

Core Success Habits – Don't Get Distracted

Peter Hill Interview Episode 11

Matt [00:00:00] So welcome, Peter, to this episode of Power Up Your Business podcast, mate, thanks for sharing your time.

Peter [00:00:07] You're welcome, no problem at all.

Matt [00:00:09] Great story and Peter has been a long time client of ours and it's been great in the last six years or so, you know, really assisting you on your business journey. You've got a really interesting story starting with you are now running a third generation business that started in the 1960s and then you taking the reins around that 2009, 2010 period, is that correct?

Peter [00:00:33] Yes, correct, I did my apprenticeship with my father and worked together for close to 13, 14 years. My father was hard but fair.

Matt [00:00:51] The old school rides was like, shut up, don't say anything.

Peter [00:00:54] Dig or work and if I made a mistake, I'd hear about it in the dinner table all night. I couldn't get away from any mistakes. There was no hiding from him.

Matt [00:01:09] There is no cotton ball, wrap yourself in cotton ball back in those days was there? [00:01:13] It was just like cap it sweet. [1.1s] You made a mistake. Come on. With that the learnings of that and I suppose because in that generation, how did your dad, the learnings, so this is the key thing for any tradie. You know, generally we learn of who we've done our apprenticeship, we learn how to operate business through obviously the skillset of the trade, but also how people do business, how they operate with customers. How did your dad operate the business?

Peter [00:01:41] He just worked seven days a week really like growing up, but I can count in my two weekends off a year, he was home. Late days. Get up early. When he retired and he really did not have much of a hobby because all he did was work. He has worked all his life. He worked seven days a week and put everything he could into it physically.

Matt [00:02:10] What was one of the takeaways in for you? Like, that's obviously when he sets the example of work ethic. He obviously is very much going to be focused on the work and let's do the work hard and that's cool to a degree. But then you've got to actually work intelligently but how is that not seeing him too much? Obviously, for you guys, probably not too many family holidays.

Peter [00:02:34] Exactly, I mean, we had like two family holidays in our lifetime, maybe a couple of more, but two that I can remember. He really wasn't around a whole lot and I think that unfortunate. When I took over, I started doing the same thing because it's all I knew how and I knew how to work and work hard, but then we moved at homes and we had a baby. As to the 2013 that's when I first spoke to you. I'm going away for Christmas holiday and exhausted, like the Christmas rush and stuff and. I thought I'd better start changing what I'm doing because I'm turning into this repeating itself, history repeating itself, and I'm going to be missing like bath time. I was missing everything with the baby. So I don't want to do this again, having a family but you're going to miss everything, every part of them, straight work.

Matt [00:03:39] Not going to be there and so that initial three or four year period, you're copying exactly as you were taught, copying exactly as you experience it. I'd say just working hard. You're pretty much saying yes to a lot of things and not being there, and then that realisation came when kids, family, obviously probably discussions with your wife as well, saying, what's this all about? Where's the endgame for this? Is this what's going to be like for the next xx amount years. So that real catalyst then for change came about, I know that you are looking at job management system but obviously you had that gnawing feeling that you just couldn't keep going like this. Obviously, one of the things is that you did not want to end up like your dad. But what are some other things that were really playing on your mind in those early days for operating that business? Again, given that there is a pressure on board, it's been operating since the 1960s. So you've been operating for decades. So you're probably thinking, well, there is pressure to maintain that the Hill's Electrical brand.

Peter [00:04:42] My grandfather and my father are proud of me as well. So any way I could make it up was by working hard and work long hours and stuff that's all he knew and that realisation that in these days you can't do, you can, but it's not the normal thing to do anymore, I don't think. From my point of view it isn't so I want to find a jobs management software. When I was filling in that form, one of the things was I asked if you're open to having a business coach. I wrote, yes, because I didn't really want to go back to work that year. I was just at a point where.

Matt [00:05:26] You're fried.

Peter [00:05:28] Yes, fried, I had to go and do it all again and we had a few employees by then. I think part of it was that compliance, like knowing that you're doing the right thing, is it going to come back and bite you. Are you compliant? Is your payroll done right? I was doing my payroll on Sunday mornings and as it grew, it turned into quite a job, when it was one person, it was alright. When it was like three or four people to do payroll. Was I doing it right? Was I paying super right? I wasn't trained to do all of that.

