spending in them reflect your long term goals? Does the amount you are spending even reflect your values or does the expenditure merely reflect a life of constant distraction?

While a big-screen TV or some other gleaming gizmo may make us feel great for a while; usually no more than a few hours or days; they cannot give our lives a lasting sense of purpose. To develop a healthy and wholesome money dynamic, we need to devote our dollars to realizing our goals, because it is through our goals that we will achieve the success we desire; the success that will make us happy.

To gain clarity on how to use our money wisely, we need to ask ourselves, "What are my goals?" By now of course we should know what our goals are; by now, not only have we listed them but we have devised action plans to realize them. But by focusing on our goals in relation to our spending patterns, not only of money, but also of time, we will bring what we spend our money on into sharp focus. To do this we need to track our spending and to create a budget, or

a number of budgets.

However, tracking money just for the sake of it can be pretty meaningless. It makes far more sense to track our money and our spending when we are working to our goals and to our action plans. That's the purpose of a budget; we can work out our spending in advance and then make sure we stick to it. When you are in control of your spending, it's much easier to make clear decisions and get your money working for you.

Another good reason for making a budget is that, if you're like the majority of us, then your funds are limited. You can only earn so much, or work so many hours a day, and that limits your income. So part of the benefit of the money plan is to make us think through how we spend our money.

However, there is one principle we should always apply in our budget or money plan and that is to 'Pay Yourself First' (PYF).

PYF is a very simple but effective idea that can help you achieve success through achieving your goals much quicker than you could possibly imagine. It's a simple trick whereby you automatically put aside, in an interest-bearing bank account, the amount you want to save. What's simple about the idea is that you don't give yourself a choice. You treat it as a fixed expense you owe to yourself. The advantages of PYF are clear, because you don't think about or spend those funds that you can't see or get your hands on easily. And since all of us are dealing with money all our lives, applying PYF is a very important principle within the money plan. The earlier you develop the habit of PYF, the faster you will achieve your goals.

Another great advantage of the money plan is that it enables us to devise ways of cutting back on our expenditure. When you have worked out the money plan, look at the cash flow and try to identify areas where you can spend less.

All of us buy things we don't really need, and those extra purchases can add up quickly. The hardest thing to learn about PYF is finding where we can get the money to pay ourselves first. Where

can we make savings?

One way is to limit our impulse purchases. You should always apply a cost/benefit analysis to your money plan or to any expenditure you feel suddenly compelled to make which is called an impulse purchase. Before you go ahead, weigh up the cost of the product or service against the benefit it will provide and ask yourself “does it get me closer to my goals?”

Cost benefit analysis is a simple but highly effective tool which enables us to choose between alternatives.

So, by instituting a money plan we are able to gain control over this very vital part of our lives. However, the money plan not only relates directly to the financial considerations of our goals, but, in the majority of cases, it also directly relates to our personal financial affairs.

Our ability to fund a goal such as a house, a boat or any other asset, depends mainly on the revenue stream we are able to produce from our personal financial situation. Therefore, our personal financial budgets are vitally important and will be discussed first.

Personal Budgets

The fact is that the vast majority of us do not budget our personal financial affairs and because of that we are unable to financially plan ahead with any confidence. Virtually every book on achieving personal success will mention, in one form or another, the need for budgeting our personal finances.

Both the books I mentioned earlier; *Think and Grow Rich* and *Rich Dad, Poor Dad* stress the need for personal financial budgeting. Yet, it is amazing that so many of us do not prepare a personal budget. It is hard to understand why not. Perhaps it's because many people believe budgeting is difficult when in fact, preparing a personal budget is really very easy.

Personally I think it's because many of us are frightened of what

our budgeting will reveal; because we would be appalled at how much we spend on trifles and unimportant things in comparison to how much money we are actually making. Preparing a personal budget is a bit akin to losing weight.

We know we should do it but we cannot face getting on the scales and taking responsibility for ourselves, which is really the point. With a budget, we make ourselves accountable because our expenditure is subject to accountability. Through a personal budget plan our income and expenditure is controlled to the extent that we are serious about our goals and action plans and therefore with our budget endeavors.

How to Prepare Personal Budgets

As I have said already, this is very easy. It is simply a matter of recording your projected earnings and your estimated expenditure. The budgets can be prepared for any time period; weekly or monthly and accumulated on a yearly basis.

Many people who are on a fixed salary or wages prepare a weekly budget, while those who have additional sources of income or their own businesses, are more likely to prepare monthly budgets.

Let's take as an example a man or woman whose main source of income is salary or wages. Assuming that a weekly budget will suit the person in this example, the budget would be prepared as follows:

Income	\$1,080
Expenditure	
Rent (or Loan Repayment & Property Expenses)	400
Food	200
Electricity	100
Transport Costs (Average Weekly)	50
Clothing Contribution	25
Insurance & Health Benefits	45
Entertainment	35
Repairs	15
Sundry	80
	950
Weekly Surplus	\$130

People who are well disciplined will record not only their *actual* weekly income, which is usually quite predictable, but more importantly, also their weekly expenditure which can be less predictable because it is sometimes subject to vagaries like an urgent car repair or a new pair of shoes. Each week the income and expenditure will be matched against the items in the budget. If the budget predictions, especially in expenditure, are seen to be inaccurate these can, after a few weeks of recording the figures, be adjusted up or down to reflect the reality of the situation.

The example above indicates that a surplus of \$130 can be generated every week. Now, this is where the principle of PYF comes in to play. If these budget figures are accurate then, *whatever else may happen*, the person to whom this budget applies will lodge \$130 into an interest bearing account at the bank.

If people are really disciplined they will have a standing order to the bank whereby the sum of a \$130 is paid automatically out of their wages every week, even if this means making other people such as suppliers, utility companies, and the like, wait a short while for their money.

Saving \$130 a week amounts to almost \$1,700, plus interest, every quarter, or \$6,760, plus interest in a year.

Alternatively, if the person creating this money plan had a goal to own a certain make of car and they needed \$150 a week to pay off the car, then the surplus of \$130 would be applied to the car loan repayments while, at the same time, the individual would have to find savings of another \$20 a week from somewhere in their expenditure to make the payments. So long as the car was one of the goals this individual had itemized in their list of goals (as opposed to being an impulse purchase, made on the spur of the moment, or on a whim), then this is a legitimate use of the budget surplus.

Business Budget

When it comes to the case of a person who owns their own business, the budgeting procedure is a little (though not much) more difficult. For this individual, the personal budgeting process that we have just gone through remains the same.

However, the business budget is much more variable and it's a good idea for anyone with their own business to involve and elicit the assistance of their accountant or bookkeeper in the preparation of the business budget, though once you start it, the budget process is really quite simple.

Both the income and expenditure budget needs to be calculated on a monthly basis and projected on an annual basis. Similar to the personal budget, all the person needs to do is list all the expenses the business incurs, along with the projected monthly income.

MAKING MONEY AND SETTING BUDGETS

For example, if we take a simple car detailing business, the budget would look like this:

	Month	Annual
Income		
Car Detailing Services	\$8,000	\$96,000
Expenses		
Motor Vehicle Expenses	500	6,000
Materials	400	4,800
Telephone	100	1,200
Advertising	150	1,800
Insurance	50	600
Accounting Fees	50	600
Bank Charges	40	480
Printing & Stationery	30	360
Sundry	200	2,400
Casual Wages	800	9,600
	2,320	27,840
Surplus	\$5,680	\$68,160

This budget shows that the business would have a surplus of \$68,160 per annum, plus interest.

Combining the Business and Personal Budgets

This business budget, with its annual surplus of \$68,160 indicates that the business is generating an average weekly surplus of \$1,310. If we assume that the individual who owns this business had originally prepared the personal budget shown earlier, then we can see that he or she, if they were taking the business surplus as wages and their personal expenditure remained the same, would now be generating a weekly surplus of \$360. (The weekly net income from the business of \$1,310, instead of the original \$1,080 from a salary and odd jobs, generates a new weekly surplus of \$360.)

A Practical Application

Almost all our goals bring with them specific financial considerations. I will demonstrate this with a capital expenditure budget for a lawn mowing business I once established.

The Goal Activity Sheet for the start up of the lawn mowing business was as follows, together with the steps taken to achieve the various actions.

MAKING MONEY AND SETTING BUDGETS

Goal Activity Sheet	Date of Preparation:
Relevant Goal:	Start up Lawn Mowing Business
Activities:	1. Determine the capital budget needed
	2. Barter for acquisition of second-hand mower
	3. Barter for whipper snipper
	4. Obtain two fuel tins from family
	5. Barter for garden tools
	6. Arrange a contra deal for trailer
	7. Arrange a contra deal for flyer
	8. Obtain sign writing on a contra basis
	9. Use discounted mowing prices to get customers
	10. Establish a plant supply from green waste of customers
	11. Prepare detailed financial budgets for the business
Sundry Comments:	Start at a discounted price of \$20 per average yard and look for a timing opportunity to increase this to \$30.

The first item on the activity sheet was the determination of the capital budget which was as follows:

Mower - 2nd hand	250
Edge trimmer	100
Garden tools	50
Trailer	300
Flyers self delivered	200
Sign writing	300
Total	\$1,200

The additional actions taken were as follows:

With next to no money to start the business, I bartered with various people and suppliers to purchase the equipment I needed to get going.

Firstly, I saw an advertisement in the paper announcing a mower for sale. The old fellow who was advertising the mower told me that he was too old to mow his lawn any longer. He was selling the mower because now he wanted to get someone else to mow his lawn. I told him that I was setting up a business, and to get it up and running I would like to buy his mower. I explained to him that I couldn't pay for the mower up front, but that I would be willing to mow his yard for free until the mower was paid off.

While I was sitting in the old fellow's home, having a coffee and eating some delicious scones his wife had made, I saw a trailer at the back filled with rubbish. I asked the old fellow what he intended doing with the trailer and he said he was going to sell it for \$260. So I said that if I could get both the mower and trailer from him, I would mow his lawn all year for free and remove rubbish as he required. He agreed.

Not long after I was driving around and noticed a business that was closing down. Investigating further I noticed that the business

had an edge trimmer that looked as if it had never been used. I took my time looking around at everything else that was for sale before querying the guy who was selling the business about how long he had to move out of his premises. He said that whatever was left by the end of the next Saturday was going to the rubbish dump. He intended to hire someone to pick up everything that was left and to take it all away. I pointed out that transporting all the things that might be left over from the sale would be an expensive exercise, to which he shrugged his shoulders and said, 'well, so be it.'

I then asked if I could have the guy's edge trimmer in exchange for taking his leftovers to the dump for free. He quickly accepted and added that, whatever was left over after Saturday could also be mine to keep. So, not only did I get the edge trimmer, but I also ended up with a few garden tools.

I had the flyers promoting my new business donated to me by the printers. The printer didn't want any rubbish removed or lawns mowed in exchange for the flyers, but they were happy to put the details of their printing company on the reverse side of the flyer in exchange for free delivery by me. This was a big bonus for me because, as they had their details printed in full color. They also printed twice as many flyers as I had intended to order. I delivered the flyers personally, so that didn't cost me any money.

When arranging for the sign writing for the trailer I was shocked to discover how much sign writing costs, even for the small number of words I needed on the side of the trailer. I shopped around and shopped around until eventually, I found a sign writer who worked on a large industrial site which was overgrown with grass and weeds. Here was my opportunity to do a deal. He exchanged his sign writing services with me for cleaning up and mowing his commercial property.

Spending a cash outlay of less than a hundred dollars to start the business made it a very successful start up.

My goal for the business (which I listed) was not to have a job pushing a mower around for the rest of my life but to grow and develop a business that I could sell for a large profit. I knew that the most important aspect of this type of business was to grow the customer base: the more customers I had – the more the business was worth.

