

5 Fundamental Elements of Business 2.0

Learn Them, Apply Them, & Laugh All The Way To The Bank

Every business needs to operate.



If you look back in history, as far back as you can or want to go, and follow it all the way up to present day, and you will discover that the richest and most powerful people in the world all share one thing in common - they all made, or are currently making their money in business.

J.D. Rockefeller, Andrew Carnegie, Henry Ford, J.P. Morgan in the past, and currently, Warren Buffett, Bill Gates, the late Steve Jobs and Donald Trump are just a few of the current day greats.

They didn't make it in a high paying job, nor did they make it in stocks or commodities. They Made It In Business. After they made it, they parked it in stocks, commodities and real estate. But they all made their fortunes in Business.

In this article you are going to learn that there are 5 Fundamental Elements Every Business Needs To Operate, and once you know them, you will know more than probably 95% of the business owners do now.

The 5 Elements are the lifeblood of every single business on the planet, and there are No exceptions to this fundamental truth.

No matter how big or small the business, they all need FIVE Fundamental Elements working together to succeed.

- Lose One, and the business will be shaky.
- Lose Two, and the business is about to fail.
- Lose Three, and failure is imminent.

There Are No Exceptions To This Truth None What-So-Ever.

© Paul Forsberg - Copyrighted Material 2024. All rights reserved

No part of this workbook may be copied distributed or shared without written consent of Copyright holder
Learn How To Buy, Build and Sell Businesses for Monthly Cash Flow and BIG Paydays Visit

forswest.com

Here's the thing – when you know what to look for, it's super easy to identify exactly what's wrong, fix it and make millions.

Let me paint you a picture of the 5 Fundamental Elements this way:

Think of a 5 cylinder airplane engine. It is shaped like a star, and when all 5 pistons are firing, the engine runs smooth as silk. Every cylinder is of equal importance, every cylinder share the same amount of responsibility to produce power.

As long as the engine is firing on all 5 cylinders, the engine operates smooth, produces power, and lifts the plane to higher and higher into the air. The plane can do just about anything the pilot wants it to.

Shoot up, do summersaults and flips, etc. Have you ever been to an airshow and watched in amazement what the pilots can do with a properly function airplane?



- > If it loses a cylinder, the engine is off balance, it vibrates and begins to lose power. It might continue climbing, but not at the rate and speed it was.
- > If it loses a second cylinder, all hell breaks lose and the plane has a hard time to just maintain altitude.
- > If it loses a third, it's all over – the plane is going to crash.

The same exact thing happens to all businesses, except the pistons are different. They have a name and a function

1. **Vision** / Leadership
2. **Customer** Identification
3. **Marketing**
4. **Front End** / Customer Service
5. **Back End** / Product Fulfillment and Delivery



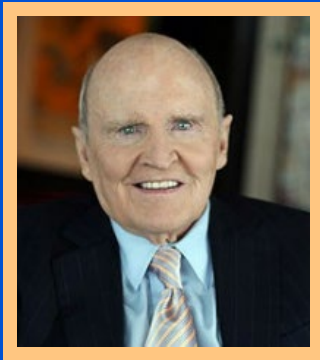
© Paul Forsberg - Copyrighted Material 2024. All rights reserved

No part of this workbook may be copied distributed or shared without written consent of Copyright holder
Learn How To Buy, Build and Sell Businesses for Monthly Cash Flow and BIG Paydays Visit

Like an engine, all cylinders are created equal, and all are of equal importance. They all connect to the crankshaft, which connects to the flywheel. The Flywheel is what creates the centrifugal force to keep it all going.

The exact same thing holds true for a business.

- Lose 1, its going to get tuff
- Lose 2, It's difficult to maintain
- Lose a third, Game-Over. It's just a matter of time before the business closes its doors



Good business leaders create a vision, articulate the vision, passionately own the vision, and relentlessly drive it to completion.

~ (Jack Welch) 

Here Are 5 Things You Need To Look Into & Identify Before You Buy Any Business.



1. Vision

Every business needs someone driving the bus!

Vision comes from the person in charge looking at the business from a 30,000ft view.

You need to be looking at the big picture and identifying competition and opportunities. Determining and defining the direction of the company and coming up with a strategy to get there. Many business owners simply lose their vision for one reason or another and the business begins to falter.

When it comes to business Vision, you need to know where the business is, what it stands for, where do you want the business to be, and of course, what are you willing to do to get it there.

