Ryan Tansom
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And now taking care of business your hosts Craig Moen and Shye Gilad.

[00:08] Craig: Welcome to Business Owners Radio episode 214. Our guest today is Ryan Tansom, founder of Arkona and creator of the Intentional Growth Framework, which helps business owners grow the value of their company with the end in mind. Arkona provides educational training, fractional CFO services, and strategic planning.

[00:29] Shye: Good morning, Ryan. Welcome to Business Owners Radio.

[00:33] Ryan: Good morning, Shye. Good morning, Craig. I'm super pumped to be with you guys.

[00:36] Shye: Yeah, we're excited to have you here today as well. And with all the work that you've done since you founded Arkona and created this Intentional Growth Framework, we want to dive right in and find out about that. But before we do, tell us a little bit about your experience and what led you to start Arkona.

[00:53] Ryan: So, the reason I started this business was my dad and I sold our family business in 2014. I had started there in '09 after the bottom fell out of the market. We sold copiers, did docu management and managed IT services. He started it literally out of our garage back in the '90s. And so we had about 20 million in revenue, 115 employees. When I started, Shye, we had our own challenges in the financial crisis, turned the business around over six years, didn't really know all of our options, what the company was worth, how to align our visions, and what we wanted, and just all the stuff that we're going to dive into. So because we felt trapped, we sold the company and didn't really go how I wanted it to or how we thought. But not the buyers problem, it was just we didn't know a lot of things, which is what we're going to talk about. So I spent a handful years just flopping around, trying to figure out who I was, what I wanted, and how to go back and help the marketplace, and started Arkona to teach entrepreneurs about valuations, exit options, how to grow value, and create choices, honestly. I just want everybody to have the choices to do what they want long term. So it was just a way to build a business that I wish I would have been able to work with 10 years ago. So it's my way of answering my old problem.

[02:04] Shye: Yeah. Let's face it, this is the age-old problem. So many entrepreneurs, you know, I don't know your dad's background, but was he an accidental entrepreneur, or did he kind of back into this business, or is this something he visualized since he was a young man?

[02:17] Ryan: Great question, Shye. So on my podcast I used to for like hundreds of episodes, like, "So tell me why did you decide to become an entrepreneur?" And like 9 out of 10 people will be like "I never decided, it was totally by accident" and so I quit asking the question. And so same thing applied to me and my dad is I think he says, verbatim, "I barely graduated high school, went to college for 90 days, and I ran out of beer and pizza money just so I had to sell calling cards, and then credit card machines, and I landed at copiers and it ended up working."

[02:45] Shye: Yeah, so big shock, right? So your dad has a very similar story to you and to me and to Craig and to most of the entrepreneurs we know, the accidental entrepreneur as a concept. So eventually, through circumstances, opportunity and a little bit of skill, and maybe a little bit of courage or stupidity, I'm not sure which, and equal helpings, we end up starting this thing. And then we wonder, gee, why don't I understand some

of these things? Why don't I know how to value my business? And they become really difficult questions. And then it's kind of hard to know who to trust or how to think about it. And so you've sort of distilled this into some principles to help us clarify how to think about that. Tell us a little bit about that work.