Matt [00:06:00] No, that's right, because you're trained on the job, that's in your comfort zone, that's what we talk about. You're in the comfort zone. You're really comfortable working hard. You had no idea about the business that's where a lot of people get into trouble. You're in that standard journey where you're operating the gig by yourself in that three, four, five year period, which is generally a threshold where there's a lot of stats out there for new business failures or businesses failing about 80% of business following the first five years. Generally, it comes down exactly where the crossroads that you come to is. I just can't go anymore. So I Christmas time, I don't want to go back because it's what am I going to do for another year? Another what decade? Is this what it's about, you know, and that classic went into business because for most who didn't pick up a generational business but, you know, start a business, wanted more time, more money. It's great that you were starting to look and this is where a lot of people do look that's a natural thing. I want to change a business so their first port of call is generally a job management system. As you know that's only one part of the puzzle. On that journey, again, so getting away from just the long hours, working hard and knowing where is the end game here. One of the things I know that early on you had very clear goals that we're working towards. So I will just share some of the key drivers of change. This is where a lot of people, they don't make the necessary changes because they haven't got a vision. They're not working towards anything. You're not really working towards anything substantial, both personally, professionally or a family point of view, but just relate and clarify those clear goals when we started around 2015, what you were trying to achieve?

Peter [00:07:35] Yes, I mean, first of all, I think we went through a process and found out a whole lot of things that I knew I didn't know. Like you'd ask me questions. I wouldn't have a clue what the answers were. Then we go through a bit of that frights along the way. We have five plan of financially like a lifestyle, what we wanted. One of them is to pay by the house off, five years ago, my daughter went to school. So we really just knuckle down and work backwards from that. We just made budgets per year that we need to have this much profit to achieve it.

Matt [00:08:24] To achieve and then obviously the other goal is also get out of the home office. You are working from home, you had the boys coming over, the kids are there, and the wife is there. There was no freedom. There was no disconnect.

Peter [00:08:37] Wake up the baby, yes there was no disconnect at all. If I was home, I was working. You walk out into the garage and you're reminded that all the tools and all the equipment you just couldn't get away mentally. You couldn't get away from it.

Matt [00:08:55] And that's where you get that to that fried stage, where it's just like this is just like, again, just like your dad was just like, here we go. I've got nothing else. It's just work. This is very clearly with our methodology on the program. You know, work is secondary. We're using work to drive our lifestyle and our life and experiences and family. You've done a great job of that but just so with that those clear goals that we're really working towards, because at that time, again, working hard, that frustration over that journey now, again, you sort of alluded to especially making that change and getting you really uncomfortable again, like some of the numbers I was talking about, you know, how are you financially? You had zero out of ten pretty much right, your chart of accounts, your Xero is not terrible. You know, no real understanding of the type of client that you wanted to work towards. You're pretty much saying yes to everything. You didn't have an understanding about how to really build that team and empower the team. You know, I was very much, you know, have you got a license, you come work for me type scenario. By not understanding that sort of information again, then you become enslaved to the job. Just explain the difficulty and some of the tough times again and again, because everyone just listen. I just explained away, obviously, Peter is now in the great job, the transition. How was it getting uncomfortable? Getting sort of that looking under in the spotlight to say, I've got to change here big time, otherwise, you know, I'm in for a rocky road ahead.

Peter [00:10:27] It was scary not knowing the answers. You should know for sure about your business. I didn't know much at all about it, to be honest, and I wasn't even sure. I'll be sending invoices. I was missing stuff. I wasn't invoicing for months on end sometimes. But I felt like I was making money.

Matt [00:10:55] There's money in the bank or there's no money in the bank that was that false sense of security. This is where in the tradie mindset where you think it's all about the job. The false sense of security is I must be making money because I'm busy. But again, a lot of the time, you don't know if you are making sure you're getting all the variations processed, are my invoices processed? Am I getting paid because you are just in that cycle. But, hey, I've got a full deck next week. I'm busy every day. I'm going to be killing it. Essentially at that stage, you didn't really realise, you know, am I going to actually move forward in business now? So over the course of that year, just sort of fast tracking it now in terms of over that journey that we've been on and that the journey of that self discovery as a business owner, as a business leader, you know, coming back to around that 2019 sort

of stage, how'd you go with those goals? Having those goals, what did you tick off from a business point of view and a personal point of view?

Peter [00:11:55] Well, the business can run quite well without me. I am still part of it and if a part of the business isn't spinning, something's going to miss out. So I'm still involved in some parts of it, but I can go away for a week or two and have some good family holiday away and come back. It's done pretty seamlessly. Financially, the house is the big pressure point now; the mortgage isn't a big pressure point on our family. The team is strong and we feel like we've got a good core group around us that customers can contact directly rather than going, a lot of it goes communications [00:12:49]without me in it, a lot if it. [0.4s] We've got some good processes.

Matt [00:12:56] I'm going to dive into some of those direct processes and then obviously then to with the other key aspect too, which is actually identifying that A-class customer as well, which you've done a really good job on building the relationships, which are I'm going to tap into. The key thing I want everyone to hear about here, which is I want to dive into as well as that, you know, 2018, again, in your words, right, in your words. This is where everyone's going to be really careful, is that you tick a lot of boxes, you get that five-year plan or you tick the box that's not to say that you're resting on your laurels and you're leaning it back in the chair and saying, how good am I? Everything is cool now. I don't need to worry about the little habits and the little one percenters that got me here, but essentially, I know that in good discussions, especially our community, is that you're talking about getting distracted. You are looking at [00:13:43]Sola. [0.0s] You are looking at social media, what are other people doing? Essentially for a 12-month period and this is what I want everyone to sort of understand. So it is a great job of building the business up to a million dollar plus business with really good profitability, so good solid foundation and good management. Then in the course of 12 months, you've essentially, took your eye off the ball. Your revenue dropped. Your profitability went through the floor, and in your words, for that year, you would be better off working at McDonald's.

Peter [00:14:15] Yes that year, so 2018, it was really a strong year and in 2019, like you said, sort of just playing around with social media and things like that. It wasn't my fault I started looking at all these things and taking everyone's opinion on board and getting distracted by all the shining lights and looking around at everything else that could help us, we thought would help us. Trying to spend a lot of money and time on a new software implementation, which was a massive failure. So we just kept all these distractions.

Matt [00:14:59] And when you're looking at the [00:15:00]Sola, [0.0s] maybe you went down the [00:15:01]Sola, [0.0s] try to get registered in [00:15:03]Sola. [0.0s]

Peter [00:15:04] Yes, I looked at [00:15:05]Sola [0.0s] because everyone was saying go to [00:15:07]Sola, [0.0s] make some money and do this and do that.

Matt [00:15:12] Bitcoin is great, just jump on that.

Peter [00:15:15] Just everything, isn't it, I think because I got to that point that we achieved what we first set out to do and then started looking around, what are we going to do next? To get off the [00:15:32]move [0.0s] for a while, but looking at other things but got so distracted that we lost focus on what we're good at, but looking at other builders too. You know, we spent a lot of time and effort into, just low margin, high volume work and it is not us. So you are just thinking of all these distractions across everything but what we are good at.

