**PEP 43 Edited\_Transcription**

[Daniel Hill] (0:05 - 1:16)

Welcome to the official property entrepreneur podcast with myself, Daniel Hill. On this strip back podcast, we're going to be going behind the scenes with special guests to provide insight and inspiration on all things business, life, and the actual realities of high performance in practice. Success and failure are both very predictable.

We hope you enjoy. Ladies and gents, it is my absolute pleasure to appoint our next Hall of Fame member to the official property entrepreneur Hall of Fame. In this session, I'm going to welcome you to Josh Keegan, who I've worked with for a long time.

And Josh, over the last seven years, has had an amazing experience and journey going through the entrepreneur's journey. So what we're going to do is we're going to look at this, we're going to see some of his successes, but also, to give you the maximum value, we're going to go into the challenges. So those of you that are starting, systemizing or scaling a business can get an insight into some of the challenges you're going to come across, and some of the ways to overcome those.

So without further ado, I'd like to welcome Josh Keegan to the Hall of Fame. How are we doing, Josh?

[Josh Keegan] (1:16 - 1:23)

Very well, thank you, Daniel. Thanks for the introduction. It's lovely to be here.

I've also done a few of these interviews myself with other people. It's actually nice to be welcomed personally.

[Daniel Hill] (1:24 - 1:36)

Yeah, it's good to have you. For those who are listening to this, either on the podcast or the Profit Entrepreneurs community on YouTube, and haven't had the opportunity to meet you previously, do you want to give everyone just a brief introduction to who you are, where you're based, what you do?

[Josh Keegan] (1:37 - 2:08)

Yeah, of course. So I'm based in the North West, in Greater Manchester. I've been with Dan now for, we've been working with Dan now for about seven years.

I own a portfolio of companies, which include the one people know for the best is Zephyrus Property Management, which is a HMO, specialist vesting agency. And I've kind of taken myself out of that and spend more time now working with entrepreneurs, make their businesses like highly lucrative through my accountancy training. So as a chartered accountant, I started all this.

So that's what I do, I specialise in basically finance for property businesses. Very good.

[Daniel Hill] (2:09 - 2:14)

So seven years is a long time, and it doesn't. Would you say it's been a quick seven years or a long seven years?

[Josh Keegan] (2:16 - 2:30)

It doesn't feel like a long time, but if you start delving into what's happened, the amount that's happened, it feels like that's been like 20 years of stuff in a very short space of time. Do you know what I mean? Absolutely.

[Daniel Hill] (2:30 - 2:41)

I was thinking about it before this. I was thinking seven years sounds like a long time. Then when you look at where you were and where you are now, you've come such a huge way.

And if you had the opportunity to do that again in seven years, we'd all jump at the chance.

[Speaker 3] (2:41 - 2:42)

Yeah, absolutely.

[Daniel Hill] (2:42 - 2:48)

Give people a bit of an insight where you were when you started. Where were you when we met about seven years ago?

[Josh Keegan] (2:49 - 4:24)

So my first day in property, so basically before I got into property, I was a chartered accountant. So I worked for a big company, BAA Systems, my corporate career. I've been going for two and a half years, and basically that was enough time to get my chartership in management accounting.

And I wanted something a bit more entrepreneurial. So I attended one of your... Well, basically I was working with my business partner who was Phil at the time, and he knew you already.

And my actual first day in property was spent with him on one of your systems days at the Belfry seven years ago. So we did that. Then I didn't spend as much time with you as before, but Phil was a big part of it.

Then unfortunately, as you know, Phil got quite sick. And that's when I had to come step into his role within the businesses and actually take on my place on the board. So there's a bit of an untraditional kind of start there.

But in terms of where I was when I got started, it's like I'd done a year working with Phil in business. I had pretty much no experience doing anything. The only thing I knew how to do was accounting for a huge corporation, which was not particularly valuable.

So I had basically no experience, no skills, but me and Phil had got the lettings business to about 30 rooms or so at the time. And that's when he got sick. I had to kind of take everything on and learn how to basically sink or swim.

And I had to scale the company. So that's when I became part of property, became part of the board and started working for myself.

[Daniel Hill] (4:25 - 4:33)

So you came into it with a lot of finance knowledge, both experience and academic, qualified accountant, knew how the numbers worked. Not experience.

[Josh Keegan] (4:33 - 4:41)

It was very academic. Big companies, that experience is very academic. It's like you're a small, tiny car getting a massive machine.

It's not particularly practical.

[Daniel Hill] (4:41 - 4:54)

Very good. So you brought that sort of knowledge with you, but you didn't have the property or the business knowledge. Seven years later, coming in with that drive and that knowledge, and the appetite to go, how far have you managed to push it?

Where are you seven years later?

[Josh Keegan] (4:55 - 6:40)

So we scaled the agencies now 370 or so rooms, but we haven't been growing for the last two or three years, really. We just kind of stopped growing for a bit of time to just focus on the service and what we do. But what I'd say in terms of the agency, like where that's got to, it's like we are the market leaders within the Northwest, but the bit that I specialized in is make it really lucrative.

So it's a very lucrative, very, very well-run five-star service. It's just a brilliant business. And I personally chose not to actually grow that anymore, unless the team wants it, which is part of my point is that I spend about half a day at the moment, about half a day a week on that company.

And that's basically just team management. And I've got a team that kind of run that entire business and operation for me. Throughout that as well, that manages my own portfolio and I've scaled my own portfolio for the last seven years.

And then for the last two or so years, I started to basically became an FD. So ultimate FDs is what I spend a lot of my time on now. And that's basically offering FD services to property businesses to basically help them do the same thing I did, which is take yourself out of the business and make it highly lucrative and highly profitable.

