NEHEMIAH BUSINESS LIFE CYCLE

How to increase your chance of business success by 50%



A Guide to Entrepreneurship Success, from Discovery to Exit

by Patrice Tsague

Nehemiah e·community
building kingdom businesses together

NEHEMIAH BUSINESS LIFE CYCLE

A Guide to Entrepreneurship Success, from Discovery to Exit

HOW TO INCREASE YOUR CHANCE OF BUSINESS SUCCESS BY 50%



PATRICE TSAGUE

NEHEMIAH BUSINESS LIFE CYCLE

A Guide to Entrepreneurship Success, from Discovery to Exit

Student Workbook

© January 2024. All rights reserved. No portion of this work may be reproduced in whole or in part, electronic or otherwise, without first obtaining written permission from NPIM, Inc.

NEHEMIAH PUBLISHING
A division of Nehemiah Project International Ministries, Inc.
715 NW Onsdorff Blvd, Battle Ground, WA 98604, U.S.A.
PHONE +1 (877) 916-1180
Printed in the U.S.A.
FIRST EDITION

Editors: Ruben Lai Weng Kit, Steve Harris

All Scripture quotations, unless otherwise indicated, are taken from the New King James Version. Copyright © 1982 by Thomas Nelson, Inc. Used by permission. All rights reserved.

ISBN:
Library of Congress Control Number:

For more information: **nehemiahecommunity.com**

TABLE OF CONTENTS

FOREWORD III

PREFACE V

ACKNOWLEDGMENTS IX

CHAPTER 1 1
Why Businesses Fail and How to Prevent It

CHAPTER 2 9
Building a Transformational Company

CHAPTER 3 21
Unlocking the Secrets to Business Success

CHAPTER 4 27
Nehemiah Business Life Cycle Based on the Book of Nehemiah

CHAPTER 5 35
Nehemiah Business Life Cycle Success Plan

CHAPTER 6 41
Stage 1 | **Discovery:** Identifying a Market Need and the Calling

CHAPTER 7 55
Stage 2 | **Start-Up:** Turning Your Idea into Action

CHAPTER 8 73
Stage 3 | **Breakeven:** Covering Expenses

CHAPTER 9 85
Stage 4 | **Profitability:** Creating Margin

CHAPTER 10 101
Stage 5 | **Sustainability:** Beyond the Profit Trap

CHAPTER 11 123
Stage 6 | **Scalability:** Expanding the Business Without Losing Margin

CHAPTER 12 139
Stage 7 | **Succession and Exit:** Transitioning the Business While Leaving a Legacy

APPENDIX 161

CLOSING PAGES 163

FOREWORD

Combining best practice business tools with biblical principles and community support is a proven recipe for Kingdom success. We've discovered just that with The Nehemiah Entrepreneurship Community. Their Kingdom Business Coaching and Training System has successfully launched and grown sustainable Kingdom businesses worldwide, and we are honored to partner with them to help entrepreneurs break free from overwork and achieve freedom and success.

When Patrice asked us to write this foreword, we were thrilled. We only wish we had access to the resources in this book when we first embarked on our own entrepreneurial journey. The concepts within *"The Nehemiah Business Lifecycle: A Guide to Entrepreneurial Success from Discovery to Exit"* provide a comprehensive step-by-step guide for entrepreneurs at any stage, helping them navigate their current phase and plan effectively for the next, all the way to a meaningful exit with Kingdom impact.

Starting out as professional baseball players, we had no business training whatsoever.

But we had a commitment to studying the Word of God and a commitment to apply its principles to our business. As a result, our first venture expanded to 100 offices across 35 states, propelling us onto the national stage. From there we began opening up other businesses in different verticals naitonwide and around the globe. We discovered that the Bible is a manual for business development, and that when you apply its priciples to your work, God can do amazing things. He's the one who deserves all the credit.

Our entrepreneurial journey took an unexpected turn in 2014 when a planned reality show with HGTV was canceled due to pressure from activist groups over our adherence to biblical values. We chose to stand firm in our faith, even if it meant losing the show. Our stance resonated during appearances on FOX Business, ABC's Nightline, CNN, FOX News, and Good Morning America, where we encouraged others to stand for their beliefs, regardless of the cost.

Since then, we have traveled the country encouraging workplace believers to stand strong for their faith whatever the cost. We have also authored several books, and developed an online coaching series called Expert Ownership. There, we train individuals how to serve God, thrive in business, and lead impactful lives. Our courses

are also available through the Nehemiah Entrepreneurship Community's online platform, which can be accessed at **NehemiahECommunity.com**.

Having personally navigated every stage described in this book and now enjoying the rewards of a successful exit with Kingdom impact, we deeply understand the challenges and opportunities that lie ahead for you. Allow this book to be your guide. Enroll in the course, and if you find you need further support, do not hesitate to take advantage of the coaching offered. Whatever your business or industry, don't overthink it—simply follow the checklists and processes developed by Patrice and his team. They will guide you to build a sustainable Kingdom business with true impact.



David and Jason Benham
Nationally Acclaimed Entrepreneurs
Best-Selling Authors
Founders of Expert Ownership

PREFACE

In 1995, when I was 21 and with only two years of entrepreneurial experience under my belt, Michael Gerber released his best-selling book, *"The E-Myth - Why Most Businesses Don't Work and What to Do About It."* This book not only influenced millions of entrepreneurs but also introduced a pivotal concept into the business lexicon: success in business requires more than specialized knowledge in a specific service or a unique skill turned into a product. It also demands proficiency in business management and processes. Gerber stated that an entrepreneur must embody three roles: entrepreneur, manager, and technician. While this book aimed to demystify entrepreneurship, many still find the concept elusive.

What if the perceived entrepreneurship myth can be demystified and help you increase your business success rate by 50%? This is precisely what I aim to achieve with the Nehemiah Business Life Cycle—a comprehensive guide to entrepreneurial success from the discovery stage of a business right through to the succession and exit stage. While *"The E-Myth"* broke down business into various components to make it more manageable, it did not fully address the challenges of the business journey itself—the emotional, mental, spiritual, and physical realities of conceiving a business idea, turning it into a viable product, launching it into the market, and managing a business from startup through to breakeven, profitability, sustainability, scalability, and ultimately to exit and succession.

It's one thing to understand the structure needed for your business and the importance of having more than just a unique product, service, or expertise. However, determining whether business is truly for you, and if so, how to effectively enter the market, navigate its various growth stages, and align it with your faith, is another challenge entirely. What actions must be taken at each stage to ensure success? What lessons can be learned from those who have successfully navigated these stages? What mistakes did they make, and how did they overcome them? How did they maintain their success without falling into common traps?

In this book, from the thousands of entrepreneurs I have trained and coached around the world using the systems contained within this book, I will introduce you to seven entrepreneurs from various industries. These entrepreneurs are either at the stage of succession or have already exited their companies. Each will be featured in a specific stage, illustrating how they navigated and managed it, with examples of challenges

they faced and successes they achieved. Each stage also includes a list of qualifications, keys to success, challenges, a checklist of achievements necessary before progressing to the next stage, and additional training and coaching resources to help you succeed in your current stage before moving to the next stage. Additionally, we provide tips for married couples at each stage.

While this book is comprehensive and can be used as a step-by-step guide for those who are individually pursuing their business calling, I highly recommend attending the accompanying course, available both live and online, for guided assistance and optimal results. To enroll in the course visit **NehemiahBusinessLifeCycle.com**. For those seeking even more support, engaging one of our Certified Kingdom Business Coaches, all of whom have a proven track record of helping others to succeed on this journey, is strongly encouraged. To schedule a free coaching session visit **Coaching.NehemiahECommunity.com**.

Ultimately, the choice is yours—depending on how quickly you wish to progress or how much money and time you hope to save. More help can accelerate your journey and increase savings, whereas less assistance might extend your journey and increase costs. The decision is yours to make.

Whatever led you to pick up this book—and whether you bought it yourself or received it as a gift—I know you are reading it because you are seeking answers. Remember, finding those answers will require work and commitment. They will demand sacrifice and investment, and they will not come without prayer and trusting the Lord along the way. I pray that as you apply the concepts within the pages of this book, you will find what you are looking for, and more. All I ask is that whatever you start, you also commit to finish.

If you begin reading this book, complete it. If you enroll in the course, see it through. If you engage in coaching, stick with it until the end.



Should this book, the course, or the coaching impact you in any way, please consider supporting us by doing the following:

1. **Engage with Us:** Follow us and comment on our social media platforms (Youtube, Facebook, Instagram, LinkedIn). We welcome all feedback.

2. **Pay It Forward:** Consider making a donation to our scholarship fund, which supports individuals who cannot afford our programs. Visit **Donate.NehemiahECommunity.com**.

3. **Join the Community:** Be active within the community and lend a helping hand to others who are following in your footsteps. If you are not yet a member, visit **Membership.NehemiahECommunity.com** to become one.

Thank you for allowing us to serve you.

With love,



Patrice Tsague
Co-founder and Chief Servant Officer, Nehemiah Entrepreneurship Community
Co-founder and CEO, Smart Oregon Solutions

ACKNOWLEDGMENTS

Where no counsel is, the people fall:
but in the multitude of counselors there is safety.
Proverbs 11:14 (NKJV)

I would like to give heartfelt acknowledgment to the following entrepreneurs – many of whom have become my close friends. You are not only extremely successful in business but you also have been, and continue to be, shining lights for Jesus Christ in the marketplace.

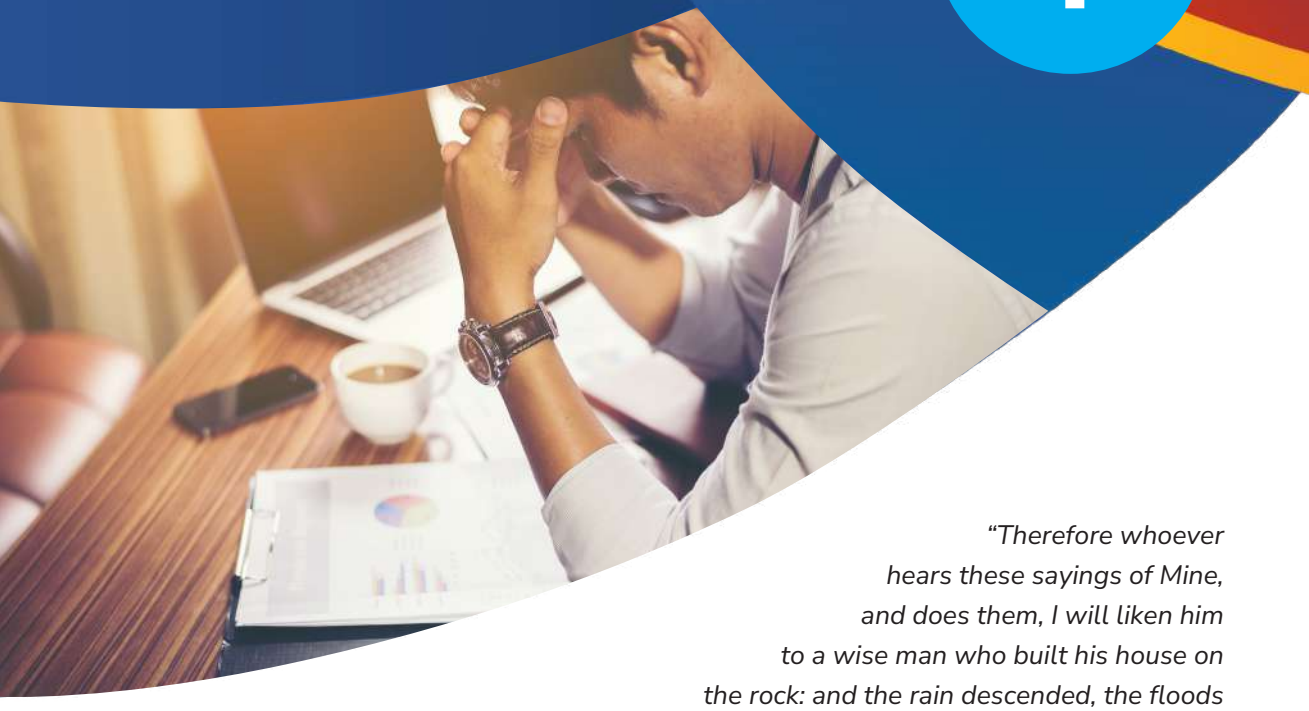
Many sections of this book have been graced by your input, as follows:

Foreword – David and Jason Benham, Founders, Expert Ownership
Chapters 2 and 6 – Art Ally, Founder, The Timothy Plan
Chapter 7 – Al Caperna, Chairman, CMC Group Inc.
Chapter 8 - Lonny & Sherri Hutchison, Owners, Perfect Climate Inc.
Chapter 9 - Dr. Gail Davis, Founder, Davis Endodontist PC
Chapters 10 and 12 – Mike Welker, Founder, AndCo
Chapter 11 - Jennifer Mears, CEO, The Holland Inc.
Chapter 12 - Joe Bogdahn, Founder, the Bogdahn Group

I am truly grateful for the contributions each of you has made to this narrative by transparently sharing your stories, and by your willingness to impart the invaluable insights, expertise, and experience that has been gained through your own entrepreneurial journeys. I offer my sincere gratitude to each of you, and pray for your continued and increasing success in every sphere as you continue on your journey of biblical entrepreneurship.

WHY BUSINESSES FAIL AND HOW TO PREVENT IT

CHAPTER 1



"Therefore whoever hears these sayings of Mine, and does them, I will liken him to a wise man who built his house on the rock: and the rain descended, the floods came, and the winds blew and beat on that house; and it did not fall, for it was founded on the rock."
Matthew 7:24-25 (NKJV)

"Do Kingdom businesses fail like regular businesses?"

The question above was asked by an accomplished Christian educator who was one of my early advisors. This question confronted me early in my journey, during a pivotal moment as I was developing the concept of Biblical Entrepreneurship. At that stage, my understanding was evolving, but one thing was clear – being a Kingdom business doesn't guarantee success, nor does it eliminate the possibility of failure.

Since sin entered the world through Adam and Eve's disobedience, death has become a part of the human experience. People and organizations die. However, just as you can extend an individual's life through diet, exercise, and self-care, the life of a business can also be prolonged and fortified. Before delving into how to prevent business failure or, at the very least, extend its lifespan, here are the top 25 reasons that businesses commonly fail: [1,2]

WHY BUSINESSES COMMONLY FAIL

1. Under funding
2. Lack of planning
3. Inadequate management team
4. Ineffective marketing
5. Lack of preparation
6. Unwise counsel
7. Lack of innovation
8. Complacency
9. Premature launch
10. Moral failure
11. Lack of community
12. Lack or insufficient systems
13. Rapid growth
14. Bad management
15. Lack of focus and perseverance
16. Health failure
17. Government interference
18. Natural disaster
19. Marital instability
20. Family dysfunction
21. Bribery and extortion
22. Terrorism
23. Lack of clarity of purpose and mission
24. Pride
25. No exit strategy



Drawing from my 25 years of experience working with entrepreneurs across diverse backgrounds, industries, and business stages, the aim of this book is to offer simple guiding principles to prevent business failure and increase your chances of business success. These success factors are designed to prevent business failure or, at the very least, extend the longevity of your business, increasing your success rate by at least 50%.

FIVE SUCCESS FACTORS



1. Training

According to the research paper titled "Do Ambitious Entrepreneurs Benefit More from Training?",[3] training in growth-catalyst tools helped entrepreneurs achieve a 72% increase in their ventures' revenues, which is about 40% more than entrepreneurs who did not receive such training.



2. Planning

According to the Harvard Business Review,[4] entrepreneurs who write formal plans are 16% more likely to achieve viability than otherwise identical non-planning entrepreneurs.



3. Coaching

A survey [5] published by the US Small Business Administration found that 70 percent of small businesses that received mentoring survived more than five years – double the survival rate of non-mentored businesses. The same survey found that 88 percent of business owners with a mentor said that having one was invaluable.

A study by the International Coaching Federation (ICF) [6] reported that companies that used coaching saw improved team functioning, increased productivity, and better financial performance.



4. Community

Data from the Small Business Administration (SBA)[7] in the United States suggests that businesses in supportive communities have higher survival rates. The community provides a safety net and guidance that can help businesses navigate early-stage challenges. And further research from Harvard Business Review [8] found that peer learning in entrepreneurial communities accelerates the learning curve for new entrepreneurs.entrepreneurs.



5. Kingdom Impact

Kingdom impact is a measurement of how your business directly or indirectly advances the Great Commandment **(Matthew 22:37-40)**, which involves putting God first, and the Great Commission **(Matthew 28:19-20)**, which involves reaching the lost. Our Kingdom impact produces rewards both here and in eternity **(2 Timothy 4:6-8)**. We will enjoy Divine favor and success while fulfilling what really matters - our love for God, family, and others.

"But seek first the kingdom of God and His righteousness, and all these things shall be added to you." **Matthew 6:33**

By taking advantage of these 5 success factors while being a part of the Nehemiah Entrepreneurship Community, you are positioning yourself on the right track toward business success. Our available resources for each of the stages will address these key success factors.

By the way, if you want to dig deeper into this topic, I encourage you to enroll in the Nehemiah Business Life Cycle Course. It is offered live physically, live virtually, and on-demand. Visit **NehemiahBusinessLifeCycle.com** to learn more.

Here are the foundational key principles to avoid business failure, which we will thoroughly explore and illustrate with real-life examples of successful Biblical Entrepreneurs whom we have worked with.

PRINCIPLES TO PREVENT BUSINESS FAILURE

1. Ensure adequate funding
2. Develop a plan
3. Build a competent management team
4. Develop a winning marketing and sales plan
5. Prepare
6. Surround yourself with wise counsel and coaches
7. Innovate, innovate, innovate

8. Execute
9. Ensure your product or service aligns with the right timing for the market
10. Protect your character and integrity
11. Be a part of a community of entrepreneurs
12. Have the right systems
13. Manage your growth with efficiency
14. Be diligent in management
15. Focus and persevere
16. Take care of your health - Get key man insurance
17. Make sure you understand how the government can impact your business
18. Beware of natural disasters where your business is located - Get insurance
19. Prioritize your marriage
20. Prioritize your family but make sure you protect the business from your family and vice versa
21. Develop a proactive strategy to mitigate corruption
22. Be mindful of potential terrorist attacks depending on the country you are in - Get insurance
23. Have a clear call and purpose for yourself and the business
24. Be humble
25. Develop a succession and exit strategy

Throughout this book, we will delve into each key in detail, providing principles, checklists, tools, and real-life examples to guide you on your journey to success. While success can't be guaranteed, failure is not inevitable either.

The list includes things you can do something about and some things you have no control over. The key is to be aware of the causes and develop strategies to mitigate them, whether it is simply getting insurance or developing a system and process to address it.

According to the US Small Business Administration (SBA), 33% of businesses fail in the first two years, 50% after 5 years, and only 33% make it beyond 10 years [9]. Our aim is to ensure you are among the 33% that not only survives but thrives beyond the critical 10-year mark.



DEEP DIVE

Among the 25 reasons why businesses fail, which reasons are you most concerned about? State your reasons why.

What are you going to do about it?

CHAPTER SUMMARY

- Since sin entered the world through Adam and Eve's disobedience, death has become a part of the human experience. People and organizations die, including Kingdom businesses.
- There are 25 reasons why businesses fail.
- There are 5 success factors that can prevent business failure or, at the very least, extend the longevity of your business, increasing your success rate by at least 50%:
  - Training
  - Coaching
  - Planning
  - Community
  - Kingdom Impact
- There are 25 foundational key principles to avoid business failure.

References

1. “The Top 10 Reasons Why Businesses Will Fail Over The Next 10 Years”
Bernard Marr. Published by Forbes. Publication date 2022.08.29
https://www.forbes.com/sites/bernardmarr/2022/08/29/the-top-10-reasons-why-businesses-will-fail-over-the-next-10-years/?sh=9c4b96945ed4
accessed 2024.01.01

2. “The 4 Most Common Reasons a Small Business Fails”
Melissa Horton. Published by Investopedia. Publication date 2022.10.29
https://www.investopedia.com/articles/personal-finance/120815/4-most-common-reasons-small-business-fails.asp#:~:text=The%20most%20common%20reasons%20small,model%2C%20and%20unsuccessful%20marketing%20initiatives
accessed 2024.01.01

3. “Do Ambitious Entrepreneurs Benefit More From Training?”
Reddi KOTHA, Singapore Management University; Balagopal VISSA, INSEAD; Yimin LIN, Singapore Management University; Anne-Valérie CORBOZ, HEC Paris
Journal Article. Publication date 02.2023
https://ink.library.smu.edu.sg/lkcsb_research/7018/
accessed 2024.01.01

4. “Research: Writing a Business Plan Makes Your Startup More Likely to Succeed”
by Francis J. Greene and Christian Hopp. Published by Harvard Business Review. Publication date 2017.07.14
https://hbr.org/2017/07/research-writing-a-business-plan-makes-your-startup-more-likely-to-succeed
accessed 2024.01.01

5. “Mentoring: the missing link to small business growth and survival”
Published by the US Small Business Administration. Publication Date 2019.02.04
https://www.sba.gov/blog/mentoring-missing-link-small-business-growth-survival
accessed 2024.01.01

6. “Is There Proof Coaching Works?”
International Coaching Federation (various articles). Publication date 2024.01.01
https://coachingfederation.org/faqs?fwp_faqs_search=Is%20there%20proof%20coaching%20works%3F
accessed 2024.01.01

7. “Mentoring: the missing link to small business growth and survival”
Published by the US small Business Administration. Publication Date 2019.02.04

8. “When Community Becomes Your Competitive Advantage”
by Jeffrey Bussgang and Jono Bacon. Published by Harvard Business Review. Publication Date January 21, 2020
https://hbr.org/2020/01/when-community-becomes-your-competitive-advantage
accessed 2024.01.01

9. “The 4 Most Common Reasons a Small Business Fails”
Melissa Horton. Published by Investopedia. Publication date 2022.10.29

BUILDING A TRANSFORMATIONAL COMPANY

CHAPTER 2



"You are the light of the world. A city that is set on a hill cannot be hidden. Nor do they light a lamp and put it under a basket, but on a lampstand, and it gives light to all who are in the house. Let your light so shine before men, that they may see your good works and glorify your Father in heaven." **Matthew 5:14-16 (NKJV)**

To be transformational means to bring significant change or impact to others, to a community, or to the world. A transformational company—or as we term it, a Kingdom business—is a business that is committed to making a significant impact or change in society or culture. It is a business that is not just focused on transactions but is led by a mission that goes beyond the traditional single bottom line and even triple bottom line to include an eternal bottom line: people, planet, profit, and eternity.

Art Ally, founder of the Timothy Plan, whom you will learn more about in Chapter 6, is renowned for his belief that while anyone can make money, making a real difference is much more challenging. Making money often simply involves identifying a product with market demand and selling it at a profit, regardless of its quality. However, making a difference entails far more than just fulfilling a market need profitably. It requires ensuring that your products are genuinely beneficial and do not affect

customers adversely. Additionally, it involves rewarding your employees fairly for their contributions, and ensuring that your vendors, the community, and all other stakeholders involved with the business are positively impacted by each transaction.

In essence, a Kingdom business operates as God's business, managed according to His principles, by His stewards, to fulfill His purposes in the world. This contrasts sharply with the typical traditional business philosophy which often revolves around the maxim: "Your business, managed your way, for your purposes." When self is at the center of business goals, it is essentially self that is being served. Conversely, when you build and manage your business for God and according to His ways, you not only fulfill His purposes on Earth but also find profound satisfaction and blessings in fulfilling your destiny.

Running a Kingdom business extends beyond mere good intentions; it necessitates the integration of godly practices into everyday business decisions.

KINGDOM BUSINESS PRACTICES VS. SELF-CENTERED BUSINESS PRACTICES

Kingdom Business Practices	Self-Centered Business Practices
Solves real problems in the world	Creates artificial needs just to sell something
Operates with integrity	Operates by any means necessary
Focuses on being ethical	Focuses on meeting legal requirements only
Is socially responsible	Is socially irresponsible
Provides living wages and bonuses	Provides as little pay as possible
Is customer-service driven	Is profit-driven
Transforms communities	Has limited positive community impact
Rewards employee creativity	Does not reward beyond basic compensation
Intentionally disciples and evangelizes	May stand against faith-based initiatives

THE 4 IDENTIFYING CHARACTERISTICS OF A KINGDOM BUSINESS

A Kingdom business is a transformational profit-making enterprise, led by a follower of Jesus Christ, managed through biblical principles that honors the Lord through its products and services, as it serves as a light in the marketplace, using its profit for the advancement of the Kingdom of God on the earth.

A Kingdom business is not just a business run by a Christian. A Kingdom business is a force in the world that is intentionally honoring and upholding the Lord in order to bring His Kingdom to earth.

How does your business align with these four identifying characteristics of a Kingdom business?

1. **Is your business transformational?**

   Transformational businesses are about other people and not self. As a Kingdom business owner, you must be positively impacting all the relationships connected to the business. This requires intentionality. Develop metrics to ensure that your business is transformational for your staff, your stakeholders, your vendors, and your customers.

   Transformational businesses also meet real market needs. Developing a business is more than just about having a good idea. A profitable business will provide a solution for a genuine need in society. Market needs are the demand by individuals for goods and services that will support their daily lives or enhance their economic and social conditions. When people have a real need, and you use your business to meet it, you change lives.

   To be transformational, your business must meet the felt needs of the people. This is how God has designed the body of Christ to function - by utilizing the gifts, skills, and treasures that the Lord has given you, you meet genuine needs within the body of Christ and the world. As each one does their part, the world is impacted, and the whole body benefits.

   He makes the whole body fit together perfectly. As each part does its own special work, it helps the other parts grow, so that the whole body is healthy and growing and full of love. **Ephesians 4:16 (NLT)**

To be fully transformational, a Kingdom business must do more than just employ the entrepreneur who started it. It must employ others. These jobs must provide livable wages based on the country's standard of living. **1 Thessalonians 4:11-12** highlights the value of each person finding work to do: *"... that you also aspire to lead a quiet life, to mind your own business, and to work with your own hands, as we commanded you, that you may walk properly toward those who are outside, and that you may lack nothing"* (NKJV).

When you are evaluating your business idea and the products you are selling or considering selling, or your policies, ask yourself:

- Who is this serving?
- What specific need am I meeting?

Each element of your business should be in service to others.

2. **Is your Kingdom business a profit-making enterprise with a quadruple bottom line?**

A Kingdom business has measurements beyond the triple bottom line (people, planet, profit) to include an eternal bottom line. Ask yourself these questions:

i. **People** - As a Kingdom business are you profiting your staff, with good wages, benefits or bonuses, a comfortable workspace, etc.? Are you caring for your vendors, and your customers? What about your investors?

Businesses are started and expanded through the financial and sweat investment of individuals and/or institutions. We must make sure that these stakeholders and investors receive a positive return for their risk. Kingdom businesses profit all the people related to the business.

ii. **Planet** - Is your business positively impacting the environment?

If your business is hurting the earth, you are rejecting a God-given mandate. The first assignment of Adam was to care for the garden.

"The Lord God took the man and put him in the Garden of Eden to work it and take care of it" **Genesis 2:I5 (NIV)**

As temporary caretakers of God's earth, we must make sure that our businesses do not degrade the environment but improve it. Are you fulfilling your responsibility?

What about the physical environment you are located in - are you caring for your neighborhood? Reach beyond those directly involved in your business, to those that share the same vicinity and make the world a better place. Reinvest and serve the community. Volunteer. Create products and services that do not use ingredients harmful to people. Reduce, reuse, recycle. Be a transformational blessing.

iii. **Profit** - Is your Kingdom business profitable financially? Do you struggle to set high financial goals?

Sometimes Christians have a hard time aiming for profits. They feel that striving for wealth is worldly and it's better to earn just enough to get by. But in reality, your financial bottom line empowers the performance of all of your other bottom lines - including your social and eternal impact! You need to set your goals high enough to create the margin necessary to reinvest into the business, significantly impact your people, protect the planet, and build God's Kingdom.

Often, the root of avoiding financial goals is low self-worth. You don't strive for more because you don't believe you deserve more. You keep your prices extremely low because you don't believe you're worthy of an increase. But remember the parable of the talents - what did the Lord do for the profitable servant? He gave him more! Jesus says:

"Whoever has will be given more, and they will have an abundance. Whoever does not have, even what they have will be taken from them." **Matthew 13:12 (NIV)**

Profit is the evidence of good stewardship. Scripture is full of examples of God declaring your worthiness to earn.

For the Scripture says, *"You shall not muzzle an ox while it treads out the grain," and, "The laborer is worthy of his wages."* **1 Timothy 5:18 (NIV)**

You are working for the Lord! You are worthy of earning well! Abundance is what God desires you to experience!