[03:26] Ryan: Yeah, Shye, you summed up one of my biggest passions in life is to take complexity and make it simple. I was never a good student either, so it's almost like a handicap of trying to figure out how to think better and how to like -- you have one decision, Shye, you might come up and say, "Hey, I want out." I'm like, "What does that even mean? Out of what, your job, your business, this or that?" So all these complicated decisions, how do they fit together? **So we created five principles that we call the intentional growth principles that go in order, it's a framework to help you think. It's not to tell anybody what to do.** And we didn't invent any of these topics, it's just we organize them in a way that makes sense, we hope. And the **first one is your drivers, what do you want from this business and why?** Like truly out of all the intangibles, legacy, disrupting industry, everybody has their own why. Then you stack on the **second principle, which are your financial targets,** and there are three of them. One is your target annual income that you want for life, regardless of whether you have the business or not. The second one is your outside net worth that you have to measure and monitor because it impacts your decisions. And then the third one is the value of the business. And we'll talk about this a little bit later is what is the value of the business, but not just the enterprise value but how much you would walk away with if you sold it. You can measure and monitor that while you own your company. And so that puts the context into what does this business mean to you financially. **The third principle are your exit options. It's not about selling the business.** I actually really don't like the words Exit Planning. We can talk about it if we want to, because it's about building a more valuable business that creates choices. But with exit options, you need to understand how they work so you can gravitate towards one and then create more options down the road. So there are five of them. And we can dive into those a little bit later too if we want. But internal, then there's search funds, which is also acquisition entrepreneur. **The third one is ESOPs, fourth one is private equity, and then the fifth one is strategics**. We just made them into categories that make sense. So there's a lot of different ways you can combine those. The fourth principle, by the time people are around the third principle, guys, people go, "Okay, now I get this. I know what I want and why. I understand my value and how valuations work and here are my options. Now, how do I grow value to create more choices?" And so we talk about creating more sustainable, predictable and transferable cash flow will increase the value of your business and create more options down the road. And then the fifth principle is the team of advisors, which is you have to hire advisors that just get it. I don't know how else to say it's just like an EOS, it's to get it, want it, and got the capacity, same thing has to go to your advisors and making sure they're the right people for you. And you're handing them what you want, and then they're helping you get there along the way.

[06:00] Shye: So tell us how this plays out in a practical sense.

[06:03] Ryan: So Shye, one of the biggest things that we want in these five principles are based -- actually, they are core behind our curriculum and our training. But the goal is. Shye, is that people shift their mindset away from solving for annual income, which is how much money can I suck out of this company every year, to shifting to say, if I reinvest my cash flow and create a more valuable asset, what are my choices. So it really is a shift in mindset, where one person that said, "Hey, it's like taking the red pill in The Matrix. I see the zeros and ones, now I can actually go do the things that I know are going to move the needle and make me progress towards my goals." And I'll give you an example in a story about this. We had a gentleman that came through the training, he had about $14 million in revenue, a manufacturing firm, he's got two daughters in the business, two daughters outside of the business. And he's got 70 employees, and he had taken like 50, or 60 of his employees and their spouses to Tony Robbins Unleash the Power Within, so really big culture guy. And so after he's going through the training, he was just like, "Wait, okay, so here's how valuations work." He's got 1.1 million in EBITDA, just a proxy

for cash flow. He had his wealth manager that say, "Hey, by the way, your company's worth 7 million bucks. You're financially free." Totally made up. Yeah. Like, who wouldn't be financially free? Perfect! This is great!

Well, what he'd you realize is out of 1.1 million in EBITDA, it was worth about 5.5 million dollars, the enterprise value of the company. And because of the multiple and how his company was valued based on the risk of the cash flow, pay some taxes, pay some debt, he'd only walk away 2.5 million bucks, a lot different than 7. So he goes, "Oh, crap. Well, now what?" The reality is, it's not about selling today, but by knowing this, he said, "Well, if I sold today, I'd have to sell to a strategic competitor, gut my company, ruin all of my first principal targets, which is what is important to me, in order to hit my second principle, which is my financial targets. And I would have to sacrifice too much. Well, if I go and I focus in growing value by taking my EBITDA from 1.1 to 2 million, and then de-risking my cash flow, so increasing the multiple, I will over the next 36 months go from 1.1 in EBITDA to 2 million, go from a 5.5 million dollar enterprise value to 12. And then I could net $8 million at closing and do an ESOP and sell to my employees in 36 months." In the first 18 months, he paid 1.5 million dollars in debt down and he's on his way, and he's going to be doing that because he understood what created value and what option he wanted most for him, and his first principle drivers and a second principle financial targets. He was just intentional. When he does it, it's just going to be like, well, duh, you did what you wanted to do instead of hoping somewhere down the line someone's going to hand him a bag of cash just because.

