



ENTREPRENEUR CURRICULUM

Session 3

For more information, visit
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Will Holmes at will@whcusa.com



This Week

Session 3



Leading People & Planning for Growth

During this 3-hour session, for the first hour, the facilitator will lead an interactive discussion on the Participants' greatest challenges and how to address them with effective techniques for assessing the needs of the market, identifying organizational goals and creating win/ win situations with team members to ensure success. We will also discuss basic project management and allocation of time, people and resources. During the second hour, we will be joined by a panel of successful business leaders who will share their experiences, take questions and offer advice.

Homework will be assigned to be submitted by the next class.



Agenda

Learning Session 3

Facilitator: Will Holmes



1

Welcome

2

**Presentation: Leading People
and Planning for Growth**

3

Panel Discussion

4

Q&A, Wrap Up and Homework Reminder



Next Week

Session 4



Marketing & Selling B2G, B2B & B2C

During this 3-hour session, for the first half, the facilitator will lead an interactive discussion on the Participants' greatest challenges and how to address them with effective market research, business development, proposal writing, and relationship building. During the second half, we will be joined by a panel of representatives from government procurement offices and local anchor institutions who want to do business with smaller companies. They will share their experiences, take questions and offer advice.

All your mentor sessions should be scheduled by this point in the program!!! Go to the resource page asap to schedule your sessions!



What kind of Leader are you? Why? Tell us...

Motivational? -**Coach**

Progress Focused? -**Visionary**

Humble & Protective? -**Servant**

Results-Focused? -**Autocratic**

Delegatory? -**Hands Off**

Supportive & Innovative? -**Democratic**

Helpful & motivational? -**Pacesetter**

Challenging & Communicative? -**Transformational**

Performance-focused? -**Transactional**

Duty-focused? -**Bureaucratic**



Share your retirement plan with us...

I need 1 brave volunteer...

NEEDS AND APPROPRIATE LEVEL OF RISK BASED ON RETIREMENT JOURNEY

JP MORGAN CHASE

Youth
HIGH GROWTH



Mid-age
GROWTH



Retiree
INCOME



FAR FROM RETIREMENT

It is important to maximize growth, because this is the time when you have the **greatest capacity to take on risk** for higher return, due to your longer time horizon.

5-10 YEARS TO RETIREMENT

While still seeking some growth during your remaining working years, it is important to shift to **a more conservative strategy** to protect the wealth you have accumulated.

IN RETIREMENT

You may want **a consistent and attractive income stream** to cover your day-to-day expenses, whilst at the same time grow your principal and protect your wealth.

Time frame?

Income Sources?

Business?

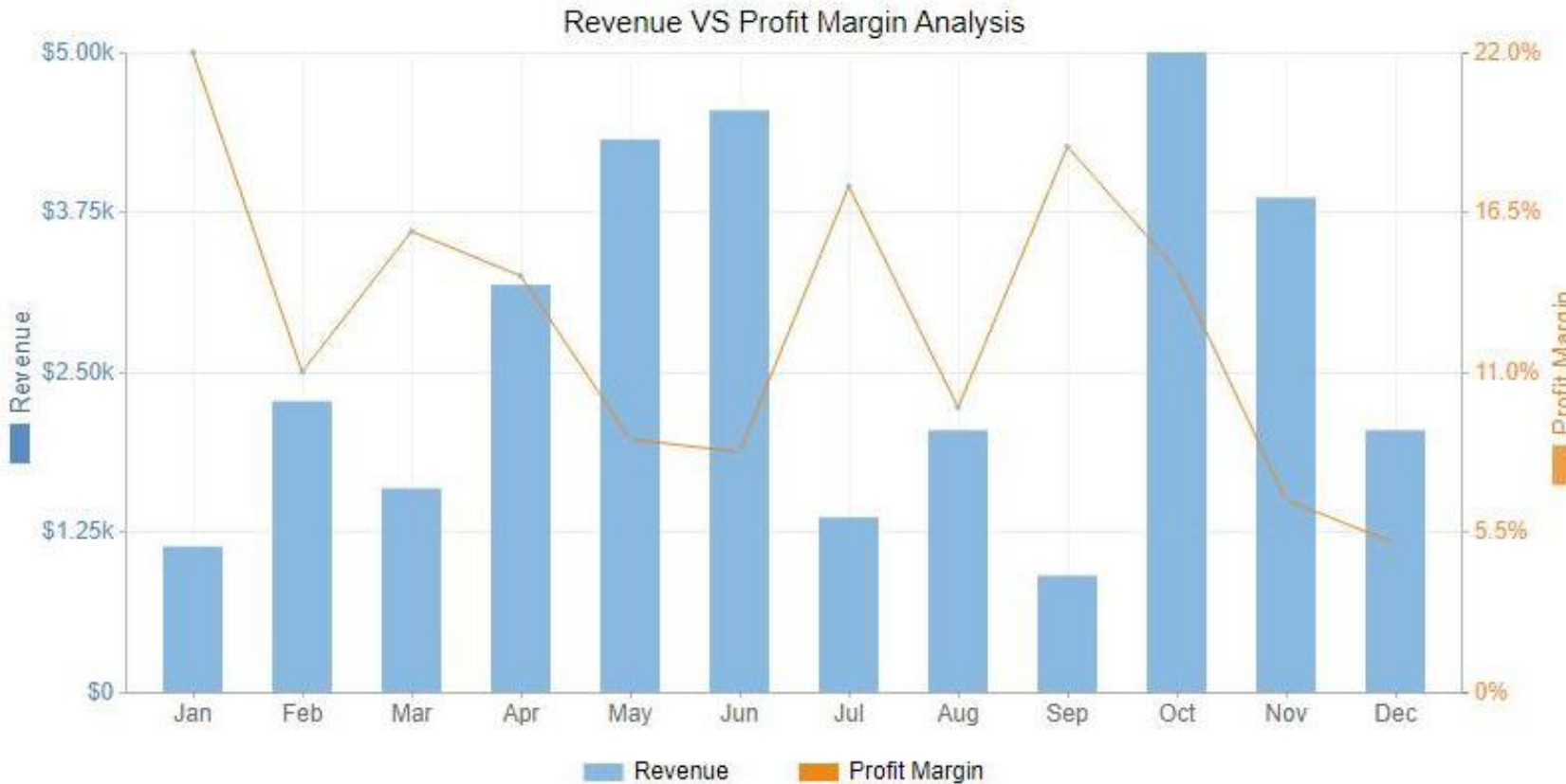
Sell? Keep Working?