From my research, I knew that the average price for mowing a lawn was forty dollars. I intended to charge twenty dollars. I delivered all my flyers announcing my cut price and, inside three weeks, had thirty-five clients. After four weeks, I had a business turning over \$1,500 a month. Not great, but better than nothing.

While I was mowing the lawns I would also occasionally undertake some rubbish or garden removals. In all cases, whenever I pulled plants out of customers' yards I would keep them and re-pot them into the many hundreds of plant pots that my customers threw away as rubbish. After four months in business, I had eighty-four clients and over a thousand plants.

At the four month mark, my business was turning over \$3,060 a month. This was a lot of hard work (approx six lawns per day), but the business was growing all the time and steadily getting better.

At the same time, I was constantly making my customers aware of how much the competition was charging and always made sure that I showed them my flyers, which emphasized the price differential between the competition and me.

By the end of the fourth month I found that I'd have to start employing people if I wanted the business to expand. I employed one person when I reached eighty-four customers so he could learn the ropes while I continued marketing the business in search of more customers.

During those first four months I was always driving around the neighborhood, noting which houses had their lawns mowed and their grounds serviced by my competitors. I started visiting the people in these houses, taking with me a nice pot plant that had been

so kindly donated by my clients' garden waste. I made a big fuss over the people I visited, many of whom, after seeing the pot plant and learning of the price of twenty dollars for mowing their lawn, were happy to shake my hand and arrange for a time for me to come to mow their lawn.

Eventually, I started running into the problem of finding space to house the pot plants. So I went to my sign writing friend. Having by now paid off the sign writing through cleaning up and mowing around the sign writer's commercial premises, I went back to him and once more offered him my lawn mowing services if he would let me utilize some of the space at the rear of his commercial property to store the pot plants. We reached a deal, and I housed 1,500 plants at his property.

To keep increasing my customer base, I was constantly sending out pamphlets offering my services. One pamphlet I sent out had a marketing ploy in the form of an invitation in which case it didn't matter whether the people who received the flyer wanted their lawn mowed or not, they could come to my plant nursery and take a plant for free. I got a number of customers out of this flyer, but there was the added benefit that many of the people who came from all over town to pick up their free plant also bought a heap more plants while they were there. They say there's money in rubbish and I believe I proved that saying to be right.

The business's first birthday came around and I was amazed at how it had grown. By then I had three staff and 187 customers. Business was booming, which was no big surprise when you consider I was only charging \$20. The lawn mowing division was turning over approximately \$8,000 a month and the plant nursery division was bringing over \$2,000 a month.

Now was the time to increase the price of the lawn mowing service to \$30. I visited each of my customers personally. Before I went I purchased some nice terracotta pots which in bulk were really cheap. I took a potted plant around to each customer and talked to

them about the price they were currently being charged and the price the service was shortly moving to.

Although I was increasing the price by fifty percent, I didn't lose any customers. They were all happy with the price. The reason for this was because I had been conditioning them. For the past year I had been regularly informing my clients of the excessive prices being charged by my competitors to their customers. Now I was reaping the benefit of that constant repetition.

After three weeks of meetings with customers to increase my prices, the business turnover had increased from \$8,000 per month to over \$12,000 per month; all of it due to that small \$10 increase. Those three weeks made me an extra \$48,000 a year.

I later sold the business for \$130,000.

Overall, I was very pleased with my venture into the lawn mowing business.

The next chapter begins the 'hands-on' approach which will certainly direct you in your quest for wealth and happiness. It starts with the establishment of your Business Plan, which is the key to the implementation of procedures which will guarantee your successful outcome.

CHAPTER SEVEN

YOUR SUCCESS PLATFORM – THE BUSINESS PLAN

I have kept my interests in the management consulting company and the business broking company and they continue to be profitable entities.

However I recognized that they were in fact stepping stones to the business activity that would produce exceptional cash flow. That business has been the exhaust workshop. I also realized that it is only a matter of time before the exhaust workshop became a stepping stone for greater riches and endeavors.

At the time of acquiring the exhaust workshop, I sat down and reviewed my personal goals which I had set when I became involved in the preparation of Business Plans.

I could see that for my first 25 years of life, I had accumulated no net assets.

In fact at that stage I had a deficiency of net assets (I owed more than I owned).

My goals for net assets (total assets less total liabilities) were, and still are, as follows:

Age 30	\$300,000
Age 35	\$1 million
Age 40	\$3 million
Age 45	\$9 million
Age 50	\$27 million

I achieved my age 35 goal just before I turned 35 and have already achieved my age 40 goal. You will notice my goals are to treble my net assets every five years. This will certainly happen as it becomes easier when you have an existing net asset base which can be used as a springboard for the next five years.

What I want to do now is to show you the practical steps that will ensure that you reach your financial goals.

There are three areas in your business that I consider are the most important key factors in the operation of a successful business. Do these properly and everything else will follow successfully.

The key areas are:

- A. The preparation of a good Business Plan.**
- B. The proper control and use of Personnel.**
- C. The establishment of effective Procedures and Operations Manuals.**

The hundreds of businesses which I have seen that have these three key areas in proper operation are *all* substantially profitable and have provided wealth and immense satisfaction to their owners.

The good news is that these key areas are easy to implement and you can do it yourself with a bit of application.

I now want to cover the practical application of the development of your own Business Plan. The fun starts *now*. You have probably heard many times the saying that:

A business that fails to plan, plans to fail. Hence the importance of a Business Plan. The purpose of the Business Plan is simply:

- To analyze the present position of your business
- To project where you want it to be
- To show how it will be achieved

The following is a typical Table of Contents for a Business Plan. This will give you an overview of the document.

Sample Table of Contents

1. Executive Summary

- Business Description and Background
- Current Business Position
- Purpose of the Business Plan
- Product and Competitive Edge
- Market Potential and Future Outlook
- Management Experience
- Future Financial Projections
- Conclusion

2. Business Profile

- Business Background
- Business Description
- Future Outlook
- Mission Statement

- SWOT Analysis
- SWOT Analysis Strategies
- Business Objectives

3. Operation Analysis

- Operation Overview Analysis
- Current Performance Assessment

4. Human Resources Analysis

- Current Skills Analysis
- Comments on Skills Assessment
- Key Personnel and Advisors

5. Market Analysis

- Analysis of Historical Sales Results
- Projected Sales
- Listing of Competitive Advantages
- Listing of Disadvantages
- Marketing Strategies
- Market and Marketing Assessment of the Business

6. Financial Analysis

- Historical Profit and Loss Statement
- Projected Profit and Loss Statement

7. Risk Analysis and Contingency Plans

8. Legal Matters

I will now comment on the content of each of the sections that give you the platform for the preparation of your Business Plan.

The real secret to its preparation is to take the process slowly and undertake one step at a time.

It will not be long before your Business Plan starts to take shape. Remember that you can begin to use completed sections even though the whole Business Plan is not complete.

1. Executive Summary

This is a summary overview of the Business Plan and is normally only 2 to 3 pages in length. Although it is the first section of the Business Plan, it is in fact prepared last, after all of the other sections have been considered and documented. I have included a hypothetical Executive Summary in the appendices which will assist you.

2. Business Profile

This section contains:

- **Overview of the Business and its Background:** A description of the business and its background is made in this section together with the future outlook of the business.
- **Business Mission Statement:** The Mission Statement for the exhaust business was very simple and was as follows:

“To provide awesome service to customers and double the profitability of the business in twelve months”. (It worked)

- **Situation Analysis:** Where Strengths and Weaknesses, Opportunities and Threats are considered and listed. These are summarized as a SWOT Analysis.

- **SWOT Analysis Strategies:** These are powerful and show the measures which are planned to capitalize on the Strengths and Opportunities and to overcome Weaknesses and Threats.
- **Business Objectives:** These follow on from the SWOT Analysis Strategies and simply set out what your objectives are for areas such as Market Share, Product Development, Diversification, Profitability, etc. depending on the business you are in.

3. Operation Analysis

This section provides for your assessment of various aspects of the operation of your business and covers all of the relevant operating aspects. There are two types of assessment needed:

- (a) Operation Overview Analysis
- (b) Current Performance Assessment

Comments on each are as follows:

(a) Operation Overview Analysis

The following information is extracted from standard analysis forms I use. Each aspect of your operation is assessed using ratings from Poor to Excellent. The standard Operation Overview Analysis form I use is as follows:

OPERATION OVERVIEW ANALYSIS				
	Operation Factor	Current	Expected in 6 Mths	
1.	Profitability of Business			
2.	Market Share			
3.	Gross Profit Margins			
4.	Overhead Efficiency			
5.	Adequacy of Premises			
6.	Location			
7.	Parking			
8.	Signage			
9.	Layout of Premises			
10.	Effectiveness of Plant & Equipment			
11.	Stock Levels/ Availability			
12.	Adequacy of Working Capital			
13.	Customer Base			
14.	Expansion Potential			
15.	Key Personnel Base			
RATING:	6 = Poor	7 = Fair	8 = Good	9 = Excellent

Using *Adequacy of Premises* as a hypothetical example, if your premises were just okay, you might rate them in the current column as a 7 (fair). If better than ‘fair’, though not completely ‘good’, you may rate them a 7/8 (fair/good).

In the *Expected in 6 Months* column, you project where it will be in 6 months time. If you decide that the building will be painted, you may put a rating of 8 (good) in that column. Attach your notes to the assessment.

(b) Current Performance Assessment

The same rating range is used for the Current Performance Assessment and the standard form I use is as follows:

CURRENT PERFORMANCE ASSESSMENT			
	Performance Factor	Current	Expected in 6 Mths
1.	Production Levels and Efficiency		
2.	Overall Cost Efficiency		
3.	Quality of Operation		
4.	Wastage Factor		
5.	Flexibility/Scheduling		
6.	Dependability/Service		
7.	Safety Procedures		
8.	Human Resource Management		
9.	Overall Skills Levels		
10.	Staff Training Programs		
11.	Technology/Innovation		
12.	Systems & Procedures		
13.	Fixed Asset Maintenance		
14.	Stock – Control/Condition		
15.	Control of Debtors		
16.	Payment of Creditors		
(cont...)			

CURRENT PERFORMANCE ASSESSMENT			
17.	Servicing of Loans		
18.	Management Reporting		
RATING		6 = Poor 7 = Fair 8 = Good 9 = Excellent	

The same assessing procedure as described in the Operation Overview Analysis above applies to the Current Performance Assessment.

Again, you support each of your assessments with appropriate comments.

A hypothetical completed Operation Overview Analysis and a Current Performance Assessment are contained in the appendices together with hypothetical comments on each of the assessments.

This procedure provides excellent base information for comparison with future reviews which may be twelve monthly or preferably six monthly.

4. Human Resources Analysis

The Human Resource Section provides information on the personnel resource structure of the business, labor budgets, details of support consultants and a Skills Assessment.

The Skills Assessment in particular is a fascinating exercise and allows you to make an assessment of what skill levels are possessed in the business and areas where improvements are to take place. The following Skills Assessment form is one I use in Business Plans.

SKILLS ASSESSMENT			
	Function	Current	Expected in 6 Mths
1.	Administration		
2.	Accounting		
3.	Bookkeeping		
4.	Computer		
5.	Legal Matters		
6.	Marketing/Sales		
7.	Management		
8.	Personnel		
9.	Production		
10.	Research/ Technology		
11.	Strategic Planning		
RATING 6 = Poor 7 = Fair 8 = Good 9 = Excellent			

If your business has other function areas simply include them on your own form.