Because I went on that journey myself. It's not an easy journey. And that's now what I kind of help people do if you like.

So from a business perspective, I'd say I was the business. I was running around like a maniac. I literally had to do everything.

I had to recruit team management. It was very hard, very small business becoming a big business or biggish business. It's very much a lifestyle business.

We're a great team to run that business. Now I focus on stuff that I'm good at and I get excited about and wakes me up. I look forward to doing it every day.

[Daniel Hill] (6:41 - 7:05)

I want to put out a key point out of that as well, because a lot of people come on Property Entrepreneur wanting to build the biggest, baddest national portfolio business, which is what we've sort of done with PPM UK. You've carved out a very lucrative niche in a different space, haven't you? With the portfolio of businesses you've built and now the portfolio of businesses you're helping your clients build, it's not necessarily going for that seven-figure business, is it?

[Josh Keegan] (7:06 - 8:27)

No, absolutely not. And I think I'm going to talk about some of the challenges. I think that comes down to the definition of success.

When I did join Property Entrepreneur, I did think that's what I wanted. I thought like everybody, everyone wants, everyone thinks they want this monster business, this huge seven-figure, eight-figure, crazy business with this 30, 40 people team, this huge office and city center. Everyone thinks it.

And I think I thought it, but then I got to a space where I could leave my ego at the door and think, what do I actually want here? What do I actually want? I've realized that big businesses come with big problems.

I want a six-figure business, which means you get a smaller scale business. But for me, the important bit is the margin. So it's like a six-figure business with a six-figure margin.

That's what I focus on. So for me, it's like, it's as small as it can possibly be with the most possible profit. That is my definition of success.

So whenever we do any kind of growth, it's like, well, I'll do it. It has to be much higher margin than it is now to make it worth it. So for me, that's the way I look at it now.

So the definition of success now is, I'd say it's six-figure profit, and it's as small as it can possibly be. So you get small problems, and it means you don't really have to do much on it. Whereas, yeah, seven figures, it's definitely worth it when you get to a point, but I think that you've got to be, you've got to really want to get there.

I didn't, I thought I didn't.

[Daniel Hill] (8:28 - 9:12)

Yeah, well, for those listening, one of the things we banged the drum about on Properly Entrepreneur is more revenue doesn't mean more profit. People think, grow and grow and grow, turn the tap on and on and on. The reality is, if you can have a well-flowing tap with a bucket of no holes, many times it can be more lucrative than a ginormous seven or eight-figure top line, and a similar potential bottom line.

Let's go through a few of the challenges then, Josh, because so many people are going to be listening to this thinking, they're just thinking about starting, or they're in the business, and it's that noisy period that you talked about. To get from being at a point where we had no experience at all, to now having a highly lucrative, highly leveraged, arm's-length portfolio of properties, businesses, what were some of the main challenges you came across on that journey?

[Josh Keegan] (9:13 - 11:07)

The first one I started with, the one I just mentioned, it was my own definition of success. So, I think for the first three, like, at Property Entrepreneur, every year we set out, we go for autumn, we have three months to think about, like, what is it that we're actually looking to achieve? Like, where do we actually want to get to?

Like, what do we personally want? Because what I personally want is going to be very, very different to what you personally want, and that's, and everybody's different. But I think, I'd say for the first, obviously, I've been doing this for seven years now, first three or four years, I can honestly say, like, the, I was young as well.

So, I'm only 31 now, when I was doing this, I was 24, 25. So, it's like, it was quite hard. You don't know yourself at that age still, but I always set my goals, my targets, everything based on, kind of, what I wanted to tell other people, or what I wanted to, you know, tell my mates at the pub, or what I wanted to present at the end of the year, so you guys all saw it.

And the reality was, I was probably building a lot of the stuff I did in the early days, which was setting targets and goals, which were not actually something I wanted to achieve, something I thought sounded good, or might be good, but it wasn't actually really what I wanted. I think, certainly in the last couple of years, where I feel like I know myself enough to know why actually what I want, I don't want, and not have, you know, fear of missing out, because I'm not doing something that somebody else is doing. I think that definition of success has just been massive, like, knowing what it is.

There's, kind of, two elements to it. One is, one was, two years ago, I came up with the definition being to, just literally, as simple as it is, to wake up energized and excited. It's like, that's all, that is my definition of success, to wake up energized and excited, that's all that matters.

And now, as we've, kind of, talked about, it's definitely flipped from a business perspective, to be much more small business, high margins, small problems, and small amount of time. Like, that's, that's really is the, kind of, where I've got to with it, and it's, now I've got that clarity, like, life is so much easier to actually do what I want to do.

[Daniel Hill] (11:07 - 11:40)

And pulling out of that, like, obviously, age, you'd like to think that age would be a good, not excuse, but a good reason to justify that mindset, because it sounds bonkers. The reality is, a lot of people listen to this, live that life, you know, they live by what we call life by comparison on proper entrepreneurship. It's the highlight reel of Facebook, it's fame, it's celebrity, it's all of these things.

But when you actually dig deep and go introspective, your life by design of what you actually want, when you close down all the stuff that, you know, that doesn't actually matter, it's very, very different. So, would you say you've found that, and you've got that now?

[Josh Keegan] (11:41 - 12:16)

Yeah, I think that the flipping perspective, which I, which I see people still not doing, it's the same as business, a business, money, it's all just a mechanism. It's basically like, it's something to do to achieve something else. So, like, when people kind of coming on going, I want this monster business, I want to walk into this office to feel great about the fact that we've got 40 people or whatever, it's like, that's not what you're doing it for.

My opinion is you're doing it for what that gives you and what that gets you. So, if you really care what that's going to get you, same with money, if you're going to earn some money, right, what's that going to get you? What are you going to get for that?

