Chapter	4
Activity name	The Vision-Capital Interface
Version	1.0
Activity Objective	Owner-Directors make big decisions that can have an existential impact. The vision will give clarity to the organisation leaders and the team, but it can also help you. It can provide guidance for making decisions on the use of capital.

Activity Instructions

To explore what the possibilities are if you have a clear vision that can then be used to support capital decisions.

Questions	Question explanation	Answers
How do you find the intersection between your life aspirations and your business?	As has been established you have many roles. What are your aspirations for the handover of those roles?	
How do you make capital decisions in your business?	You need working capital to operate your business. This may be solved by a healthy and continuous revenue stream. However, you may need capital to build a new offering, enter a new market. How do you make the debt and equity capital decisions? What guides you?	
How do you make remuneration decisions?	Given that remuneration is often 70 to 80% of the operating costs of the business having guidance for this is wise. For instance, a short-term approach purely driven by market forces might create issues in the future.	
How do you make profit allocation decisions?	• How much is used for a variable component of remuneration? • How much is for re-investment or a future fund? • How much gets distributed to owners?	
How do you make decisions about future ownership?	You may want to sell the business via a trade sale or invite team members to participate. There are numerous options. Where is this documented and maintained.	

