

Business Baseline Worksheet

The purpose of the Business Baseline Assessment is to get a clear answer to 5 questions:

- ***How am I spending and earning my money?***
- ***How much money do I need to make?***
- ***What am I doing on a daily basis as a coach?***
- ***Where am I currently spending my time?***
- ***How much am I earning per hour of time I spend?***

Answering these questions starts with the Money Baseline exercise.

Money Baseline

1) Categorize your expenses from the last month.

You can use a budgeting app to do this, debit and credit card statements, or even receipts if needed.

This is where most business audits fail by only reviewing business expenses.

You are going to count *everything*: housing, groceries, utilities, car payments, insurance, a lease on a gym, apps and services you use to deliver your coaching—all of it.

At a minimum, separate these into essential and non-essential.

Essential expenses are those you deem essential for life and your obligations. For most, this will include expenses for transit, housing, food, medical expenses, and outstanding debt—as well as costs to continue coaching like liability insurance and a gym lease. Only you can decide what values you find essential.

Cutting down to essential expenses will involve a loss of luxuries but preserve an acceptable quality of life for you and those you support.

You may also choose to separate by business and personal expenses. This can help you down the line in reducing unnecessary business costs.

You can do this in an app or use [our simple calculator](#) as a way to keep track.

2) Scan your expenses for the year.

Look for annual purchases over \$100 that you know will come up next year.

Categorize these as essential or non-essential. Divide their cost by 12, and add them to your monthly expenses to get a sense of the average monthly costs in a given year.

Commonly missed annual expenses:

- Subscriptions priced monthly but paid annually
- Liability insurance and recertification costs
- Tax preparation fees
- Automobile maintenance and repair

3) Cut the waste.

If there's something you know right now that you aren't getting value from, take an easy win and cancel it the day you *finish your audit*.

Common waste includes:

- Forgotten, unused, or underused subscription services
- Old gym memberships
- Recurring purchases
- Interest payments on debt you have the cash to pay off
- Insurance payments for goods you no longer need

4) Determine your Freedom Number.

Popularized by Jonathan Goodman, the Freedom Number is the minimum you need to earn each month to meet your essential needs without debt or reducing savings.

This figure is important because it marks a minimum threshold for key decisions that might otherwise seem unsolvable:

- **“When can I afford to make my side hustle a career?”** When coaching, along with other revenue sources, meets your Freedom Number
- **“How should I price my services?”** At a minimum, high enough to meet your Freedom Number with the time you have available to coach

- **“Can I afford to hire a new employee?”** If you know your Freedom Number, and how much profit you make each month, you can start to answer this question.

Practice Baseline

Reflect on every routine task you are *currently* using to deliver coaching. Write them out in as much detail as you can think of. We’ve included the most common practices here:

Where am I and how do I respond when I identify an interested potential client?

What are my steps between closing a sale and a first session (include any e-mails, invoicing, questionnaires, scheduling, and pre-session preparation work)?

How do I conduct a training session (adapt this to your situation: online, 1-on-1, class, etc.)?

How do I open, close, and maintain the gym?

How do I respond when a client quits?

How do I handle routine payment and invoicing?

How do I send and receive feedback, and what do I do with it?

How do I create and share educational and informational content?

Include any other practices here:

This baseline will come in handy as you reflect on the Eisenhower Matrix lesson later. If you find yourself looking at the above practices and don't have a response or normally "just wing it," you've identified an opportunity to sharpen your practices.

Time Baseline

You can't sit down at a desk and get this one done. You need to track your tasks for one full week. You can use a spreadsheet like [this one](#) that simply breaks your time down by half-hour increments, use a notepad the same way, or use a time-tracking app like [Toggl](#) or [Clockify](#).

At a minimum, separate your tasks by “coaching work,” “non-coaching work,” and “not-work.” More refined categories can help you break down the value of one task over another or help you see wasted time.

If you've completed these tasks in order, go back to your Money Baseline, track the income you're receiving from coaching and other work each month, and write down the following numbers:

\$/HR Coaching Work:

\$/HR Non-Coaching Work:
