

“A super inspirational book for any
flourishing agency owner!”

Sally Day, Saltoria Marketing.

The Prosperous Agency

How to scale your agency effectively and efficiently

PAMELA PHILLIPS

The Prosperous Agency

How to scale your agency
effectively and efficiently

BY

PAMELA PHILLIPS

DISCLAIMER

The information in this book is strictly for educational purposes. If you wish to apply ideas contained in this book, you are taking full responsibility for your actions.

The author has made every effort to ensure the accuracy of the information within this book was correct at the time of publication. The author does assume, and hereby disclaims, any liability to any party for any loss, damage, or disruption caused by errors or omissions, whether such errors or omissions result from accident, negligence, or any other cause.

Copyright © 2022 Pamela Phillips

All rights reserved. No part of this book may be reproduced or used in any manner without the prior written permission of the copyright owner, except for the use of brief quotations in a book review.

To request permission contact the author at

publisher@dejongphillips.co.uk

CONTENTS

FOREWORD

INTRODUCTION

CHAPTER 1

The secret to scaling your agency fast

CHAPTER 2

What's the big picture? (Pillar 1: Your Vision)

CHAPTER 3

The clients that grow your agency (Pillar 2: Your Perfect Client)

CHAPTER 4

The Freedom System (Pillar 3: The processes, policies and tech)

CHAPTER 5

Building your Perfect Team (Pillar 4: Your People part 1)

CHAPTER 6

The People-Profit Formula (Pillar 4: Your People part 2)

CHAPTER 7

A finance function to fit your goals (Pillar 5: Your Financial Dashboard)

CHAPTER 8

Easy Cash Flow (Pillar 6: Your Money)

FINAL THOUGHTS

Just get started

ACKNOWLEDGEMENTS

BIOGRAPHY

FOREWORD

Your agency can deliver
on your dreams

I wrote this book because I was frustrated at how many talented agency owners are excellent at what they do, but are struggling to see the success and financial security they deserve from their business. Some are close to giving it all up entirely and returning to the day job, while others just seem to accept that the price you pay for being your own boss is high-stress, constant firefighting and lying awake worrying about money.

I hope this book will help you realise it doesn't have to be like that. The way to a thriving, scalable and profitable agency isn't pot-luck or a guessing game, and it doesn't need to be complicated either. With the right financial support, and by setting up the systems and processes I've shared in this book, you *can* run a profitable agency that scales in a sustainable way; you can create a sellable asset to finance a comfortable retirement (or your next venture); and you can sleep soundly at night.

I've seen this system work for so many of our clients who are now running thriving agencies like the real CEOs they are; directing their teams, steering their businesses towards their big visions, and focusing on the work that truly lights them up.

Of course, I've also seen this system work first-hand in my own business, de Jong Phillips, too. When I was just starting out I was underpaying myself, constantly firefighting and wondering what on earth I was doing giving up such a well-paid job for all this stress. But I persevered because, like you, I'm an entrepreneur at heart and value freedom above all else. This framework has helped my business deliver those dreams.

It's meant that I could be there for my kids when they needed me most without worrying about it affecting my income. It's meant that I've been able to step away from the parts of running a business that I don't particularly love and focus on the bits that I do, like writing this book. And it's also meant that when I was halfway through my first draft of this book and my husband was offered a job in Germany, I was able to pack up an entire house, relocate a family of five to another country, settle three kids into new schools, without my business missing a beat.

None of this is rocket science or particularly ground breaking, but it does take implementation to work, which is why not every agency is going to thrive, or even survive. If you start taking the steps laid out in this book today, even if that just means picking the chapters that deal with your most pressing problems and implementing the steps, in just twelve months your agency will be more efficient and profitable. And in twenty four months it could be delivering some of your biggest dreams. You now have the blueprint that's helped many talented agency owners just like you, scale their businesses sustainably and profitably; all that's left for you to do now is get started.

Pamela Phillips, de Jong Phillips

www.dejongphillips.co.uk

INTRODUCTION

You've got your own agency and some pretty big goals. But you don't know how to make them happen.

You either picked up this book because you're already doing all the things you can think of to scale, like winning more clients and hiring more staff, but for some reason it's *still* not translating into more money in the bank. Or, you're so lost in the groundhog day of just trying to keep your head above water, that you can't figure out what you need to do differently.

Either way, this book has the answers, and the potential to change it all. And I don't just mean in terms of the trajectory of your agency, I mean the whole way you live your life as a business owner; I know, because I've seen it happen with my clients. This might sound like an unrealistic promise, but I've been there. In the six years I've worked exclusively as an accountant for agencies, I've seen the stark differences between successful agencies and the ones that simply plod along. These differences are laid out in the simple steps inside this book.

I'll be honest, it's not rocket science. You've probably even have heard of some of these strategies before. Whilst it was my background working in Finance for large corporates like PWC and RBS that first gave me these insights into running a successful business, you don't have to be a Financial Director to get these strategies working for you.

So why *did* you start your agency? Maybe you had visions of one day selling it and living off the profits. Or perhaps you wanted to create something of your own

that you could be proud of whilst at the same time enjoying the benefits of being your own boss. If right now you're at the constant beck and call of your clients and so caught up in the minutiae of your business that you can't take *any* time off without worrying about work, those dreams probably feel a long way off. But they don't have to be; this book can help you build an agency that fits around and supports your life - not the other way around.

Of course, it won't happen overnight, *you know that*. But it can happen much faster than you imagine. For most scaling businesses we're talking a couple of years to reach those big goals; and if you're just starting out, 12 months would be plenty. But the best part is that results will start showing in the books and on the ground almost instantly. That means more time, more clarity, more head space, and more money. And ultimately more fulfilment for you as a business owner.

You might read this book and think, *I wish someone had told me all this from the start!* Well, I did know all this from the start (or most of it anyway), and yet in the early days of my business, as I used these methods to help my own clients get more freedom, make more money and do the work they really love, I was ignoring my own advice. In fact, as a mum to three under 4s, with a fledgling accountancy firm, I was in constant catch-up mode. Although I knew what I *should* be doing, I wasn't implementing half of it.

So while I was paying my staff more than I paid myself, my waking hours were a frenzy of tag-team parenting and trying to win new business. My evenings were spent on the laptop running payrolls, doing bookkeeping and filing tax returns. Then I'd collapse into bed and worry myself to sleep. Not the freedom and abundance I left my corporate career for.

But the truth is, most businesses are built in survival mode; so if this is where you find yourself, with stitched together systems and fly-by-the-seat-of-your-pants processes, please know it's perfectly possible to build the systems you need behind you as you grow. And this book will show you how.

In the following chapters you'll hear about Jonathan¹, one of my first ever clients who went from a stressed and exhausted CEO whose business couldn't run without him, to now having not one, but two amazing offers on the table to sell his business for a life-changing sum of money. You'll hear about Duncan and Paul, who when we first met were only earning a basic income despite having an agency turning over £3 million in sales. Today, they have enough cash in the bank to pay themselves handsomely, while working far fewer hours. Paul is even planning for early retirement. You'll also hear about Emily, who went from being stuck at a turnover of £1 million no matter what she tried, to finally scaling to her goal of £3 million in three years.

Then of course there's me, who first sat down to write this in the middle of a pandemic whilst homeschooling three kids; and, despite the additional workload we had supporting our clients through furlough and other difficulties, my business continued to grow broadly uninterrupted - times tables and phonics lessons aside. And it was all possible, because I had this framework in place.

When I first started to implement these systems inside my business, here's what I knew: I wanted a business that was both profitable and sustainable; a healthy place for my staff to work; I wanted security, and to know things were growing steadily and predictably so that I could sleep soundly at night. I wanted *peace of mind*. I wanted *freedom*. And I knew that if I put these systems and

¹ Note: To protect the privacy of certain individuals, names and identifying details have been changed.

processes in place, it was all possible, because I'd seen it work for my own clients, time and again.

Within two years of getting started, my life and business were unrecognisable. I don't work silly hours anymore, the evenings and weekends are my own. And when I do work, I'm doing the things that excite me, safe in the knowledge that my team is focused on moving my business forward in a sustainable way. I'm enjoying my business, and my life, so much more.

You too can have that same freedom and peace of mind. All you have to do is build this framework into your business and see what's possible.

Here's what I see time and time again:

Agency owners with huge and exciting plans for the future, which they never quite seem to make happen. Not because they don't have the *talent*, but because they're running their businesses with fundamental flaws.

That's what stops so many growing agencies in their tracks - and it's not their fault. Because when you're a web designer, a video editor, or a public relations expert - *that* is your genius zone. So when it comes to finances and systems and processes, **you don't know what you don't know**. That's what this book is for. Use it as your guide; your manual; your personal kick up the backside to get your business to where you know it could be.

And in the next 24 months your agency could either still look and feel exactly as it does right now; or you could be the successful and profitable owner of an

agency that *works for you*.

It's your choice. Are you ready to try something different?

Let's hear it for the tech!

So it's a yes! You're going to give it a go. Well, you already know that this isn't rocket science, but before we get stuck in, I also want you to know it's not exactly groundbreaking either. The things you're about to learn are systems and processes that businesses have *always* needed in place in order to scale to seven figures and beyond; it's what all the big businesses have been doing for years.

But up until around 2010, if you had a small business like yours or mine, it was virtually *impossible* to put the infrastructure in place to do it. I mean it wasn't impossible, but you'd have needed a full finance team and a huge budget to custom-build the systems you'd need. So, as you can imagine, most didn't.

But thanks to the wonders of technology, when I left the corporate world and started helping my first few agency clients, I realised that you *can* apply big business strategy to small businesses after all! Because, as you will learn, thanks to new tech, you can now put all the software infrastructure you need in place with a simple subscription model that could cost you as little as £100 a month. It's a total game-changer.

The problem is most businesses, and let's face it, a lot of old school accountants, don't realise this. And so those agencies trudge along, only looking at their numbers when their bookkeeper comes in once a month, never really knowing what the figures actually mean. They are basically crossing their fingers under their desk hoping that it all adds up in the end. If this is you, this is your

Public Service Announcement that there are no more excuses. You now have permission to go LARGE. This means no more acting like a start-up. It's time to finally step into the CEO shoes of that agency you *really* want to grow.

So are you ready? Let's go.

CHAPTER 1

THE SECRET TO SCALING YOUR AGENCY FAST

If you've ever watched in frustration as a peer or competitor blows up to new levels of success while you're stuck treading water, you've probably thought to yourself, *what makes them so much better than us?* But that's the wrong question. Because in my experience of working with lots of scaling businesses, they probably aren't any better than you at all. The real reason they're growing with apparent ease while your just-as-talented agency can't quite seem to get to the next level, has little to do with talent or even luck, and everything to do with how differently you run your business on the ground.

Everyone thinks their agency is unique and the exception to the rule, but the truth is the problems you're seeing now in your business, whether that's cashflow, ever-decreasing profit margins, or a team that's not quite pulling in the same direction, are no different to those experienced by every scaling business. It doesn't matter what your niche is, the same challenges will appear at a similar same stage of any scaling-up journey. The only difference between the agencies that thrive and those that flounder, is quite simply whether they have the right foundations in place to deal with those challenges. It's a bit like having a crystal ball; because when you can predict what is going to happen and when, you can put the structures in place to help you ride through those roadblocks with relative ease.

The House of Cards Agency

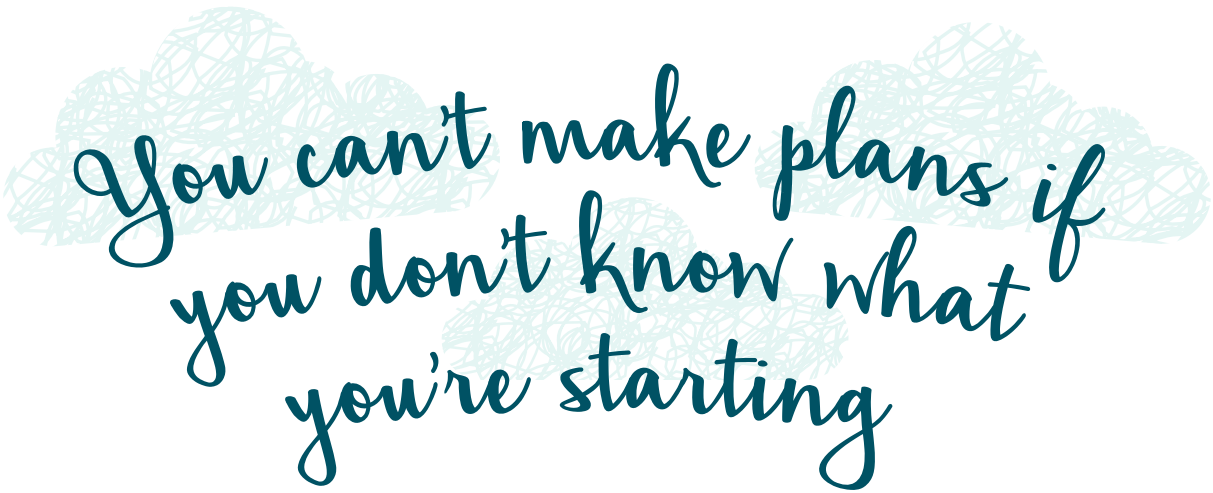
The problem for most agencies though, is that they're building their business like a house of cards. This means that instead of putting the structures in place to support growth, they instead focus all their energy on things like winning new business and serving existing clients. As you'll come to understand as you work through this book, this can at best lead to a frustrating plateau, and at worst could see your business come crashing down. That's exactly what nearly happened to my client Emily, who just so happened to start working with us in the nick of time.

When we first met, Emily was the confident and ambitious owner of an Agency turning over £1 million in sales. Her goal was to reach £3 million in the next three years. She was determined nothing was going to get in her way. But when we lifted the lid on the numbers, we could see that she was in for a bit of a shock. Because while she had made sales of £1 million that year, nearly half of those were unpaid. When we asked how much profit she had made on those sales, Emily was silent; she had no idea. Digging deeper into the figures, it became clear that unless she addressed her cashflow issues - and quickly - there was every chance that instead of scaling her agency in three years, she would run out of money and lose her business entirely.