[Daniel Hill] (12:17 - 12:58)

So, it's like there's a clear point there, though, because that's not actually what the case is, is it? That's what it means for you. It's like, why are you having an office full of 40 people?

Because you want to make half a million quid a year. That's not why, that's not normally why people do it. They normally do it because it's ego driven, you know?

Yeah, exactly, exactly. Like people who, like me, who built a big business, I wasn't really interested in the money. I was interested in the journey, the self, you know, proving it to myself, proving it to my friends, my family, going out and building something, because I just had that burning desire I had to do it.

Whereas for you, you realize that actually what you want is a good, solid, arm's length, six-figure income, and it's not necessary to have a seven or eight-figure top line to get a six-figure bottom line.

[Josh Keegan] (12:59 - 13:34)

Exactly. And like you've alluded to it as well, we both know people that have got double or triple the amount of revenue that some of our businesses have that are making just far less profit than some of them are actually loss making. It's that skill set, it's just, yeah, I think that element there is like when the ego is driving, your bottom line suffers.

But when you're kind of being very strategic and going, right, well, I need to extract this amount, so you build your business around, I want this lifestyle, I want this car, I want this house, so I need to extract this amount and you build your business around that. That business becomes a mechanism, life becomes a lot easier then.

[Daniel Hill] (13:35 - 14:05)

Yeah, absolutely. And that's the whole thing of why are you actually doing it. And also, is it a P&L business or is it a balance sheet business?

Because you look at Amazons, Deliveroos, they're earning hundreds of millions of pound a year, but the balance sheet value is going up. So at some point, they're going to float, they're going to IPO, they're going to exit. It's all of those things coming together.

So that's a great first one, is life by design, is doing things for the right reasons, why you actually want to do it and then going out and doing it purposefully to do that rather than chase what everyone else is doing. What other challenges did you have along the way?

[Josh Keegan] (14:06 - 15:34)

This one will be, I mean, I'm not saying I've sold this now, but I'm definitely a lot better at it. And I know you've probably never sold this one, but we're working on it. The endless to-do list.

It's like that to-do list is particularly in the early days was relentless. It was actually relentless to a point where for the first two or three years of doing all this, my head was just always in a place where it was just basically going to explode. You just look at your to-do list and you go, I just can't get this done.

I just don't know how I'm going to do this. And it was all like, particularly in the early days, I'd say as well, is it was all had to be done. There was nobody else that could do it.

So I'd say like one of the biggest challenges we're getting to a point where like now, when I wake up, like my to-do list is pretty short, but it's high value stuff. It's short, it's high value and it's important, but it's not urgent. So that means that if I don't do it, if I just didn't come into the office for five days, like it wouldn't push the business forward and do what I want to achieve.

So I wouldn't do the business development side of it, but it doesn't really matter for the day-to-day operations of the team. So yeah, it's getting yourself away from the day-to-day operations, everything on your to-do list is urgent to acquire a small, high value, like to-do list that comes in the business. That was, I'd say that's four years worth of work to kind of get three or four years worth of work to kind of get to that space.

Can we tell the PA story in here? Which, what? Yeah.

So do you want me to tell it or do you want to tell it?

[Daniel Hill] (15:35 - 15:39)

Assuming, just make sure we're on the same page before I unnecessarily- No, no, no.

[Josh Keegan] (15:39 - 15:40)

I know what you're saying. Yeah, just go for it.

[Daniel Hill] (15:40 - 16:04)

It was just basically the prompt of, even on the blueprint, which is the first day we ever meet anyone on Property Entrepreneur, we say every single person needs an assistant. And for some reason, their pay as you go, zero rate of salary, they're just there when you need them, no cost, no risk. But for some reason, people don't listen to us and don't do it.

How long, I was banging that job for you for a little while. How long was it before you actually listened to me?

[Josh Keegan] (16:04 - 16:30)

Probably about two or three years. And how was it when you actually did it? Yeah, it was brilliant.

It was life-changing. So now I've gone from a place of having a couple of virtual assistants to VAs, like international VAs. Then now to, I had a PA for a little bit, and now I have an EA.

And I'd say, yeah, it's money well, it's just money well spent.

[Daniel Hill] (16:30 - 16:32)

Can you imagine a life without them now?

[Josh Keegan] (16:32 - 18:50)

No, not at all. In fact, she was a little bit sick last week. So she was kind of like, even when she was sick, she's a powerhouse, so she was still picking stuff up.

But I felt stressed. I was really stressed because all of these things, which I would normally just like bat off my to-do's, just go, right, I can do this, I can do this, just through voice notes or whatever. And I just felt really like my head was spinning a little bit because I just had so many little things that I needed to do, and all the stuff I literally hate doing, like ring up to find out how a mortgage is going on.

Just ringing anyone up. Yeah, ringing up. Yeah, phone calls.

I can't stand it. Just ringing up my solicitor to find out what's happened with a property purchase. Who's my solicitor?

I don't even know. How do I find their number? I don't even know.

And all that stuff, I got stressed by it. So I'd say, yeah, getting a personal assistant or somebody who can do that. You are right, it's a no-brainer now.

It's like anywhere from £3 to £25 an hour you can spend. And depending on the skill level, it all works out. I think learning to...

There's a big difference between spending time and investing time. This has been the biggest thing for me. So spending time is...

Spending time would be... It's wasted. It's just you've spent it, you've lost it.

There's no value to it. It's so easy to flip a spend to an invest. So spending time would be filling out a mortgage form, going, right, I need to fill out a mortgage form to buy this property.

Investing time is recording yourself filling out the mortgage form, adding all the details onto a spreadsheet so they're there for the future. And the next time a mortgage form comes, I'm going, hi, Brian, can you fill this out for me? Here's all the details on how to do it.