The same assessment procedure as explained earlier is made with the current functional skill level and your proposed level. You should support each of your assessments with your comments.

A hypothetical completed Skills Assessment with sample comments is included in the appendices to assist you.

An excellent information base is established by this exercise and enables comparison to be made with future assessments either six monthly or yearly.

5. Market Analysis

Areas that would receive comment by you in this section of the Business Plan include:

- **An Analysis of Historical Sales Results:** Comments would be made on comparative sales levels and other factors such as estimated market share.
- **Projected Sales:** You include here your projections with appropriate support comments.
- **Listing of Competitive Advantages:** This is an exceptionally beneficial exercise and allows considered opinions to be expressed on paper. Any area where you consider your business to have a competitive advantage would be tabulated here.

The sort of areas which may apply are:

- Exceptional buying power allowing good pricing.
 - A good location with high exposure.
 - A good customer base.
 - Competitive pricing.
 - An expanding market.
 - Premises that are attractive and inviting.
-
- **Listing of Disadvantages:** These may be areas which are the reverse to the good factors which gave competitive edges above. For example, the premises may be in need of painting. Action comments would be made against each area of disadvantage.

- **Marketing Strategies:** The marketing strategies you propose to put in place are detailed here.
- **Market and Marketing Assessment of the Business:** An assessment should be made of this area of your business either 6 monthly or 12 monthly. The standard assessment form I use for this aspect of a business is as follows:

MARKET & MARKETING ASSESSMENT			
	Market Factor	Current	Expected in 6 Mths
1.	Sales Potential of Industry		
2.	Sales Potential of Business		
3.	Current Sales Performance of Business		
4.	Market Share		
5.	Product Range		
6.	Pricing Competitiveness		
7.	Advertising/Marketing Effectiveness		
8.	Brochures and Selling Aides		
9.	Delivery/Installation		
(cont...)			

MARKET & MARKETING ASSESSMENT			
10.	After Sales Service		
11.	Customer Complaints		
12.	Buying Power		
13.	Marketing Plan Effectiveness		
14.	Competitive Edge Utilization		
RATING: 6 = Poor 7 = Fair 8 = Good 9 = Excellent			

Comments can be made for each assessment and projected improvement measures can be noted.

I have included in the appendices a sample Market and Marketing Assessment together with demonstration comments. This will prove very helpful to you in undertaking this part of your Business Plan.

6. Financial Analysis

This is broken down into two sections:

- (a) Historical Profit and Loss Summary
- (b) Projected Profit and Loss Summary

It is sufficient to have a simple summary of each showing:

(a) Historical Profit and Loss Summary

	Prior Period		Current Period	
	\$	%	\$	%
Revenue	xx	100%	xx	100%
Less Cost of Sales	xx	xx	xx	xx
Gross Profit	xx	xx	xx	xx
Less Expenses	xx	xx	xx	xx
Net Profit	\$xx	xx%	\$xx	xx%

Comments should be made for each item providing macro comments on major variations. For example, if the gross profit margin were 48% in one year and 36% in the next, comments should be made explaining reasons for the fluctuations.

(b) Projected Profit and Loss Summary

	Year 1		Year 2	
	\$	%	\$	%
Revenue	xx	100%	xx	100%
Less Cost of Sales	xx	xx	xx	xx
Gross Profit	xx	xx	xx	xx
Less Expenses	xx	xx	xx	xx
Projected Net Profit	\$xx	xx%	\$xx	xx%

You should make comments for each of the projections showing the basis and commenting on any major variations between the projections and the actual figures for the previous two years.

7. Risk Analysis

An assessment should be made of the various risks which may be applicable to the business. They may include areas such as:

- Loss of key employees.
- A new major competitor entering the market.
- A collapse of the economy.
- Loss of premises due to fire, flood, storm.
- Long term illness of the owner.
- Permanent loss of the owner.
- Major supplier going out of business.
- Alternative products coming on the market e.g. plasma televisions.

Each possible risk factor should be considered separately and notes made of the contingency actions that would be taken to overcome the risk.

8. Legal Matters

A review should be made of the various legal aspects of the business and comments made to confirm that this aspect is in order. The areas include:

- Business Name Registration.
- Legal Structure.
- Occupancy (Lease Agreement).
- Licences/Permits.
- Superannuation.
- Workers Insurance.
- GST Registration.
- Business Activity Statements.
- Income Tax Returns.
- Insurances.

If any legal area has an outstanding matter, for example, if the Business Name Registration has not been renewed, notes should be made to ensure that the matter is followed up appropriately.

Over the many years of my involvement in the preparation of Business Plans and the viewing of entities presented for sale in my business broking company, something that became very clear was that Business Plans contained a lot of goal settings such as:

- Market share (sales) goals.
- Costs of operating goals.
- Operating profitability.
- Staff training requirements.
- Goals for better customer service.
- Growth forecasts.
- New plant and equipment.
- Diversification goals.

And the list goes on and on.

I have also realized that the goal setting process for an individual is virtually the same as it is for a business.

It cannot be stressed too much just how important the Business Plan is in the realization of your wealth creation. Properly used, the Business Plan will provide you with a successful business and then will allow you to capitalize on your most important business asset, *your personnel* which is covered in the next chapter.

CHAPTER EIGHT

YOUR MOST VALUABLE ASSET – PERSONNEL

In virtually every case, the most valuable asset of a business is its personnel base. Recognize that the personnel base includes *you*.

Good staff properly trained and motivated produce good profits.

There are a lot of human resource forms and documentation available that assist in the meaningful management of personnel. They take the guess work out of the proper utilization of staff and at the same time they continue to improve the value of this valuable resource.

Some of these are:

- A. Employee Self Evaluation Reviews
- B. Personnel Motivation
- C. Evaluation of Personnel Performance
- D. Personnel Control
- E. Training and Development Assessments
- F. Induction Procedures

A. EMPLOYEE SELF EVALUATION REVIEW

A copy of this form is as follows. Of the myriad of human resource forms I have used, the Employee Self Evaluation Review is in my opinion the best tool and one which you will continue to use and find highly beneficial to the profitable operation of your business.

EMPLOYEE SELF EVALUATION REVIEW		
Employee Name:		
Position:	Date:	/ /
1. Aspects of job/business liked most:		
2. Aspects of job/business liked least:		
3. Suggestions for improvements in job/business:		
4. Comment on your performance in the last 6 months:		
5. Areas in which training is required:		
6. Areas in which personal improvement can occur:		
(cont...)		

YOUR MOST VALUABLE ASSET – PERSONNEL

EMPLOYEE SELF EVALUATION REVIEW		
Employee Name:		
Position:	Date:	/ /
7. Number the following 1 to 11 in order of importance to you:		
1 = Most Important 11 = Least Important		
		Rating
(a)	Promotion and growth	
(b)	Wages at proper level	
(c)	Job security	
(d)	Image/Standing of business in community	
(e)	Pleasant working conditions	
(f)	Interesting job functions	
(g)	Feeling a part of the team	
(h)	Personal loyalty to the employee	
(i)	Full appreciation for a job well done	
(j)	Sympathetic help on personal problems	
(k)	Tactful discipline	
Comments:		
(cont...)		

EMPLOYEE SELF EVALUATION REVIEW								
Employee Name:								
Position:						Date:	/ /	
8. Rate the following as they apply to you personally:								
	Good		Fair			Bad		
	1	2	3	4	5	6	7	
(a) Promotion and growth								
(b) Wage level								
(c) Job security								
(d) Image/Standing of business								
(e) Pleasant working conditions								
(f) Interesting job functions								
(g) Team spirit								
(h) Employer loyalty to employee								
(i) Appreciation by employer								
(j) Sympathetic personal help								
(k) Tactful discipline								
Comments:								

A copy of the instructions for completing the form is as follows. This will give you a better appreciation of the contents of the form.

**NOTES FOR COMPLETING THE EMPLOYEE SELF
EVALUATION REVIEW**

1. Allocate a reasonable amount of time for completing the questions. The more detail you provide, the more beneficial the results will be. Attach notes if space provided is insufficient.

2. Question 1 requires that you note the particular aspects of your job you like most or aspects of the business operations that you like most. This may include for example, the type of work you undertake, the service the business provides, the people you work with, etc.

3. Question 2 is the reverse of Question 1.

4. Question 3 relates to any improvements you consider could be implemented in respect of your position or general business improvements. This may include such areas as new computer network, more staff social activities, etc.

5. Question 4 requires that you comment on how you view your performance in the last 6 months.

6. Question 5 requires that you list the areas where you consider that you require more training.

7. Question 6 covers areas where you consider you can achieve personal improvement. For example, this may be “Better working attitude towards others”, “Less time off” or “Quitting smoking”, etc.

(cont...)

8. Question 7 requires careful consideration. The employment aspects are to be numbered in order of importance to you from 1 to 11 with each number being used once only. If “Interesting Job functions” were the highest importance to you, it would be number “1” and if “Pleasant Working conditions” were the second most importance aspect to you, it would be numbered “2”, etc.

9. The rating assessment in Question 8 requires your careful consideration of how each of the factors apply to you personally. For example, if the level of wages you are being paid is considered by you to be very good, you would place a tick in the “1” column against Item (b). As a further example, if you considered that the working conditions were particularly bad, you would tick either 6 or 7 (depending on how severe) in Item (e).

10. These evaluations are analyzed by management for the improvement of the business.

There is every chance that you may be surprised at the answers and comments that are made. The information will give you an excellent insight into your business.

There are no right or wrong answers. The answers vary from business to business and from employee to employee. For example, on Question 7, the majority of employers think that *wages at proper level* would be employees’ number one priority but in most cases, it is ranked in the 4 to 6 area. Job security when unemployment levels were very low was not viewed as an exceptionally high ranking but in the present economic climate, it is often now getting a No 1 ranking.

If you are undertaking these reviews on a six monthly basis (preferred), you will get valuable information from period to period.

If you undertake an analysis of the assessments for all employees as a whole, you will get valuable information on assessment trends for the business as a whole. This provides you with excellent information to assist in the management of your business.

A survey was conducted a number of years ago by one of the leading human resources companies. Thousands of individuals were canvassed to get the average ratings of employees. Ten key human resource areas were used in the survey and the results were as follows with 1 being most important and 10 being least important. Employers were also surveyed and a summary for those ratings are shown as well.

EMPLOYEE SURVEY RATING BY IMPORTANCE	
Full appreciation for a job well done	1
Feeling part of the team	2
Sympathetic help on personal problems	3
Job security	4
Wages at proper level	5
Interesting job functions	6
Promotion and growth	7
Personal loyalty to the employee	8
Pleasant working conditions	9
Tactful discipline	10

EMPLOYER SURVEY RATING BY IMPORTANCE	
Wages at proper level	1
Job security	2
Promotion and growth	3
Pleasant working conditions	4
Interesting job functions	5
Personal loyalty to the employee	6
Tactful discipline	7
Full appreciation for a job well done	8
Sympathetic help on personal problems	9
Feeling part of the team	10

It is interesting to compare what key areas employees found important with the areas that the employers thought their employees would find important.

The more time you spend in considering and analyzing the results of the Employee Self Evaluation Reviews of your employees/ personnel, the more beneficial you will find the application of the exercise, particularly from period to period.

I have included in the appendices, a completed hypothetical Employee Self Evaluation Review with review comments. Under no circumstances should you under estimate the value of the Employee Self Evaluation Review process.

You will be amazed at the benefits which will flow to the business from this exercise.