[08:51] Shye: Well, it's hard to solve for X when you don't know the equation. And it sounds like that's exactly what you're in the business of, is helping people understand how to do just that.

[09:02] Ryan: And Shye, you and Craig are the pilot.

[09:05] Shye: Well, both of us actually.

[09:09] Ryan: Oh, you're both pilots. I'm definitely I'm on the grounds, so I like to drive. But regardless, it's like you think about when you guys take off, you know where you're going. I mean, like if you're saying okay, and then when you're in the middle of the air, you're course-correcting in real time to stay on track. That's it. Like in Google Maps is one of the most powerful tools on the planet. If you don't plug in point B, it just sits there. **And what is point B for us? Is it $1 amount, is it legacy, is it an outcome? We have to articulate that in order to drive towards and focus all of our time and energy towards accomplishing what we're trying to accomplish.**

[09:47] Ryan: Yeah. And that's just super hard to do, right? Because getting back to this idea, you sort of start out accidentally and then you're in business and then you're trying to survive. You learn a few things along the way and you start making a little bit of money and so, okay, I'm doing it, I'm doing it, I'm doing it. This is good, this is good. But when we have to picture these bigger why's, and we sometimes have a difficult time just describing why we even started it, even if the business is going great. Looking back to well, why did I really start this? So, man, that can be hard just trying to figure those things out.

[10:17] Ryan: Self-reflection and understanding that, Shye, you're so right. I was at the Visage Workshop a handful of months ago, and it's very large, successful companies, and this one woman just after three and a half hours of the topics we're talking about, she's just sitting and she's going, "So Ryan, all you're saying is I got to figure out what I want and why." I'm like, "Yeah, step one."

[10:41] Shye: She's like, do I have to pay you for that? How does that work?

[10:45] Ryan: I had this gentleman that had like almost a $200 million company look at me and go, "Can you write me an algorithm that takes your exercise from principle one and connects them to principle two, so you can tell me what to do?"

[10:56] Shye: I'll tell you what, that is really no joke, because at the end of the day a lot of us just want the damn answer. Just tell me what to do. Tell me what I should value. Tell me so I don't have to -- because it's too hard. But you know, you introduced a couple of terms I want to touch on. And Craig, I know you're chomping it the bit, because I know you're dying to talk to Ryan about some of your questions as well. But I just want to clarify a couple things so we're all on the same page. You mentioned a few concepts. So, EBITDA, most of us are familiar with that. But maybe we can talk a little bit about how you think about EBITDA and why it's so important, and also maybe what are some of the traps just over focusing on that. And then secondly, you brought up this idea of multiples of EBITDA, and some of us are not familiar with what that means. Can you help ground us in that before we dive deeper into this thing?

[11:42] Ryan: For sure. We can link to some resource if we want, because we're working to kind of do a quick flyby on this. But so EBITDA is just a proxy for cash flow. It's not exact but it's close. It stands for earnings before interest, taxes, depreciation and amortization. It's in accounting, I mean, it's in everybody's books if they can calculate it out and have someone calculate it out. It's saying, hey, Shye, if I wanted to look at your business, let's say you had a roofing company and like, okay, well, you're telling me that this is your net income, but there's a lot of noise going on inside it's people's company. If I bought your company, Shye, what cash flow would be available to me as the new buyer? That's what I want to know, period. And so what we're trying to do is we're trying to get to that ability, because you might be a C Corp, if I bought it I might have a different entity. There's all these things that impact the actual cash flow. So we're trying to get to some agreement between you and me as people that might exchange an asset, what is the actual free cash flow that's available? So that's EBITDA. And then there's one additional exercise, it's interchangeable, you can call it adjusted EBITDA or normalized, which is what are the one-time expenses? And there's two different main buckets of them. One is the owner's perks, so cabin, cars, boats, health care, whatever, the family member that doesn't do anything that's on the payroll, you add that back. So if you had 200 grand of that and you had 800 grand of EBITDA, now I have a million dollar EBITDA, a normalized EBITDA.

