

Essay

Mr. Hensley,

I have reviewed your submitted documents as well as my notes from our initial meeting. As discussed, you are seeking to expand your tutoring business with specific goals of increasing revenue, decreasing expenses, and freeing up time to explore other ventures. Currently, you have ten clients that each pay \$40 per hour for weekly tutoring sessions and you expect to lose two clients in the very near future. Below, I have prepared some strategies and suggestions for achieving these goals.

Goal #1: Increase revenue

In order to increase revenue, you will need to increase your number of clients, charge higher fees (if prices can be raised reasonably), or both. Since you want to simultaneously free up some time, a great option is to introduce group study sessions where you can work with more than one student at once and thus multiply revenue without increasing your time commitment. An added benefit to this approach is that research has shown that study groups promote enhanced learning while also creating a supportive network for students.

Additionally, revisit your subject expertise. Are there other subjects for which you can offer tutoring? Doing so can attract new clients or increase business with existing clients. You can potentially increase your hourly rate depending on the complexity of the subject. Likewise, serving a wider range of clients can also expand business. During the part of the day where high school students are in school, you can work with students learning English as a second language or teach adult literacy classes.

Goal #2: Decrease expenses

I have identified two strategies for decreasing expenses: eliminating the third-party advertising agency and minimizing travel expenses. To replace the advertising agency, start by asking current and former clients for referrals. Chances are, that students know other students that can benefit from tutoring services. Also ask friends and family for referrals. To minimize travel expenses, conduct tutoring sessions online if at all possible. If in-person sessions are unavoidable, try to book back-to-back sessions in the same location to minimize travel costs.

Goal #3: Free up time to explore other interests

Offer services only on predetermined working days so that days off can be used to explore other interests. Two previously mentioned suggestions can also serve this goal: online tutoring and offering group sessions will both save some time. Give priority to booking these types of sessions whenever possible.

Let's schedule some time next week to review these strategies and plan how best to implement them in your expansion project.

Thank you,

Kathleen Chalumeau

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