Matt [00:16:00] You went away and this is the thing I really touched on. You went away from the principles and the habits and again, coming back to the way we do it here, the very clear values of what made you successful for five years. This is where I want really, every business owner and we all get caught up on social media. The next big thing jump on the next big thing. We've got to be very clear is pretty much your profitability and your golden egg or the golden goose, as it were, is pretty much right in front of you. But sometimes you think, I've got to look elsewhere. The only way, I wrote in my book, in the Power Up Your Business tradie book, I talk about there is a little quote from Bill Gates and Warren Buffett. So when Bill Gates and Warren Buffett first met, they had dinner at Bill Gates' place and Bill Gates' mother, put on the dinner. During the course of the dinner, Bill Gates' mom said, what do you guys think, what's the number one secret to success? Both Bill Gates and Warren Buffett at the same time just said focus. Very clearly, focus is the key to success and Warren Buffet, another good quote from Buffett, he says, you know that to be successful, you've got to say no to a lot of great opportunities, potential great opportunities. Yes that's a great opportunity, but not for me right now. I've got to focus on this and that's why you got caught into it, like looking going back and saying yes to other clients or other opportunities. You just lost got away from the core fundamentals of what build up that success. Then ultimately, again, your financial performance went through the floor. This is a cool thing, though. This is a great thing, especially listeners, is because you knew the foundations and you had the habits. You had the infrastructure in place or the assets in place to run a really successful business, you know, tapping back into that in 2020 and just to give everyone a bit of an insight and I would like Peter to talk about some of the things. I want to give you the results. So 2009 and it was a dead set fire. It was a shocker. Our revenue plummeted. Profit just went through the floor just from a percentage increase over just by getting back to some of these habits, which, again, I'll get Peter to explain but there was a 48% increase in revenue, which is awesome. But more importantly, the net profit increased by 225%. So it was a massive increase in net profit. Then some other key aspects about getting back, putting the structure in place, your stress levels was up around that nine or 10 and it's just gone down around that three, back to manageable. Confidence in the future has gone from again low three now it's back up to around that nine and 10 because you're tuning back into the community as well. You're getting back into the support that's required, but in a very short space of time by clicking back into the groove and getting the key success habits in [00:18:54]play, [0.0s] you're able to then tap back into it and really get back in terms of driving a profitable business. Now, on three key things I want to sort of talk about, right, the three key areas that we look at, you know, number one is a performance. So I want you to talk about, number one, the performance, which in terms of some of the success, arbitrary sales pipeline. I want to talk about things that also, I want you to explain about your real focus on your A-class clients, you know, those profitable clients that you want to love for a long time. Then also really important for everyone to really hear some of the processes and what Peter's investing in your team. I want you to explain on that. So rolling back so, number one, so from a performance point of view, which is around financials, what are some of those getting back to that regular habits around, how important is it from our methodology? How are we tracking, you know, making sure we have a 12-month profit plan? How has that really drilled in your focus on a weekly basis and implemented at the end of the business?

Peter [00:19:58] It's everything to the business now. So on every fortnight, I look at a tracking report, which is available from the Cube software. Download it, have a look at it, every Thursday morning, I'll get up early. Look at that deep into it and then it goes read, look at it and anything that is outside the budget, have a real good look at those. Make some notes and comments on the side of it. Then dig into it a bit further by doing that, you

just click on to your account card in Xero and you can look at the transactions, what's happening, what's happening there. Maybe we missed a payment, maybe haven't paid someone so it's green, which means in most cases, it says a good thing. We make sure we haven't missed a payment to someone or maybe a bill hasn't arrived to make sure. Every line item, we've got a lot of a large chart of accounts but it makes it so easy to understand our business what's happening is by looking at numbers, you can understand a little bit of the business and just want to touch on that more. Again remember listening to this podcast, you know, Pete's got a lot on, there are a lot of jobs on. The key focus for you is obviously knowing the numbers and that then allows you to make better decisions. So you're not just running knee jerk on a lot in terms of being reactive is very much fundamentally every decision is based on fact, and you're doing a great job now of getting back into your scorecard. So what you are talking about now is you're going to make sure your scorecard is absolutely correct and the transactions are correct and the bills are entered, everything's invoiced. You're managing that against your budget. If we're spending too much, what's going on there? Who's buying that or where's that being allocated to? So how's that just in terms of your confidence now, as part of that, your growing confidence again as a leader, using those numbers so this is a key thing. You've done a great job on your journey over the last six years from not even knowing a number and really being hesitant and really sort of pushing back to a degree back in the early days to really understanding and really adopting the processes. How has that just been as giving that confidence or that peace of mind, knowing that, you know, when you shut the business door at the end of the day, you know, you're in control? How does that go?

Peter [00:22:31] Tremendous, anxiety disappears of not knowing where you are and sometimes you are not wanting to look at the position they're in or haven't got that stuff entered or haven't invoiced it but now if we're behind, I just log into the Cube and we know that a certain percentage as the month goes on, we address it, we can address it really. You'd have to wait until two months or three months every fortnight we're on to it. Keeping our eye on spending and it's often said but the one percenters even yesterday I was doing our tracking report and we got five or six years of data now that we have built up, which you told me we would have when we first started. I thought, what nonsense, what absolute nonsense, so in and out and tell me where we are. Now that is so accurate, the budget is so accurate, material costs, the fuel expenditure, whatever it is costing so close, and that one percent that we might save in materials or wages and salaries makes it such a big difference to the profitability of the business, savvy.