Remember these three things as you reset your beliefs to agree with the Word of God:

a. **Know your God-given identity.**

Declare over yourself, *"I'm a child of God created in His image and He has entrusted me with this work to be abundantly successful for His glory."* Allow yourself to feel comfortable with the fact that you are royalty as a child of the King of Kings, and He wants to give you favor. You must silence the lying voice that whispers that you are not worthy of receiving good things with the truth that your heavenly Father loves to give *"good gifts to those who ask Him"* **(Matthew 7:11)**.

b. **Aim to succeed for the sake of others.**

Remember, striving for profits isn't about you - it's about stewardship. Work hard to bless your employees. Aim higher in order to give more. Dream big to please your heavenly Father who created you for great things. Don't fear blessing, but pursue it for the sake of others around you.

c. **Don't deny yourself blessings.**

To uproot the belief that you are unworthy to receive good things, you must open your hands to receive good things. God loves you and wants to bless you as much as He wants others to be blessed. As you serve Him well, and give to others, more will be given to you. He will bless you in the process. Imagine a river of blessing that flows from God, through you to others - you get to experience that blessing as it passes through you.

"Give, and it will be given to you. A good measure, pressed down, shaken together and running over will be poured into your lap. For with the measure you use, it will be measured to you." **Luke 6:38 (NIV)**

God has blessings He wants to pour into your lap. Allow yourself to receive them and enjoy them.

iv. **Eternity** - Is your Kingdom business focused on eternity?

An eternal bottom line means resources such as time, energy, and finances are intentionally invested to build the Kingdom of God. Some may be concerned that shifting from a traditional triple bottom line to a quadruple bottom line will spread their profit too thin. Don't forget, you are working in God's economy. You are not losing profit, you are investing in future profit, by contributing to things

that are important to God. Over time your seeds will bear fruit, and your profit-making potential will have increased.

The way you spend your resources reveals your values and your worldview. The Bible says:

Dear friends, I warn you as "temporary residents and foreigners" to keep away from worldly desires that wage war against your very souls. **1 Peter 2:11 (NLT)**

For our citizenship is in heaven, from which we also eagerly wait for the Savior, the Lord Jesus Christ. **Philippians 3:20 (NKJV)**

When you live with an eternal worldview, you pursue things that have eternal value. You act to intentionally advance the Kingdom - bringing souls to Christ, discipling people, destroying the enemy's work, solving problems that currently bring harm to God's people, and being a vessel of love and hope. Your worldview is demonstrated by the ways you spend your time, your money, and your attention. Your true beliefs will be reflected in your choices, not your intentions.

3. Is your Kingdom business managed by biblical principles?

Do your products and services honor God? Biblical Entrepreneurship is based on the Word of God and not on the system of this world, nor is it run according to the carnality of our minds. The world says, *"Wealth comes from striving in the flesh, so work harder and longer to make more for yourself."* The Word of God says, *"The flow of wealth begins with honoring the Lord with what you make"* **(Proverbs 3:9-10 (paraphrased))**. The world says, *"It doesn't matter if your products harm your consumers or those who create them, as long as people are buying!"* The Word of God says, *"loving your neighbor means treating them as you would like to be treated, and what you do for the least of these people, you do for Jesus Himself"* **(Luke 6:31; Matthew 25:40 (paraphrased))**.

It can be easy to overlook the means to reach your desired end, but as a Biblical Entrepreneur, you represent Christ in all you do. Make sure your products are not only meeting a desire, but are also bringing value. Avoid products that cause harm without creating any benefit, such as alcohol, cigarettes, and illegal drugs. Do your due diligence to determine whether your production processes harm the planet and animals, and treat overseas workers unfairly or cause them to be exposed to toxic chemicals. Be on guard for the things that seem good, but really are illegal or unethical.

One example is using heavy pesticides or hormones in agriculture. They keep crops and animals healthy longer and therefore you can supply more products in less time, but over time, the quality of the food is diminished by toxins and it can be harmful to humans.

What would Jesus do? There are ways to grow crops and raise animals naturally. It takes intentional effort to learn, and the process may be slower, but it honors God and it protects and serves humanity.

Beware of prideful attitudes which insist, *"I want to do things my way"*, or greedy motives which cry, *"I want more!"* Beware of laziness which whispers, *"I don't need to do all the research to ensure every detail honors God - I'll just follow what others have done."*

Remember, in the end, God is the One who will weigh your motives **(Proverbs 16:2)** and He will choose whether to open or close Heaven's storehouse of provision accordingly. As you build your business on biblical principles, you will prosper.

4. **Is your Kingdom business a light in the marketplace?**

Do you use your profit for eternal purposes? As believers, we are *"the light of the world"* **(Matthew 5:14)**, designed to shine as ambassadors for Christ. God has called each of us to be an example for Him, to be a model of Him so that onlookers can see the ways of the Lord. That's why God called Abraham, Isaac, and Jacob in the Old Testament. Through them He birthed the nation of Israel, to become a prototype of the Kingdom of God on Earth. As New Testament believers, we are God's modern-day prototype. The difference is that God has not called us to build a physical nation, but He has called us as individuals, and together as the body of Christ, to reflect His light. As each individual becomes Christlike, others see and are drawn to Christ. Being an effective witness for Christ is an important part of being a Biblical Entrepreneur.

How can we become effective witnesses in the marketplace? Consider this: If someone heard that you were a Christian, would they be surprised by your business behavior? If you have a business already, do your customers know that you are a believer in the Lord Jesus Christ? Do your employees know? Do your vendors know? As representatives of the Lord in the marketplace, we must guard against any shame about letting others know about our faith in the Gospel of the Lord Jesus Christ.

As a Kingdom believer and a business leader, God has placed you in a pivotal position to be a witness, an ambassador, and a representation of Jesus Christ Himself. Remember, your ultimate destiny is not the earthly success of your business; your business is merely an instrument that God uses to enable you to fulfill your destiny. Your destiny rests in how you are transformed by Christ to then become a transformational force in the environment around you.

A witness is one who uses words and actions to testify to the reality of Jesus Christ in their life. When God called you to business, He also sent you into the marketplace to fulfill the Great Commission.

And He said to them, "Go into all the world and preach the gospel to every creature."
Mark 16:15 (NKJV)

That commission is not just carried out in the pulpit, or on the mission field, but it must also be carried out in the boardroom, lunchroom, and in the marketplace. As you love the world as Christ did, it is only natural that you will serve Him as a witness in the marketplace. Biblical Entrepreneurs have the ability to use their businesses to transform their communities, cities, and nations. Their witness amongst influential people is powerful as they learn to witness effectively.

"But you will receive power when the Holy Spirit comes on you; and you will be my witnesses in Jerusalem, and in all Judea and Samaria, and to the ends of the earth."
Acts 1:8 (NIV)

The final demonstration of being a witness for Christ is using your business profit for the advancement of the Kingdom of God. Where we put our money tells a lot about what we care most about.

Many ask these questions: I believe I am called to business, but I'm not sure I feel called to be an evangelist. Can I still operate a kingdom and keep my faith private?

Jesus says to all believers (yourself included), you are the light of the world and the salt of the earth **(Matthew 5:13-16)**. A part of your destiny is to shine and season your environment. Take baby steps, and learn from those who have gone before you. You may not be called to preach a sermon but be prepared to share about your own experiences with God. Remember the world needs what you have. Also, be aware that your witness is not only verbal but also in action and deed. The world will be watching your behavior in any case, so strive to display the love and moral

character of Christ. When your words and actions present the same message, your life will naturally become an effective witness.

The keys to being an effective witness are:

- Not being afraid to talk about your faith
- Modeling your faith with action, as well as talking about it
- Finding opportunities to invite others to have faith in Christ

Throughout this book you will learn different examples of transformational businesses from different industries and how they operated while meeting their quadruple bottom line; people, the planet, profit, and eternity.

To learn more about this, enroll in our Biblical Entrepreneurship course by visiting **BiblicalEntrepreneurship.org**. The Biblical Entrepreneurship program is a transformational mini MBA training program that uses a biblically integrated teaching and curriculum system that has been proven to deliver results in building profitable Kingdom companies in the United States and around the world since 1999.

DEEP DIVE

If you do not have a business yet, how will you ensure that your business will be transformational?

If you are already in business, is it transformational? If it is not, what can you do to make it transformational? If it is, what improvements can you make to make it more transformational?



CHAPTER SUMMARY

- To be transformational means to bring significant change or impact to others, a community, or the world.
- A transformational company or a Kingdom business is a business that is committed to making a significant impact or change in society or culture.
- The four keys of a Kingdom business are:
  - Transformational
  - Profitable with a quadruple bottom line - people, planet, profit, and eternity
  - Managed by biblical principles
  - Witness in the marketplace

References

1. "Chapter 2 - Building a Transformational Company" has been adapted from the book "Biblical Entrepreneurship Essentials" and the Biblical Entrepreneurship course © Patrice Tsague / Nehemiah Entrepreneurship Community https://nehemiahecommunity.com

UNLOCKING THE SECRETS TO BUSINESS SUCCESS

CHAPTER 3



To everything, there is a season,
a time for every purpose under heaven:
a time to be born, and a time to die; a time
to plant, and a time to pluck what is planted.
Ecclesiastes 3:1-2 (NKJV)

NAVIGATING THE NEHEMIAH BUSINESS LIFE CYCLE

Now that you know what a Kingdom business is, let's look at how to make it successful. The key to increasing your chances of business success by at least 50% lies in mastering the journey known as the Nehemiah Business Life Cycle. Just as we all progress through distinct life stages, businesses also have a life cycle, and each stage of the business life cycle demands a nuanced approach. Just as care for a baby differs from that given to a teenager or an elderly individual, the approach to any business must be appropriately based on the current stage of its development.

A life cycle is defined by the Merriam-Webster Dictionary as *"a series of stages through which something (such as an individual, culture, or manufactured product) passes during its lifetime."* [1] *Britannica defines a life cycle as "the series of stages through which a living thing passes from the beginning of its life until its death."* [2]

With these definitions in mind, the Nehemiah Business Life Cycle mirrors the stages through which a business evolves, starting from its discovery phase and culminating in the eventual exit of the entrepreneur.

As Biblical Entrepreneurs embark on this transformative journey, a Certified Kingdom Business Coach becomes the guiding force, helping them navigate the complexities of each stage, ensuring a business' successful progression through discovery, start-up, breakeven, profitability, sustainability, scalability, and succession and exit. In this book, we will unravel the secrets of the Nehemiah Business Life Cycle and learn how strategic navigation can be the key to not only surviving but thriving in the world of entrepreneurship.

The Nehemiah Life Cycle is a proven proprietary system that we have developed and tested over time. It includes a timeline for each phase, a checklist, and case studies of actual Biblical Entrepreneurs who have journeyed successfully through each stage and have exited or are about to exit. We also provide tools and processes for you to use at each stage to help move to the next stage efficiently. To fill out the Nehemiah Business Life Cycle Assessment to determine which stage your business is in, visit **Assessment.NehemiahBusinessLifeCycle.com**

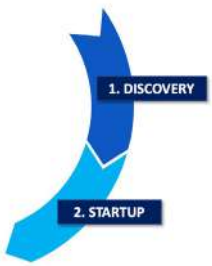
THE NEHEMIAH BUSINESS LIFE CYCLE STAGES [3]



DISCOVERY

Identifying a Market Need and the Calling

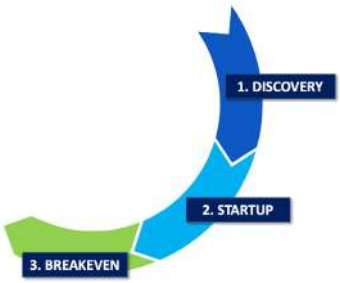
To increase your success rate, ensure you are called into business with a viable idea that meets a growing market need with impact from the start.



START-UP

Turning Your Idea into Action

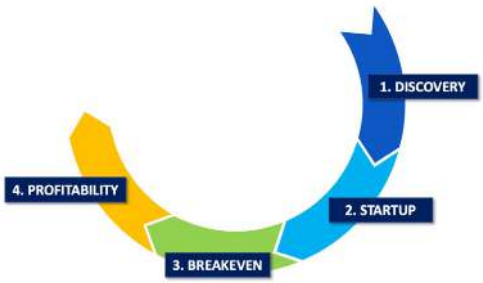
Actively implement the business and start generating revenue. Delaying revenue generation risks the viability of the business.



BREAKEVEN

Covering Expenses

Generate enough revenue to cover fixed and variable expenses, moving beyond proof of concept to viability.



PROFITABILITY

Creating Margin

Demonstrate market acceptance by generating profit with impact, essential for business improvement, sustainability, and Kingdom impact.



SUSTAINABILITY

Beyond the Profit Trap

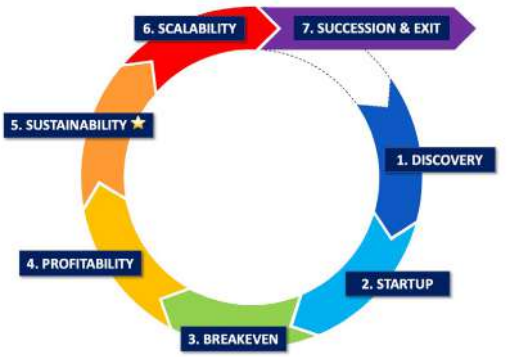
Continue generating a profit by establishing the right systems and personnel for sustained long-term personal freedom.



SCALABILITY

Expanding the Business Without Losing Margin

Consider expanding your business beyond its current scope; regionally, nationally, or internationally if called and prepared.



SUCCESSION AND EXIT

Transitioning the Business while Leaving a Legacy

Build the business with the end in mind, with the aim to leave a legacy that extends beyond your lifetime, and ideally for at least three generations, and realize a great resale value and personal freedom.

These stages must be followed in order, and if a particular stage is not properly addressed, revisiting it is crucial to efficiently accelerate current success. I made the mistake of scaling the Nehemiah Entrepreneurship Community before it was sustainable, and I've been paying for the mistake ever since. Once I realized this, I went back to address it, but it cost me more time and money than if I had correctly recognized its stage within the Nehemiah Business Life Cycle and approached it accordingly. As entrepreneurs, impatience often leads us to seek shortcuts - we think we're taking the fastest route, only to discover we've chosen the longest path.

In later chapters, we will delve into the details of each business stage, identify your current stage, state efficient ways to progress, and provide tools and resources to guide your journey. Additionally, you'll gain insights from Biblical Entrepreneurs who have successfully navigated each stage, building businesses that operate beyond them while making a lasting impact on the Kingdom.

DEEP DIVE

What stage is your business in today?

What shortcuts have you taken that you are paying for now?

How will you address them before moving forward?

CHAPTER SUMMARY

- The key to increasing your chances of business success by at least 50% lies in mastering the Nehemiah Business Life Cycle.
- The Nehemiah Life Cycle includes the following stages:
  - Discovery
  - Start-up
  - Breakeven
  - Profitability
  - Sustainability
  - Scalability
  - Succession and Exit
- The Nehemiah Business Life Cycle must be followed in order with the assistance of the Nehemiah Kingdom Business Coach in order to achieve maximum results.

References

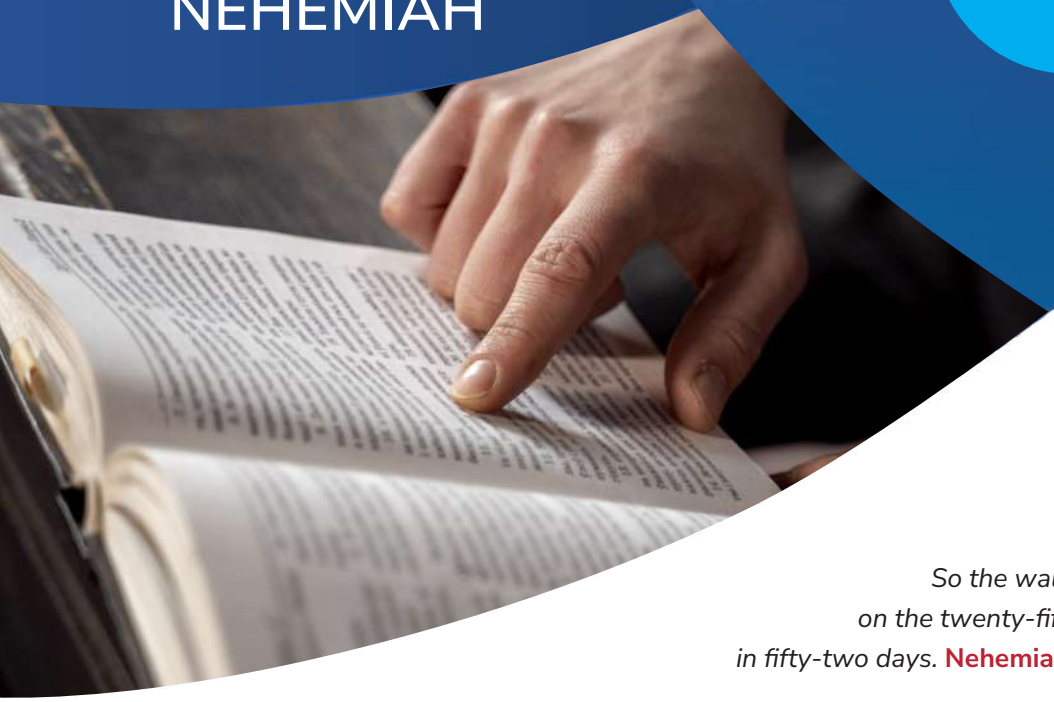
1. Definition of "Life Cycle" from Merriam-Webster Dictionary (Online)
Merriam-Webster Online Dictionary copyright © 2024 by Merriam-Webster, Incorporated
(3) "a series of stages through which something (such as an individual, culture, or manufactured product) passes during its lifetime."
https://www.merriam-webster.com/dictionary/life%20cycle
accessed 2024.01.01

2. Definition of "Life Cycle" from Britannica Dictionary (Online)
Britannica Online Dictionary © 2024 Encyclopædia Britannica, Inc.
Britannica Dictionary definition of LIFE CYCLE
"the series of stages through which a living thing passes from the beginning of its life until its death"
https://www.britannica.com/dictionary/life-cycle
accessed 2024.01.01

3. "Biblical Entrepreneurship Essentials : The Fundamental Guide to Building a Kingdom Business"
Chapter 2 - "What Does it Take to Succeed?" p78-81
Published by Nehemiah Publishing (a division of Nehemiah entrepreneurship Community)
715 NW Onsdorff Blvd Battle Ground, Washington, USA. © 2020 Patrice Tsague. All rights reserved.

BUSINESS LIFE CYCLE BASED ON THE BOOK OF NEHEMIAH

CHAPTER
4



So the wall was finished
on the twenty-fifth day of Elul,
in fifty-two days. **Nehemiah 6:15 (NKJV)**

How did Nehemiah successfully build the walls of Jerusalem in 52 days, and what business lessons can we learn from him?

When you delve into the biblical account of Nehemiah, the miraculous speed with which he rebuilt the walls of Jerusalem will surely capture your attention. What exactly set Nehemiah apart? What were the crucial factors in his success, and how did he navigate the challenges?

At first glance, Nehemiah's success can be attributed to his devout prayer, strategic collaboration, unwavering commitment to his convictions, and reliance on divine guidance. However, upon closer inspection, we discover an entrepreneurial approach woven into Nehemiah's actions, offering valuable insights into what we now call the Nehemiah Business Life Cycle.

DISCOVERY

Recognizing **the Need and the Calling**

Nehemiah identified a profound need that burdened his heart. He fervently prayed and fasted, seeking to be an instrument to address this need. His sacrificial response demonstrated a deep sense of calling that was validated by God's answers to his prayers.

> *And they said to me, "The survivors who are left from the captivity in the province are there in great distress and reproach.* ***The wall of Jerusalem is also broken down, and its gates are burned with fire.****" Nehemiah 1:3 (NKJV)*

KEY CONSIDERATIONS

- Are you certain of your calling in the business you are operating or plan to start?
- What tangible evidence validates your sense of calling?
- Have you identified the market need? Is it enough to sustain your business?

A clear calling from God provides the foundation to persevere through challenges and remain faithful in the face of delayed rewards due to market shifts and unforeseen circumstances. A growing market need ensures the business can be financially viable.

START-UP

Turning Ideas into Action

Based on the clarity that Nehemiah received through prayer, he took decisive action. Leaving his role as cupbearer to the king, he launched a mission to rebuild Jerusalem's walls. Unlike those stuck in the ideation stage, Nehemiah embraced risk, achieving early wins that rallied others to join the cause.

> *Then I said to them, "You see the distress that we are in, how Jerusalem lies waste, and its gates are burned with fire.* ***Come and let us build the wall of Jerusalem, that we may no longer be a reproach.***" **Nehemiah 2:17 (NKJV)**

KEY CONSIDERATIONS

- Have you launched your business or moved beyond the idea stage?
- Are you actively generating revenue?

Graves are filled with unrealized ideas. Nehemiah's approach teaches us that execution is the key. As Steve Jobs proclaimed, "Great artists ship." Embrace the spirit of Nehemiah; start shipping and witness your entrepreneurial journey unfold.

BREAKEVEN

Cost Management Wisdom from Nehemiah

In Nehemiah's pursuit of rebuilding the wall, he astutely minimized costs by mobilizing local residents to contribute to the project. This holds a vital lesson for businesses aiming to breakeven. Regardless of the nobility of your cause or the sanctity of your calling, resources are finite. Much like Nehemiah, strategic cost reduction—both fixed and variable—is crucial to laying the groundwork for eventual profitability.

> *Then Eliashib the high priest rose up with his brethren the priests and built the Sheep Gate; they consecrated it and hung its doors. They built as far as the Tower of the Hundred, and consecrated it, then as far as the Tower of Hananel. Next to Eliashib the men of Jericho built. And next to them Zaccur the son of Imri built.* **Nehemiah 3:1-2 (NKJV)**

KEY CONSIDERATIONS

- Are you effectively minimizing your costs by following Nehemiah's example?
- What unnecessary expenses can be trimmed to ensure a clear path to breakeven?

Nehemiah's approach demonstrates that prudent cost management is an integral part of the journey toward breakeven. Reflect on your expenditures, identify areas for reduction, and pave the way for the financial sustainability of your venture.

PROFITABILITY

Nehemiah's Assurance of Prosperity and Strategic Wins

Nehemiah's unshakeable assurance of success, grounded in his faith, paved the way for deliberate actions that yielded early victories and propelled the rapid rebuilding of the wall. Profitability, much like Nehemiah's early wins, serves as a powerful validation of your business model, exciting stakeholders and fueling the momentum needed for sustained success. Prolonged activity without profit, on the other hand, can lead to discouragement.

> *So I answered them, and said to them, "The God of heaven Himself will prosper us; therefore we His servants will arise and build, but you have no heritage or right or memorial in Jerusalem."* **Nehemiah 2:20 (NKJV)**

KEY CONSIDERATIONS

- Is your business currently profitable, and if not, are you assured that profitability is attainable?
- What strategic measures are you implementing to ensure the continued profitability of your business?

Nehemiah's journey teaches us that a firm belief in success, coupled with strategic actions, lays the foundation for profitability and long-term viability. Reflect on your business's current state, evaluate your confidence in its profitability, and implement measures to secure its ongoing success.

SUSTAINABILITY

Avoiding the Profit Trap

Nehemiah established both people and systems to ensure the continuous rebuilding of the wall without his ongoing involvement in every aspect of it. The success of Nehemiah's endeavor was deeply intertwined with the contributions of those he empowered, and the story of Nehemiah is really the story of "Nehemiah and Associates".

> *Then it was, when the wall was built and I had hung the doors, when the gatekeepers, the singers, and the Levites had been appointed, that I gave the charge of Jerusalem to my brother Hanani, and Hananiah the leader of the citadel, for he was a faithful man and feared God more than many.*
> **Nehemiah 7:1-2 (NKJV)**

KEY CONSIDERATIONS

- Have you implemented systems that allow your business to operate seamlessly in your absence?
- Are your activities and processes systematized for repeatability and foolproof execution?
- Do you have the right people in the right positions? Are you empowering them and leaving them alone to do their jobs?

The entrepreneurial journey transcends self-employment; it's about creating employment opportunities for others while achieving personal freedom. Building a sustainable business is paramount for this, ensuring that it can thrive without your constant presence. This is what is known as avoiding the profit trap. Remember, your ultimate goal is not just about owning a business but attaining the freedom of time and finances to honor and worship the Creator.

SCALABILITY

Beyond Walls to Restoration

Although Nehemiah's primary mission was rebuilding the wall for the safety of Jerusalem, he didn't stop there. Once assured of the wall's inevitable reconstruction through building a team and establishing systems, he diversified into restoring worship and addressing corruption among the people of God. Nehemiah, beyond rebuilding physical walls, revitalized the entire nation.

> *Then my God put it into my heart to gather the nobles, the rulers, and the people, that they might be registered by genealogy.*
> **Nehemiah 7:5a (NKJV)**

KEY CONSIDERATIONS

- Now that your business is sustainable, how can you extend your mission into new areas, cities, or countries?
- Are you prepared and called to scale?

Scaling is more than meeting market demand; it's a calling. Before scaling, ensure you possess both the calling and skills required. If scaling aligns with your calling and abilities, proceed; otherwise, consider stepping aside and allowing others to elevate your business to the next level. Attempting to scale without the necessary skills or calling can jeopardize your accomplishments and diminish the financial value of your business.

SUCCESSION & EXIT

Legacy Beyond Walls

A less emphasized fact in the story of Nehemiah is his return to the king's service, relinquishing his role as chief rebuilder and governor of Jerusalem. He appointed a successor, leaving a lasting legacy not just in the walls he built but, just as importantly, in the leaders he raised.

> *But during all this I was not in Jerusalem, for in the thirty-second year of Artaxerxes king of Babylon I had returned to the king. Then after certain days I obtained leave from the king.* **Nehemiah 13:6 (NKJV)**

KEY CONSIDERATIONS

- What is your vision for exit?
- Do you have a successor in mind?
- What legacy do you hope to leave behind?

It's never too early to contemplate exit, but one day, it may be too late. Successful entrepreneurs build the foundation of their business with the end in mind. For Kingdom business leaders, the ultimate goal is the freedom to move beyond the business, possessing the personal and financial margin to honor the Lord with their time, talents, and treasure.

DEEP DIVE

What are the main factors that contributed to Nehemiah's success in rebuilding the walls of Jerusalem?



CHAPTER SUMMARY

- Nehemiah used an entrepreneurial approach along with his devout prayer, strategic collaboration, unwavering commitment to his convictions, and reliance on divine guidance to rebuild the walls of Jerusalem in a record 52 days.
- Nehemiah can be found illustrating all 7 stages of the Nehemiah Business Life Cycle in how he rebuilt the walls of Jerusalem.

NEHEMIAH BUSINESS LIFE CYCLE SUCCESS PLAN

CHAPTER 5



A man's heart plans his way,
But the Lord directs his steps.
Proverbs 16:9 (NKJV)

The Nehemiah Business Life Cycle Success Plan is a framework designed to guide businesses through various stages of growth and development from discovery through exit. This plan includes a dashboard for monitoring progress at each stage and is ideally utilized alongside a Nehemiah Kingdom Business Coach for clear and directed guidance.

As stated earlier, planning is one of the 4 success factors to help you increase your business success rate by at least 50%. According to the Harvard Business Review, entrepreneurs who write formal plans are 16% more likely to achieve viability than otherwise identical non-planning entrepreneurs. [1]

There are several types of plans; strategic plan, operational plan, summary business plan, business proposal, and action plan. Each type of plan is critical to your success

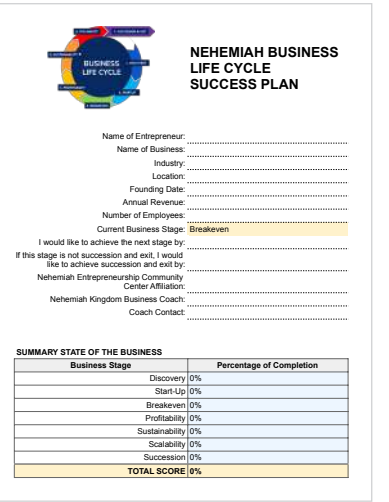
at various business stages and is necessary in different circumstances. Included in the Nehemiah Business Life Cycle Success Plan is an action plan that guides you through the actions necessary to achieve a specific objective, in this case, moving from one business stage to the next.

COMPONENTS OF THE NEHEMIAH BUSINESS LIFE CYCLE SUCCESS PLAN

1. **Dashboard**
   A tool to provide a summarized percentage rating of each stage

2. **Assessment**
   An annual evaluation to determine the current business stage

3. **Success Plan**
   Stage-specific checklists and tasks, including resources and coaching session links uniquely designed for each stage



NEHEMIAH BUSINESS LIFE CYCLE SUCCESS PLAN

Name of Entrepreneur:
Name of Business:
Industry:
Location:
Founding Date:
Annual Revenue:
Number of Employees:
Current Business Stage: Breakeven
I would like to achieve the next stage by:
If this stage is not succession and exit, I would like to achieve succession and exit by:
Nehemiah Entrepreneurship Community Center Affiliation:
Nehemiah Kingdom Business Coach:
Coach Contact:

SUMMARY STATE OF THE BUSINESS

Business Stage	Percentage of Completion
Discovery	0%
Start-Up	0%
Breakeven	0%
Profitability	0%
Sustainability	0%
Scalability	0%
Succession	0%
TOTAL SCORE	**0%**

Effective planning involves setting S.M.A.R.T. Goals:

SPECIFIC	MEASURABLE	ATTAINABLE	REALISTIC	TIMELY
Set clear and well-defined goals to be attained	Set quantifiable benchmarks to track the progress of tasks	Set achievable goals by taking into consideration your experience and past achievements	Set goals within reach which are also challenging and based on past experiences	Establish a timeline for each goal to create urgency and balance



HIRING THE RIGHT COACH

Since a Kingdom Business Coach is necessary to effectively navigate each stage with the Nehemiah Business Life Cycle Success Plan, here are some tips to help you hire the right coach. Before I provide you with the tips, let's first make sure you understand what a coach is. A coach is someone who has been trained and is qualified to guide you through the right questioning techniques, educational resources, and accountability tools to realize your personal and professional objectives. A Kingdom Business Coach does it with a biblical lens and worldview. At Nehemiah, we have a one-year certification program for our coaches to ensure that they have what it takes to coach Kingdom companies.

