nexgen 2018

Taylor BUSINESS GROUP

A CEO's Journey from Inception to Exit

Michael France

COO and Managing Partner
Taylor Business Group

nexgen 2018

Taylor BUSINESS GROUP

Presenter

Michael France

COO and Managing Partner

Taylor Business Group

mfrance@taylorbusinessgroup.com

(954) 907-8002

Agenda

- Owner Changes
- Personnel Changes
- Sales Migration
- Financial Evolution
- Process Maturity
- Clients
- Mergers & Acquisitions
- Exiting the Business

Owner Changes

- Learning to hire
- Hiring your first manager
  - Learning to delegate – mental struggle
  - Allowing them to fail
  - Becoming a coach but not a friend
- Creating a management team
  - Promoting the right people
  - External hiring
  - Delegating
- Becoming a “real” President / CEO
  - Managing vendors
  - Focusing on staff
  - Totally out of the day-to-day

Personnel Changes

- When small, you need technicians who are well rounded
- Hiring / promoting your first Service Manager
- When to hire a dispatcher
- When to hire sales staff
- As you grow, you will need specialization within your technical staff
  - Maybe the people who got you *here* are not the right people to get you *there*
- Changing where people are sitting on the bus

Sales Migration

- Owner-led sales
- Hiring sales help for the owner
  - Marketing
  - Cold caller
- Moving away from owner-led sales to hiring your first sales person
  - Need processes in place
  - Owner needs to learn to be a “Sales Manager”
    - Invest 50% of time in training your sales team
- Creating a Sales Engine

Financial Evolution

- Cash vs. accrual accounting
- Knowing what good looks like
- Changes in profitability
  - When no management – NOI is highest
  - When you promote / hire first Service Manager then additional management staff – NOI goes down
    - Overhead is not fully leveraged
  - About 35-50 employees, NOI goes back up because overhead becomes highly leveraged
- Start to run your business as if you are going to sell it tomorrow
  - Clean books
  - Appropriate accounting practices
  - Knowing what goes above and below the line

Process Maturity

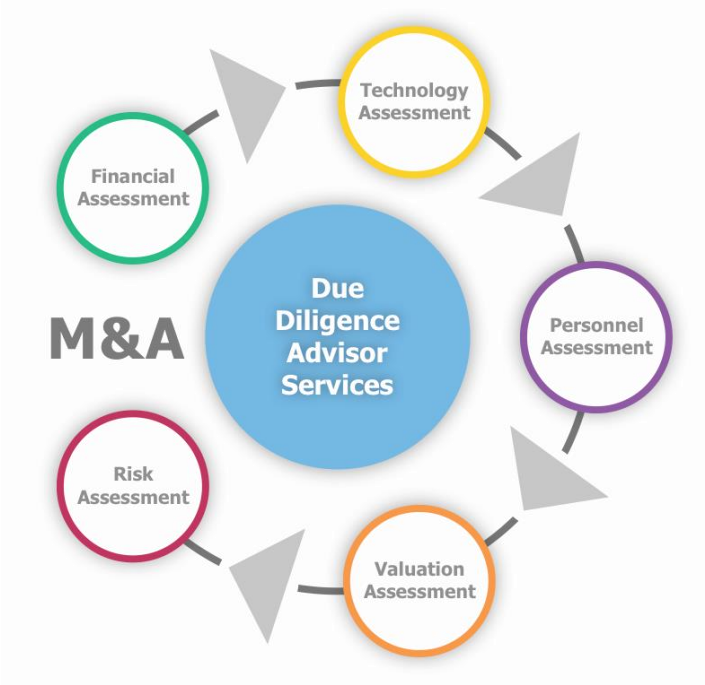
- Everything is done ad hoc
  - Each tech does an installation slightly differently
  - Follow on maintenance takes longer
- Once you have 3+ technicians, need to have consistent process
  - The process needs to be repeatable
  - Reduces maintenance
- Invest in tools
  - Documentation, standardized QBRs, network management
- Escalations
  - Minimal time to closure
  - Proper communications with clients

Clients

- AFAB – Anything For A Buck
  - When you start, you just need revenue
- Supporting multiple solutions, i.e. 4-6 backup solutions
- Realize that you can't grow supporting every vendor's solution
  - Training is too high
  - Patching is too expensive across all the platforms
- Begin to narrow it down to 1-2 solutions
  - Focused training for your techs
  - Build relationships with vendors
  - Begin to get MDF dollars
- Finally get to a point where you only do one solution and do it very well
  - If client doesn't want to use your solution then you don't take them on
- Refine your ideal client

Mergers & Acquisitions

- How do you want to grow – M&A or organic?
- What do the multiples look like?
- Should you bring the owner on board as an employee?
- How to merge culture
- What if they are out of town



Exiting the Business

- How long does it take to sell
  - 6-12 months assuming maturity level
  - Find a buyer
  - Due diligence
  - Close

- What is needed to sell
  - Clean financials
  - Non-owner led sales
  - Recurring revenue
  - Contracts with clients

Taylor Business Group - What We Do

- 200+ Members
- $400 Million in Annual Revenue
  - Range from under $1M to over $30M
- Average NOI Improved by 4% over the course of first two years
- Resulting In:
  - $40,000 of additional profit for every $1 million in revenue, or
  - A collective **$16 Million** in additional owner's revenue annually!