The second bucket is investments that you might make. So if you built out a $200,000 ERP system, or if you hired a bunch of consultants for strategic management, consulting, or whatever it might be, and it's 50 grand, you take that out because you don't necessarily do that every year. So you're trying, again, get to like, can you and I, Shye, agree on what cash flow is available in a normal basis? So that's data point number one, then we get to that multiple you're talking about which is, is it 3, is it 5, is it 7, is it 10? All that number stands for is essentially the amount of years of cash flow someone's willing to give you. So Shye, if you said, "Okay, Ryan, I want to four multiple," you will be saying, "Hey, Ryan, I want four years of cash flow for my business right now." That's how I'm going to value it and that's going to be the proceeds that I want. And what would make the number instead of a four, it turned it into a seven. And you told a story, Shye, that like this is how sustainable and predictable and transferable to cash flow is, and whatever the story is, is it proving that it's less risky. So the less risk to the cash flow, the higher the multiple. So in order to go from that four to that seven, there might be a SaaS product that's included in or reoccurring contracts or diversified customer base or whatever it might be. But that multiples increasing based on the risk of the cash flow.

[14:25] Shye: Yeah, that's so interesting. So it sounds like **EBITDA is almost like an index**. So like you said, after you normalize that number, it would allow you as an investor, if you put yourself in the buyer's shoes, and I know we're not delving into all the different types of buyers, but let's say I'm a buyer and I don't really care what kind of business I want to buy, but I want to look at a few different things to see what they look like. **By sort of**

indexing this normalized EBITDA, it allows me to compare a few different things and make a determination of the value of those investments.

[14:54] Ryan: Well, yeah, let's take that a step further and say, okay, let's say we were looking at three companies and they all had a normalized EBITDA of a million bucks. And you're saying, okay, well, one is a commercial roofing company, one is a steel fabrication company, and another one is a, I'm going to go extreme, with the SaaS product that has locked in contracts. And you say, okay, well, two of them are job shops, the roofing company might be huge, million dollar projects, very lumpy. Second one might be way less of the size of the projects but a lot of volume. So maybe you could argue there's less risk to that. And then there's a SaaS product that is locked in contracts and there's very diverse. On a million dollars in EBITDA on each of those, you say, well, we're all in agreement that each of these based on that normalization, all have a million bucks in EBITDA. But if I'm an investor, where I want to put my money? I mean, everybody's probably going, if I was the buyer, I might most likely want the SaaS product. But it depends on how the perceived risk is of that industry of -- the buyer, every buyer brings a different level of understanding of different industries. If there was a steel fabricating investor that understood that, they might like that more. It just really is, to your point, it's trying to get to some sort of understanding of what's equal and the normalized EBITDA. And then you have to agree on the multiple.

[16:11] Craig: Ryan, I appreciate the insight there. And I'm looking at the processes of going through a valuation of a business, both with the owner's mind and some of the outside resources. You talk about in some of your work, the team, if you will, of people that are part of this decision-making, part of the input into the owner. Tell me more about that team and how do you best go about finding these people.

[16:38] Ryan: So the team that you're talking about, Craig, that's our principle 5, and they're generally referring to some outside advisors, so not necessarily like an EOS implementer or a strategic management consultant. Those consultants and people in the operations of the business are definitely necessary. But when I think about the team of advisors, it's your CPA, business and personnel, your wealth manager, bankers, people that are financing the business or potentially any other investments you have outside of the business, investment bankers or brokers, we can go back to that in a sec, insurance. There's all these advisors that honestly, Craig, I mean, we were so victim of this, we're like, "Hey, Sally was the one that helped us create our articles of incorporation and filed our first tax returns. We're so loyal to Sally for 20 years." Well, it's no longer 200,000, our business is now a $20 million business, and we're the only business owner client she has and she has no idea how to do this. So when I think about advisors, and we can get into the different designations if you want, but **as far as the advisors and the people you have around you, building relationships, they don't all have to be on your payroll or with engagements, active engagements, slowly be building relationships with the people that are familiar with business owners and the complexity of having multiple entities in a business and K-1's and different investors or corporate structures, and all that stuff, all these different designations, because you don't want people learning on your dime**.

