The Small Business Guide to Paying Yourself a Living Wage

Stop Sacrificing, Start Earning—
Build a Business That Pays You
What You're Worth
By Peter Coker | AnthillBI.com

Foreword

If you're reading this, chances are you started your business for freedom, fulfillment, or financial security. Maybe all three. But somewhere along the line, you stopped paying yourself—or never started.

This book is your wake-up call.

You are not your business's last priority. You are its greatest asset.

This isn't a fluffy motivational guide. It's a practical, bold, no-nonsense blueprint to help you do what so many small business owners struggle with: getting paid.

Let's fix that.

Chapter 1: Why Paying Yourself Isn't Optional

"If your business can't afford to pay you, it can't afford to grow." — Peter Coker

Many entrepreneurs believe they have to delay their own salary to give the business a chance to grow. It sounds noble, but it's often a mask for something else: avoidance.

Avoiding the truth about cash flow. Avoiding structure. Avoiding accountability.

Here's the reality: A business that doesn't pay its owner is broken.

You are the brain, the engine, the talent, the leader. Not paying yourself is like a football club refusing to pay its coach because they want to buy more jerseys.
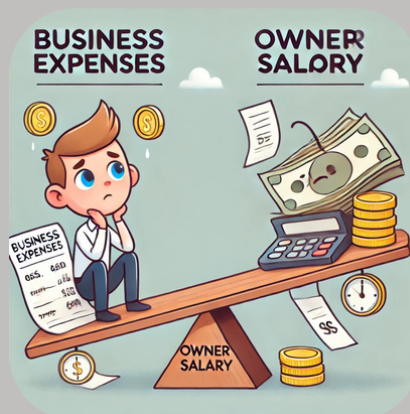
Paying yourself:

Forces your business model to be honest

Builds resilience into your finances

Validates your worth and keeps your energy high

Let's stop sacrificing your sanity. You matter. Your paycheck matters.

Chapter 2: Cash is Queen — Your Business Must Make Real Money

To pay yourself, your business must make more money than it spends. Obvious, right?

But here's where many small business owners fall short: their products aren't solving a problem people are happy to pay for.

"The more pain your offer solves, the more people will pay."

Before you worry about payroll, check your product:

Does it solve a clear, painful, urgent problem?

Is someone already paying to solve this problem another way?

Have you priced it with confidence?

If your offer is just "nice to have," don't expect consistent income.

A global example: Spanx founder Sara Blakely turned a simple shapewear idea into a billion-dollar brand by solving a problem no one else was tackling directly. Women paid, and she paid herself.

A local flavour: Temitope, a Lagos-based baker, tripled her monthly income when she shifted from custom cakes to corporate snack boxes for banks. Problem solved: feeding staff reliably. Her salary now runs like clockwork.

"Cash is queen. She doesn't like confusion."

Chapter 3: The Two Ways to Pay Yourself (And What the Tax Man Thinks)

There are two main ways to take money out of your business:
Salary
Fixed amount each month
Subject to payroll taxes (PAYE in Nigeria or income tax elsewhere)
Clean and predictable
Drawings / Owner's Draw
Withdraw money when needed
No taxes deducted at source (but you must report it!)
Flexible but messy if not tracked
The Smart Mix
Set a base salary + take draws for profit
Balance tax efficiency with predictability
Tip: If you're registered as a limited company, regulators expect you to separate business and personal income. Mix-ups invite tax drama.

"Paying yourself right isn't just smart. It's legal protection."
Ask your accountant or tax consultant what's best for your setup.
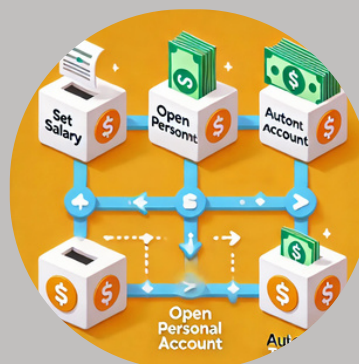
Chapter 4: Make It Simple, Make It Stick