Matt [00:23:58] And that's why I want people to understand, like a one percent, especially as business is growing. The one percent, you know, we're talking about 20,000 maybe 30,000 dollars difference on the bottom line. When we talk about the bottom line, I remember talking about your drawing a wage. This is obviously once you take after tax, this is about your return on business, return on investment for as a business owner. This is where a lot of people don't understand because they're too busy all the time. You know, just got to get the jobs down and they're not looking at the numbers. They don't understand. These little one percenters, the power of the one percenters that's the thing that can change your personal life around. I know obviously you know that too well, but it's amazing how quickly you can sort of fall off the perch that's good that you've got back on it. The other thing around the numbers, too, which is around the tracking report too, because as you alluded to, you got a budget there. So every month you've got a very clean number, sales target that you're accountable to achieve. Then obviously that on that weekly or fortnightly tapping into the sales pipeline, making sure you've got enough business development activity, how has that internal habit driving performance and driving

your clarity, also driving your communication and accountability with your other key team members?

Peter [00:25:08] From the first time you showed me that tool, the sales pipeline, I absolutely loved it. The confidence it gives you going forward and you work at it to drive it into the budget numbers. So we're working months and months in front of us of our leads.

Matt [00:25:27] I think you see five or six months in the black right. So five or six months in advance, you're booked out to achieve your budget.

Peter [00:25:34] Pretty close yes, which is like in today's climate, just, I'm really proud of it and proud that we have people who want to engage us to do the work and won some good contracts and. It's just the best tool that a business could use, I think, is that having a sales pipeline, knowing you've got enough because it refers back to the budget and we know we're going to do this X per month to pave the way but to get in front to have profitability, we need to be Y and we aim to be Y, all the time.

Matt [00:26:16] Yes and I think the key thing now, look, you're alluding to and this is we've done well because now, you know, you've got a model that works in terms of the percentages, the numbers and getting back, if we know we hit that top line number. It just as like cookie cutter approach, comes in, this is what we pay. This is the percentage we pay our materials and percentage we pay on vehicles, percentage we pay on our team and then we know, bang, we're going to hit the bottom line. So if we hit that that sales budget, we know we can pretty much guarantee that we're going to deliver on the bottom line. A great thing is this what I want to sort of really allude to is that you're not on the site. You don't have to be on the job site driving it right now. So three components you nail in the performance habits now, it's about then getting that team to buy into that. You've done a great job again with the way we do it here and really inducting the team about your values. These are our rules and this is how we want to do things. How important is it now and again, like, say, in those going through the pipeline, going through the tracking report, having transparency and allowing your key team members to come in and actually assist you and drive you, because, again, a lot of business owners, they'll say, now look, I don't want to share information, I don't give too much away. You know, now, if I give too much away, then they'll take it and run their own business or they'll think I'm killing it, you know, which again, that's the Dark Ages mentality, right? Businesses that are doing well is exactly what you're doing, which is transparency, letting people in, allowing people to take ownership of it. How does that really transform the way that you approach business as opposed to how your dad approached business? Also, how have you seen your key team members now really take it and own it and live and breathe your business as well, just as much as you do?

Peter [00:27:59] Love it. It is like they are partners in the business. It's like it's their own business and they treat the one percenters as carefully as I do, but sometimes also they take pride on delivering a job on time. They obviously appreciate the customer feedback when it's good feedback, but showing people. I think it's always a nervous thing to do. You are always a bit nervous when you first do it, but it gets easier. Once you start, if you get the right people that you trust involved in the business and the same values with the values with the way we do it here in Suffolk, they've got to be saying that. It is not just me getting on a [00:28:51] soapbox [0.0s] and saying this is how we're going to do it. We just revisit it before about a month ago. We went around, I said, this is the vision and purpose and values sheet that we live and die by.

Matt [00:29:06] Which is probably only about five years old or four years old.