When choosing a coach, consider the following:

1. **Values Alignment**
   Ensure your coach shares your core values and is aligned with your faith.

2. **Experience**
   Look for a Kingdom Business Coach with relevant experience based on your business stage and type of business. If a Nehemiah Kingdom Business coach lacks experience, we encourage them to co-coach with a more experienced coach.

3. **Chemistry**
   Good personal chemistry is crucial for a successful coaching relationship.

4. **Affordability**
   Consider your budget, but remember that a good coach can provide value that outweighs the cost.

IMPLEMENTING THE NEHEMIAH BUSINESS LIFE CYCLE SUCCESS PLAN

1. Work with your Nehemiah Kingdom Business Coach to assess your current stage and determine how long it will take you to reach the next stage and eventually exit the business.
2. Identify and list down the things from the checklist that you still need to accomplish to complete this stage.
3. State the specific task you need to complete to accomplish the checklist and identify the following:
    a. What about the task do you still wish to improve upon, and how are you going to do so?
    b. How much of a priority is the task?
    c. What is the task's progress status? (In Progress, Not Started, Pending, etc.)
    d. What is a realistic timeline for you to complete the task?
    e. Who will be responsible for the task?
    f. What are some additional notes you need in place to accomplish the task?
4. Feel free to add other checklist items and tasks that may not have been included on the checklist that you and your Nehemiah Kingdom Business Coach have identified as necessary.
5. Update it at least once a month or, ideally, once a week.
6. Be sure to involve your entire team or at least your executive team.



Use the template in the Appendix to develop your Nehemiah Business Life Cycle Success Plan.

You can also receive a digital version of the full Success Plan when you enroll in the Nehemiah Business Life Cycle Course. It is live virtually and on-demand for free. Visit **NehemiahBusinessLifeCycle.com** to learn more.

DEEP DIVE

Have you had a business coach? How was the experience?



CHAPTER SUMMARY

- The Nehemiah Business Life Cycle Success Plan is a comprehensive framework designed to guide businesses through various stages of growth and development from discovery through exit.
- The Nehemiah Business Lifecycle Success Plan includes the dashboard, the assessment, and the action plan.
- It is essential to have a Kingdom Business Coach help you through the Success Plan.
- The keys to identifying the right coach include value alignment, experience, chemistry, and affordability.

References

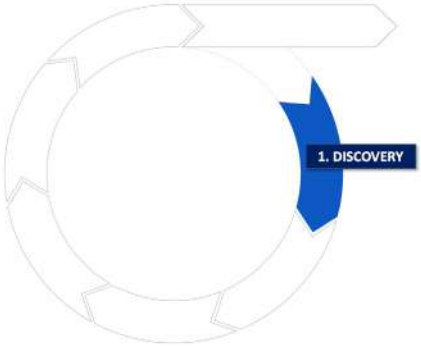
1. “Research: Writing a Business Plan Makes Your Startup More Likely to Succeed”
by Francis J. Greene and Christian Hopp. Published by Harvard Business Review. Publication date 2017.07.14
https://hbr.org/2017/07/research-writing-a-business-plan-makes-your-startup-more-likely-to-succeed
accessed 2024.01.01

STAGE 1

DISCOVERY

Identifying a Market Need and the Calling

CHAPTER 6



"Before I formed you
in the womb I knew you;
Before you were born
I sanctified you;
I ordained you a prophet
to the nations."
Jeremiah 1:5 (NKJV)

Discovery is the first stage of the Nehemiah Business Life Cycle. It is the stage where you identify a compelling market need and ensure that you are called into business. Succeeding in this stage will drastically increase the success rate of your business. Aside from that, it will also increase the chances of you having a viable business idea that meets a growing market need. The Discovery Stage lasts until your call to the marketplace is confirmed, and you develop a viable idea that meets a growing marketing need with Kingdom impact, or you recognize that you are not called to be an entrepreneur.



FEATURED ENTREPRENEUR

Art Ally

Founder and CEO of Timothy Plan

TIMOTHY PLAN
Investing with Biblical Principles

Art Ally founded Timothy Plan in 1994 at 52 years old, establishing it as a Florida-based company that operates biblically responsible mutual funds. Timothy Plan pioneered the industry by being the first mutual fund complex that is entirely screened using biblical guidelines. Today, it stands as a $2.3 billion mutual fund complex and Exchange-Traded Fund (ETF), with a 100% proprietary biblically responsible screening. Since Timothy Plan's inception, this sub-industry that never existed prior to its founding has grown to over $50 billion dollars with thousands of financial advisors using it as a specialized focus.

Art originally planned to transition the business to His youngest son, who had worked with him in the company since its founding. His son unfortunately passed away due to cancer. After considering several options, including selling the company, he decided to transition the company to his only daughter, who is the youngest of his three children. She, too, has worked with him in the company from its founding.

Art then brought on a Nehemiah Kingdom Business Coach to help prepare his daughter and work with his board on the transition. At 80 years old, Art Ally, after serving 30 years as the CEO and Board Chair of Timothy Plan, officially initiated his succession plan. He plans to step down at an opportune time in the near future. Presently, his daughter oversees the majority of day-to-day operations with the support of his son-in-law and grandson, who are leading other aspects of the organization. The three of them make up the new executive leadership team. Art, who single-handedly shaped the company for the last 30 years, acknowledges that it will now take three individuals to replace him. He currently works part-time and commits the rest of his time to the various ministries he supports in Florida and around the country.

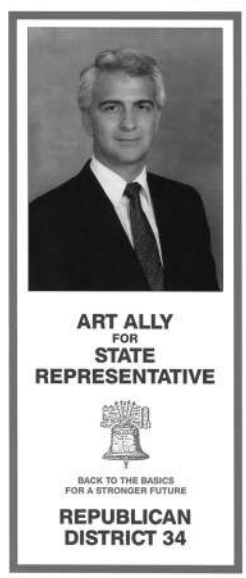
What is unique about mutual funds is that, unlike other businesses, the founder can not own it. Therefore they must create an investment advisory company that serves as the distributor and advisor to the fund. The investment advisory company is called Timothy

Partners LTD, and it is owned by Art and a few limited partners. This arrangement makes his succession and exit plan a little more complex than other companies. The new team will be leading Timothy Partners LTD and all the other affiliated companies that support the mission of Timothy Plan, the mutual fund that is overseen by a group of trustees who must annually review and approve Timothy Partners LTD's contract to manage the fund.

Even after transitioning from the CEO role, Art will continue to be the majority shareholder of Timothy Partners LTD and board chair of Timothy Plan. The eventual goal is to transfer his stocks to a foundation after his passing and a new board chair is elected. His vision is for his ownership of Timothy Partners LTD to persist, generating income to fund the work of the Kingdom even after his death. While his children will retain control of the company, the trust owned by a foundation will maintain majority ownership.

How did Art Ally discern the growing market need for a biblically responsible mutual fund, and what led him to believe he was called to establish this new company?

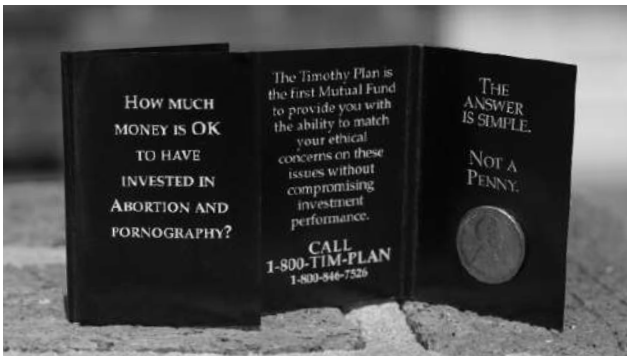
Art's childhood aspirations did not include pioneering a sub-industry in financial services though his early interests lay in numbers. After obtaining an accounting degree and becoming a Certified Public Accountant (CPA), he held various roles in the financial services sector and initiated several finance service companies before founding Timothy Plan.



In 1990, Art ran for the state legislature in Florida, almost winning but ultimately losing by a mere six votes. This setback, though disappointing, transformed into a unique opportunity.

During a lunch meeting with a Christian friend, Art received advice to create a specialty for his financial service practice called Covenant. His friend urged him to focus on setting up retirement plans for pastors of independent churches, recognizing a gap in solutions for this demographic.

However, as Art delved into mutual funds and annuity companies while developing a retirement plan package, he encountered a moral dilemma. To provide the service, he would need to include companies engaged in activities contrary to biblical values, such as illegal abortion and pornography,



which the pastors he aimed to serve preached against. Faced with this ethical challenge, Art decided to take matters into his own hands and create a clean investment alternative.

The idea was born to develop a financial product for pastors that would exclude any companies involved in activities violating biblical values. Art discussed the concept with his late wife, Bonnie, and not only did she support the idea, but she also contributed the name "Timothy Plan," inspired by specific verses in the Bible:

> *But if anyone does not provide for his own, and especially for those of his household, he has denied the faith and is worse than an unbeliever.*
> **1 Timothy 5:8 (NKJV)**
>
> *Do not lay hands on anyone hastily, nor share in other people's sins; keep yourself pure.*
> **1 Timothy 5:22 (NKJV)**

The people that Art had mobilized to vote for him for his political campaign and the infrastructure he had built became the foundation to help give birth to Timothy Plan.

Just like how Nehemiah was preordained to rebuild the walls of Jerusalem, it is clear that Art was preordained by God to build Timothy Plan. He was born with a unique gift in numbers and mathematics; he has an accounting degree and is a Certified Public Accountant (CPA). He is an entrepreneur who started several businesses before Timothy Plan, and he is a man of deeply held convictions with an uncompromising commitment to truth. You can learn more about Art Ally's story from his book published by the Nehemiah Entrepreneurship Community called, *Invested with Purpose - The Birth of the Biblically Responsible Investment Movement*. To order the book, visit **Store.NehemiahECommunity.com**

Whatever stage your business is in currently, let's delve into how to recognize the Discovery Stage and successfully navigate to the Start-Up Stage, with the assumption that you are called to business. If you have already passed this stage, this chapter will help you strengthen your sense of calling and ensure that you are operating in a business that you are truly called to do.

To learn more about Art Ally's story, visit
Discovery.NehemiahBusinessLifeCycle.com#ArtAlly

CHARACTERISTICS

How to recognize if you are in the Discovery Stage

- I'm not sure if business is for me
- I do not have a business yet
- My business has not launched yet
- My business idea is still being developed
- I have yet to complete the proof of concept
- I have not completed the market analysis
- I have a burden or passion for a specific need in the marketplace
- I have a hobby that I believe could be turned into a business
- I have deep passion and vision
- I'm in a learning mode
- I'm still testing my assumptions
- I'm seeking validation

Art unequivocally recognized that entrepreneurship was his calling, having been an entrepreneur for nearly two decades before the inception of the Timothy Plan. For Art, entrepreneurship was not just a means of income, it provided the freedom necessary to engage in passion projects within his community and local church. This freedom, coupled with financial resources generated through entrepreneurship, empowered Art to proactively address issues. His entrepreneurial spirit propelled him to a position where he could proactively solve problems, avoiding the need to wait for others or seek permission to make a positive impact.

CHALLENGES

Challenges you typically need to overcome in the Discovery Stage

- Limited resources
- Lack of knowledge
- Risk aversion
- Market competition
- Fear and doubt
- Insufficient preparation
- Legal and regulatory hurdles
- Networking challenges
- Technology adoption
- Procrastination
- Missing windows of opportunity
- Lack of clarity of your calling
- Following your instinct
- Confusing a hobby with a viable business idea
- Business idea does not have a growing market
- Inability to monetize your business idea

Art Ally possessed an intimate knowledge of the financial services industry, leveraging established relationships that facilitated the launch of his visionary business idea. His deep understanding of the industry allowed him to navigate the complexities effectively. Drawing from his extensive experience, Art developed a strategic approach to monetize the idea, transforming it into a viable and sustainable business model.

REFLECTION QUESTIONS

What do you think of how Art Ally discovered this business idea and recognized it as his calling?

What do you think about Art's decision to donate his ownership to a foundation to fund ministries beyond his lifetime? Would you do that? Why or why not?



KEYS TO SUCCESS

Keys to successfully navigate the Discovery Stage

- **Preparation**: Adequate preparation is crucial. Equip yourself with the knowledge and skills needed for entrepreneurship, including understanding market dynamics and potential challenges. To access state-of-the-art Biblical Entrepreneurship training, visit **BiblicalEntrepreneurship.org**.
- **Education**: Continuously educate yourself about the industry, market trends, and entrepreneurial best practices. Seek out relevant courses, workshops, or mentorship programs.

- **Nehemiah Kingdom Business Coach**: Seek guidance from experienced mentors or coaches who have expertise in this stage of business. Their insights can prove invaluable in navigating complex decisions. At this stage, be careful not to invest too much money in coaching because you will be risking significant capital. You can always increase coaching as you grow beyond this stage. For guidance on the next steps, we recommend you invest more in training instead. If you do not have a coach, visit **Coaching.NehemiahECommunity.com** to schedule an initial free 30-minute coaching session with a Nehemiah Kingdom Business Coach.

- **Experience**: Leverage any relevant experience you have, either in the industry or from previous ventures. Practical experience enhances your understanding and decision-making. If you do not have experience, seek to gain it by getting a job in a similar business.
- **Clarify calling**: Clearly identify your calling and passion. Ensure that your business idea aligns with your personal and spiritual convictions, providing a sense of purpose.
- **Financial support**: Maintain an alternative source of income to sustain yourself during the initial phases until the business gains momentum. Financial stability reduces stress and allows for focused efforts.
- **Alignment with spouse**: If applicable, ensure alignment with your life partner regarding the business venture. Open communication and shared goals contribute to a supportive and harmonious partnership and reduce your risk of business failure and marital challenges. To access resources and guidance tailored for couples navigating both marriage and business, visit **nehemiahecommunity.com/couples-in-business**.
- **Vetted business idea**: Thoroughly vet your business idea. Validate assumptions, conduct market research, and seek feedback. A well-researched concept increases the chances of success.
- **Prayer and fasting**: Incorporate spiritual practices such as prayer and fasting to seek divine guidance and discernment. This can provide clarity and a deeper sense of purpose.
- **Maintain regular personal devotional**: Maintaining a regular personal devotional practice is a deeply personal and enriching activity that can provide spiritual growth, inner peace, and a strong sense of connection with God and His calling on your life. To receive regular devotionals by email

catered for Biblical Entrepreneurs, visit **DevoNews.NehemiahECommunity.com**

- **Business plan**: Develop a comprehensive business plan outlining your goals, target market, marketing strategy, and financial projections. A well-structured plan serves as a roadmap for your business. To get help developing your business, visit **Coaching.NehemiahECommunity.com** to get help from a coach.



- **Community engagement**: Actively participate in communities of believers and entrepreneurs. Networking and sharing experiences with like-minded individuals provide valuable insights and support. To join the Nehemiah Entrepreneurship Community, visit **nehemiahecommunity.com/e-community-membership**.



- **Monetization strategy**: Clearly define how your business idea will generate revenue. Explore innovative monetization strategies and ensure there is a viable market willing to pay for your product or service.
- **Raise capital**: If required, develop a strategy to raise the necessary capital. This may involve seeking investors, loans, or utilizing crowdfunding platforms.
- **Action**: Transition from planning to action. Take decisive steps to implement your business idea. Action is essential for progress and overcoming the challenges of the Discovery Stage.

Art Ally's journey involved not only his entrepreneurial and financial expertise but also the crucial element of spousal alignment. Recognizing the importance of unity in major decisions, Art ensured he and his wife were in agreement before launching Timothy Plan. Drawing from past experiences, he understood the consequences of not involving his spouse in significant choices, emphasizing the value of shared decision-making in both personal and professional aspects of life.

Prior to the launch, Art invested two years meticulously developing a prototype for the business model. This period allowed him to demonstrate the viability of the idea and strategize on raising the necessary funds to support its implementation. Launching a mutual fund came with the imperative of adhering to stringent regulatory standards and financial guidelines. Art understood the critical responsibility of maintaining an ongoing minimum net capital requirement, recognizing that failure to meet such requirements could lead to government intervention and the potential shutdown of the fund. Regular financial monitoring became a cornerstone of Timothy Plan's operations, ensuring compliance with legal mandates and safeguarding its sustained success.

Developing a comprehensive business plan and fundraising strategy, Art sought capital from friends and family, revisiting them multiple times over an eight-year period before witnessing financial breakthroughs. Simultaneously managing his existing business, Covenant, and delegating operational responsibilities to his youngest son allowed Art to navigate the challenging early stages of Timothy Plan. Despite facing discouragement from industry experts who doubted the feasibility of implementing a biblical screen within a mutual fund, Art persevered, seeking validation through consultants and experts. His commitment to obedience overrode concerns about performance, leading to the successful establishment of Timothy Plan.

Art's journey stands as a testament to the triumph of divine calling and adherence to God's instructions over human wisdom. Despite initially facing skepticism, especially regarding the practicality of filtering out major Wall Street companies, Art's resolute belief in God's guidance proved itself. His dedication to continuous learning, demonstrated by enrolling in the Nehemiah Biblical Entrepreneurship course, showcases a commitment to excellence and a willingness to seek wisdom beyond one's existing knowledge. Art's journey underscores the invaluable intersection of faith, perseverance, and entrepreneurial wisdom.



RESOURCES

Nehemiah Entrepreneurship Community Resources

The packages below are designed to help you successfully navigate the Discovery Stage by addressing the 4 key success factors (Training, Planning, Coaching, and Community):

Option 1: **Discovery Training and Coaching Package**

- Training and Planning
  - **Identity and Destiny Program** - Identify your calling and purpose
  - **Nothing but a Jar of Oil Course** - Learn how to steward your finances
  - **Biblical Entrepreneurship Program** - Clarify your business idea and develop a Kingdom business plan

- Community and Coaching
  - **Nehemiah E-Community Diamond Membership** - An affordable coaching solution with community and support resources to help you through this stage.

Option 2: **Diamond Membership Coaching**

- **Nehemiah E-Community Diamond Membership** - An affordable coaching solution with community and support resources to help you through this stage. This is ideal if you have already done the training listed in option 1 or have a very limited budget. You can always add more as you go along.

To access these resources and start your journey to knowing or clarifying your business idea, visit **Discovery.NehemiahBusinessLifeCycle.com**



CHECKLIST

Checklist for Discovery Stage

No matter what stage your business is in, review the list below and put a check on the items that you have not yet completed or need to improve.

- ☐ Review and identify Nehemiah Entrepreneurship Community resources to successfully complete this stage
- ☐ Ensure intimacy with God
- ☐ Know my calling, identity, and destiny
- ☐ Have a clear and documented business idea
- ☐ Attain the experience and education for the business idea or project
- ☐ Pray and fast about the business idea
- ☐ Get a Nehemiah Kingdom Business Coach
- ☐ Have a written business plan to launch the business idea
- ☐ Create a timeline with milestones for the development and launch of the business

- ☐ Identify key performance indicators (KPIs) to measure the success of the business idea
- ☐ Present the business plan to peers and experts, get feedback, and make the necessary changes
- ☐ Save and minimize debts
- ☐ Have a passive income strategy in place or another source of income to support me and my family until the business takes off
- ☐ Conduct market and industry analysis
- ☐ Have a community of believers to encourage me to fulfill my purpose and calling
- ☐ Have an entrepreneurship community to encourage me in my entrepreneurship journey
- ☐ Have the necessary resources to launch the business
- ☐ Confirm the ability to monetize this business idea
- ☐ Have necessary capital to start the business
- ☐ Develop a marketing and branding strategy
- ☐ Explore legal considerations and have a plan for compliance
- ☐ Create non-disclosure agreements (NDA) to provide to those I share my business plan with for signatures
- ☐ Have a network of mentors or advisors who can provide guidance
- ☐ Consider potential challenges and have a plan to address them

BONUS TIP FOR MARRIED OR SOON-TO-BE-MARRIED COUPLES

If you are married and planning to raise a family, it's advisable, before embracing the responsibilities of parenting, to give due consideration to the time implications that are involved in bringing a business to sustainability. We strongly recommend reaching profitability, or ideally sustainability, in your business before having children.

If you are already a parent but haven't yet reached the "empty-nester" stage, be mindful that starting a business at any time during your parenting season requires careful consideration and due diligence, and should be approached with adequate prayer and guidance.

To access resources and guidance tailored for couples navigating both marriage and business, visit **nehemiahecommunity.com/couples-in-business**.

SUCCESS PLAN

A fillable Success Plan can be found in the Appendix portion of this book

You can also receive a digital version of the full Success Plan when you enroll in the Nehemiah Business Life Cycle Course. It is live virtually and on-demand for free. Visit **NehemiahBusinessLifeCycle.com** to learn more.

1. Identify and list down the things from the checklist that you still need to accomplish to complete this stage.
2. State the specific task you need to complete to accomplish the checklist and identify the following:
   - What about the task do you still wish to improve upon, and how are you going to do so?
   - How much of a priority is the task?
   - What is the task's progress status? (In Progress, Not Started, Pending, etc.)
   - What is a realistic timeline for you to complete the task?
   - Who will be responsible for the task?

- What are some additional notes you need in place to accomplish the task?

3. Feel free to add other checklist items and tasks that may not have been included on the checklist that you and your Nehemiah Kingdom Business Coach have identified as necessary.

Example
Checklist Item: Ensure intimacy with God
Task: Develop a daily devotional and prayer schedule
Priority: Urgent
Status: In Progress
Timeline: February 1st, 2024
Person Responsible: Amy Entrepreneur Jackson
Notes: I will encourage my partners to join me in this



CHAPTER SUMMARY

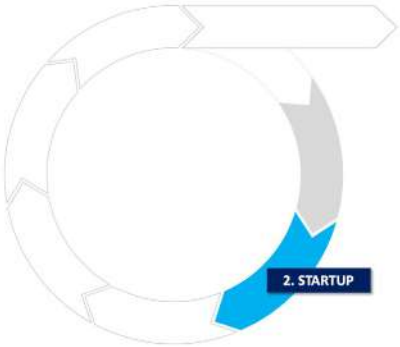
- The Discovery Stage is the first stage of the Nehemiah Business Life Cycle. It is the stage where you identify a compelling market need and ensure that you are called into business.
- Even though Art Ally did not dream of starting a mutual fund company as a kid, his natural giftedness with numbers, education, and experience in the financial services industry prepared him for it.
- Art discovered the business idea when a friend encouraged him to consider developing a retirement plan for pastors.
- Art's passion for the idea led him to develop a prototype and a business plan, and to seek the support of others to launch this idea.
- Despite people telling him it was a bad idea that would not work, Art persevered, and today, Timothy Plan has over $2.3 Billion dollars of assets under management and has pioneered a sub-industry that has over $50 Billion dollars under management.

STAGE 2

START-UP

Turning Your Idea into Action

CHAPTER 7



"'For which of you, intending to build a tower, does not sit down first and count the cost, whether he has enough to finish it— lest, after he has laid the foundation, and is not able to finish, all who see it begin to mock him, saying, 'This man began to build and was not able to finish'?"
Luke 14:28-30 (NKJV)

The Start-Up Stage is akin to the birth of a business and it is marked by active revenue generation. It's the second stage in the Nehemiah Business Life Cycle, which requires entrepreneurs to take essential steps for business implementation and revenue generation. Despite its apparent simplicity, many entrepreneurs, out of ignorance or complacency, may delay revenue generation and inevitably risk the success of their venture. The ability to launch and generate income is crucial to validate a business idea and ensure its sustainability. The Start-Up stage can last up to five years, depending on the business and the industry.



FEATURED ENTERPRENEUR

Al Caperna
Chairman of
CMC Group, Inc.

Al Caperna's entrepreneurial journey exemplifies successful navigation through the Start-Up Stage. Joining Century Marketing Group (CMC) in its early founding, Al played a pivotal role in developing production and printing operations, contributing to the company's independence from external suppliers. CMC Group, based in Bowling Green, Ohio, achieved remarkable success, earning a place on the Inc 5000 list for two consecutive years. In 1985, Al became the sole owner of the company, and he continued to be driven by CMC Group's mission to model and extend the Kingdom of God through birthing, growing, and operating businesses.

After leading the company as CEO for 35 years, Al attempted succession, turning over operational leadership to a member of his executive team. However, a decade later, recognizing the need to bring back the entrepreneurial spirit, Al returned as CEO. This experience highlights the delicate balance required during leadership changes and emphasizes the importance of maintaining both entrepreneurial spirit and managerial competence.

Al's entrepreneurial journey, which spans multiple businesses, including a 14-year start-up for one, reflects his resilience and problem-solving mindset. His visual and oral learning style, coupled with a strong work ethic, contributed to his ability to innovate and persevere through challenges. Although he never set out to be successful, his faithfulness and strong sense of responsibility bore success for his company.

Born into an entrepreneurial family, Al chose to pursue the passion and calling of God in his life rather than taking over the family business. He emphasizes the importance of faith, family, and responsibility, grounded in biblical principles. One of his prayers during a recession was to create opportunities for unemployed people of God, which led to the creation of over 300 jobs in the US alone.

Al's early ventures, such as a hay baling business at 14, and later, Century Marketing,

were inspired by innovation and hard work. His wife Kathy's unwavering support and commitment, even during challenging times, played a crucial role in their journey. His involvement in both business and family didn't detract from his commitment to God's call. This led him to start a home group that surpassed the size of a full-time pastor's group.

Al's oneness with Kathy and their shared capacity enabled them to balance the demands of business, family, and church. He emphasized that managing multiple high-priority activities is possible only when the calling is clear. This is exactly why all high-performing Biblical Entrepreneurs must maintain their foundational principles.

Recognizing that the Kingdom of God extends beyond the local church, Al positioned himself as an elder in the marketplace, equipping the saints for the work of service. He created an environment in his company where everyone felt their work was a full-time ministry, all while valuing each employee's contribution to the Kingdom. Al's commitment to Kingdom values led him to invite the Nehemiah Entrepreneurship Community to hold a Biblical Entrepreneurship class in his company for him and his executive team.

Al Caperna's journey through the Start-Up Stage provides valuable insights for all entrepreneurs by emphasizing the importance of faith, resilience, responsibility, and maintaining foundational principles while navigating the complexities of business and life.

To learn more about Al Caperna's story, visit
Startup.NehemiahBusinessLifeCycle.com#AlCaperna

CHARACTERISTICS

How to recognize if you are in the Start-Up Stage

- I have a clear business idea
- I have conducted a proof of concept for my business
- I have launched my business
- I am still financing the business through external capital

- I am focused on building and establishing my brand in the market
- I am actively acquiring customers and clients
- I have active revenue
- I am refining my business model based on real market feedback
- I am closely monitoring and managing my cash flow
- I am establishing key partnerships and collaborations
- I am adapting and iterating based on lessons learned from the initial phase
- My business has not yet reached the breakeven point
- My business is less than 5 years old

While one of Al's companies took 14 years to achieve profitability, his strategic approach involved cultivating multiple streams of income. This diversification not only sustained his family during the extended Start-Up Stage but also allowed him to invest in the idea until it became profitable.

This multi-income strategy reflects Al's resilience and adaptability in the face of challenges. Rather than solely relying on the success of a single venture, he recognized the importance of creating additional revenue streams. This approach provided financial stability for his family, ensuring they could weather the uncertainties of a prolonged start-up period.

Al's ability to balance various income sources showcases his entrepreneurial acumen. Juggling multiple ventures requires careful planning, resource allocation, and a keen understanding of market dynamics. His experience underscores the significance of flexibility and strategic thinking during the Start-Up Stage, where initial challenges may delay profitability.

Entrepreneurs can draw inspiration from Al's journey, recognizing the value of diversifying income streams to mitigate risks and navigate the unpredictable nature of the entrepreneurial landscape. This adaptive approach can contribute to sustained financial health and the eventual success of the primary business idea.



CHALLENGES

Challenges you typically need to overcome in the Start-Up Stage

- Launching the business prematurely
- Balancing between business and your full-time or part-time job
- Inadequate funding
- Maintaining reserves
- Owners getting paid a salary from the business
- Incorrect assumptions about the market
- Balancing overhead and fixed costs
- Having too much capital
- Launching too many ideas simultaneously
- Insufficient time for personal devotion and prayer
- Balancing time for local church involvement
- Prioritizing family time
- Allocating personal time, including observing a Sabbath
- Dealing with discouragement and setbacks
- Managing the high cost of goods/ services
- Building the right team
- Not having the proper legal and accountant guidance
- Seeking proper coaching and mentorship
- Developing an effective marketing plan and sales system
- Ensuring access to a market where customers perceive value in your product
- Regulatory compliance issues
- Scaling too quickly or too slowly
- Balancing innovation with operational stability
- Establishing a robust customer acquisition strategy
- Adapting to market feedback and changes
- Building brand awareness and credibility
- Managing cash flow effectively
- Navigating unexpected external factors (e.g. economic shifts, global events)
- Handling increased workload and potential burnout
- Defining and refining the company culture
- Securing strategic partnerships
- Mitigating potential legal challenges

- Ensure that you are equally yoked if you are in a partnership
- Establishing a strong online presence
- Balancing short-term goals with long-term vision
- Aligning products/services with evolving market needs

Al Caperna's entrepreneurial journey is marked not only by the launch of nearly 300 business ideas but also by the challenge of maintaining focus amid the multitude of opportunities. While his prolific creativity is admirable, he had to confront the need to prioritize finishing what he started over starting new projects.

