

Nationwide's Business Solutions Series

AN ONLINE PROGRAM
FOR ENTREPRENEURS

Developed by  Nationwide® | In Partnership with  **HUSHCC**
UNITED STATES HISPANIC CHAMBER OF COMMERCE

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A Letter from Nationwide

At Nationwide, small business owners have been part of our DNA since the very beginning. We started as a small business more than 90 years ago providing insurance protection to farmers in Ohio. Since then, we've built a legacy, becoming a Fortune 100 company that provides financial protection products and solutions to people and businesses across the country.

Through partners like the US Hispanic Chamber of Commerce, we've retained our connection to small businesses across the country and the communities they serve through a shared vision and values. Small businesses are the lifeline of the US economy and a crucial component of thriving communities. That is why Nationwide is committed to supporting them by acknowledging their importance and enabling them to create and grow legacies of their very own.

Our commitment to you and your legacy building initiatives delves far beyond helping protect your business. That is why we have developed Nationwide's Business Solutions Series, in partnership with the USHCC.

This three part online video series is designed to strengthen the operations and growth of your business. It covers topics that will add value; such as social media promotion, annual plan development for all business stages, and tools to help determine your business's value.

This workbook pairs with the series topics and is intended to serve as a personalized resource for you. In it, you will find overviews of lessons from social media expert Carlos Gil, entrepreneur Karla Sandoval, as well as business coach and president of Black Pen White Board, Nick Delgado. You'll also find several practical exercises to help you take action on your learnings.

It is our pleasure to partner with the US Hispanic Chamber of Commerce to support small business and their big legacies, today and tomorrow.



Jennifer MacKenzie
SVP, Enterprise Brand Marketing
Nationwide

A Letter from USHCC

For over 40 years, the USHCC has been the leading voice for Hispanic business owners in America. We advocate on behalf of more than 4.37 million Hispanic-owned businesses and serve as an umbrella for more than 200 local chambers across the country. Our mission is to foster economic development and to create sustainable prosperity for the benefit of American economy.

Our work includes providing Latina and Latino entrepreneurs such as yourself with the resources that you need to build capacity and increase access to capital for your businesses. We do this by working with partners like Nationwide who believe in the importance of supporting Hispanic-owned small businesses across America.

The United States Hispanic Chamber of Commerce (USHCC) is proud to partner with Nationwide to support Hispanic small businesses by providing this free online video series where you will learn how to leverage social media to grow sales, how to create a strong business plan, and how to measure and grow the value of your business.

We would like to express our gratitude to Carlos Gil, Karla Sandoval, Nick Delgado, our friends at Nationwide, and to you for making the Business Solutions Series online videos possible. Thank you for your commitment to strengthening your business by participating in the Business Solutions Series online program.



Ramiro A. Cavazos
President & CEO

Meet the Experts



Carlos Gil Social Media Expert, Author, Entrepreneur

Author of *The End of Marketing: Humanizing Your Brand in the Age of Social Media and AI*, an international keynote speaker, and award-winning digital storyteller with over a decade of experience leading social media strategy for global brands including LinkedIn, Winn-Dixie, Save-A-Lot and BMC Software. A first-generation Latino-American, Gil's work has been featured by *CNNMoney*, *Harvard Business Review, Inc.*, *Entrepreneur Magazine* and *Social Media Examiner*. Presently, Gil is the CEO and founder of Gil Media Co., a full-service digital marketing firm based in Los Angeles that works with Fortune 500 clients.



Karla Sandoval Entrepreneur Coach

Sandoval is the director of the Multicultural Entrepreneur Executive Leadership Program, facilitating entrepreneurs on how to grow their business. She travels the world as a master speaker motivating a whole new generation of sales professionals, teaching effective sales tools and strategies for generating huge success. She launched her own business as a Herbalife independent distributor and quickly rose through the ranks of Herbalife, becoming an Executive President's team member. Because of her laser-sharp focus, her positive attitude and her work ethic, Sandoval built an impressive team of more than 1,000 independent Herbalife distributors throughout the United States and Mexico. Her dynamic leadership style has created opportunities for her to lead success trainings throughout the United States and abroad.



