

Case Study

Building Company Cements Future

"In business for yourself, not by yourself"
Ray Kroc (1902 – 1984), 'founder' McDonalds

Company Background

Addbuild Additions is one of Sydney's leading providers of quality residential alterations, additions extensions and renovations. With an emphasis on first floor extensions, Addbuild provides clients with a complete solution from design through to construction.

Addbuild is a family run business that has been operating in the greater Sydney area for over 30 years with Chris Books, the current Managing Director/Owner, joining the company in 1987. Chris took control and ownership in May 2000 already having over 10 years in the construction industry.

The company completes scores of projects annually and employs the equivalent of 25 full time staff.

The Challenge

The niche market in which Addbuild operates is extremely competitive. While dominated by 3 – 4 direct competitors specialising on first floor additions, there are numerous smaller builders who will take on similar projects, but without the overheads of the larger companies – and without the experience.

Chris originally engaged Inform partner, Wayne Moloney, to assist with developing and implementing a clear marketing plan for the business. Competition was tight and while business had been sound, Chris knew he could do better with greater focus and planning.

Wayne and Chris immediately 'hit it off' and Chris saw that Wayne's experience, together with the support of his Inform colleagues could help his business far beyond marketing.

Chris set Wayne a challenge - *Help me grow the business – I want to reach a revenue of \$[undisclosed] million. But I also want to get to a point where I can take off one day a week and take holidays when I want without the need to be worried about the business while I am away.*

The Solution

Wayne immediately conducted a complete Business Diagnostic Review. Looking at the internal and external factors affecting the business, and identifying Chris' objectives allowed Wayne to present Chris with a detailed report showing the businesses strategic position and operational performance. From this, a detailed action plan was developed to achieve the agreed objectives. Effectively a "business roadmap" was created to chart the course to success. This plan addressed specific areas within the business.

While there were immediate and specific areas of need identified and actions taken to address these, Wayne has been a long-term consultant to Addbuild providing strategic advice and lending his experience to the overall management and development of the business.

Some of the specific issues addressed have included:

- The target market was diversified reducing risk and increasing the opportunity base.
- Advertising was redefined resulting in greater visibility and increased leads.
- Organisation structure was redefined, roles & responsibilities defined and policies & procedures documented. This resulted in greater productivity and increased business value (and helped Chris get that day off each week).
- A customer service manager was appointed which led to greater customer satisfaction and improved productivity of site staff.
- A sales manager was appointed providing greater focus on developing quality business and relieving the owner from this specific task – allowing him more time to work ON the business.

Some tasks were taken on directly by Wayne, others by Chris and some by staff under guidance. Being a partner in Inform Consulting Group also meant Wayne was able to engage specialist consultants to address specific areas of need.

The Outcome

Despite the industry-specific and global economic challenges of the past few years that have seen a number of builders close down, Addbuild has weathered these economic storms and has continued to grow.

And did Wayne meet the challenge?

The revenue targets have been met, and exceeded. Chris has now retired from day-to-day management of the business - able to take well-deserved holidays without having to worry if the business will survive. A general manager now takes on those worries, and Wayne continues his involvement with the business as an advisor to the Board.

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