B. PERSONNEL MOTIVATION

The Major Motivators

Motivation of personnel is an art in itself. Tips for generating effectiveness in motivation include:

- Have good communication
- Take a genuine interest in the individuals
- Do not have favorites
- Be approachable
- Clearly define responsibilities
- Praise in public
- Admonish in private
- Lead by enthusiastic example
- Train and develop staff well
- Be consistent
- Establish systems and rewards that benefit the business and staff
- Social Club to add “fun”

The Major De-Motivators

- Lack of communication
- Lack of recognition
- Poor working conditions
- Unjust criticism
- Time pressure
- Interruptions
- Lack of training
- Boring jobs
- Lack of future opportunity

- Failure to provide promised benefits
- Inadequate remuneration
- Indecision
- Lack of systems and clearly defined procedures
- Poor delegation

Lack of communication is often the single most critical demotivator. Having good communication includes:

- Giving and receiving clear verbal instructions
- Meaningful written communications
- Regular counselling
- Clear lines of command
- Regular review with feedback
- Regular praise when warranted
- Listening intently to suggestions or complaints
- Making all personnel feel part of the team
- Regular meetings with staff members

C. EVALUATION OF PERSONNEL PERFORMANCE

Reviews of personnel should be undertaken at least yearly and preferably six monthly to determine:

- Suitability for position
- Attitude toward the business
- Future with the business
- Areas of improvement
- Training needs

The following form ‘Staff Review by Employer’ is a copy of the form I use to review employees. It can be used to compare with other employees and with prior and future reviews.

STAFF REVIEW BY EMPLOYER								
Employee Name:								
Reviewed By:					Date:		/ /	
		Good		Fair		Bad		
		1	2	3	4	5	6	7
(a) Appearance								
(b) Personality								
(c) Enthusiasm								
(d) Cooperativeness								
(e) Punctuality								
(f) Attendance								
(g) Volume of Work								
(h) Position Knowledge								
(i) Development								
(j) Other								
(k) Overall Performance								
Follow Up Action:								

D. PERSONNEL CONTROL

This is where your business can excel. With your most valuable business asset probably being your personnel base, it is wise to pay careful attention to its well being.

Control of personnel falls under a number of headlines including:

1. Maintenance of staff files

2. Proper procedures for engaging staff including:

- Position advertisement
- Interview proforma
- Job specification form
- Job description form
- Referee check list forms
- Confidentiality agreements
- Letter of engagement
- Retention of the job application
- Retention of the actual interview form

3. Proper bookwork establishment

- Medical certificates (if required)
- Superannuation application
- Tax file number declaration
- Withholding declaration
- Workers insurance
- Establishment of personnel record sheet
- Acknowledgement of having read the Employees' Handbook
- Acknowledgement of having read the Business Safety Manual

4. Performance

- Personnel capability assessments
- Employee periodic reviews
- Training requirements and actions
- Salary reviews
- Details of employee conditions/benefits
- Holiday timetable
- Sick leave performance
- Employee self evaluation reviews
- Any performance notes

5. Terminations

- Warning procedures
- Termination notices

If you do not already have staff files in place, start the establishment of them immediately.

The simplest way is to have a hanging file for each staff member and place in it every bit of documentation that relates to that staff member. The information that can be included is extensive and may include the items show in 2, 3, 4 and 5 above.

It is a good idea to have an index of the probable contents to be included in the front of each of the staff files.

Even if personnel consist only of family members, the control measures should still be implemented immediately.

If you need assistance with your personnel control procedures and documentation, talk to your accountant, management consultant or human resource consultant.

E. TRAINING AND DEVELOPMENT ASSESSMENTS

The business should set programs every six months for the training and development required for personnel as follows.

An effective system of staff training takes the following to account:

- Proper identification of strengths and weaknesses in the skill characteristics of personnel.
- Regular reviews of personnel skill levels.
- Maintenance of staff training records.
- Setting of budgets for staff training.
- Establishing programs of staff training for:
 - Internal training
 - External training
- Performance reviews of each staff member.

On the job training requires the following:

- Proper preparation of documentation for the employees explaining what is required of them in the positions in which they are engaged.
- Careful demonstration of the performance of each of the tasks.
- Regular checking of the ability of the employee to perform the task.
- Regular training sessions to maintain improved performance.

Internal Training Tips

One on one session:

- Ensure the job description is clear.
- Friendly discussion on the importance of the area to be covered.
- Encourage questions during the sessions.
- Prepare for the session in advance.
- Have the new appointee undertake the tasks under supervision.
- Evaluate the performance to gauge how effective the training is.

Presentation sessions with more than one person:

- A five minute presentation can take one hour to prepare.
- The training sessions must be free from disruptions.
- Trainees may not respond quickly to training so provide data in small sections that can be used immediately.
- Keep the number of attendees small so as to achieve maximum benefit.
- If the sessions are greater than one hour, have breaks to allow concentration to be maintained.

F. INDUCTION PROCEDURES

Introduction to Position

The first ten days in a new position are the most vital for the part they can play in creating favorable impressions and enthusiasm.

The new employee must be introduced to the business in a planned way that makes the introduction effective.

The systemized introduction will take place over several days and may involve a number of your existing personnel.

Prior to Starting

The following should be undertaken prior to the day on which the new employee arrives:

- Advise all staff of the new appointment.
- Plan the first week in detail making sure all staff understand their involvement.
- Select one staff member who is to oversee the induction of the new employee in the first week.
- Prepare and obtain the information which is to be given to the new employee during the induction week.
- Copies of different forms and procedures should be on hand to show how documentation is to be completed.

After starting

The first day has a lot to be covered including:

- Personal welcome to the new employee.
- Business history.
- Personnel chart.
- Chain of command.
- Review for Job Description duties.
- Set up of new employee in work station.
- Safety procedures.
- Questions and answers.
- Outline of the induction training.

Induction Training

A plan of induction training should be drawn up in advance with personnel allocated to the different aspects of the training.

The on job training and introduction to the various aspects of the job will take place generally during the new employee's first days with the business.

A review of progress should be made at the end of the first week to determine the areas in which further training/familiarization are required.

All of the forms, procedures, documentation, etc. mentioned in this chapter would form part of the all important Procedures and Operations Manuals. These manuals are covered in the next chapter.

CHAPTER NINE

PROCEDURES AND OPERATIONS MANUAL

The establishment of Procedures and Operations Manuals is one of the simplest ways of rapidly increasing the profitability of your business.

They work every time without fail.

The preparation of your Procedures and Operations Manuals is not the daunting task that many believe.

It is simply a case of a step at a time documentation of what your business does.

Start with an index and number each section.

As you come across some form, document or information that relates to the section, hole punch it and file it in that division.

Keep collating these documents, forms, notes, etc. and at a later date you can put them in appropriate order with subdivisions, together with your comments.

Cover each section of your operation. Your indexes may include divisions such as:

- 1.0. Business Profile
- 2.0. Administration
- 3.0. Financial
- 4.0. Taxation Aspects
- 5.0. Legal Aspects
- 6.0. Premises and Occupancy
- 7.0. Personnel
- 8.0. Consultants
- 9.0. Plant and Equipment – Office
- 10.0. Plant and Equipment – Production
- 11.0. Competitors
- 12.0. Operations/Production
- 13.0. Marketing
- 14.0. Ideas and Strategies
- 15.0. Action Plan

Just keep adding to the list until you have all aspects of your business operation covered.

The key to getting started with the preparation of effective Procedures and Operations Manuals is to have a detailed list of the type of contents that may be considered for inclusion in each section.

This is such an important money maker that I have detailed an extensive list of the type of material that you may have under each of the headings. The example provided is taken from an Australian entity. If sections are not relevant to your business, simply delete them from the list of contents.

I must stress again the importance of these Procedures and Operations Manuals. They are a guaranteed producer of profits for your business. It may take you many months to complete (it may even take years) but remember the more attention you give to it, the greater your earnings will be. You will end up with the type of documentation that Michael E Gerber (*E-Myth Revisited*) points out is produced and used by organizations such as McDonald's.

You should also recognize that Procedures and Operations Manuals make your business far more valuable if you decide to sell.

1.0. BUSINESS PROFILE

1.1. History of the Business

- When commenced or purchased
- How started and by whom
- Special achievements over the years
- Details and year of major developments in the business
- Details of any changes in legal structure
- Details of any changes in ownership

1.2. Description of Business

- Location
- Size
- Products/services
- Target markets and customer types
- Legal structure

1.3. Data Sheet

- Entity name
- ACN (if applicable)
- Registered address
- Directors/Owners
- Shareholders
- Secretary (Company)
- Bankers
- Solicitors
- Accountants
- Business consultants
- Auditors
- Insurance brokers
- Finance brokers

1.4. Business Plan

- Attach copy of current Business Plan

2.0. ADMINISTRATION

2.1. Accounting and System Procedures

- Cash registers
- Cash sales
- Credit sales
- Debtors
- Purchases
- Creditors
- Payments
- Payment authorities
- Cheque signatories
- Petty cash
- Payment summaries
- Sales records
- Receipting/banking procedures
- Postage book and procedures
- Bank reconciliations
- Filing
- Schedule for keeping records
- Photocopy register
- Telephone register
- Fax register
- Internal audit procedures

2.2. Typing Manual

- Standard letters
- Standard format
- Typing codes
- Relevant grammar

2.3. Telephone Procedure

- Method of answering
- Taking messages
- Handling complaints
- Use of answering machine
- Message on answering machine or message on hold
- Register of long distance calls

2.4. Quality Control

- Schedule of procedures in place
- Internal audit of controls
- Periodic reviews

2.5. Stocktake Procedures

- Pre stocktake requirements
- Stocktake instructions
- Stock cards/tags
- Stock sheets
- Post stocktake requirements
- Basis of costing
- Analytical comparisons

2.6. Monthly Meeting Proforma

- Summary actual profit for month
- Summary actual profit year to date
- Summary actual profit with last year

- Actual profits compared with budgets
- Sales – month, year to date, last year and budget
- Expenses – month, year to date, last year and budget
- Bank position – this month, last month, last year
- Debtors analysis - this month, last month, last year
- Creditors analysis - this month, last month, last year
- Overview summary of trading for month
- Marketing comments on effectiveness
- Wages summary - this month, year to date, last year
- Comments on major expense fluctuations
- Capital expenditure during month
- Capital expenditure forecast
- System improvements during month
- Training achieved during month
- Items for future action
- Comments on next month's expected trading

This monthly meeting is so important that I have included in the appendices, a suitable proforma for a monthly management meeting.