Where?

Beach? Maryland?



Share your business growth plan with us...



- Time frame?
- Revenue Sources?
- Staffing needs?
- Exit Plan?

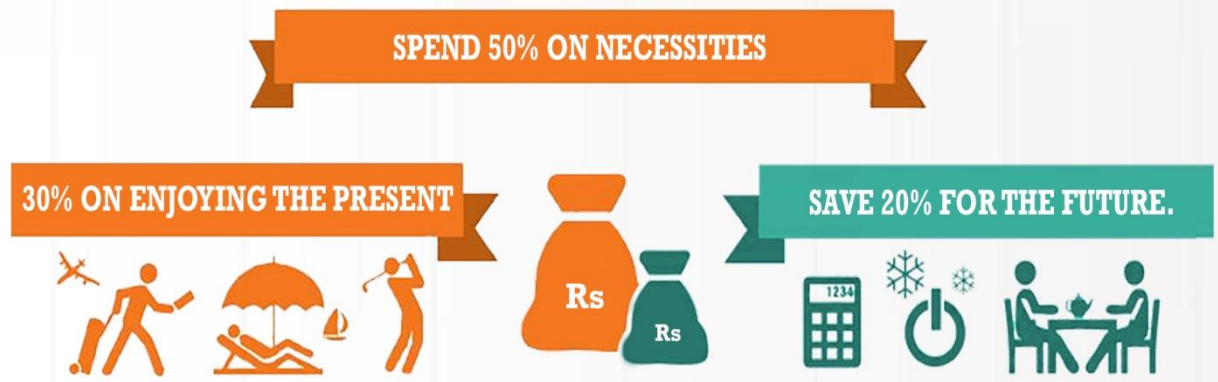


Do you have a plan?

- Use your cash flow projections to create a budget for your plan! Extend it 3, 5, 10 years...
- Your efforts now will help to ensure a better financial future for you and your family.

RETIREMENT PLANNING

Simple formula for building a retirement nest egg



What is retirement Planning



Retirement planning is the process of setting goals for your retirement years and actions and decisions needed for achieving those goals.



Why plan for retirement?

- Limited income
- Difficulty in meeting basic living expenses
- Dependency on children
- Healthcare issues with related expenses
- Sacrifices and hardships
- No enjoyment.



Good Debt vs. Bad Debt

Every Business Needs Capital to Grow!

Not all debts are equal. Good debt has the potential to increase your wealth, while bad debt costs you money with high interest on purchases of depreciating assets.

Determining whether a debt is good debt or bad debt sometimes depends on an individual's financial situation, including how much they can afford to lose.

GOOD DEBT: A simple rule about debt is that if it increases your net worth or has future value, it's good debt.

BAD DEBT: If it loses value quickly, can be easily consumed and doesn't help you make more money, it's bad debt.

Good Debt



Bad Debt



Good Debt vs. Bad Debt

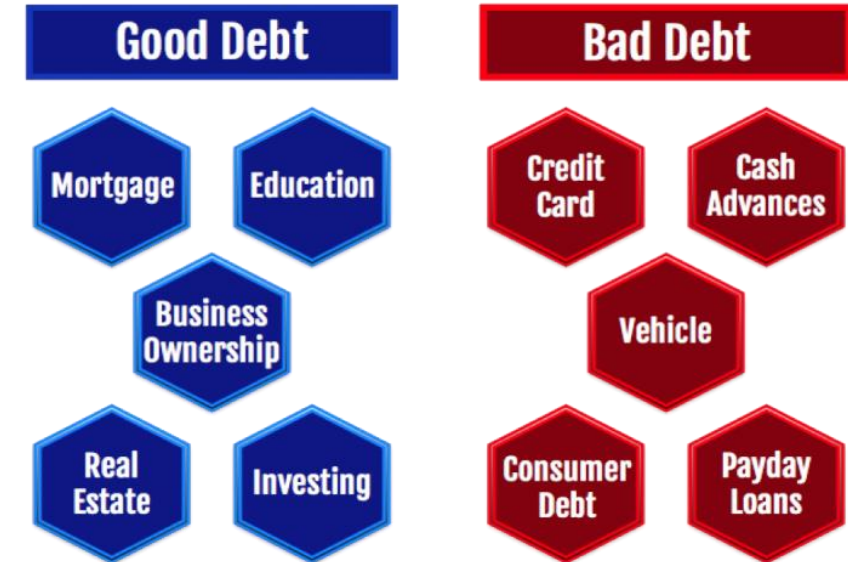
Your choice. What would you do?

Scenario: You inherit \$100,000. You have \$80,000 in debt and good credit.

*Do you pay off the debt now? You'll be "debt free" and still have \$20,000 in the bank and a sense of freedom.