Big, big difference. And it's just the case of flipping on a video, flipping on the video record function. I did that for four years.

Literally everything I did, it was mental. I'd just record, record, record. And if you go into it, it would look nuts for anyone else that saw it.

But if you went into all the opposite guys and stuff, I've got videos for the most stupid, simple things. I just never wanted to do it again. So I did that for such a long period of time.

And that meant that moving forward, it just became easy to delegate. So I think ending the endless to-do list was a big challenge. But I'd say it took time, but it's the best use of time ever.

I completely agree.

[Daniel Hill] (18:50 - 20:11)

A couple of bits to pull out of that. So there's a couple of mindset shifts that you get on Property Entrepreneur as you go through the levels. And I've done a few of these Hall of Fame interviews, and this is probably one of the best.

What Josh has just raised here about getting a PA, getting away from the to-do list is without a doubt one of the most valuable things. Or it's not even valuable, the crucial things to start to level up. One of the mindset shifts we encourage is to go from what you've got to do on a daily basis.

Not even what or when. What have I got to do? When am I going to do this to-do list?

From what and when to who? So it's like, right, not when am I going to do this or what I'm going to do. It's more who's going to do this.

And the top of your to-do list every day should be, what can I delegate today? And start to give that to your PA, your BA, your EA, and just that's a high-value task. Question for you, Josh, because this is something that I definitely struggled with when I went through that, is what enables you to do is shift from the urgent to the important.

And the urgent gets done by pure adrenaline, up early, head down, beast mode, bang, bang, bang all day. And it makes you feel good at the end of the week because you've beasted it, but it's not necessarily high value. When you switch to important, you then have these deeper work projects, these business development tasks, but they don't have that urgency and they're not sitting there screaming at you.

Do you ever find, do you ever struggle because you no longer have the urgency on that? Do you struggle to do the important because you can't leave it till tomorrow?

[Josh Keegan] (20:12 - 21:19)

Yeah, it's, well, I think just one point on that before I answer that question is the reason why people struggle is delegation is a skill. And like the reason why it took me so long to do it is there's a big difference between delegate, delegation is its own skill set. Me and my brother both got PA at the same time, we were sharing up and I came to the end of the week and we were like, well, how are you finding it?

And I was like, she's brilliant. And he was like, I think she's terrible. But what's happened there?

And I said, show me one of the tasks you've delegated to her. And I looked at his tasks. It was like, it was really half baked.

It's like, I would have done the same thing she did. Whereas mine, boom, boom, boom, all the information she probably needs. So I think that's one of the things that stops him getting out there.

It's like, you need to learn how to delegate and it's not easy. In terms of your question about the important, yeah, definitely sometimes stuff shifts. But I think that's where you have to kind of start to really enjoy what you're doing.

Like your to do list, your important work should only be stuff that you actually, you actually want to do, you're excited about doing. Otherwise, I find it doesn't work, you just keep putting it off. So that's, I guess, that's what I've got to do now.

[Daniel Hill] (21:19 - 21:46)

So I can remember this vividly. And I do find when I'm not busy, I fall into this trap, because you've got to have that flywheel moving. Do you never find it?

Because it's the getting started, right? You might have a task, you would be like writing a new finance model, or for me would be like writing a chapter for a book or planning a podcast. And it sits there.

And because it's not urgent, it's only important. And I'm not, no one's got a gun to my head. Once it's started, I'll love it.

[Josh Keegan] (21:46 - 22:38)

But it's that, do you never find that? For me, like the way I've kind of combated that is just doing it in the morning. Like I'll do anything in the morning.

I love it. Like first thing in the office, like just crap on, I'm busy, I've got stuff done. It's so quick and productive.

It's like, I mean, I'm like, we've got the blueprint in the next few days. I've been going through, trying to get all my slides, like finalized and finished. And I've been taking hours over the weekend, trying to do it in the afternoon.

If it came in this morning, it took me 45 minutes, boom, boom, boom, done, emailed, sorted, and I'm good to go. So for me, it's just, I load my mornings. And I'd say anything after two, three o'clock, like it's not, I normally finish, I stopped working or I just catch a WhatsApp.

So just do, that's where like the stuff that really, if you didn't do, wouldn't be a problem. That happens. But yeah, for me, if it's in the morning and scheduled in, I'll get it done.

But if not, if like, sometimes I'll try and put, do my content for a week at four o'clock in the afternoon on a Tuesday, it's just, it's not going to happen.

[Daniel Hill] (22:41 - 22:46)

Cool. All right, that's two. Let's go, let's see if we can get another two in.

What are the challenges you have?

[Josh Keegan] (22:47 - 24:58)

I call this one the black hole. Okay, go on. So the, I think we'll go through it.

I think you've gone through it. I won't ask though. I know, I know people that we know have gone through it.

It's this moment where you realize that you've totally neglected all of your financials. You don't know what you're doing. You've got no financial clarity and you've got yourself into a very, very sticky, sticky, sticky mess.

So the, and then, so, so that was my experience when I literally in 2017 or 2018, I can't remember, literally doubled the size of the outletting agency, went through this big campaign. We doubled in size. We took on, I think it was like 70 rooms in one summer and we were at 50 rooms or 60 rooms before that.

So it's actually doubling in size. It was mad, absolutely mental, absolutely crazy. Like three months, recruited, I had to bring on sales team members, had to sell, sell, sell in the summer season.

It was the right time to do it. And I remember I had a conversation with you at the time. We're like, should we do this?

And you were like, well, it is the season if you're going to do it. So like, brilliant, let's just go for it. We did three months.

We did it last summer. It was crazy. We were on a retreat to go away at the end.

And we actually weren't like my account at the time sent through our P&L. We're actually losing money. I was like, we thought this was going to save the company.

