Overall Business Health

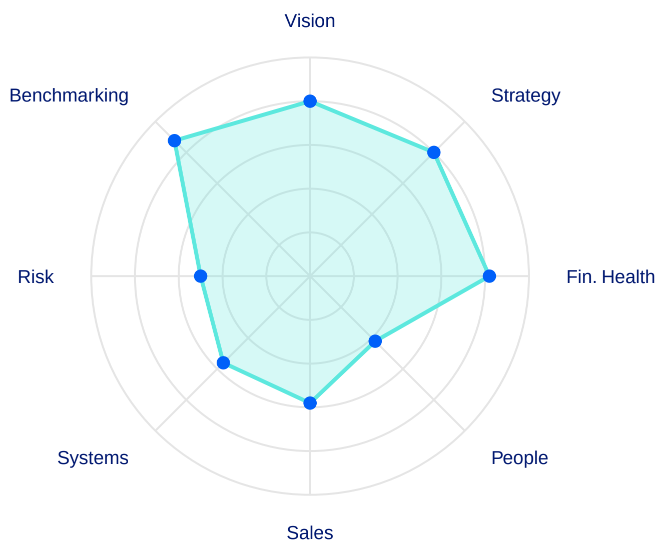
Your comprehensive scorecard across 8 critical pillars

3.4

Overall Score out of 5

★★★☆☆

Vision	**4.0**	★★★★☆
Strategy & Planning	**4.0**	★★★★☆
Strategic Finance	**4.1**	★★★★☆
People	**2.1**	★★☆☆☆
Sales, Marketing & Customer	**2.9**	★★★☆☆
Systems & Processes	**2.8**	★★★☆☆
Risk, Governance & Compliance	**2.5**	★★★☆☆
Financial Benchmarking	**4.4**	★★★★☆



Your overall business health score reflects a business with genuinely strong financial and leadership fundamentals, held back by real gaps in people, systems, and risk. Your highest areas are Financial Health at 4.4 and Financial Management at 4.1, and your lowest is People & Culture at 2.1. The 12-month action plan is designed to protect your financial strengths while systematically closing the gaps that are limiting your business value and your personal freedom.

Key Takeaways

Vision & Leadership: Your Clearest Competitive Strength

You scored 4.0 in Vision and your focus discipline is genuinely rare. Turning down subs to stay true to 'pizza is life' is the kind of decision most owners can't make, and it shows in your financial results.

People & Culture: The Risk That Could Undermine Everything Else

Your People score of 2.1 is the lowest pillar in your assessment, and the lack of onboarding, development, or succession planning means your business is more dependent on you personally than it should be. This is the gap the action plan addresses first and most aggressively.

Business Value: $268,219 Still on the Table

Your business is worth an estimated $527,823 today, but best-in-class performance in your industry puts that number at $796,042. That $268,219 gap is not about growing revenue. It's about fixing the people, systems, and risk scores that are discounting your multiple right now.

Your Business Goals

1. I want to build a team that can run the day-to-day without needing me for every decision.
2. I want to grow the business toward the $796,042 valuation it's capable of reaching.
3. I want to protect what I've built by having a real plan for what happens if I'm not here tomorrow.
4. I want my advertising spend to actually drive measurable customer retention, not just awareness.
5. I want clear roles and accountability on my team so performance conversations aren't personal.

Business Valuation

Potential Fair Market Value

$527,823

Not an official valuation. For internal use only.

