

ZERO TO 1 MILLION GUIDE



BuildUpTM

PART 1

HOW TO START BEING A CEO

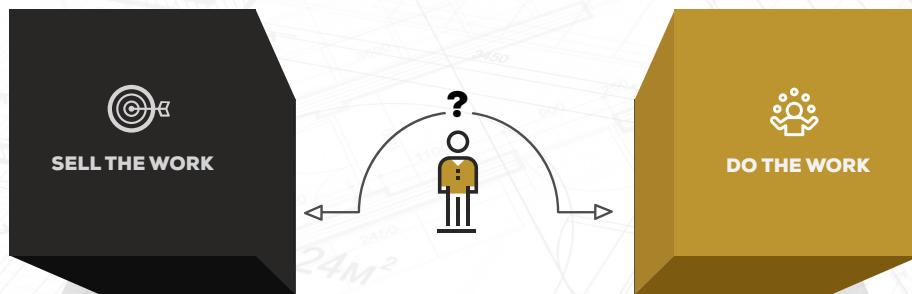
CONGRATS. YOU'RE NOW IN BUSINESS BUILDING AN ORGANIZATION AND HOPEFULLY SOLVING SOME REAL PROBLEMS FOR SOCIETY.

Less than 5% of all the businesses operating in the USA today hit \$1 million in annual revenue, and the core reason why people don't hit this milestone is mainly due to the fact that most business owners end up getting stuck working "*in*" their business and not "*on*" their business. In the beginning, you will be the "**Chief Everything Officer**." However, your ability to scale your business to \$1 million is going to be largely dependent on your ability to take a step "*out*" of the business so you can build your team, delegate job responsibilities, create the foundation of your company culture and make sure that people that need your product and services are actually finding your company when they search for it.

PART 1: HOW TO BE A START-UP CEO

DECIDE UP FRONT WHO IS GOING TO SELL THE WORK, AND WHO IS GOING TO DO THE WORK.

Most successful businesses are built on the backs of two key people in the beginning. Ideally you want someone who is highly competent in going out and getting your first customers / figuring out what marketing channels are best suited for finding future customers. The second crucial person is someone that is highly competent in delivering on the jobs that are sold. This person will be in charge of actually doing the physical work required to deliver on the promises made by the business



1. SELL THE WORK

You don't have a business until you have customers. The day you have your first paying customer is the day everything changes for your business. Your first customers will teach you an incredible amount about the relationship people will have with your services. It also brings capital into the business. Money is basically energy.

As soon as a business has sales (money) coming in, it brings a totally different and heightened level of energy to the business and puts into motion the work (energy) that is going to cause the business to grow and succeed. You need someone in place that will be able to find and convert prospective contracts into paying customers. This is the only thing that matters on day one, and without it, you have nothing.

The person that takes ownership of this role is typically visionary, highly motivated, a good communicator, understands the psychology of how to communicate something of value, able to work independently and able to have at least a general knowledge of marketing and the different marketing channels that are available to find interested prospects.



2. DOING THE WORK

Once a prospect becomes a paying customer, you will need someone in place to execute on the service that has been sold. Once the sale has been made and a promise for future work has been agreed upon, it is highly crucial that you deliver on those promises. The individual that handles these job responsibilities should be someone that is hard working, meticulous, skilled in the trade that you are selling, a problem-solver, self-motivated and able to get the job done right the first time.



ALWAYS REMEMBER: YOU NEED TO DECIDE UP FRONT IF YOU ARE BEST SUITED TO SELL THE WORK, OR DO THE WORK

Decide which role you are best suited for in the beginning, selling the work or doing the work, knowing that as the business grows you will be stepping out of this role and delegating it to someone else. Early-stage businesses may require the founder to be involved in the work initially, however you want to make a conscious effort to remove yourself from the work as soon as possible, freeing up your time to start working on higher leverage activities that will allow the business to scale.



ALWAYS REMEMBER: YOU NEED TO DELEGATE JOB RESPONSIBILITIES EARLY ON

One of the biggest mistakes small business owners make is trying to get customers AND do the work. As quickly as possible, you need to own one of these job roles and delegate the other to someone else. This can be a business partner or devoted early-stage employee that is excited to build the business with you.

On the following page, we've created a chart to help you understand the process.