2.7. Dress Standards

- Uniform policy
- Contribution to uniform expense
- Non-uniform dress policy
- Out of hours dress policy
- Casual Friday dress policy

2.8. Stationery

- Copies of stationery forms used
- Sales order forms

- Quotation forms
- Receipts
- Payment authority forms
- Sales invoices
- Delivery notes
- Letterheads
- With compliments cards
- Fax transmission forms
- Business cards
- Purchase order forms
- Internal memo forms
- Petty cash voucher forms

3.0. FINANCIAL

3.1. Budgets

- Copy of budgets for:
 - Production
 - Sales
 - Sundry income
 - Expenses
 - Profit
- Working papers for preparation of budgets

3.2. Financial Statements

- Budget comparisons with actual
- Copies of management statements
- Copies of financial statements:
 - Trading Account
 - Profit and Loss Account

- Balance Sheet
- Source and Application of Funds
- Reports on financial statements

3.3. Benchmarks and Analytical Review

- Industry benchmarks
- Ratios and workings
- Analytical reviews of financial statements
- Comparisons with benchmarks
- Workings and notes on comparison variations

3.4. Finance Facilities

- Details of bank facilities
- Details of other facilities
- Copies of mortgage documents
- Copies of guarantees
- Letters from finance institutions
- Information provided to institutions

3.5. Leasing

- Summary of each lease
- Copy of lease documents
- Copy of periodic payment authorities
- Copies of letters from finance companies
- Copies of information provided to finance companies

3.6. Credit Policy and Debt Collection

- Credit policy
- Application form for credit
- Method of approval
- Letter of terms and conditions of trade
- Form of guarantee from directors of customer companies
- Credit check list
- Sample letters – welcome/decline of credit
- Sample letters – debt collection
- Legal action procedure
- Bad debt write off procedure
- Forms for bad debt and provision review
- Small debt tribunal

3.7. Credit Cards

- Summary of each credit card facility
- Copies of agreements with each company
- Copies of limits, phone numbers, etc
- Procedures to be followed

3.8. Industry and Economic Articles, Newsletters, etc

- Industry articles
- Relevant economic articles
- Trade newsletters
- Accountants newsletters
- Business articles

3.9. Monthly Review – Financials and Operations

- Copies of proforma monthly meeting material
- Copies of staff meeting minutes
- Copies of directors/proprietors meeting minutes
- Operations notes and comments

3.10. Australian Securities and Investment Commission

- Copies of annual statements
- Copies of letters/notices ASIC
- Lodgement notices
- Copies of searches
- Copies of lodgements with ASIC

4.0. TAXATION ASPECTS

4.1. Income Tax

- Copies of income tax returns
- Income tax file number advice
- Pay as you earn detail
- Superannuation guarantee
- Fringe benefits tax
- Keeping of taxation records
- Log books summary
- Uniform registrations
- End of year tax planning
- Tax newsletters and articles
- Tax audit
- Other information from tax office

4.2. Goods and Services Tax

- Registration forms
- Registration number
- Copies of returns
- Correspondence with department
- Instructions and information

4.3. Payroll Tax

- Copies of returns
- Correspondence with department
- Instructions and information

4.4. Capital Gains Tax

- Register of assets
- Information from tax office

5.0. LEGAL ASPECTS

5.1. Business Contract of Purchase

- Copy of contract
- Summary of relevant sections
- Correspondence relating to acquisition
- Work papers on investigation of business
- Initial valuations of the business

5.2. Business Name

- Application for registration
- Copy of business name certificate
- Copies of changes – Owners
- Copies of changes – Place of business
- Copies of annual renewals

5.3. Partnership Agreements / Company Documentation

- Copy of partnership agreement
- Summary of relevant provisions
- Copies of any documents of change
- Copy of company rules and regulations
- Summary of relevant provisions
- Copy of certificate of incorporation
- Correspondence

5.4. Trade Practices

- Copy of relevant sections of legalisation
- Correspondence

5.5. Franchise

- Copy of franchise agreement
- Summary of relevant provisions
- Correspondence

5.6. Patents, Trade Marks, Copy Rights, Registered Designs

- Copies of relevant documents
- Applications
- Registrations
- Correspondence

5.7. Legal Conflicts

- Documentation on any legal conflicts

5.8. Advertising and Sundry Contracts

- Copies of advertising contracts
- Copies of sundry contracts and agreements

6.0. PREMISES AND OCCUPANCY

6.1. Leases

- Copies of leases and sub-leases
- Summary of important facts and information
- Correspondence

6.2. Security

- Copies of security agreement
- Internal procedures
- External procedures

6.3. Cleaning

- Copy of cleaning specifications
- Copy of contract/agreement
- Internal requirements
- External requirements
- Rubbish and waste disposal/removal

6.4. Insurance

- Insurance schedule
- Insurance check list
- Brokers reports
- Claims register
- Review reports

6.5. Premises

- Layout
- Signage
- Property valuations
- Parking
- Hours
- Night switching
- Work Place Health and Safety
- Copy of relevant rules and legislations
- Articles
- Instructions internal
- Fire procedures

7.0. PERSONNEL

7.1. Personnel Matters

- Staff/Management organization chart
- Management structure
- Uniforms and dress standards
- Smoking policy
- Personal phone calls
- Personal use of equipment
- Conditions of employment and hours
- Time off
- Holiday leave
- Overtime
- Jury service
- Leave without pay
- Long service leave
- Sick leave
- Other leave
- Staff reviews

7.2. Job Specification, Duties, Letters and Forms

- Job specifications
- Schedules of duties
- Sample letters of engagement
- Sample termination letters
- Sample reference letters
- Sample job interview forms
- Sample staff reviews

7.3. Awards and Conditions

- Copies of relevant awards
- Summaries of award highlights
- Schedules of rates of pay
- Schedules of benefits

7.4. Pay As You Earn Tax

- Registration
- Copy of procedures
- Copy of reconciliations
- Working papers of wages summaries

7.5. Training

- Training budgets
- Schedules of proposed training
- Staff summaries of training
- Brochures on courses and programs

7.6. Superannuation

- Documentation with superannuation company
- Copies of memos and letters to employees
- Summary of contributions
- Brochures on scheme
- General correspondence

7.7. Workers Compensation/Workers Insurance

- Copy of application
- Copies of annual renewals (returns)
- Technical data/literature
- Register of any claims

8.0. CONSULTANTS

8.1. Particulars of Consultants

- Names and functions of consultants
- Material relating to consultants
- Correspondence

9.0. PLANT AND EQUIPMENT - OFFICE

9.1. Summary of Equipment

- List of equipment showing:
 - Details
 - Date of purchase
 - Cost price
- Equipment to be covered includes:
 - Photocopiers
 - Fax machines
 - Mobile phones
 - Computers
 - Printers
 - Scanners
 - Telephone answering machines
 - Cash registers

9.2. Documentation and Specifications

- Copies of the specification schedules – model, etc
- Copies of operational instructions
- Copies of documentation on purchase
- Comments and observations on any item of equipment

9.3. Maintenance Agreements

- Copies of maintenance agreements
- Summary of major problems
- Names of service organisations and backups

9.4. Brochures

- Brochures on any current equipment
- Brochures on other models available
- Correspondence

10.0. PLANT AND EQUIPMENT – PRODUCTION

10.1. Summary of Plant and Equipment

- Listing of all plant and equipment
- Particulars
- Date of purchase
- Cost price

10.2. Documentation and Specifications

- Copies of documentation for purchase of various items of plant and equipment
- Specifications of each item
- Summary of internal maintenance program for each item

10.3. Maintenance Agreements

- Copy of each maintenance agreement
- Summary of service organizations to be called
- Summary of backup service organizations

10.4. Brochures

- Brochures on existing plant and equipment
- Brochures on proposed plant and equipment

11.0. COMPETITORS

11.1. Details of Competitors

- Summary of competitors
- Competitors market share estimates
- Information on each competitor

12.0. OPERATIONS/PRODUCTION

12.1. Production Process

- Basis of operation
- Advantages/disadvantages
- Developments and improvements

12.2. Suppliers of Materials

- Details of major suppliers
- Details of alternative suppliers
- Product range

12.3. Basis of Costing

- Detail of basis of costing
- Summary of changes over the years

12.4. Product Distribution

- Method of delivery
- Internal control systems

12.5. Pricing Policy

- Description of policy
- Summary of changes

13.0. MARKETING

13.1. Sales/Volume Projections

- Summary of next year's dollar projections
- Summary of divisional break-up of projections
- Comparative market share estimates

13.2. Marketing Budget

- Marketing budget break-up
- Basis of monetary allocation
- Comparison with prior years

13.3. Marketing Plan

- Basis of overall plan
- Areas to be addressed for year
- Key personnel allocations
- Monthly review of effectiveness
- Statistical data – household numbers, street numbers, suburb numbers, population numbers, etc
- Advertising rates, delivery rates, etc

13.4. Monthly Marketing Plan

- Summaries of each months projected marketing
- Details of specific initiatives

13.5. Sample Communications

- Sample letters
- Advertisements in various outlets
- Flyers
- Brochures
- Cards
- Industry requirements
- TV/Radio summaries

13.6. Marketing Reports

- Results of surveys
- Results of special activities

13.7. Competitors and Other Material

- Competitors advertisements and marketing
- Other material

13.8. Articles

- Marketing articles
- Advertising suggestions
- General statistics
- Sundry information

14.0. IDEAS AND STRATEGIES

14.1. Short Term Strategies

- Details of ideas
- Strategy plans

14.2. Long Term Strategies

- Details of ideas
- Strategy plans

15.0. ACTION PLAN

15.1. Summaries of Action Requirements

- Details of actions to be taken
- Time tables for such action

15.2. Reports on Completion

- Progress reports on action taken
- External reports of assistance

CHAPTER TEN

HOW TO USE THE HIGHER POWER

To achieve success very quickly, it is simply a case of applying techniques that have been developed and used for thousands of years.

If you believe in the Higher Power, this chapter will work wonders for you. If you are not a believer, you can still be successful but it may take you a little longer.

You will find some of these techniques in virtually all of the many thousands of motivational and inspirational books that have been written.

Get ready to blast off on your pathway to success.

You will be absolutely amazed at how effective these techniques are and how beneficial the results will be. The techniques covered are:

- Affirmations
- Belief in the Higher Power
- Letting Infinite Intelligence intervene
- Recognition that thoughts are things
- Impressing the subconscious mind

- Having a burning desire
- Visualizing - Prayerizing – Actualizing
- Faith and thanks

Affirmations

Affirmations have been used for centuries and have been utilized by the most successful individuals the world has seen whether it be in business, sport, humanitarian endeavors or any other aspect of life. The Bible contains many of the most powerful affirmations used by successful individuals.

- *“And all things, whatsoever ye shall ask in prayer, believing, ..ye shall receive them.”*
- *“I am in God’s hands – I am receiving all the power I need.”*
- *“If God be for us, who can be against us.”*
- *“The Kingdom of God is within you.”*
- *“God is with me; God is helping me; God is guiding me.”*
- *“I believe that I am divinely guided constantly.”*
- *“Be still and know that I am God.”*

Repetition of these affirmations several times each day will activate your subconscious mind and will start the success process moving very quickly.

There are many thousands of excellent books on how to obtain guaranteed success. The most important of these books is the Bible and people who follow the teachings and instructions obtain successful results very easily.

Belief in the Higher Power

By your word you contact the higher power. Link with God the power within you and give thanks for your immediate supply.

“Acknowledge me in all your ways and I will direct your paths.”

Note that God is the Supreme Intelligence in each one of us and this is supported by the words of Jesus Christ. *“The Father that dwelleth in me, He doeth the works.”*

With Him all things were possible for He knew that He and the Father were one.

Infinite Intelligence is within man. Jesus Christ spoke that *“The Kingdom of Heaven is within me”*.

Have faith in the Infinite and this is the starting point for riches and miracles.

Letting Infinite Intelligence Intervene

By your word you contact this power. Every burden is lifted from you. A successful result is generated provided you ask right and have full faith and belief.

Do not attempt to force your impressions on the situation. Such interference will void the guarantee.

“All you need to do is cultivate the feeling that miracles and wonders are coming to pass. Know that all you desire is already on its way.”

Recognition That Thoughts Are Things

Proper recognition of the fact that *thoughts are things* will certainly accelerate your outcomes.

A multitude of brilliant authors over the past 100 years have demonstrated the fact that *thoughts are things*.

Just look around you and consider that every manmade object you

see all started with a *thought*.

To acquire riches, we must *think* and visualize wealth. The process starts with a thought and then proceeds to a visualization.

Thoughts supported by words bring results. When *thoughts* are accompanied by a burning desire, they manifest.

The easiest way of having the right thoughts is to picture what you want. You should then think about what you have pictured frequently each day.

It is particularly important that you do not have negative thoughts as these can very easily crystallize. If you have a negative thought, replace it immediately with a positive thought. For example, if you are thinking of a car crash, immediately picture and think of a safe journey.

