

# Identifying your Magic Number™

If asked to value your most critical assets, how accurately could you do it? What does your personal balance sheet really look like, and how will it influence the future you build for you and your family? Stefan Wissenbach, CEO and founder of The Wissenbach Group explains the unique Magic Number™ concept and illustrates why you should know yours.



How often do you make a decision that impacts upon your business? Every day probably. How often do you make decisions about your finances that transform the way you manage them? Perhaps not as regularly. And how often do you feed all of these factors into a master plan that takes into account where your business is today, where it will be tomorrow and how all of this will shape the future for you and your family? What we usually find is that business owners can communicate quite comfortably how much their property is worth and how much they have in the way of savings and investments. Valuing their business provides a somewhat greater challenge, as more often than not, the traditional, conventional valuation methods fall short of providing an accurate figure. Of course the often used maxim that your company is only worth what someone will pay for it still rings true, but thankfully, specialists such as BCMS Corporate can ensure that figure is as high as possible.

Where most business owners lack insight is in how these crucial assets fit into the big picture. And even more importantly, how they

will influence their Magic Number™. Put simply, your Magic Number™ is the amount of accumulated wealth you need in order to be financially independent, enjoying your desired lifestyle, for the rest of your life. Identifying your Magic Number™ and creating a Really Effective Financial Strategy™ is a unique process that we have developed here at The Wissenbach Group, and it is changing the way our clients look at finance, business and their futures. Your Magic Number™ and vision of your desired future should guide every major financial decision you make and it takes into consideration every aspect of your life – far beyond your finances, from where you wish to live, where your children will be educated and the kind of lifestyle you lead for the rest of your life.

And why do you need to plan to this extent? I'm often surprised by how many people don't have a written plan for their lives. Their plans are top level, big picture, and usually exist purely in the minds of those who make them. Which might sound perfectly normal, but when you consider that most people also have a comprehensive, prescriptive plan for financial management after

they die, written down in the form of a will, then it does seem slightly back to front!

We all know that objectives with benchmarked progress points are far more likely to materialise than intangible, abstract goals – that's the whole point of business plans. But a simple business plan, or exit strategy simply isn't enough. You must be working to a holistic financial strategy that takes into account your personal goals alongside your business objectives. How can you make day-to-day or even life-changing business decisions without understanding the impact they have on the big picture and your overriding aspirations for you and your family?

Understanding how to value and manage your assets is of paramount importance – but it is only the first step. Moving from your current situation to the future you dream of, is about starting with your Magic Number™ and implementing a strategy that will close the gap.