



PROFITABILITY BY DESIGN

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*The materials presented in this session represent the opinions of the presenter(s) and do not reflect the opinions or positions of NOWRA; the presenter(s) are not acting as experts, and attendees should always consult qualified professionals for guidance specific to their situation.



JASON BIRDSONG

JT Services, Owner & CEO

NAWT, President

OOWA, President

Husband & Father





What is Profitability by Design?

Intentionally creating profitability in your business through strategic planning and proactively solving potential problems.

Break Free!


Stop being held hostage
by your business!



What are your life goals?



**FREEDOM
HAPPINESS
INDEPENDENCE**



You can only TRULY WIN,
when you know whether
you're winning or not.

Daily Breakeven & Monthly Breakeven Pacer

Current Month	March	<i>Enter Current Month</i>		
Working Days	21	<i>Enter Current Month's Working Days</i>		
Instructions <i>Enter from P&L Statement</i> <i>Autofill</i> <i>Autofill</i> <i>Enter as decimal (Ex. 55%=.55)</i> <i>Autofill</i>		Prior Month Total Expenses Current Working Days Overhead Per Day Prior Months GP % Daily Break Even	\$250,000.00 22 \$11,363.64 0.3825 \$29,708.85	Information Notes <i>Gross Profit Dollars Needed</i> <i>Top Line Revenue \$\$ Needed</i>

Current MTD Rev Volume	
Prior Month- Overhead \$ Amount	
Prior Month- Gross Margin %	
Number Of Working Days	
Current Number Of Days Worked	
Average Completed Revenue Per Day	#DIV/0!
Avg Daily Gross Profit Dollars	#DIV/0!
Breakeven Working Day	#DIV/0!
Days Until(+) // Post(-) Breakeven	#DIV/0!
Est. Current Net Profit	\$0.00
Est. EOM Net Profit- MTD Pace	#DIV/0!