We're actually losing money. And then for the next, I'd say 18 months to two years, we realized we just created a huge black hole in all of our finances just by not fully understanding how the numbers work, the accounts, the client accounting. And yeah, we spent two years like on just sorting out an absolute mess.

We had no financial clarity. We just, we had like integration for company to integration of company. It was complicated.

It was messy. So yeah, we had two years just to sort out a huge mess from a financial perspective. So that was easily one of the biggest challenges I've ever had.

And it was like, yeah, that was tough, really tough. And I think it's just that total neglect and then getting financial clarity when we create such a big company with such a big mess was very, very difficult.

[Daniel Hill] (24:59 - 25:12)

I know from working with the hundreds or thousands of probably entrepreneurs who got through the program, and you now obviously help people to get out of that black hole. What percentage of entrepreneurs would you say get caught in that space?

[Josh Keegan] (25:14 - 25:28)

Like majority. I think if you can't answer this question, if I said to you, can you show me an accurate balance sheet? And you'd say, no, you're in that space.

If you can't show me an accurate balance sheet, you're in a black, like you don't know what your numbers look like. You've got no idea.

[Daniel Hill] (25:29 - 26:34)

Everybody listening to this is going to either be in that position. I suspect the majority of people are going to be in that position or have been in it. And it's basically when they're living off the bank balance rather than the P&L.

So is there cash in the bank? Can we survive another month? And then it is sort of hand to mouth.

That's the storm phase that we talk about in business. You find out you can do HMOs in the normal phase. You then grow it progressively in the storm phase where everything's chaos.

You then move it into the normal phase. And then once it's settled down, you can finally crank the handle and move it into that bottom line time, which is that perform phase. We've definitely been through that cycle.

I think the good thing is we've always invested in our back office at the beginning because I had that experience with a clothing company in 2000 when I was about, I don't know, 19, 20. So I learned really young. So then when I got into property, I had a bookkeeper, I had an FD and got around that.

So those people who've got theirself into that hole and they haven't yet got out of it, what would you, obviously you do this for people now, what would your biggest words of advice be to get them to start putting their socks up?

[Josh Keegan] (26:35 - 27:40)

There's two things. One, like you said, just get it. It's like the first thing you sort out.

It's not the last. So at the moment, we just created a new company in the last few weeks. And it's like, that's all set up.

That's good to go. We've got zero. We've got an outsourced finance team, got a separate bank account.

That's all done and dusted. So that's one element. The second thing I'd say is all's good when the sun is shining.

The reason why people get this mess is that when you're growing, you've got more like revenue just constantly hitting that bank account. So revenue just keeps coming in. So any kind of pitfalls or any holes, the revenue comes in, another invoice, another invoice, another invoice.

So it works. As soon as you stop growing, this is exactly what happens to us. That's normally where these kind of problems come to light.

So you just need to just be really aware of that and just be aware if you're on this journey now where you grow, grow, grow, you can't see what the problem is. It's when you stop, that's where that will all kind of come to light. And it just takes years to sort out.

So just don't get yourself into that mess. Just don't do it. There's no value in it.

[Daniel Hill] (27:40 - 28:27)

Those who've got the opportunity to, starting from the beginning, I'd say my biggest word of advice there would probably be, and this is not like a sales pitch for Josh, but when we talked earlier about this, we're spending time and investing time. It's the same with money. I genuinely think money that's spent on PAs, bookkeepers, accountants is money invested.

And I think I've got a hundred thousand pound finance team in the office, probably more than that. I would say they earn me more than that by having accurate books, making sure invoices done correctly, rent control. We've got millions of pounds worth of rent, but it's all run well.

Someone who's going to start spending a thousand pound a month on a bookkeeper or a part-time FD, I guarantee that it would make them more than that by having that clarity and that control.

[Josh Keegan] (28:28 - 30:00)

It would as well. The second point I was going to say before, which I forgot, was all of this, there's two things. One is, if you go back to my definition of success, I believe the financial element is the main reason you're doing this.

So why would you not make sure that's your scorecard? That's the whole point of all this. Imagine if Warren Buffett told you he didn't look at his returns on his shares, you'd be like, that's bombing.

Why are you buying shares? That'd be crazy. So the fact that most entrepreneurs don't know what their P&L looks like, or they think they know, but they don't.

The reason I've got into this world is I was working with people on just a mentorship basis. And one of the first conversations I'd say is like, where do we want to get to financially? And they go, right, I want to get five grand a month.

I'd say, well, what are you at now? They'd say, well, it's about this, this property's this, this property's this. And I think that's about 1,500.

I go, okay, cool. And they go, but it's weird. Like there's never much money in the bank account.

Like we can't get ahead of it. And it's like, well, okay, cool. So let's get clarity first and let's start from there.

That's the whole journey I've gone to get here. But one of the things is, well, there's two bits of additional advice. Your virtual assistant is not the person to do this for you.

Like you need, they might be able to do some of the heavy lifting, but you do need some expertise in this. That's normally a finance manager level, at least. And you get these people on 50 pound an hour and they'll probably do an hour, hour and a half for you every month.

And it's many well spent. My holding company is 60 pounds a month. That's it.

And for my finance manager, 60 pounds a month. And that means- Your finance manager, maybe a few hours of bookkeeping. That's all you need.

[Daniel Hill] (30:01 - 30:01)

Yeah.

[Josh Keegan] (30:01 - 31:01)

And then a bit of bookkeeping to do the admin. It's perfect. And the only other thing I'd say, well, I've got so much to say.

Your tax accountant won't do this well for you. You'll get overcharged if you speak to your tax accountant. They will charge you a tax accountant's rates to do a very low junior job for you.