© Paul Forsberg - Copyrighted Material 2024. All rights reserved

No part of this workbook may be copied distributed or shared without written consent of Copyright holder
Learn How To Buy, Build and Sell Businesses for Monthly Cash Flow and BIG Paydays Visit

forswest.com

- “Where” and “Who” are the other players in your industry?
- “How” are they situated in the game?
- “How” is your positioning, and are you positioned properly?
- “What” part of the cycle is the economy and where is the industry headed in the current and oncoming economic cycle?
- “Why” are you in this business in the first place?
- “What” is the ultimate goal? Is it just to make a living and play the game, or is it to paly big, go for market control?

These observations and answers need to come from the person in charge- the lead dog, and that, my dear friend is the sole responsibility of the Business Owner – after that, the rest will fall into place of you play your cards right.

Here are a few more questions you need answers to:

- What is the industry you are in?
- How big is it Nationally, Regionally, Statewide, County Wide? Your Town?
- Where is your place on the chessboard?
- What can you do to advance your position?

The job of the leader, the entrepreneur, the “Visioneer” is look at the big picture and identify opportunities, determine the direction of the company and coming up with a strategy and a plan to get there.

One could call them the CEO, or Chief Executive Officer. I tend to refer to them as the “Visioneer” because the Visioneer lives in the future, rarely in the present, and never in the past.

The Visionary’s job is to come up with “What-if” and “If-When” scenarios.

The Visioneer is the pilot of the airplane, or the captain if the ship. This person is the grand strategist, the innovator and the one responsible for identifying new opportunities and opening up new markets.

Vision equals Leadership and everything in life needs leadership.

They see things in the future. They identify opportunities and strategies to get there.

They are the ones responsible for charting the course for the business.



2. Customer Identification

I've got to tell you before we get into this section, as a business coach and consultant, I am absolutely stunned at the amount of business owners who have no clue as to who their customer is, who they want them to be, or what business they are in!

I am convinced that the reason so many businesses fail is because they wrongly believe their customer is everyone and they open their doors expecting the world to flock to them and yet, no-one shows up.



It is vitally important for you to know who your customers are, because if you don't know who they are, or who you want them to be how in the world are you going to get your marketing message out to them, so they will buy your stuff?

When you are the business owner, first need the "Vision" so you can also identify your customer is going to be.

Look at the business **Donald Trump** built. He knew early on that he wanted to attract the wealthiest people in the world, so he developed some of the highest end and most expensive real estate in the world. **25 years later, he's a Billionaire!**

To be successful in business, ***you need to know who your customer is***, so you can develop a strategy and create a marketing message so you can reach out to them.



Most businesses fail because they lack the understanding of exactly who their customer is and what they want. (***Yes, it is really that simple***)

© Paul Forsberg - Copyrighted Material 2024. All rights reserved

No part of this workbook may be copied distributed or shared without written consent of Copyright holder
Learn How To Buy, Build and Sell Businesses for Monthly Cash Flow and BIG Paydays Visit

forswest.com



3. Marketing

Here is the rub ... If the business doesn't have vision, and doesn't know who their customer is, they have no idea of how to get the marketing message out to their prospective customers!



Here is the rub ... If the business doesn't have vision, and doesn't know who their customer is, they have no idea of how to get the marketing message out to their prospective customers!

Unfortunately, most business owners are clueless as to who their target customer is and know even less about marketing & end up getting taken advantage by advertising sales-people who sucker them into doing "Brand" type marketing that is costly, in-effective, and cannot be measured.

There are hundreds of ways to get the word out ... but you need to know the "Who" your customer is before you can get the word out to and sell them the "What".



4. Front End /Sales:

"Welcome to McDonalds, May I Take Your Order? Would You Like to Supersize That?"



Front-end sales are so vitally important. It costs you money to make the phone ring -when a customer calls, the phone better be answered correctly, or if the customer visits your establishment, your front-end sales better be operating the right way

© Paul Forsberg - Copyrighted Material 2024. All rights reserved

No part of this workbook may be copied distributed or shared without written consent of Copyright holder
Learn How To Buy, Build and Sell Businesses for Monthly Cash Flow and BIG Paydays Visit

forswest.com

Nothing will destroy a sale or a customer relationship faster than poor front-end sales. You work your butt off getting the phone to ring or a customer to walk into the front door – This is where the money is made DON'T BLOW IT!

Think about it yourself can you “recite – word for word” what they say and ask you when you go to a McDonalds?