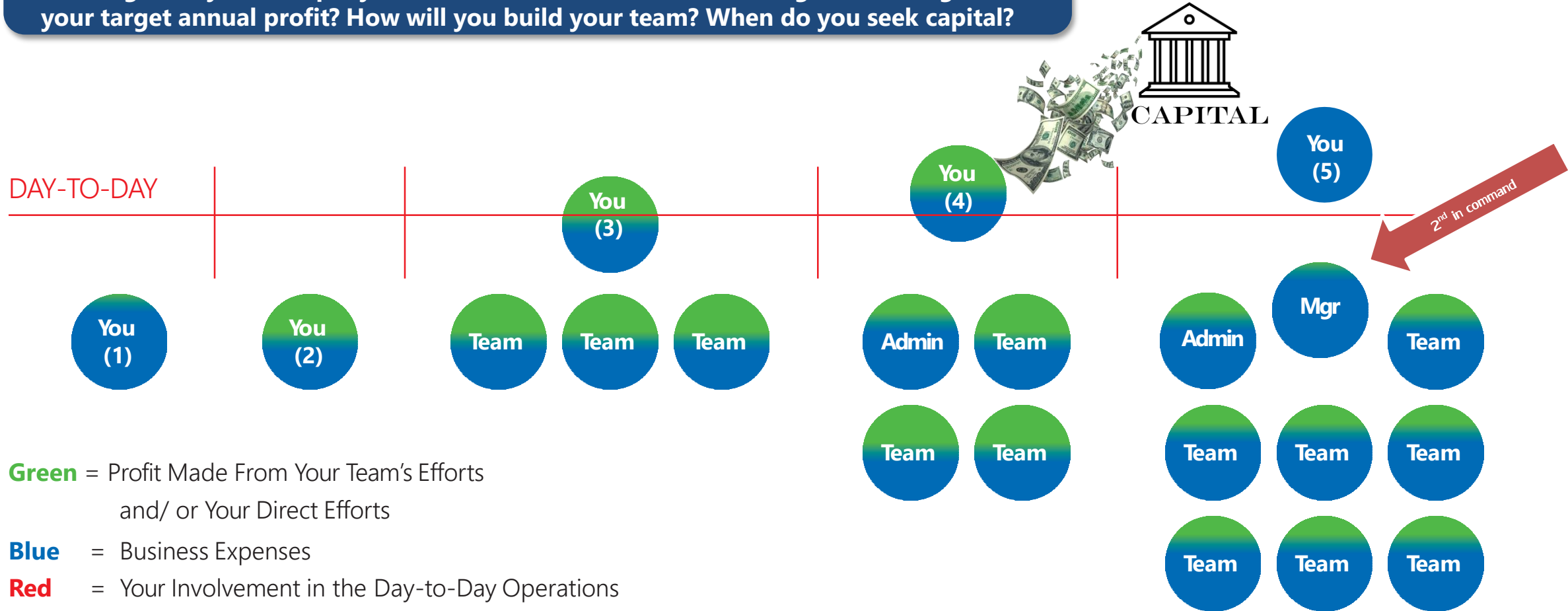
Or,

*Do you invest \$30,000 of that \$100,000 inheritance and put down 20% on a multi unit property? Your mortgage on the property is \$1,000 per month. You have 2 renters. They pay you \$1,650 per month. After expenses, you have positive cash flow of \$2,000 per month. In 5 years, you will earn \$120,000 in revenue and still have your \$70,000 in the bank, nearly doubling your \$100,000 inheritance. And you'll still have good credit with the option to pay off debt faster or just pay it down monthly as



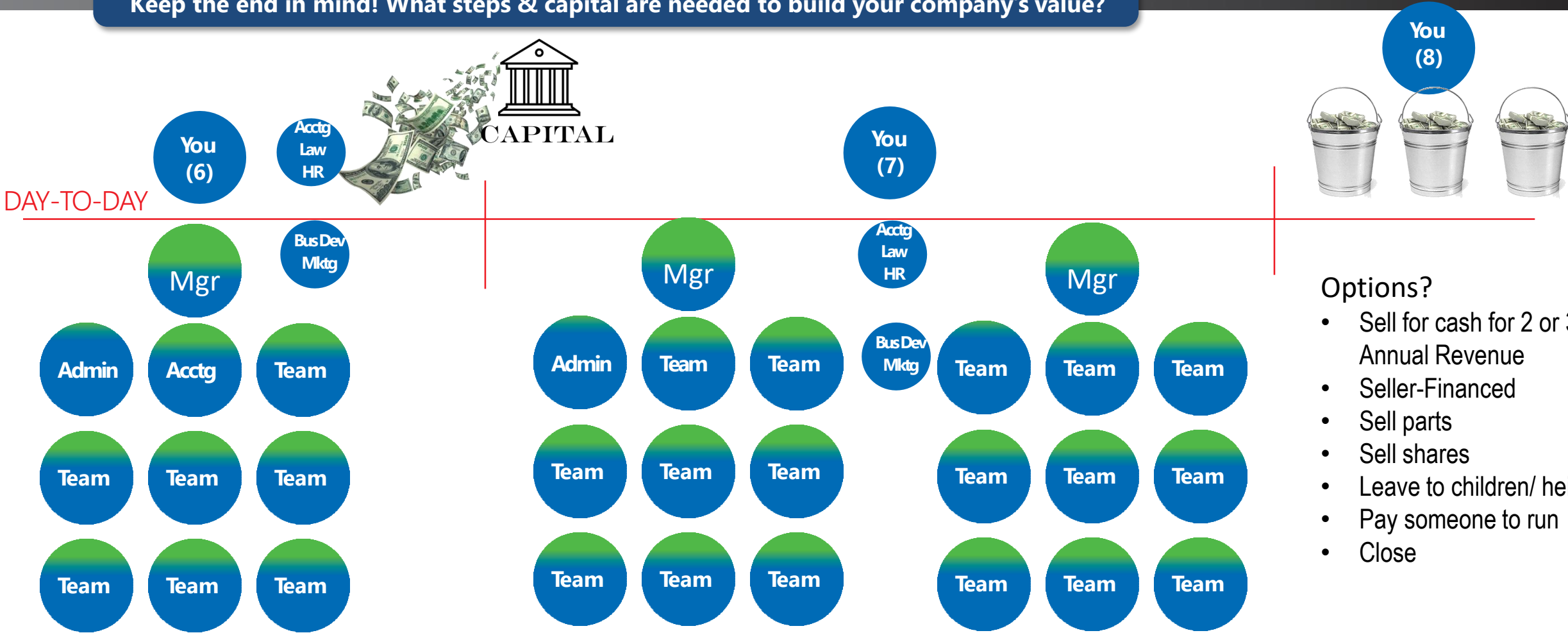
Scaling Your Business to Support Your Revenue Goal & Retirement

How big does your company need to be before it's valuable enough to sell or generate your target annual profit? How will you build your team? When do you seek capital?



Scaling Your Business to Support Your Revenue Goal & Retirement

Keep the end in mind! What steps & capital are needed to build your company's value?



- Options?
- Sell for cash for 2 or 3x Annual Revenue
 - Seller-Financed
 - Sell parts
 - Sell shares
 - Leave to children/ heirs
 - Pay someone to run
 - Close



You need a team! How will you recruit them?

- Choose metrics that are important to your organization.
- Choose metrics that you can measure with automated reporting.
- Choose metrics that you can track over time.

Track success with recruitment metrics



Quality of hire



Time to hire



Cost per hire



Source of hire



Hiring diversity



Candidate experience



How do you maximize your recruitment efforts?