Bonus Resource: Download our fillable worksheet to plan your monthly salary, track your business targets, and stay consistent. **Go to anthillbi.com/**contact to get the worksheet.
"Complexity is the enemy of execution."
Want to actually start paying yourself? Systematize it:
Open a separate account just for your personal pay
Decide your monthly "personal salary" in advance
Set a standing order or schedule it in your calendar
This removes the guesswork and guilt. You're not "stealing" from the business. You are the business.
Want it even easier?
Use tools that help you manage your money, like Moniepoint for account separation, or budgeting software like Wave or QuickBooks. Not sure what fits your business best? We can help you choose and install the right budgeting system that works for your stage, structure, and cash habits.
Allocate percentages: 50% operations, 30% you, 20% taxes/savings
"Pay yourself first. Then earn enough to pay everyone else."

Chapter 5: When Cashflow is a Mess (and How to Prevent It)

Here's what nobody tells you: not being able to pay yourself is usually a symptom, not the problem.
When your business is consistently short on cash:
You might be overtrading (too many orders, not enough capital)
Your receivables might be delayed (clients owe you)
You might be underpricing (discounting yourself to death)
What to do:
Pause. Reassess your expenses.
Forecast for 90 days. What's coming in vs going out?
Negotiate better terms with vendors or customers
Prioritize high-margin work
Planning ahead:
Build a 3-month salary buffer
Automate savings from high-income months
Hire slow, fire fast (especially unnecessary costs)
"Cashflow problems don't announce themselves. They creep in like a leaky roof."

Chapter 6: The CEO Paycheck Mindset

You didn't start this business to hustle forever.
Start thinking like a CEO:
You are a leader, not a laborer
You are building an asset, not babysitting a hustle
You are the first investor, and you deserve ROI
"If you don't pay the CEO, you'll soon be replacing her."
Let this guide be your turning point. Your business can and should pay you.
If you want help installing this system—from fixing your offer, pricing it right, building a budget, or structuring your pay—we can help.

Want Help Making This Real?
At Anthill Business Incubators, we help founders install sustainable business systems so they can finally pay themselves, scale, and breathe.
You don't have to figure this out alone. Let's talk.
👉 Visit anthillbi.com/ to book your seat at our next Small Business Clinic.

Attribution

Some anecdotes and references were drawn or adapted from public sources.

Notable mentions include:

Sara Blakely (Spanx) — Forbes, Inc.com

Nigerian entrepreneur anecdotes based on real composite client cases (names changed)

Final Note:

You deserve to be paid. You deserve to build a business that rewards you. Let's make that happen.

BONUS #1

Based on the principles from the ebook, here's a **step-by-step guide** that you can use to implement sustainable pay and scale up effectively:

Step-by-Step Guide to Implement a CEO Paycheck Mindset

Step 1: Evaluate Your Current Business State
- Review your income streams, monthly expenses, and overall profitability.
- Identify areas where you're overexerting yourself and operating as a laborer, rather than a leader.

Step 2: Set a Target CEO Salary
- Determine a reasonable amount that aligns with your business's current financial health. Start small if needed, but prioritize consistency in paying yourself.

Step 3: Build a Realistic Budget
- Allocate a portion of your business revenue for:
  - Your salary as the CEO.
  - Business reinvestment for growth.
- Operational expenses (e.g., rent, supplies, marketing, etc.).
  - Emergency reserves.

Step 4: Fix Your Offer and Pricing
- Evaluate your products or services to ensure they provide strong value to your customers.
- Set prices that not only cover costs but also allow for profitability and scalability.

Step 5: Streamline Operations
- Install systems that reduce manual labor and free up time to focus on leadership roles (e.g., automated invoicing, customer relationship management tools, etc.).
- Delegate tasks or outsource where possible.

Step 6: Track Progress and Adjust
- Monitor financial reports monthly to ensure you're sticking to the budget and achieving your salary goals.
- Adjust allocations as your business grows or encounters challenges.

Step 7: Seek Expert Guidance
- If implementing this seems overwhelming, connect with business incubators, like Anthill Business Incubators, or hire a consultant to support the process.

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