For an investment banker or broker, first of all, they'll talk for years for free to people, and they're giving you market insights. First of all, you might want to buy a company on the way to a potential exit. They're just good resources, all these advisors, you want to be building relationships and you want to bring to them what you want. So I go back to that story I told, it's way easier to have the estate attorney, the wealth manager, the CPA, the banker, and everybody focused on hey, in two and a half years, there's a high probability we're going to do an ESOP. How does that impact the estate and the wealth plan? How does that impact the tax returns? Do we have to do anything in the corporate structure, quality of earnings? We're backing into the plan. And then we're making sure we have the right people based in the plan versus when my dad and I, we'd have all these smart people in suits come into our conference room. They'd be like, "Oh, look at this tax plan" and we go, "That

sounds awesome." They would walk out and we'd be like, "What does that mean to us?" I have no idea. Let's go sell more copiers and IT services. So it was more of like, okay, it might be good.

What happened was our CPA who was a partner at one of the bigger firms in the place that I live, and we found out after the deal that we were going to owe maybe about 900 grand and extra in taxes that we were not aware of, we were told on the way into a golf tournament. And I was like, "Excuse me?" And we found out after that whole incident that we were the third deal had ever done. I don't want people learning on my biggest Super Bowl event in my life. I think back to your point, Craig, is there's a lot of different skill sets that you need. **The more you understand what you want long term and why, the more they can optimize the technical plan to help you get there, and the easier it is to sniff out whether you're sitting with someone that's a phony or a fraud or who has never done it before because you're asking them questions based on what you want.**

[19:47] Craig: That's a huge value add. You can just see the volumes of dollars just laying on the floor all over the place in these inefficiencies and dead ends, where you thought you had the right people and really you didn't. It's worth the investment of time and energy to really ferret out exactly what you've got working with you and what their motivations are and what their experiences and what they bring to the table, demonstratable capability.

[20:15] Ryan: Well, Craig, you're so right. What's so interesting too, is because I had didn't understand all the software talking about a decade ago. So what happens is, owners that are not looking at the big picture become very cheap, and they're only judging the prices that they see like dollar for dollar. If I don't spend 25 grand with this attorney, then I have 25 grand more in my pocket. It's such a ridiculous way of looking at things. Same thing with investment bankers. I mean, there's a client of ours that sold for 60 million bucks six months ago, and they're maybe going to use an M&A attorney to do the whole deal instead of investment banker. I'm like, "Do you have any attorneys you know that understand working capital? And by the way, the working capital adjustments that the deal could be like 2 to 3 million dollars." "What?" My point is, when the business owners don't understand this stuff, you're only going to solve for what you know versus saying, hey, what is the potential final net proceeds doing a deal? And then how do I optimize that? And if I were to spend 800 grand with an investment banker and it gets me $1.5 million, I don't know anybody that's listening in that wouldn't do that deal. So I spent 800, and I get 1.5. So it's the last opportunity that people don't know. My business partner at his previous deal was a CFO who bought a company. He tells the story a lot, he goes, "We bought a company, we paid the owner exactly what the owner wanted and that owner was skipping to the bank. The owner just didn't know that his company was worth three times what he sold it for."

[21:39] Craig: It's like our old stock investing, you know, "Well, we bought at 100 and it's sold at 150. We were fat and no problems." And meanwhile it went to 200 overnight. It's so tricky at many points, and having organizations like yours that have been through so many experiences and have a big picture and know where all large deep pit holes, because it is something that's a little unusual. It's not the business owners' everyday experiences. So having expertise like yourself and your organization is strategically valuable. The difference in money transfer can be substantial just like you're saying. I was curious in this last two years, two and a half years of the non-years of the COVID environment, have you seen any changes or shifts?