Impressing the Subconscious Mind

Firstly, recognize that riches start with a thought, a state of mind and a definite purpose.

Secondly, recognize “*whatever the mind of man can conceive it can achieve*”.

It is necessary to impress the subconscious mind so that there is contact with the Infinite Power. “*If ye have faith nothing shall be impossible unto you.*”

You can easily sow the seeds in your subconscious by positive thoughts and affirmations.

Affirm it, visualize it, believe it and it will actualize itself.

How simple is that?

Simply do it with faith and belief.

You will be thrilled with the results.

Having a Burning Desire

To ensure success, you must have a burning desire for the goal you have set.

The greater your desire is, the quicker the manifestation of your ideas will occur.

The moment you ask, Infinite Intelligence knows the supply source.

Do not attempt to consider the source or how your desire will be achieved. Have faith and leave it to the Universal Mind. *“I have weapons ye know not of, I have ways which will astound you.”*

Active faith is required. With God’s power, all things are possible.

You will very quickly see the manifestation of your desires by creating a burning desire.

Visualizing - Prayerizing - Actualizing

The world’s most successful men and women have used this effective technique.

How easy is this:

- See clearly what you are seeking (Visualize).
- Confirm, pray and ask for assistance (Prayerize).
- Take the actions that you are directed to take to bring it to pass (Actualize).

These instructions are contained in one form or another in virtually every one of the thousands of motivation and success books written.

The secret to successful actualization is being able to undertake the actions of visualizing and prayerizing in the correct manner.

The visualizing must be a complete picture of the outcome you want. For example, a house, a boat, overseas holiday, etc. It is best if it is an action (not static) picture visualization as these have more

impact. For example, think of making a snowman or skiing rather than just a picture of snow.

Prayerizing must be accompanied by many techniques including:

- Being in a quiet mood.
- Having a burning desire.
- Asking infinite intelligence with faith.
- Repetitive affirmations (eg. 'I know my request is on its way').
- Having complete faith. *"If ye have faith nothing shall be impossible unto you."*
- Giving thanks.

Learn to pray big prayers. *"According to your faith be it unto you."*

Faith and Thanks

Jesus Christ said *"When you pray, believe you have it"*. How simple is this? Jesus also said *"All things are possible to him that believeth"*. Know that with God's power, all things are possible.

Success simply requires active faith. *"Trust in Me and I will bring it to pass"*.

The marvellous words of Jesus demonstrate that faith prevails. *"Why are ye fearful, O ye of little faith?"* If you can only believe, all things are possible.

When faith is blended with thought, the subconscious mind picks up the vibration and transmits it to Infinite Intelligence.

Repeated affirmations are the only known developer of faith. Show faith by conducting yourself as if you are already in possession.

Faith is the only agency through which the cosmic force of Infinite Intelligence can be harnessed.

The law of auto suggestion will lead you to prosperity if you do this with faith.

The ability to utilize faith requires practice. Simply continue to believe and use affirmations to impress your subconscious. For example, *“I know that my blessing is on its way. Thank you.”*

Maintain faith by cancelling any negative thought with positive thought. You must practice this. By giving thanks to God, you are demonstrating faith. Give thanks in all things throughout the day.

The above information and techniques have been described in literally thousands of the best books published in the last hundred years on motivation, success and inspiration. Recognize that the reason why these inspirational procedures have been so widely advocated over the last century is that it is proven that they actually work. You will find very few successful individuals who do not use these techniques.

CHAPTER ELEVEN

SKITE AND YOU WILL LOSE IT

Have you heard the saying “Skite and you’ll lose it?” There are many variations of skiting and to just name a few:

- Blowing your own trumpet
- Boasting of achievements
- Being too good to mix with others
- Having a big ego

What is a skite? Well, for starters, the word ‘skite’ is actually slang. It is just a saying. It is slang for the words, boast or brag. A person who skites is someone who boasts or brags about something they have done or bought or something they have got. A skiter is very quick to let you know how well they are doing. They can’t let a chance go by without telling someone how great they are. They cannot let an opportunity go by without bragging about something.

A usual example is when a child at school gets a new bike. This child lets all the other kids that have bikes not as good as his bike or have no bikes at all, know how good his new bike is and makes the

others know how ancient and useless their bikes are.

I can't exactly remember when I was introduced to the word skite, but I can remember who introduced it to me. This man, who was very dear my heart, was my grandfather, Harry Butler. He used to say it regularly. His saying 'skite and you'll lose it,' is where I got the name for this chapter heading. I can remember vividly where I heard him say it for the first time. My grandfather, my father, my cousin Peter, and I were out fishing. Peter was a bit of a larrikin and he would push the boundaries a bit while fishing with my grandfather. My grandfather was a very keen and serious fisherman. I can remember when he would take what seemed like hours to position the boat so we were in the right spot to catch fish. It used to make us laugh when my father would say, "*come on dad (Harry), let's get the bloody lines in the water*".

Peter and I would keel over laughing, while I knew my grandfather would be biting his bottom lip. We would eventually get our lines in the water. On this particular occasion Peter hooked a fish very quickly. It wasn't a bad fish, maybe two pounds or so, but nothing to get excited over. All of a sudden, Peter was messing around and pretending it was a marlin he was reeling in. We could hear all the grunts and groans and commentary about catching this huge fish.

Then, the words of wisdom came out of my grandfather's mouth. "*Peter, skite and you'll lose it.*" But Peter continued to play this pretend marlin with all his antics and we heard again, "*Peter, skite and you'll lose it*".

So what happened next was...yes, you guessed it...Peter did lose the fish. Harry reprimanded him, saying "*the humble man always wins*". At our age, that didn't mean anything to my cousin and me.

My grandfather, Dad and I went on to catch a few more fish while Peter hadn't got a bite for a while. Then, it was all on again and this time Peter had a good fish on. Peter was playing it for a while until I couldn't help myself and said, "*harness up Peter and tie yourself in. This is the big one mate.*"

The fish may have been three to four pounds, but I was in need of a laugh. My grandfather's eyes looked straight at me after I tried to gee Peter up. Then the acting started. Peter was rocking the boat as he laid into this fish and again my grandfather was saying, "*Peter stop buggarizing around. I told you before, skite and you'll lose it*". And, again, my grandfather was right.

Skiting can actually make a good thing turn into a bad thing. Jesus always told people to be humble. It is very hard nowadays to be humble. Life in general is a challenge and is constantly pushing people to higher standards. This often turns any humility a person may have into pride. People reach a certain level in their lives, maybe from a promotion or by getting a raise or coming into some money and all of a sudden they feel they are better than their fellow man.

How many times do you see a sporting team that's on a winning streak, have an article written about them stating how great they are? Next thing you know it's gone to their heads. Their winning streak turns into a losing streak. This is a common problem with sporting teams. The players are portrayed as being bigger than the sport itself and, unfortunately, the players start to think that way.

There was an old country song that went, 'O'Lord, it's hard to be humble, when you're perfect in every way.' Let me tell you, there is no one who is perfect in every way and no one wants to listen to someone who thinks they are.

Be happy that you are alive and well. Be happy with what you have now. You will be happier once you apply all the secrets of this book and start achieving all your dreams.

Some advice though – keep your success to yourself. You don't have to throw your success in people's faces. People will see what you have accumulated and will give you more credit for what you have if you don't flaunt it in front of them.

CHAPTER TWELVE

CONCLUSION

By following the information and instructions in this book, I am certain that you will achieve wealth and quality of life.

Certainly you will have to work hard, but normally one does not mind this if the gains make the hard work worthwhile.

Whether you are employed or have your own business, the principles are the same.

Many find that, by applying themselves to their employment situation, unforeseen opportunities present themselves and it is often not long before they have their own business. In some cases they earn large incomes by working for themselves, say as a commission salesperson in someone else's business. A good example of this is real estate salespeople who apply the principles outlined in this book and earn huge incomes.

Owning your own business can be very onerous but also very rewarding. Drawing on the experience of your accountant, solicitor, banker and management consultant will provide huge benefits to you. Best wishes for your future success.

CHAPTER THIRTEEN

APPENDICES

1. Business Plan – Sample Executive Summary
2. Completed Operation Overview Analysis with Comments
3. Completed Current Performance Assessment with Comments
4. Completed Skills Assessment with Comments
5. Completed Market and Marketing Assessment with Comments
6. Completed Employee Self Evaluation Review
7. Sample Monthly Management Report

1. BUSINESS PLAN - SAMPLE EXECUTIVE SUMMARY

This sample Executive Summary was one that applied to a distribution business.

A. BUSINESS DESCRIPTION AND BACKGROUND

The company was formed in 20XX to market a revolutionary

product of which the company has exclusive marketing rights in Australia.

The company operates from premises previously owned by the directors situated at 100 XYZ Street.

The beneficial owners of the company are Fred Brown and John Smith.

The business at present employs 4 persons including one of the directors, Fred Brown.

B. CURRENT BUSINESS POSITION

The company has commenced distributorship activities and is trading profitably.

Although the company has only just commenced trading, it has identified significant markets available to it for product penetration.

C. PURPOSE OF THE BUSINESS PLAN

This Business Plan has been prepared to assist the directors in considering the expansion and development of the business.

Such expansion will include the establishment of markets in all mainland States of Australia.

D. PRODUCT AND COMPETITIVE EDGE

The product for which the company has exclusive Australian distribution rights has many unique qualities.

The product provides a flexible extremely tough cover with excellent water and chemical resistance.

E. MARKET POTENTIAL AND FUTURE OUTLOOK

Literally hundreds of uses for the product have been determined

and additional uses/applications are being found each month. The markets available in Australia are estimated to be many hundreds of millions of dollars.

The market potential is enormous and the extent of market penetration will depend on the marketing approach and the level of available capital to support the expansion.

F. MANAGEMENT EXPERIENCE

The directors have operated successful businesses for many years. They have the experience to manage the business operation and to ensure that experienced personnel are engaged to attend to specific areas of responsibility.

Personnel with the required experience have been identified for the future expansion of the company.

G. FUTURE FINANCIAL PROJECTIONS

The following is a summary of the financial projections for the next two years:

	20AA		20AB	
	\$	%	\$	%
Sales	2,000,000	100.0	3,000,000	100.0
Less Cost of Sales	1,200,000	60.0	1,700,000	56.6
Gross Profit	800,000	40.0	1,300,000	43.4
Less Expenses	500,000	25.0	700,000	23.4
Net Profit	\$300,000	15.0%	\$600,000	20.0%

H. CONCLUSION

The company is well positioned to capitalize on the exclusive rights it has to the Australian market.

It has in place the managerial expertise necessary to expand the business base. With clear focusing on achievement of company objectives, the business is properly positioned to capitalize on its potential.

2. COMPLETED OPERATION OVERVIEW ANALYSIS WITH COMMENTS

This sample Operation Overview Analysis was one that applied to a distribution business.

An Operation Overview Analysis of the business has been made as follows:

OPERATION OVERVIEW ANALYSIS				
	Operation Factor	Current	Expected in 6 Mths	
1.	Profitability of Business	6	6/7	
2.	Market Share	6	7	
3.	Gross Profit Margins	6	7/8	
4.	Overhead Efficiency	6	6/7	
5.	Adequacy of Premises	7/8	8	
6.	Location	8	8/9	
7.	Parking	8/9	8/9	
8.	Signage	7/8	8	
9.	Layout of Premises	6/7	7/8	
10.	Effectiveness of Plant & Equipment	8/9	9	
11.	Stock Levels/Availability	6	6/7	
12.	Adequacy of Working Capital	6	6/7	
13.	Customer Base	7	7/8	
14.	Expansion Potential	8	8/9	
15.	Key Personnel Base	8	8	
RATING:	6 = Poor	7 = Fair	8 = Good	9 = Excellent

SAMPLE COMMENTS ON OPERATION OVERVIEW ANALYSIS

1. Profitability of Business

The current profitability is assessed at **Poor** with an improvement expected to **Poor/Fair** in the next six months.

