

Module 0: Current Reality (At Bat) - Audit Review

Executive Summary

Sarah Chen runs a small marketing consulting practice that specializes in helping local service businesses establish their online presence. After three years of steady growth, Sarah finds herself overwhelmed with client work, struggling to scale her practice, and losing clarity on her direction. She's motivated to participate in this lab now because she's at a critical inflection point - she's considering hiring her first employee but feels uncertain about her business model and whether she's targeting the right clients.

Current Business Overview

Business Description: Sarah operates "Chen Marketing Solutions," a one-person consultancy that helps local service businesses (plumbers, electricians, HVAC companies) improve their digital marketing. She offers website development, SEO optimization, Google Ads management, and social media strategy. Her clients are typically owner-operators with 2-10 employees who have outgrown word-of-mouth referrals and need more systematic lead generation.

Why Now: Sarah is doing this lab now because she's at capacity. She's working 60-hour weeks, turning away potential clients, and feeling burned out. She's also considering hiring her first employee but wants to clarify her business model, ideal client profile, and growth strategy before making that investment. Additionally, she recently had a client relationship end poorly, which made her realize she needs better clarity on who she serves and what she delivers.

Key Strengths

1. **Strong Client Results:** Sarah has a track record of delivering measurable results - her clients typically see 30-50% increases in qualified leads within 90 days.
2. **Established Process:** She's developed repeatable processes for website launches, SEO audits, and ad campaigns that work consistently.
3. **Growing Demand:** She has a waiting list of potential clients and receives 3-5 inquiries per month through referrals alone.
4. **Financial Stability:** The business generates consistent monthly revenue of \$15,000-20,000, providing a stable foundation for growth.
5. **Deep Expertise:** Sarah has deep knowledge in local SEO and Google Ads, positioning her as an expert in her niche.

Key Risks

1. **Scalability Constraints:** As a solo operator, Sarah can only handle 8-10 clients at once, limiting growth potential.
2. **Client Dependency:** Three clients account for 60% of her revenue, creating vulnerability if any of them leave.
3. **Lack of Systems:** Many processes exist only in Sarah's head, making it difficult to delegate or scale.
4. **Unclear Positioning:** She's uncertain whether to focus on local service businesses broadly or specialize further (e.g., only HVAC companies).
5. **No Sales Process:** New clients come through referrals and discovery calls, but there's no systematic approach to qualifying leads or closing deals.

Key Lessons

1. **Not All Clients Are Equal:** Some clients take up 80% of her time but generate only 20% of revenue and results. She needs better criteria for selecting clients.

2. **Process Documentation Matters:** The clients where she has documented processes are the most profitable and least stressful. Undocumented work creates chaos.
3. **Revenue Without Systems Is Unsustainable:** Her revenue has grown, but her systems haven't kept pace, leading to the current burnout situation.

Key Opportunities

1. **Pricing Optimization:** Sarah charges hourly or per-project rates, but her best clients would pay premium pricing for guaranteed results.
2. **Productized Services:** Her SEO audit process could be productized and sold as a standalone offering to generate additional revenue streams.
3. **Strategic Partnerships:** Local business associations and trade groups could be sources of referrals if she formalized partnerships.
4. **Team Building:** Hiring a virtual assistant or junior consultant could free up 20-30 hours per week for higher-value work.

Suggested 90-Day Home Run Goals

1. **Clarify Ideal Client Profile:** Define exactly who she serves (industry, company size, owner characteristics) and create a profile document to guide all future client selection decisions.
2. **Document Core Processes:** Create written playbooks for her three core services (website launch, SEO audit, Google Ads setup) that can be used by future team members.
3. **Build Waitlist System:** Formalize her referral process into a waitlist system with clear criteria, so she can qualify leads and manage demand more effectively.
4. **Hire First Employee:** Recruit and onboard a virtual assistant or junior consultant, delegating 20-30 hours of work per week to create capacity for growth.

5. **Develop Strategic Partnerships:** Establish partnerships with 2-3 local business associations or trade groups to create a consistent referral pipeline.
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For Your Team

Executive Summary / Key Takeaways

Sarah's marketing consultancy is at a critical growth stage. She has strong client results and consistent demand but is constrained by capacity and unclear positioning. The next 90 days should focus on clarifying who she serves, documenting her processes, and building systems that enable scaling.

Key Insight: Revenue has grown faster than systems, creating burnout and limiting scalability. The path forward requires operational clarity before further growth.

Action Items and Next Steps

1. **This Week:** Document ideal client profile using insights from best vs. worst client analysis
2. **Next 2 Weeks:** Create playbooks for core services (website launch, SEO audit, Google Ads)
3. **Week 3-4:** Design waitlist system and qualification criteria
4. **Month 2:** Begin recruiting for first employee (virtual assistant or junior consultant)
5. **Month 3:** Establish 2-3 strategic partnerships with business associations






Team Communication Templates / Talking Points

For Stakeholder Meeting: "Our business has strong fundamentals - consistent revenue, proven results, and growing demand. However, we've hit capacity constraints that prevent further growth. Over the next 90 days, we're focusing on three priorities: (1) clarifying our ideal client profile to improve targeting, (2) documenting our core processes to enable scaling, and (3) building our first hire to increase capacity. This foundation will allow us to grow sustainably without sacrificing quality or burning out."

Email to Potential Partners: "Thank you for your interest in partnering with Chen Marketing Solutions. We specialize in helping local service businesses improve their digital marketing, with a focus on owner-operated companies in the trades (plumbing, electrical, HVAC). Our typical client sees 30-50% increases in qualified leads within 90 days. We'd love to discuss how we might support your members. Would you be available for a brief call next week?"

Decision Frameworks

Client Selection Criteria:

-  Company size: 2-10 employees (owner-operated, not enterprise)
-  Industry: Local service businesses (trades, home services)
-  Owner mindset: Growth-oriented, open to marketing investment
-  Engagement level: Willing to collaborate, responsive to feedback
-  Red flags: Unrealistic expectations, unwilling to invest, poor communication

Process Documentation Priority:

1. Start with highest-revenue processes (website launches, Google Ads setup)
2. Focus on processes that take most time but can be delegated
3. Document in order of client demand (most requested services first)

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