So you need to make sure you spit it out. But also like the finance function, it's always important and it's never urgent. So it just means as an entrepreneur, you will never give it the time it needs.

So I'd always encourage this to be outsourced. So you've got yours in half, which is brilliant, but it's a function. You've got team members, you've got heads in there.

I'd encourage most people to actually outsource this to a company that's just going to make it your important, their urgent. So I would say do that because if you don't do that, and I tried to do this for years with I think internally, all that happened was we just missed reviews. We didn't get the numbers and it just fell apart because we're just a high growth business.

You need to have something that's just focused on it that can just solely focus on producing those numbers for you, external to your business. That'll be massive.

[Daniel Hill] (31:02 - 31:18)

So to boil that down, one of the things even if you're a qualified bookkeeper or you own a bookkeeping company, you should still not do your own books. It's one of those things that has to be done and needs to be done by somebody else. You just want that rapport on the fifth working day of the month.

Anyway, I'm a qualified accountant.

[Josh Keegan] (31:18 - 31:19)

I don't do them.

[Daniel Hill] (31:19 - 32:00)

I don't get anywhere near that. It's not a good use of your time. And probably just to distinguish between those roles, make sure no one was confused.

You've got the, in sort of working it up, your footwear, in fact, I don't know which way you layer it. I'm assuming what Josh's structure is the same as mine is we'll have a head of finance or a finance director or a finance manager who basically does your budgets, your planning, your reporting. Behind them is a bookkeeper who does all of the transactions, the reconciliation, things like that.

And then quarterly or end of year, you have an accountant or tax advisor who does all your strategy and structure to minimize your tax. Is that the same thing you're saying, Josh?

[Josh Keegan] (32:00 - 32:49)

Yeah, I'd add one more layer onto it. So the layer we add is finance assistant. So for most companies that I work with, finance assistant is the only person in the actual business.

They're doing the operations. They're like paying people from your bank. They're doing the liaison with Barclays because there's an issue, credit control, that kind of stuff.

Then everything else is external. You have your bookkeeper, your finance manager, then your tax accountant. And then the next level is FD.

But if you want it, an FD, I believe, is much more about context. So a lot of entrepreneurs, they get all these reports. And they're like, oh, great, you made this amount of profit.

Oh, your balance sheet looks like this. But most of those people aren't very good at saying, right, well, this is what we need to get there. Or this is what we're going to change structurally to produce more profit out of it.

And that's what I do. That's the FD role, which kind of goes, there you go. Here's the context.

And here's how we're going to turn this into a profitable business. That's my bit.

[Daniel Hill] (32:50 - 33:11)

Yeah, like the strategy element. Anyone who's interested in that, reach out to Josh on Facebook, Instagram. What's your email for Ultimate FD, Josh?

Josh at ultimatefd.co.uk. Reach out to Josh. I highly recommend it. I've seen exactly the results he's got for some of our board members.

He's doing a great job. So reach out to him if you're interested in that capacity. Bye, Josh.

Let's get one final challenge, and then let's get some top tips.

[Josh Keegan] (33:11 - 34:57)

Yeah, I've actually just changed the challenge I'm going to talk about. So I think the fourth one for me would be, and I know you struggle with this as well, is balance. So as entrepreneurs, you talk about the pendulum swing.

It's like you're either really relaxed, you're on holiday doing nothing, or you're working all day, 5am till 10pm at night, and you're on the verge of burnout. And I think I've gone through this kind of journey of balance like a number of times. I think it's one of the challenges that always comes back up.

I've just had a baby. So about 10 weeks ago yesterday, I had my first child. And I've even found it with this.

I went through a phase of not starting work till 10, finishing at 2 o'clock in the afternoon. And that was working really well. But now we've got into a bit more routine.

And I do really enjoy working. I'm just like, right, I'm going to get to the office a little earlier. Last week, I was just getting in the office at 8am, and then going back home and working till 8 or 9 in the evening.

I was like, what's just happened? How have we just flipped from this real relaxed lifestyle to then go back into this zone as well? So I think balance is something that I'm always wrestling with.

It's like you have a productive day in the office, but you don't do as many steps as you want. Or you socialise too much, and then you don't sleep as well, because you drink too much in the evening. Then you feel knackered for the rest of the next day.

So I think, particularly in the start-up phase, in that whole journey, balance was really difficult. And it was really hard to find the social time, the work time, the exercise time. Normally, something was suffering, and the result was everything else.

So I think that was really difficult for a number of years. And I'd say I'm only getting to a place now where I'm starting to be better on that front.

[Daniel Hill] (34:58 - 35:29)

Here's a question for you, because I know we've gone through the balance blueprint before of what is balance. One of the sentiments in there is, it's not necessarily what you're trying to achieve. Do you think balance is actually where you want to get to?

It's the same as awareness, ultimate Buddhist awareness, where you actually could go and be like a monk and live in the mountains and live off nothing. Is that actually, this concept of balance, is it actually what we want? I want to be happy.

[Josh Keegan] (35:30 - 36:45)

And I think when you're out of balance, you're probably less happy. So when you're working all day, and you start to feel, well, we've talked about it before, when work starts to feel like work, I think that starts to diminish happiness. When work feels like play, and you just love it, and you finish at two or three o'clock in the afternoon, you've had a really productive day, you go home, you see your family, and you have some really wonderful family time, and you do nice exercise, you feel good, you've done a run, and you get to bed early, you have a really lovely sleep, you wake up the next day and do it again.

That's happiness. And everyone's balance is different. For me, it brought a good day.

It's being highly productive for four to six hours, and then going back to spend time with my family. And I think it's when I'm doing like I was doing last week, where work wasn't optional, so I had to get stuff done, and I'm working for the evening, and I'm a bit ratty with my family and not the same, don't want to eat dinner with them, so I want to crack on. I think that's where I'm not balanced, and I'm not as happy as I'd like to be.