Not being clear on how much money is in your business is just one of the common ways agency owners build a *House of Cards Agency* which ultimately either stagnates or, if the right systems are not put in place in time, fails completely. For Emily, her cashflow difficulties were partly down to the fact that she still had a clunky, out-of-date accounting system, which was only updated as and when her bookkeeper came into the office. Nobody, except the bookkeeper, knew how to run or interpret the financial reports. This meant Emily never really had a clear picture of where her business stood financially. This is why she not only failed

to understand that she was potentially about to run out of money, but it made planning for the future in a meaningful way, very hard indeed.

Luckily for Emily, we were able to put in place the systems she needed to not only get out of a potentially sticky financial hole, but actually reach that £3 million goal just a little shy of her three-year deadline (you'll find out more about how she did this in Chapter three). But what Emily's story really shows is that accounting doesn't just record what has happened in the past; it writes your future success.



*You can't make plans if
you don't know what
you're starting*

If you're now thinking your foundations are sketchy at best, don't panic, because this book is your blueprint to putting them in place behind you as you grow. But while it's tempting to dive straight into the action, it's really important that you honestly assess the current health of your agency first. Don't skip this part! Because knowing your starting point really is the key to transforming your business.

Now this might be uncomfortable, especially if the reality is something you've been hiding from; but hang in there, because going through this process really will be the most powerful thing you can do for your business all year.

The Client Trap

Let's start off with flagging up something most agencies *think* makes them more profitable, but is in fact costing them more money; clients. Namely putting all your focus on winning more or delivering above and beyond to existing ones. Of course, on the surface it makes sense, because ultimately clients are the ones paying your bills, your staff and your salary. But while it's important to keep your clients happy and to win new business, it's wrong to think that if you over-serve your clients and give them all your attention, that your business will thrive, because it won't.

When I started my accounting business, de Jong Phillips, I remember having a client that I'd only say yes to. If they wanted me to speak to their suppliers, I'd do it, find them a new office, I'd do it, re-run payroll for the 100th time, I'd do it. Drop everything to fly to their overseas HQ to build out some new processes, I'd do it. Ok that last one was fun and I'd still do that again. However, I gave no thought as to whether the work I was doing was particularly profitable or scalable. I was investing all of my time in their business and none in building my own.

I was torn between wanting to keep my client happy and doing the work that would grow my business. Things like designing repeatable processes, growing my team, building my network, but so often I had to drop my plans to accommodate the client's wishes.

When that client eventually moved on to a firm that suited their niche better (another lesson I learned which I'll come back to in chapter three) I decided I was only going to only take on work that I could create a system for and so could be delivered by others in my team, not just me.

Once I made that call, I was able to invest more time in growing my own business. In the same way as a *give, give, give* approach always leads to a crash in your personal life, the same goes for your business. If you don't invest time in

nurturing and caring for your agency, it will never be scalable or sellable; instead, you'll just end up with a collection of clients and a job, and to paraphrase *The E Myth* author Micher Gerber, it will be the worst job in the world.

What really makes a successful agency?

So you now know that to scale an agency you need to establish firm foundations - and it's those foundations that will enable you to scale at speed.

Those foundations will also give you built in resilience. It's all well and good to be successful right now, but you also need to be ready to face the many obstacles you'll encounter as your business grows. This could be through careful cashflow management, nurturing an external team of freelancers as well as your own in-house team, or it could simply be a business-wide risk assessment to plan for the future.

As Emily's story shows, if your foundations are weak it can affect your business further down the line. It can be a barrier to moving onto the next level of growth and success. So no matter where you currently are on your scaling-up journey - a few months in or already scaling to your next £1 million - it's important that you go back and make sure your foundations are solid, because otherwise, like Emily, you could be running your business with a false sense of security.

The Integrated Agency

The key to building a successful agency is to take a holistic view of how your whole business operates. A successful agency is built on six key pillars that all intersect and work together in a coordinated way. Over the next few chapters we'll be diving into each pillar in detail, and analysing what you can do right now to put those pillars in place in your business, so you can scale your agency with more

confidence, profit and speed.

However you can't plan for the future if you don't know where you are right now. So first it's time to do a quick health check, let's see how your business fairs in each of those pillars. I'll outline each pillar below and at the end of each section and I'll be prompting you with a question that has a 'yes' or 'no' answer. Depending on how many you get of each, you'll get a view on exactly how healthy your agency is right now.

THE BUSINESS HEALTH CHECK



1. Your Big Picture

Successful agencies don't rely on chance, they plan for success; and to plan for success you need a strategy, which many agencies don't have. It's true, sometimes agencies do hit their goals without any real plan in place, but that's usually by luck rather than by design, which makes it hard to replicate. Instead of blindly moving forward hoping you're heading in the right direction, planning for success means consciously thinking about what you're doing and why.

You could be turning over £1 million of sales each year, with the goal to turn that into £5 million in the next two years. If you've only got twenty clients now and need another 80 to hit that goal, is that realistic? This would mean winning over three new clients a month. If you're thinking strategically you'd need to ask, what could you do to achieve that goal, or do you have to rethink your target? It sounds obvious, and yet so many agencies are not so much winging their way to success, but winging it entirely. But when you have a strategy, however, you have a plan.

It's important to remember that strategic thinking isn't just a check-box exercise that you only do once. It's a thread that runs through the whole of your business. It's about stepping away from the day job, having a look at what your goals are, and working out how you can hit them. That's why in the next chapter we'll be looking at the first pillar of a successful agency, which is about getting clear on your big vision. Once you know what that looks like, you can then work through the subsequent chapters and start to build out a clear strategy for all the pillars of your business, and get them working together to reach that common goal.

QUESTION: *Do you really know what your goals are? And do you have a realistic plan of exactly how you can achieve them, and when?*

2. Your Perfect Client

We've already talked about how most agencies think that taking on more clients is the quickest way to grow; and what this can mean is that they're not particularly fussy about which clients they sign up. If your approach is *the more the merrier* and you never turn a client away, it's almost certainly slowing down the growth of your business. In Chapter three we'll be looking at your niche and why when it comes to clients, you should always focus on quality over quantity. Because when you don't have clarity on who you serve and how, it can really put the brakes on your growth; but when you finally work out exactly who you serve, that's when your agency really starts to rocket.

QUESTION: *Do you know who your perfect client is?*

(The perfect client is the client that needs exactly what you offer, and is happy to pay a price that makes you the profit you want).

3. Your Systems and Processes

So you've got a team and whole lot more clients than you did in the early days, which is great! But that also means that to keep all those balls in the air you're constantly juggling; evenings, weekends, holidays... it never stops. In Chapter four we're going to get you off that treadmill for good, by showing you how to put in place the systems, processes, policies and tech that will give you the freedom to step away from the busy work of running your agency, and focus on what you really want to do. By the way, if you want to scale up, or even sell your agency one day, this is the pillar you really want to go to town on. It's the key to owning an agency that runs smoothly wherever you are and whatever you're doing.

QUESTION: *Are you building the systems you need to support your ambitions for growth?*

4. Your People

If you're still involved with every detail of your business, from running each project to digging out receipts to give to your bookkeeper, the chances are that although you now have a team, not everyone is doing the right job. This means your agency is likely leaking energy, time and money. We'll be talking about this in a lot more detail in Chapters five and six where you'll learn how to create a people-driven agency that helps your agency thrive. Plus you'll learn how to stop haemorrhaging profits using the People-Profit Formula.

QUESTION: *Can your business run without you (so you can take time off to focus on other projects or just go on holiday undisturbed)?*

5. Your Financial Dashboard

If you're spending hours agonising over whether you can afford to hire a new team member, or how much you should be charging for a new project, the chances are you don't have a firm handle on your finances. If so, you're not alone; many agency owners don't really know their numbers, which can unfortunately lead to some very poor decision-making. That's because if you can't rely on your numbers, it's almost impossible to scale your agency profitably. In Chapter seven you're going

to learn how to create your own financial dashboard to help you get up close and personal with your finances, so you can quickly and confidently make decisions that will help your agency thrive.

QUESTION: *Do you know exactly how profitable your agency is right now?*

6. Your Money

When you're not managing your cash well you're basically running your business handcuffed. If you don't have access to all the money in your agency (or you don't even know where it is), great opportunities can pass you by, simply because you don't have the means with which to reach out and grab them. Plus there's all the mental stress that goes with not being in control of your money: That constant background worry that at some point you're going to run out of cash and lose everything you've worked so hard for. If this is something you struggle with, you're going to love Chapter eight, where you'll learn some quick changes you can start implementing right now which will instantly bring more cash (and peace of mind) back into your agency.

QUESTION: *Does cash flow into your agency quickly and easily? Do you know where your money is inside your business at all times?*

If you've answered yes to all of these questions, congratulations! You can now stop reading. Your agency is clearly in great shape. But if you're struggling to scale and

you're being really honest, the chances are you answered 'No' and 'I don't know' to many of the questions above - and that's ok, because you can absolutely turn this around. Now you've brought into sharp focus which areas of your business most need your attention, you're ready to start laying the right foundations to scale your agency profitably, sustainably and at speed.

But to do that, you need to start breaking these areas down into practical, actionable steps. And it all starts with the next chapter, where you're going to get absolutely clear on what you want your future business to look like. It's time to work out what you really want from your agency.

This is the exciting part where you can dream big and reconnect with the energy you had at the start of your journey of becoming an agency owner. That vision of building something meaningful, with purpose and of value. And most importantly, building a business that inspires you.

Chapter Summary

Do you have a House of Cards Agency that's built on patchy processes and sketchy systems? Or are you stuck in the trap of serving less than ideal clients that stop your business from growing? There are 6 key foundational pillars that help you scale your agency like clockwork, and the first step is getting clear on how things are currently looking in each of these areas by doing a quick business health check.

CHAPTER 2

WHAT'S THE BIG PICTURE?

PILLAR ONE: YOUR VISION

*“If you don’t know where you are going,
any road will get you there.”*

– Lewis Carroll

What’s the most important thing to you about being in business? Do you want to create a business that transforms your industry and supports your community in a sustainable way? Or do you want to build an asset you can sell so you can spend the summer drifting around the Amalfi? Or perhaps you want to be able to flex the hours you work so you can spend more time with your kids whilst they’re young - or more time on the golf course while you are? The reality is, most agency owners aren’t aiming for the sky. They’re not dreaming about the billionaire’s lifestyle with a yacht and a private jet. They want to build something they’re proud of and can call their own. They want to be able to pay the mortgage on the family home, go abroad a few times a year, pay for their kids’ education, and maybe have a bit of spare cash leftover to invest. They want to work less hours than they’re doing right now, and they want to stop worrying about whether they can pay their staff next month.

These are the things that so many agency owners are struggling to do; not because it's hard to achieve, but because they don't understand the fundamentals of their business. I want you to know that all of the above (and more) is not only possible, but probable once you know which levers to pull inside your business. But before we dive into the how, there's one important question you need to ask first.

Is your agency delivering on your dreams?

For most agency owners ready to scale in a sustainable way, the answer to this question is no. They may look successful from the outside, but the reality is that they're working more hours than they ever did when they were employed, their stress levels are through the roof, and those little luxuries they thought they'd be able to afford while running their own business are constantly dependent on 'whether work picks up.'

It doesn't have to be like that though. It absolutely is possible to have both a fulfilling career and a life outside of work as a business owner. But it all starts with getting clear on your vision first.

It's *not* all about the the money

So what's your real vision for your agency? When I asked Neil, the owner of a London-based video production agency, his answer was "to make lots of money!" I'm sure that's probably going to be your answer too. *But how? Doing what? Why? And for whom?* Almost every time I ask a client about what they want, they easily reel off their desired revenue and how many employees they want, but when it comes to their purpose and their vision, they get stuck.

The problem is, your business is so much more than your numbers. If you don't know what you want your future business to actually look and feel like,

then each day you're making decisions without knowing if they'll take you in the direction you want to go. This approach is not strategic, and it makes good decision-making hard. If you're a co-founder of a business this is doubly tricky, as I learnt when I first started working with Duncan and Paul who run an agency which they'd grown to £3 million in turnover. But it was only through doing this exercise that it became clear one of the real reasons they were struggling to scale to the next level, was because when it came to their vision for their agency, they were not on the same page. While Duncan wanted to focus on sustainability for the long term, Paul only wanted to work on sustainability projects now while they were topical. Aside from having completely different visions for their agency, the more they talked, the clearer it became that neither of their visions actually aligned with the goals they had set themselves, or even their values. They wanted to focus on sustainability on the one hand, but conversely were growing a lucrative portfolio of clients who were the exact opposite of this brief.

It doesn't matter if you're co-owners of a business or a solo owner, you need to get clear on what you want your agency to look like in five or even ten years, so you can make the strategic decisions that will get you there. Those decisions also need to be focused, and stack up with your values too.

So what is the vision you can actually get behind?

Most of us are scared to vocalise what we really want. But this is the moment to be bold, unedited, and unapologetic about what you really want for your agency. So if it's not just about the service you'll be offering, how much profit you want to make or how many employees you'd like to have in the future - what is your vision really?

When I explored this with my client Neil, it became clear that far from just ‘making lots of money,’ he in fact wanted his agency to be known for its creativity and consultancy. Personally he wanted to be able to step away from the day-to-day work, and focus more on business development and strategy and hopefully, in the not too distant future, be able to buy his own home. Now he was finally clear on where he actually wanted to go, Neil could map out the path he needed to get him there.

Your vision for your agency is about drawing the big picture of why it exists in the first place, because that’s what will help you focus on the goals that will actually change your life and business. No more working with clients that don’t help you meet your goals, or marketing strategies that don’t fit your business model. Instead you stop wasting time, you stop wasting money, and you start scaling your business faster, more sustainably and more profitably.

What do you want to be known for?