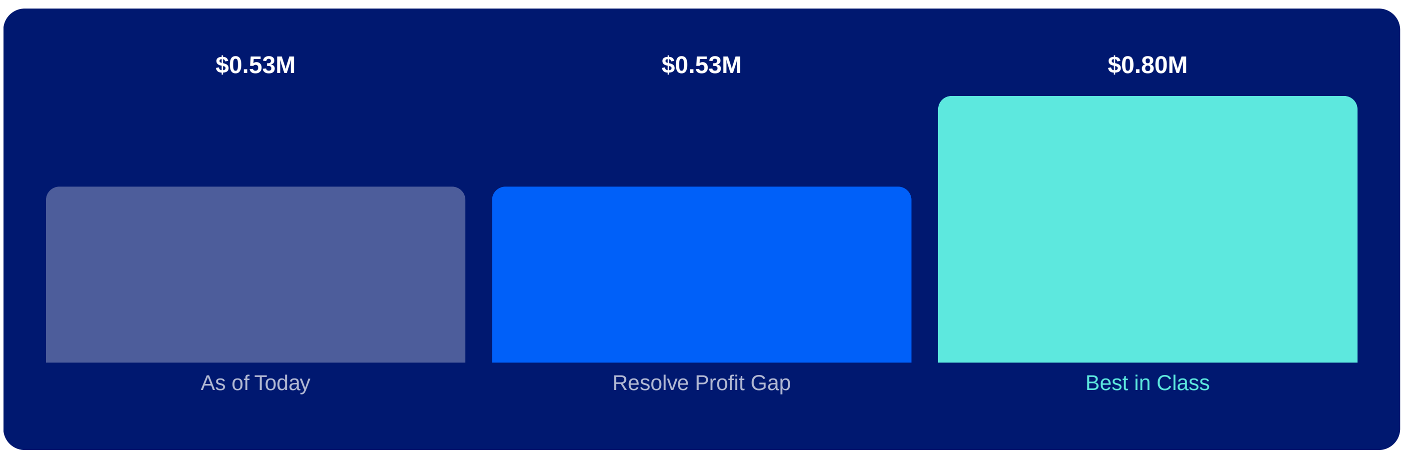
Owner Discretionary Earnings	**$225,740**
Sales Multiple	**1.34x**
Enterprise Value	**$302,814**
Equity	**$225,009**
Potential Fair Market Value	**$527,823**

Your estimated value of $527,823 is based on a 1.34x sales multiple applied to your average owner discretionary earnings of $225,740. That multiple is being held down by your scores in People, Systems, and Risk, because buyers price in the work required to fix those gaps. Improving those three pillars is the most direct path to a higher multiple and a meaningfully larger valuation.

Your Value Gap

$268,219

The gap between where your business is today and where it could be.



	As of Today	Resolve Profit Gap	Best in Class
Owner Discretionary Earnings	$225,740	$225,740	$225,740
Sales Multiple	1.34x	1.34x	2.5296x
Enterprise Value	$302,814	$302,814	$571,033
Equity	$225,009	$225,009	$225,009
Potential FMV	**$527,823**	**$527,823**	**$796,042**

The $268,219 gap between your current value and your $796,042 best-in-class potential is not a revenue problem. It's a systems, people, and risk problem. Businesses that score well across all eight pillars command higher multiples because they are less dependent on the owner and more predictable for a buyer or successor.

Financial Scorecard

You passed 14 of 15 metrics on the financial scorecard, which is an exceptional result. Your profit margin of 12.1% is nearly double the 6.1% industry benchmark, and your overall financial health score sits at 4.4 out of 5. The one area worth watching is your wage line at 32.2% of revenue against an industry benchmark of 23.8%.

LIQUIDITY

CURRENT RATIO
2.31 ▲
vs 1.30 target

QUICK RATIO
2.19 ▲
vs 0.96 target

ACCOUNTS RECEIVABLE DAYS
0 days ▲
vs 5 days target

ACCOUNTS PAYABLE DAYS
2 days ▲
vs 19 days target

EFFICIENCY

RETURN ON ASSETS
80.6% ▲
vs 23.1% target

REVENUE PER EMPLOYEE
$109K ▲
vs $100K target

WAGES AS A % OF REVENUE
32.2% ▼
vs 23.8% target

ASSET TURNOVER
6.65 ▲
vs 1.50 target

PROFITABILITY

GROSS PROFIT MARGIN	EBITDA MARGIN	NET PROFIT MARGIN	PROFIT GAP
67.9% ▲	13.2% ▲	12.1% ▲	$130K ▲
vs 58.5% target	vs 7.7% target	vs 6.1% target	vs $0 target

LEVERAGE

INTEREST COVERAGE	DEBT / EQUITY	DSCR	DEBT TO EBITDA
30720.06 ▲	0.45 ▲	N/A	0.04 ▲
vs 3.00 target	vs 1.82 target	vs 1.25 target	vs 4.00 target

Cost Structure Benchmarking

Your wages are running 8.4 percentage points above the industry average, which is the most significant cost gap in your business. Your advertising spend is also above benchmark at 3.1% versus 1.7%, meaning you're investing more in marketing without a structured plan behind it. Your total expenses of 55.8% are only slightly above the 54.2% industry average, which tells you the core business is tight and the wage line is the primary lever to address.