A valuable lesson emerged from **Proverbs 19:21**: *"There are many plans in a man's heart; Nevertheless, the Lord's counsel—that will stand."* This verse became a guiding principle for Al, emphasizing the importance of seeking divine counsel and discerning between mere opportunities and God-ordained assignments.

In the world of entrepreneurship, the landscape is abundant with opportunities, but not every idea is destined for success. Al's journey underscores the truth that pursuing every opportunity may lead to scattering efforts and diluting focus. Instead, he learned to yield to God's counsel, ensuring that he pursued only the ideas aligned with the divine assignments placed before him.

This lesson is particularly crucial for innovative entrepreneurs who, by nature, see opportunities everywhere. The challenge lies in distinguishing between what could be pursued and what should be pursued. Al's wisdom encourages discernment—recognizing that every opportunity is not necessarily an assignment, but every assignment should be viewed as an opportunity.

Entrepreneurs can draw inspiration from Al's journey, understanding that success often stems from a harmonious blend of vision and disciplined execution. By seeking divine guidance and discerning the assignments that align with their unique calling, entrepreneurs can navigate the complex terrain of opportunities and lead their ventures toward impactful outcomes.



REFLECTION QUESTIONS

What was the key to Al Caperna's success in the Start-Up Stage?

What are your thoughts about how Al viewed his calling in the marketplace?

What lessons can you draw from Al's story that is applicable to your own journey?

KEYS TO SUCCESS

Keys to successfully navigate the Start-Up Stage

- **Launch at the right time**: Timing is crucial. Ensure market readiness and align with strategic opportunities.
- **Maintain your day job for as long as possible**: Keep a stable income source to support your personal and business finances during the initial phases.
- **Ensure adequate funding**: Secure enough capital to cover operational costs and unexpected challenges.
- **Minimize overhead and fixed costs**: Keep expenses lean and efficient to optimize resource utilization.
- **Manage cost of goods/services**: Balance quality with affordability to provide value without compromising profit margins.
- **Know your gifts, skills, and personality**: Leverage your strengths and surround yourself with a team that complements your skills.

- **Verify assumptions**: Regularly assess and validate your assumptions about the market, customers, and competition.
- **Build the right core team**: Assemble a dedicated and skilled team that shares the vision and mission of the startup.
- **Perseverance**: Stay resilient in the face of challenges and setbacks.
- **Prioritize marriage and family**: Maintain a healthy work-life integration and prioritize relationships with family.
- **Stay aligned with your mate**: If you are married, make sure you stay in constant communication with your mate to ensure that you both stay on the same page throughout the development of the business. To access resources and guidance tailored for couples navigating both marriage and business, visit nehemiahecommunity/couplesinbusiness.
- **Sabbath**: Incorporate regular rest and reflection to avoid burnout.
- **Active involvement in a local church**: Stay connected with a supportive community for spiritual and emotional well-being.
- **Stay engaged in an entrepreneurship community that shares your values**: Regularly participate in and contribute to entrepreneurship communities, both online and offline. This involvement allows you to share experiences, seek advice, and stay connected with a supportive network of fellow business owners. If you are not yet a member of the Nehemiah Entrepreneurship Community, visit **nehemiahecommunity.com/e-community-membership** to join.



- **Become a part of industry associations**: Actively engage with and join professional organizations or associations that are relevant to your industry.
- **Meet the market need**: Ensure your product or service addresses a genuine market demand.
- **Conduct routine team meetings**: Foster open communication and alignment within your team.
- **Annually update your business/strategic plan with financial forecast**: Regularly revisit and adapt your business plan to evolving circumstances.
- **Cash flow management**: Monitor and manage cash flow meticulously for financial stability.
- **Avoid commingling business and personal funds**: Maintain clear financial distinctions between personal and business accounts.

- **Clearly defined Kingdom and community impact**: Establish a Kingdom business that positively impacts both the Kingdom and community.
- **Ensure proper business registration and licensing**: Adhere to legal requirements and obtain the necessary licenses for your business.
- **Nehemiah Kingdom Business Coach**: Seek guidance from experienced mentors or coaches who have expertise in this stage of business. Their insights can prove invaluable in navigating complex decisions. If you do not have a coach, visit **Coaching.NehemiahECommunity.com** to schedule an initial free 30-minute coaching session with a Nehemiah Kingdom Business Coach.
- **Cultivate a strong online presence**: Embrace digital marketing strategies to reach a broader audience and establish credibility.
- **Embrace innovation**: Stay open to adopting new technologies and methodologies that can enhance your product or service.
- **Customer feedback integration**: Actively seek and incorporate customer feedback to refine and improve your offerings.
- **Adaptability**: Be flexible and adaptable to changing market dynamics, emerging trends, and unforeseen challenges.
- **Risk management**: Assess and mitigate potential risks to ensure the stability and longevity of your start-up.
- **Build strategic partnerships**: Collaborate with other businesses, organizations, or influencers that can mutually benefit your venture.
- **Focus on employee well-being**: Prioritize the well-being of your team, fostering a positive work environment.
- **Invest in continuous learning**: Stay informed about industry trends, leadership practices, and evolving business strategies.
- **Develop a brand identity**: Create a distinct brand identity that resonates with your target audience and sets you apart.
- **Diversify revenue streams**: Explore opportunities to diversify your income sources, reducing reliance on a single revenue stream.
- **Strategic networking**: Build and nurture a network of contacts, mentors, and potential collaborators in your industry.
- **Quality control**: Maintain a high standard of quality for your products or services to build customer trust.

- **Invest in professional development**: Support the growth and development of your team through training and skill-building.
- **Cybersecurity measures**: Implement robust cybersecurity measures to protect sensitive business and customer data.
- **Hire the right legal and accountant professional**: Hire the right legal and accounting professionals as it is crucial for any business or individual needing specialized advice and services.
- **Environmental sustainability**: Consider eco-friendly practices and sustainability in your business operations.
- **Employee recognition and appreciation**: Acknowledge and appreciate the efforts of your team to foster a positive work culture.

Make sure you are equally yoked with your partners: If you have business partners ensure that they are all aligned with the same values, goals, and work ethics. Al Caperna's journey in entrepreneurship is not only marked by prolific creativity but also by his strategic leadership and unwavering perseverance. His Strengthsfinder traits—Responsibility, Connectedness, Futuristic, and Strategic—have played a crucial role in shaping his success.

Al's exceptional sense of responsibility is evident not just in meeting market needs but in identifying and addressing underlying pains. By focusing on healing these hurts, he transformed his ventures from merely relevant to indispensable in the marketplace. This empathetic approach set him apart, emphasizing the power of understanding and addressing the deeper needs of customers.

The combination of his connectedness and strategic thinking allowed Al to forge meaningful partnerships. He could not only see solutions but also connect with others to bring those solutions to fruition. This collaborative mindset extended beyond business, as he stayed engaged in his local church, creating a supportive community that kept him encouraged.

A key aspect of Al's success lies in his "Play Win and Own" strategy, a deliberate approach applied to both the company and each product. By determining the size of the prize for accomplishing this strategy, he set clear goals and objectives. Most importantly, Al ensured alignment with his wife, Kathy, fostering a unified vision for their ventures and personal life.

The grit and perseverance displayed by Al are noteworthy. Anticipating that every endeavor would be harder, more costly, and time-consuming than expected, he mentally prepared himself for the challenges. This mindset became a source of resilience, preventing him from succumbing to difficulties and motivating him to persist until the end.



RESOURCES

Nehemiah Entrepreneurship Community Resources

The packages below are designed to help you successfully navigate the Start-Up Stage by addressing the 4 key success factors (Training, Planning, Coaching, & Community):

Option 1: **Business Growth Training and Coaching Package**

- Training and Planning
  - **Identity and Destiny Program** - Identify your calling and purpose
  - **Nothing but a Jar of Oil Course** - Learn how to steward your finances
  - **Biblical Entrepreneurship Program** - Clarify your business idea and develop a Kingdom business plan
  - **Passive Income Continuum Course** - Develop a passive income strategy
- Community and Coaching
  - **Nehemiah E-Community Diamond Membership** - An affordable coaching solution with community and support resources to help you through this stage
- Coaching
  - **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside you through this stage of your business

Option 2: **Business Growth Executive Coaching**

- **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside you through this stage of your business. This is ideal if you have already done the training listed in option 1 or have a very limited budget. You can always add more services as you go along.

To access these resources and start your journey to knowing or clarifying your business idea, visit **Startup.NehemiahBusinessLifeCycle.com**

CHECKLIST

Checklist for Start-Up Stage

No matter what stage your business is in, review the list below and put a check on the items that you have not yet completed or need to improve.

- ☐ Ensure my current coach is qualified to help me with this stage
- ☐ Review and identify Nehemiah Entrepreneurship Community resources to successfully complete this stage
- ☐ Register my company with all the proper licenses
- ☐ Open a business bank account that is different from my personal account
- ☐ Set up a board of directors and/or advisors
- ☐ Have a lawyer and accountant I can rely on for professional advice
- ☐ Have my partners and I sign a statement of faith
- ☐ Set up a bookkeeping system
- ☐ Set up company tech stack (i.e. CRM, bookkeeping, project management system, email system, digital file storage, marketing communication, calendar booking, etc.)
- ☐ Develop corporate documents (i.e. bylaws, operating agreements, etc.)
- ☐ Set up an adequate cash reserve
- ☐ Ensure I am still fully funded
- ☐ Have a clear company vision and mission in writing and clearly communicated throughout the organization
- ☐ Have clearly documented core values for everyone in the organization and make important decisions such as hiring, marketing, etc. based on them
- ☐ Know your unique value proposition and consistently communicate it to your target market

- ☐ Develop all standard operating procedures (i.e marketing, finance, administration, and operations)
- ☐ File the business' annual report and taxes annually
- ☐ Develop an organizational chart
- ☐ Have job descriptions for all employees
- ☐ Have a dedicated team and a hiring and onboarding process that is used to onboard team members
- ☐ Put in place employee training programs
- ☐ Put in place employee recognition programs
- ☐ Make sure expenses are in line with industry standards
- ☐ Create or update my business/strategic plan with financial forecasts
- ☐ Have a marketing plan and sales system
- ☐ Understand my market and industry analysis
- ☐ Have a sales funnel that is tracked and updated regularly
- ☐ Know your competitors and have a clear competitive advantage
- ☐ Define Kingdom and community impact
- ☐ Develop a system to prioritize my family
- ☐ Make sure my family is supportive or/and engaged in the business
- ☐ Have a system for my mate and I to be on the same page
- ☐ Develop my meeting rhythm
- ☐ Have meetings follow a process, start and end on time, and have a clear agenda
- ☐ Take cybersecurity measures
- ☐ Have legal compliance
- ☐ Identify networking opportunities
- ☐ Put quality control measures in place
- ☐ Get appropriate insurance coverage
- ☐ Routinely review planned goals and financials compared with actuals
- ☐ Regularly analyze cash flow

BONUS TIP FOR MARRIED OR SOON-TO-BE-MARRIED COUPLES

If you are married and planning to raise a family, it's advisable, before embracing the responsibilities of parenting, to give due consideration to the time implications that are involved in bringing a business to sustainability. We strongly recommend reaching profitability, or ideally sustainability, in your business before having children.

If you are already a parent but haven't yet reached the "empty-nester" stage, be mindful that starting a business at any time during your parenting season requires careful consideration and due diligence, and should be approached with adequate prayer and guidance.

To access resources and guidance tailored for couples navigating both marriage and business, visit **nehemiahecommunity.com/couples-in-business**.



SUCCESS PLAN

A fillable Success Plan can be found in the Appendix portion of this book

You can also receive a digital version of the full Success Plan when you enroll in the Nehemiah Business Life Cycle Course. It is live virtually and on-demand for free. Visit **NehemiahBusinessLifeCycle.com** to learn more.

1. Identify and list down the things from the checklist that you still need to accomplish to complete this stage.
2. State the specific task you need to complete to accomplish the checklist and identify the following:
   - What about the task do you still wish to improve upon, and how are you going to do so?
   - How much of a priority is the task?
   - What is the task's progress status? (In Progress, Not Started, Pending, etc.)
   - What is a realistic timeline for you to complete the task?
   - Who will be responsible for the task?
   - What are some additional notes you need in place to accomplish the task?
3. Feel free to add other checklist items and tasks that may not have been included on the checklist that you and your Nehemiah Kingdom Business Coach have identified as necessary.

Example
Checklist Item: Ensure my current coach is qualified to help me with this stage
Task: Schedule a free needs assessment with a Nehemiah Kingdom Business Coach to determine the best coaching solution for us
Priority: Urgent
Status: Not started
Timeline: February 1st, 2024
Person Responsible: Amy Entrepreneur Jackson
Notes: Let's make sure to review our budget to determine how much we can afford



CHAPTER SUMMARY

- The Start-Up Stage is akin to the birth of a business, and it is marked by active revenue generation. It's the second stage in the Nehemiah Business Life Cycle, which requires entrepreneurs to take essential steps for business implementation and revenue generation.
- The Start-Up Stage begins at the time that the business idea is actively implemented, and continues until it starts to generate revenue, which is generally around five years.
- Al joined Century Marketing Group (CMC) in its early founding and contributed to leading it to join the Inc. 5000 list for two consecutive years in a row.
- Born into an entrepreneurial family, Al chose to pursue the passion and calling of God in his life rather than taking over the family business, leading him to launch and inspire the creation of over 300 businesses.
- While one of Al's companies took 14 years to achieve profitability, his strategic approach involved cultivating multiple streams of income. This diversification not only sustained his family during the extended Start-Up Stage but also allowed him to invest in the idea until it became profitable.
- The key to Al's success in the Start-Up Stage was grit and perseverance. He also anticipated that every endeavor would be harder, more costly, and time-consuming than expected, so he mentally prepared himself for the challenges. This mindset became a source of resilience, preventing him from succumbing to difficulties and motivating him to persist until the end.

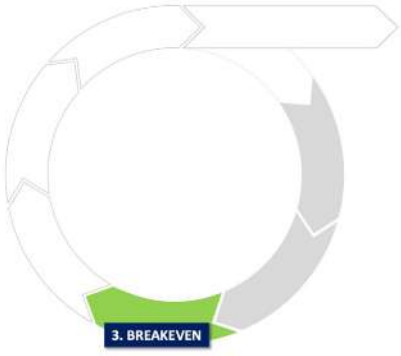
STAGE 3

BREAKEVEN

Covering Expenses

CHAPTER

8



And having food and clothing, with these we shall be content.
1 Timothy 6:8 (NKJV)

Achieving the breakeven stage is a pivotal milestone in the Nehemiah Business Life Cycle, as it represents the moment when your revenue covers both fixed and variable expenses. This is also the stage where it is integral to elevate your success rate and ensure that your business progresses beyond the proof of concept to true viability. If you find this stage challenging, my advice is to consider cutting your losses. While your passion for the idea is commendable, an inability to break-even may indicate that the concept is not viable, or there might be a gap in the skills needed to navigate this crucial stage. We recommend that you set out to break-even within the first 12 to 36 months from the start of the business.



FEATURED ENTERPRENEUR

Lonny & Sherri Hutchison

Owners of Perfect Climate, Inc.

Lonny and Sherri Hutchison embarked on their entrepreneurial journey with the establishment of Perfect Climate on November 1, 1996, right after the birth of their second child. This marked their second venture, following the short-lived Advance Heating, initiated after the arrival of their first child. Unfortunately, Advance Heating faced a premature end due to an unequally yoked partnership, where misaligned values strained their collaborative efforts, as described in **2 Corinthians 6:14-16**. Recognizing the need for a change, they parted ways, leading to the birth of Perfect Climate.

Perfect Climate, a heating and air conditioning company based in Troutdale, Oregon, thrived despite the challenging landscape of heating, ventilation, and air conditioning (HVAC) businesses, which are known for having the second-highest annual failure rate, trailing only behind restaurants. With 23 employees and an impressive revenue of over $4 million at its peak, Perfect Climate defied the odds.

After 21 years of running Perfect Climate, Lonny and Sherri faced a crossroads. Advised by their Nehemiah Kingdom Business Coach to prioritize their marriage over the business, they contemplated exiting the company. Another unequally yoked partnership had created a dysfunctional dynamic that strained their relationship. To honor their values, they decided to exit the business entirely.

Initially agreeing to transfer the business to their partner, the plan was met with resistance, leading to a strained separation and the end of a longstanding friendship. Despite the challenges, Lonny sought advice from a friend and discovered a potential buyer interested in expanding into Perfect Climate's market. Negotiations ensued, and Lonny and Sherri successfully sold the business, retaining ownership of the building, which was then leased to the new owners.

This strategic move allowed Lonny and Sherri to exit the business, relieving them from the strain it had imposed on their marriage. Lonny, now experiencing newfound

freedom and reduced stress, continued working full-time for the new owners before transitioning to a part-time involvement.

Today, Lonny and Sherri enjoy unprecedented success, not just financially but in their personal lives. The decision to prioritize their marriage enabled them to leverage the proceeds from the business sale and their real estate investments, resulting in a combined net worth exceeding $8 million that still continues to grow. Lonny attributes this success to the miraculous release of blessings that followed their commitment to honor their marriage.

How did Lonny and Sherri navigate their business journey to successful breakeven despite being unequally yoked with non-believing partners and facing marital challenges?

Lonny's proficiency with HVAC skills, honed through apprenticeship and employment with a local HVAC company, fueled his entrepreneurial aspirations. Motivated by the desire to provide more for his family, Lonny partnered with his manager to launch Advanced Heating. Although profitable from day one, Advanced Heating faced an untimely demise due to the challenges of being unequally yoked with partners who didn't share aligned values.

The birth of Perfect Climate saw Lonny taking on the role of the technician, while Sherri assumed the managerial responsibilities. Achieving break-even within a couple of months, they attributed their success to strategic decisions. By leveraging their experience from the first business, they brought in existing clients, equipment, and inventory. Opting for used vehicles and utilizing their home as an office helped minimize costs. Their efficient husband-and-wife team dynamic, coupled with low overhead, allowed them to charge competitive rates and swiftly gain market share.

Despite their initial success, challenges arose when they attempted to scale the business prematurely. Hiring a senior technician brought relief to Lonny, but it also increased fixed costs. The introduction of a second senior technician allowed them to handle more complex projects and innovate in the marketplace. However, tensions emerged when Lonny proposed making the new technician a business partner without Sherri's agreement. This decision created marital strain, lasting for at least 10 years until the eventual sale of the business.

While Lonny and Sherri achieved breakeven and profitability, their attempt to scale without achieving sustainability highlighted the importance of strategic planning and

alignment in business decisions, especially within a family-owned enterprise. The impact of these challenges on their marriage ultimately led them to make the decision to exit the business and prioritize their relationship.

To learn more about Lonny and Sherri Hutchison's story, visit **Breakeven.NehemiahBusinessLifeCycle.com#Hutchisons**

CHARACTERISTICS

How to recognize if you are in the Breakeven Stage

- My operating revenue can cover operating expenses
- My business is not consistently profitable
- My cash from sales is able to cover all expenses, including my salary
- I am no longer relying on external financing to keep the business in operation
- I face cash flow challenges or could face cash flow challenges if sales and collections do not improve

Lonny and Sherri achieved breakeven within months because of the unique circumstances of their industry and their low operating costs. The strategic use of resources, including a client base from the split of their prior business, played a crucial role in this swift accomplishment.

CHALLENGES

Challenges you typically need to overcome in the Breakeven Stage

- Cash flow management
- Meeting sales targets
- Efficient collection processes
- Maintaining healthy gross margins
- Controlling overhead and fixed costs
- Making sure owners are paid a salary from the business

Lonny and Sherri encountered cash flow challenges primarily due to ineffective collection processes. Some clients were reluctant to pay promptly, employing tactics to delay payments and improve their own cash flow positions. For instance, they would claim that invoices were not submitted on time, providing them with extended payment periods. To counter this, the Hutchison's had to be firm, detailed, and diligent in ensuring timely payments.

In certain instances, they had to resort to threats of halting work and placing liens on clients' construction sites, leveraging a unique legal benefit available to HVAC companies serving commercial customers. The ability to place liens added an additional layer of enforcement to encourage clients to meet their financial obligations promptly.



REFLECTION QUESTIONS

What lessons have you learned from Lonny and Sherri Hutchison on ways to ensure breakeven quickly?

What could Lonny have done differently that would have addressed his concern without creating tension in his marriage?

Do you agree with the fact that Lonny and Sherri decided to exit the business to preserve their marriage? Why or why not? If not, what would you have done differently?



KEYS TO SUCCESS

Keys to successfully navigate the Breakeven Stage

- **Nehemiah Kingdom Business Coach**: Seek guidance from experienced mentors or coaches who have expertise in this stage of business. Their insights can prove invaluable in navigating complex decisions. If you do not have a coach, visit **Coaching.NehemiahECommunity.com** to schedule an initial free 30-minute coaching session with a Nehemiah Kingdom Business Coach.



- **Continued education**: Stay informed and continuously educate yourself in the areas of business, financial management, and industry trends. To access state-of-the-art Biblical Entrepreneurship training, visit **BiblicalEntrepreneurship.org**.



- **Cash flow management**: Implement effective cash flow management strategies to ensure a healthy financial position.
- **Regularly analyze financial statements**: Keep a close eye on financial statements to identify trends, opportunities, and areas for improvement.
- **Reach sales targets**: Work towards achieving and exceeding sales targets to enhance revenue.
- **Effective collections**: Establish robust collection processes to ensure timely receipt of payments from clients.
- **Adequate markup on products and services**: Set appropriate markup on products and services to maintain healthy profit margins.
- **Line of credit or cash reserves**: Maintain a line of credit or sufficient cash reserves to address any unforeseen financial challenges.
- **Efficient cost management**: Continuously evaluate and optimize operating expenses to maintain a lean and efficient operation.
- **Customer relationship management**: Nurture strong relationships with clients to encourage repeat business and positive word-of-mouth referrals.
- **Innovation and adaptation**: Stay innovative and adaptable to changes in the market, ensuring that products and services remain relevant.
- **Employee productivity**: Foster a productive and motivated workforce to maximize efficiency and output.

- **Market expansion**: Explore opportunities for market expansion or diversification to increase revenue streams.
- **Strategic partnerships**: Form strategic partnerships that can enhance the business's capabilities and market reach.
- **Legal and contractual awareness**: Stay informed about legal and contractual aspects of the business, especially concerning collections, contracts, etc., to protect the company's interests.
- **Scenario planning**: Develop contingency plans for potential challenges, allowing for a proactive response to unforeseen circumstances.
- **Feedback and improvement**: Encourage customer feedback and use it to make continuous improvements in products, services, and overall business operations.

Lonny and Sherri regularly audited their vendor invoices to uncover misappropriations and discovered numerous overcharges. It became evident that many vendors operated on the assumption that entrepreneurs might not notice these discrepancies. This practice, if overlooked, often contributed to the financial struggles and, ultimately, bankruptcy for HVAC companies. The scrutiny of vendor invoices also played a crucial role in influencing markup percentages because overcharging for supplies could significantly impact profit margins.



RESOURCES

Nehemiah Entrepreneurship Community Resources

The packages below are designed to help you successfully navigate the Breakeven Stage by addressing the 4 key success factors (Training, Planning, Coaching, & Community):

Option 1: **Business Growth Training and Coaching Package**

- Training and Planning
  - **Identity and Destiny Program** - Identify your calling and purpose
  - **Nothing but a Jar of Oil Course** - Learn how to steward your finances
  - **Biblical Entrepreneurship Program** - Clarify your business idea and develop a

Kingdom business plan

  - **Passive Income Continuum Course** - Develop a passive income strategy
- Community and Coaching
  - **Nehemiah E-Community Diamond Membership** - An affordable coaching solution with community and support resources to help you through this stage
- Coaching
  - **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside you through this stage of your business

Option 2: **Business Growth Executive Coaching**

- **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside you through this stage of your business. This is ideal if you have already done the training listed in option 1 or have a very limited budget. You can always add more services as you go along.



To access these resources and successfully navigate the Breakeven Stage, visit **Breakeven.NehemiahBusinessLifeCycle.com**



CHECKLIST

Checklist for Breakeven Stage

No matter what stage your business is in, review the list below and put a check on the items that you have not yet completed or need to improve.

- ☐ Ensure my current coach is qualified to help me with this stage
- ☐ Review and identify Nehemiah Entrepreneurship Community resources to successfully complete this stage
- ☐ Develop a collections policy and system
- ☐ Ensure adequate cash reserve
- ☐ Acquire a line of credit
- ☐ Review products and services pricing and ensure they are in line with market and value

- ☐ Set a recurring date and time to regularly update financial projections based on market trends and business performance
- ☐ Diversify revenue streams to reduce dependence on a single source
- ☐ Implement cost-saving measures without compromising quality
- ☐ Put a system in place to stay informed about industry changes and adjust strategies accordingly
- ☐ Put a system in place to foster strong relationships with key suppliers and explore discounts for bulk purchases
- ☐ Develop a schedule to continuously monitor and enhance customer satisfaction to encourage repeat business
- ☐ Schedule a time to annually evaluate and optimize operational processes for efficiency gains
- ☐ Develop a plan for alternative financing options or partnerships to strengthen financial stability
- ☐ Have a completed strategic or operational plan that is constantly being updated
- ☐ Conduct quarterly or bi-annual staff reviews with clear accountability tools
- ☐ Have a documented social covenant of how we will treat each other and we live by it

BONUS TIP FOR MARRIED OR SOON-TO-BE-MARRIED COUPLES

If you are married and planning to raise a family, it's advisable, before embracing the responsibilities of parenting, to give due consideration to the time implications that are involved in bringing a business to sustainability. We strongly recommend reaching profitability, or ideally sustainability, in your business before having children.

If you are already a parent but haven't yet reached the "empty-nester" stage, be mindful that managing a business at breakeven during your parenting season requires careful consideration and due diligence, and should be approached with adequate prayer and guidance.

To access resources and guidance tailored for couples navigating both marriage and business, visit **nehemiahecommunity.com/couples-in-business**.

SUCCESS PLAN

A fillable Success Plan can be found in the Appendix portion of this book

You can also receive a digital version of the full Success Plan when you enroll in the Nehemiah Business Life Cycle Course. It is live virtually and on-demand for free. Visit **NehemiahBusinessLifeCycle.com** to learn more.

1. Identify and list down the things from the checklist that you still need to accomplish to complete this stage.
2. State the specific task you need to complete to accomplish the checklist and identify the following:
   - What about the task do you still wish to improve upon, and how are you going to do so?
   - How much of a priority is the task?
   - What is the task's progress status? (In Progress, Not Started, Pending, etc.)
   - What is a realistic timeline for you to complete the task?
   - Who will be responsible for the task?

- What are some additional notes you need in place to accomplish the task?

3. Feel free to add other checklist items and tasks that may not have been included on the checklist that you and your Nehemiah Kingdom Business Coach have identified as necessary.

Example
Checklist Item: Set up adequate cash reserve
Task: Increase cash reserves by an additional $5,000
Priority: Important
Status: In Progress
Timeline: June 1st, 2024
Person Responsible: Bob Finance Harvey
Notes: Let's discuss a strategy to accomplish this as a team



CHAPTER SUMMARY

- Breakeven is the third stage of the Nehemiah Business Life Cycle and it represents the moment when your revenue covers both fixed and variable expenses.
- We recommend that you set out to break even within 12 to 36 months from the start of the business.
- Lonny and Sherri Hutchison embarked on their entrepreneurial journey with the establishment of Perfect Climate on November 1, 1996, right after the birth of their second child, and reached the breakeven point within a couple of months.
- Lonny and Sherri achieved breakeven within months because of the unique circumstances of their industry, their low operating costs, and the fact that they started their business with an existing client base.

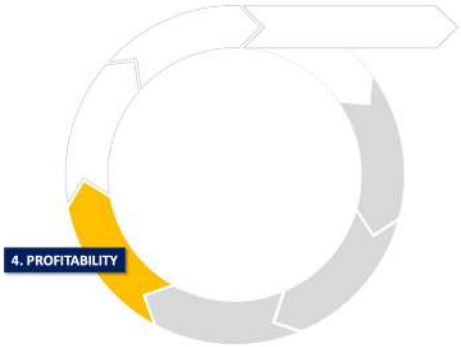
STAGE 4

PROFITABILITY

Creating Margin

CHAPTER

9



Thus says the Lord, your Redeemer,
The Holy One of Israel:
"I am the Lord your God, Who teaches you to profit,
Who leads you by the way you should go."
Isaiah 48:17 (NKJV)

Now that you are at breakeven, it is time to proceed to the fourth stage of the Nehemiah Business Life Cycle, Profitability. The profitability stage is the season when the business is achieving profit margins consistently over time, while generating a quadruple (people, planet, profit, eternal impact) bottom line. You are consistently making more than you spend, and you are doing it in a way that honors the Lord.