[22:35] Ryan: Yes. There's a lot of money sloshing around. What that means, everybody that is listening and knows what it's done to the housing market or the commercial real estate market—inflation. The big issue right now, this is on the macro level, and people want to know more about this. I'm a big Ray Dalio fan so the Changing World Order is a great book. I mean, it's very meaty, helping you understand this bigger trends. The Fed pushes 5 trillion plus into the coffers. I mean, what happens is, guys, there's so much money out there, we have zero interest rates, essentially, we know there's going to be some rate hikes. So if you're Yale's endowment

or Allianz or some big huge family office, you're not putting 40% of your money in bonds because you're just losing money, and you're not putting in cash. So there's this panic to trying to find rates of return for adequate amount of risk and it's not anywhere. So there's over $2 trillion that had been raised by private equity firms or even by bigger companies where they want to go buy companies, because guess what, small privately held companies have good healthy cash flow, and the rate of return is pretty darn good. So the bigger players had just gone down market, and there's this complete panic trying to find companies. So the multiples have grown, not because the fundamentals, and fundamentals meaning that oh, Shye and Craig de-risked their company's cash flow. It's like, no, I have nowhere else to put my money and I'm bidding against five other people. So instead of getting a four, I got a bit of seven in order to buy the company. And so that's driving a lot of this. So inflation on business asset and valuation prices. I mean, honestly guys, I can't even imagine paying the dollar amounts that some of these private equity firms are paying for these companies. There's zero chance they're going to get the rate of return to their limited partners when they do it. So that's not my problem, but that's driving the trends. So there's a bigger premium to sell to third-parties like a third-party strategic or a private equity firm than it might be by doing an ESOP or doing an internal buyout or something based on the intrinsic value of the cash flow. So the challenge is what are these buyers going to do with your company? That's the big question. So yes, they might have a premium offer, but what are they going to do, and does that align with your first principle? So I think to your question, there's a lot of money out there and it's just the inflation of the assets is definitely running rampant.

[24:48] Craig: It's amazing the differences in the changes and the shifts, and it's exciting and it's scary at the same time then where it's going to all end up.

[24:56] Ryan: Oh, Craig, how about this, one of our clients had sold. They got bought by private equity firms at six million in EBITDA. This PE firm that bought them, bought them and owned the company for 60 days because another private equity firm bought their entire portfolio 60 days later. I think that PE firm probably made 50 million bucks by owning my client for 60 days. I mean, it's just ridiculous. That's called multiple arbitrage. That's a later conversation, but they're trading these privately held companies like stocks, which is just ridiculous.

[25:25] Craig: Which was the question I had in my mind earlier as far as the different types of options for exit. A lot of the business owners I've worked with, their companies are very emotionally tied to them, that's part of their family extended, and it's more than money to them. And so dealing with that is a very sensitive process from the standpoint of making sure that everybody is taken care of and part of it. And sometimes it's a buyout of the actual employee owner scenario. So I'm sure that some of these, we may do the finances and might come out just right and everything, and then there's that emotional making sure everybody's taken care of. I imagine that's come up a few times for you too.

[26:10] Ryan: Absolutely. The reason that I'm doing what I'm doing, Craig, is because I read Bo Burlingham's book Finish Big right after we sold and I was like, damn it, I should have read that before, before we sold. A wonderful book talks about how most people are upset because of the reasons you just brought up, regardless of how much money they've made, and I've validated that out of 300 episodes of interviewing people. I mean, people have a B at the end of their net worth and they're still miserable. And it's because they didn't think about the things you just mentioned. What I want, going back to the principles and how to think, **first principle, what do you want? Craig, what do you want out of your business? Is it legacy? Is it disrupting the industry? Is that your strategic vision?** I don't care. It's your business. **Second principle is what is the value of the company today? And what does it need to be worth for you to be financially free from the intrinsic value of the cash flow?** So you don't have to rely on a third-party taking this away. And if you grow the value your business by focusing on de-risking that cash flow, you can almost guarantee yourself to do an ESOP or an internal buyout at the exact valuation that you want. And yes, you might be able to sell it for a million or $2 million more to a

third-party that destroys your legacy, but it's your choice that you've forgone the $2 million because you didn't need it, and you actually understood the financial ramifications of your decision, and it was your choice.

