



P.R.E.P. Diagnostic Action Plan
Created for John Smith, President of Acme Corporation
Prepared by P.R.E.P Expert, Birthing of Giants

Conversation Summary

John, the owner of Acme Corporation, engaged with the Birthing of Giants P.R.E.P Expert to discuss his current business challenges and opportunities. The company, founded by John's father 30 years ago, now operates as a parent company with four subsidiaries with a fifth subsidiary launching in 2025. The discussion revealed several critical aspects of the business:

- **Financial Performance:** \$61 million in revenue with low 2.7% profit margins, targeting \$80 million in revenue and 3.5% profit for the current year
 - **Business Structure:** Multiple subsidiary companies created to address resource gaps, with plans to expand to 7-8 companies in three years and 10-15 in ten years – these plans include expanding with a mix of acquiring other businesses and organic growth of new verticals
 - **Leadership Approach:** John joined as president 10 years ago after working his way through various departments, implemented EOS 9 months ago to help build his leadership team
 - **Key Challenges:** Workforce shortages, limited strategic planning time, increasing competition in a booming market
 - **Exit Planning:** John is relatively young in his business and industry and has no definite “exit strategy.” He has three children but there is no guarantee of family succession
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Key Recommendations

1. **Profit Margins Need to Increase**
 - a. Margins under 3% were deemed “dangerously low.” All three advisors recommended targeted and measurable strategies for raising profitability, from immediate pricing adjustments to systematic efficiency improvements.

2. Insufficient Strategic Planning Time

- a. The advisors strongly agreed that John's approach to strategic planning — during driving time and hunting trips — was inadequate for a business of his size and complexity. Advisors urged him to block consistent, uninterrupted time for high-level planning each week.

3. Need for Systematic Talent Development

- a. All three advisors identified workforce challenges as a critical issue requiring systematic solutions rather than ad-hoc hiring. They agreed that John's EOS implementation was a positive start but insufficient on its own.

4. Standardizing Operations Across Businesses

- a. While the advisors differed on business structure, they all emphasized the need for greater operational standardization. Whether pursuing consolidation, a platform model, or “connected autonomy,” advisors agreed that standardized operations, processes, and metrics are critical to unlocking efficiency and clarity.

5. Exit Planning and Leadership Development

- a. The advisors emphasized the need for intentional, long-term exit planning and a need to further develop Jans Corporation's leadership team. Recommendations included identifying top leadership talent and investing in their development, elevating key team members into defined leadership roles.

Suggested Action Plan

1. Define Your Business Purpose and Vision

- a. Articulate what makes your company unique beyond profit
- b. Develop a compelling narrative that connects all business units
- c. Use this purpose to guide decision-making and resource allocation

2. Build Comprehensive Data Infrastructure

- a. Implement systems to capture operational and financial data
- b. Develop predictive analytics for project bidding and resource allocation
- c. Use data insights to create competitive advantages

3. Develop Formal Succession Plan

- a. Document potential succession scenarios including family and key employees
- b. Create specific development paths for potential successors
- c. Consider governance structures for long-term business continuity

Resources for further exploration and personal growth

Birthing of Giants Fellowship Program:

Given the scale of transformation needed and the complexity of leading a multi-entity construction business in a competitive market, **John should strongly consider the Birthing of Giants Fellowship Program**. This program is specifically designed for growth-stage founders navigating the challenges of scale, offering:

- Strategic planning frameworks tailored to complex, growing companies
- Leadership and succession development systems to future-proof the organization
- A high-powered peer network of owners navigating similar scaling challenges
- Accountability structure to ensure execution of long-term strategic goals

The Fellowship Program provides the structure, accountability, and executive-level thinking necessary to implement the changes outlined above—while honoring the company's 40-year legacy and preparing it for long-term success. Here are the steps to see if the Fellowship Program is the right fit.

1. Apply: birthingofgiants.com/fellowship-program/application
2. Interview: Have a 20-minute call with Lewis Schiff to discuss the details and outcomes of the program CEO-to-CEO

Books and Publications:

- *First Habit* by Lewis Schiff – Diving into your leadership style and strengths - download the free PDF here: birthingofgiants.com/first-habit
- *Built to Last* by Jim Collins – Building enduring businesses with long-term vision
- *People* by CJ Dubé, Mark O'Donnell, and Kelly Knight – Building a team around an intentional culture
- *Rocket Fuel* by Gino Wickman and Mark Winters – Strengthen your V/I relationship and EOS Implementation

Appendix: Birthing of Giants Transformation Blueprint



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1. **P.R.E.P.:** The initial focus on your Value Proposition Transformation Plan starts with Profits, Revenues, Exit Prices
2. **THREE-LEGGED STOOL:** All business models originate from the same “High Performance, Cheap Labor” value proposition:
 - a. Labor - You Add Headcount So Your Clients Don’t
 - b. Technology - You Deploy Tech Faster Than Them
 - c. Cash - You Become Their Bank
3. **4 LEVERS:** All change in a company comes about from pulling these 4 Levers inside and outside your company
 - a. MONEY: Capital Market Transformation
 - b. MODEL: Financial Model Transformation
 - c. MARKET: Revenue Transformation
 - d. MANAGEMENT: Leadership Transformation
4. **#OYFT:** The strategic backbone of Birthing of Giants’ transformation blueprint is planning resources and goals 12 months into the future
5. **STRATEGY STACKING:** The way we move companies over 3-5 years is to stack “One Year From Today’s” on top of one another while benchmarking past progress
6. **OUTCOMES:** The SMALL GIANT, BIG GIANT, GIANT EXIT Outcomes are the essential goals we are seeking to achieve over 3-5 years through value proposition reinvention

Sample P.R.E.P. Action Plan – For Illustrative Purposes Only. All names, financials, and sensitive business information have been changed or anonymized to protect privacy and confidentiality. This document is not intended as personalized business advice.