SELL THE WORK	VS	DOING THE WORK
Sales/Marketing CEO Roles & Responsibilities		Operations CEO Roles & Responsibilities
Understand where you need to go to get customers	▶ ★ ▶	Hire someone to do sales / marketing / admin
Desire to build and maintain relationship with customers and future prospects	▶ ★ ▶	Focus on work flow
Ability to take rejection and failure and keep going	▶ ★ ▶	Take time out of your day to manage what the sales and marketing employee is doing
Ability to inspire the team to want to work	▶ ★ ▶	Take time out of your day to sit in your office and work on the business
Willingness and desire to experiment with new marketing channels	▶ ★ ▶	Develop out clear organized work systems
Good at clearly communicating goals and expectations	▶ ★ ▶	Manage your team to efficiently and effectively deliver on the work flow
Ability to put healthy tension on the business to help it grow	▶ ★ ▶	Oversee supply chain and make sure the business is not running low on anything
Ability to be the first to start things that will be needed for the business in the future	▶ ★ ▶	Plan ahead for any problems before they arise
Confident and humble	▶ ★ ▶	Manage your team / inspire your team
Someone that is intentional and has a clear vision for where they are going	▶ ★ ▶	Confident and humble



NOTE: BE THE PILOT

Over the years, we have helped quite a few companies led by dynamic CEOs. One thing we've noticed is that more often than not, most successful CEOs are visionary and have an intuitive understanding of sales and marketing. These individuals are quick to delegate most of the job responsibilities of the business but continue to stay focused on the vision and the customer acquisition process.

Organizations operate very much like a pilot and his crew flying a plane. If you think of a plane flying, there's a pilot in the cockpit flying the plane and there are flight crew in the back of the plane helping with the operations and tending to the needs of the customers. What we know from a traditionally run plane is that the "CEO" of the plane wants to be in the cockpit flying so he knows where the plane is headed and what is coming up in front that may present dangers. This doesn't mean the CEO couldn't delegate this job to someone else if the business owner would rather not "fly the plane." However, one of the biggest mistakes we see small business owners make is that they LEAVE the cockpit of their plane to help the customers in back, trying to do some of the basic tasks that are typically assigned to the flight crew. This can leave the "plane," or the organization, in a dangerous place where no one is out in front figuring out where the organization is going next. This is one of the biggest reasons why a company can and will go out of business over time.

You want to be working ON your business (flying the plane) not IN your business (serving chips and drinks to your customers).

PART 2: HOW TO GET CUSTOMERS FAST

Think of your business like a building that's sitting on a back-country road somewhere way out in the countryside. It doesn't matter how beautiful and shiny that business is. At the end of the day, it's still on a back-country road somewhere with MAYBE one person driving by to look at it every once in a while.

The purpose of marketing is to move your business out onto the main highway in the closest city. If your building sits on that highway, it will have people driving by and looking at it all day long.

This is a metaphor for what marketing does for a business. If you choose the right marketing channels, it will send all kinds of website traffic to your business and start to get the phone ringing on a daily basis.

One of the only differences between bigger businesses and smaller businesses is that the bigger ones are simply FOUND when people are looking for their services. With the right mindset, you can build your business into the right marketing channels to be found in all the right places when people go online to search for the services you offer.

In this section, we're going to examine your options, break down the pros and cons of each marketing channel and then give you advice on what channels we've found to be the most useful.



GETTING TO THE SWEET SPOT IN YOUR MARKET

The sweet spot is simple, but hard to achieve. You want to have INBOUND leads (customers searching for your services and finding you) along with OUTBOUND leads (customers you actively seek out that need your services) coming into the business simultaneously.

As these leads roll in, you ideally want them to be landing in one (or all) of these three buckets:



Larger companies in the skilled trades industries tend to focus more on commercial and government work, but that's not to say that some companies haven't built empires on purely residential work.

In our experience, the most profitable jobs are often in commercial contracts. You will ultimately know what's best for your company and what the sweet spot target market is. The typical evolution of most small companies tends to have a trend of starting in residential work, but they experience their fastest growth and success when they decide to pivot the company into commercial and government contracts.

With our sandblasting and painting company, we spent a lot of time working with residential homeowners and small companies in our first year and closed about \$240,000 in sales. Year two saw our company grow to a little under \$1 million in sales due to two core changes:

- 1. We switched up our marketing strategy and made it a priority to be on the first page of Google. As soon as we were able to do this, the phone started ringing 5 times a day, and the work started rolling in. This will be discussed in the next section below.**
- 2. We started to shift our focus to working primarily with larger commercial companies. As soon as we did this, our average sale went from \$1-\$2k per customer to \$5-20k and we even managed to land one 10-week commercial job for \$205,000.**

For the purpose of this guide, we would suggest focusing on residential and commercial work while you're scaling to \$1 million in sales. As you scale, the commercial work will become a much larger focus.



UNDERSTANDING WHAT MARKETING APPROACHES WORK BEST FOR SKILLED TRADES

From our experience, there's three viable channels that will help your business reach that \$1 million target – Search, Direct Marketing, Outbound Estimating.