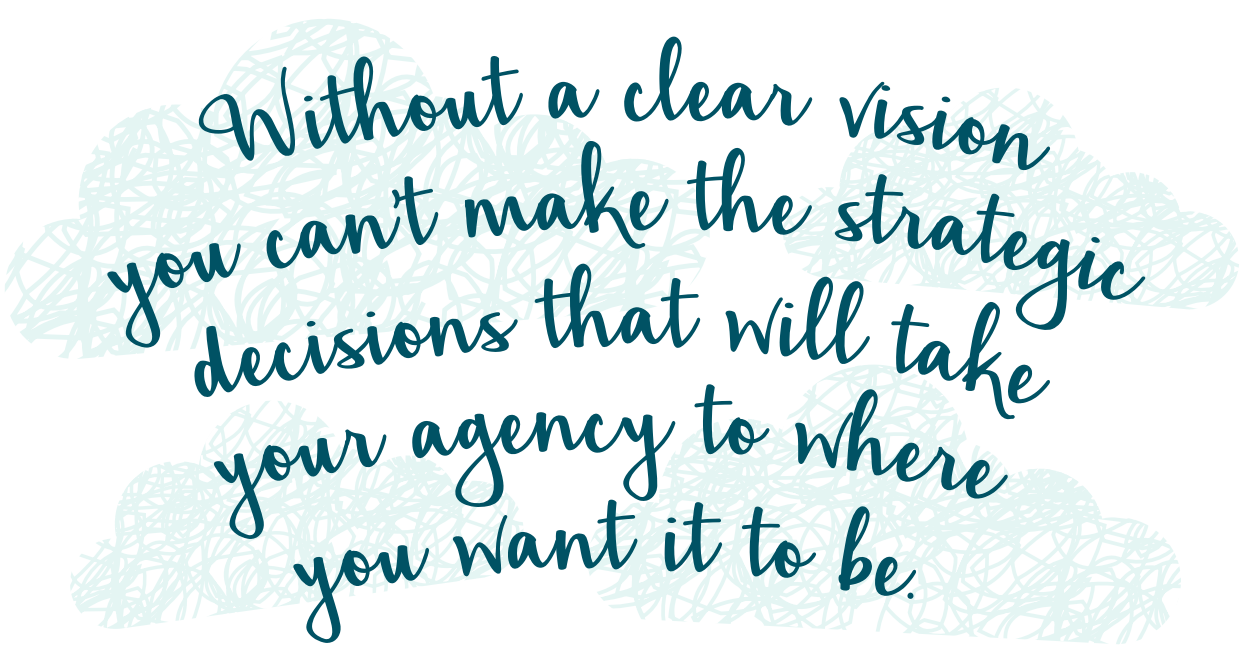
Your purpose, or your vision, tells the world - and most importantly yourself - what you want your agency to be known for. It gives you direction and will guide all the decisions you make in the future. The most successful agencies are those who are clear on two things - *what they do* and *who they do it for*. The agencies that struggle, are usually trying to be everything to everyone.

What do you do and who do you do it for?

Tim ran a design agency that built amazing websites, but they also did a hundred and one other things too; from app development, to investing in other businesses, even sub-contracting their team to other companies. But they were struggling to see results. It was easy to see what the issue was - without any focus no-one knew

what Tim's agency specialised in, or what they were really good at.

We advised Tim to get really clear and specific on what they did and who they did it for, because we knew having that kind of focus was the key to turning his agency around. But while Tim made all the right noises, after a while he continued to jump on every opportunity that came his way. Sure, it made him a quick buck, but ultimately that lack of strategy meant they weren't succeeding at anything. I'd love to say we were able to help Tim to see the light and finally focus on growing the agency he wanted, but unfortunately not everybody wants to listen, and we finally parted ways. One of the problems with not having a clear focus, is it's too easy to be distracted by every opportunity that turns up.



*Without a clear vision
you can't make the strategic
decisions that will take
your agency to where
you want it to be.*

CREATING YOUR VISION

To get clear on what it is that makes your agency distinctive compared to your competitors, consider the following questions.

WHAT MAKES YOUR BUSINESS DISTINCTIVE?



1. What are your dreams for your business?
2. What problems do you solve?
3. Who do you serve?
4. How do you serve them?
5. What do you do for them?
6. What do you want your role to be?

Once you can answer these points clearly and succinctly, you will have defined your purpose and where you want your agency to go. So how do you turn that vision into a reality? Well, the logical place to start is with your clients, and to work out which ones are keeping you stuck, and how to attract the ones that will help you grow.

CHAPTER SUMMARY

Defining your vision helps you get clear on why your business exists for both you and your clients. If you don't get clear on what you want your agency to become, you run the risk of never growing a business that delivers on your dreams.

CHAPTER 3

THE CLIENTS THAT GROW YOUR AGENCY

PILLAR TWO: YOUR PERFECT CLIENT

When I started my own accountancy practice, in 2015, what we did and who we did it for was pretty clearly defined; we worked with agencies. We did *not* work with businesses that sold products or retail businesses. So when a luxury handbag designer (whose bags I happened to love) approached us as a potential client, the answer was simple, “Of *course* we’d work with them!”

Ok so I admit, I had my head turned. But it wasn’t *just* because I was flattered to be asked to work for such a famous brand (or able to go to their sample sales). With my business head on, having their name on our website would be a great endorsement, and they paid really well too - like three times as much as our next largest client! So no, they weren’t *exactly* our niche, but we could make it work, right?

The first mistake was that we provide accounting solutions that add value, but the luxury handbag brand only wanted us to do their monthly payroll which is purely functional. The second mistake was yes, we were making money from the arrangement, but we had no authority in the relationship, which meant they’d often only give us the information we needed to complete their payroll on the 28th

of the month, leaving myself and my team no option but to drop everything and work 40 hours straight to make sure their staff got paid on time.

The contract was also taking up a lot of hours which meant that rather than building my business and finding new ideal clients, I was stuck doing jobs way below my pay grade. And the worst part of it all was, not only were they tricky to deal with, but we weren't learning anything from working with them at all. Nor were we creating anything unique that we could leverage with our other clients, because they were completely different to every other business that we worked with. It quickly became clear that rather than having a healthy symbiotic relationship which grew both of our businesses, we may as well have been their employees.

Wanting a client to work out is not enough

It's never easy to end a client relationship, or turn away a huge chunk of money that you don't yet know how you'll replace. This is probably why we carried on working with the luxury handbag brand for a whole year. But when the person who was doing the bulk of the work on the contract told me that her hand started shaking every time she answered the phone in case it was them, I knew it was time to walk away, and we finally gave them notice.

The client's Finance Director was shocked. *How could such a small business walk away from them?* But for us, it was a massive relief, and a huge lesson learnt. Yes, we'd made money on the job but, because we weren't familiar with their business or their systems, we spent four times as long as we had expected on managing them. That time could have been far better spent building out our processes, investing in our marketing or developing our services (all things we'll be talking about later).

Relationships should feel good and be beneficial to both sides. The time spent working on this account was essentially dead time as it wasn't beneficial and it didn't feel good. But when you work with an ideal client you're constantly developing your experience and expertise in your niche. You can then use this to better serve your existing clients and win new ones.

Do you have transactional or relationship clients?

What this lesson with the luxury handbag designer really hammered home to me, was something that I thought I already knew but had clearly ignored:

WHEN YOU'RE SCALING AN AGENCY YOU MUST AVOID PURELY TRANSACTIONAL CLIENTS.

Here's what I mean by this: transactional clients are the ones who make you money now, but ultimately keep you treading water (this was definitely the category our luxury handbag designer fell into). Relationship clients on the other hand, are those who are the best fit for the work you do, and help you to grow towards your business and financial goals.

Tellingly, after giving notice to the luxury handbag brand, we returned our focus to our core business (relationship clients), and not only quickly filled the hole in our revenue, but began making huge strides forward in our business, simply because we were doing the right work, for the right people.

HOLDING YOUR GROUND AND YOUR VISION ALWAYS PAYS OFF IN THE END.

Who are your relationship clients?

So now you know you can't work with just anyone who comes knocking on your door, no matter how shiny and promising they seem, but who should you be working with? It's time to look at your current clients and decide which ones are transactional, in other words, just paying the bills but not actually bringing you any new opportunities; and which clients are reinforcing your brand, growing your reputation and establishing your expert status.



*It's time to get
brave and niche!*

What is a niche exactly?

Niching is when you work in a specialised segment of a market for a specific product or service. A common misconception about niching is that it's only about the industry or sector you choose to serve. But your niche could be a particular type of service you offer, or a specific demographic you cater for. It might even be the method you choose to deliver that work.

Here are a few reasons why it pays to niche and get strict on who you work with:

> You become the expert

Clients want to work with experts, and the quickest way to stand out in a noisy field is to establish yourself as the go-to person who works within a specific area, whether that's an industry sector, a particular challenge, or a service.

> You build trust

When you niche, all your efforts - including your marketing, training and investment in technology - speak directly to your ideal client. This makes them feel seen, heard and understood, which means you become the first agency they think about when they need your services. It also leads to more rewarding relationships and happier clients.

By building trust your clients are more likely to recommend you to their peers so therefore your client base will naturally grow.

> You can charge more

When you design everything in your business around your ideal clients this gives them more value. You're also able to leverage what you've learned from working with other similar businesses and apply it to them. This means you can justifiably charge more for what you do. When we stopped working with the luxury handbag designer and focused on our core business, we were once more offering a niche service. Because what we do is so geared towards our clients, it means we now earn three times more from our clients than we ever did from the general service we did for the luxury handbag brand.

> You save money

When you specialise you don't need to keep up with every single change in the broader industry in which you work. - instead you can focus on your specific niche. This ultimately saves you time and money. Rather than having to design bespoke systems for each new client, you can build all the processes in your business around your ideal customer. This in turn makes your business more profitable, efficient and consistent in the service it delivers.

> You're more confident

It's so much easier to make decisions about which opportunities to accept or decline when you're clear on who you work for, and what you do for them.

FINDING YOUR NICHE

So how do you choose a niche? And if you've already chosen one, how do you know if it's the right one for you? Here are a few questions that will help you work this out.

1. Which of your existing clients do you work well with? Think about which relationships you find the most rewarding - what is it about them that you like?
2. Is there a particular client that you've delivered great results for? And how have you been able to do that?
3. Is there a particular type of client that you have ready access to, for example because of your location or existing network?
4. What do you consider your key strengths as an agency? And which problems can you solve for your clients?

5. Is the niche you're considering a profitable one? And is it likely to be profitable in the long-term?
6. How does that niche align with your overall company vision? For example, if you have a passion for being an ethical company, it's important the niche you're targeting shares these values too.

Once you've answered these questions, you might find some of your existing clients are less than ideal - or you might find that most of them are. It's at this stage you need to decide how to move forward: do you part ways with them all in one big swoop and start again with a clean slate; or will you need to do it more gradually in order to manage your cash flow?

Either way, it can be pretty daunting telling a client you don't want to work with them anymore, or to turn a prospective client away, but when you're scaling up you have to do uncomfortable and sometimes counterintuitive things. Once you realise that those clients are in fact losing you time, money and slowing down your growth, it becomes surprisingly easy to do.

Can you niche your niche?

After the last exercise, you may be worrying that by creating a niche that's too narrow it will make clients harder to come by. Quite the opposite in fact, because the more specific you can be with your niche the better. **Focusing on a niche within a niche is called ultra-niching, and it's a very powerful strategy because the more you double down on who you serve, the better you can tailor your service, and the more attractive you become to prospective clients.**

At my company, de Jong Phillips, our niche has always been agencies, but a few years ago we narrowed it down to ‘agencies that are scaling’ Our own clients have also ultra-niched in various ways. For example, one of our clients specialises in PR for large construction companies based in the South-East of England - this is essentially a niche within a niche.

If you decide to ultra-niche, and I highly recommend that you do, you’ll then become such a great fit for your ideal clients that you’ll have less competition and win a lot more business. And remember, you’re also going to be able to charge those clients more for your expertise, because your services are entirely geared towards their needs.

When is a good time to make the decision to ultra-niche?

Not everyone will choose to ultra-niche their business but if you are going to, as with any nicheing at all, the sooner you do it the better. This way you’ll start benefiting sooner from zoning in on your expertise and building a name for yourself in your field.

How do you decide if a client’s a good fit?

All of your marketing should focus only on your niche. This isn’t to say if a client comes along that doesn’t fit your niche, you’d automatically turn them away. Instead you can weigh up whether your existing business model can support them to the same high standard that you want to be known for. An easy way to help you and your team decide whether a client should be a *yes* or a *no*, is to set a criteria they need to meet.

We have five criteria at de Jong Phillips, and if a prospective client ticks four or more of those boxes, we’ll sign them up. If they hit three or less, we’ll help them

find someone better able to serve them. To give you an idea of what this might look like for your agency, here's our criteria.

All our clients must:

1. Be an agency (this one is non-negotiable)
2. Have staff
3. Have the ambition to grow
4. Use Xero as their accounting software, or be willing to switch
5. Have a growth mindset

We want clients who engage in the process

This doesn't mean our client selection process is fool proof. One past client who ran an SEO agency ticked all of these boxes, but it quickly became clear when we started working together that while he claimed to buy into the way we worked, his actions told a different story. After a few months we decided to end our relationship. The client was really frustrated when we told him we couldn't work with him any more. He was willing to pay for our services, so why couldn't we just carry on? Unfortunately, paying for our services but not being willing to engage in the process was a deal breaker for us. Because without this we couldn't deliver the standard of service we want to be known for, therefore he was not a relationship client but a transactional one who would not help us grow our brand.

It's worth remembering therefore that your ideal client criteria doesn't have to be just circumstantial, it can also be attitudinal and values based; and just because a client appears to fit your criteria when they first engage your services, it doesn't mean you should continue working with them if they turn out to be a bad fit.

Getting clients on auto-pilot is not about the price tag

Once you have a much better idea of who you want to work with and how, the next question is, do you have a systematic approach to attracting and winning new clients, or are you just winging it? Yes, it's time to work out your marketing plan, and the biggest flaw with most agencies' marketing strategies is that they don't actually have one.

This was certainly the case with Emily, the owner of the agency you met back in chapter one, whose goal was to scale from sales of £1 million to £3 million in three years. To do this, she had set herself an annual marketing budget of £20,000, but not a lot was happening. Sales were still not growing, and to Emily's frustration, her agency was still stuck around the £1 million mark.

When we talked with her about this, the problem was quite simple - Emily just wasn't getting enough people through the door to create a constant stream of new business. When we looked at her numbers we discovered that despite setting a budget for marketing spend, Emily would get to the end of the year with only a fraction of that budget spent. This was because, although she had the money to market her business, she had no clear actions for what she was going to do with it, and no-one taking responsibility for making it happen.