So I think if you think about balance being the mechanism, what's the objective? It's to have a level of happiness. So it's finding that balance, which gives you that maximum return on feeling good, but being happy and being present.

[Daniel Hill] (36:45 - 38:14)

Yeah. I think the best analogy I can think of is the middle lane, but the slow lane is boring. Miss Daisy in the slow lane, nothing exciting going on.

We would just get bored. We don't live in the slow lane. The fast lane is million miles an hour.

You're going to catch speeding tickets at best. At worst, you lose your license, like burnout. We don't want to stay there for too long.

Aim of the game is to stay in the middle, and I think as we get older and we get more mature, we get more experience. It's trying to learn from those mistakes. If you think about stress and pressure being a good thing as an entrepreneur, because it gets things done, it gets you excited.

Good stress, to use your words, is where you really enjoy it. You're eating your meal and you're stuffing your face because you love it so much. That's great.

Burnout is where you just lose your appetite, and you're like, I'm not doing this anymore. I said to Josh last week, two weeks ago, that's it. I'm not doing it anymore.

I've had enough. I'm retiring next year. Josh said, yeah, Dan, I've known you for seven years, and this time of year, every year, same thing.

I went away and reflected on it a lot. I was like, you're so right. I think my issue is, every year, I become more resilient.

I become more leveraged. When I take on these bigger challenges, they're now so compounded up. When I do hit that hairpin in the summer season, it's worse.

It does get worse, but then obviously, the experience is greater and the rewards are greater. The fast lane is addictive.

[Josh Keegan] (38:15 - 38:30)

The fast lane is so tempting and addictive. You can just see all those cars whizzing past you. You're like, that looks really exciting.

It's great to overtake or just go in there for a few minutes. It's hard to get yourself back into that lane, that middle lane, when you've jumped into it.

[Daniel Hill] (38:31 - 40:44)

I'm a proper entrepreneur. We run the year in the four seasons. Summer is race season, foot to the floor.

That's where we are now. We've done the first six weeks of summer. We're on our way back to autumn now.

By the end of it, the tires should be shredded. The car should be steam coming out of the bonnet if you're going for a big race, like if you're going for a championship season. That's definitely where I am.

My lessons I've learned this summer, we then have three months in autumn to go and sit down and be like, right, what bit of that was good? Some of it's always like, it was worth it. The juice was worth the squeeze.

Other times, you're like, I'm never doing this again. It's like taking all that on board. Then again, write your life by design for the following year.

That's a banging one. It's definitely not one I've not cracked. My life by design gets better every year, but my ability to manage that stress is, or my ability to not go silly, my ability to go to the buffet and have a balanced meal in the summer is not, I've not cracked it.

It's still all or nothing for me. It's addictive. I think it's addictive.

I think that's the problem. And that's the challenge. It's addictive.

I think it's like carnage as well. It's not physically, I was without exaggerating. I was up at 2.30 the other morning last week before Proper Entrepreneur Week. And I just had so many things on my head I needed to get done. I'm just like, this is not healthy. This is not good.

But I couldn't go back to sleep. So I might as well get up and just get some stuff done. But anyway, we're all on the same page.

I think, again, that's another really, really great one. Right, finish off. A few top tips.

So people have got a clear idea the journey you've been on now. And I would say that the key successes I would pull out is your personal development by how you've understood it's not all about big numbers and smashing out the park. It's about life by design.

Second thing is about how important finance is. You've brought your entrepreneurial experience and your academic finance together to build a really, really good solid finance model. And then third is highly leveraged and highly lucrative.

Most people should be making six figures. You don't need to make six, seven figure revenue. To make a six figure profit, you should take 100 grand home on a quarter of a million pound top line if you're there.

What top tips would you get for people who want to follow in your footsteps and achieve some of the things that you've achieved?

[Josh Keegan] (40:44 - 41:30)

So number one would be team first, business second. So whenever you're looking to start something new, new venture, new anything, or thinking about like how am I going to do this? It's like, who's going to do this for me?

And now I think about that has been the first thing as opposed to the second thing before I've got this great idea. But it's if I do an ultimate FD is probably a bad example, because I do deliver that myself at the moment. I love doing it.

But fast track financials were actually set up. They do these consultancy packages. I've built all of the models now.

And now someone can run that for me. So it's like, right, cool. It's not just thinking about am I going to do this forever?

It's like, right, I'm going to systemize this in some way and how we get the team into this. And then I'll grow the business. So that's the first thing is like, yeah.

[Daniel Hill] (41:31 - 41:53)

In M&A, that's all we talk about. When I'm buying companies, selling companies, doing deals for other people, I was having dinner on Friday night in Leeds with like a very big player in the field. And all we're talking about when we're looking at deals is the management team.

And as an entrepreneur, it's hard to think about that. You think, well, I am the leader, I'm the manager. So you're not the investor or the entrepreneur.

So really, who is running the business?

[Josh Keegan] (41:53 - 42:31)

Yeah. I don't want to deliver on anything. It's like, even if I like it, there's something I enjoy.

But the majority of it, it's like someone else can probably do it better than me. It's not where I add the value. So it's just, I think it is like a mindset shift, because you have to kind of put your money where your mouth is.

You have to have a bit of confidence. If you're going to write, I'm going to grow this business this year. Great.

I'm going to buy loads of deals this year. Cool. If I was going to buy loads of deals this year, I'd say, right, I'm going to get somebody that will work in the office and source for me and pay their salary until I find my first deal.

And that is that mindset. And it's like, there is a sunk cost. There is a risk there.

