

Plugging into profit

Will Fulton's Wealthlyser online coaching programme has excited interest among business coaches both in New Zealand and offshore.

Patricia Moore caught up with the man who plugs the profit leaks.



Profit coach Will Fulton likens himself to a plumber. "A plumber goes in, finds a leak and plugs it. It's the same process for me. I find where profit is leaking from a business, quantify how much, and put measures in place to plug those holes."

Fulton, an experienced business coach, was the 2007 Australasian Action Coach of the Year. But an emphasis on coaching for profit through his Wealthlyser programme means he's slightly out of the coaching mainstream; traditional coaching is more about drawing out of clients what they're capable of, he says. What he's offering is financial assistance in terms of structuring the business for growth, along with the benefits of more traditional coaching.

The emphasis on profit has excited

interest among coaches here and offshore. Over the past two years, Fulton has been invited to explain how his programme works at a number of Action conferences and seminars here and in the US, Australia and UK.

"The bottom line is SMEs want to make more money. They don't particularly care how they get there, but they want the juice on what it takes to get them from A to B. What I'm actually doing is making coaching more quantifiable. At the moment coaching is very fluffy. It's difficult to get a handle on exactly what it is. My programme is designed to put the structures in place to take a business from one financial level to a completely different one."

SME owners and managers are not

always clear on the benchmarks when it comes to profit or loss, says Fulton. "What I hear a lot is 'I just want to make more money with less stress'. People also want to know why they're paying tax on profits they never see."

Online delivery

Fulton has opted to go online with his profit coaching strategies.

"I looked at a book but that doesn't do the job when it comes to customising material."

The Wealthlyser programme gives clients' buy-in with three different customised tools. "Firstly because it's industry specific, secondly because the figures they work with are from their own business, and finally because they have to do their homework and input the information researched. All this greatly increases the connection between the reader, or visitor, [to the website] because they've actually been involved in producing it."

It's important the Wealthlyser programme recognises the different business challenges faced by different industries, says Fulton. And, because a manufacturer will face a different set of business challenges to those faced by a retailer or tradesperson, it's designed to cover seven different industry groups.

It's a closed website, and once invited to enter, a series of questions is put to determine the areas of business already mastered, and highlight those ahead, as the reader makes his or her way up the rungs of a series of ladders. There are no snakes – it's all ladders. Once these have been climbed the profit potential of the business is revealed.

That's obviously simplifying the whole programme, but Fulton says it is simple. It has to be to work on the web.

"One of the biggest challenges I have

had with the material was working with the web developer who would ask me what happens in a particular situation and my answer would be, 'well it depends'. Actually there's no such answer. It must be one thing or another."

Where are the leaks?

Where do most SMEs leak profit? Fulton highlights three key areas.

"Productivity is number one; the operational level of the business. This is followed by pricing – is there a real understanding of what price should be charged?"

"The third area is timing – when does the sales transaction happen and how much time elapses before the money comes in from the sale."

Productivity leaks are far and away the most difficult to plug and Fulton says he always starts from there with a client. Key performance indicators are the key. But instead of deciding what they should be and filling them away, these are displayed for

everyone to see. Output per person is noted daily and people are able to see how well they're doing compared to how well they're expected to do.

It takes a while to get such a system up and running. Even working out the unit of measure may take time. Once done however, management know what they expect of their team, and the team knows what's expected of them.

"Then when it comes to collecting wages on a Thursday, and thinking 'I'm obviously doing an OK job because I'm still getting paid, there's a visual representation of how they're going and that's really powerful."

And having struggled your way up the rungs of the ladders, what sort of leap in profit can a business expect?

"A one-man-band I began working with two-and-a-half years ago now has a staff of eight and is producing a fantastic profit every year. In fact his profit is greater than his turnover was when we started. After 18 months another business has just had a \$300,000 month. When we started they

were doing \$12,000. That's an enormous difference. Another doing \$8 million a couple of years ago is now doing over \$12 million."

Essentially SMEs want to know one thing when they begin working with a coach, says Fulton.

"Is this business I've cobbled together worth my hanging on? But you can only feel good about making crap money when you're optimistic about making good, then great, money. The Wealthlyser calculation methods show how well the business is capable of performing. Once this is established belief in the business will step up a lot and there will be less need to rely on optimism."

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