We sat down together to build a plan for her to better use her budget. Her first suggestion was one we hear a lot; "I'll build a new website," she said. But when we pressed her to see how this would actually impact her revenue, she couldn't really say. Instead we talked about other ways she could be marketing her services. This is where Emily lit up. Because most of her business development relied on networking. In fact, the one marketing activity that really moved the needle on how much business her agency won, was how many people she was connecting with.

For Emily, her budget of £20,000 was meaningless without knowing how she was going to spend it, and it turns out that budget was also actually much too high. What she *really* needed to be measuring was not how much money she would put aside each year for marketing, but how many lunches, coffees and phone calls she needed to be having each week in order to generate a steady stream of potential customers for her agency.

MARKETING IS A NUMBERS GAME, BUT IT'S NOT ABOUT THE PRICE TAG; IT'S ABOUT THE NUMBER AND QUALITY OF MARKETING ACTIVITIES YOU'RE ACTUALLY ENGAGING IN.

Drawing up your Agency Marketing Plan

So as you can see from Emily's example, your budget always needs to be built from the bottom up, because that final number needs to be meaningful and represent what you're actually going to do. So five key elements your marketing plan should include are:

1. What are your marketing goals?

Get clear on what your marketing goals actually are so you can stay focused. They could include raising brand awareness, increasing the number of enquiries into your business, or improving the conversation rate from prospect to client.

2. Which marketing activities will you focus on?

Some of the most common ways agencies attract new clients are:

- Referrals
- Networking and entertaining
- Content marketing (like creating your own content or creating guest content for others)
- Hosting events (in person and virtual)
- Website enquiries (sometimes enhanced by SEO or pay per click advertising)
- Directly approaching clients
- Attending industry events

3. Who is doing it?

Be specific about who in your team is going to be doing these marketing activities and make sure they have the support and time they need to actually get stuck in. We'll be talking more about exactly how you can do this in Chapter five.

4. When are you going to do it?

The reason we often see marketing budgets go unspent is because agencies are so busy delivering client work that they don't set aside time in their week to work on their marketing activities.

5. How much time and money are you going to spend on marketing?

Marketing needs to be an activity that's constant and consistent and always ticking along in the background. You shouldn't just focus on marketing when you need extra sales. As well as setting yourself a money budget for your marketing, you could also consider having a budget for how many *hours* a week should be set

aside for marketing activities.

6. Scaling predictably with a pipeline

Once you've got your plan in place, you then need to systemise it by monitoring how that plan is working. This is where having a pipeline comes in handy. Your pipeline is a dashboard report where you track how well you're doing when it comes to winning new clients. It helps you plan your income and make business decisions based on your predicted sales.

Things your pipeline report should include are:

- Name of prospect
- How they found you
- Date of first contact
- Date of first meeting
- Date proposal sent
- Estimated value of work
- Likelihood of winning work
- Date proposal won or lost
- Expected work start date
- Date work actually started

There are some great apps for tracking your pipeline, like Capsule or Pipedrive, but if you're not ready to sign up for something like that a simple Gsheet can do the job just fine until you are.

By tracking all these things you can start to predict your future income. You can also start to understand what your conversion rate is (that's how many enquiries you convert into clients), what percentage of proposals you win, and how long it takes on average for a client to move from a prospect to fully signed up.

Once you've done that, you can then work back and see how many proposals you need to send out on average each month to hit your revenue targets. You can even work out how many phone calls you need to make, or how many networking events you need to attend to generate enough interest to hit your targets. Knowing this information really can be the difference between being in a place of constant struggle, and confidently bringing in new sales each month and year.

When we first started working with Richard who runs a PR agency, he told us his goal was to win a new client each month. But when we looked at his pipeline we could see that based on his previous performance, he'd need to be sending out around three proposals a month to win one new client. To send out three proposals a month, he'd need to be meeting around 12 prospects a month to generate enough interest. Instead, he was only getting one or two new enquiries a month, and yet he was budgeting on winning them all. This meant Richard was overstretching himself financially as he was hiring staff that he couldn't afford because his sales expectations were unrealistic.

When I asked how they could get more enquiries, Richard immediately answered "make more calls." He knew what they needed to do to get more business but was so caught up in the day-to-day running of it that he wasn't actually doing it. In the end all he had to do to win that new client a month was to identify what was working and to set targets around it.

When you start to track your data, it changes everything. You make better decisions, you're more prepared for what's coming next, and you're able to use that

information to adjust what you're doing now in order to meet your targets later.

Niching and systemising your marketing to attract your ideal client really does revolutionise the way you run your agency - it's not about saying no to the wrong clients, it's about saying yes to your vision. So now we've talked about the strategy and the systems you need in place to win more of those ideal clients, we're going to stay on this theme, and look at the other systems your agency needs in place to leverage those ideal clients and scale faster.

CHAPTER SUMMARY

Your business should never be one-size fits all, which means not everybody is your client - no matter how much money they might bring into your business. The more you niche down what you do and who you do it for, the better you can tailor all of your marketing, systems and offerings to better serve your clients, this makes your business more efficient, and it also means you can charge more for your services. Plus, when someone is specifically looking for what you specialise in, your agency becomes the obvious choice.

CHAPTER 4

THE FREEDOM SYSTEM

PILLAR THREE: THE PROCESS, POLICIES AND TECH

In the early days of running your agency you probably didn't think much about systems - and to be fair, you probably didn't need to. Back then you were just selling yourself; your knowledge and your expertise to help your clients get results. I didn't think much about systems in the early days either, but when I started to scale de Jong Phillips all that changed. Because while we were still selling our clients the same outcome, I wasn't just selling myself anymore; that service was now delivered by multiple different members of my team. This meant my role had to become about making sure my team could deliver that same consistently high level of service to multiple clients in the most efficient, consistent and profitable way. And to do that, we needed systems.

Now systems aren't very sexy, but I guarantee by the end of this chapter, you'll be a bit more excited about implementing them than perhaps you are now. That's because, as your agency starts to scale, your focus needs to shift too. It stops being about delivering work to your clients and managing the daily grind of your agency, and starts being more about having a vision and making sure your team can deliver it for you. The humble system can do all of that and more. This will save you time, help you better serve your clients, make you money and help you reach your business goals.

BUT WHAT MAKES SYSTEMISING YOUR AGENCY REALLY EXCITING, IS THAT SYSTEMS GIVE YOU THE THING MOST PEOPLE START THEIR BUSINESS FOR: FREEDOM.

It's never too early (or too late) to create a system

Recently a junior member of our team asked if they could have a pay rise; a simple question which even a year ago would have probably thrown me out of kilter for a couple of days. I'd have had to sit down and look at the numbers to see if we could afford it; I would have had to review their performance to see whether they warranted it; and if the answer was a 'no,' I'd then have to figure out a way to deliver the news in a way that made them feel like they were being treated fairly, and were still a valued member of the team. In other words I would have been firefighting, and inevitably been forced to deal with the situation reactively, rather than in a calm and considered way. The difference this time however, was that I now had a system! Which meant instead of losing hours over yet another curveball, I had everything I needed to deal with the situation efficiently, effectively and transparently.

- I'd done my budgets, so I knew exactly how much we could afford to spend on salaries and when a pay rise might be possible.
- I'd written clear role profiles and quality appraisals, so I knew exactly what a junior team member needed to achieve in order to be promoted.
- And I had it all mapped out, so the team member could see they were being treated just like everyone else.

As a result, this was not only a really easy conversation to have which everyone left feeling satisfied and happy, but I didn't even need to do it myself, because their manager had all the information they needed to step in and do it for me.

I wish I'd put systems like this in place from day one because the time and energy it would have saved me almost certainly would have enabled us to scale much faster. **After all, a business is just a collection of carefully thought-out systems and processes, bound together by a vision and it's people.** So, if like me, you didn't implement systems from the start, the next best time to do it is right now. It's never too early or too late.

You might be thinking, *well, do I really need to do it? I've already grown a team and things seem to work ok.* I know with so many things on your plate, systemising your business is perhaps not up there on your priority list, but as your team continues to grow, this ad hoc approach will become increasingly inefficient, time consuming and prone to error. If you don't want to leave money on the table, or risk your reputation by one day dropping a ball, it's time to systemise.

Here are a few other reasons you'll love systemising your business:

> **Systems make you money faster**

When you're more efficient, you're more profitable!

> **Systems create space for the fun stuff!**

Systems are not going to stifle your creativity and make your job feel mundane and boring - quite the opposite in fact! The more systems you have in place, the more freedom you have to be creative.

> **Systems make happier clients**

How many clients do you lose because they're confused about how your service works or have been put off by a haphazard onboarding process? When you have robust systems in place, you know that every client you work with is going to have a consistently good experience.

But apart from anything, systems give you something tangible to sell

It's hard to sell creativity and talent alone, which is frustrating because that's what makes your agency brilliant. But when you have a proven process born out of your systems, that's something that feels measurable, tangible and reassuring. This means a prospective client is much more likely to understand what you offer.

HOW TO SYSTEMISE YOUR AGENCY

So which systems do you need to start mapping inside your agency? Well the answer is simple - all of them. Over the last few years in my business, we've mapped out processes for everything, from onboarding a new joiner, to how we engage with a new prospect or enquiry, right through to how we deliver each of our services.

Here's how to work out which systems your agency needs.

Step 1 - What do you already do?

Sit down with your team and brainstorm everything that happens regularly inside your agency. Which services are you delivering to your clients? Which accounting processes are you doing? What happens on the HR front when it comes to hiring and firing, or performance and pay reviews? How do you onboard new clients? How do you ask for feedback when a project is complete? Write down anything that happens regularly inside your business.

Most agencies need systems for:

- preparing proposals or pitches
- onboarding new clients
- delivering projects
- welcoming and training new joiners (or saying goodbye to leavers)
- keeping your financial systems up-to-date, e.g. bookkeeping and budgeting.

The list should include anything that you do, or *should* be doing, regularly and repeatedly. You'll probably find you have a very long list of processes by the end of this exercise, and might feel a little overwhelmed by it all. But don't worry, you don't have to do them all at once. The next step is to decide which systems you need to implement first.

Getting started with systems

There are three questions you can ask to help you decide which processes are the most important to tackle first:

QUESTION 1: *What is the biggest time drain?*

When I started going through this exercise myself with my team, we used timesheet data to see what the biggest drains on our time were. We did this because we knew that we'd get the biggest win if we could get those processes working smoothly. We'll be talking more about why timesheets are the most misunderstood tool, and why you need them, in Chapter six.

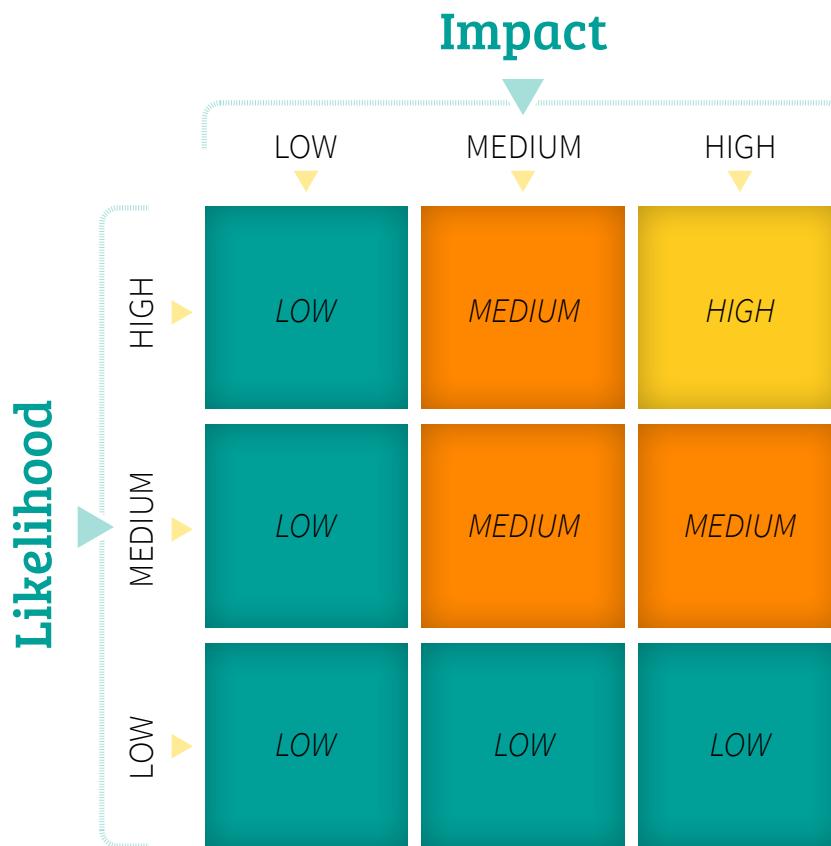
QUESTION 2: *How is the client experience?*

What are you doing regularly that's having an impact on your client experience? It might be how you welcome them into your agency through your onboarding process, or it could be how you interact with them during the delivery of a project. Is there room for improvement in how you do any of this? And is there a way that you can standardise the client experience so that it's consistently excellent?

QUESTION 3: *Where's the risk?*

Is there any area of your business where if something doesn't happen correctly - or not at all - it could be catastrophic? If there is then this *definitely* needs to be a high priority, even if it'll be imperceptible to your clients, and doesn't save you any time. This could include things like financial risk, for example deciding on when and whether you give credit to your customers; or it could be an operational risk, like how you look after your own or your clients' data safely. If you get these things wrong you could lose money or harm your reputation in a way that could really damage your business, so these systems should definitely come high up on the to do list.

HIERARCHY OF RISK



Step 2: Redesigning Your Systems

So now you know which system is the most important to implement first. Here's what to do next:

- 1) First, map out the whole process as it currently stands, from start to finish.
- 2) Next, get clear on the required outcomes of the process.

For a new person joining your team, for example, some of the key outcomes may include:

- the employee is adequately vetted before joining
- proof of ID and address is collected

- signed contracts are in place before their first day
 - their first day in the office is a positive and welcoming experience
- 3) How does the current process stack up against these goals? Is anything missing? Is anything being done now that actually doesn't need to be?

That last question is particularly important, because this is where you have the opportunity to make your system most effective.