If you are like most small business owners in the skilled trades, you have limited time AND limited resources. The problem is that there's a million “marketing” opportunities, so how do you know which marketing channels make the most sense and which ones are a waste of time? We've found 3 main marketing channels that can turn your business into a \$1 million a year company. Larger companies typically use a combination of all of these strategies, but to hit your first million, you can do it simply by doubling down on any of these three marketing channels.

SEARCH

Typically, these marketing channels (such as Google, Bing, Angie's List etc.) are platforms where you PAY for LEADS. Potential customers find you by searching the internet for your products and services and then find a way to contact you for a quote. You can set up ads so that when a customer searches for your services, the search engine shows your business first. Search is a very reactive approach to growing your business because once you have built this out properly, you basically wait for interested prospective customers to contact you. When you build this out properly, it becomes a beautiful thing because your phone starts ringing regularly, and you always have interested customers contacting the business.



DIRECT

This avenue often requires you to find a targeted list of people that you think could make good customers and are in need of your services. Then you spend money to get in front of them. This includes email marketing, flyers, and post cards. Direct marketing focuses on a very highly targeted group of people and will cost MORE per person but can typically convert higher numbers of people to customers if done right.



OUTBOUND ESTIMATING

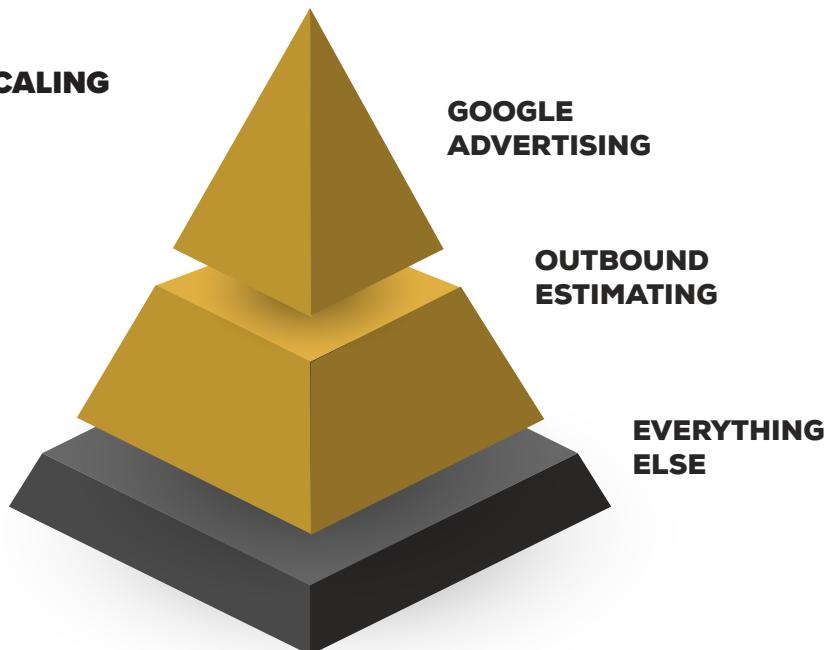
Building out an estimating team that can bid on larger projects is the single most effective way to turn your small business into a much larger company. Some of the main online platforms where you can bid on larger projects are The Blue Book, BidClerk, Construct Connect and Dodge. Building out an estimating department over time and bidding on as many projects as you can will be key to your success in landing the larger commercial and government projects that will put jet fuel on your company's revenue.



80/20 RULE (PARETO PRINCIPLE)

The 80/20 rule states that 880% of the results come from 20% of the effort. In other words, it's very common in life to see 80% of the results you want in your business come from 20% of the marketing channels you use to market your business. Your goal should always be to figure out what are the highest-level marketing channels that bring in the most work for you and double down on them.

**HOW YOUR MARKETING
“STRATEGY”
SHOULD LOOK WHILE SCALING
TO \$1-MILLION**



LET'S TALK STRATEGY FOR GOOGLE ADS AND OUTBOUND ESTIMATING

AND THEN WE'LL TAKE A MOMENT TO MENTION EVERYTHING ELSE.

If you have a business in the skilled trades and are looking for residential and small commercial work, it will make a lot of sense to develop a strategy to ensure your company is easily found on the first page of Google. Plain and simple. If you aren't on the first page of Google, this is one of the highest income-producing activities you can work on to build your business. Think of it this way: the time you spend making sure you are found on the first page of Google could 10x your company from what it's currently doing in revenue in a very quick timeframe. If you spend 50 hours getting your company to place on Google, those 50 hours could allow your business to grow into a \$1 million dollar business in the next 12 months.