- **Market to potential employees.**
(similar to marketing to customers)
- **Candidate experience matters.**
- **Make onboarding easy.**
- **Track success.**

13 effective employee recruitment strategies that will boost your hiring success

- 1 Build your employer brand
- 2 Write compelling job descriptions
- 3 Get targeted with job ad placement
- 4 Improve your EVP
- 5 Make the most of social media
- 6 Fine-tune your online presence
- 7 Focus on the candidate experience
- 8 Implement skills testing
- 9 Boost diversity and inclusion
- 10 Leverage recruitment technology
- 11 Track success with recruitment metrics
- 12 Make onboarding a breeze
- 13 Encourage employee advocacy



What does your team want?

How can you give more?

Recognition -> Awards programs?

Inspiration -> Mentoring? Leadership Opportunities?

Autonomy -> SOPs? Metrics? Mentoring?

Pay -> Build into the budget? Pay for performance?

Training -> Ongoing training? Better initial training?

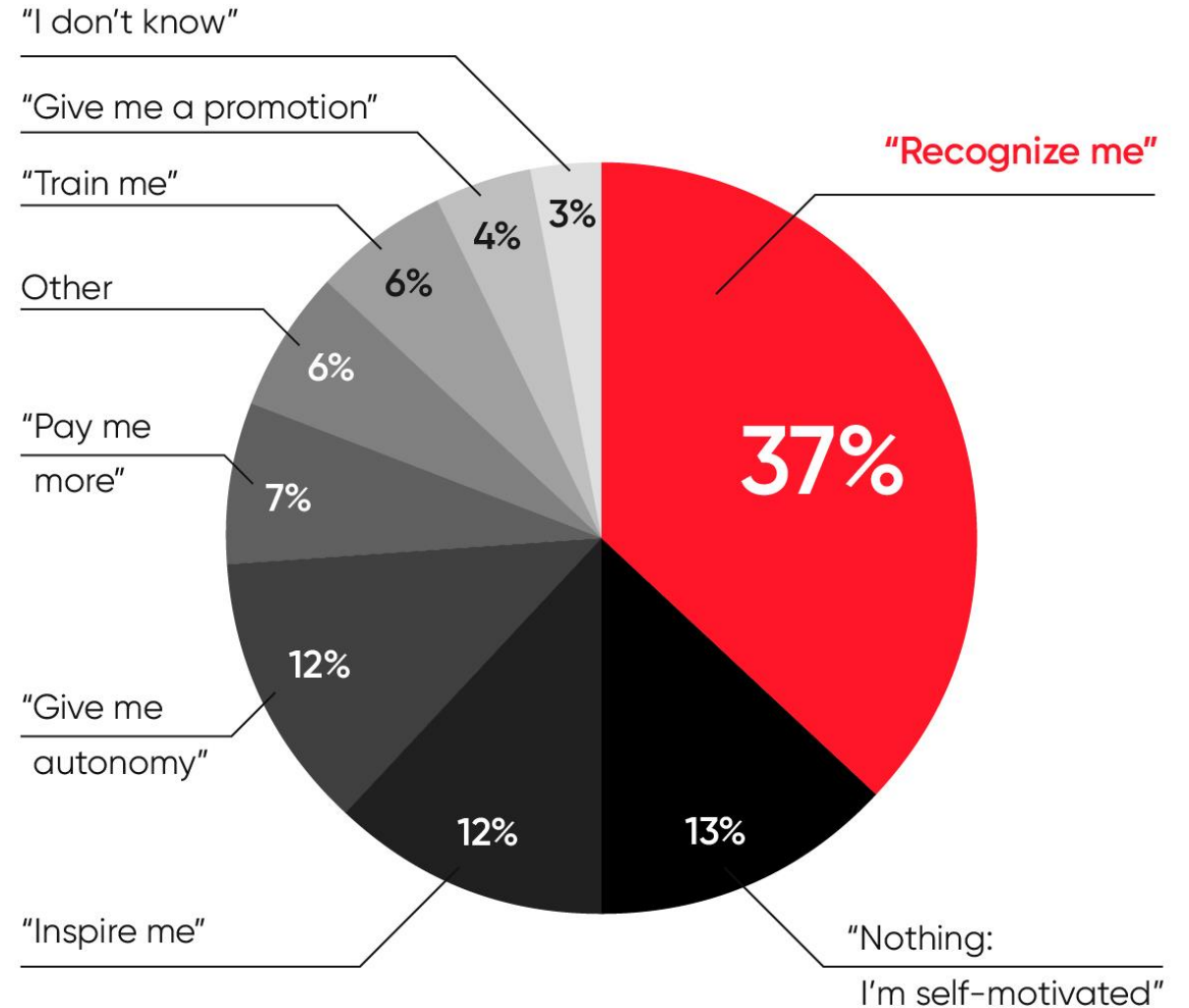
Promotions -> Build into the budget? Pay for performance?

Benefits -> Build into the budget?

Time off -> Build into the budget? Increase staff?



Most important drivers of great work



Source: O.C. Tanner

What does your team want?

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- Time off -> Build into the budget? Increase staff?

3 BENEFITS THAT MATTER

Benefits identified by employees as being the most important.*



1. Generous paid time off



2. Flexible and remote working options



3. Paid family leave

*Excluding insurance-related benefits.
Source: Unum, December 2020.