This is evidence that the market has embraced your business idea, and it also demonstrates your good stewardship. Without profit, you do not have the ability to keep going, continue to improve your business, reward your employees, invest in the Kingdom, and pay your stockholders a market-adjusted rate of return. This includes yourself, the primary investor in the business. We recommend that you set out to be in the Profitability Stage within the first five years of business operations.



FEATURED ENTERPRENEUR

Dr. Gail Davis

Founder of Davis Endodontist, PC

Dr. Gail Davis founded Davis Endodontics in 2015 as a boutique endodontic office in Montgomery County, Maryland. At its peak, her revenue reached approximately $750K annually with an impressive net profit margin of about 49%, exceeding the industry standard of 30% to 40%. Her efficient practice management allowed her to achieve remarkable financial success. Dr. Davis, with the guidance of her Nehemiah Kingdom Business Coach, aimed to exit the business by age 55 to pursue her calling in health and wellness, book publishing, and speaking.

Initially planning to bring in an associate and eventually sell the practice to them, Dr. Davis faced challenges in finding the right fit among several young associates. Consequently, she shifted her strategy towards selling to a dental group. A fellow doctor, who had founded a dental group with expansion plans in the same market, approached her. With her coach's assistance, Dr. Davis developed a sales price using the earnings before interest, taxes, depreciation, and amortization (EBITDA) valuation model, leading to a signed letter of intent.

The sale of the practice occurred a few years earlier than initially planned. Unfortunately, she did not achieve the desired sales price due to the hiring of another doctor in an attempt to boost topline revenue. Consequently, this move did not increase revenue, but it reduced her net profit margin, impacting the overall value of the practice.

Dr. Davis worked for the new owners for approximately a year and a half before retiring fully from dentistry. Leveraging her coach's guidance, she had previously purchased the building housing her practice. This strategic move allowed her to enjoy rental income for a few years in addition to the proceeds from the practice's sale before ultimately selling the building to the new owners.

Despite not meeting her initial ask price, Dr. Davis has embraced the freedom from the practice, delving into her passion for health and wellness. Driven by her own

health challenges, she embarked on a journey of discovery and healing, leading to the publication of her first book, *"Eat Well."* The revelations received during her health struggles inspired her to share natural healing solutions with others, ultimately giving birth to *"The War on Health."* After the launch of her second book, she became a sought-after speaker on the topic, addressing various groups nationwide.

How did Dr Gail Davis achieve a better-than-industry standard profit margin despite the fact she did not learn business in dental school?

Dr. Gail Davis achieved a net profit better than the industry standard through a combination of strategic decisions and dedication to excellence. You will be surprised to know that originally, becoming a doctor wasn't Dr. Davis's dream but her mother's, who implicitly instructed her daughters to pursue a medical career. Inspired by her childhood dentist's joy and her interest in working with her hands, Dr. Davis chose dentistry. After dental school, she specialized in Endodontics, the field she found most appealing.

Dr. Davis faced health challenges due to her demanding schedule, working full-time as a Howard University professor and at a dental practice. This prompted her to prioritize her well-being and launch her own boutique practice using her savings. An opportunity to buy out a Periodontist's lease accelerated the establishment of her practice. Dr. Davis maintained a part-time position elsewhere for a year and a half, allowing her practice to breakeven.

Her profitability within five years was attributed to practical strategies. Dr. Davis sought wisdom from the Lord, avoiding excessive reliance on external consultants to control fixed costs. Building relationships with local dentists for referrals, providing excellent service, and hiring efficient staff contributed to her success. Her meticulous attention to detail, inventory management, and guidance from her Nehemiah Kingdom Business Coach also played crucial roles.

As previously mentioned, her profit margin diminished when attempting to grow revenue to increase the practice's resale value. Hiring an associate slowed down the practice's pace and didn't contribute to marketing efforts. Despite this, Dr. Davis chose to retain the associate, valuing the time spent with her aging parents over the goal of maximizing the business's sale value. Dr. Davis's decision to prioritize personal values and relationships over maximizing profits showcases her commitment to a holistic approach to success, intertwining business and personal life.

To learn more about Dr. Gail Davis' story, visit
Profitability.NehemiahBusinessLifeCycle.com#GailDavis

CHARACTERISTICS

How to recognize if you are in the Profitability Stage

- My business is able to cover all its operating expenses and still generate a surplus
- While my business may still face occasional cash flow challenges, overall profitability is being maintained
- I have successfully built or have the ability to build financial reserves for my business
- My business can reinvest in its operations through operating profits
- I can comfortably allocate funds for charitable giving from my business
- My business has established a line of credit to manage financial needs
- My profit margins are in line with or exceed industry standards
- My financial statements consistently show positive net income
- My business is not heavily reliant on external financing for day-to-day operations
- My stakeholders are able to receive regular distributions or dividends from the profits
- My profitability is sustainable over an extended period, not just a one-time occurrence
- My business has the ability to withstand economic downturns without significant financial strain

Dr. Gail Davis achieved profitability within three years by adopting a cost-minimization strategy and establishing a network of referral doctors. This networking approach not only reduced her marketing expenses but also enhanced customer retention, contributing significantly to her business's financial success.



CHALLENGES

Challenges you typically need to overcome in the Profitability Stage

- Ineffective cash flow management leading to potential financial strain
- Falling into the "profit trap," where the focus on short-term profits hinders long-term growth
- Continuous monitoring and adjustment of financial ratios to maintain or surpass industry standards
- Developing and executing effective strategic plans for sustainable growth
- Establishing and maintaining regular meeting rhythms for effective communication and decision-making
- Leveraging technology to enhance operational efficiency and stay competitive
- Building and retaining a qualified and adequate team to support business operations
- Consistently following SOPs (Standard Operating Procedures) and systems for smooth functioning
- Striking a balance between working in the business and working on the business for strategic development
- Ensuring timely payments to vendors to maintain positive relationships and secure supply chains
- Incorporating a culture of generosity within the business model
- Managing overhead costs effectively to avoid unnecessary financial burdens
- Balancing short-term gains with long-term sustainability
- Implementing effective debt management strategies
- Staying adaptable to changes in the market and industry trends
- Continuously refining and optimizing business processes
- Investing in employee training and development for enhanced productivity
- Diversifying revenue streams to reduce dependency on a single source
- Owners getting a regular salary
- Monitoring and responding to customer feedback and market demands
- Maintaining a focus on innovation and staying ahead of industry advancements
- Proactively addressing any legal or compliance issues to avoid disruptions

- Establishing strong relationships with key stakeholders, including suppliers and customers
- Paying shareholder distribution or keeping them updated
- Building a resilient and scalable business infrastructure

While Dr. Davis achieved significant profitability, she encountered the profit trap, limiting her time and freedom. As a key element of her succession and exit strategy, she brought in an associate. Although this decision provided her with more personal freedom, it resulted in a reduction of her profit margin, consequently diminishing the resale value of her practice.



REFLECTION QUESTIONS

What do you think about Dr. Gail Davis' mother insisting that her daughters become doctors? Do you agree, why or why not?

What lessons can you learn from how Dr. Davis was able to generate net profit better than the industry standard?

What could Dr Davis have done to increase her top-line revenue without decreasing her profit margin?

Do you agree with her ultimate decision to keep the associate? Why or why not?

KEYS TO SUCCESS

Keys to successfully navigate the Profitability Stage

- **Nehemiah Kingdom Business Coach**: Seek guidance from experienced mentors or coaches who have expertise in this stage of business. Their insights can prove invaluable in navigating complex decisions. If you do not have a coach, visit **Coaching.NehemiahECommunity.com** to schedule an initial free 30-minute coaching session with a Nehemiah Kingdom Business Coach.
- **Continued education**: Commit to ongoing learning and professional development to stay updated on industry trends, acquire new skills, and enhance knowledge. This can include attending workshops, courses, and seminars, and staying informed about changes in the business landscape. To access state-of-the-art Biblical Entrepreneurship training, visit **BiblicalEntrepreneurship.org**.

- **Know the standard net profit ratio of the industry**: Gain understanding about the typical net profit ratio for businesses within a specific industry helps in setting realistic financial goals, assessing performance, and making informed decisions to align with or surpass industry benchmarks.
- **Commit to exceeding industry standards**: Make a deliberate commitment to not just meet but surpass established industry benchmarks and standards. This involves setting higher performance goals, innovating processes, and striving for excellence to outperform competitors. Properly operating a Kingdom business makes this possible.
- **Build adequate financial reserves**: Maintain a sufficient amount of funds set aside for emergencies, unforeseen expenses, or opportunities. Financial reserves act as a buffer, providing stability during economic downturns or unexpected challenges.
- **Adequate line of credit**: Gain access to a predetermined amount of credit that can be used for short-term financing needs. A line of credit provides flexibility for managing cash flow, covering operational expenses, or seizing business opportunities.
- **Business tithing**: Allocate a portion of the business's profits, often 10%, for charitable or philanthropic purposes. Business tithing reflects a commitment to giving back to the community or supporting causes aligned with the company's values. It is also a sign that your company is a Kingdom company.
- **Paying vendors on time**: Adhere to agreed-upon payment terms and ensure that invoices from suppliers or service providers are settled within the specified timeframe. Timely payments contribute to positive vendor relationships and can sometimes lead to favorable terms. A Kingdom company must pay its vendors on time.
- **Strategic planning**: Develop and execute a comprehensive strategy that aligns with business goals, market trends, and competitive landscape. Strategic planning involves setting priorities, allocating resources efficiently, and anticipating future challenges. If you need help, seek the help of a Nehemiah Kingdom Business Coach by visiting **Coaching.NehemiahECommunity.com**.
- **Meeting rhythms**: Establish regular and effective communication channels within the organization. Meeting rhythms involve routine team meetings, check-ins, and strategic planning sessions to ensure everyone is aligned, informed, and engaged.
- **Leveraging technology for efficiency**: Embrace technology tools and systems to streamline operations, enhance productivity, and improve overall efficiency.

This includes adopting software, automation, and digital solutions that align with business needs. If you need help, seek the help of Nehemiah Business Services by visiting **BizTechConcierge.com**.



  - Customer relationship management (CRM)
  - Project management
  - Bookkeeping systems
  - Social media management
  - Marketing automation
  - Others
- **Qualified and adequate teams**: Build and maintain a team with the necessary skills, expertise, and capacity to meet business demands. Qualified and adequate teams contribute to operational excellence, innovation, and sustained growth.
- **Follow SOPs and systems**: Adhere to Standard Operating Procedures (SOPs) and established systems to maintain consistency, quality, and efficiency in business processes. Following SOPs helps in creating a structured and organized work environment.
- **Evaluate and reward your team**: Implement a systematic process to assess individual and collective performance within the team. This involves regular performance evaluations, constructive feedback, and recognition for achievements. Rewarding the team for their efforts and accomplishments can include financial incentives, professional development opportunities, or acknowledgment of contributions to foster motivation and job satisfaction.

Dr. Gail Davis strategically leveraged her Nehemiah Kingdom Business Coach to fill the business knowledge gaps she had. Acting on the coach's advice, she enrolled in and successfully completed the Biblical Entrepreneurship program. Additionally, she maintained a routine of regularly reviewing financial statements. While she didn't initially tithe through her business in its early stages, upon discovering the concept of business tithing, she voluntarily calculated the amount of tithe she should have paid since becoming profitable and fulfilled this commitment, even for past years. This was something she was under no obligation to do.

RESOURCES

Nehemiah Entrepreneurship Community Resources

The packages below are designed to help you successfully navigate the Profitability Stage by addressing the 4 key success factors (Training, Planning, Coaching, & Community):

Option 1: **Business Success Training and Coaching Package**

- Training and Planning
  - **Identity and Destiny Program** - Identify your calling and purpose
  - **Nothing but a Jar of Oil Course** - Learn how to steward your finances
  - **Biblical Entrepreneurship Program** - Clarify your business idea and develop a Kingdom business plan
  - **Passive Income Continuum Course** - Develop a passive income strategy
- Community and Coaching
  - **Nehemiah E-Community Diamond Membership** - An affordable coaching solution with community and support resources to help you through this stage
- Coaching
  - **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside you through this stage of your business
  - **Business Success Accelerator** - A peer-to-peer and cost-effective group coaching experience

Option 2: **Business Success Executive Coaching**

- **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside you through this stage of your business. This is ideal if you have already done the training listed in option 1 or have a very limited budget. You can always add more services as you go along.

To access these resources and start your journey to move your business from Breakeven to Profitability, visit **Profitability.NehemiahBusinessLifeCycle.com**



CHECKLIST

Checklist for Profitability Stage

No matter what stage your business is in, review the list below and put a check on the items that you have not yet completed or need to improve.

- ☐ Ensure my current coach is qualified to help me with this stage
- ☐ Review and identify Nehemiah Entrepreneurship Community resources to successfully complete this stage
- ☐ Research and compare the industry standard net profit ratio
- ☐ Have adequate financial reserves
- ☐ Have adequate line of credit
- ☐ Conduct monthly financial reviews
- ☐ Have a budget and financial forecast that is updated regularly with actuals and prior year comparisons
- ☐ Have a clearly documented marketing and sales plan that is executed and measured
- ☐ Conduct monthly strategic review sessions, quarterly, and annual retreats with the team
- ☐ Conduct weekly team meetings with updates based on each member's action plan from the overall strategic plan of the organization
- ☐ Have an effective process for solving issues and challenges, and we are not allowing the biggest issues to linger for days or weeks without being addressed
- ☐ Systematically collect customer and employee feedback, and track satisfaction levels
- ☐ Weekly track forward-looking indicators which predict results one or more months into the future on a Dashboard or Scorecard
- ☐ Regularly tithe for the company
- ☐ Pay company taxes
- ☐ Have a corporate scorecard that aligns with Kingdom and community impact

- ☐ Pay dividends to shareholders or/and provide them with timely communication and update
- ☐ Sign up for continued education

BONUS TIP FOR MARRIED OR SOON-TO-BE-MARRIED COUPLES

Congratulations! You have reached profitability. You now have the margin to enjoy and invest in your family; be careful however, as you are not sustainable yet, and you may face the "profit trap", which would rob you of personal margin to spend time with your family.

Some couples find themselves having less time at the profitability stage than prior because of the time and focus required to maintain profitability since they are not yet sustainable. We advise you to continue on your journey toward sustainability.

To access resources and guidance tailored for couples navigating both marriage and business, visit **nehemiahecommunity.com/couples-in-business**.

SUCCESS PLAN

A fillable Success Plan can be found in the Appendix portion of this book

You can also receive a digital version of the full Success Plan when you enroll in the Nehemiah Business Life Cycle Course. It is live virtually and on-demand for free. Visit **NehemiahBusinessLifeCycle.com** to learn more.

1. Identify and list down the things from the checklist that you still need to accomplish to complete this stage.
2. State the specific task you need to complete to accomplish the checklist and identify the following:
    - What about the task do you still wish to improve upon, and how are you going to do so?
    - How much of a priority is the task?
    - What is the task's progress status? (In Progress, Not Started, Pending, etc.)
    - What is a realistic timeline for you to complete the task?
    - Who will be responsible for the task?
    - What are some additional notes you need in place to accomplish the task?
3. Feel free to add other checklist items and tasks that may not have been included on the checklist that you and your Nehemiah Kingdom Business Coach have identified as necessary.

Example
Checklist Item: Regularly tithe for the company
Task: Develop an SOP on how we will tithe and where; quarterly, bi-annually, or annually
Priority: Urgent
Status: Not started
Timeline: June 1st, 2024
Person Responsible: Bob Finance Harvey
Notes: Discuss with our Nehemiah Kingdom Business Coach and other entrepreneurs to learn some best practices



CHAPTER SUMMARY

- The Profitability Stage is the fifth stage of the Nehemiah Business Lifecycle. It is the season when the business is achieving profit margins consistently over time, while generating a quadruple (people, planet, profit, and eternal impact) bottom line.
- We recommend that you set out to be profitable within 3 to 5 years from the start of the business but it could take longer depending on the industry and market reality.
- Without profit, you do not have the ability to keep going, continue to improve your business, reward your employees, invest in the Kingdom, and pay your stockholders a market-adjusted rate of return.
- Dr. Gail Davis founded Davis Endodontics in 2015 as a boutique endodontic office in Montgomery County, Maryland. At its peak, her revenue reached approximately $750K annually with an impressive net profit margin of about 49%, exceeding the industry standard of 30% to 40%.
- Her profitability within five years was attributed to practical strategies. Dr. Davis sought wisdom from the Lord, avoiding excessive reliance on external consultants to control fixed costs. Building relationships with local dentists for referrals, providing excellent service, and hiring efficient staff contributed to her success. Her meticulous attention to detail, inventory management, and guidance from her Nehemiah Kingdom Business Coach also played crucial roles.
- Dr Davis' profit margin diminished when she hired an associate to grow revenue to increase the practice's resale value. Despite this, she chose to retain the associate, valuing the time spent with her aging parents over the goal of maximizing the business' sales value. This demonstrated her view of profit from a quadruple bottom line perspective (people, planet, profit, and eternity) rather than just a single bottom line.

STAGE 5

SUSTAINABILITY

Beyond the Profit Trap

CHAPTER

10



So Moses' father-in-law said to him, "The thing that you do is not good. Both you and these people who are with you will surely wear yourselves out. For this thing is too much for you; you are not able to perform it by yourself."
Exodus 18:17-18 (NKJV)

Achieving profitability is a significant milestone for any business, but true success lies in sustainability, the fifth stage of the Nehemiah Business Life Cycle. Sustainability is essential for avoiding the profit trap—a situation where entrepreneurs, despite having a profitable business, lack personal freedom due to insufficient business systems and the absence of a competent team in key positions.

Sustainability involves implementing robust systems and assembling a skilled team to ensure the business's long-term viability, ongoing wealth creation, and positive societal impact. This approach not only secures the entrepreneur's personal freedom, but also contributes to fulfilling their calling and living a meaningful life. In essence, launching a business transcends self-employment; it's about addressing market needs, generating employment, and achieving personal and professional fulfillment through sustainable practices.



FEATURED ENTERPRENEUR

Mike Welker
CEO of AndCo Consulting LLC

Mike Welker's acquisition and transformation of the Bogdahn Group into AndCo exemplify the essence of sustainable business growth. Joining Joe Bogdahn in 2002 and becoming an owner a few years later, Welker initially owned 25% of the company. His full acquisition in January 2015 marked a pivotal turn as he rebranded the company to AndCo, to better reflect the purpose of the business and their core values. Despite never envisioning the purchase and growth of a company that would eventually occupy a top industry position, Welker's strategic moves and vision propelled AndCo to national prominence. This journey underscores the importance of seizing opportunities, embracing growth, and fostering a sustainable business model for long-term success and impact.

What prepared Mike for this opportunity, and what has been the key to his success?

Mike Welker's journey to becoming a key player in transforming the Bogdahn Group into AndCo is a testament to his preparation and the foundational elements of his success. As a third-generation entrepreneur, Mike chose not to join his family's concrete and aggregate business due to a lack of passion for the industry and not wanting to introduce a professional element to the family dynamic. However, his early experiences in the family business introduced him to the significant impact and potential of small businesses, instilling in him a deep appreciation for risk-taking, work ethic, relationships, customer service, financing, and the intricacies of running a small business.

Mike's academic pursuit in business and economics, coupled with his first job at a Fortune 500 company, solidified his preference for the small business environment over the corporate world. This background set the stage for his eventual partnership with Joe Bogdahn, who was at the helm of an up-and-coming retirement plan consulting firm; the Bogdahn Group.

Despite the prospects of either advancing in his current position or seeking other career opportunities, Mike was drawn to Joe Bogdahn's innovative vision and the potential to make a meaningful impact in the retirement plan industry. Joe's solid reputation, his challenge to industry norms, and a shared faith in Christ were key factors that resonated with Mike. Joe's need for a capable partner to help grow the firm, support client servicing efforts, help with operations, and prevent the profit trap through sustainable growth, presented him with an opportunity to invite Mike to join him in the business.

Accepting Joe's offer meant embracing significant risks given the start-up's uncertain future and its position in a small Florida city - Winter Haven. They would also be challenging the established giants in the industry. However, Mike was inspired by Joe's passion, can-do attitude, and vision. He believed in the potential to transform the industry, or at the very least felt they would enjoy the journey of trying.

For Mike, partnering with Joe Bogdahn represented a unique opportunity to achieve ownership in a small business that was already poised to make a significant impact in its industry, without the need to grow into a large corporation. His experiences within his family business had shown him the value of being part of something entrepreneurial, even if he wasn't the one to start it.

So, when Joe extended the invitation to join him, Mike was intrigued, despite simultaneously considering positions with more established firms. After meeting with Joe and his wife alongside his own wife, Kristen, the couples discovered shared values and goals that made the opportunity even more appealing. They decided the potential benefits outweighed the risks, especially since they were still in their mid/late 20s, and they all valued staying in Central Florida.

In Chapter 12, we will delve deeper into the succession and exit strategies that were implemented during Joe's journey of passing the company's reins to Mike, in particular highlighting the strategic considerations behind this transition.

The turning point for Mike and Kristen was learning about the industry's lack of transparency and objectivity, issues that even affected the firm where Mike initially worked. This revelation fueled Mike's passion to seek to drive change within the industry. One crucial condition for Mike joining Joe was the opportunity to become an owner, a promise Joe fulfilled. A few years after joining Joe, with the help of a generous loan from Kristen's parents—who were successful small business owners themselves—Mike acquired a minority stake in the company. His in-laws' support

didn't end there; they also assisted when Mike needed funds to buy Joe out completely and gain full control over the company. Their investment not only demonstrated faith in Mike and Kristen's vision, but also contributed significantly to their eventual success and the transformation of the company.

From the outset, Joe saw Mike not just as an employee, but also as a peer and his eventual successor, appointing him President around 2008—a decision that affirmed Mike's role but also foreshadowed challenges as the company expanded. Their commitment to build a leading Retirement Plan Consulting firm in Florida was the catalyst for engaging Nehemiah as their Kingdom Business Coach, a move that would profoundly shape their company's future.

The partnership with Nehemiah began through an unexpected avenue: Mike's church, the First Presbyterian Church of Orlando, had collaborated with Nehemiah to offer a class on Biblical Entrepreneurship as a part of their commitment to serve the business members of their church as well they used it as a part of their overseas mission in the country of Madagascar. Initially skeptical of the connection between faith and business, Mike's curiosity was piqued by his friend Chris King, who prompted him to attend the class with him. Although Chris couldn't make it due to illness, and would later attend at a different date without Mike. Mike reached out to Joe to invite Joe to join him. To both their surprise their schedule aligned which was rare due to their constantly being on the road seeing clients so they both took it as a divine sign.

The class proved revelatory, addressing many of the challenges they faced and affirming their business approach. Struck by the relevance of biblical principles to entrepreneurship and strategy, they were compelled to share this newfound knowledge with their wives. Unable to properly convey what they had just learned to them they invited Nehemiah to hold a class in their office for their wives and some of their team members and this led them to hire Nehemiah as the company's Kingdom Business Coach.

Hiring Nehemiah was a decisive step, one that enriched their company with invaluable guidance on leadership, strategy, and integrating faith with business.

Nehemiah's first recommendation—to establish a singular CEO leadership structure—set the company on a sustainable path. The decision to appoint Mike as CEO and Joe as board chair was challenging, stirring concerns about leadership dynamics and partnership loyalty. However, with Nehemiah's guidance, they navigated these changes, embracing a structure that ultimately strengthened the company's foundation

and propelled them toward their vision.

As the Bogdahn Group, now AndCo, solidified its status as a leader in Retirement Plan Consulting in the state of Florida, Mike found himself at a pivotal juncture. Joe's vision was realized and the giant of the industry, Merrill Lynch, was dethroned in Florida. Mike's ambition soared towards national preeminence. Yet, this ambition would not only test his strategic acumen but also his personal values and life balance.

Mike's journey began with the crucial task of building a robust operational team. Identifying a talented young consultant with strong operational skills, Mike found his right-hand man and director of operations. Their synergy led to the implementation of innovative technologies, the hiring of key personnel, and the refinement of the business model. This operational excellence propelled the company into a period of significant growth, albeit accompanied by tensions between Mike and Joe regarding the company's future direction. Joe, having made considerable personal sacrifices, was hesitant to embark on another demanding chapter, in contrast to Mike's national aspirations.

The resolution came through thoughtful deliberation, facilitated by their Nehemiah Coach, and discussions with their spouses, culminating in Mike's early acquisition of Joe's majority stake in the company. This transition marked a new era for AndCo, under Mike's majority ownership.

Driven by a vision to transform AndCo into a national industry leader, Mike's strategy emphasized talent acquisition, strategic acquisitions, and infrastructure enhancements. This ambitious approach yielded remarkable results, achieving a decade-long goal in half the projected time, and positioning AndCo among the top national industry leaders, advising on over $100 billion.

However, success brought Mike to a crossroads similar to the one Joe had faced a decade earlier. With the company at a growth inflection point, the next expansion phase seemed daunting, especially in an environment of unfavorable interest rates. Reflecting on the balance between ambition and personal fulfillment, Mike pondered the implications of a strategic partnership or even an early exit.

Mike's life had transformed significantly. No longer buried in the demands of travel and client meetings, he enjoyed a flexible schedule that allowed for personal pursuits and engaging in community service. This newfound balance prompted introspection about both the future direction of AndCo, and also about his own legacy.

As Mike contemplated the path forward—whether to maintain, scale, or exit—he faced the quintessential entrepreneur's dilemma. His journey underscores the delicate balance between professional achievement and personal satisfaction, highlighting the profound questions that success inevitably brings.

Building a sustainable business offers a wealth of opportunities, presenting entrepreneurs with a pivotal choice: to maintain, scale, or exit their venture. This decision isn't merely about preference; it demands a careful evaluation of the current market landscape, the capabilities and endurance of your team, and, crucially, your calling and family's priorities.

Choosing to scale your business—whether regionally, nationally, or internationally—can indeed rekindle the intense demands of your startup phase, requiring substantial time and financial investment. However, with the advantage of established systems, a competent team, and a proven business model, you're better positioned to mitigate risks. Yet, the shadow of potential setbacks looms, threatening not just progress but also the future resale value of your company.

Once you reach the crossroads of sustainability, the path that you choose will shape your legacy. Scaling offers the allure of growth and expansion, but with it comes the risk of overextension and the potential compromise of all that you have meticulously built. Exiting could secure a financial windfall and offer a graceful departure, preserving your freedom and the company's value. Meanwhile, opting to maintain your current trajectory allows for a steady, controlled approach, ensuring the business remains robust for a planned succession.

This juncture asks more of you than mere business acumen; it demands introspection about what success really means to you, and how it aligns with your broader life goals. Will the allure of scaling and the challenges it brings invigorate you, or does the stability of maintenance, with its promise of sustained profitability and personal freedom, align more closely with your aspirations? Or perhaps the prospect of an exit, with its finality and the opportunity for new beginnings, resonates with your long-term vision.

The sustainability of your business is not just a testament to its viability, but also a reflection of your strategic foresight and personal values. As you ponder your next move, consider not only the potential impact on the market and your company but also on your quality of life and legacy. The decision to scale, exit, or maintain is as much

about navigating the future of your business as it is about steering the course of your life's call.

As for Mike and Andco, his hard work and investment paid off. He eventually found a strategic partner that provided him a viable path towards exit that enabled him to preserve the company's core values and priorities, while ensuring a rewarding financial payoff for himself and his team. He and his team now have a choice to continue working with the new strategic partner or retire altogether.

To learn more about Mike Welker's story, visit
Sustainability.NehemiahBusinessLifeCycle.com#MikeWelker

CHARACTERISTICS

How to recognize if you are in the Sustainability Stage

- My business systems are in place
- My business operating procedures are established
- My business has the right staff in the right positions
- I am able to delegate major responsibility to others
- I am working on the business instead of in the business
- My management team, and I have the margin of time
- My business has a stable financial performance
- My company has customer loyalty
- My company is innovative and adaptable
- My company manages risk effectively
- My business is making a Kingdom and community impact
- My business has clear market leadership
- My business has a healthy corporate culture

Mike's journey toward sustainability for his company represents a strategic and holistic approach to leadership and business management. By focusing on sustainability, Mike was not merely aiming for environmental or social responsibility, but ensuring the long-

term viability and success of the business. This process, which began while he was still in partnership with Joe and continued more robustly after purchasing the company, involved several key steps and strategic decisions that collectively contributed to the firm's sustainable growth and success.

Reorganization and Empowerment of the Executive Team: Mike understood the importance of a strong, autonomous executive team. By reorganizing this team and empowering them to take ownership of their respective areas, he ensured that the company's leadership was both distributed and accountable. Establishing clear, measurable objectives and Key Performance Indicators (KPIs) for each executive role allowed for transparency, accountability, and a focus on results. This approach not only decentralized decision-making but also encouraged a culture of leadership and responsibility across the company

Operational and Technological Enhancements: The operational director's role in updating the tech stack and operational systems was critical. By improving these systems, the company could operate more efficiently, reduce costs, and improve service delivery. The standardization of operating procedures further ensured consistency and quality in the company's operations, essential elements for sustainable business practices.