WHY GOOGLE IS THE MOST IMPORTANT MARKETING CHANNEL

Let's say people need their septic tank pumped or there's a leak in their faucet. Where do residential homeowners go to find these services? 95% of the time they will turn to Google to find a company to help them.

This is equally true for the smaller commercial customers. Let's say you offer commercial roofing to your local community. Where do you think the property managers of apartment complexes in your area go to find a reliable contractor to help them redo their roofs? Google. Specifically, the first page of Google to look at the companies with the most reliable reviews. That's where they start looking.

This doesn't mean that a flyer landing on their doorstep at just the right time or an email in their inbox on just the right day can't convert sales too – but Google is where the vast majority of people go to find these kinds of skilled services.

Here's the two action items you need to start doing to get your company on the first page of Google quickly:

- 1. Master Your Google My Business Page – This little page on Google needs to look the very best it possibly can. That means it needs to have a minimum of 40-50 five-star reviews, pictures of the work you do, a solid description of the services your company provides, contact information and branding that reflects your company. You will also want to include your address so people in your local area can find you.**
- 2. Get Paid Google Ads Set Up – And then commit at least \$1,000 per month to these ads for the next 12 months.**

OUTBOUND ESTIMATING

Your ability to understand and master the skill of estimating and bidding on larger commercial and government jobs can dramatically change your ability to grow into a \$1 million a year company. Many companies use this one particular sales method to produce hundreds of millions and even billions of sales for large, construction-related companies.

You have, essentially, three options to expand your company into this lucrative channel for growing your business:

- 1. Hire An In-House Estimator** – Ideally, you want someone in-house that can help you bid and land these larger projects. If you can afford someone at a salary of \$80-150k a year, this would be the best option, to start scaling your estimating department and level up the business in terms of revenue and upcoming projects.
- 2. Outsource The Work to An Estimating Company** – Find a reputable company that does estimating for companies in the skilled trades and contract out this work to a professional company that knows what they're doing.
- 3. Join An Estimating Mentorship Program** – In this option, you pay for yourself or one of your team members to go through a mentorship program that teaches your team how to bid on this work going into the future.

At the end of the day, estimating and bidding on large commercial projects is just another skill that, once learned and mastered, can produce incredible results for a company. The sooner this skill is acquired, the sooner you are on your way to a multi-million-dollar company.

From our experience, some of the best websites for bidding on construction-related projects include The Blue Book, Construct Connect, BidClerk and Dodge.



DOUBLE DOWN

There are a million other avenues to grow your business, but from our experience, just double down on SEARCH and OUTBOUND ESTIMATING. If you have leads finding you through search, and larger leads finding you because you're proactively bidding on their jobs, you have the best of both worlds. The best strategy for having a lot of leads is a combination of inbound and outbound leads. Double down on these two strategies, and you will forever have potential new projects flowing into your business.



NOW FOR “EVERYTHING ELSE”

There are quite a few other avenues, such as direct marketing, which includes direct mail, email marketing, door hangers and flyers. You may also find traction in social media advertising with Facebook, Instagram, and YouTube. You can hire door-to-door or cold-calling sales teams. Only you will know what additional strategies may work in addition to what we discussed above. However, our #1 recommendation is to double down on the things we know work very well: getting on the front page of Google for your service AND bidding on as many large projects as you possibly can. The rest of your marketing strategies can be an experimentation process to see what other channels provide valuable results going into the future.

PART 3: BUILDING YOUR TEAM AND COMPANY CULTURE

UNDERSTANDING THE ROLE OF A CEO WITH 1-5 EMPLOYEES:

Once you have employees, you transition from being the “*Chief Everything Officer*” to the “*Chief Energy Officer*.” It’s no longer your job to do everything.

Now you get things done based on the quality of the team around you and your ability to clearly communicate and guide the team towards a shared outcome.

One thing to note is that once you have employees, your life and mindset will forever change. Now your success is entirely tied to the success of the people you put in place to run different aspects of the business.

Two really crazy things happen when you hire your first employee: suddenly you’re responsible for the livelihood of another human being, and you have to manage someone.

THE IMPORTANCE OF MAKING YOUR FIRST HIRE:

This is so crucially important because making your first hire is the first real step in turning your job into a business. Because let’s be honest, whether you want to or not, it is completely unwise to continue trading your time for money working in your business. The sooner you can start leveraging other people’s time to make money, the closer you are to having a business that runs independently of yourself.

Based on experience, it seems like most businesses can’t start to fully run on their own until they have at least a handful of employees. Often that breakdown includes a director of sales, director of operations, someone to handle admin work and a couple manual laborers at the very least.