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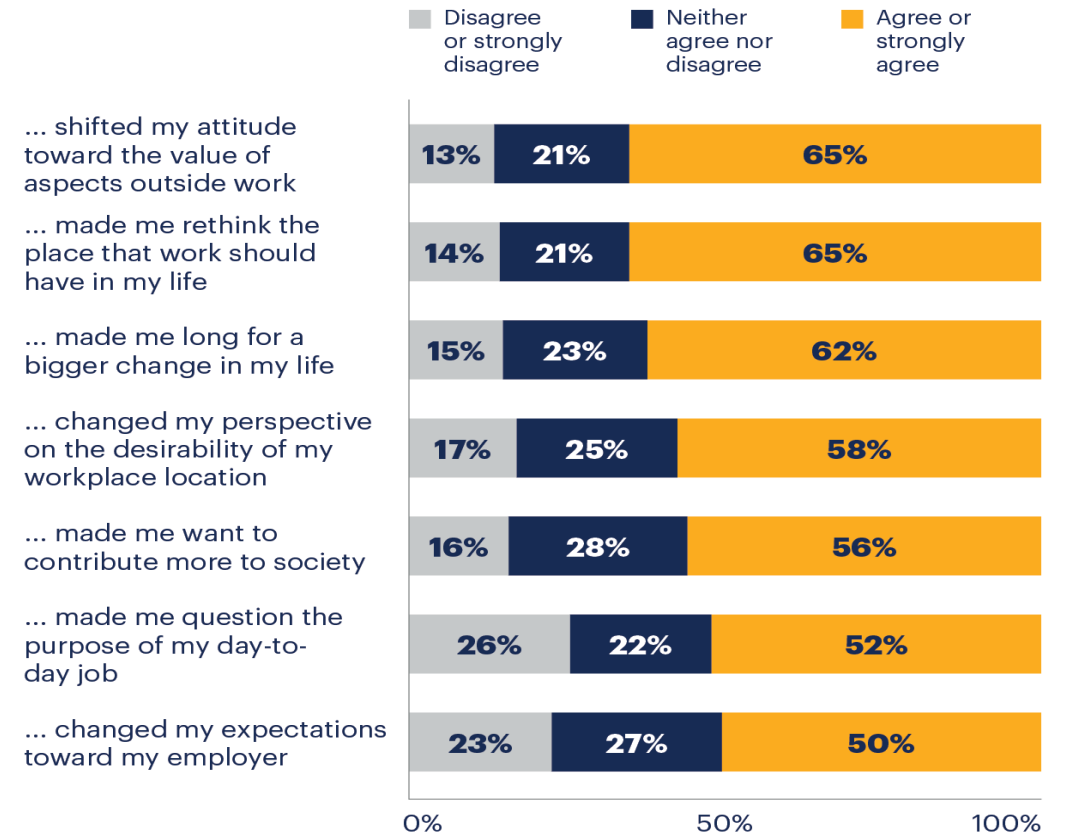
Time off -> Build into the budget? Increase staff?

Impact on the world -> Explain/ Redefine the vision and mission?



What Employees Say About How the Pandemic Has Changed Their Feelings About Work and Life

The pandemic has ...



gartner.com

What do employees want in an employer?

How can you give more?

Recognition -> Awards programs?

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Autonomy -> SOPs? Metrics? Mentoring?

Pay -> Build into the budget? Pay for performance?

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Impact on the world -> Explain/ Redefine the vision and mission?

Culture? Loyalty? Meaningful Work? Flexibility? Stability?

Mentorship?

How employees view businesses that don't provide need-to-have benefits*

*Based on percent of respondents



These businesses do the bare minimum



These businesses don't care about their employees



These businesses are cheap



I would not want to work for these businesses



These businesses are behind the curve



These businesses have a poor company culture



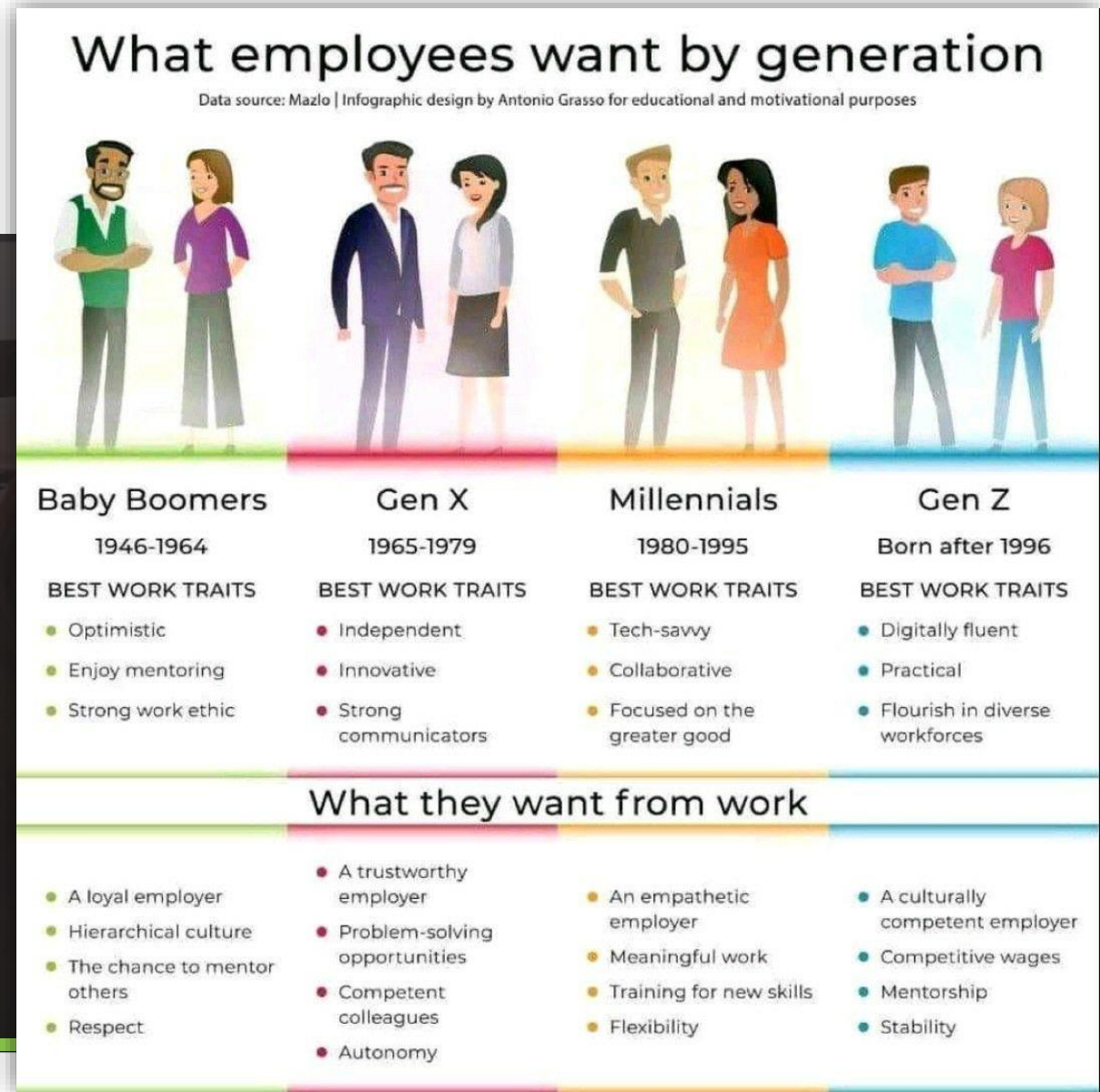
What kind of employee do you need? Tell us...