Client Service Excellence: The Executive Director of Consulting's development of a client service process was another pillar of the company's strategy. Helping to ensure excellent client service not only supported client retention and satisfaction, but also contributed to the company's reputation and competitiveness in the marketplace.

Financial Systems, HR Management, and Compliance: Strengthening the financial function of the organization and enhancing financial systems under the CFO, along with the creation of a Director of People and Culture who reported to the Chief Human Resources Officer to help maintain a healthy company culture, were crucial. The hiring of a strong Chief Compliance Officer to help mitigate risk from a regulatory perspective while also supporting growth initiatives was vital. These steps helped ensure the company was structurally and financially sound and that its employees were engaged and aligned with the company's values and objectives.

Strategic Direction and Innovation: As CEO, Mike's focus on strategic direction, innovation, vision, and team accountability was pivotal. His leadership ensured that the company not only stayed true to its core values and mission but also remained adaptable and forward-thinking in a competitive and ever-changing business landscape.

Philanthropy and Community Engagement: The company's continued and even expanded support for philanthropic organizations, including the Nehemiah Entrepreneurship Community and the Elevation Foundation, highlighted its commitment to social responsibility and kingdom impact. This approach not only contributed to the company's sustainability efforts by supporting the broader community, but also aligned with the company's values and helped build a positive corporate image.

The partnership with the Elevation Foundation, extending beyond financial support to internships, mentorship programs, and full-time jobs, exemplified a comprehensive approach to corporate social responsibility. This collaboration not only benefited the community but also provided valuable experiences and learning opportunities for the scholars involved, further demonstrating the company's commitment to sustainable practices and community engagement.



- Cost increases
- Profit margin concerns
- Fear of losing control
- Visionary role shift
- Finding and retaining the right integrator
- Team alignment
- Adaptability to growth
- Innovation continuity
- Employee retention

Mike's approach to addressing the challenges of sustainability showcases a forward-thinking and inclusive leadership style, underpinned by a strong commitment to reinvestment and empowerment. This strategy is not only about maintaining the status quo; it is also about actively seeking to improve and grow the company in a sustainable manner.

Here's how his approach breaks down into actionable strategies:

Commitment to Reinvest Profits
Mike's decision to reinvest profits back into the company is a testament to his long-term vision for sustainability. This reinvestment focuses on enhancing the company's

infrastructure, which includes upgrading technology, improving operational systems, and ensuring that the physical and digital workspaces are conducive to productivity and innovation. By prioritizing the company's foundational elements, Mike ensures that it remains competitive, agile, and ready to adapt to market changes or opportunities.

Hiring and Properly Rewarding the Right People

Recognizing that the right team is crucial for any organization's success, Mike places a high emphasis on hiring and properly rewarding individuals who are not only skilled, but who also align with the company's values and vision. This strategy goes beyond filling positions—it's about building a cohesive team who are capable of driving the company forward. The right people bring diverse perspectives, innovation, and the dedication needed to achieve long-term goals, making them integral to the company's sustainability efforts.

Investing in the Executive Team

Mike understands that the strength of the executive team is pivotal to the company's ability to embrace new visions and strategies. Therefore, he invests time and resources into ensuring that his executive team is well-equipped to handle their responsibilities. This investment includes professional development opportunities and team-building activities that foster a sense of unity and purpose among the team members. By empowering his executives, Mike ensures that the company's leadership is robust, responsive, and aligned with the company's strategic objectives.

Delegation and Empowerment

A key aspect of Mike's leadership style is his willingness to delegate responsibilities and control to his executive team. This delegation is not about relinquishing oversight, but about trusting his team to make decisions and take actions that will benefit the company. Empowering his executives to lead their departments allows for a more dynamic and responsive organizational structure. It encourages innovation, speeds up decision-making processes, and ensures that the company can adapt quickly to new challenges and opportunities.

Ensuring Alignment with Vision and Strategy

Mike's commitment to sustainability is also evident in his efforts to ensure that the entire company, from the executive team down, is aligned with the vision and strategy. This involves clear communication of goals, expectations, and the reasons behind strategic decisions. By fostering an environment where everyone understands their role in the company's future, Mike builds a culture of accountability, engagement, and shared purpose.



REFLECTION QUESTIONS

What prepared Mike Welker for the opportunity to work with and be a part owner of the Bogdahn Group?

State at least three things that enabled Mike to bring the Bogdahn Group to sustainability.

Do you agree with Mike's early acquisition of Joe’s stake in the company? State your reasons why.

Mike has found himself at a crossroads similar to what Joe faced 10 years ago.

- What would you advise Mike to do?
- Should Mike maintain, scale, or exit? State your reasons why.
- If you were Mike, what would you do?

KEYS TO SUCCESS

Keys to successfully navigate the Sustainability Stage

- **Nehemiah Kingdom Business Coach**: Seek guidance from experienced mentors or coaches who have expertise in this stage of business. Their insights can prove invaluable in navigating complex decisions. If you do not have a coach, visit **Coaching.NehemiahECommunity.com** to schedule an initial free 30-minute coaching session with a Nehemiah Kingdom Business Coach.
- **Continued education**: Commit to ongoing learning and professional development to stay informed about industry trends, acquire new skills, and adapt to a dynamic business environment. Continued education ensures that entrepreneurs and their teams remain at the forefront of industry advancements. To access state-of-the-art Biblical entrepreneurship training, visit **nehemiahecommunity.com/entrepreneurship-training-overview**.
- **Adequate financial reserves:** Maintain a sufficient pool of funds set aside to cover unforeseen expenses, emergencies, or opportunities. Adequate financial reserves provide a safety net, ensuring the business can withstand economic fluctuations without compromising its operations.
- **Adequate line of credit:** Establish access to a predetermined amount of credit that can be utilized for short-term financing needs. An adequate line of credit offers flexibility in managing cash flow, covering operational costs, and seizing business opportunities without relying solely on existing funds.
- **Having the right operation and managerial team (Integrators):** Build a team that includes effective integrators—individuals skilled at operational and managerial tasks. Integrators are crucial for ensuring that business operations run smoothly, allowing entrepreneurs to focus on strategic initiatives rather than day-to-day details.
- **Having the right integrated tech stack:** Implement a cohesive and integrated set of technologies and software solutions that streamline business processes. An integrated tech stack enhances efficiency, facilitates data sharing across departments, and supports informed decision-making. It ensures that technology aligns with the business's objectives and enhances overall performance.

- **Innovation integration:** Ensure that a culture of innovation is integrated into the organization, promoting continuous improvement and adaptation to changing market needs.
- **Strategic partnerships:** Form strategic partnerships and collaborations. This will enhance the business's capabilities and open up new opportunities for growth and sustainability.
- **Risk management:** Implement robust risk management strategies to identify, assess, and mitigate potential risks that could impact the sustainability of the business.
- **Customer retention strategies:** Develop and implement effective customer retention strategies to maintain a loyal customer base and sustain revenue streams.
- **Have meeting rhythms aligned with your strategy:** Align meeting rhythms with your strategy. This is about ensuring that the timing, frequency, and focus of your meetings support the strategic objectives of your organization. Effective meeting rhythms help maintain momentum, foster communication, and ensure accountability across all levels of the company.
- **Kingdom and community impact:** Embed Kingdom and Community impact initiatives into business practices that contribute to long-term sustainability and Kingdom advancement by enhancing the company's reputation and eternal impact.
- **Employee development programs:** Invest in ongoing training and development programs for employees to ensure they stay abreast of industry trends and contribute effectively to the business's success.

Mike's strategic decisions in navigating the company through its next growth phase underscore a visionary approach to leadership and business development. Here's an analysis of the keys to his success and the strategies he employed and their significance:

Retaining Nehemiah as Kingdom Business Coach
By retaining Nehemiah as the Kingdom Business Coach, Mike ensures that the company's growth and operational strategies align with foundational ethical and spiritual principles. This decision underscores a commitment to maintaining a values-driven approach to business, which is crucial for building a sustainable and resilient company culture. Such an approach not only guides the company's internal operations, but also positively influences its external reputation and relationships with clients, partners, and the broader community.

Involvement of Other Business Consultants
Bringing other business consultants to the table allows Mike to incorporate diverse perspectives and expertise into the company's strategic planning. This multi-consultant approach facilitates a holistic examination of the company's operations, identifying potential areas for improvement and innovation. It demonstrates a proactive and open-minded leadership style, willing to seek external advice to optimize performance and drive growth.

Transition to Employee Ownership
The transition to an employee-owned company is a strategic move that aligns the incentives of all employees with the success of the company. This alignment fosters a culture of ownership among employees, motivating them to contribute their best efforts toward the company's goals. It creates a sense of shared purpose and collective responsibility, which are essential elements for achieving long-term sustainability. This decision also reflects Mike's commitment to equitable wealth distribution and empowering his employees, enhancing job satisfaction and loyalty.

Commitment to Continuous Growth and Development
Mike's personal commitment to continuous growth and development, along with that of his leadership team, ensures that the company remains agile and adaptable. By prioritizing the ongoing education and professional development of the team, Mike addresses the risk of the company outgrowing the capabilities of its leadership. This approach not only prepares the team to navigate future challenges, but also embeds a culture of learning and adaptation within the organization.

Emphasis on the Right People and Accountability
Mike recognizes that sustainability is contingent upon having the right people, and ensuring that they are continuously trained and held accountable. This philosophy underscores the importance of human capital in achieving business success. By investing in the development of his team and establishing clear accountability mechanisms, Mike ensures that the company is equipped with skilled, motivated, and responsible individuals. This focus on people and accountability is crucial for maintaining operational excellence and driving sustained growth.



RESOURCES

Nehemiah Entrepreneurship Community Resources

The packages below are designed to help you successfully navigate the Sustainability Stage by addressing the 4 key success factors (Training, Planning, Coaching, & Community):

Option 1: **Business Mastery Training and Coaching Package**

- Training and Planning
  - **Identity and Destiny Program** - Identify your calling and purpose
  - **Nothing but a Jar of Oil Course** - Learn how to steward your finances
  - **Biblical Entrepreneurship Program** - Clarify your business idea and develop a Kingdom business plan
  - **Passive Income Continuum Course** - Develop a passive income strategy
  - **Mastering Small Business** - A proven blueprint that has helped the Benham brothers build dozens of businesses, achieve financial freedom, and launch self-sustaining ministry initiatives around the world
  - **Serve with Love Mission in Action Program** - Discover how to develop a transformational mission statement and integrate it into your business
- Community and Coaching
  - **Nehemiah E-Community Diamond Membership** - An affordable coaching solution with community and support resources to help you through this stage
- Coaching
  - **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside you through this stage of your business
  - **Business Success Accelerator** - A peer-to-peer and cost-effective group coaching experience

Option 2: **Business Mastery Executive Coaching**

- **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside you through this stage of your business. This is ideal if you have already done the training listed in option 1 or have a very limited budget. You can always add more services as you go along.

To access these resources and start your journey to move your business from Profitability to Sustainability, visit **Sustainability.NehemiahBusinessLifeCycle.com**

CHECKLIST

Checklist for Sustainability Stage

No matter what stage your business is in, review the list below and put a check on the items that you have not yet completed or need to improve.

- ☐ Ensure my current coach is qualified to help me with this stage
- ☐ Review and identify Nehemiah Entrepreneurship Community resources to successfully complete this stage
- ☐ Identify and hire someone with Operational expertise (Operation Manager, Director of Operations, VP of Operations, or Chief Operating Officer)
- ☐ Review and ensure you have the right people in the right positions
- ☐ Organizational / Accountability Chart is documented and reviewed/ updated annually
- ☐ Have all Systems and Processes (SOP) documented and regularly reviewed, followed, and updated
- ☐ Have a documented "way we do things" in flow chart form, make it visible to prospects/customers and team to always follow it
- ☐ Update meeting rhythms to align with the current stage - weekly routines, monthly reviews, and quarterly retreats
- ☐ Make sure the current reserve can support the current growth
- ☐ Continuously pay and update shareholders
- ☐ Review and update tech systems (tech stack) to make sure it is consolidated, integrated, and automated
- ☐ Evaluate and refine key performance indicators (KPIs) for sustainability
- ☐ Measure everyone's success to tell in an instant if they are on track (or off track) for success by their individual metric

- ☐ Establish regular review processes for financial performance and operational efficiency
- ☐ Develop a comprehensive training program for existing and new team members
- ☐ Foster a culture of continuous improvement and innovation within the organization
- ☐ Ensure compliance with industry regulations and standards
- ☐ Implement a robust cybersecurity strategy to protect sensitive business data
- ☐ Evaluate and optimize supply chain processes for efficiency and cost-effectiveness
- ☐ Conduct regular risk assessments and implement mitigation strategies
- ☐ Enhance customer relationship management strategies for long-term loyalty
- ☐ Explore opportunities for diversification and expansion in related markets
- ☐ Foster a workplace culture that values employee well-being and satisfaction
- ☐ Review and update the social covenant and have everyone sign it

BONUS TIP FOR MARRIED OR SOON-TO-BE-MARRIED COUPLES

Bullseye! You have hit the target - you have arrived. Your hard work has paid off. Now, you are not just profitable, but you are sustainable as well. You have the financial resources to invest in your family, and you have the margin of time to spend with your family without hurting the business. This is because of the people and systems that you put in place at the previous stage.

Be careful, however, not to use that margin of time and money to pursue other endeavors at the expense of your family. Be wary of the entrepreneur's potential to become addicted to entrepreneurship for its own sake. Be careful not to become a workaholic. Otherwise, you will never enjoy the gifts of time and profit margin, which are designed to give you freedom. Remember to honor the LORD with your time, talents, and treasure - and to enjoy your family.

To access resources and guidance tailored for couples navigating both marriage and business, visit **nehemiahecommunity.com/couples-in-business**.

SUCCESS PLAN

A fillable Success Plan can be found in the Appendix portion of this book

You can also receive a digital version of the full Success Plan when you enroll in the Nehemiah Business Life Cycle Course. It is live virtually and on-demand for free. Visit **NehemiahBusinessLifeCycle.com** to learn more.

1. Identify and list down the things from the checklist that you still need to accomplish to complete this stage.
2. State the specific task you need to complete to accomplish the checklist and identify the following:
   - What about the task do you still wish to improve upon, and how are you going to do so?
   - How much of a priority is the task?
   - What is the task's progress status? (In Progress, Not Started, Pending, etc.)

- What is a realistic timeline for you to complete the task?
- Who will be responsible for the task?
- What are some additional notes you need in place to accomplish the task?

3. Feel free to add other checklist items and tasks that may not have been included on the checklist that you and your Nehemiah Kingdom Business Coach have identified as necessary.

Example
Checklist Item: Identify and hire a Director or VP of Operations
Task: Assess what type of integrator we need and develop a strategy to promote them within or hire them
Priority: Urgent
Status: Not started
Timeline: June 1st, 2024
Person Responsible: Amy Entrepreneur Jackson
Notes: Let's give priority to our internal team members



CHAPTER SUMMARY

- Sustainability marks the critical fifth stage of the Nehemiah Business Life Cycle, emphasizing the need for robust systems and a skilled team to secure a business's longevity, wealth creation, and Kingdom impact. This stage is pivotal for escaping the profit trap, a scenario where entrepreneurs find their personal freedom compromised by a lack of efficient systems and key personnel.
- Mike Welker's journey with the Bogdahn Group, which he transformed into Andco Consulting LLC, serves as a prime illustration of achieving sustainable business growth. Since joining forces with Joe Bogdahn in 2002 and eventually acquiring the company in 2015, Mike has demonstrated a comprehensive and strategic approach to business leadership and management aimed at fostering sustainability. His commitment transcended traditional goals, focusing on the business's enduring success and Kingdom impact. This journey of sustainability, initiated in partnership with Joe and vigorously pursued post-acquisition, encompassed several strategic initiatives:
  - Reorganization and Empowerment of the Executive Team
  - Operational and Technological Enhancements
  - Client Service Excellence
  - Financial Systems and HR Management
  - Strategic Direction and Innovation
  - Philanthropy, Community Engagement, and Kingdom Impact
- A Kingdom business that reaches sustainability through the application of best business practices will present entrepreneurs with crucial decisions: whether to maintain, scale, or exit. The decisions that are made must reflect a thoughtful consideration of the market context, team dynamics, personal calling, and family priorities. Mike's narrative underlines that sustainability is not merely an operational goal but a holistic approach that encompasses strategic leadership, team development and empowerment, and a commitment to Kingdom impact.

Disclaimer

AndCo Consulting, LLC is not affiliated with any of the aforementioned organizations. References to AndCo do not constitute an endorsement of the firm or Mike Welker. AndCo Consulting is an investment adviser registered with the U.S. Securities and Exchange Commission ("SEC"). Registration as an investment adviser does not constitute an endorsement of the firm by securities regulators nor does it indicate that the adviser has attained a particular level of skill or ability. Furthermore, information reflected herein is reflective of AndCo and its history as of the drafting date of this book. It is not reflective of any facts, circumstances or updates related to the firm following AndCo's transaction with a strategic partner which took place thereafter.

STAGE 6

SCALABILITY

Expanding the Business Without Losing Margin

CHAPTER 11



And Jabez called on the Lord God of Israel saying, "Oh, that You would bless me indeed, and enlarge my territory, that Your hand would be with me, and that You would keep me from evil, that I may not cause pain!" So God granted him what he requested. **1 Chronicles 4:10 (NKJV)**

The Scalability Stage is the sixth stage of the Nehemiah Business Life Cycle. While technically optional, it demands careful consideration, as many entrepreneurs find themselves in this stage unintentionally, often resulting in failure. Scaling requires deep reflection on your calling and your business's readiness for growth beyond its current boundaries. I shared early about my own mistake of scaling without being ready, which has led to years of hard work and prayers to stabilize the organization to facilitate further growth. In the process, we've had to take a step back from certain markets and increase our qualification process for new Nehemiah Entrepreneurship Centers and certifications for Nehemiah Trainers and Coaches. Thank God we were called, otherwise it would have been disastrous. Calling gives you the grace to weather most storms, but it should not be the reason not to prepare or to move and take action without proper planning and readiness.

This stage often necessitates significant structural changes within the organization. Entrepreneurs may need to create room for a dedicated management team, either by nurturing talent from within or through strategic hires. It's a critical juncture where the wisdom shared by authors Mark C. Winters and Gino Wickman in their influential book "Rocket Fuel" becomes highly relevant. The concept of distinguishing between the visionary and the integrator is paramount.

According to Winters and Wickman, the founder embodies the visionary role, focusing on growth and strategic direction. To complement this, an effective integrator, often occupying roles like COO or Director of Operations, becomes indispensable. This individual ensures the seamless execution of day-to-day operations, allowing the visionary to concentrate on driving expansion and securing the future success of the business. Recognizing and embracing these roles is pivotal for sustained growth during the expansion stage. As of right now, I'm still looking for my own integrator.



FEATURED ENTERPRENEUR

Jennifer Mears

CEO of The Holland, Inc.

THE Holland

The journey of Jacob Propstra, Jennifer's great-grandfather, from the Netherlands to the United States, marked the genesis of a family legacy in the food industry. In 1922, he opened the Holland Creamery in Vancouver, Washington. The venture thrived when George and Ernie Propstra, Jacob's sons, joined in 1933, expanding the company's offerings.

George, the second son, and Jennifer's grandfather, left business school to focus entirely on the family enterprise. In the 1950s, recognizing the changing landscape with the rise of fast food, he seized the opportunity to evolve. With McDonald's opening in 1955, George adapted, opening a burger-and-shake joint with a walk-up counter, giving birth to Burgerville in 1961.

Burgerville grew from one restaurant in 1961 to 40 in 2024, with notable locations in Vancouver, Washington, and Oregon. George originally used the franchise model to

scale the company, but he was very leery of giving up control because he wanted to maintain a certain standard. This led him to buy back all the shares and stores so they all became corporate-owned. He limited his expansion to rural areas where restaurants like Burgerville did not exist.

Unknowingly, George began grooming his integrator and the young man who would later be his successor from as early as 16 years old; his future son-in-law Tom Mears, Jennifer's father. While dating Kathy Propstra, George's oldest child and Jennifer's mother, Tom would work for Kathy's dad during the summers to make extra money. After Marriage, Tom and Kathy moved to San Francisco to work for the Delmonte Corporation. As he prepared to open his first restaurant in Portland, Oregon, the fourth Burgerville, George invited the newlyweds to join the family business and lead the Portland expansion.

One fine day, while Kathy was pregnant with their first child, Jennifer Mears, they received a letter from George asking them to come help him with the growth of Burgerville. Unbeknownst to them at that time, this move would lead them to eventually buy George out of the company and become the third-generation owner of the family business. Jennifer, the baby that Kathy was carrying, would then take over after her father, becoming the fourth generation and, as of the writing of this book, the current CEO of the family business and Chairman of Burgerville.

Although Jennifer worked in the family business for many years, starting as her father's personal assistant to later becoming responsible for managing the family real estate holdings to the role she has now, she never saw herself taking over the business. She and her brother had watched her father work long hours and days in the family business and wanted a better work-life balance for themselves.

Unfortunately, Tom's initial planned succession to transition the company to his executive team did not work out and the family had to regain control of the company. Due to Tom's poor health, Jennifer had to step in to navigate the transition and replace her father as board chair. She has since hired a CEO to run the day-to-day operation and is working to identify the right strategy for the company.

Jennifer is committed to maintaining the family legacy. Like her father, coaching and strategic advisory support, including a Nehemiah Kingdom Business Coach, have become crucial elements in helping her navigate this transition. The Propstra legacy, spanning over 100 years, stands as a testament to resilience, values, and the enduring spirit of family entrepreneurship.

To learn more about Jennifer Mears' story, visit
Scalability.NehemiahBusinessLifeCycle.com#JenniferMears

CHARACTERISTICS

How to recognize if you are in the Scalability Stage

- I have a sense of calling or readiness to scale my business
- My business may require expansion capital
- My business exhibits market potential beyond the current local market
- I possess the right team and systems for successful expansion
- There is a strong demand for my products/services in new markets
- I have successful pilot programs or expansions in specific locations
- I have received positive feedback and acceptance from the target audience
- I possess the resources to support and sustain expansion efforts
- I have identified untapped market segments or niches
- My competitors are successfully scaling their operations
- I am currently in a favorable economic condition for business growth
- I have access to strategic partnerships or collaborations
- I have robust marketing strategies in place for new markets

Although Burgerville originated in Vancouver, Washington, George recognized the demand for this quick-service restaurant model in various cities across Washington and Oregon. Employing a combination of corporate ownership and a unique franchise model, he initiated an expansion strategy, ultimately increasing the total number of Burgervilles to 40.



CHALLENGES

Challenges you typically need to overcome in the Scalability Stage

- Mission drift
- Unhealthy growth
- Running out of capital
- Lack of managerial and operational leadership
- Supplier challenges
- Scaling with the right team
- Outgrowing capacity and culture
- Quality control
- Technology integration
- Regulatory compliance
- Global expansion challenges
- Customer service scaling
- Brand consistency
- Competition intensification
- Talent acquisition
- Data security
- Logistical complexities

One of the challenges that Burgville faced in its growth was its suppliers' inability to keep up with the growth. An example was that their beef supplier struggled to meet the increasing demand for the quality and quantity of beef necessary for continued growth. They had to find an alternative supplier to supplement, adjust their recipe, make the product seasonal and/or work with the supplier to help them grow their own business.

Expansion was also limited by their desire to maintain quality control which led them to eventually buy out all independently owned stores, ensuring complete corporate control of all aspects of growth and operation. They also did not want to use investors and bank financing in their growth. This limited their growth to what they could finance through operating profits. According to Jennifer, growth is good and necessary because it creates excitement, provides opportunities, and increases impact. However, it must be done thoughtfully to make sure that your values are not compromised.



REFLECTION QUESTIONS

What do you think has helped this family business last over 100 years?

What was the key to Burgerville's expansion?

What kept Burgerville from expanding nationally and internationally? Do you agree with the decision they made? Why or why not?

KEYS TO SUCCESS

Keys to successfully navigate the Scalability Stage

- **Nehemiah Kingdom Business Coach**: Seek guidance from experienced mentors or coaches who have expertise in this stage of business. Their insights can prove invaluable in navigating complex decisions. If you do not have a coach, visit **Coaching.NehemiahECommunity.com** to schedule an initial free 30-minute coaching session with a Nehemiah Kingdom Business Coach.
- **Continued education**: Engage in ongoing learning and professional development to stay updated on industry trends, acquire new skills, and enhance knowledge. This includes attending workshops, courses, and seminars, and staying informed about changes in the business landscape for sustained growth.
  To access state-of-the-art Biblical Entrepreneurship training, visit **nehemiahecommunity.com/entrepreneurship-training-overview**.

- **Sustainability:** Establish systems and assemble a competent team to ensure long-term wealth creation and personal freedom. Sustainability is the key to avoiding the profit trap and involves setting up the right structures and personnel for enduring success.
- **Adequate financial reserves:** Maintain a sufficient amount of funds set aside for emergencies, unforeseen expenses, or opportunities. Financial reserves act as a buffer, providing stability during economic downturns or unexpected challenges, and contributing to sustainability.
- **Adequate financing:** Ensure access to appropriate financing options to support growth initiatives, whether through loans, lines of credit, or other financial instruments. This facilitates the ability to invest in key areas and seize growth opportunities.
- **Have the right team:** Ensure that the organization has a team with the necessary skills, expertise, and alignment with the company's values. The right team is essential for effective execution and sustainable growth.
- **Right balance between technical, managerial, and creative leadership:** Maintain a well-balanced leadership team that combines technical expertise, managerial acumen, and creative thinking. This balance is crucial for addressing diverse challenges and fostering innovation for sustained growth.
- **Have the right integrated tech stack:** Implement a cohesive and integrated set of technologies and tools that streamline business operations, enhance efficiency, and support scalability. The right tech stack is essential for sustained growth in the modern business landscape.
- **Supporting your suppliers in their own growth:** Foster collaborative relationships with suppliers, recognizing that their growth contributes to the overall supply chain strength. Supporting suppliers' growth ensures a reliable and mutually beneficial partnership for sustained success.
- **Making the necessary adjustments to your product, services, or methods to facilitate growth:** Adapt and refine products, services, or operational methods to align with evolving market demands and facilitate continuous growth. Flexibility and responsiveness are essential for sustainability.
- **Reorganize the business or the team to facilitate growth:** Evaluate and restructure the organization or team to optimize resources, streamline processes, and enhance overall efficiency to accommodate growth. Strategic reorganization is a key element of sustainability.

- **Making adjustments to the business model:** Evaluate and modify the business model to remain competitive, capitalize on emerging opportunities, and navigate evolving market dynamics for sustained growth and success. Business model flexibility is crucial for long-term viability.
- **Customer feedback and satisfaction:** Regularly collect feedback from customers to gauge their satisfaction. Use feedback to make necessary adjustments and improvements to products or services.
- **Market research:** Stay informed about market trends, changes in consumer behavior, and emerging technologies. Conduct periodic market research to identify new opportunities and potential threats.
- **Legal and regulatory compliance:** Stay compliant with local and international laws and regulations. Regularly review and update business practices to align with legal requirements.
- **Risk management:** Implement effective risk management strategies to identify and mitigate potential risks. Regularly assess and update risk management plans to adapt to changing business conditions.
- **Strategic partnerships:** Explore strategic partnerships that can contribute to the business's growth and sustainability. Collaborate with other businesses or organizations to leverage synergies.
- **Innovation and creativity:** Foster a culture of innovation and creativity within the organization. Encourage employees to contribute ideas for improving processes, products, or services.
- **Employee development:** Invest in the ongoing development of employees through training and skill-building programs. Foster a positive work environment that encourages employee retention and loyalty.
- **Kingdom and community impact:** Make sure that you do not lose your commitment to advancing the great commission and marketplace transformation as you scale.
- **Monitoring industry disruptions:** Stay vigilant to potential disruptions in the industry and be prepared to adapt. Monitor technological advancements and changing consumer preferences.
- **Cybersecurity measures:** Implement robust cybersecurity measures to protect sensitive business information. Regularly update security protocols to guard against evolving cyber threats.

- **Evaluating exit strategies:** Continuously assess potential exit strategies and succession plans. Be prepared for unforeseen circumstances that might necessitate a change in business direction.

George recognized that if he was going to expand successfully, he needed someone by his side whom he could trust, so he invited his son-in-law Tom to join the family business. Tom led the Portland expansion, assisted George in various operational management responsibilities, and later became the company's CEO. Though he continued to grow the company reaching over $100 million dollars in revenue, he would not expand the company beyond his ability to ensure that the values of Burgerville were not compromised.

Instead of national and international expansion, he chose to revamp the mission of the company to “Serve with Love” and commit to living out this mission with his employees, vendors, and customers. Tom built an executive team that became critical to helping him manage the growth of the company while protecting its values. To learn more about how Tom changed the mission statement to “Serve with Love” and transformed the company into an iconic restaurant brand in the Pacific Northwest, visit **Store.NehemiahECommunity.com** to order the book authored by Jennifer’s father, Tom Mears and published by Nehemiah Publishing, *"Serve with Love - Burgerville’s transformation to a mission-led company”*.