Taylor Business Group - How We Do It

Taylor BUSINESS GROUP

- Business Improvement Groups
- Sales Transformation Program
  - Creating a Sales Engine not based on Owner sales
- Direct Coaching
- Process Optimization
- Toolset Optimization and Remediation
- Business Intelligence & Custom Dashboards
- Free and Premium Webinars
- Executive Recruiting
  - Sales Executives and Service Leaders
- Finance and Accounting Services
- Mergers & Acquisitions Services
  - Acquisition Acceleration
- D.I.S.C. Profiling for Success
- Financial Reporting and Modeling via the Roadmap To Profitability

nexgen 2018

Thank You!

Michael France

COO and Managing Partner

Taylor Business Group

mfrance@taylorbusinessgroup.com

(954) 907-8002

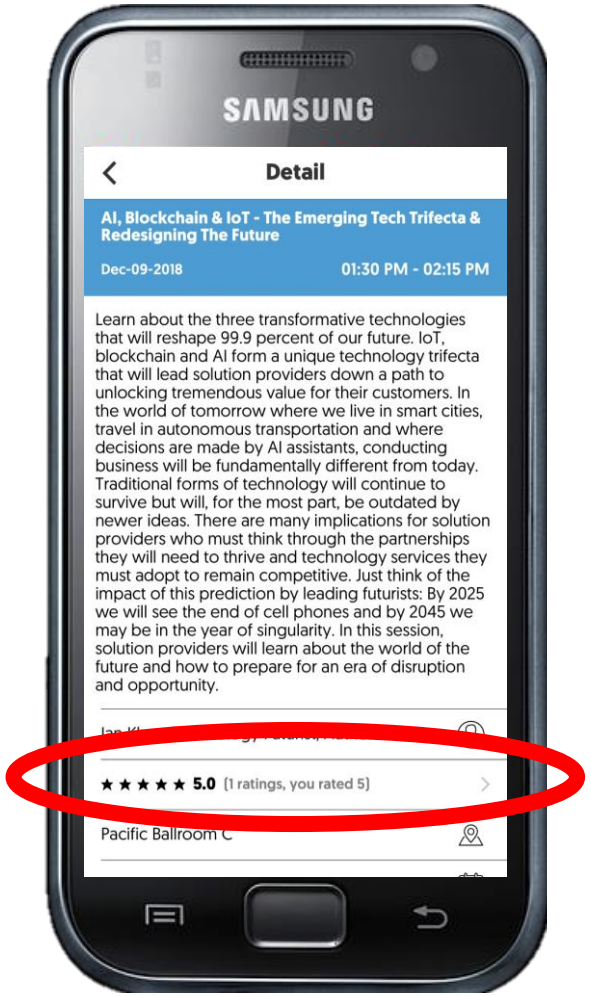
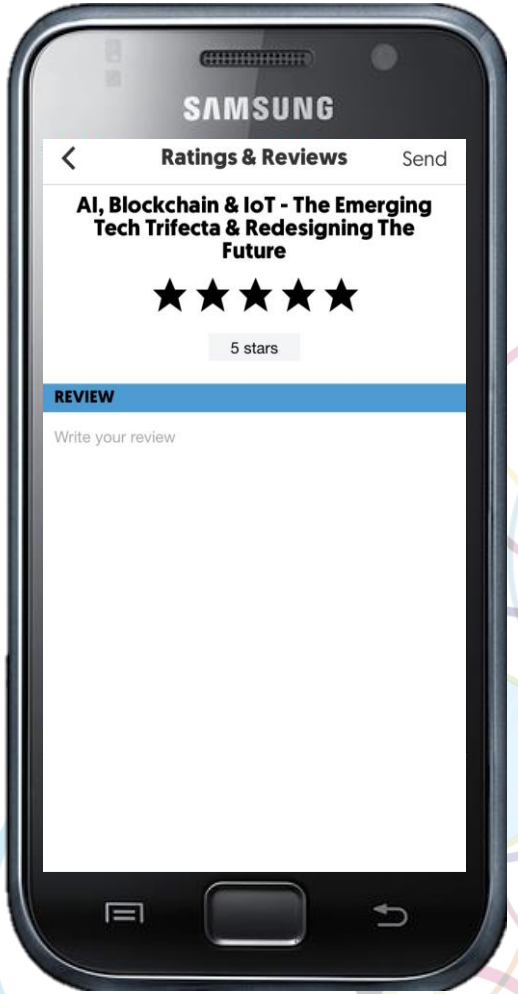
Don’t Forget to Rate This Session in the App!

How to Rate Sessions:

1. Tap on Event Agenda icon

2. Tap on the session you want to rate

3. Tap how many stars

4. Write a review (if you want)

5. Submit!