

For the family

Advice from **Jerome Jacobs** on how husband and wife tradie teams can increase their profits and enjoy a more balanced lifestyle.

THERE ARE LOTS of husband and wife teams working long hours in trade businesses. Plumbers, builders, electricians, you name it... there are hard-working couples in every trade sector.

Overworked and underpaid

The usual story is that the man gets a trade, meets a partner, they settle down, and then both end up working in the business. The wife may do some admin, maybe the accounts, taking phone calls etc. They are generally reactive and willing to take on any job that comes along so they can pay their bills. Maybe they start or want to start a family, but it is difficult to make ends meet and to find the hours needed to raise a family. As a result, life and work become a struggle and very stressful.

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Case study

One husband and wife team working in the plumbing industry have just recorded their most successful year ever, two years after receiving business coaching. Their turnover more than doubled in 2016, going up to more than \$3 million. They achieved this by employing more qualified plumbers, so the husband doesn't have to go out on the tools. Instead, he can now manage the business. This has meant he can control costs, and target better business so that their profit has increased by 125%, and gross profit is up by 130%. The key staff now have incentivised payments so they take more responsibility, reducing the stress



Typically, the couple work long hours and, if they work out their dollars per hour, it is likely to be close to a minimum wage.

It doesn't have to be this way.

Successful businesses have two very important things in place.

The first is a marketing plan so they can generate valuable sales leads that enable them to set and meet their income targets. This depends on how much revenue and profit the husband and

wife team need to meet their lifestyle requirements. This can be a one-, two-, or five-year plan that factors in children, overseas holidays, retirement planning, or whatever other major events they both want to achieve.

The second is to have effective systems in place. Think of McDonald's. They operate exactly the same anywhere in the world with teenagers running the business, simply because they have assessed and refined their systems. Every business can benefit from having routine tasks covered by a system.

This sounds a hard task for most business owners, but there are common, key areas of the business that can be systemised to reduce the time worked on them, and lower the costs of performing them. Repeated tasks cost a lot of money. ■

and workload on the owner. Plus, the owner now has a regular income that is way better than the 'pay yourself if there's anything left over' situation he was working in before. This also makes the business a far more valuable asset, which could be sold when the couple want to retire at a much higher price than they would previously have been able to consider. Perhaps the best outcome for the family is that the wife has reduced the amount of time spent on admin work, so she can now spend more time at home looking after their three children.



About the author: Jerome Jacobs specialises in working with husband and wife trade business partnerships. If you want to improve your family life, increase profits, and create a valuable retirement nest-egg,

call Jerome for a no-cost, no-obligation initial chat and the opportunity to receive a copy of his book, *Business Mechanics*. 0800 747323; jerome.j@riseadvisory.co.nz; www.riseadvisory.co.nz/tradebusiness