Everything else, such as payroll, taxes and marketing, can be outsourced.

On the next page we’ve layed out the 7 core things to keep in mind while building out the team you will need to build your business to \$1 million in revenue.



01

Only hire people who can do their job better than you could. You want to surround yourself with A players. The best way to “win the game” is to put the best players you can find on the field.

Look for people that have the **TECHNICAL SKILLS** required to do the job **AND** have the **CHARACTER TRAITS AND VALUES** you want in your business. The worst thing you can do at this stage in the business is hire people that have the skills you need but exhibit toxic character traits that make it hard for the rest of the team to work with them. Coming from a background of making this mistake, it's almost better to hire someone that doesn't have the technical skills but has the right attitude, problem-solving skills and intrinsic motivation over someone that thinks their skill level is a license to do whatever they want without regard to the people around them.



02



03

Hire people that exhibit these traits:

- *High levels of problem-solving and common sense abilities*
- *A positive attitude*
- *Self-motivated*
- *Detail-oriented*
- *Organized*
- *Timely*
- *Good communication skills*
- *Take ownership in what they do*
- *Have a desire to see the business succeed,*
- *Intrinsically excited about the mission and vision of the business, and are hungry for a better opportunity.*
- *You want people that are going to be reliable and do what they say they're going to do.*

Created an organized, structured objective system in advance to track performance and to pre-set communicated goals. Make sure employees are clear on what their job responsibilities are and what they are not. Save yourself from getting stuck micromanaging employees by setting expectations up front in a clear, detailed manner.



04



Trust people to do the job and don't micromanage.

You have to give people the freedom to show you they can own their job and responsibilities, including the freedom to make mistakes so they can learn and grow from them.

Let people go quickly if they aren't performing and hitting their goals.

goals. You will know in your gut (in a very short period of time) whether an employee is an asset to your business or a liability. If you start to feel resentment towards an employee for not doing their job well, that's usually an early indication that you have the wrong person for the position. If you feel like you would do just about anything to keep the employee, that is also an early indication that someone is going to be a great long-term team player. DON'T keep someone simply because you're afraid you can't find someone better.



Communicate clearly, based on where the team is going, the vision and overall strategy you have in place to get there. Tap into your team members to get their thoughts and feedback. You want the decisions in the company to be a collective effort of all the best ideas. Employees that are dedicated to the business can and will have valuable thoughts and suggestions to help the overall growth of the business. Cultivate a company culture that allows everyone to feel safe sharing their thoughts and ideas.



BUILDING AN ADVISORY BOARD

This is not a necessary step, but it will help you grow at a much faster pace. Reach out to a handful of people that have built businesses in the skilled trades and understand what you're going through and ask them if they would be willing to sit on your advisory board. Once a month or so, meet with your board for advice on managing the business and how to grow and succeed.

This can be crucial for helping you change your mindset over time and not get stuck in inefficient ways of doing things. It will also help you improve your systems and processes for the business.



SETTING UP OFFICE SPACE

In the early stages, it makes more sense to keep your costs extremely low and work out of your vehicle, a coffee shop, your house or apartment. Once you have a few employees and at least \$10,000 a month in revenue coming in, it's probably time to set up some office space where everyone can work under one roof. In this early and volatile stage in the business, look for very inexpensive office space, something that just gets you by. You can always increase the quality of your work environment as time goes on and the revenue grows, but in the beginning, go with the bare minimum needed to fully run the business. Choose a location that best suits the kind of services you offer. There is often an industrial area in every city – if you are building a business in the skilled trades, it may make sense to be as close to that area as possible.

PART 4: CORE MINDSETS FOR SCALIN TO \$1 MILLION

CORE MINDSETS FOR SCALING TO \$1 MILLION

THINK THIS WAY	VS	DON'T THINK THIS WAY
I will only focus on sales and marketing and delegate the work to someone else	▶ ★ ◀	No one can do what I can do and I don't trust anyone so it's easier to just do the work myself
I will spend whatever time is needed to dominate the 1st page of Google	▶ ★ ◀	I can build the business through word of mouth
I will spend marketing dollars on ads in the MAP section of Google	▶ ★ ◀	I'm too small to spend money on marketing
I will make it a priority to get quality reviews on my Google Biz page as quickly as possible	▶ ★ ◀	I'm too busy to get reviews. I only have time to focus on doing the work
I need to start building my team as quickly as possible	▶ ★ ◀	No one can do what I can do so I'll just have to do it all
I will make it a priority for our company to start bidding on larger projects	▶ ★ ◀	I don't know how to bid on larger projects and don't have time for that