Step 3: Streamline

Everything we do inside de Jong Phillips is regularly run past the 'Eliminate Automate Delegate' (EAD) method. As Timothy Ferris says in his book, *The 4-hour Workweek*: **'Never automate something that can be eliminated, and never delegate something that can be automated or streamlined. Otherwise you waste someone else's time instead of your own, which now wastes your hard earned cash.'** It really is a mindset first, and one that it pays to instil inside your agency culture at every level. When it comes to working out your systems though, the EAD method will help you streamline all your processes simply by asking the following three questions.

1) What can we ELIMINATE completely?

Often as processes evolve, some elements become redundant, but the person doing them doesn't always realise this so they continue to do steps that serve no useful purpose.

2) What can we AUTOMATE?

Every day new technology is developed that can save us time. It's therefore important you keep revisiting what you do, to see if there are any steps in the process that can be automated.

3) What can we DELEGATE?

If something can't be eliminated or automated, can it be delegated to someone more junior in your team (or even outsourced to a specialist)?

Step 4: Mapping

Now it's time to redesign your process. This means mapping out how you want this process to work so that all the key outcomes are ticked off, the risks are covered, and your client has the best experience possible. And you then document this for every system in your business, by creating its own playbook.

How to create your playbooks

Once you've figured out how you should do things, doing them consistently is really important when you're scaling up, and that's where playbooks become a lifeline. A playbook is a step-by-step guide on how you run things in your business. Every system in your business should have its own playbook. **Playbooks not only guarantee consistency, but mean you can delegate activities and free yourself up from being involved in all of your business's processes.** When a system has its own playbook, any member of your team can follow the process, which means you won't need to be involved in every detail to know that it's being done right. What's more, if someone's off sick, on holiday or even leaves the agency, another person can easily step in to make sure what needs to happen gets done.

When all your systems are mapped out in clear and efficient processes and then recorded in playbooks, that's when your agency becomes scalable.

It's a good idea to involve your team in creating your playbooks. Not only will this save you time, it means the people who are going to be running the processes in future will be more likely to buy into them if they have been built collectively. Once you've got your playbooks written, you can be comfortable that things are done the best way even when it's not you doing them, which not only makes your business a sellable asset, but leaves you the time and space to focus on what matters to you. Remember, your playbooks don't have to be perfect, they can evolve and improve over time. What's important is that they get started.

Why embracing tech will grow your agency faster

A few years ago my Dad (who is the de Jong in my business, de Jong Phillips) got back to the office after having a car MOT buzzing with excitement because he'd had such an excellent customer experience and wanted to work out how we could do something similar. You see, rather than dropping his car off, only to return a couple of hours later to a list of faults and repairs plus a bill, the garage had actually taken a video of the service they'd done on the car, so he could watch the mechanics work, and talk through what they found as they did so. What my Dad realised was that this simple use of tech turned a process that is usually potholed with scepticism ("What?! I had my wiper blades changed last week!), into one that was fully transparent.

We've applied this simple use of tech inside our own agency in several ways. For example now, each month before we meet with a client we share a video where we talk through their financial performance. This gives our clients time ahead of our meetings to think about any questions they might have for us. It also means we can share the video with other team members who need to be kept updated but aren't involved in the meetings. Also, if a client asks a technical question that has a complex answer which would be difficult to answer over email, we record a quick video to show them our thinking, which means everything we do to support our clients is entirely transparent.

Technology has played a huge role in helping us scale, grow and better service our clients. If you're not leveraging technology in your agency, then you're getting left behind. Forward thinking agencies are embracing technology to improve collaboration, speed up processes and gain insights. This means they give their clients a better experience and ultimately, makes their own businesses more profitable.

A big part of systemising your business undoubtedly includes making sure you have embedded the right technology in everything you do.

10 apps that will help your agency become more efficient, profitable and grow:

1. Xero

This accounting software is an absolute must-have tool for any agency. It is the core of your financial system and it has a bucket load of great features which will make it easier to keep your records up to date. And when your records are up-to-date you can make faster, better informed decisions. At de Jong Phillips we're a pioneering accountancy practice in that we exclusively use Xero. In 2022 we won both their Small Firm of the Year Award and I personally was named as

their Most Valued Professional.

2. Dext Prepare

This handy little app will save you hours of bookkeeping time, and the agencies we work with love it too, because it means no more hunting down receipts for the bookkeeping. Instead you simply snap a photo of your bill through the app and they'll be automatically processed into your accounting system. Genius.

3. Chaser

This is an easy way to take the pain out of chasing payment for overdue invoices, because Chaser connects to your accounting system and does the leg work for you, which means you get paid faster without even having to pick up the phone.

4. Telleroo

Making payments to your suppliers and team is time-consuming and can be a tricky one to delegate, but Telleroo connects to your accounting system and helps you manage the payments with a single transaction.

5. Harvest

As your team's wages are likely to be one of your biggest expenses, tracking their time is critical if you want a thriving agency. We've found Harvest to be the perfect tool for doing this - it has great functionality and is simple to use. Again, we'll talk more about time tracking in Chapter Six: The People Profit Formula.

6. Soldo

Managing staff expenses can be a headache, especially when you have a large team. This is why we love Soldo. It's a prepaid debit card that you can give to staff to use for their expenses. Limits and rules can easily be set up so you have better control over what your staff are spending.

7. Float

Managing your cashflow is critical but keeping your cashflow forecast up-to-date and meaningful can also be time consuming. Float plugs into your accounting software and allows you to view your live cashflow at the click of a button.

8. Loom

Loom is an app that allows you to record videos from your computer screen. As you can capture what's on your screen and share it in the video, it's a great tool for delivering information quickly and personally, and is perfect when a live meeting isn't possible.

9. Satago

If you're offering your clients any credit at all (remember that by simply doing work without taking a deposit is giving credit), Satago allows you to first check how risky a client might be. It connects to your accounting software and evaluates the risk level of all your customers and also flags if they exceed their recommended credit limits

10. Slack

Slack is a great tool for communicating and collaborating with your colleagues and clients. We use it all the time, and it's especially helpful when your team works remotely.

Tech moves fast and we are constantly creating new ways to automate and streamline our operations. You can download our most up-to-date list of our favourite apps from our ebook bonus resources page.

www.dejongphillips.co.uk/resources-for-agency-owners

It might seem like a daunting task to map out all your systems, but even if you put one system in place every single month by the end of the year, your whole business will be more profitable, you'll be more efficient, you'll scale faster, you'll have more room for creativity and you'll have unlocked another one of those keys for hitting that vision that you have for your agency.

The next thing we're going to look at is your people. Everything in your agency is people driven. From the work you do for your clients through to setting your agency up to scale. If you don't get your people pillar right you're not going to be able to build the strong foundations your agency needs to thrive and allow you to take a step and live the life you want.

CHAPTER SUMMARY

If you want to scale a sellable business you need systems!
Even if you put just one system in place every single month,
by the end of the year you'll have your whole business systemised
and working for you - not the other way around.

CHAPTER 5

BUILDING YOUR PERFECT TEAM

PILLAR FOUR: YOUR PEOPLE (PART ONE)

I magine being able to take three months off from your agency and not even having to open your inbox? Perhaps you're thinking, *yeah right! That could never happen!* Particularly if right now you can't take a day off without 'checking in' at least once, and going on holiday is basically running your agency on your smartphone from a sunbed. But if you want an agency that you can scale without working yourself into the ground, or a business that will one day be sellable, you need to set your agency up so that it can run itself when you're not even there. And for that you need the right people doing the right jobs.

Your people, or in other words your team, are the most important part of your agency. Everything inside an agency is people-driven, from the work you do for your clients right through to how you set up your agency to scale. The problem is so many agency owners find themselves stuck doing jobs way below their pay grade because they think, *'if I don't do it, who will?'* Or even, *'I've got to do it because I can't trust anyone else!'* Unfortunately this vicious cycle will keep you and your agency stuck for a long time. There is however another way, one which will make your life easier, your work more fulfilling, and your agency more profitable, and it's all about doing less. Well, less of the boring stuff, anyway.

You're not that special, or at least you shouldn't be

When we first took a deep dive into the systems in Emily's agency, we discovered that like many agencies that are struggling to scale, she was involved with every single detail of her business. Without her, things would have fallen apart - invoices wouldn't be sent, fees wouldn't be paid, new business wouldn't be won - no wonder scaling her agency was proving such an up-hill struggle.

One of the highly time-consuming jobs Emily would do every single month, was to approve each and every sales invoice before it went out the door, because she said, *she just couldn't trust her team to get the billing right!* The frustrating thing was that she knew if she used this time to call people in her network and create connections instead of checking invoices, she would be so much closer to bringing in the high-value work she needed to hit her £3 million goal.

This is such a common dilemma with agency owners, but the answer isn't you being the lynch-pin that holds it all together; **the solution is about helping your team to step up, so you can step back.** And to do that, you need to break the bottleneck.

Breaking the Bottleneck

If every bit of work that goes out the door needs to be reviewed or approved by you first; if you have to resolve every internal issue, and there are a pile of actions sitting on your desk; if you're involved in winning every new client that comes into your agency, you're creating a bottleneck, and bottlenecks slow down your business, create multiple inefficiencies, and keep you stuck.

Think of it like this: while you're at your computer digging out receipts and bills for your bookkeeper or negotiating staff holidays, you're *not* out doing the things that will move your agency forward, like raising your profile, developing

your team, and launching new services. If you have to be involved with every decision, or every project and pitch, there's a natural limit to how far you can grow as a business. So what's the way out?

Less doing, more directing

Very often the reason agency owner's are stuck doing mundane jobs they hate, isn't because their people can't; it's quite simply the fact that they haven't shown their team how to do a particular task properly, or asked them to do it. This is where the playbooks we talked about in chapter four become really useful, because once all the systems and processes that have to happen inside your agency are mapped out, these become the guides for your team, and even your clients, on how things are most effectively done. But it doesn't end there. Because playbooks only really work when every job is being done by the right person, and every person knows what they're meant to be doing. And that's why role profiles are so valuable.

Who should do what?

Successful agencies have the right people in the right roles, and a team that can be trusted to do what needs to be done. To achieve this you need role profiles for everybody in your agency so you can work out what your most efficient and profitable organisation should look like now and in the future.

So what is a role profile? Essentially it's writing down what should be done by each role inside your agency, so that everybody knows what they're accountable for delivering. But it's not just based on what your team looks like *now*; if you want to scale your agency with ease, you need to create a team structure that supports the agency you *want* rather than the one you currently have.

The team your big vision needs...

Think about your agency as having all the key functions every big business has - HR, marketing, IT, operations, client delivery, sales. This means that when you're pulling together the role profiles for your team, there needs to be someone responsible for each of these functions. Some of the roles themselves will be ones you want to recruit for in the future, like Head of Finance or Marketing for example, and that's fine. The point is, you're getting really clear on where your agency's going (see your Big Vision from Chapter two), so you can work towards building the perfect team that will allow you to step away from the day-to-day, safe in the knowledge the work will keep getting done.

Helping your team do their jobs well

For role profiles to work, you need to make sure you and your team understand what their job actually entails. Let's say you decide that your employee 'Steve', who's always been great at winning new business, should be responsible for business development. This doesn't mean giving Steve a new job title and stepping away to see what happens; you need to be really clear about what it is that you expect him to do. Obviously you want him to bring in new business, but how much and by when? Is he to cover new business for the whole agency, or just for his portfolio of clients?

**IT MIGHT SEEM OBVIOUS, BUT IF YOUR TEAM DOESN'T
KNOW EXACTLY WHAT'S REQUIRED OF THEM,
HOW CAN YOU EXPECT THEM TO DO IT?**

Setting your team up for success

Once your team know exactly what you expect from them, the next question is, do they have everything they need to make that happen? It's really important that you include in your role profile the resources they're expected to use. Returning to Steve, your newly appointed head of business development, what support is available to him and how can he use it? Maybe you have a marketing team he could use to promote events or create content for campaigns? Or perhaps he can have access to others in the team to do cold calling for him? When you're both clear on the support and the tools available to him, it's up to Steve to come up with a plan for bringing in that new business. If the plan is lacking it could be he needs some training to build on his plan. It's really important to set your team up for success, and to do that they need to know they have all the resources they need.

If you're not ready to promote your staff or transform their roles in this way, then maybe you need a step-by-step plan to get you there within a timeline that suits you. Most importantly, this plan needs to work for you and your team.

An organisation that's primed for growth

So your role profiles are fleshed out - but how does it all fit together? Are there any gaps? Are you wasting time and money with more than one person doubling up on the same job? This is where you get to see how efficient your team structure really is and how you can plug any gaps and ease the burden on parts of your organisation that are carrying too much responsibility.

When I did this exercise for my own business I realised that on top of my role as Managing Director, I was covering so many other roles as well, from sales and marketing, to office management, HR and operations; no wonder I was logging in every evening and weekend to catch up. I realised that I couldn't wear all the

hats forever, and creating the organisation chart made it obvious who my next hire needed to be.

It might be when you first draw up your role profiles that more than one hat currently falls to you, and while that's normal for a scaling agency, it's important that as you grow you start to move those hats on to other people.

When deciding what to delegate next you need to ask yourself, which role are you adding the least value to, or is taking up lots of your time? Could this be passed on to someone else? For most agencies, finance is the first and easiest choice to outsource.

I've done all that - why are things *still* not getting done?

Emily, our agency client, spent hours (and lots of money on consultants) drawing up an organisation chart and role profiles for her team, but after all of that work, nothing changed. She was still raising all the invoices, still winning all the new business, and still struggling to grow her agency - *so much for consultants and strategy!* But it wasn't that strategising didn't work for her agency, it was simply that she hadn't followed through to the next step and brought her new team structure to life. She'd done all the thinking behind building her perfect team, but hadn't actually worked out how to make it happen. So how do you stop this being nothing more than just a paper exercise?

Successful Teams Talk

Successful agencies all have one thing in common - they have teams that talk to each other! And the fastest way to embed a new system or structure into your agency is to talk about it. That means having a system that regularly monitors and talks about how things are going. In well functioning agencies, information doesn't

just flow from the top down, but also from the bottom up, and it's this free flow of information that is so important to you as an agency owner, since it's impossible for you to know and manage all the details of your business, especially when it begins to grow.