Nick Delgado President of Black Pen White Board

A growth enthusiast and a passionate promoter of people, Delgado has invested millions of dollars on behalf of families. He was a go-to capital and growth advisor for founder and family-run businesses and championed numerous civic causes, including aging and economic development. Today, he is president of Black Pen White Board, a private investment company that helps entrepreneurs get big deals done.

Session 1:
**Social Media
for Business**
with Carlos Gil



Lesson 1

Build your business network on LinkedIn

HIGHLIGHTS

- LinkedIn is the go-to social network for business professionals around the world.
- Having a defined presence on LinkedIn can be a huge asset by way of new contacts, lead sources, and clients.
- The right combination of keywords within sections of your profile will help you and your business be more discoverable.
 - Optimize your profile by:
 - » Editing your headline with industry-relevant keywords that are more likely to come up in search results.
 - » Listing the closest metropolitan market area near you as your city.
- Get the most out of LinkedIn by contributing to discussions, posting original content and joining groups.
- Do not use LinkedIn to cold pitch your business: only invite someone to connect after you meet in person.
- Groups are a quick way to expand your network.
 - First introduce yourself and establish who you are and what you do.
 - By joining and actively participating in LinkedIn Groups you will see an immediate return with more profile views, new connection requests, and/or website visits which lead to new business opportunities.

Notes:

Session 2:

Business Planning

with Karla Sandoval



Exercise 1

Stages of your business

INSTRUCTIONS

Identify what stage of your business you are currently at and what you need to better yourself as a business owner by answering the following prompts.

Identify what stage you are currently at (Hustler, Entrepreneur or CEO).

What behaviors can you identify with when you have that internal hustler power and fire inside of you? What are you focused on? What do you do? What activities do you know generate results for your business?

Identify what you need to do or put in place to move into the CEO stage.

What actions can you take to fulfill the needs of your business to move you closer to the CEO stage?

Exercise 3

Set your quarterly goals

INSTRUCTIONS

Set up your quarterly goals.

1st quarter: _____
2nd quarter: _____
3rd quarter: _____
4th quarter: _____

What does my business need to do or have in order to achieve those goals?

Create a list of priorities.

Organize the list of priorities by quarters (by when you will have them done.)

Tasks/Projects that need to be done:

1st quarter: _____

2nd quarter: _____

3rd quarter: _____

4th quarter: _____

Exercise 3

3rd Quarter

Task/Project:	Due Date:	Responsible:

4th Quarter

Task/Project:	Due Date:	Responsible:

Now you can create a weekly or daily list of tasks/projects.

Look at your quarterly goals when planning your day. When making your action list always ask yourself, “Will these ‘to-do items’ get me closer to achieving my goals?”

Exercise 4

Maximize your 90-day plan

INSTRUCTIONS

Think about what are you going to put in place in order to maximize the power of a 90-day plan.

Reflection: In order to achieve any type of result and see progress in your business, it's important to not only work a plan and plan your work, but also to make sure to see your plan all the way through. Reflect on your past experiences to have self-awareness as to your behavioral trends and patterns.

Have you ever planned out a 90-day plan? If so, did you finish any 90-day plans all the way through?

Think of the times you have made a goal and a plan to achieve that goal but did not see it all the way through. Why did you not finish your plan?