Of course you can – it is all part of the McDonalds success. Think about this for a minute – McDonalds is the largest restaurant chain in the world run by teenagers who don't have a clue.

Until recently (in my opinion) McDonalds perfected all **5 Business Fundamentals**. (*I have noticed over the past year or so, McDonalds has been slipping – front end sales people are not that nice, food comes out slower and no-where as well prepared or wrapped – I actually stopped going*)

Three Quick question for you

- 1. Do you ever go back to the restaurant where the hostess was rude?
- 2. Do you frequent the hardware store that ignores you?
- 3. How do you remember your last visit to the Post Office or DMV?

If you operate a company's front end like the Post Office or DMV, you'll be liquidating the business so fast it will make your head spin!



3. Back End / Product Delivery:

Product delivery is key here. Once you've identified the customer, gotten to word out and received a phone call or visit and taken the order, the next step in the process is to deliver the product.

No matter what that product is, it must be delivered timely, professionally, and in good working order. Miss out on this and you can kiss your ass(ets) goodbye.

Going back to McDonalds, the secret to their success is not the quality of the food, but the speed in which it is delivered.

© Paul Forsberg - Copyrighted Material 2024. All rights reserved

No part of this workbook may be copied distributed or shared without written consent of Copyright holder
Learn How To Buy, Build and Sell Businesses for Monthly Cash Flow and BIG Paydays Visit

forswest.com

Amazon is a fantastic example of an amazing back end/ product delivery system. They have warehouses all over the world and deliver products ordered online amazingly fast. Let me ask you this ...



Have you ever gone to a restaurant, been greeted properly, seated quickly, ordered quickly, & then waited forever for your food & when it finally came it was uncooked or cold?

That's because the back end / product deliver part of the business sucks. Obviously, no system, or a really bad one at that.

If you happen to give that particular restaurant a second chance and the food comes out slow, cold, or uncooked a second time, what do you think the chances are that you would ever return?

If you happen to give that particular restaurant a second chance and the food comes out slow, cold, or uncooked a second time, what do you think the chances are that you would ever return?

Never?

Maybe?

Probably Not is my guess I know I wouldn't.

Now-a-days, with the internet and Trip Advisor, Angie's List, Amazon Local, Yelp, Rip-Off Report and Social Media, if you deliver treat a customer inappropriately or deliver a

bad product, you can be sure sooner or later, the whole world is going to know about it!

© Paul Forsberg - Copyrighted Material 2024. All rights reserved

No part of this workbook may be copied distributed or shared without written consent of Copyright holder
Learn How To Buy, Build and Sell Businesses for Monthly Cash Flow and BIG Paydays Visit

forwest.com

For the Business Buyer, Business Owner, or Business Seller, it is critical for you to look at the 5 Fundamental Elements of the business.

One Of The Main Reasons Franchises Do So Well Is Because They Have Systems For Everything.

Business Buyers:

You want to look for weaknesses in the 5 Fundamentals and identify strategies to fix them. Once you know them, you put yourself in a very good position to strategically negotiate a deal.

Business Owners:

You need at the Five Fundamentals, identify the weaknesses and make changes to your operation so it runs more profitably and expand if that is your goal.

Business Sellers:

you need to identify the weaknesses and make changes so you can increase profits and sell the business for a lot more money than you can now. ESPECIALLY of a business buyer knows what they are looking for, because you will be in a very weak negotiating position and will end up selling your business for a fraction of what you could have.

I promise you

If you look at any successful business – now, or one that was great and failed in the past, they will all share the same exact FIVE Fundamental Elements going up, and will have experienced losing two or more on them on the ay down.



About The Author:

Paul Forsberg is a Business Growth Advisor, Business Coach and Business Exit Strategist.

I help, coach and teach people how to buy, build and sell businesses so they can live an abundant, fulfilling life, and hopefully, retire rich someday.

Even if you have zero experience and no idea how, or where to start, I can help.

**If you like the information provide & would
like to learn more,**

Visit: forswest.com

Or shoot Paul an email at: paul@Forswest.com

“Get To Know You” Consultation.

To Contact Paul,

Email him at Paul@ForsWest.com

© Paul Forsberg - Copyrighted Material 2024. All rights reserved

No part of this workbook may be copied distributed or shared without written consent of Copyright holder
Learn How To Buy, Build and Sell Businesses for Monthly Cash Flow and BIG Paydays Visit

forswest.com