[Daniel Hill] (42:32 - 42:43)

It's not a beginner strategy. You can only do that. You can only do M&A if you've learned the stripes the hard way by learning.

You really need to understand how the business works before you can get other people to run it. Cool.

[Josh Keegan] (42:44 - 43:39)

That's a great top tip. Mason? What do you actually want?

I think, like, we talked about the definition of success. Like, if you actually nail this, you'll be a very happy, you know, very fulfilled individual. If you can actually work out what you actually want, take away ego, take away what your parents spoke to you about as a kid, take away any money, psychology issues, take away, you know, a fast car that you want to show off to your friends.

If you can literally say, this is what I actually want and not be influenced by everyone else and actually achieve it. It's making my hair stand up and then talk about it. If you actually say, if you actually decide it and do it, you'll lead a very happy, very privileged and very successful life.

And I'm on that journey, but I'm still not 100% there. There's still definitely little things that get in my way, little egotistical, little elements. But the last couple of years, it's been transformation on that part.

And it's like the feeling you have around life, around business, around everything you do is magic.

[Daniel Hill] (43:40 - 44:19)

And it's one of the hardest questions you'll ever ask yourself. People are like, what do you want? And your subconscious will say, six figure income, family, business, whatever.

That's not actually what you want. You've got to go deep into like your programming, your conditioning, your expectations, a lifelong practice to understand what you want and when you want it. Honestly, my changes every year.

I had supercars and I lived on a narrowboat. Every time you figure out that, that was a bad move. That was a stop, not stay.

Whereas that frugal hedonism, low overheads, that really is a good thing for me. And it's like, nobody knows the answer, I don't think.

[Josh Keegan] (44:19 - 44:48)

But you do need to go, one of the biggest things I've learned is that you do need to go to extremes to find the middle ground. So you've done your supercar, you've experienced that lifestyle, then you've gone through hedonism. Those are two different extremes.

Now you'll probably find someone nice in the middle that you actually really appreciate. So whenever you diet or whatever, like go overeat for a week, then basically starve yourself for food. And then you'll find this middle ground where you go, right, this is actually what works out for me.

And it's like, that's part of the process, I think.

[Daniel Hill] (44:49 - 45:33)

Ironically, that is one of the things I do know. Certain things we do like and want, certain things we don't. One of the things I know I absolutely love is extremes.

Because I'm not necessarily an adrenaline junkie. I'm like, if there's a challenge somebody thinks you can't do, and this is not an ego-driven thing, it's just like a self-competitive thing. Can I run a marathon?

Can I do a weight cut? And it's like, there's no ego element. Or maybe there is.

Maybe my subconscious says there is. But yeah, that's one of the things I like, is the challenge. I love the thrill of the chase.

The destination is an anti-climax. I had a conversation with a few team members recently. Getting to the destination is an anti-climax.

The reason is, that's not where the joy is. The joy is in the journey. Yeah, absolutely.

[Josh Keegan] (45:34 - 46:15)

Cool. Final top tip? We've obviously alluded to this route, but you need to be fluent in finance.

Everything now that I do is talking about margin, it's talking about bottom line, it's talking about business models. That's all that this is. And I think this is all businesses.

It's like, yeah, once again, it's a means to an end. It's based on X amount of money, which is going to give you this lifestyle, which is the lifestyle you want. So it's not like an afterthought.

You should be literally fluent in it and every decision you make. The reason why people struggle with decisions in their businesses is because they're emotionally led. If you start making financial decisions, life becomes a lot easier, a lot clearer, a lot more clean-cut, and then you'll actually get what you want out of your companies.

[Daniel Hill] (46:16 - 47:46)

Yeah, a good sort of mantra to close that on is the best people to start companies and create companies are entrepreneurs. The best people to run companies are managers, and the best people to own companies are accountants. It's like that is, they're very different skill sets.

They're very different stages of the journey. And what Josh said earlier, you know, enjoy being with the team a bit. He'll love the novelty of it, but not the normality of it.

We're not built for that. We're built for different things. So understanding the phases in the journey and the cycle.

Josh, that was one of the best Hall of Fame interviews I've done. Some of those notes that are absolutely game-changers and definitely got my brain thinking. I'd like to congratulate you on everything that you've achieved in the last seven years.

It's genuinely been a pleasure to work with you and see you go from where you had no business experience and no property experience up to what you've done today. It's genuinely, you deserve all the awards you've got. And of all the people that I know on the board and wider, when it comes to like the finance side of things and running a highly lucrative, highly leveraged business, the Zest Group and the Zest Property Management, I've shared this with you previously, I've seen hundreds of agencies behind the scenes.

And there's not a single one in the country that I've seen that's run anywhere near as well as financially. So congratulations for that. Hats off.

Welcome to the Hall of Fame. It's my pleasure to introduce you to it and to work with you on going. For those who want to reach out to you, do you want to give people just some touch points where they can come find you?

[Josh Keegan] (47:47 - 48:18)

Best thing to do is just follow me on Facebook, just type in Josh Keegan, follow me on there. Or if you want to email Josh, it's josh.ultimatefd.co.uk. And then happy to help. Very good.

Any closing sentiments, final business? No, it's just been an absolute pleasure. Obviously, the last I've only ever done business with yourself for the last seven years while I've been in business.

I think property entrepreneurs have been absolutely massive in all of this. I've definitely been on my own journey. But yeah, thank you for all the support.

Thank you for the interview. And yeah, I look forward to working with you for longer in the future.

[Daniel Hill] (48:18 - 48:59)

Absolutely. It's been a roller coaster of a journey. We won't take it as anything else.

And I don't think we've changed a thing. So congratulations again. Welcome to the Hall of Fame.

And Josh Keegan, thank you very much. Take care. Cheers.

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