[27:32] Shye: That's such a great point, Ryan, that really illustrates the situation here. So still for us, how can we think about our business like a financial asset?

[27:41] Ryan: Yeah, I think that's a good question, Shye. Because in that decision-making, the story that I just said, where someone can decide whether they want it to sell to someone or not, it's just like a stock. You might want to sell your Apple stock or you might not depending on whatever your personal beliefs are. That's what we want is that kind of clarity. The only way to get that kind of clarity is to truly see your business as a financial asset, which is separate from your job. So there's this concept we love to hammer home, and it really all stem from, Shye, over eight years people kind of like, "Oh, Ryan, I want out." I'm like, out of what, Shye? Do you want out of your job? Do you want out of the financial asset? I don't even know. And then usually it's just everything. No, I'm just getting it.

But what ends up happening, what I noticed before we came up with this way to bifurcate this is most people were burnt out, which if you're thinking about it, I'm never burnt out of owning Apple that continues to go up. No one's burnt out of wealth creation. It's usually they're burnt out from their job. I own a bunch of Apple stock in my 401(k). I don't work at the Apple Genius Bar. I don't have to work at the stocks that I own. The business owner is the same thing. There's a whole industry called private equity because they own companies than they have other people run them. The business owners that we're all talking to, who I was and am currently, is you have a job and then you have a financial asset and they're completely separate. And so by thinking about it like that, your job and your financial asset can have completely different paths. So when you think about the three principles that we talked about the beginning, if I didn't like my job but I liked keeping my investment in the company, I could then hire a CEO or I could do different things to keep my company as an asset but I would have to maintain my cash flow. So it's a cash flow equation, say, okay, I want to make my 150 grand regardless if my company, who owns it. I want to keep my company is my point. So you got out of your job but you grew it up to the point where there's enough cash flow to hire that CEO. Completely opposite of that is I really want some liquidity but I love my industry, love all my employees, and I love being the strategic leader and CEO. Well, you could do an ESOP, you could sell your asset to the ESOP, get the liquidity and be the CEO for the next 20, 30 years if you want it to be. That's why I don't like "I want out" because like, out of what? Depending on what you want, we can solve that problem but we need you to clarify what we want.

[30:13] Shye: Yeah. It all comes back to that in the beginning. It really does. I mean, you bring it all the way back to where we started the show. How do we first define what it is we're trying to accomplish? And then that, in fact, informs what we need to get out of.

[30:27] Ryan: Right. You guys are not going to get in a plane and take off without knowing where you're going.

[30:32] Craig: Well, Ryan, we really appreciate you joining us today. It's really been a great insight. Thank you so much for sharing.

[30:39] Ryan: You bet, guys. It's been a lot of fun. Hopefully, everybody bear with us while I was rambling. It's been a lot of fun.

[30:44] Craig: Is there anything else you'd like to leave with our audience today?

[30:47] Ryan: Everything that people want to know more, our website, arkona.io, which I think you guys are giving a bunch of links in the intro and outro, it's got a bunch of material on there. We've got a Intentional Growth Financial Assessment that dives into how to organize your financials to see your business like an asset like we've been talking about and get that visibility, what could this be in five years. And we've got one that after that questionnaire, there's a bunch of videos on what good looks like so that you people can go in there and check it out.

[31:16] Craig: Our guest today has been Ryan Tansom, founder of Arkona and creator of the Intentional Growth Framework, which helps business owners grow the value of their company with the end in mind. You can learn more about Ryan as well as find links to his resources and Arkona on our show notes at businessownersradio.com.

Thank you for joining us on Business Owners Radio. We hope you enjoyed today's show. As always, you can read more about each episode along with links and offers in the show notes on our website, businessownersradio.com.

We want to hear your feedback. Please leave comments on this show or suggestions for upcoming episodes, telling your fellow business owners about the show and of course we would love the stars and comments on iTunes. Till next time, keep taking care of business.