What is important to you?

Attitude
Work Ethic
Leadership
Innovation
Independence
Communication

..... Born after 1980

Technical Skills
Collaboration
Likes Diversity
Wants to Impact the World



What do you do when it's time to terminate?

Protect the company!

Do you have performance metrics?

Do you have a company handbook?

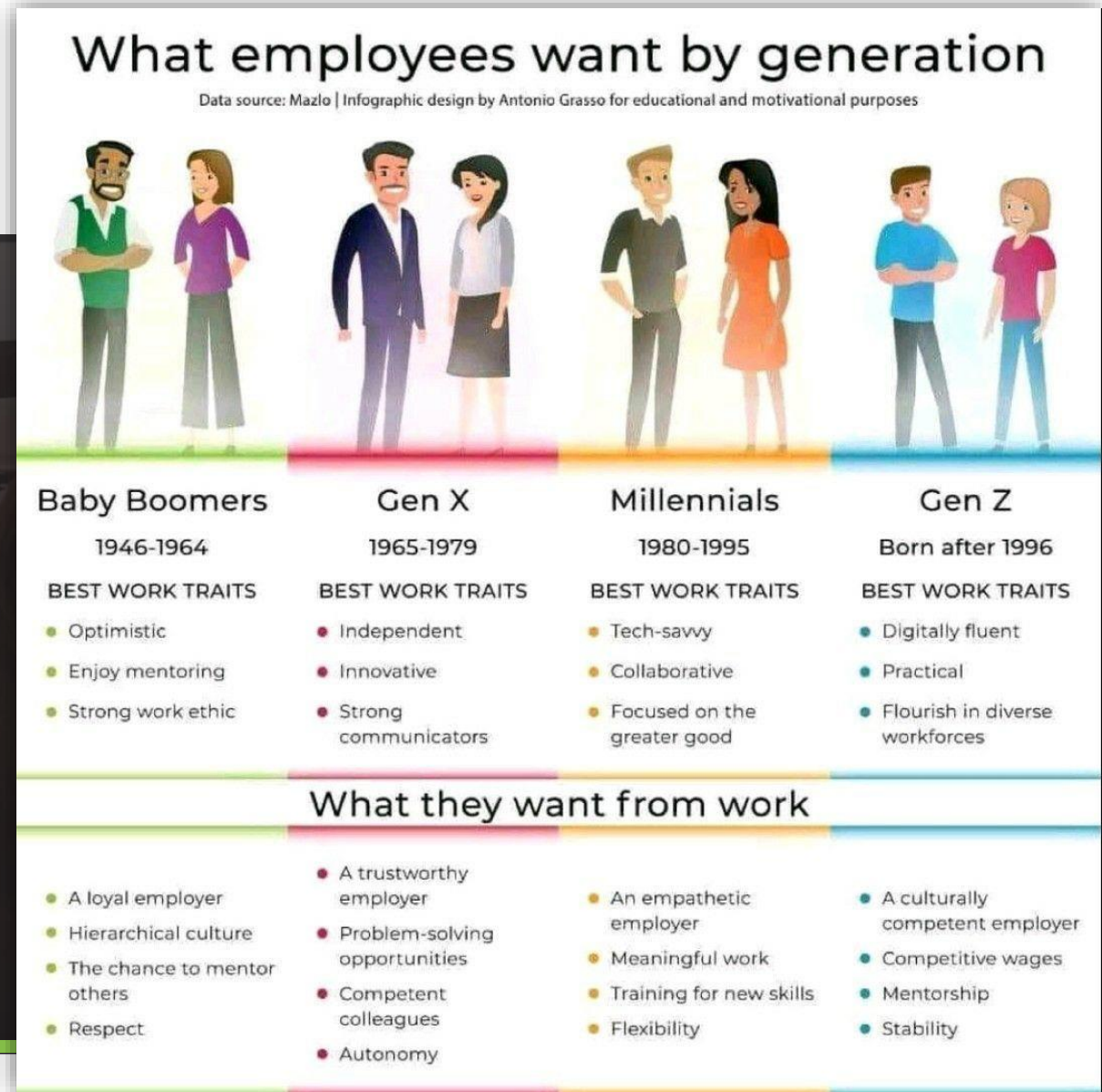
Do you have clear policies and procedures?

Do you have monthly and annual reviews?

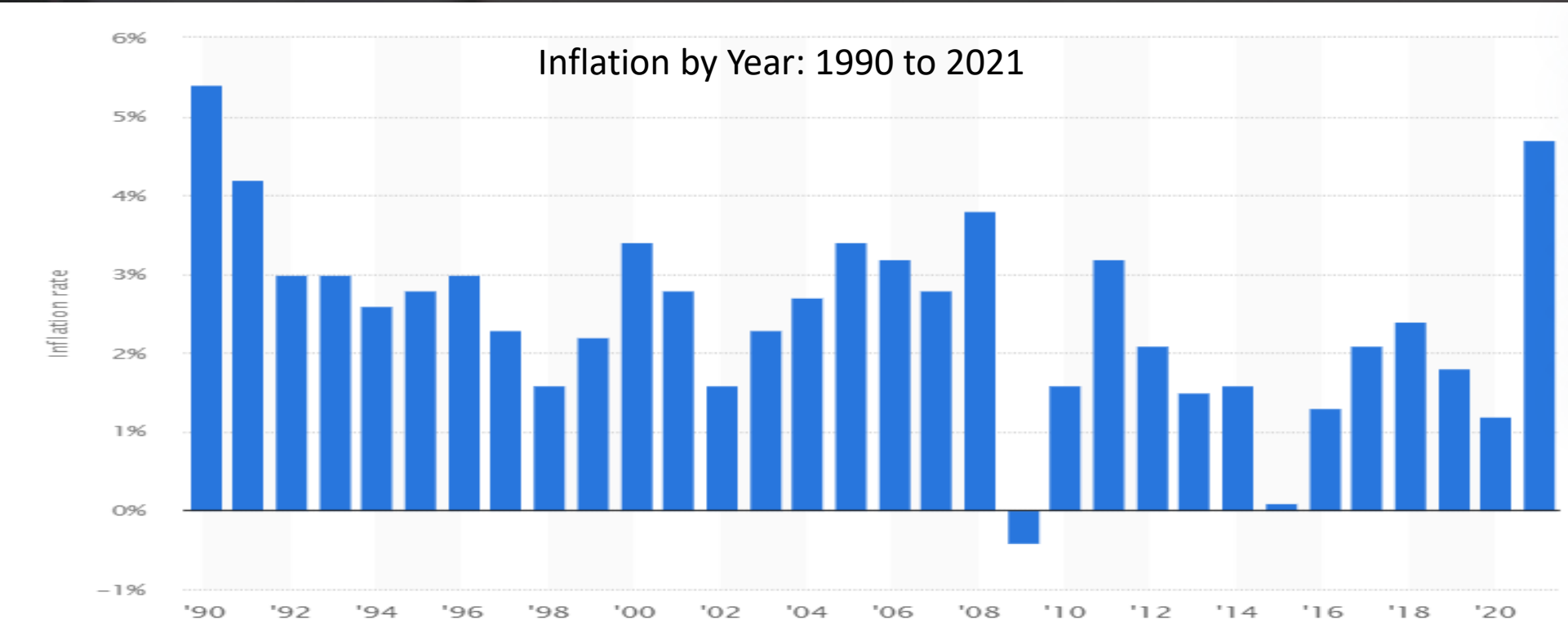
Do you have a set policy for discipline and termination?