RESOURCES

Nehemiah Entrepreneurship Community Resources

The packages below are designed to help you successfully navigate the Scalability Stage by addressing the 4 key success factors (Training, Planning, Coaching, & Community):

Option 1: **Business Mastery Training and Coaching Package**

- Training and Planning
  - **Identity and Destiny Program** - Identify your calling and purpose
  - **Nothing but a Jar of Oil Course** - Learn how to steward your finances
  - **Biblical Entrepreneurship Program** - Clarify your business idea and develop a Kingdom business plan

  - **Passive Income Continuum Course** - Develop a passive income strategy
  - **Mastering Small Business** - A proven blueprint that has helped the Benham brothers build dozens of businesses, achieve financial freedom, and launch self-sustaining ministry initiatives around the world
  - **Serve with Love Mission in Action Program** - Discover how to develop a transformational mission statement and integrate it into your business
- Community and Coaching
  - **Nehemiah E-Community Diamond Membership** - An affordable coaching solution with community and support resources to help you through this stage
- Coaching
  - **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside you through this stage of your business
  - **Business Success Accelerator** - A peer-to-peer and cost-effective group coaching experience

Option 2: **Business Mastery Executive Coaching**

- **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside you through this stage of your business. This is ideal if you have already done the training listed in option 1 or have a very limited budget. You can always add more services as you go along.

To access these resources and start your journey to move your business from Profitability to Sustainability, visit **Scalability.NehemiahBusinessLifeCycle.com**

CHECKLIST

Checklist for Scalability Stage

No matter what stage your business is in, review the list below and put a check on the items that you have not yet completed or need to improve.

☐ Ensure my current coach is qualified to help me with this stage

- ☐ Review and identify Nehemiah Entrepreneurship Community resources to successfully complete this stage
- ☐ Conduct research to validate that there is a demand in the new market
- ☐ Launch a pilot and prove that I can scale profitably
- ☐ Review values and statement of faith
- ☐ Revise the strategic plan and financial forecast for scale
- ☐ Have financing in place for scale
- ☐ Have programs in place for employee development
- ☐ Have the right balance of managerial and entrepreneurial leadership
- ☐ Review and update your board of directors and/or advisory board
- ☐ Put in place cybersecurity measures
- ☐ Develop strategic partnerships to help scale the business
- ☐ Evaluate exit strategies
- ☐ Review any legal requirements necessary to scale

BONUS TIP FOR MARRIED OR SOON-TO-BE-MARRIED COUPLES

If you are married and planning to raise a family, it's advisable, before embracing the responsibilities of parenting, to give due consideration to the time implications that are involved in scaling a business. Ideally, we recommend reaching the succession and exit stage of your business before having children.

If you are already a parent but haven't yet reached the "empty-nester" stage, be mindful that scaling a business at any time during your parenting season requires careful consideration and due diligence, and should be approached with adequate prayer and guidance.

To access resources and guidance tailored for couples navigating both marriage and business, visit **nehemiahecommunity.com/couples-in-business**.

SUCCESS PLAN

A fillable Success Plan can be found in the Appendix portion of this book

You can also receive a digital version of the full Success Plan when you enroll in the Nehemiah Business Life Cycle Course. It is live virtually and on-demand for free. Visit **NehemiahBusinessLifeCycle.com** to learn more.

1. Identify and list down the things from the checklist that you still need to accomplish to complete this stage.
2. State the specific task you need to complete to accomplish the checklist and identify the following:
   - What about the task do you still wish to improve upon, and how are you going to do so?
   - How much of a priority is the task?
   - What is the task's progress status? (In Progress, Not Started, Pending, etc.)
   - What is a realistic timeline for you to complete the task?
   - Who will be responsible for the task?
   - What are some additional notes you need in place to accomplish the task?
3. Feel free to add other checklist items and tasks that may not have been included on the checklist that you and your Nehemiah Kingdom Business Coach have identified as necessary.

Example
Checklist Item: Revise the strategic plan and financial forecast for scale
Task: Update the strategic plan to scale
Priority: Urgent
Status: Not started
Timeline: June 1st, 2024
Person Responsible: Susan Operations Cohen
Notes: Let's kick this off at our next staff retreat



CHAPTER SUMMARY

- The Scalability Stage represents a pivotal sixth phase in the Nehemiah Business Life Cycle, focusing on a business's expansion either nationally, regionally, or globally, while preserving profit margins. This stage transcends simple diversification or revenue growth; it's about replicating successful operations across multiple locations or through various distribution channels.
- Scalability might involve franchising, licensing, or maintaining centralized ownership. The chosen method should align with the entrepreneur's calling, the business model, and the specific industry requirements.
- Scalability, while not mandatory for every business, is crucial for those seeking significant growth. However, it's essential to recognize that stagnation is not an option in business dynamics—you're either growing or declining. A prerequisite for effective scalability is achieving sustainability, ensuring that the business can maintain its profit margins and market position during expansion.
- A case in point is Jennifer, the current CEO and Chairman of a company with origins tracing back to her great-grandfather's local creamery. This business underwent several transformations, from a creamery to a restaurant and eventually to a fast-food model known as Burgerville. Originating in Vancouver, Washington, Burgerville expanded into 40 locations throughout Southwest Washington and Oregon, demonstrating a successful scalability model within the Pacific Northwest.
- The expansion strategy was underpinned by a guiding philosophy that ensured that the company has survived for more than 100 years and emphasized cautious and sustainable growth. This philosophy included several key tenets:

- **Self-financing Expansion:** Ensuring that growth does not outpace the company's ability to finance itself, thereby maintaining financial independence and stability.
- **Access to Quality Suppliers and Human Capital:** Expansion is limited by the ability to secure reliable suppliers and recruit competent staff. Both are essential for maintaining operational standards.
- **Quality Control and Excellence:** Preserving the quality of products and services is paramount, necessitating a careful approach to expansion that doesn't compromise these core values.
- **Corporate Control:** Keeping a tight rein on corporate decisions to ensure that expansion aligns with the company's long-term vision and values.
- **Logistical Limitations:** The founder's ability to personally visit each location, facilitated by his capability to fly his own plane (he was a pilot with his own small plane), symbolized a commitment to hands-on management and oversight.

STAGE 7

SUCCESSION & EXIT

Transitioning the Business while Leaving a Legacy

CHAPTER 12



A good man leaves an inheritance to his children's children, but the wealth of the sinner is stored up for the righteous.
Proverbs 13:2 (NKJV)

The seventh and final stage in the Nehemiah Business Life Cycle is the Succession and Exit Stage. Now that you've successfully built a thriving business, it's time to prepare for your transition. It's an intriguing paradox—after the hard work of building a transformational Kingdom company, just when you're starting to enjoy the fruits of your labor, it is time to pass the baton to someone else.

As highlighted earlier, true entrepreneurial success isn't just about creating a job for yourself; it's about addressing growing market or societal needs, advancing the Kingdom, and attaining personal freedom. This achievement is only possible when you approach business-building with the end in mind. I often draw this analogy for members of the Nehemiah Entrepreneurship Community: *"Are you building your business like a personal home residence or an investment property?"*

A personal home residence is comfortable and ideal for raising a family and creating cherished memories. However, it might lack significant resale value, and sometimes, even your own children may not want it. On the other hand, an investment property is meticulously crafted with the market in mind, ensuring excellent resale value.

By building your business with an investment mindset, even if you never intend to sell it, you are guaranteed that it will retain substantial value. Conversely, building it like a personal home residence may hinder your ability to let go of it, preventing you from achieving the freedom of time, financial prosperity, and the impactful legacy you've diligently worked towards.



FEATURED ENTERPRENEUR

Joe Bogdahn

Founder of the Bogdahn Group

THE BOGDAHN GROUP

Joe Bogdahn was never a standout student in school. He was uncertain of his interests and lacking the natural athleticism for sports. Yet, his competitive spirit found its outlet in the realm of business, where hard work and dedication offered him a level playing field. This drive, coupled with a strong work ethic and a passion for business, propelled Joe to establish four companies by 2024, successfully exiting three, including his flagship venture, the Bogdahn Group, which he considers his pride and joy.

But what shaped Joe's entrepreneurial path? Interestingly, Joe's background wasn't rooted in entrepreneurship. He admired his father's integrity but also noted his risk aversion and skepticism towards banks. The principles that would later underpin Joe's business ventures were instilled in him from an early age. His affinity for small cities, care for people, and dedication to family highlighted his commitment to prioritizing client interests over profits. This ethos led him to decline a position at Merrill Lynch at 21, citing a misalignment with his personal values.

A pivotal influence on Joe's philosophy was a quote from Zig Ziglar: *"You can have everything in life you want if you will just help other people get what they want."* This belief in mutual benefit and adherence to the golden rule, *"Do unto others as you would*

have them do unto you," became the cornerstone of Joe's business dealings. These principles didn't just guide him through numerous ventures; they were instrumental in his successful exit from the Bogdahn Group. Joe's journey underscores the power of aligning personal values with business practices, proving that success is not just about what you achieve, but how you achieve it.

During his college years at Ole Miss, Joe Bogdahn was highly active in various activities, including President of his Fraternity and President of the Student Body but remained uncertain about his future career path. He ventured into banking, a decision met with skepticism by his father due to a deep-seated distrust of banks. Although Joe quickly realized he had made a mistake taking this route, t, disliking the banking environment and the notion of working under someone, his father's advice to honor commitments convinced him to persevere. *"Son, when you make a commitment, you have to see it through,"* his father advised. This experience was pivotal, cementing Joe's realization that he was not cut out for traditional employment or the banking sector.

The 18 month training program, however, was not without its merits, as it introduced Joe to key individuals embarking on a nascent commercial record storage business, a concept unfamiliar to Joe at the time but would later be recognized as data storage. Despite widespread skepticism, Joe and his partners grew the company into Florida's largest record storage business, eventually selling it to Iron Mountain in January 1996. Joe stayed on for nine months post-acquisition, a tenure that confirmed his incompatibility with corporate environments but also enlightened him on the value of recurring revenue—a concept that strongly influenced his career trajectory.

Joe had once toyed with the idea of becoming a lawyer, yet he was drawn to the allure of recurring revenue models over professions that relied on transactional payments. This preference steered him away from potential careers where compensation was tied directly to hours worked or services rendered once.

While considering his next venture, Joe assisted a friend starting a retail financial services business. Joe had no desire to be a traditional broker, but he saw a niche serving defined benefit pension plans. His friend provided monitoring services to a handful of plans, and Joe realized they really needed a full-service consultant to assist and implement investment decisions. With his friend's blessing, Joe took five clients to establish a financial consulting enterprise.

Starting with a business plan scribbled on a notecard, Joe, with the help of his banker, founded "Bogdahn Consulting." The firm would later evolve into "The Bogdahn Group"

to reflect its expanded partnership. Despite the financial risks, including utilizing their 401k funds and incurring penalties and interest, Joe's wife, Heather, supported the endeavor. She believed in Joe's vision and the potential for the business to keep him closer to home, although it ironically resulted in him traveling extensively. With their first child newly born, Bogdahn Consulting was launched in September 2000, marking the beginning of a venture that would not only challenge conventional business models but also validate the power of recurring revenue in building a sustainable enterprise.

Joe Bogdahn's journey with The Bogdahn Group began with a revolutionary vision: to establish an independent, SEC-registered institutional investment consulting firm dedicated to solely representing the interests of its clients. This approach sought to eradicate the prevalent conflicts of interest within the industry. During the inception of The Bogdahn Group, Merrill Lynch dominated the Pension Plan sector in Florida. Joe aspired for his company to not only challenge but also surpass Merrill Lynch by prioritizing client interests above all, a stark contrast to the then-industry standard.

The conventional model in the industry involved consulting firms earning from both client fees and often undisclosed payments from vendors, leading to biased vendor selection and decisions detrimental to the client's best interests. Joe's innovative approach was to eschew this model by charging a transparent, albeit higher fee, which would lead to clients saving more in the long run. Despite skepticism regarding clients' willingness to pay these higher fees, Joe bet on the integrity of his model, predicting a market shift once the corrupt practices were outlawed.

His foresight proved accurate. In 2007, the Department of Labor required specific disclosures and the Securities and Exchange Commission investigated the practices of several large firms, resulting in Merrill Lynch being banned from offering Pension Plan consulting in Florida, The Bogdahn Group seized the opportunity, securing 89 of the 97 clients Merrill Lynch had to release. This pivotal moment marked The Bogdahn Group as Florida's leading Pension Plan consultancy, fulfilling Joe's ambitious goal.

However, the success brought its challenges. The company's growth demanded sacrifices, particularly from Joe's family, as his commitment led to significant time away from home. With his children, Isabella, Miles, and Garrison entering crucial stages of their lives, Joe faced the dilemma of balancing his professional vision with family responsibilities.

Even just two years after founding the company, Joe had always planned for succession, always aiming for a smooth transition long before he considered exiting.

His vision for a successor was clear: someone intelligent, younger, compatible, and with values aligned with his own. Mike Welker perfectly fit this profile. Joe's informal vetting process extended to observing Mike's interaction with his family, ensuring a fit not just in business but in personal values and family dynamics as well.

This thoughtful approach to succession planning, emphasizing personal compatibility and shared values, paved the way for a successful exit from The Bogdahn Group. Joe's strategic foresight, coupled with his commitment to his family and values, illustrates a holistic approach to entrepreneurship, highlighting the importance of planning and personal integrity in business success.

As The Bogdahn Group transitioned into a new phase of leadership with Mike and Joe serving as Co-CEOs, their partnership, while fruitful, led to complexities within the organization. The dual leadership model occasionally caused confusion among the team, necessitating a strategic shift towards clearer organizational structure and governance.

In a serendipitous turn of events, Mike and Joe's participation in a Biblical Entrepreneurship course, facilitated by their connection through Mike’s church and the Nehemiah Entrepreneurship Community, provided much-needed insights into addressing their leadership challenges. This experience was pivotal, leading them to engage Nehemiah as the company's Kingdom Business Coach to navigate the intricacies of transitioning from an entrepreneurial to a managerial-led company.

The engagement with Nehemiah brought significant organizational changes, notably appointing Joe as Chairman and Mike as the sole CEO. This restructuring aimed to address the "two-headed monster" dilemma and laid the foundation for the company’s growth and eventual succession planning.

Amid this transformation, Joe faced personal reflections about his priorities and future role within the company. A chance morning spent with his daughter, Isabela, underscored the personal sacrifices he had made and ignited a desire to realign his priorities toward his family. Concurrently, Mike’s vision for national expansion and Joe's hesitance to increase his travel highlighted differing ambitions, accelerating discussions about succession.

The transition of leadership from Joe to Mike necessitated careful negotiation, rooted in mutual respect, Kingdom principles, and a shared commitment to the company’s welfare. The process was guided by seven principles, designed to foster a fair and principled agreement:

1. Negotiations began with Joe proposing an asking price, initiating a transparent dialogue.
2. Both parties committed to conducting negotiations within Kingdom principles, ensuring integrity and fairness.
3. Agreements were made with the company's best interest in mind, avoiding decisions that could harm its future.
4. Joe agreed to relinquish complete control, allowing for a smooth leadership transition.
5. Mike was prepared to meet Joe's financial expectations, acknowledging the value of Joe's contributions and sacrifices.
6. The transition plan was kept confidential until a solid agreement, marked by a signed letter of intent, was established.
7. The legal intervention was postponed until the agreement was finalized, empowering the coach to mediate a win-win outcome effectively.

These guiding principles, while not eradicating all challenges, served as crucial guardrails, safeguarding the negotiation process and preserving the integrity of the deal. Through this thoughtful approach, Joe and Heather agreed to transition the company to Mike and Kristen, marking a new chapter for The Bogdahn Group under Mike's leadership, with the foundational legacy of Joe's vision and values continuing to guide the company's path forward.

Once Joe and Heather decided to proceed with selling The Bogdahn Group to Mike and Kristen, they encountered their first major hurdle: the company valuation outlined in the original operating agreement. Joe sought advice from a trusted friend who had successfully transitioned his investment management firm to his empooyees several years earlier. The result as a modified valuation calculaiton – ***"The price is what you can afford to take that Mike can afford to pay"*** To facilitate the sale, Joe was prepared to offer a discount, effectively becoming the financier for Mike by allowing a down payment followed by structured monthly payments with interest, instead of demanding full upfront payment.

The negotiation of a fair sale price required Joe to balance his financial security and lifestyle maintenance post-sale against the company's operational agreement valuation. Mike, committed to the principles of fair dealing and respect for agreements, agreed to a price that, while discounted, still represented a significant financial stretch

for him. This commitment reflected a deep respect for their partnership and the company's future.

The transition of control presented another complex challenge. Key considerations included Joe's involvement post-sale, the implications of potential business downturns, and the conditions under which Joe might reassume control. Their mutual respect and commitment to the company's welfare facilitated these discussions, leading to an agreement that provided Mike with the necessary control while ensuring Joe's financial security through the structured payments.

However, a pressing question loomed: What if an agreement couldn't be reached? Could their professional relationship revert to its previous state? This scenario highlighted the significant risk of irreparable damage to their partnership and the company's culture. The concept of a "Nuclear Option" was introduced to underscore the potential for mutual destruction should the deal collapse. This dire potential outcome necessitated a successful deal, as the alternatives would benefit no one, adversely affecting both the employees and the client base.

This critical juncture emphasized the importance of their shared values and the guiding principles that had steered their business journey thus far. The negotiation underscored the challenges of transitioning a business within the framework of deep personal relationships and shared history. Through adherence to their foundational principles, Joe and Mike navigated these complexities, ultimately ensuring the company's continued success and honoring their legacy within the business and beyond.

One thing we learned is that a succession is usually an emotionally charged event. Minor details seemed to have major significance, and mole hills seemed like mountains.

In the eleventh hour, with tensions at their peak and a mere $100K—a fraction of the deal's value—separating the two parties, the negotiations broke down. The specter of moving to the nuclear option loomed large, threatening to unravel years of partnership and friendship.

However, a late-night intervention by Heather, Joe's wife, changed the course of events. After a call that illuminated the gravity of the situation, Heather's counsel and willingness to support Joe regardless of his decision catalyzed a pivotal moment of reflection for him. This moment underscored the profound impact that personal relationships and trust have on business negotiations, illustrating how they can steer outcomes away from brinkmanship and toward resolution.

Miraculously, in the early hours of the following day, Joe signaled his readiness to sign the agreement, effectively averting the nuclear option. This decision not only preserved the integrity of The Bogdahn Group but also salvaged the remnants of the friendship between the two families, leaving open the possibility of reconciliation and rebuilding.

The aftermath of the negotiation saw the formal transition of majority ownership to Mike, marking the beginning of a new chapter for The Bogdahn Group. Despite subsequent legal and administrative hurdles typical of such transitions, the commitment of both families to see the deal through underscored their dedication to the company's future and their respect for one another's contributions.

Joe's agreement to a non-compete clause, with the provision to mentor his children should they choose to enter the industry, reflects a forward-looking approach to entrepreneurship and legacy. This gesture highlights the importance of fostering entrepreneurial spirit in future generations, with resources like the Nehemiah E-Community's Young Biblical Entrepreneurship program offering pathways for young people to explore business as a calling and career. To learn more about our Young Biblical Entrepreneurship program, visit **YBE.NehemiahECommunity.com** to enroll your child or bring the program into your school or community.

This tumultuous journey from the brink of conflict to a successful transition exemplifies the power of negotiation, the value of personal relationships in business, and the potential for principled compromise to overcome seemingly insurmountable obstacles.

In the aftermath of the transition of ownership from Joe to Mike at The Bogdahn Group, a series of profound adjustments ensued, impacting not only the business landscape but also the personal lives of those involved. The formal announcement to the executive team and subsequently to the entire company marked the beginning of a new era, with Mike taking the helm as the new majority owner and Joe stepping into retirement. This transition, while meticulously planned and executed, brought its unique set of challenges.

Joe's continued presence in the office, initially intended as a supportive gesture, inadvertently created confusion among the executive team. Recognizing the potential for undermining Mike's leadership, Joe made the difficult decision to distance himself physically from the company, signaling a true passing of the baton.

The sale of The Bogdahn Group, a venture deeply intertwined with the personal identities and lives of Joe and Heather, necessitated a period of adjustment and

reintegration into family life. For a decade, Heather had managed the household and the children's activities solo due to Joe's extensive travel commitments. The transition required both Joe and Heather to navigate the complexities of redefining roles and routines at home, alongside coping with the loss of their business family.

This period of change also saw my departure as their coach, a decision made in an attempt to avoid potential conflicts of interest. In hindsight, this move, driven perhaps by an overly cautious approach, may have been premature, as my role had always been to support the company and all its stakeholders impartially—a stance that remains critical even post-transition.

Despite these challenges, the ensuing years brought about significant personal growth and fulfillment for Joe and Heather. Joe stepped into a leadership role with Six/Ten, the partnership that started Florida Data Bank in the 80's. Six/Ten had evolved into a small private equity firm with a heavy emphasis in commercial real estate concentrated in Winter Haven. ,Heather purchased a boutique retail shop downtown, which she sold once the boys were in college. These ventures – which did not require travel, allowed them to pursue new passions and maintain flexibility in their schedules. This new chapter enabled Joe to be more present for his children's milestones and allowed both Joe and Heather to strengthen their marriage and enjoy time together, particularly in their dream vacation home in North Carolina.

Meanwhile, Mike, having assumed full ownership, demonstrated exemplary stewardship of the company, even rebranding it to Andco and fulfilling the financial obligations to Joe ahead of schedule. This achievement not only underscores the success of the transition but also sets the stage for Mike's future planning around his own succession.

Though the business transaction temporarily distanced the families, Joe and Mike have maintained their personal connection, discussing significant life events and nurturing the hope that their families will one day reconcile fully. The shared legacy of The Bogdahn Group (now Andco), marked by their collective impact on the industry and the lives of their employees, remains a testament to their partnership and vision.

Reflecting on this journey, the transition from The Bogdahn Group to Andco encapsulates the intricate blend of business acumen, personal growth, and the enduring value of relationships. It highlights the possibility of navigating business transitions with integrity and foresight, all while acknowledging the deeply human aspects of entrepreneurship and leadership succession.

To learn more about Joe Bogdahn's story, visit
Succession.NehemiahBusinessLifeCycle.com#JoeBogdahn

CHARACTERISTICS

How to recognize if you are in the Succession & Exit Stage

- I have a clear and documented succession plan in place
- The legal and financial aspects of the succession plan in my business are well-established
- I have a defined timeline for the transition or sale
- My successor has been groomed and trained for the leadership role
- I have explored various exit options, such as selling to a family member, employee, or an external buyer.
- Financial statements and valuations have been conducted to determine my business's worth
- My business' legal documentation, contracts, and agreements related to the transition are in order
- I have a plan for my post-exit involvement or activities
- I have sought professional advice from attorneys, financial advisors, a Nehemiah Kingdom Business Coach, and business brokers
- I have considered the impact of the exit on employees and customers
- My business value has reached expectations based on your vision and competence
- It is the best time to get the ideal resale value without negatively impacting my Kingdom impact

Though initially informal, Joe's contemplation of a succession plan began as soon as Mike Welker was brought into the company. This foresight became structured with the guidance of Nehemiah's Kingdom Business Coaching, proving invaluable when circumstances required Joe to expedite his succession plan by a decade.

Several key factors influenced Joe's readiness to transition:

- **Family Priorities:** Joe recognized the importance of dedicating time to his family, especially as his children approached their high school years. This personal consideration became a pivotal reason for accelerating his succession timeline.
- **Agreement with his wife:** Joe's unanimous decision with his wife, Heather, regarding the exit strategy was pivotal. Their agreement on the matter provided Joe with immense peace of mind, knowing he had Heather's unwavering support during this significant transition. This mutual understanding and support underscored the importance of aligning personal and professional decisions within a family context, ensuring a smooth and harmonious transition not just for the business, but for their personal lives as well.
- **Confidence in Successor:** Joe's trust in Mike as a competent and willing successor assured him that the company would be in good hands. This trust was built over years of working together.
- **Valuation Framework:** The presence of a well-defined framework for valuation facilitated a clear understanding of the company's worth. This aspect was crucial for negotiating a fair sale price, ensuring that Joe could transition from the company without financial worries.
- **Financial Security:** The negotiated sale price was sufficient for Joe to achieve financial independence, eliminating the need for him to work purely for financial reasons post-sale. This financial assurance provided Joe with peace of mind as he considered his exit from the business.
- **Clear Vision for the Future:** Joe had a clear vision for his next chapter beyond the company. This forward-looking perspective helped mitigate the uncertainty that often accompanies significant life transitions.



CHALLENGES

Challenges you typically need to overcome in the Succession & Exit Stage

- Not having a successor or the wrong successor
- Successor wanting to accelerate succession
- Successor may not be ready
- Failed succession
- Preserving the values while getting the right financial multiples

- Founder's disease
- Legal complexities
- Employee morale and retention
- Family and marital dynamics
- Customer relationships
- Estate planning
- Market changes
- Communication challenges
- A sense of lost
- Distinguishing between leadership and ownership succession

Joe's succession from his company to Mike was nothing short of a testament to faith, partnership, and divine intervention. Facing a situation with a slim chance of success, Joe was confronted with daunting challenges: accelerating his exit by a decade, selling for less than the initial valuation, and agreeing to hold a note for an extended period of 15 years. Despite these hurdles, the transaction's success was significantly influenced by a shared commitment to faith and ethical principles.

Central to navigating this complex transition was the unity between Joe and his wife, Heather. Their alignment on the decision to exit provided Joe with invaluable peace of mind, knowing he had Heather's unwavering support throughout this transformative period. This mutual agreement was foundational, ensuring that both were prepared for the changes that lay ahead, both personally and professionally.

The miraculous nature of Joe's succession lay in the profound sense of faith shared by all parties involved. Joe and Heather's dedication to honoring Christ through their business decisions created an openness to whatever path the Lord laid out for them. Choosing Mike as a successor, who also held a deep reverence for God, allowed divine guidance to permeate the transition, fostering an environment where spiritual principles could influence business decisions.

Guidance from a Kingdom Business Coach was instrumental in keeping both families aligned with these principles. This accountability ensured that, despite the complexities and potential for conflict, the process remained rooted in a higher purpose. The challenges faced, and sacrifices made were seen not just as business decisions but as acts of faith.

While the deal unavoidably impacted the relationship between the two families, there remains hope for reconciliation and healing. Both parties believe that, in time, their relationship can be restored to a place of mutual respect and shared memories, albeit possibly different from before. Mike and Joe's ongoing communication celebrates the

journey they've embarked upon and reflects on the blessings and guidance they've received.

This succession story highlights not just the business acumen required for such a significant transition but also the profound impact of faith, ethical commitment, and mutual support. It serves as a powerful reminder of how business, when intertwined with biblical principles, can transcend conventional challenges and foster deep, lasting connections, even in the face of potential sacrifice.



KEYS TO SUCCESS

Keys to successfully navigate the Successsion & Exit Stage

- **Nehemiah Kingdom Business Coach**: Seek guidance from experienced mentors or coaches who have expertise in this stage of business. Their insights can prove invaluable in navigating complex decisions. If you do not have a coach, visit **Coaching.NehemiahECommunity.com** to schedule an initial free 30-minute coaching session with a Nehemiah Kingdom Business Coach.
- **Continued education**: Stay informed about the latest trends and best practices in succession planning. Continued education ensures that you make informed decisions throughout the process. To access state-of-the-art Biblical entrepreneurship training, visit **nehemiahecommunity.com/entrepreneurship-training-overview**.
- **Start early:** Begin the succession planning process well in advance. Starting early allows for a smoother transition, provides time to identify and groom successors, and minimizes disruptions to the business.
- **Preserving values with financial multiples:** Strive to preserve the core values of the business while negotiating for the right financial multiples. Balancing financial considerations with the preservation of the company's ethos is crucial.
- **Ownership vs. Leadership Transition:** Clearly distinguish between the transition of ownership and leadership. This separation helps in ensuring a seamless shift in management roles while maintaining business continuity. Owners do not necessarily make great leaders, and leaders do not necessarily make great owners.

- **Clear exit strategy:** Develop a well-defined exit strategy that aligns with your personal and professional goals. Knowing your desired outcome is key to making strategic decisions during the succession process. To schedule an initial free 30-minute coaching session with a Nehemiah Kingdom Business Coach to help you with this, visit **Coaching.NehemiahECommunity.com**.
- **Know what you want to do next:** Have a clear vision of your post-succession plans. Whether it's starting a new venture, pursuing personal interests, or enjoying retirement, knowing what comes next is essential for a successful transition.
- **Communication and transparency:** Maintain open and transparent communication with key stakeholders, including your wife and family, employees, clients, and business partners. Clear communication builds trust and minimizes uncertainty during the succession process.
- **Legal and financial expertise:** Engage legal and financial experts with experience in business succession. Their insights can help structure deals, navigate legal complexities, and ensure a fair transition for all parties involved.
- **Documented processes and systems:** Ensure that all critical processes and systems within the business are well-documented. This documentation is crucial for the incoming leadership and contributes to a smoother transition.
- **Mentoring successors:** If possible, provide mentorship to successors during the transition. Sharing your knowledge and experience can empower them to lead effectively and maintain the legacy of the business.
- **Risk mitigation strategies:** Identify potential risks associated with the succession plan and develop mitigation strategies. Proactively addressing challenges can prevent disruptions and protect the business's stability.
- **Cultural integration:** If the successor is from outside the organization, focus on cultural integration. Aligning the new leadership with the existing organizational culture is vital for a cohesive and successful transition.
- **Employee support programs:** Implement support programs for employees to ease concerns and uncertainties during the succession. Addressing employee morale and well-being is essential for maintaining productivity.
- **Founder’s flexibility:** The ability and willingness of a business founder or entrepreneur to be open to considering various options that protect the company while giving them the return they desire. It also includes the founder's willingness to leverage their equity position and influence to facilitate the deal.