Category	Company	Industry	Variance
Revenue	100.0%	100.0%	-
Cost of Sales	32.1%	41.5%	-9.4%
Gross Margin	**67.9%**	58.5%	+9.4%
Wages	32.2%	23.8%	+8.4%
Depreciation	0.8%	3.4%	-2.6%
Advertising	3.1%	1.7%	+1.5%
Rent	5.6%	7.5%	-1.9%
All Other Costs	14.1%	17.9%	-3.9%
Total Expenses	55.8%	54.2%	+1.6%
Profit Margin	**12.1%**	6.1%	+6.0%

$129,903 profit advantage vs. industry

Detailed Assessment Scores

Below are your scores across all 21 areas of your business, grouped into 7 pillars. Each subsection is scored 1 to 5 stars based on your assessment conversation. Scores of 4 or higher are strengths to protect. Scores below 3 are areas where focused improvement will have the biggest impact on your business value.

Vision

4.0 / 5

Clarity & Communication	Alignment & Integration	Goals & Adaptability
4.5	3.7	3.7

Your vision is one of the clearest we see in any restaurant assessment. You have 'pizza is life' on the wall, you talk about it in quarterly all-hands meetings, and you turned down subs because they didn't fit the mission. The one gap is that your vision hasn't been formally revisited since founding, and your alignment score of 3.7 suggests not everyone on the team feels it as strongly as you do.

Strategy & Planning

4.0 / 5

Strategic Foundation	Execution & Measurement	Prioritization & Innovation
4.0	4.7	3.3

You scored 4.0 overall in Strategy, with execution coming in at an impressive 4.7. Your weekly volume tracking, quarterly reviews, and one, three, and five year plans show a disciplined operator. The weakest spot is prioritization at 3.3, meaning you likely have more good ideas than bandwidth to act on them.

Strategic Finance

4.1 / 5

Financial Goals & Performance	Risk & Liquidity	Forecasting & Allocation
4.5	4.0	3.7

Michael's Pizza is a financially strong business. You're running a 12.1% net profit margin against a 6.1% industry benchmark, which translates to a $129,903 profit advantage over the average competitor. Your forecasting score of 3.7 is the one area to sharpen, and bringing that up will make your financial position even more defensible.

People

2.1 / 5

Roles & Talent Fit	Employee Development	Performance & Stability
2.3	1.5	2.7

People & Culture is your most urgent gap at 2.1 out of 5, and it's the area most likely to limit everything else you want to build. Your development subcategory scored 1.5, and your own words describe hiring as 'they show up and don't have a felony.' There is no onboarding process and no succession plan, which puts real pressure on both day-to-day operations and the long-term value of this business.

Sales, Marketing & Customer

2.9 / 5

Customer & Market Understanding	Sales & Marketing Effectiveness	Customer Retention & Scalability
3.3	3.0	2.5

Your Sales & Marketing score of 2.9 reflects a business that relies more on reputation than a deliberate growth plan. Your customer retention score of 2.5 is the weakest subcategory here, and in a full-service restaurant, repeat customers are everything. You're also spending 3.1% of revenue on advertising against an industry average of 1.7%, so you're spending more and getting less structure around it.

Systems & Processes

2.8 / 5

Core Operations	Process Management	Technology & Stability
2.0	2.3	3.8

Systems & Operations scored 2.8, with your operations subcategory at 2.0, the lowest individual subcategory in this pillar. Your technology score of 3.8 shows you've made some smart investments in tools, but without documented processes underneath them, those tools are only as good as the person running them that day. Building repeatable systems here is what will let you step back without things falling apart.

Risk, Governance & Compliance

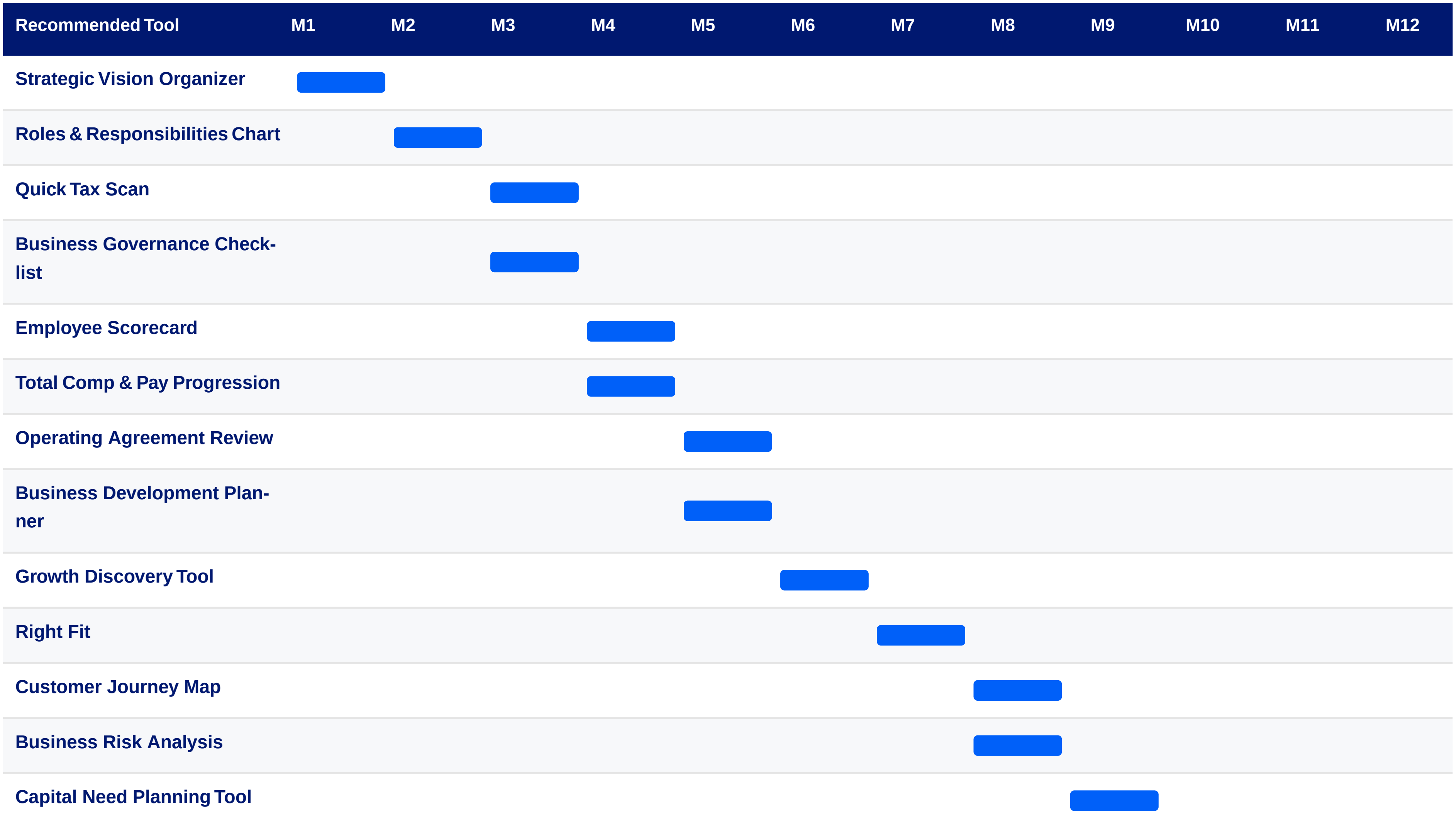
2.5 / 5

Governance & Agreements	Legal & Compliance	Risk & Advisory
2.3	2.0	3.0

Risk & Resilience is your second most critical gap at 2.5 out of 5. You have no succession plan, no documented continuity plan, and you are the single decision-maker with no backup. In a business generating over $225,000 in owner earnings, that concentration of knowledge and authority in one person is a significant and fixable risk.

Your Action Plan

Recommended tools and engagements across the next 12 months



Reasonable Compensation Report	
External Advisor Review	
Business Insights Report Update	

Why This Sequence

1 **Strategic Vision Organizer** Month 1

Your vision alignment score of 3.7 tells us the 'pizza is life' mission lives more clearly in your head than in a format the whole team can act on. Starting here turns your personal clarity into a shared operating document, which every tool that follows will build on.

2 **Roles & Responsibilities Chart** Month 2

With no documented roles and a hiring process that starts at 'don't have a felony,' your people gap starts with no one knowing exactly what they own. Building the accountability chart now gives you the structure to evaluate, develop, and hold your team to a standard before you invest in compensation or scorecards.

3 **Quick Tax Scan** Month 3

You're generating $225,740 in owner discretionary earnings and have a bonus structure in place, which means your tax position deserves a hard look before another year passes. Catching a structural opportunity or risk now costs far less than fixing it after the fact.

4 **Business Governance Checklist** Month 3

Your Systems & Operations score of 2.8 and your governance subcategory of 2.3 signal that your back-office documentation hasn't kept pace with your business performance. Running this checklist alongside the tax scan in Month 3 ensures you're not carrying hidden compliance or process risks into the growth work ahead.

5 **Employee Scorecard** Month 4

Your People development score of 1.5 is the lowest subcategory in your entire assessment, and without a performance framework, every conversation about improvement is subjective and uncomfortable. This tool gives your managers a consistent, fair way to evaluate and grow your team now that roles are defined from Month 2.

6 **Total Comp & Pay Progression** Month 4

Your wages are running 32.2% of revenue against a 23.8% industry benchmark, and without a structured pay progression system, you're likely paying more without getting the retention or performance that should come with it. Pairing this with the employee scorecard in Month 4 gives you a complete picture of what people are paid and what they're accountable for.

7 **Operating Agreement Review** Month 5

You have no succession plan and you're the single decision-maker with no backup, which means your operating agreement may not reflect how the business actually runs or who steps in if you can't. Getting this reviewed before you build out your growth plan ensures the legal foundation matches the business you're building.

8 **Business Development Planner** Month 5

Your Sales & Marketing score of 2.9 and retention subcategory of 2.5 tell us your growth is coming more from habit than from a plan. With your governance and people foundations in place by Month 5, you're ready to build a real business development structure that ties your advertising spend to measurable outcomes.

9 **Growth Discovery Tool** Month 6

You're considering expansion and you have the financial strength to support it, with a $129,903 profit advantage over industry peers. Month 6 is the right time to pressure-test your growth assumptions with a structured session so you're expanding from a position of clarity, not momentum.

10 **Right Fit** Month 7

Your roles subcategory scored 2.3, and with a team built on informal hiring, there's a real chance some people are in the wrong seats without a clear way to see it. After six months of building structure, you now have the accountability chart, scorecards, and comp framework needed to make this evaluation honest and actionable.

11 **Customer Journey Map** Month 8

Your customer retention score of 2.5 is the weakest sales subcategory, and in a full-service pizza restaurant, the gap between a one-time visitor and a regular customer is worth real money over time. Mapping the journey now, with your team and systems stronger, lets you identify exactly where customers drop off and fix it.

12 **Business Risk Analysis** Month 8

Your Risk & Resilience score of 2.5 includes a 1 out of 5 on succession planning and a legal subcategory of 2.0, which are serious exposures in a business generating over $225,000 in owner earnings. Running this analysis in Month 8 means you now have enough structure in place to build a mitigation plan that actually sticks.

13 **Capital Need Planning Tool** Month 9

With expansion on your radar and a risk score that hasn't yet accounted for growth capital needs, you need a clear picture of what reserves and working capital are required before you commit. This tool makes sure your strong profit margin isn't masking a cash flow vulnerability that only shows up when you need it most.

14 Reasonable Compensation Report — Month 10

Your accountant does a compensation study, but with your bonus structure and owner earnings at $225,740, having an IRS-aligned, defensible comp number on record is worth doing properly. Month 10 gives you the full-year financial picture needed to make this report accurate and useful.

15 External Advisor Review — Month 11

Your advisory subcategory scored 3.0, which means you have some support in place but gaps likely exist across legal, HR, or financial advisory as your business grows in complexity. A full review in Month 11 ensures the team around you is built for the business you're running now, not the one you started with.

16 Business Insights Report Update — Month 12

After 11 months of structured work across every pillar, your scores should look meaningfully different, and you deserve to see exactly how far you've moved. This reassessment resets your baseline, measures the progress you've made toward closing that $268,219 value gap, and sets your next 12-month plan.