Knowledge is Power



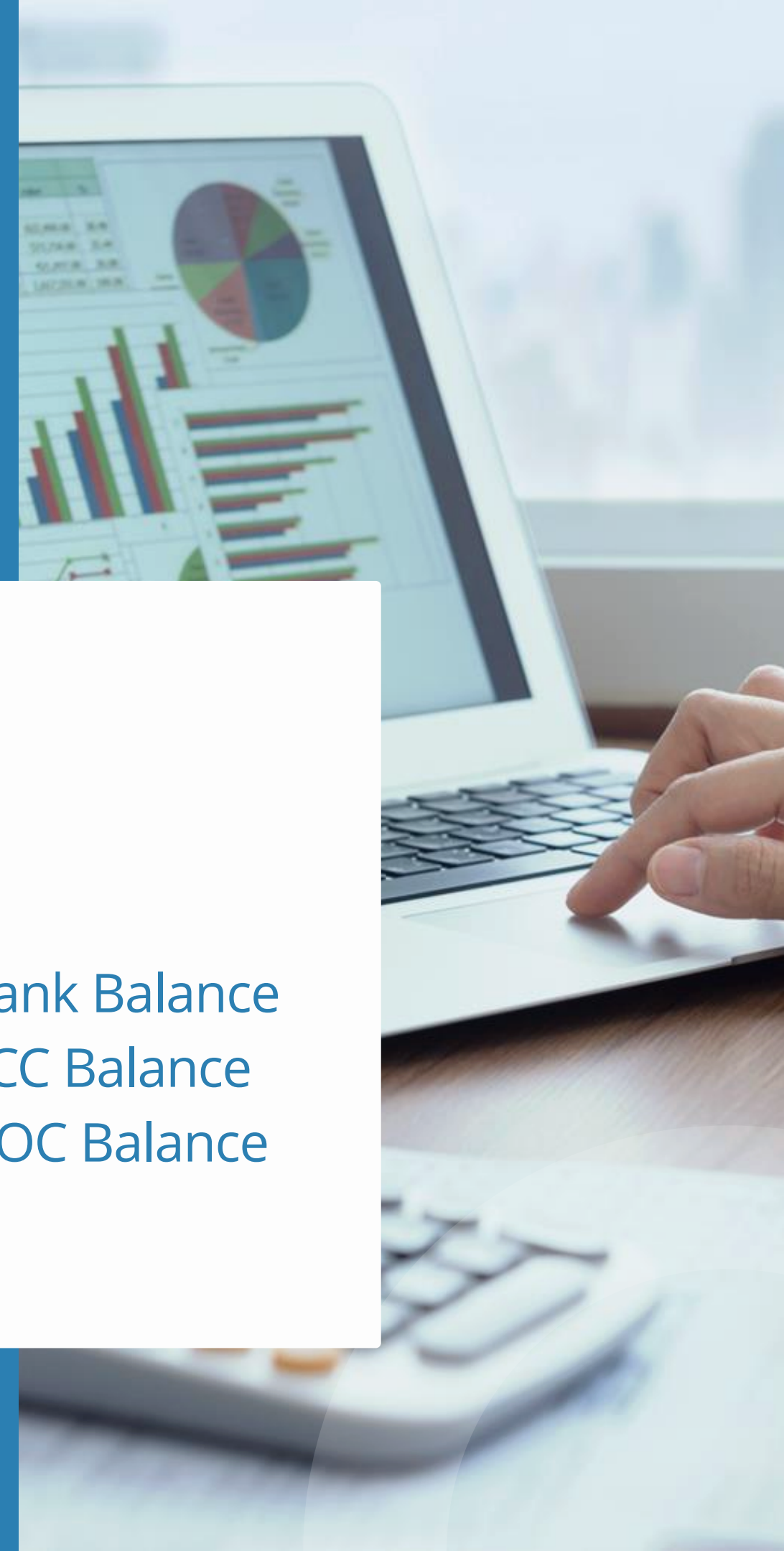
Monies

What is outgoing?
What is incoming?

What's owed to us?
What do we owe?

Forecasted Profitability
Expected Monies
Undeposited Funds

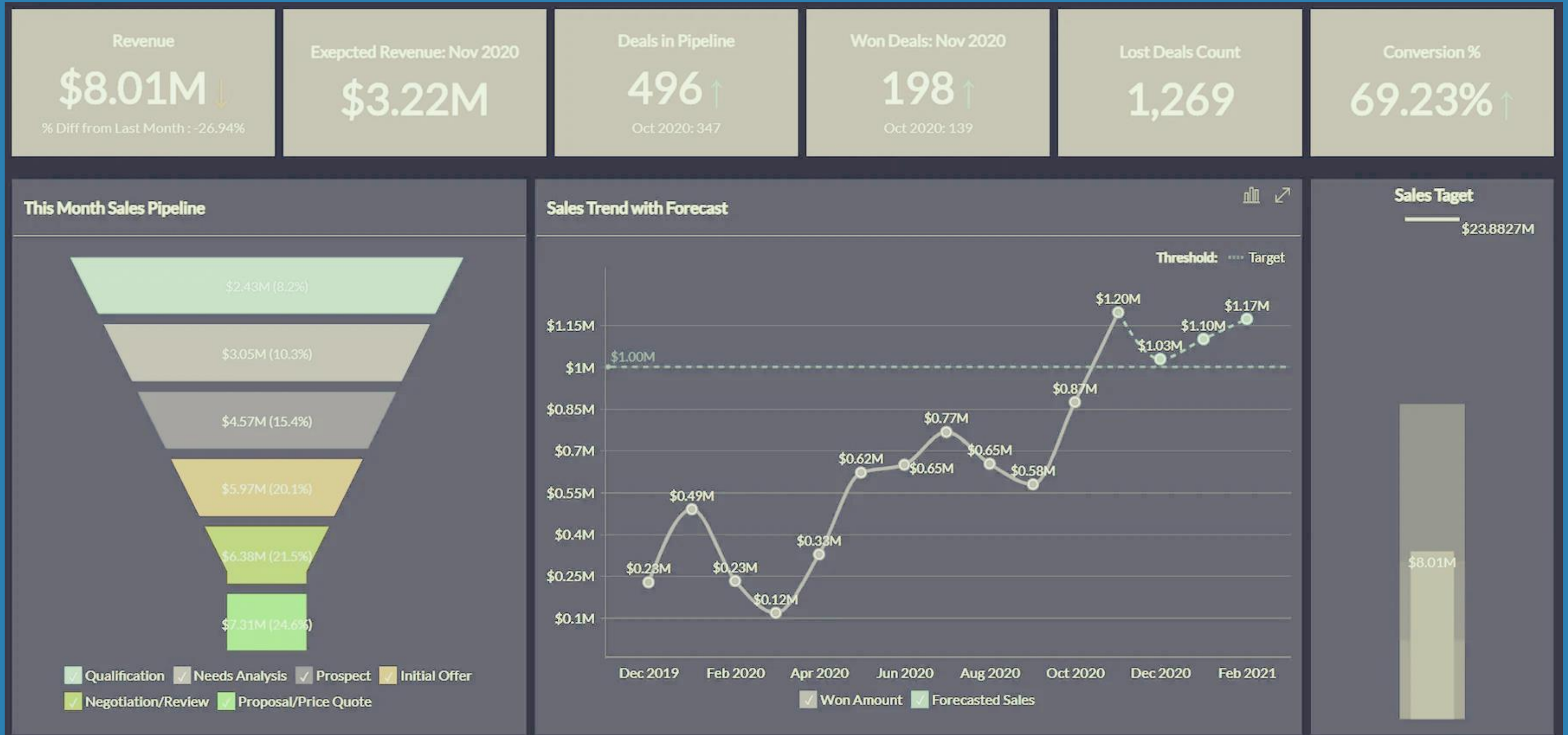
Bank Balance
CC Balance
LOC Balance



Daily Overhead & Breakeven Calculator

total expenses (prior month)		\$ 74,000
working days (current month)		21
daily overhead (GP dollars needed)	=	\$ 3,523.80
<hr/>		
daily overhead		\$ 3,523.80
gross profit % (prior month) (decimal point form)		.51
topline revenue required	=	\$ 6,909.43

Owners Daily Dashboard



Snapshot of Your Company Health

TRACK PERFORMANCE METRICS & KPI'S



CONSISTENT TRAINING
IN ALL DEPARTMENTS



REVIEW & COACH ON
METRICS



DO NOT SWAY
STANDARDS FOR ANYONE

NUMBERS DON'T LIE

unless they're
wrong

Know where you stand

Ensure your financials are

01 **Accurate**

02 **Timely**

03 **Accessible**

Top

**Departmentalized
Invoiced Revenue**

Above the line

**COGS:
Direct Expense, Direct Labor**

The Line is your Gross Profit

Below the line

**Overhead Expenses:
Indirect Costs of Doing Business**

Bottom

NET Profit

Industry Specific Benchmark Traffic

Direct Labor: >20%

COGS- Equip/Materials: >25%

Sub Contractors: >1%

Gross Profit: 55-60%

Marketing: 5-6%

Office Payroll: >10%

Total Expenses: >30%

Net Profit: 25-35%



What does acting broke mean?

(STOP carelessly burning through funds just because you can!)



Stacking Cash



Operate Lean



Profitable Pricing



Move with Intention

Stack Cash

- Preserve Working Capital
- Don't Make Ego-Driven Decisions
- Drive Profitability



Move with

Intention

High level calculated decisions

Don't be afraid to make real time pivots.

Stop waiting for the other shoe to drop.

Predict future moves.

Focus on the big picture.

Factor in details before action.



OPERATE LEAN



01

Maximize Potential

02

Set Clear-cut Expectations

03

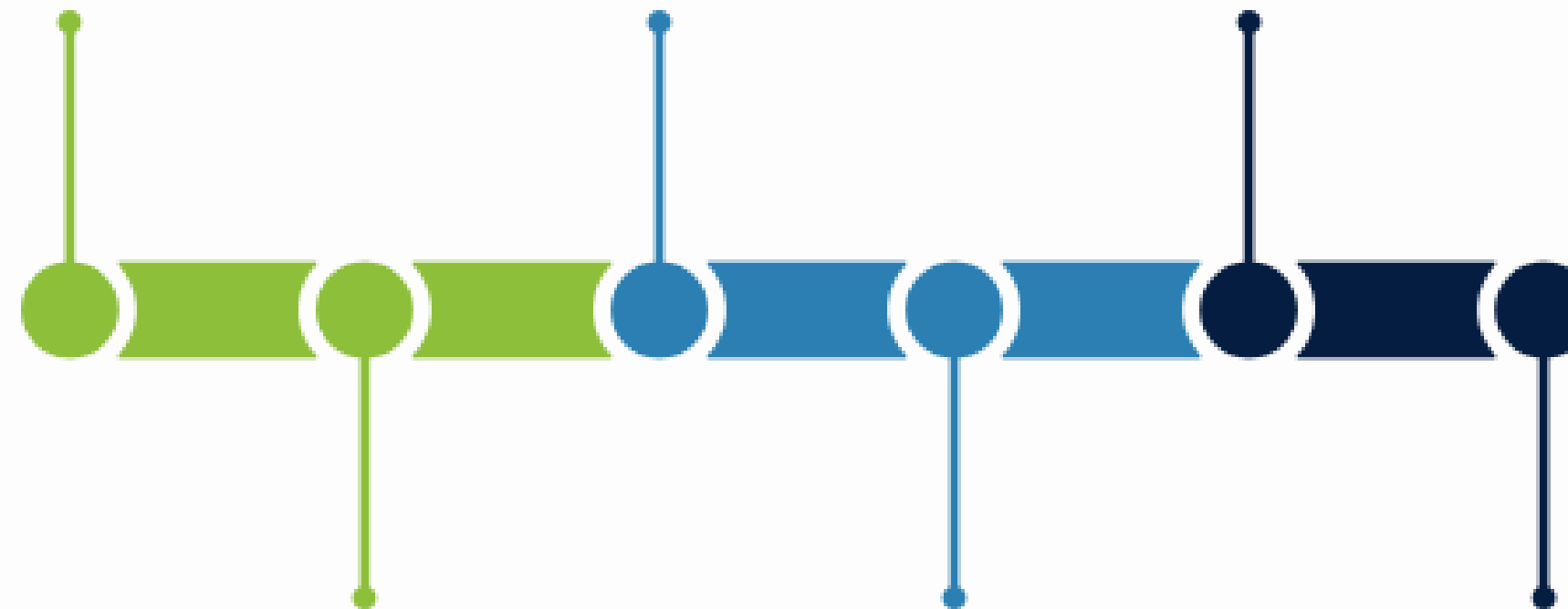
Consistent Accountability

“Don’t make financial decisions on EMOTION or anything other than facts & basis”

Know Your
Numbers

Make Smart
Financial Decisions

Keep Your Eyes On
The Road



Track Cash
Flow

Maintain An
Elevated View

Don't Overspend
Keep Costs
Down

THANK YOU!

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