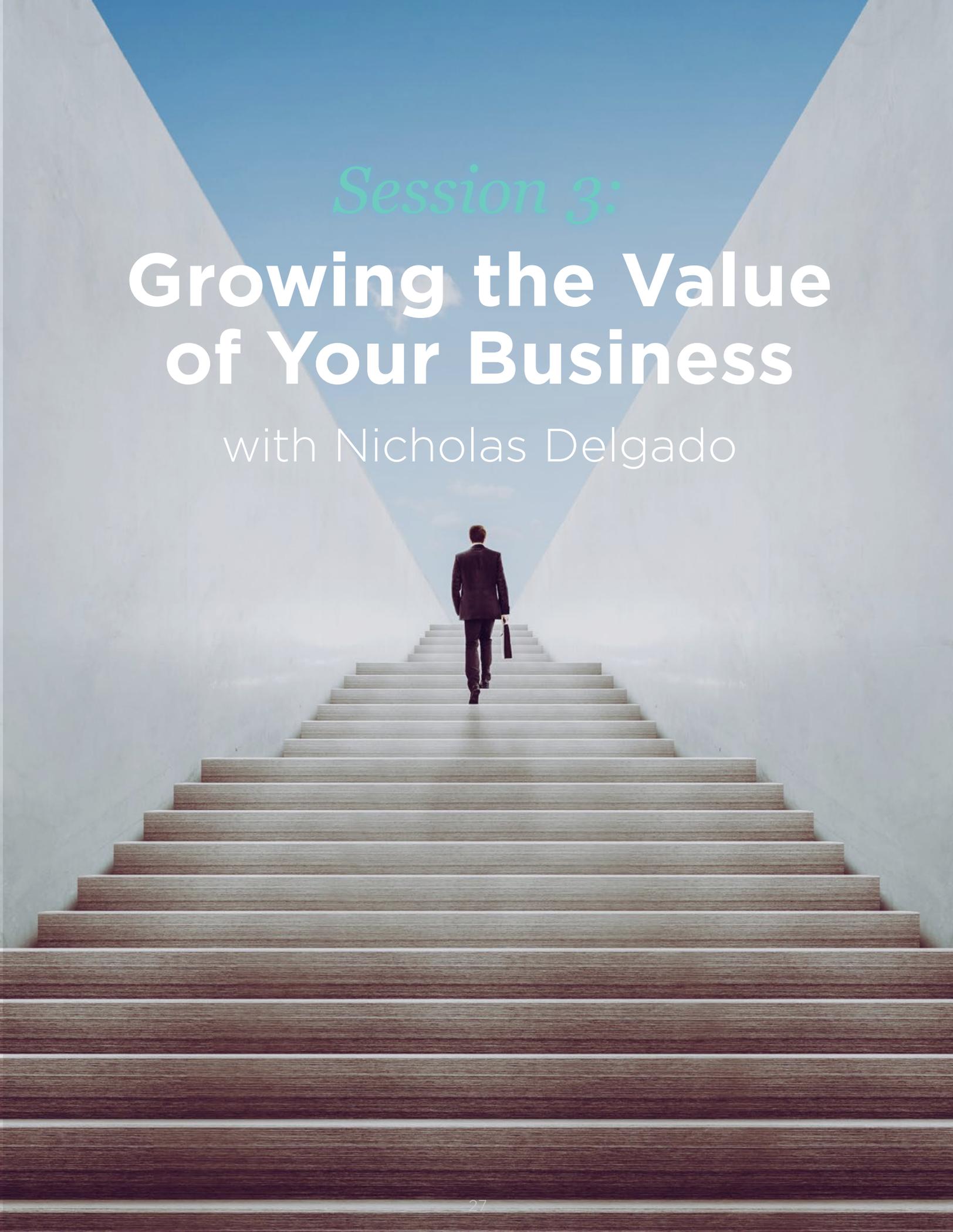
What got in the way?

Did you get discouraged when not seeing immediate results?

Were you able to stay focused throughout the 90 days? If not, why not?

Look back at your answers. What patterns do you see that contributed to you not completing the plan all the way through?

Knowing what you know now, what do you need to put in place to make sure you finish a 90-day plan all the way through?



Session 3:

Growing the Value of Your Business

with Nicholas Delgado

Exercise 1

Who am I?

INSTRUCTIONS

1. Use a 100-point scale to assess the accuracy of the following statements where 0 is not accurate at all and 100 is extremely accurate based on your demonstrated behavior versus intention.
2. Add the scores for each column and enter the total at the bottom of the worksheet.
3. Divide each column total by 800.
4. Complete the sentences at the bottom of the worksheet.