**If you're the one constantly asking all the questions,
(*Did that invoice get raised? How'd that pitch go?
Which equipment do we need for this?*),
what happens when something gets missed?**

This is why successful agency CEOs structure their business so that the management team shoulders much of this responsibility for them. This means your managers look after the areas they are responsible for (as outlined by their role profiles), and you only need to get involved if there is an issue that needs your insight, or a decision that needs escalating.

HOW TO BRING YOUR TEAM STRUCTURE TO LIFE

The easiest way to bring your new structure to life is by talking about it, which means you need to create a system which allows your team to regularly talk to you about their challenges and opportunities as well as what support they need from you. Here's how to do it in three simple steps.

- 1** Get clear on what your managers need to be monitoring daily, weekly and monthly in order to effectively run their team, and give them access to that information. This might be business pipeline reports, profit and loss reports, or staff utilisation reports.

- 2 Ask them to keep you regularly updated on the key messages and top line numbers from those reports. You don't want or need to know it all, just the most important messages.
- 3 Schedule time to talk: Successful CEOs regularly meet with their management team to discuss the things that will drive their business forward (or derail it if it goes wrong). Your management team are the people who are involved in running the day to day of your business and you trust them to know their stuff. The importance of listening can not be overstated.

A culture of communication is so important, because unless you're regularly talking about something with your team, it's going to end up at the bottom of their to-do list. But when your team sees you're consistently interested in something, they move them to the top of their priority list and give it more focus. This means you can take a step away from the detail while still staying on top of what's important.

Motivating your team

When it comes to motivating your team, there's a lot to be said for paying a fair salary to create a highly-motivated workplace. Many agencies want to go a step further, particularly when they're growing, and set up a bonus scheme to incentivise their team.

I've seen all sorts of bonus schemes in my career, and most businesses over-complicate them! So if you do start a bonus scheme, try to keep it simple, otherwise you'll end up going down a rabbit hole of calculations and planning for a scheme that nobody can really understand.

If you do want to introduce something like this in your agency, it's only going to work if it aligns with everything that has gone before it. The bonus should therefore be in some way linked to the objectives that have been set for each person.

How to set up a bonus scheme

- 1 Work out how much you can afford to give away in bonuses. You might, for example, work out that you can afford to give away 20% of your net profit as bonuses. Include this number in your budget.
- 2 Decide how this budget should be split between your team, including the maximum bonus available to each team member.
- 3 Decide what targets your team need to achieve to get their maximum bonus - these have to be attainable and must help meet your business goals.

As well as paying fair salaries and offering bonuses to high performing team members, there are other incentives you can offer and they don't always need to be paid in cash. It's worth considering free incentives like extra holidays, or team outings, a subsidised canteen, company cars or even a stake in the company (although always check with your accountant first as there may be tax implications).

CHAPTER SUMMARY

Since every agency is people-driven, having the right people in the right jobs, who hold themselves accountable is one of the keys to an agency that's ready to scale. Create role profiles for every person in your team, and don't forget role profiles for positions you haven't yet hired, but will need as your business scales.

CHAPTER 6

THE PEOPLE-PROFIT FORMULA

PILLAR FOUR: YOUR PEOPLE (PART TWO)

Do you actually know how much profit you're making on every piece of work you do, or do you just give your client a price and cross your fingers that it turns a profit in the end?

Making a profit on any project is a constant balancing act. It depends on getting the right mix of people, being careful not to over (or under) deliver, and pricing the job well at the start. But how do you work all of this out and make sure you're being rewarded profitably for the work you deliver? It's not easy, and it's a trap we find a lot of our agency clients falling into. But there is an easy formula to help you work it out: your profit is the sum of the fees you charge minus the time you spend on a job.

THE PEOPLE-PROFIT FORMULA

**The fees you charge - The time spent on a job
= Your agency's profits**

There are other costs of course, but your people costs are always going to be the ones that really move the needle on how profitable your agency is. This was really brought home to me recently, prompting me to introduce a simple tool that has

consistently improved our bottom line and increased our profits.

A year ago we were building a pipeline of project work, and to help us deliver it I hired two new people into my team. I thought that these new people would make us more efficient, ease our workload and make us more profits, but as we continually monitored our profitability, it quickly became obvious that these new hires had made very little difference to our bottom line. The treadmill of work was starting to affect our results, and despite the extra hands we were all working harder than ever; on top of that we weren't making any more profits, and I didn't understand why.

What was more worrying for me was that we were spending so much time on our lowest margin services that we were having to kick more lucrative project work down the road because we just didn't have the capacity to take it on. Increasing our fees wasn't an option, not at least until we were sure it wasn't inefficiencies in our own team that were pushing up the cost of delivering our services.

I wondered if there was some slack in our processes that could be tightened up, so we looked at our systems and playbooks, but as far as we knew we were doing all the right things. So what were we missing? Remembering the People-Profit Formula, I knew the only thing left to do was to look at our people costs, and that's when I decided to introduce timesheets. The funny thing was, we'd been recommending that our clients track their time for years, but because I'd tuned into popular opinion in the accounting community that timesheets were old fashioned, a chore to complete, inaccurate, and encourage cost-based pricing, we'd stopped using them ourselves.

Nevertheless, everyone began tracking their time, which turned out to be very straight-forward to do using a tool called Harvest. This simple new habit quickly paid dividends, as after just 3 months we began to see how much extra time (and

money) we were spending doing client work that was outside of what we were billing for.

With this one little insight we were able to roll out training to help everyone in the team understand which work should be done as a matter of course for our clients, and which work needed to be pre-agreed as an additional piece of work. This meant if the client didn't want to engage us to do that work, then we wouldn't do it. As a result our gross profits improved virtually overnight. It also meant our clients were happier as it meant there were far less of those awkward conversations about additional fees after the extra work had already been done.

Time tracking has become a big part of how we manage our profitability. It's helped us gain useful insights into what is going on under the bonnet of our business and enabled us to spot inefficiencies in our way of working. What's more, the data we gather from the timesheets helps us to see when the work we are doing is stretching beyond the original scope of our engagement.

If you feel that your profit margins are not what they should be, and you suspect you're over-servicing clients or not performing as efficiently as you could, time tracking will give you the insights you need to become more profitable.

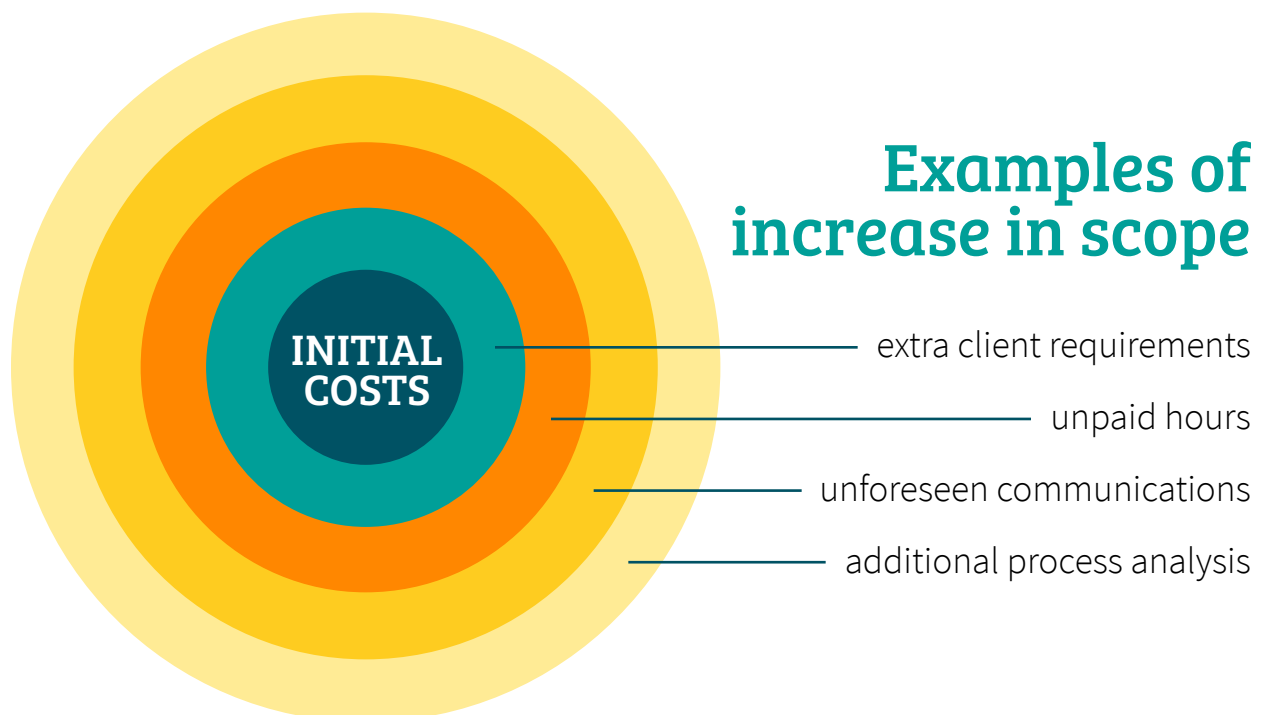
Tracking down your money leaks

Tracking your team's time helps you identify where your agency is leaking money, so you can plug any gaps fast. Here are five of the most common and costly leaks that time tracking will uncover.

1. Scope creep

Scope creep is the uncontrolled change or growth in the scope of a project, and it's one of the leading causes of project overruns. When we started tracking time in de Jong Phillips we found that clients often added in extra requirements after a project had already started, but more often than not the client manager didn't renegotiate the project fees to accommodate this work. This meant we were doing work over and above what we had quoted for, meaning we were essentially doing it for free! As soon as we rolled out training to the team and started negotiating additional fees for changes in scope with clients, not only did we see an improvement in our bottom line, but less projects went over budget.

**BY TRACKING YOUR TEAM'S TIME YOU CAN SPOT WHERE
SCOPE CREEP IS HAPPENING WHILE THERE'S STILL
TIME TO DO SOMETHING ABOUT IT.**



2. Under-estimating how much a project will cost to deliver

It's easy to underestimate the true cost of running a project. There will be things that take longer than you expect and, unless you've got something to base it on, you'll have to guess how long a project will take to complete. Not only that, but the blend of senior versus junior staff on a project is hard to price without data from previous similar projects to compare to.

When I first met agency owners, Duncan and Paul, they confidently told me that they made margins of 70% on all their projects. The thing was, they just couldn't understand why, if they were so profitable, they were running out of cash. When I actually took a look into their figures, I realised that while they budgeted to make a margin of 70% in each project, in fact their margins were a lot lower than they'd realised, sometimes by 10 or 15%. So much lower in fact that their agency was quickly running into cash flow problems.

Once we'd embedded time tracking into their business they could see that many of their projects were going over budget because the directors had stepped in to do the work that an Associate could have done. This was blowing the project budgets. The data taken from their timesheets helped them to drastically improve their profit margins and ultimately increase the amount of cash they had in their business.

3. Inefficient processes

When you start to track your team's time you begin to see which parts of a project or process are most time-consuming and you are then able to see if you can find a way to make it more time efficient. It's often simpler to do than you realise, for example if you find the real time drain is all the faffing around pulling a proposal together and getting it out the door, a simple solution could be finding a digital

proposal tool with the ability to build in a standard pricing methodology. This would not only save you time, but means you could potentially delegate much of the work to a more junior member of the team.

4. Too much non-billable time across the team.

There are only so many hours in the day, and no matter how efficient your agency is you'll want to make sure that you're using those hours wisely. This means working on those activities which are the most profitable for your business. There will always be an element of non billable time in your team to cover training, holidays, team meetings and activities like marketing. However, to remain profitable, you need to strike the right balance between billable and non-billable hours. Everyone in your team need to be mindful of what level of billable hours is expected of them so they in turn can manage their own time accordingly.

If you base your pricing on hourly rates, you'll want to take into account any non-billable hours when working out charge out rates, otherwise there's a risk that what you bill your clients doesn't actually cover the cost of running your team. It's worth knowing that 80% billable hours would be exceptionally good², and only really something you'd expect at more junior levels of your team. As you rise up through the ranks you get more responsibility, which means your billable hours should reduce. For senior levels of management, I'd be concerned if billable hours were this high as this indicates that your managers are not spending the time they need to on the more strategic work that's needed to grow your agency in a profitable and sustainable way.

²This is based on what I've seen in both clients and my own business plus anecdotally from speaking with other business owners. You would really not want much less non-billable time than this otherwise it would mean you are not doing things like team building work, training and development and so on.

5. One team is less efficient than another

If one of your teams is running projects more profitably than the other, digging deeper to understand why this is can help you improve efficiencies in the other team. As you track their time, it may be you find that they are doing something in a particular way that could be shared with other teams as best practice and so raise the bar across your whole agency. It will also highlight which teams have spare capacity or not enough capacity, so that you can plan ahead and redistribute your people accordingly.

It's critical to communicate with your team around why timesheets are being introduced and how useful they are so they don't see them as an annoying chore, or worse, as a way of checking up on them. Time tracking isn't about spying on your team or trying to catch them out, and it's not about charging by the hour. The fact is, if you don't know exactly how your team is spending their time, you'll always be stuck on that treadmill of busy work.

By introducing timesheets however, you get immediate visual feedback on how people are spending their working day, allowing you to adapt, reprice, refocus, and ultimately keep your agency profitable.

Having real time data on how you spend the time in your business is so important - that immediate feedback is what allows you to adapt, reprice, refocus and ultimately keep your agency profitable.

And this is just the start of how you can use data to make your agency more profitable. In the next chapter we'll look at why you need to be tracking the numbers in your business if you want to scale profitably and avoid storing up problems down the line.

CHAPTER SUMMARY

Tracking your time using a simple tool like Harvest improves your profit margins by quickly identifying any money leaks in your business, and helps you to charge your clients appropriately for the work that you do.

CHAPTER 7

A FINANCE FUNCTION TO FIT YOUR GOALS

PILLAR FIVE: YOUR FINANCIAL DASHBOARD

Most business owners can only quote two figures for their business: their sales figures, and their bank balance. But if you want to scale profitably, just knowing how much you're selling and how much money you have in the bank will only ever tell you a fraction of the story. This makes scaling a whole lot harder and makes it far more likely you'll be storing up problems for the future. Even so, most business owners aren't able to see the full picture and even if they can, they don't really understand what the numbers mean.