Do you have employee folders where you keep documentation?

Manage to the rule not the person. Keep it professional and by the book. Always business. Never personal.



Remember Inflation! How will you meet your profit goals next year? How will you keep up with costs?



If your business is part of your retirement plan, it must be able to support your expenses when you retire. Average inflation is 2% to 3% per year.

Inflation

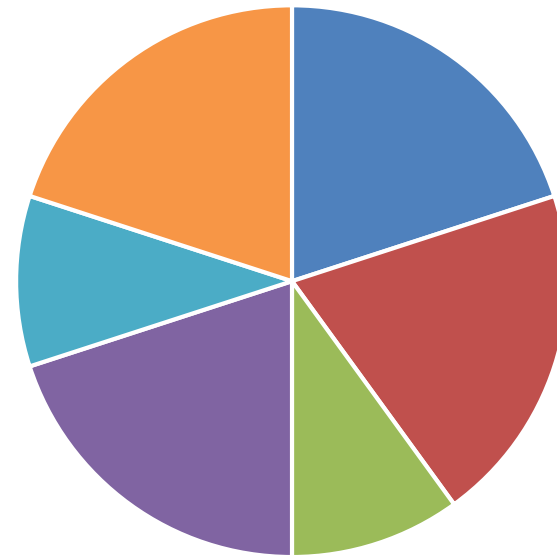
Inflation is a fundamental economic indicator. For example, if an average pair of shoes costs 100 dollars one year and 105 dollars the following year, the inflation rate is five percent. This means the purchasing power of the dollar has decreased. The data presents the average rate of inflation throughout a year. How much will a pair of shoes cost when you retire? *Source: <https://www.statista.com/statistics/191077/inflation-rate-in-the-usa-since-1990/>*

Who will pay for all this? Your customer.

Consider these elements when building your price! It's not just the cost of the cupcake batter!



Elements for Pricing



■ Materials & Production

■ Marketing

■ Owners' Pay

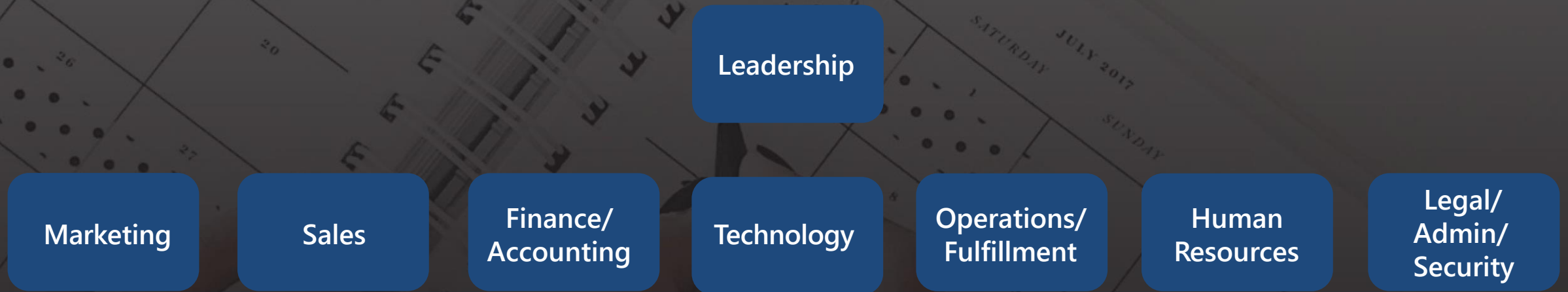
■ Current Labor, Experts, and Planned New Hires

■ Overhead (Rent, Debt, Utilities, Insurance, Reinvestment)

■ Profit



These roles are filled by you, an employee, a contractor, temporary staff or with technology.