It is recognized by the directors that there will be a slow to steady process involved in turning the business around.

Improvement is forecast to come from improved sales volumes and better gross profit margins.

2. Market Share

Market share is rated as **Poor** at present and is projected to improve to **Fair** in the next six months.

The **Poor** assessment has resulted from the fact that the company is not capitalizing on the captive market base of customers.

Improvement is projected to arise from the implementation of a marketing plan.

3. Gross Profit Margins

The present gross profit margins being achieved are rated as **Poor** and it is projected that there will be an improvement to **Fair/Good** in the next six months.

The present low gross profit margins have resulted from attempts by the company to match the prices of goods of competitors.

An improvement in gross profit margins is forecast to be achieved by increasing selling prices in selected areas.

4. Overhead Efficiency

The overhead efficiency factor has been assessed as **Poor** at present with an improvement forecast to **Poor/Fair** in the next six months.

The **Poor** rating has resulted from a significant drop in turnover affecting the overhead percentage. The majority of overheads are fixed or semi fixed in nature, and as such percentages are adversely affected if sales levels fall. Rent in dollar terms is high absolutely and with falling sales is exceptionally high as a percentage of sales.

The improvement is forecast to be achieved by an increase in turnover in the next six months.

5. Adequacy of Premises

The premises are rated as **Fair/Good** and are expected to improve to **Good** in the next six months.

The improvement is planned by the better use of space.

6. Location

The location is rated as **Good** due to the captive customer market for some business segments and is projected to improve to **Good/Excellent** due to the proposed traffic round about adjacent to the shop.

7. Parking Facilities

These are rated as **Good/Excellent** and will stay at that rating for the next six months.

8. Signage

Signage is rated as **Fair/Good** and is projected to improve to **Good** in the next six months.

Improvement will be achieved by “Public Welcome” signs and by some “A” frames.

9. Layout of Premises

Premises layout is currently assessed as **Poor/Fair** and is projected to improve to **Fair/Good** in six months.

Improvement will be achieved by store shelving upgrading and by internal set out changes.

10. Effectiveness of Plant and Equipment

The plant and equipment base is rated as **Good/Excellent** and is projected to improve to **Excellent** in the six months by better utilisation.

11. Stock Levels/Availability

Stock levels are **Poor** and are projected to improve to **Poor/Fair** in the six months.

Stock levels require build up as the low levels are adversely affecting sales.

With limited cash flow availability, the improvement is projected to only **Poor/Fair**.

12. Adequacy of Working Capital

This factor is assessed as **Poor** with an improvement projected to **Poor/Fair** in six months.

Profitability is needed in order to allow retained profits to boost the level of working capital.

13. Customer Base

The current customer base is rated as **Fair** with an improvement projected to **Fair/Good** in six months.

An improvement will be achieved by marketing and capitalizing on the captive market.

14. Expansion Potential

Expansion potential has been rated as **Good** and with cash availability from better profitability is expected to have more potential in six months with a projected rating of **Good/Excellent**.

15. Key Personnel Base

This factor has been assessed as **Good** and is expected to stay at that level for the next six months.

3. COMPLETED CURRENT PERFORMANCE ASSESSMENT WITH COMMENTS

This sample Current Performance Assessment was one that applied to a small production business.

A current assessment of the business has been undertaken as follows:

CURRENT PERFORMANCE ASSESSMENT				
	Performance Factor	Current	Expected in 6 Mths	
1.	Production Levels and Efficiency	7	7/8	
2.	Overall Cost Efficiency	8	8/9	
3.	Quality of Operation	6/7	8	
4.	Wastage Factor	8/9	9	
5.	Flexibility/Scheduling	8	8/9	
6.	Dependability/Service	8/9	9	
7.	Safety Procedures	8	8/9	
8.	Human Resource Management	7/8	8	
9.	Overall Skills Levels	7	7/8	
10.	Staff Training Programs	6	6/7	
11.	Technology/Innovation	8	8	
12.	Systems & Procedures	6/7	7/8	
13.	Fixed Asset Maintenance	8	8	
14.	Stock – Control/Condition	7/8	8	
15.	Control of Debtors	8	8	
16.	Payment of Creditors	7	8	
17.	Servicing of Loans	7	8	
18.	Management Reporting	6	7	
RATING:		6 = Poor	7 = Fair	8 = Good 9 = Excellent

SAMPLE COMMENTS ON CURRENT PERFORMANCE ASSESSMENT

1. Production Levels and Efficiency

These have been assessed as **Fair** at present with an improvement to **Fair/Good** in the next six months.

Improvement is expected from increased marketing and more constant levels of production.

2. Overall Cost Efficiency

This performance area has been assessed as **Good** with an improvement in the next six months projected to **Good/Excellent**.

Labor costs have been trimmed to an absolute minimum. Careful attention is provided to buying, and product specials are constantly sought. As most of the expenses are fixed or semi fixed in nature, improvement in the cost efficiency factor is projected to come from gaining increased sales volumes.

3. Quality of Operation

Operation quality has been assessed as **Poor/Fair** and is projected to increase to **Good** in the next six months.

Improvements are expected from:

- A refurbishment and rearrangement of the premises.
- The better use of computer facilities.
- Establishing further systems.
- Documenting systems and procedures.
- Expanding sales volumes to allow the engagement of further employees. This will allow the provision of better service.

4. Wastage Factor

The wastage factor is assessed at **Good/Excellent** and is expected to improve to **Excellent** in the next six months.

There is virtually no stock wastage and workshop consumables are closely monitored.

The improvement is planned from better utilization of time, particularly if further employees are engaged.

5. Flexibility/Scheduling

The **Good** assessment for present performance is due to the active involvement in the business by the directors.

Improvement to **Good/Excellent** will be achieved by utilization of a larger staff base allowing directors more time for supervision.

6. Dependability/Service

This factor is currently rated as **Good/Excellent** and is expected to improve to **Excellent** in six months.

Special attention is given to the needs of customers and stock is air freighted overnight where necessary.

Improvement will result from personnel being able to spend more time with customers.

7. Safety Procedures

Safety regulations are being met and current performance is rated as **Good**. Work Place Health and Safety officers have visited the business and were satisfied.

Improvement to **Good/Excellent** in six months will be achieved by the production of a safety manual.

8. Human Resource Management

This performance factor has been assessed currently as **Fair/Good** with an improvement forecast to **Good** in the next six months.

Improvement will be achieved by additional staff members allowing the directors the time to manage and control personnel better.

9. Overall Skills Levels

Skill levels have been assessed at **Fair** with an improvement projected to **Fair/Good** in the next six months.

Improvement will be achieved by:

- Establishment of systems and procedures.
- Internal staff training.
- External staff training.
- More time availability of the directors.

10. Staff Training Programs

Performance in this area has been **Poor** and is expected to improve to **Poor/Fair** in the next six months.

Improvement will result from the identification of training needs and the implementation of training programs to address these needs.

11. Technology/Innovation

This performance area has been assessed as **Good** and is projected to stay at that level during the next six months. Directors undertake a lot of reading to maintain knowledge of current industry information.

12. Systems and Procedures

The company's performance in this area is rated at **Poor/Fair** and is expected to improve to **Fair/Good** in the next six months by attention being given to the design of systems and the documentation of procedures.

13. Fixed Asset Maintenance

Maintenance performance has been assessed at **Good** and is projected to stay at that level. The company has a good equipment base and the directors ensure that it is well maintained.

14. Stock – Control/Condition

Performance in this area is rated **Fair/Good** with an improvement to **Good** in six months. Directors estimate that 5% of stock would be classified as slow moving. This slow moving component will be less significant when stocks are built up with “new” stock.

15. Control of Debtors

Debtors run between \$XXX and \$XXX normally and control over the levels together with collectability is exercised well.

This accounts for the **Good** performance assessment and it is expected to stay at that performance level rating.

16. Payment of Creditors

Performance in this area at present is rated at **Fair** with an improvement to **Good** expected in six months.

Improved profitability will provide the necessary cash flow to allow more prompt payment of creditors.

17. Servicing of Loans

This performance factor has been assessed at **Fair**. Lack of profitability has caused some difficulties in meeting loan commitments and the commitments are met at the expense of purchasing stock. An improvement in rating to **Good** will result from improved profitability.

18. Management Reporting

The company's performance in this area is rated as **Poor** at present due to the fact that the directors do not have formal management meetings.

An improvement to **Fair** will result from commencing to have such meetings. The quality of these meetings will improve further over a period of time.

4. COMPLETED SKILLS ASSESSMENT WITH COMMENTS

This sample Skills Assessment was one that applied to a retail business.

A skills assessment has been made as follows:

SKILLS ASSESSMENT				
	Function	Current	Expected in 6 Mths	
1.	Administration	6	7	
2.	Accounting	9	9	
3.	Bookkeeping	6/7	7/8	
4.	Computer	6	7/8	
5.	Legal Matters	9	9	
6.	Marketing/Sales	7	8	
7.	Management	7/8	8/9	
8.	Personnel	8	8/9	
9.	Production	8/9	9	
10.	Research/Technology	7	7/8	
11.	Strategic Planning	7	7/8	
RATING:		6 = Poor	7 = Fair	8 = Good 9 = Excellent

SAMPLE COMMENTS ON SKILLS ASSESSMENT

1. Administration

Skills in the area of administration are assessed as **Poor** and are projected to improve to **Fair** in the next six months. The low assessment has resulted because the directors' time is spread too widely.

Improvements will occur in the following areas:

- The appointment of an administration trainee will allow the directors more time.
- Better systems and procedures will allow for more time availability and better use of time.

2. Accounting

The company utilizes the services of an external accounting firm whose services are rated as **Excellent**.

3. Bookkeeping

These skills have been assessed as **Poor/Fair** at present with an improvement projected to **Fair/Good** in six months.

The improvements will be in the following areas:

- Greater use of the computer facilities.
- Fine tuning of the bookkeeping applications.
- More attention to detail.

4. Computer

Computer skills have been rated as **Poor** with an improvement expected to **Fair/Good** in six months.

Improvement will come from:

- Hands on use of the computers.
- Further familiarization with software.
- Continued use of the applications.
- In-house training.

5. Legal Matters

External legal advisers are used by the company and the quality of their services is rated as **Excellent**.

6. Marketing/Sales

Marketing and sales skill levels are presently rated as **Fair** with an improvement projected to **Good** in the next six months.

Forecast improvements are expected from:

- Training in marketing and selling.
- Attention being given to the marketing plan.

7. Management

Management skills have been assessed as **Fair/Good** and are projected to improve to **Good/Excellent** in the next six months.

Improvements are expected from:

- The installation of more systems and procedures.

- More time availability resulting from smooth running systems.
- External training courses.

8. Personnel

Skills in respect of the control of personnel have been rated currently at **Good** and are expected to improve to **Good/Excellent** within the next six months.

Improvements are proposed as follows:

- Implementation of new human resource monitoring procedures.
- Closer supervision is to be provided.

9. Production

Skills in obtaining the right levels of production have been assessed as **Good/Excellent**, with improvement forecast to **Excellent** in the next six months.

Improvement is expected from the following:

- More computer training.
- Better systems and procedures.

10. Research/Technology

Skills in this area of performance are rated as **Fair** with an improvement to **Fair/Good** in the next six months.

The improvement will result from:

- Continued reading of catalogs and industry magazines.
- Testing of new products.