When you understand that the numbers in your business are clues to where you need to look for both problems and opportunities, you start to realise that it's not the numbers themselves that are interesting, but the stories that they tell.

So how well do you know your numbers, and how close do you really need to get to them to scale a profitable agency? Well, it all starts with being open and honest about how things really are financially inside your business. Being open about your finances can feel scary for many business owners, particularly if the numbers tell a story that you don't want to hear. Perhaps your friends, family, team and

clients only see what you want them to see; they hear about your successes and see your positive marketing, but under the bonnet things are far less rosy. If that's the case, be reassured that it's all part of the agency journey. The important thing is that you start creating a solid foundation for your finances now, by building a good relationship with your numbers.

Is your finance function keeping you stuck?

Having a good relationship with your numbers doesn't mean you have to run your finance function yourself. In fact, you absolutely should not be doing this yourself - yes, even if you have a business degree! Maybe like most agencies, you already outsource your accountancy to a traditional accountant. But in reality, this probably means you can only really rely on your numbers a handful of times a year, right after your accountant has worked their magic. The rest of the time your accounts are all a bit of a mess; your bookkeeping isn't kept up to date so you stop checking your numbers, and you just start hoping for the best. The issue with this approach is that if you don't have a firm handle on your finances you'll always be firefighting in your business, not to mention that constant underlying anxiety that you don't really know what your numbers are telling you.

The truth is, to scale without storing up problems for the future, you need a full finance function. This means having a team who are regularly (and fully) on top of your bookkeeping. You should receive a frequent set of easy to understand financial reports so you can stay close to your numbers (this is your Financial Dashboard and we'll be talking about this later on). And you should also have access to an experienced Finance Director to help you demystify those numbers and plan for the future. So what do you do if you can't afford this yet?

Growing your finance function to fit your business

The rule of thumb is that, depending on how fast you're looking to grow, you should be spending between two and four percent of your turnover on your finance function. More often however, businesses are struggling with a finance function that is completely insufficient for their size and what they're trying to achieve.

Here's the quandary: do you hire an experienced Finance Director who'll be able to help you with the big picture (but will leave you to do all the bookkeeping and payment runs yourself)? Or do you hire someone who can do all the admin, but will leave you trying to work out all the strategy alone? Faced with this, most agency owners decide to do one of three things:

1. You stick with your existing external accountant

Better the devil you know, you decide to stick with your current external accountant. But this means you'll continue to have reactive rather than proactive financial advice; you'll become a bottleneck in your business as you'll still be the person that has to pass information back and forth between the team and your accountant; and your accountant can't really advise you strategically because they don't know your business intimately enough. So perhaps you decide to try a mid-level manager instead...

2. You hire a mid-level manager

In finance terms this is known as a Financial Controller. If you go for this option, usually they're going to be more junior than a Finance Director. So while they'll be able to ensure your numbers are good and ease your admin workload, you're going to lose out on the expert strategic advice you need to get to the next level. So is a consultant what you really need?

3. You bring in a consultant

Spending a lot of money on a consultant can seem like the obvious choice. You'll get the strategic advice you need, but you'll be paying them a lot of money, plus the payroll and admin and all those other bits and pieces you don't have time for, will still fall to you.

In reality none of these options are ideal - what you really need is a multi-layered finance team who can cover the financial admin, help you plan your strategy and forecast problems before they happen so you can ultimately be more profitable. But you can't afford that. Or can you...?

When we first began working with Jonathan, his business was turning over £4 million a year. On the outside he was lucrative and successful, and yet as he sat across the table from me with his head in his hands, it was clear in reality he was exhausted, overwhelmed and at breaking point. At the time his finance function consisted of one in-house bookkeeper, and unsurprisingly there just weren't enough hours in the week for her to do everything that needed to be done. This was having a real knock-on effect on Jonathan's business.

Sales invoices were being sent out late which was slowing the inflow of cash, and errors were being made which led to financial penalties. Because management accounts were being prepared several months after they should have been, Jonathan didn't really understand how his business was performing. One month this resulted in £6,000 in unnecessary interest costs because without any hard data to look at, he'd instead guessed at his monthly cash flow needs and borrowed significantly more from the bank than he needed.

The stress this situation was causing him was palpable; his business was creaking at the seams and he didn't know what to do about it. But all these issues came down to one thing: his finance function was totally inadequate for the size

of his company, and it was costing him huge amounts of stress and money. The problem was that the business had hit a plateau; sales had been stuck at £4 million for a couple of years, and he was being run ragged just trying to keep things going; much of his time was being spent working on the day-to-day finance admin, but he didn't know how to fix his finance function so that it worked for his business. Luckily, there was a fourth option on the table for Jonathan, and there is for you too.

4. You hire an accountant who provides your full finance function

What you can do instead is to work with an accountancy team who can offer all these layers of support but without the six figure price tag.

This is exactly what we did for Jonathan, and it transformed his life and business. As part of our outsourced finance function service he now has a bookkeeper keeping on top of the numbers so he can check in on his business at any time and be confident that the numbers he's looking at are meaningful. He has a Financial Controller who makes sure his business looks after all the filing responsibilities, so there are no more penalties from HMRC; and he has a Finance Director who ensures he's aware of the risks and opportunities facing his business.

All this support changed everything. Not only did he finally have peace of mind, and a business that felt as successful as it looked on the outside, but with the support of his full finance function, he has now grown his business to such a strong and healthy position that he's currently choosing between two offers to buy it, both involving life-changing sums of money.

Here's why hiring an accountant who offers a full finance function is a far better choice than putting all your budget into one new employee:

- > **You get the breadth of experience of a whole finance department.** Rather than choosing between a bookkeeper or a Financial Director, you get both and everything in between.
- > **You don't have to worry about what you don't know.** When you put someone on your payroll it's up to you to make sure that person has all the bases covered and is doing a good job. Outsourcing your finance function means you have a whole team with a wealth of experience working with you.
- > **It's better value.** You get a whole finance function without the cost of an inhouse team. On top of this, you don't have to worry about the hidden costs of having an employee, like holidays, sick pay and recruitment fees.

You can't make good decisions on last year's numbers

If you don't know where you are right now, how do you know that the decisions you're making day-to-day, aren't steering you dangerously short of your goals? So often clients will come to us with a balance sheet that reflects where they were nearly two years before, but you can't make good decisions when you don't have a full picture of your finances.

You need to be able to have an instant snapshot of where you are right now, which means having reliable and up-to-date numbers at your fingertips.

Like a pilot setting course from London to Seattle, you need to be constantly checking where you are versus where you need to be, so that any deviation can be quickly corrected and you end up exactly where you want to go.

When you get close to your numbers, and look at them regularly, you have all the information you need to keep course correcting your way to your big vision. If you see that your profit margin is reducing for example, you can quickly investigate and do something about it before you lose out on more money. **Your numbers are your live feedback system for your business, which means you need to access them frequently and easily.** The simple solution to this is making sure you have a sound accounting system, and it needs to be on the cloud (like Xero). This means that whoever needs to access your numbers can, wherever and whenever they want.

How do you get good numbers in the first place?

Being on a cloud-based accounting system like Xero alone isn't enough to get you good numbers, it's the processes that you build around it that will make it work for you. So what do these processes look like? Well, good numbers come from good bookkeeping, and your bookkeeper should be following some basic practices to keep your numbers in order. One of the things your bookkeeper should be undertaking is daily bookkeeping, this way your numbers are up-to-date and any questions about transactions or missing paperwork can be answered while the information is still fresh in your head. Here are some of the things your bookkeeper needs to be doing.

Bills Don't wait until the VAT quarter to scabble around looking for paperwork, instead upload bills and receipts into your accounting software as you receive

them. Even better, use an app like Dext to automate this process for you.

Sales invoices If you're on a retainer, set up invoices to go out automatically to save you time and ensure none are missed. If you're not on a retainer then send the sales invoices out as soon as you can - don't wait until the end of the month. This will also help speed up cash coming into your business as well as letting you easily see how close you are to hitting your sales target at any point during the month.

Bank Reconciliation Reconcile this daily. The longer you leave transactions unreconciled the bigger a job it becomes as you'll forget what payments were for. It'll take maybe five to fifteen minutes a day to keep on top of this and will save a lot of time down the line.

Monthly checks Once a month, check that your balance sheet makes sense and if it doesn't, fix it up so it's always telling the true story.

Remember, these are all things your accountant or bookkeeper should be doing for you. Let them help you improve your numbers and free up your time to run your business (or even take some time off)!

Your Financial Dashboard

Your Financial Dashboard is a set of simple reports for you to look at regularly to stay close to your numbers and see exactly how your business is performing. The benefit of this is that if you spot a potential problem, you can quickly make the necessary tweaks before it takes you too far off track.

Your Financial Dashboard should include your profit and loss, your cash flow,

who owes you money, and who you owe money to, as well as income by client and by service line. This will help you see how profits divide between the different services you offer so you can understand where it's most wise to focus your efforts.

While you absolutely want to keep on top of your numbers, you do not want to be going through a spreadsheet trying to figure out what it all means every month, which is why you need your Finance team to put a Financial Dashboard together for you with the highlights over the last month, which they present to you at a monthly board meeting. This pack will give you a broad picture of how everything's going inside your business, and will alert you to any early warning signs that you may be running into trouble.

What else should you be tracking?

Your team should be reporting on all the data and figures that have an impact on your bottom line. So not just financials, but other metrics too like pipeline data, sales per client, utilisation rates, marketing metrics (like social media activity, website analytics and email subscribers), number of clients, staff utilisation rates and anything else that affects your business.

Budgeting

If you don't know how your business is doing right now, your budget is the starting point for this conversation, and it's an important piece of data to include in your Financial Dashboard. Your budget is a set of stretching yet realistic financial targets that are linked to your vision for your agency. It'll include what you expect your sales and costs to be as well as your hiring (or firing) plans, plus any capital investments you intend to make. It's usually a plan for one year ahead, and is broken down into monthly targets.

So here's how it works: you have your vision, your purpose and an overall business plan that's part of your strategy; you've worked backwards and know exactly how much you need to sell this year to be on track to hit that goal. That means every month you need to see how you are progressing against your budget. The questions to ask yourself are: Where are you now? How does that compare to where you thought you would be? And if you're nowhere near it, what needs to change? Keeping an eye on your budget helps to keep you on track.

Forecasting

A forecast is similar to a budget. It's your best view of what your profit will be at the end of the financial year. **Forecasting is where you periodically reassess where you think you will end your year.** The reason this is so helpful is that it helps you make practical decisions. Let's say you're half way through the year and should have made £1 million of sales and have only made £750,000, but you've also only spent 10 percent of your £20,000 marketing budget. This means that assuming everything else is on budget, your profit is now running behind where you wanted it to be - so what needs to change? Do you need to cut spending, or do more marketing?

As a CEO, a forecast also helps you make more personal decisions about your finances like how much money you can take out of the business, and whether you can afford to buy the home you're dreaming of. Having access to the best view of what your financial situation will be at the end of the year helps you to avoid sticky financial situations.

So, now we've covered your financial dashboard, you know how to get your finance function working efficiently, and how to get a good grasp of how your business is doing day-to-day. This means you can make better decisions about

your agency and keep course correcting towards your goals. But how well are you managing the cash that's already inside your business? The final pillar to scaling your agency profitably and sustainably, is all about becoming a good steward of your money, and you can do this using some simple habits that will immediately improve your cash flow and your stress levels.

CHAPTER SUMMARY

You can't make good business decisions without easy access to reliable numbers, and for this you should have a sound cloud-based accounting system like Xero. Once this is in place, and you've built the accounting processes around it, the next step is to create a Financial Dashboard. This is where you can see all the most important numbers in your business at the touch of a button so you can regularly check in to see if you're on track or need to tweak and course correct. Finally, and most importantly, your finance function needs to fit your agency size and ambitions for growth!

CHAPTER 8

EASY CASH FLOW

PILLAR SIX: YOUR MONEY

Is your agency 'cashflow positive', or are you teetering on a knife-edge waiting for your debtors to pay you just so you can settle your bills on time each month? A healthy cashflow means that you can invest in your business when you need to and, more importantly, you can sleep easily at night without the stress of wondering where you'll find the money to pay next month's wages.

A 2022 study by Xero found that the average small business is cashflow negative for more than 30% of the year. This means there's more money going out than coming in to the business for four and a half months every year. This is a huge problem if you want your business to survive, let alone scale. The frustrating thing is that most of the time all that cashflow stress could be saved by simply becoming a good steward of your money, and creating a few healthy habits around your money management.

Before we dive into that however, it's worth pointing out that some problems are well worth calling in the support of a professional to help you with. Some examples include:

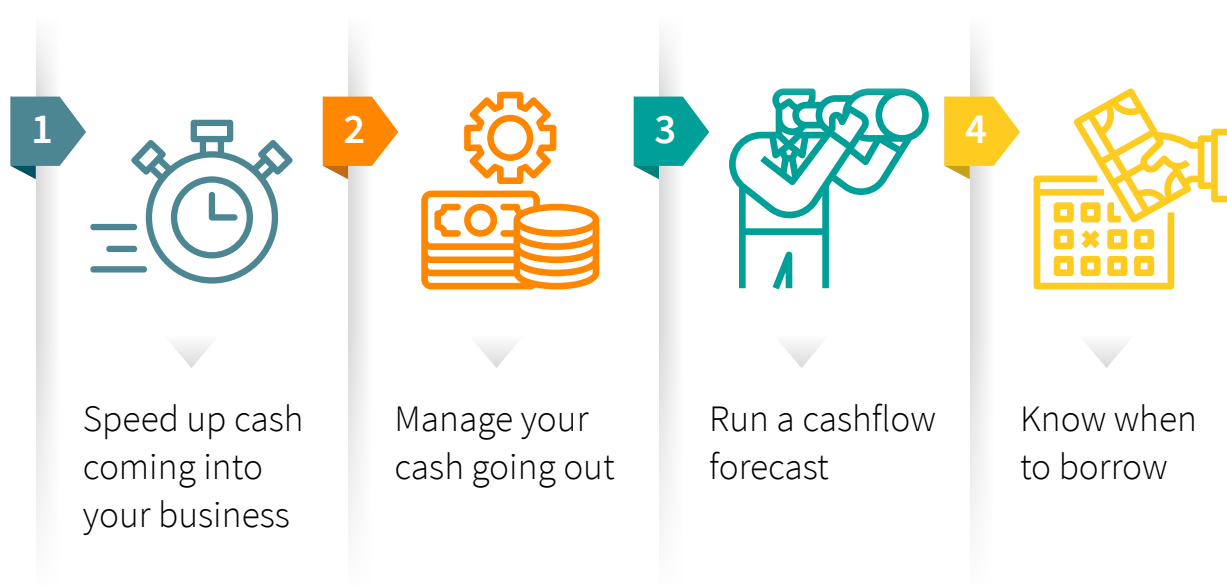
- Your business is making losses each month;
- You have large debtor balances, meaning that money that belongs to you is sitting in someone else's bank account;

- You have creditors who you owe money to, but you don't have cash set aside to pay them; or
- Your sales pipeline of new business is so weak you're scrabbling around for new clients each month.