Statement	A	B
I have a financial target for my business.		
My competitive advantage is unique from my main competitors.		
My key employees can articulate our competitive advantage.		
My key employees can articulate our strategic growth objective.		
We actively seek to understand our customer's most significant problems.		
We design our product offering based on customer research and feedback.		
We have identified our target geographic markets in which we compete.		
We market our product/services to a primary customer profile.		
I am not interested in asking for capital from banks or investors.		
I follow my passions in how I spend my time in the business.		
I set my business goals based on how much money I need to support my lifestyle.		
I tend to make business decisions based on personal interests even though it could result in less profit.		
I work fewer hours in a week than my top-performing employees.		
I would spend less time in my business if I knew all of my lifestyle expenses were covered.		
The amount of time I work is based on my availability from other high priority obligations.		
The only money invested in my business has come from me.		
Total (for each column only)		
Final score (divide total by 800)		

My A final score is _____ and is a measure of my enterprise entrepreneurship mindset.
 My B final score is _____ and is a measure of my lifestyle entrepreneurship mindset.
I am a _____ entrepreneur.

Lesson 2

Valuation

HIGHLIGHTS

- First step in valuing a business is to select a valuation method. This will give you a reference point as it relates to the value of a business and is not intended to be used to buy or sell a business:
 - Cost approach: uses replacement costs to inform value.
 - Market approach: uses transactional data to inform relative value.
 - Discounted cash flow approach: uses forecasts of future cash flow to demonstrate intrinsic value.
- Value is driven by current and past transactional values of similar companies using common ratios.
- Primary economic engine multiplied by a market multiple will determine your business' value, using the market approach:
 - Market multiple comes from market data.
 - Identifying your primary economic engine comes from profit & loss or income statement; last 12 months of revenue, gross profit or **EBITDA**.

Earning **B**efore **I**nterest **T**ax **D**epreciation **A**mortization

- Five choices that impact your market multiple:
 - Profitability: profit in relationship to your sales as measured in a percentage
 - Predictability: level of certainty that particular conditions will exist in the future
 - Defensibility: ability to ward off future threats from competitors by leveraging your competitive advantage
 - Opportunity: prospects for growth
 - Transferability: ability to easily transfer your business to a new owner

Exercise 2

What is my business worth?

INSTRUCTIONS

1. Calculate your EBITDA.
2. Determine your market multiple.
3. Calculate your directional value.
4. Complete the sentence at the bottom of the worksheet.

1. CALCULATING EBITDA USING DATA FROM LAST 12 MONTHS

"E"arnings	Net Income	
"B"efore	Plus	
"I"nterest	Interest Expense (from loans)	
"T"axes	State and Federal Income Taxes	
"D"epreciation	Amount TANGIBLE assets are expensed per year	
"A"mortization	Amount INTANGIBLE assets are expensed per year	
EBITDA Total		

2. DETERMINING MARKET MULTIPLE

2a. Multiple Drivers Assessment

Assign one point to each statement that is true.

My EBITDA margin is in line or better than my industry average.	
50% or more of my revenue for the next 12 months is certain (75%+ likelihood).	
My competitive advantage is difficult to replicate, legally protected or executed via valuable trade secret.	
My business has a pipeline of potential customers equal to at least 20% of our revenue over the last 12 months.	
My core responsibilities are documented and there is a management structure in place to operate in my absence.	
2a Total	

2b. Market Multiple Range Placement

Circle your market multiple based on your 2a score.

Range	2a score	EBITDA less than \$1MM	EBITDA greater than \$1MM
Low end	Zero to One	2	4
Middle	Two to Three	3	5
High end	Four to Five	4	6

3. CALCULATING YOUR DIRECTIONAL VALUE

$$\begin{array}{ccccc} \text{EBITDA} & & \text{MARKET} & & \text{DIRECTIONAL} \\ \text{TOTAL} & \times & \text{MULTIPLE} & = & \text{BUSINESS VALUE} \\ \hline & & & & \hline \end{array}$$

My business directional value is _____ and I want to (select and complete one option):

- a) Increase the valuation to _____
- b) Decrease the valuation to _____
- c) Keep the value the same _____

Exercise 3

What is my growth strategy?

INSTRUCTIONS

1. Identify your strategic growth objective.
2. Determine your market multiple.
3. Calculate your directional value.
4. Complete the sentence at the bottom of the worksheet.