11. Strategic Planning

These skills are currently rated as **Fair** and are expected to improve to **Fair/Good** by further time and consideration being spent in the planning areas.

5. COMPLETED MARKET AND MARKETING ASSESSMENT WITH COMMENTS

This sample Market & Marketing Assessment was one that applied to a wholesale/retail business.

MARKET & MARKETING ASSESSMENT				
	Market Factor	Current	Expected in 6 Mths	
1.	Sales Potential of Industry	8	8/9	
2.	Sales Potential of Business	8	8/9	
3.	Current Sales Performance of Business	6/7	8	
4.	Market Share	6	6/7	
5.	Product Range	7/8	8	
6.	Pricing Competitiveness	9	8	
7.	Advertising/Marketing Effectiveness	6/7	7/8	
8.	Brochures and Selling Aides	7	7/8	
9.	Delivery/Installation	9	9	
10.	After Sales Service	6	7/8	
11.	Customer Complaints	7/8	8	
12.	Buying Power	8	8/9	
13.	Marketing Plan Effectiveness	6	7	
14.	Competitive Edge Utilization	6	7/8	
RATING:	6 = Poor	7 = Fair	8 = Good	9 = Excellent

SAMPLE COMMENTS ON MARKET ASSESSMENT

1. Potential of Industry

The industry potential is presently assessed as **Good** and the potential is projected to improve to **Good/Excellent** with the forecast population increases for the region.

2. Sales Potential of the Business

The sales potential is **Good** due to the captive market available to the company.

Although the company's sales achievements are poor, the potential is good. The potential is projected to improve further to **Good/Excellent** in the next six months due to greater focusing on marketing.

3. Current Sales Performance of Business

Current sales performance rates as **Poor/Fair** and it is recognized that the company is not capitalizing on the captive market it has available to it.

Improvement in the next six months to **Good** is forecast by attention being paid to marketing. It is also forecast that with proper marketing attention, the performance rating in this area will continue to improve after the next six months.

4. Market Share

Performance in this area is **Poor**. The market is available but the company has not capitalized upon it.

Improvement to **Poor/Fair** will be achieved through the adoption and implementation of a marketing plan.

5. Product Range

The product range is rated as **Fair/Good** due mainly to the high standard of the agencies held by the company. Although the quality of the range is high, the level of stock is low.

Improvement to **Good** will be achieved through increased stock holdings. Generated profitability will be utilized to fund the additional stock levels.

6. Pricing Competitiveness

At the moment, the pricing competitiveness is rated as **Excellent** but the directors recognize that the prices are too low at present.

Price increases being forecast will result in this performance fact being rated as **Good** within the next six months.

7. Advertising/Marketing Effectiveness

This performance area has been assessed as **Poor/Fair** and although up to 2% of turnover has been allowed by directors for marketing, they recognize that in many cases the dollars have not been well spent.

Improvement to **Fair/Good** is forecast in the next six months and will result from a focused marketing plan.

8. Brochures and Selling Aides

The business has reasonable levels of selling aides consisting of items such as brochures and flyers and this has resulted in a **Fair** assessment.

The improvement to **Fair/Good** in the next six months will be achieved by better utilization of some of the marketing budget to this area.

9. Delivery/Installation

This area of operation relates mainly to the new goods division and performance levels are rated as **Excellent**. It is projected that the performance levels will stay at this level.

10. After Sales Service

The company does not rate well in this area and has been assessed at **Poor** performance at present.

Special attention will be given to this area immediately by way of follow up contact and the performance will be improved to a **Fair/Good** rating during the next six months.

11. Customer Complaints

The business has a **Fair/Good** record in this area. Not many complaints are received and those which are received mainly relate to shortages of stock.

An improvement to **Good** is projected by the company increasing its investment in stock.

12. Buying Power

The directors rate the buying power of the business as **Good** due mainly to the company taking advantage of monthly specials of various wholesalers.

Improvement to **Good/Excellent** will result from the ability in the future to be able to buy in greater bulk.

13. Marketing Plan Effectiveness

The company does not have an effective marketing plan at present thus resulting in a **Poor** assessment.

Immediate concentration on this area will lift the performance level to a forecast **Fair** level during the next six months. Further improvement will occur after that.

14. Competitive Edge Utilization

At present, performance is rated at **Poor** but the business has many areas of competitive edge of which it is not taking advantage.

A rating improvement to **Fair/Good** during the next six months will be achieved by attention being given to capitalizing on the various areas of competitive edge and by addressing the areas where the company lacks competitive edge.

This area of review of your business operation is an excellent way of making a considered assessment of your business and the market it is in.

The more detailed your comments are on the present and future ratings of various aspects, the more beneficial the results will be.

LIMBO TO LAMBO

A six monthly review and analysis of assessments and projections will provide unbelievable insights into the presence of your business in the market place.

6. COMPLETED EMPLOYEE SELF EVALUATION REVIEW

EMPLOYEE SELF EVALUATION REVIEW		
Employee Name:	Michael Hanson	
Position:	Marketing and Sales	Date: xx/xx/xx
1. Aspects of job/business liked most:		
<ul style="list-style-type: none"> Ability to undertake innovative marketing 		
2. Aspects of job/business liked least:		
<ul style="list-style-type: none"> Some in-house fighting is present Difficult to present ideas to management 		
3. Suggestions for improvements in job/business:		
<ul style="list-style-type: none"> Invitations to attend some management meetings Establish an active social club to improve relationships 		
4. Comment on your performance in the last 6 months:		
<ul style="list-style-type: none"> I feel that I have done a good job Sales budgets would have been met if stock available 		
5. Areas in which training is required:		
<ul style="list-style-type: none"> Would like to attend some external marketing courses Internal training on product features would be helpful 		
6. Areas in which personal improvement can occur:		
<ul style="list-style-type: none"> Quit smoking, get fit and lose weight 		

(cont...)

EMPLOYEE SELF EVALUATION REVIEW		
Employee Name:	Michael Hanson	
Position:	Marketing and Sales	Date: xx/xx/xx
7. Number the following 1 to 11 in order of importance to you:		
1 = Most Important 11 = Least Important		
		Rating
(a)	Promotion and growth	3
(b)	Wages at proper level	5
(c)	Job security	2
(d)	Image/Standing of business in community	10
(e)	Pleasant working conditions	4
(f)	Interesting job functions	6
(g)	Feeling a part of the team	1
(h)	Personal loyalty to the employee	9
(i)	Full appreciation for a job well done	7
(j)	Sympathetic help on personal problems	11
(k)	Tactful discipline	8
Comments:		
A more active social club is needed		
(cont...)		

APPENDICES

EMPLOYEE SELF EVALUATION REVIEW								
Employee Name:	Michael Hanson							
Position:	Marketing and Sales					Date:	xx/xx/xx	
8. Rate the following as they apply to you personally:								
	Good		Fair			Bad		
	1	2	3	4	5	6	7	
(a) Promotion and growth			x					
(b) Wage level				x				
(c) Job security		x						
(d) Image/Standing of business				x				
(e) Pleasant working conditions					x			
(f) Interesting job functions			x					
(g) Team spirit						x		
(h) Employer loyalty to employee			x					
(i) Appreciation by employer				x				
(j) Sympathetic personal help		x						
(k) Tactful discipline			x					
Comments:								
Team spirit will lift with an active social club								

Proper use of this management tool will provide you with outstanding results. You need to undertake the exercise on a few occasions to fully appreciate just how powerful this tool is.

When you compare assessments this time with those of previous times, you will detect trends and changes which may be for the better or worse of your business.

The use of these self evaluation reviews in fact give you an external view of various aspects of your business. You may not like all of the findings but recognize that users of this system report substantial increases in profitability over a sustained period of time.

7. SAMPLE MONTHLY MANAGEMENT REPORT

MANAGEMENT REPORT				
Month of:				
1. Overview of month's operations:				
2. Trading Summary:				
	Actual		Budget	
	MTH	YTD	MTH	YTD
Sales				
Less Cost of Sales				
Gross Profit				
Sundry Income				
Less Expenses				
Net Profit	\$	\$	\$	\$
Comments:				

MANAGEMENT REPORT (cont)				
Month of:				
3. Sales:				
	Actual		Budget	
Segments	MTH	YTD	MTH	YTD
Total Sales	\$	\$	\$	\$
Comments:				

APPENDICES

MANAGEMENT REPORT (cont)				
Month of:				
4. Cost of sales				
	Actual		Budget	
Segments	MTH	YTD	MTH	YTD
Materials				
Production Wages				
Production Overheads				
Other				
Total	\$	\$	\$	\$
Comments:				

MANAGEMENT REPORT (cont)				
Month of:				
5. Gross Profit Contributions:				
	Actual		Budget	
Segments	MTH	YTD	MTH	YTD
Total	\$	\$	\$	\$
Comments:				

APPENDICES

MANAGEMENT REPORT (cont)				
Month of:				
6. Sundry Income:				
	Actual		Budget	
Segments	MTH	YTD	MTH	YTD
Total	\$	\$	\$	\$
Comments:				

MANAGEMENT REPORT (cont)				
Month of:				
7. Expenses:				
	Actual		Budget	
Eight Largest Items	MTH	YTD	MTH	YTD
Total	\$	\$	\$	\$
Comments:				

APPENDICES

MANAGEMENT REPORT (cont)						
Month of:						
8. Debtors:						
	Last Month		This Month This Year		This Month Last Year	
Current						
30 Days						
60 Days						
90 Days +						
Total	\$	100%	\$	100%	\$	100%
Comments:						

MANAGEMENT REPORT (cont)			
Month of:			
9. Bank:			
	Last Month	This Month This Year	This Month Last Year
Bank Balance	\$	\$	\$
Cash Book Balance	\$	\$	\$
Comments:			

MANAGEMENT REPORT (cont)			
Month of:			
10. Stock:			
Segments	Last Month	This Month This Year	This Month Last Year
Total	\$	\$	\$
Comments:			

MANAGEMENT REPORT (cont)						
Month of:						
11. Creditors:						
	Last Month		This Month This Year		This Month Last Year	
Current						
Overdue						
Total	\$	100%	\$	100%	\$	100%
Comments:						

APPENDICES

MANAGEMENT REPORT (cont)				
Month of:				
12. Wages and Salaries:				
	Actual		Budget	
	MTH	YTD	MTH	YTD
Management				
Administration				
Sales & Marketing				
Production				
	\$	\$	\$	\$
Comments:				

MANAGEMENT REPORT (cont)	
Month of:	
13. Marketing:	
Major Initiatives During Month	Results

MANAGEMENT REPORT (cont)				
Month of:				
14. Ratios and Key Information:				
	This Month	Year to Date	Last Year	Target
Gross Profit %				
Net Profit %				
Break Even Sales				
Actual Sales				
Debtors Days				
Creditors Days				
Days Stock				
Stock Turn				
Comments:				

MANAGEMENT REPORT (cont)	
Month of:	
15. Action Matters For Next Month:	
Action Matter	Person

MANAGEMENT REPORT (cont)	
Month of:	
16. Sundry Matters:	
Matter	Comment

Proper use of these Management Reports will provide an exceptionally powerful tool to increase substantially the profitability of your business.

Not all sections of the report may be applicable to your business. Simply use those sections which are applicable.

The results from the use of these monthly Management Reports will improve the more you use them.

I have seen businesses increase their average monthly net profits from \$6,000 to \$23,000 over a sixteen month period. In annualized terms, this is an increase from \$72,000 to \$276,000.

But a word of warning! I have seen businesses that stop having their monthly management meeting drop in profitability just as quickly.

Have your key personnel (normally two to four in small to medium businesses) attend the meetings and ensure that your objectives are achieved in those meetings.

As mentioned earlier, this is powerful.