- **Overcome Founder's Disease:** Also known as Founder's Syndrome, make sure the founder does not misuse their influence or control in the business for self-preservation.
- **Regularly review and adjust:** Continuously review and adjust the succession plan as needed. Business landscapes and personal circumstances can change, requiring flexibility in the succession strategy.
- **Family alignment:** Ensure that all key members of a family share common values, goals, and understandings regarding their collective and individual roles, responsibilities, and the direction in which the family unit and the business are moving. It involves open communication, mutual respect, and active participation from all engaged family members in decision-making processes, especially on matters that significantly affect the family's well-being, finances, lifestyle, and long-term aspirations.

Besides these keys to success, central to the deal's success were seven guiding principles, as advised by their Nehemiah Kingdom Business Coach:

1. **Transparent Negotiation:** The process began with Joe setting a clear asking price open for negotiations, fostering an atmosphere of openness and trust from the outset.
2. **Kingdom Principles:** Both parties are committed to integrity and fairness, anchoring their negotiations in values that transcend mere business transactions.
3. **Company's Best Interest:** Decisions were made with a long-term vision for the company's health and prosperity, ensuring its enduring success.
4. **Smooth Leadership Transition:** Joe's willingness to completely relinquish control was crucial for a seamless transition, demonstrating his trust in Mike's leadership.
5. **Acknowledgment of Value:** Mike's readiness to meet Joe's financial terms honored the legacy and sacrifices Joe had made for the company.
6. **Confidentiality:** The strategic decision to maintain confidentiality until a formal agreement is reached protects the integrity of the process and the interests of all parties involved.
7. **Postponed Legal Intervention:** Legal discussions were deliberately delayed to allow for mediation and negotiation, aiming for a solution that benefited both sides without escalating tensions.

The utilization of neutral spaces like hotel rooms for negotiations allowed for both private and joint discussions. It helped facilitate a comprehensive and uninterrupted dialogue which is critical to addressing and resolving any concerns.

Despite the challenges and the temporary strain on their relationship, Joe and Mike, guided by their faith and the principled coaching they received, managed to forge a deal that stands as a testament to their commitment to their values and each other. Their ongoing communication celebrates not just a successful business transition but the profound impact of their shared faith journey, highlighting the importance of strategic patience, divine trust, and the power of principled leadership in navigating complex business challenges.



REFLECTION QUESTIONS

What shaped Joe's entrepreneurial values?

What are your thoughts about Joe selling early? Would you have done it? Why or why not?

What three key lessons did you learn from the negotiations between Joe and Mike? What would you have done differently?



RESOURCES

Nehemiah Entrepreneurship Community Resources

The packages below are designed to help you successfully navigate the Succession & Exit Stage by addressing the 4 key success factors (Training, Planning, Coaching, & Community):

Option 1: **Business Legacy Training and Coaching Package**

- Training and Planning
  - **Identity and Destiny Program** - Identify your calling and purpose
  - **Nothing but a Jar of Oil Course** - Learn how to steward your finances
  - **Biblical Entrepreneurship Program** - Clarify your business idea and develop a Kingdom business plan
  - **Passive Income Continuum Course** - Develop a passive income strategy
  - **Mastering Small Business** - A proven blueprint that has helped the Benham brothers build dozens of businesses, achieve financial freedom, and launch self-sustaining ministry initiatives around the world
  - **Serve with Love Mission in Action Program** - Discover how to develop a transformational mission statement and integrate it into your business
  - **Overcome and Lead** - A digital leadership course backed by real-life experience by Anne Beiler
- Community and Coaching
  - **Nehemiah E-Community Diamond Membership** - An affordable coaching solution with community and support resources to help you through this stage
- Coaching
  - **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside you through this stage of your business
  - **Business Success Accelerator** - A peer-to-peer and cost-effective group coaching experience

Option 2: **Business Legacy Executive Coaching**

- **Executive Coaching** - Have a Nehemiah Kingdom Business Coach walk alongside

you through this stage of your business. This is ideal if you have already done the training listed in option 1 or have a very limited budget. You can always add more services as you go along.

To access these resources and start your journey to move your business to Succession and Exit, visit **Succession.NehemiahBusinessLifeCycle.com**

CHECKLIST

Checklist for Succession & Exit Stage

No matter what stage your business is in, review the list below and put a check on the items that you have not yet completed or need to improve.

- ☐ Ensure my current coach is qualified to help me with this stage
- ☐ Review and identify Nehemiah Entrepreneurship Community resources to successfully complete this stage
- ☐ Complete succession and exit plan
- ☐ Identify successor or exit strategy
- ☐ Complete succession and exit training for the current leadership and incoming leadership
- ☐ Review Kingdom and community impact statement
- ☐ Review statement of faith
- ☐ Know what I will do next after exit
- ☐ Know how much I am willing to sell the business for
- ☐ Complete legal and financial review
- ☐ Develop a communication plan
- ☐ Complete training and knowledge transfer
- ☐ Complete contingency plan
- ☐ Prepare spiritually, emotionally, and psychologically

- ☐ Finalize and improve my letter of intent
- ☐ Finalize legal documentation
- ☐ Evaluate tax implications
- ☐ Evaluate charitable strategy

BONUS TIP FOR MARRIED OR SOON-TO-BE-MARRIED COUPLES

You have finished! Well done, good and faithful servant. You have been faithful over a few things, and now God has entrusted you with much. Be careful not to take on another assignment or pursue another opportunity without re-evaluating your season of life with your spouse, and making sure that your life priorities are in alignment.

We recommend that you give yourselves a break of at least 12 months after succession and exit, before embarking on another business endeavor. Cherish your spouse! They have sacrificed with you so that your goals could be achieved. Cherish your children. They have paid a dear price too.

To access resources and guidance tailored for couples navigating both marriage and business, visit **nehemiahecommunity.com/couples-in-business**.

SUCCESS PLAN

A fillable Success Plan can be found in the Appendix portion of this book

You can also receive a digital version of the full Success Plan when you enroll in the Nehemiah Business Life Cycle Course. It is live virtually and on-demand for free. Visit **NehemiahBusinessLifeCycle.com** to learn more.

1. Identify and list down the things from the checklist that you still need to accomplish to complete this stage.
2. State the specific task you need to complete to accomplish the checklist and identify the following:
   - What about the task do you still wish to improve upon, and how are you going to do so?
   - How much of a priority is the task?
   - What is the task's progress status? (In Progress, Not Started, Pending, etc.)
   - What is a realistic timeline for you to complete the task?
   - Who will be responsible for the task?
   - What are some additional notes you need in place to accomplish the task?
3. Feel free to add other checklist items and tasks that may not have been included on the checklist that you and your Nehemiah Kingdom Business Coach have identified as necessary.

Example
Checklist Item: Complete succession and exit training for the current leadership and incoming leadership
Task: Hire the Nehemiah Entrepreneurship Community to conduct succession and exit training for the current and incoming leadership
Priority: Urgent
Status: Not started
Timeline: June 1st, 2024
Person Responsible: Susan Operations Cohen
Notes: Let's discuss it with our Nehemiah Kingdom Business Coach



CHAPTER SUMMARY

- The seventh and final stage in the Nehemiah Business Life Cycle is the Succession and Exit Stage. It means to transition the business while leaving a legacy.
- You must build your business with the end in mind, building it like an investment property with a resale value in mind rather than a personal home residence which may give you comfort but not necessarily a good resale value.
- Though Joe Boghdan did not grow up in an entrepreneurial family, he knew early that he was unemployable and wanted to start a business with a recurring income feature.
- He built 5 businesses and sold four of them including his namesake the Boghdan group.
- Joe founded the Bogdahn Group with the goal of transforming the independent consultant industry in the state of Florida and once he achieved his goal his partner Mike Welker.

APPENDIX

SUCCESS PLAN DASHBOARD

Today's Date: _____

Name of Entrepreneur: _____

Name of Business: _____

Industry: _____

Location: _____

Founding Date: _____

Annual Revenue: _____

Number of Employees: _____

Current Business Stage: _____

I would like to complete the current stage by: _____

If this stage is not succession and exit, I would like to achieve succession and exit by: _____

Nehemiah Entrepreneurship Community Center Affiliation: _____

Nehemiah Kingdom Business Coach: _____

Coach Contact: _____

SUMMARY STATE OF THE BUSINESS

Business Stage	Percentage of Completion
Discovery	
Start-Up	
Breakeven	
Profitability	
Sustainability	
Scalability	
Succession	
TOTAL SCORE	

SUCCESS PLAN FOR EACH STAGE

Business Stage:

CHECKLIST ITEM	TASK	PRIORITY	STATUS	TIMELINE	PERSON RESPOSIBLE	NOTES

NEHEMIAH PUBLISHING

A Ministry of Nehemiah Project International

ABOUT THE PUBLISHER

Nehemiah Publishing is an exclusive full-service publisher operated by Nehemiah Project International Ministries. Our mission is to produce and distribute Kingdom-caliber content that enables us to build Kingdom businesses globally.

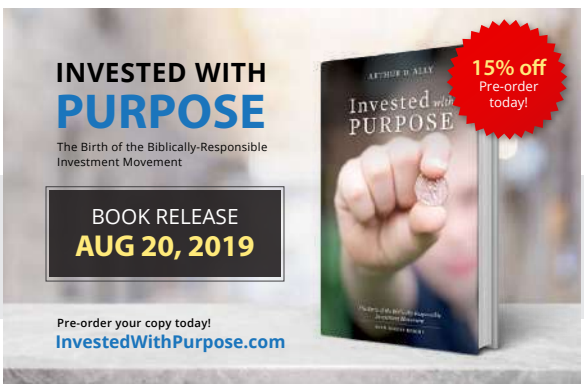
Our services include:

- Author consultation and coaching
- Writing and editing
- Cover design and illustrations
- ISBN and copyright registration
- Book layout and design
- Book marketing
- Printing
- Order fulfillment and distribution
- Translation

Book formats:

- Paperback
- Hardcover
- E-Book
- Audio Book
- Flash Drives

We are an exclusive publisher, hence, we only take on authors whose work is consistent with our mission and vision. To be considered for our services, please visit us at **NehemiahPublishing.com** or contact us at info@nehemiahecommunity.com.





Nehemiah e·community
building kingdom businesses together

ABOUT THE NEHEMIAH ENTREPRENEURSHIP COMMUNITY

The Nehemiah Entrepreneurship Community is a safe place where Christian Entrepreneurs in various business stages from all over the world find a supportive network of trusted Kingdom business trainers, coaches, mentors, and training and business support services to grow their businesses. The community includes an ecosystem of like-minded, shared-value entrepreneurs committed to building Kingdom businesses globally.

MISSION

To build Kingdom businesses globally.

VISION

To transform the marketplace with the gospel of the Lord Jesus Christ one entrepreneur at a time.

We accomplish this through our three pillars:



TRAINING



COACHING



ACCESS TO CAPITAL

For more information, visit us at **NehemiahECommunity.com**.

JOIN US

Become a member and let's transform the world together

Membership has its privileges! For as low as $15 a month, you can become a member of one of the fastest-growing diverse faith-based entrepreneurial networks with members in five regions of the world: Africa, Asia, Europe, Latin America, and North America. Membership benefits include connecting with other members, accessing quality educational and coaching resources, and even accessing financing from like-minded Kingdom Impact Investors. The platform also includes language-specific sites. Check it out today for free and begin taking advantage of a world of benefits. Membership in the online Entrepreneurship Community also gives you access to our physical centers around the world for support, training, and resources.

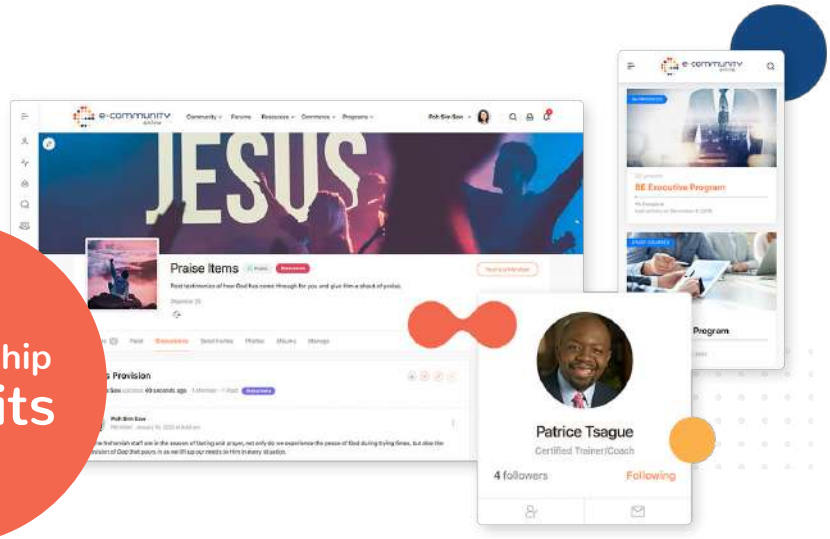
VISIT US

Visit one of our physical E-Community Centers for in-person support

Our state-of-the-art E-Community Centers give you access to high quality, live business training and coaching support, discounts on specialized services, promotional opportunities for your business, use of meeting space, co-working spaces, and physical incubators with business support. Our goal is to have physical E-Community Centers in multiple cities in five regions of the world – Africa, Asia Pacific, Europe, Latin America, and North America.



Membership Benefits



- Discounts
- E-Community Life Groups
- Connect Meetings
- Members Directory
- Seminars
- Networking
- Advocacy
- Exclusive Offers
- Devotionals
- Promotions
- Forum Discussions
- Monthly Learning Forums
- Online Access to Annual Conference Content
- Business Directory
- Resource Center
- Ask a Kingdom Business Coach Forum
- e-Books
- Lifetime Access to Completed Courses
- 30-Minute Monthly Business Coaching
- Investors Network

Access to benefits depends on your membership level.

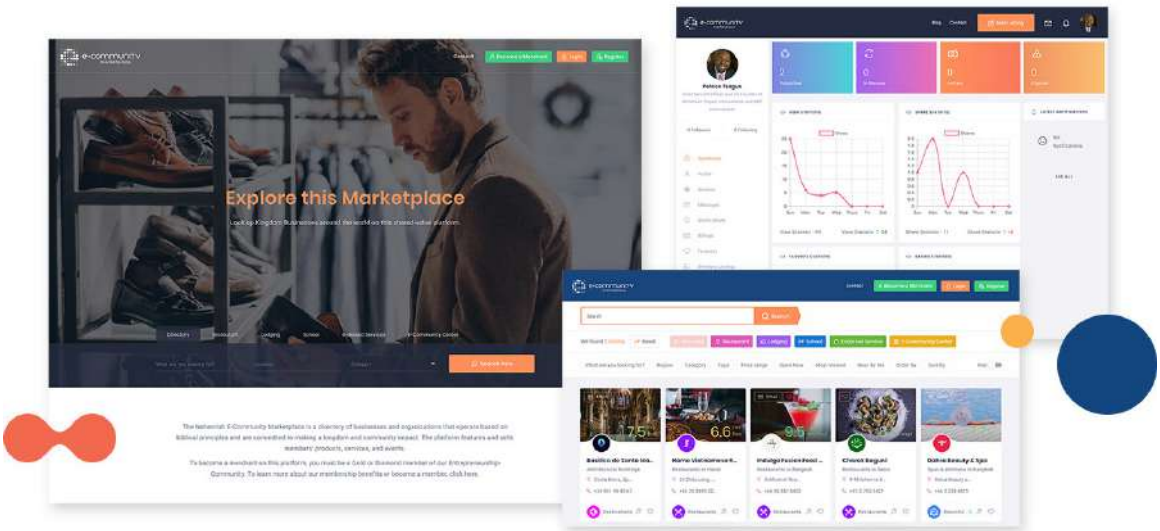
Membership levels available:

BRONZE SILVER GOLD DIAMOND

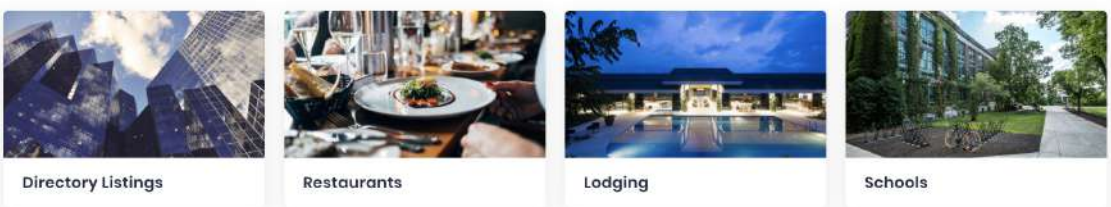
To learn more about membership, or to enroll today, visit **NehemiahECommunity.com**.

EXPAND YOUR ONLINE PRESENCE

Join our global directory and online marketplace of Kingdom businesses



The Nehemiah E-Community Marketplace is one of the fastest growing online Christian Business databases. This directory promotes businesses and organizations that operate based on biblical principles and are committed to making a Kingdom and community impact. The platform also features and sells members' products, services, and events.



To add your business to the listing or to look up Kingdom businesses around the world who share your values visit **ECommunityMarketplace.com**.

GET TRAINED

BIBLICAL ENTREPRENEURSHIP
Principles | Practices | Planning

A proven system used by thousands of entrepreneurs around the world, to align their business with biblical values and increase their top and bottom line while making a Kingdom impact. Our Biblical entrepreneurship program utilizes our proprietary course materials supplemented with some of the most current and effective business resources available. Classes can be taken in person, via online classes, or by self-study.

PRINCIPLES
Ground your business in biblical truth

PRACTICES
Best business practices for efficiency and growth

PLANNING
Develop a growth plan that aligns your mission, values, and goals with your Kingdom impact

- Identifying Opportunities
- Taking Calculated Risks
- Biblical Profit
- Biblical Economics
- Marketing and Sales from a Biblical Approach

- Innovation
- Biblical Management
- Business Financing
- Succession and Exit
- Developing a Kingdom Business Plan



For more information or to enroll, visit us at **BiblicalEntrepreneurship.org**.

OTHER COURSES

Enroll in one of our proven training programs to gain the foundation and elevation your business needs













For more information, visit us at **NehemiahECommunity.com**.



GET A COACH

Kingdom business coaching will accelerate your progress and deepen your impact

Our Kingdom business coaching and consulting uses a proactive 360-degree coaching approach using various strategic tools. Our experienced coaches help clients build healthy God-honoring relationships and Kingdom companies that align with their values as they grow their top and bottom line with Kingdom impact.

COACHING SYSTEM

Business Life Cycle	Scorecard	Success Keys	Team Development
Strategy Development	Marketing & Sales	Systems & Innovation	Financial Development

OUR SERVICES

- Business Success Accelerator (BSA) Group Coaching
- Executive Coaching
- Elite Coaching

For more information or to schedule a free initial consultation, visit us at **Coaching.NehemiahECommunity.com**.

GET FINANCING. BEGIN INVESTING.

Our Global Kingdom Investors Network™ connects potential to opportunity



The **Global Kingdom Investors Network™** is an online investor matching service accessible to members of the Nehemiah Entrepreneurship Community. This network has been established to match vetted Biblical Entrepreneurs with vetted Kingdom impact investors.

The goal of this network is to connect Biblical Entrepreneurs to Kingdom impact investors and Kingdom impact investors to quality, Kingdom impact deals.

If you are an entrepreneur looking for investors or an investor looking for impact opportunities - this network was designed for you! If you are interested in becoming a member, visit our website: **GlobalKingdomInvesting.com**.



GET BUSINESS SUPPORT

Full-service support to help you achieve your objectives





AVAILABLE SERVICES

BizTech Concierge

- BizTech Audit
- BizTech Strategy
- BizTech Implementation
- BizTech Maintenance & Support

Marketing Services

- Strategy
- Graphic design
- Web development
- Social media

Virtual Support

- Admin support
- Bookkeeping and virtual CFO
- Project management

BizTech Audit

Have your technology platforms audited to review how well they serve your mission and facilitate your service objectives. We will then provide a report and recommendations on how to improve.

BizTech Strategy

Based on our recommendation, we develop a strategy that seeks to help you implement the defined objectives based on your business model with the goal to improve your organization's efficiency and productivity.

BizTech Implementation

Executing the strategy and integration across the organization. Includes organizing and training your team and vendors to then implement the strategy, set up technology platforms and link them together, set up processes and SOPs, teach and coach the team to use it, and routine maintenance of technology and training.

BizTech Maintenance & Support

Maintaining technology and processes.

GET CONNECTED

Our annual entrepreneurship conference will empower and inspire as you connect with other faith-based entrepreneurs

Nehemiah Week starts off with a **Kingdom Business Tour** that provides a wonderful "up close and personal" opportunity to see how Kingdom business owners and leaders are conducting businesses and making a difference to their employees, communities, and to the Kingdom of God.

Following that, our **three-day conference** features prolific speakers from around the world on the topics revolving around the conference theme. This conference promises to challenge you for transformation in your life and how you do business.

Don't miss our **E-Community Investors Forum**, a Shark-Tank-type of event where entrepreneurs from around the world can present business plans and pitch for funding from our investor judges.

Join in the heat in our **International Business Plan Competition**. With real cash prizes at stake, competitors from 5 different regions of the world come together to present their business plans in hopes of being judged to have the best one in the competition.

For more information, visit us at **NehemiahWeek.com**.






EQUIP YOUR COMMUNITY

We'll bring our content and business systems to you

Are you a business training organization, marketplace ministry, a church, or a professional association looking for a proven training and support system to equip your entrepreneurs and leaders to fulfill their purpose in the marketplace? Are you looking for a turnkey system to complement your current program and fulfill your mission?

We have partnered with organizations of various sizes in the United States and around the world who have benefited from hosting our programs, or purchasing our licensed content in order to serve their business leaders, entrepreneurs, and those who desire to better integrate their faith in their business or vocation.



Host
Offer our program to your members or community without making a long-term commitment



License
Acquire the rights to offer our content to your members or clients

Connect with us today at **info@nehemiahecommunity.com** to learn more about our Host or License program.

BECOME A CERTIFIED COACH/TRAINER

Our Certification Program will equip you in only 12 months

Are you a trainer or coach looking for a sustainable biblically-integrated training or coaching system that produces results? Are you looking for training or coaching resources to enhance your mission and vision without reinventing the wheel?

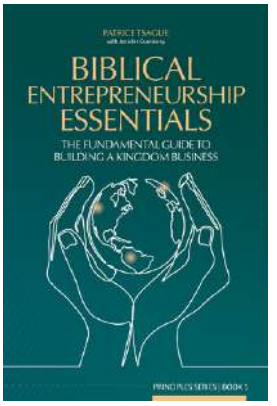
Since 1999, we have helped thousands of entrepreneurs around the globe to start or grow existing Kingdom companies using proven biblically-integrated training and support systems. We have also certified hundreds of trainers and coaches who are operating a part-time or full-time practice while making a Kingdom impact. Whether you are an existing coach or a professional trainer, looking for a certification or a biblically-integrated curriculum, in only 12 months, you can complete our Certification Program with demonstrated client impact and additional revenue using our proven business system.

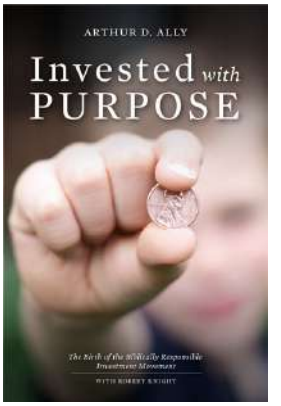
- Improve your training and coaching skills
- Learn biblically-integrated approach to training and coaching entrepreneurs that produce results
- Learn a turnkey system and start generating revenue immediately
- Become part of a global training and coaching network
- Learn proven methods of generating results as a trainer and coach
- Get access to various success tools and ongoing support
- Supplement your current income

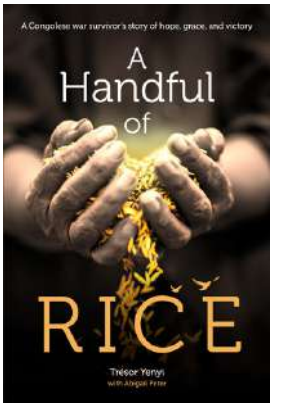
Visit **NehemiahECommunity.com** to learn more about our Certification Program.

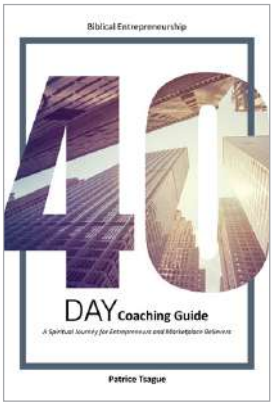
GET RESOURCES

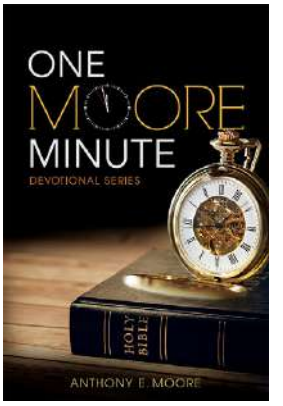
Our online store has Kingdom-calibre resources to educate and inspire

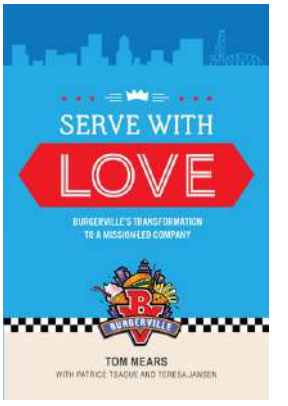












To support your educational journey, visit

Store.NehemiahECommunity.com

GIVE THE GIFT OF BUSINESS

Become a financial partner to help us create 100K jobs around the world

Nehemiah Project has been giving the gift of business globally for the last 20 years by training over 20 thousand entrepreneurs in over 38 countries globally. By giving the gift of business, you will be sponsoring entrepreneurs around the world who are not able to afford our training and coaching to help them build kingdom businesses and create jobs.

Here are 20 reasons why the gift of business is essential:

1. Business brings hope
2. Business reduces crime
3. Business reduces poverty
4. Business reduces the threat of terrorism
5. Business creates income
6. Business reduces dependency
7. Business minimizes the threat of war
8. Business builds community
9. Business creates wealth
10. Business helps families
11. Business solves problems
12. Business creates jobs
13. Business helps communities and churches
14. Business advances the Gospel and funds the great commission
15. Business can be passed on from generation to generation
16. Business helps turn a receiver into a giver
17. Business turns a consumer into a producer
18. Business pays taxes
19. Business brings dignity
20. Business brings innovation

Give the gift of business today. Visit **Donate.NehemiahECommunity.com** to sponsor a business or job for someone who needs your support!

DID YOU KNOW THAT YOUR BUSINESS ONLY HAS A 10% CHANCE OF SUCCESS? WHAT IF WE COULD SHOW YOU HOW TO INCREASE YOUR SUCCESS RATE BY 50% OR MORE?

Nehemiah Business Life Cycle: A Guide to Entrepreneurship Success, from Discovery to Exit is a book written by Patrice Tsague that introduces and expands upon the Nehemiah Business Life Cycle. It is meticulously designed to empower Christian entrepreneurs with a profound understanding of the seven fundamental stages of business success, growth, and development, as well as provide the strategic steps that are necessary to successfully transition to the next stage. Each chapter unveils the distinctive features and addresses the challenges that are inherent in each business stage, while guiding you to develop a precise action plan that will boost your likelihood of both business success and Kingdom impact.

The chapters also provide a detailed case study of seven Biblical Entrepreneurs who have successfully gone through each of the seven stages and specific lessons on how to address a particular stage. Like a comprehensive business checkup, it is recommended that you go through this book on an annual basis to assess your readiness for advancing to the next stage of business growth. This annual evaluation will help you to pinpoint areas that need attention and identify any outstanding matters from previous years.



PATRICE TSAGUE is a pastor, business trainer, entrepreneur, international speaker, best-selling author, and kingdom business coach. Patrice has trained and coached over 15,000 individuals around the world on how to start or expand their businesses using business training and coaching principles found in the Bible. Through his training and coaching system, his clients have raised millions of dollars in funding capital, generated a combined income of over $100 million dollars, and created thousands of jobs.

Patrice is the author of several books and training curricula including Biblical Entrepreneurship, which has an adult and youth version, Nothing but a Jar of Oil, The Passive Income Continuum, The Buck Stops with You, and many more. He also publishes a weekly e-devotional, blog, radio inspirational moment, and podcast for entrepreneurs and business executives that is distributed to over 100K individuals globally. Patrice currently serves as CEO of two organizations, is on several boards and resides with wife and two Children in Vancouver Washington. They are active members of Mannahouse Church.

NEHEMIAH PUBLISHING

nehemiahecommunity.com
© 2024 NPIM. All rights reserved.