1. IDENTIFYING YOUR STRATEGIC GROWTH OBJECTIVE (select one)

a) Increasing the number of clients (Market Share)	
b) Increasing the amount of sales (Revenue)	
c) Increasing the amount of profit (Profit)	
d) Increasing the rate of profits relative to revenue (Profitability)	
e) Enhancing the companies' ability to transfer the business to a new owner (Transferability)	

2. DETERMINING YOUR STRATEGIC SCOPE

- 2a. My highest lifetime value CUSTOMER PROFILE is _____ (Target Market).
- 2b. My highest lifetime value PRODUCT is _____ (Primary Offering).
- 2c. My target geography is _____ .

3. IDENTIFYING YOUR COMPETITIVE ADVANTAGE

- 3a. What are you doing that is new or original? _____
- 3b. What are you doing that is very difficult for others to replicate? _____
- 3c. What are you doing that is legally protected or unknown to the market via a trade secret?

My most compelling source of edge is _____

COMMUNICATE THE FOLLOWING GROWTH STRATEGY TO YOUR KEY EMPLOYEES AND STAKEHOLDERS:

I will increase the value of my business by focusing on **(insert strategic growth objective)**. We will accomplish this by working with **(insert target market)** and prioritizing our **(insert primary offering)** in **(insert target geography)**. We'll continuously utilize and invest in **(insert competitive advantage)** so that we may sustain our growth for years to come.

Lesson 4

Develop & fund a capital strategy

HIGHLIGHTS

- Being underfunded does not allow you to pursue all the things you know are possible.
- Developing a capital strategy
 - Step 1: Create a proforma; forecast of your financial statements
 - Projections will allow you to see when/where there is a capital need.
 - Step 2: Use of funds schedule; a list of all your critical investments, costs and timing of when you want to invest.
- Three steps to funding
 - Step 1: Document preparation: organizing essential investor-facing documents
 - Due diligence: process of a capital provider or investor evaluating a business
 - Three diligence categories: commercial, financial, and legal
 - Store all documents in a cloud-based system for easy access.
 - Create summary documents that allow you to convey your opportunities.
 - For example, a one-page teaser, pitch deck or business plan
 - Step 2: Deal preparation: defining essential terms of a deal
 - Determine funding source:
 - Debt provider: commercial bank; less expensive option when cash flow and timing are more certain
 - Equity provider: investors, venture, capitalists; most expensive due to investor's perpetual right to profits
 - Deal terms:
 - Debt: collateral or personal guarantee
 - Equity: percentage of company
 - Step 3: Investor relations: pitch opportunity
 - Targeted conversations with investors
 - Presenting organized information from document preparation

Notes:

Exercise 4

What is my capital strategy?

INSTRUCTIONS

1. Complete insights from your proforma.
2. Determine your investor relations readiness.

1. INSIGHTS FROM YOUR PROFORMA		Create a Use of Funds Schedule	
Investment	Amount	Investment Date	How certain are you this investment will generate a return?
TOTAL INVESTMENT REQUIRED >		<input type="text"/>	

Based on your proforma and information above, identify the appropriate amounts of debt and equity.

Debt	<input type="text"/>
Equity	<input type="text"/>
Total (should equal total investment required)	<input type="text"/>

2. INVESTOR RELATIONS READINESS ASSESSMENT		Assign one point to each statement that is true
I have organized my commercial/business operating information.	<input type="checkbox"/>	<input type="text"/>
I have organized my financial information.	<input type="checkbox"/>	<input type="text"/>
I have organized my legal information.	<input type="checkbox"/>	<input type="text"/>
I have created summary documents to convey the investment opportunities to 3rd parties.	<input type="checkbox"/>	<input type="text"/>
I have created a target list of relevant potential investors based on my debt/equity needs.	<input type="checkbox"/>	<input type="text"/>
I have a realistic understanding of the potential terms for debt/equity partners.	<input type="checkbox"/>	<input type="text"/>
TOTAL		<input type="text"/>

IF YOUR SCORE IS SIX, YOU ARE ROADSHOW READY!

If your score is less than six, consider working with your team or outside advisors to enhance your preparation in the areas in which you did not score a point.

Additional Resources