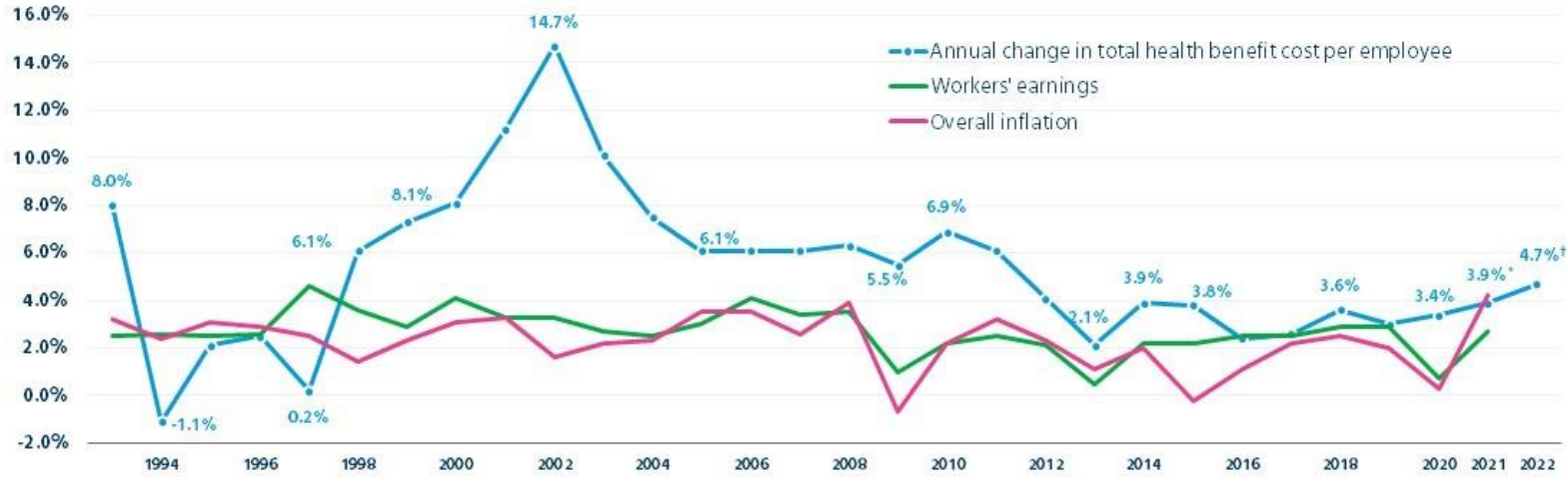
Job descriptions, performance metrics, training programs and standard operating procedures are needed for each role. You may also need different recruiters who specialize in finding people with certain skills sets or experience.



Consider the Rising Costs of Employee Benefits...

Employers expect health benefit cost per employee to rise 4.7% in 2022

Change in total health benefit cost per employee compared to CPI, workers' earnings



*Projected. The actual cost increase for 2021 will be available later this year. †Preliminary data
Source: Mercer's National Survey of Employer-Sponsored Health Plans (beginning in 2020 results are based on employers with 50 or more employees); Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April) 1993-2021; Bureau of Labor Statistics, Seasonally Adjusted Weekly Earnings from the Current Employment Statistics Survey (April to April) 1993-2021.



Include recruiting in your budget!

You will need new people as you grow.

As you grow, people will come and go. Some will stay a short time and others will stay for along time. Give them proper training and support so they can perform at the highest level.

When it is time for them to move on, no worries, you have a person who is trained and ready to step into the role.

How do you do that?

Prioritize company culture, recruiting, consistently having interviews, and developing current staff.



What is company culture?

What should a Business Owner consider when developing the company culture? 8 Considerations...

1. The company's mission and values. The company culture should reflect the company's mission and values. This means that the culture should support the company's goals and objectives and reflect the company's beliefs and principles.
2. The company's size and industry. The company culture will vary depending on the size and industry of the company. For example, a small startup company may have a more informal culture, while a large corporation may have a more structured culture.
3. The company's location. The company culture can also be influenced by the company's location. For example, a company located in a city may have a different culture than a company located in a rural area.
4. The company's employees. The company culture should be developed with the input of the company's employees. This means that the employees should be involved in the decision-making process and should be able to contribute their ideas and perspectives.



What is company culture?

What should a Business Owner consider when developing the company culture?

5. The company's goals and objectives. The company culture should support the company's goals and objectives. This means that the culture should encourage employees to work towards the company's goals and should help the company achieve its objectives.
6. The company's resources. The company culture should be realistic and should take into account the company's resources. This means that the culture should not be too demanding or unrealistic, and it should be something that the company can actually achieve.
7. Consistency. The company culture should be consistent throughout the company. This means that the same values and behaviors should be expected from all employees, regardless of their role or level of seniority.
8. Inclusivity. The company culture should be inclusive and should welcome all employees, regardless of their background or beliefs. This means that the culture should be respectful of diversity and should promote a sense of belonging for all employees.



When you aren't in the office, who is leading your team?

Do you have a second in command?

Do you have clear standard operating procedures?

Do you have a strong training program that prepares your employees?

Do you have a clear culture and core values that help people know what to do when situations fall outside the SOPs and training?

Without these in place, how can you feel comfortable being away from the office?



What do you love to do?

Think about the things you love to do.

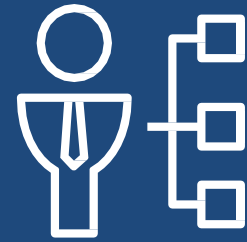
How can we create the infrastructure, team, pricing of products, and revenue generation, so you can do those things uninterrupted?



**One more
thing...**

**Why hasn't
your company
grown as fast
as you
planned?**





Panel

**Panel: Leading People and
Planning for Growth**

Questions & Answers

For more information, visit
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What does your target employee need to thrive?

What kind of employee does your company need to grow?

What employees want by generation

Data source: Mazlo | Infographic design by Antonio Grasso for educational and motivational purposes



Baby Boomers

1946-1964

BEST WORK TRAITS

- Optimistic
- Enjoy mentoring
- Strong work ethic

Gen X

1965-1979

BEST WORK TRAITS

- Independent
- Innovative
- Strong communicators

Millennials

1980-1995

BEST WORK TRAITS

- Tech-savvy
- Collaborative
- Focused on the greater good

Gen Z

Born after 1996

BEST WORK TRAITS

- Digitally fluent
- Practical
- Flourish in diverse workforces

What they want from work

- | | | | |
|--|---|---|---|
| <ul style="list-style-type: none"> A loyal employer Hierarchical culture The chance to mentor others Respect | <ul style="list-style-type: none"> A trustworthy employer Problem-solving opportunities Competent colleagues Autonomy | <ul style="list-style-type: none"> An empathetic employer Meaningful work Training for new skills Flexibility | <ul style="list-style-type: none"> A culturally competent employer Competitive wages Mentorship Stability |
|--|---|---|---|



Is there a disconnect?



What kind of Leader does your company need? Tell us...

- Motivational? -**Coach**
- Progress Focused? -**Visionary**
- Humble & Protective? -**Servant**
- Results-Focused? -**Autocratic**
- Delegatory? -**Hands Off**
- Supportive & Innovative? -**Democratic**
- Helpful & motivational? -**Pacesetter**
- Challenging & Communicative? -**Transformational**
- Performance-focused? -**Transactional**
- Duty-focused? -**Bureaucratic**