Bringing in a professional to help with these things will cost money up front, but will ultimately save you money, stress and potentially your business in the long run.

FOUR SIMPLE CASH FLOW HACKS TO START TODAY

So let's move on to those really simple cash flow hacks you can start practising right now. Many of them are just tiny tweaks that, once incorporated into your systems and playbooks, will give you peace of mind that money is flowing into your business with ease.



1. Speed up cash coming into your business

Send invoices out quickly

- Getting sales invoices sent out as early as possible is an important way of increasing the amount of cash in your business.
- > *Stop waiting until the end of the month, send out the invoice as soon as your contract allows.*

Reduce your payment terms

- Standard payment terms of thirty days are a legacy from when invoices were sent out in the post and cheques were posted back. Now that invoices are usually sent electronically and payments can easily be made online, there's no reason why you shouldn't be paid within seven days (or sooner). Some invoices may be paid late, but you'll still be paid faster when you shorten your payment terms.
- > *Ditch the out-dated thirty day payment terms and instead request payment within seven days of sending the invoice.*

Make it easier for your clients to pay you by using payment tools

- Businesses that accept online payments get paid up to twice as fast by connecting to payment services like Stripe and PayPal. By plugging these into Xero, for example, your customers can simply click on a link in your invoice to pay you. Direct debits, through a provider like Gocardless, are great for retainers and repeat clients. By connecting Gocardless to your accounting software, cash is automatically collected from your client's bank account as soon as you raise an invoice. This saves you time and money chasing for payment and brings cash into your business faster.

- > *The easier it is for your clients to pay you, the faster money comes flowing into your agency, so find the right tools to make it as simple as possible.*

Chase for payment

- So often when you don't get paid on time it's simply because your debtors have forgotten and they just need a little reminder. Whilst it's pretty straight-forward to call each client individually to chase for payment when your business is small, as you scale it's not practical to do this. Instead, you'll want to have a system in place that does this automatically. You can do this through Xero or, if you want something more sophisticated, an app like Chaser is a great tool to consider. Chaser plugs into your accounting software, checks for unpaid invoices, and automatically chases them by email. Because the emails look like they come from a real person in your team, it's a brilliant tool that speeds up getting your invoices paid, in a more personable way.
- > *Use an automated tool to chase for payments as they fall overdue.*

Check who you're doing business with

- Sometimes a client doesn't pay because they can't. They've run out of money and are at risk of going bust. While this may feel like something outside of your control, there are things you can do to reduce the risk of this happening. Firstly, look carefully at who you're doing business with. By checking their credit rating you can see if they can afford to work with you before you engage with them. This is especially important if you expect to be doing a significant amount of work with this client. If there's a risk they won't be able to pay, but you still choose to work with them, you can take that into account when setting your terms.
- > *Take your client's credit rating into account before agreeing to a project.*

Take a deposit

- Whenever you do work for a client without taking money up front you are essentially giving your clients free credit. When you do this there's always a risk they won't pay you and this is considered a bad debt in accounting terms. It's totally acceptable and normal to take an upfront deposit for some, or even all your work, before you start a project. This has the double benefit of giving you some security against a client not paying, whilst also helping your cashflow as you can use this money to pay for any costs incurred from doing the work, such as freelancer costs or your employees wages.
- > *Never start a large project without taking a deposit for some, or even all, of the work first.*

Monitor your debtors

- We work with multi million pound agencies who, before they came to us, were owed money that they were unable to chase because they weren't actually sure who owed what. Emily was a perfect example of this - she was owed a significant sum of money, but wasn't easily able to tell how much or by who. This was because the information was in a report buried deep in her archaic accounting system and the only person who knew how to find it was her bookkeeper who only came into the office once a fortnight.
- > *Stay on top of who owes you money by checking your aged debtors report each month (this should be part of your Financial Dashboard), and take action on any overdue debts.*

Have a clear Credit Control policy in place

- If you've chased a client a couple of times and they've still not paid, what do you do next? Having a written credit control policy and escalation process

that's shared with your team, will ensure everyone knows what the next steps should be.

Your credit control policy should include

- How frequently you chase for payment
- At what point the late payment should be escalated internally and with the client.
- When you should put any current and future work on hold
- Whether you should take legal action and if you do, when?

Having all this thought out ahead of time can reduce the risk of building up a large debtor balance with a client who is not going to pay you. This is even more important to have in place as you grow - debtors of £200,000 in a £1 million turnover business can turn into debtors of £1 million in a £5 million turnover business, so don't wait for this to happen before taking action.

2. Manage your cash going out

Stop paying bills early

- Some businesses pay their suppliers as soon as they receive an invoice. Not only is this inefficient as it means you're interrupting other work to manage payments, but it also means you're parting with cash before you need to. If your customers are paying you thirty days after you send them an invoice but you are paying your bills on the same day you receive them, then you are out of pocket for thirty days.
- > *Have a fortnightly payment run and pay the invoices as they fall due. This will keep cash in your business for longer.*

Set up an untouchable bank account

- This is an obvious one, but it's surprising how many business owners don't do this. Taxes are often the biggest worry for business owners because, after wages, they're one of the biggest payments they'll have to make. If the money isn't already set aside it can be a really stressful time wondering where you'll find the cash to pay.
- > *Set aside money each month in a separate bank account to pay your taxes.*

Review your costs

- Keep a close eye on your costs to spot those which you can easily eliminate. Quick wins are turning off apps that you don't use anymore or removing staff from rolling subscriptions when they no longer need them. This can potentially save thousands of pounds over the year, with no negative impact on your business at all. Other cost savings, like losing staff, moving premises, or changing your systems do take more thought. Do you need an expensive phone contract with BT, or could you use a VOIP system? Do you need a large office or could you use shared offices or have your staff work some of their hours from home?
- > *Carry out regular cost reviews to ensure your business isn't leaking money.*

3. Run a cash flow forecast

- Every business should be running a monthly cashflow forecast, and a business that's close to wire on cash should be running one weekly or even daily. You might be thinking, "But there's no way I can predict my cashflow! Surely it's all guess work anyway?" Well, not exactly. Your biggest costs like wages and rent will all be fairly stable, and you'll know your main tax bills in advance, so you'll

be able to quickly see how much money you need to bring in, to at least cover your outgoings.

In fact, a cashflow forecast not only gives you peace of mind, but can prevent you from getting into the very difficult situation of being forced to wind up your company - but only if you actually pay attention to what it says. A couple of years ago we started to work with Robin, who had an agency that was limping along making profits some months and losses others. We could see from his cashflow forecast that in nine to twelve months he was going to run out of cash. We therefore advised him to make some small changes to his spending to try to avoid this. Robin wasn't convinced however, he had more cash in the bank than usual, "It'll be fine!" he said.

What he hadn't quite realised however, was that his business was regularly making monthly losses, and during those months he was using his cash reserves to pay the bills, which meant he didn't have the money set aside to pay the large VAT and Corporation tax bills that were coming up. Unfortunately, Robin didn't make the small changes that we had recommended in time, and did indeed end up running out of cash.

- > *A cashflow forecast (which any good accountant should take off your plate) means you can safely predict what's going out and what's coming into your business. Most importantly, you can then act on that information and make the right choices for your business now.*

4. Know when to borrow

- Another cash flow tool is of course, financing. From your cash flow forecast you'll be able to see if you need to borrow and if you do, how much you'll need.

Some reasons you might need to think about borrowing money include:

To cover working capital.

- This is the cash you need to pay wages and bills to keep your business churning. Your business will always need a certain amount of money tied up in it just to exist, and you may need some short term help in funding this. This is particularly the case if you are just starting up or if you are growing fast.

To grow your business

- If you are serious about growing your business at speed, then you'll need to invest in it by growing your team, spending on marketing, and paying for technology so that you have the right tools for your business to run properly.

To buy or develop a property for your business.

- Whether you want to rent or to buy, at some point you may need to spend money on a home for your business. Unless you have a lot of cash set aside for this, then getting a loan is a common way to do this.

To restructure existing borrowings.

- You can often save money, and get more peace of mind, by revisiting your current financing arrangements. This is particularly sensible if you're living day-to-day on a credit card or overdraft and have that niggling worry that the bank could take away that facility at any moment. It's also worth reviewing your current loans if you have any concerns around your ability to make the repayments, or that you're paying an unnecessary premium on a particular loan. There are lots of different types of financing available and it's always worth getting advice on what type is best for you and your business.

CHAPTER SUMMARY

There are some simple actions you can take right now that will make a big impact on both the amount of cash in your agency and your confidence that your business can afford to pay its bills. These are:

- > **Run a regular cash flow forecast**

- > **Maximise money coming in:**
 - Send out sales invoices as soon as possible
 - Reduce your payment terms
 - Make it easy for your customers to pay you
 - Chase your debtors
 - Credit check your customers
 - Take deposits
 - Monitor debtors
 - Have a clear credit control policy

- > **Minimise cash going out:**
 - Pay invoices as they fall due and not before
 - Separate bank account for taxes
 - Take regular cost reviews

FINAL THOUGHTS

Starting a new agency isn't an exact science - it's about talent and creativity and drive. But when it comes to scaling that same agency to multi millions, so you can have a business that works for you (rather than the other way around), your finances and systems and people become the real drivers behind growth. And that is an exact science.

Which is why I wrote this book. Because if you're a successful but frustrated agency owner who is struggling to break through an invisible ceiling, the answer doesn't always lie in getting more clients or hiring more staff. The answer could in fact be so much more simple than that.

If you're daunted by the time and effort that you're going to have to put into fixing things, please don't be. You can go as fast or slow as you want, but every single step will bring its own rewards. Pick the things that are the biggest issues for you and tackle those first.

And don't aim for perfection. You can write a playbook in two hours or you can spend a month writing it. Don't aim to be perfect, instead aim for it to be done.

If you don't know where to start, here's a quick overview of the actions from each chapter.

Your Vision

Successful agencies don't rely on chance. They plan for success; and to plan for success you need a vision. This means consciously thinking about what you're doing and why.

Everything in your agency hangs off your vision, so building out a realistic plan

that lays out your goals, how you plan to achieve them, and by when, really is the best place to start.

Your Clients

The agencies that are clear on who they work with, and have a targeted approach for winning those clients, are more profitable and they scale faster.

Do you know who your perfect client is? That client that needs exactly what you offer, and is happy to pay a price that makes you the profit you want? When you get really clear on this, and design everything in your agency around them, that is when your business will really take off.

Your Processes, Policies and Tech

If you want to scale up or even sell your agency, you need to focus on getting your systems in place.

This means reviewing the way you do everything in your business, from winning new clients through to delivering your services and running your finances.

It's these systems that will give you the ability to scale your agency and the freedom to take some time off while knowing that your business is still running smoothly.

Your People

Everything in an agency is people driven. From the work you do for your clients through to setting your agency up to scale. If you don't get this bit right you're not going to be able to build the strong foundations your agency needs to thrive.

So the question is, what are the key roles in your team that you need to fill, and what is it that they need to be doing so that your business can run without you?

Your Financial Dashboard

Your numbers tell you honestly how your agency is performing and will give you a clear steer on what decisions you can make **now** to become more successful.

Building a financial dashboard is the first step you need to take to get closer to your numbers. Once you have this, you'll have confidence to act on what it is telling you and your agency will be more successful. What's more, it will scale more profitably as a result.

Your Money

When you manage your money well, you can grab opportunities with both hands when they arise. In addition to this, you'll have peace of mind that your agency is well prepared to ride out future storms. You'll have that much needed headspace that you've been missing.

Just get started

I invite you to try something new. Build this framework in your business and see what's possible. It's not rocket science but it works and it will change your life.

In the next twelve months your business could look exactly as it does now or you could be the owner of a business that works for you instead of you working for it.

If you want to grab all the bonus content from the book visit:

www.dejongphillips.co.uk/resources-for-agency-owners.

And if you want to work with us to scale your agency to the next level get in touch here www.dejongphillips.co.uk/contact.

ACKNOWLEDGEMENTS

Cate Butler-Ross must be first in this list. I started writing this book at the start of a global pandemic and it was Cate's curiosity and ability to clearly find the thread of a story that meant this book came to be. Thank you for your patience and encouragement as well as the many zoom sessions which saw me through from start to finish of this book.

Special thanks also go to Sally Day whose feedback, support and encouragement helped me get this book over the finish line.

And thank you as well to the fantastic team at de Jong Phillips, who kept the business running, allowing me to step away from the day to day and actually write this book.

And last but not least, thank you to my beautiful family,
Paul, Alex, Louis and Isla Phillips.

BIOGRAPHY



Pamela is Managing Director of de Jong Phillips and winner of Xero's Most Valued Professional in 2022. She has also been recognised as one of Practice Ignition's top 50 women in accounting 2 years in a row.

Having worked for over 10 years in finance in large businesses, Pamela knew that the right financial thinking can entirely transform a businesses trajectory, and wanted to offer this level of support to smaller businesses, and so de Jong Phillips was formed to fill this gap.

de Jong Phillips is an award-winning accountancy firm (winner of Xero Small Firm of the year 2022 and Accounting Excellence Small Firm of the year 2020) that specialises in supporting agency owners to be more profitable and scale faster.