Peter [00:29:12] About three, we've through it two or three times. We just keep revising it. This time I handed it over to them and we had a real good chat about it. What do you want to be? No, this isn't me, it's not just about me here, what do you guys want? What beliefs, what values do you want? I was trying to cut back on all of the ones that we already had because I thought because it was a bit wordy but consensus around the team was they really like some of them. So they fought back for it. I was trying to cross them off to make it an easier document to remember, but they said, no, I want that. I want to be accountable.

Matt [00:29:52] They're buying into it that's great, isn't it?

Peter [00:29:53] Yes, I was pretty proud of the way the team communicated those values back to me.

Matt [00:30:04] And it's good, I think the great thing, you know, I really respect you as a leader and you want to build that team of people that, you know, it's all about respect. It's all about, you know, you want people to come into your organisation and enjoy being there and also go on the journey with you and allow them to take it and run with it and that's what you've done a great job over a long period of time. It is hard to essentially get other people, a lot of people sort of struggle with allowing other people to sort of dictate what should our values be or what should we live and breathe by and you've done that really well. Doing that over a long period time and especially, I suppose you are solidifying it again over the last six to 12 months, like how has been the increase in performance and again, the buzzwords, their accountability, their ownership, and just essentially their willingness to sort of step up and take it, how has that been?

Peter [00:30:57] It's been tremendous, you know. Revenue has gone up dramatically and our wages bill hasn't really. So they now are at the work, they're proud of it. They're doing a really good job of it. The leaders have really, we got two team leaders, they're on a journey, they're learning, we're learning to let them lead and they're learning to lead. I try to encourage them to lead from the front because that's the only way I know how but there are other ways to lead to. I'm not the master of leading.

Matt [00:31:44] The key thing about it is that's the thing. Everyone, every individual has got a unique personality and it's not about especially in this day and age, it's not about just one-size fits all. I think you do a good job of tapping into that individual and get the best out of them. Some people don't want to be leaders and some people don't want to sort of take more responsibility and that's fine. Every team needs certain people in their role. I think you're doing a really good job of getting in that role. Your key team members that you've got there, they really take big ownership, especially how they're tracking the one percenters. There is a sales pipeline, things like that they really step up and just having someone there in that support as your right hand man, as it were, how much sort of peace of mind and confidence has that given you? Again, it's a lonely big gig, right; it's a lonely gig running a business. It can be really hard. So having someone as your right hand man in Ed, you know, he does a great job. How great is that?

Peter [00:32:43] It's been amazing having him around. He treats the business like it is his own and he's just a nice person, no ego, and he's a brilliant tradesman. As I say, this year we really got Ed to be running the operations manager, which again, we're all learning, but it's a personal responsibility. He's learning how to find his own way of delivering his requirements and I'm learning to butt out of it.

Matt [00:33:23] That's right, you are learning to take a back seat and look one thing too that you've done really well, which, again, a lot of people might find interesting is that you've actually invested in outside consultants as coach as a way to help bring Ed along, which is great. You know, you're really investing in it to ensure that Ed thrives in that role. You want him to succeed in that role and you're investing in that. How has that been and how has Ed sort of appreciated that support from you investing in that individual to help him grow in the role? How has that been?

Peter [00:33:55] I think he is thriving in it. So he's driving, like, as you call it, the BD like the sales, and filling up the pipeline and Ed has got the job done with the resources we've got in the time frame in those months and got the job done so the invoices can go out. So we have some really productive meetings. We've got a consultant, Wally, sits in with us and he drives us both in some aspects. If Ed and I were in the room, we're not going to talk about some of the hardest things to talk about. Like if I say it's red and Ed is saying it's blue, we just sort it out like men, like business owners and just get on with it and find a way to make it happen. It's been, it's really good to start having an open dialog.

Matt [00:34:59] It's great having Wally there being objective and again, just the key thing, too, is that often, you know, sometimes Ed may have some issues with certain things around you, doesn't want to bounce something off you, whereas, you know, he can go to Wally. So a good thing is, the highlight is you're putting us a bit of a support mechanism in for Ed as he grows into that role as well, as well as for you as well. So that's great and obviously, which is awesome and then on the back of that. So with that, you really you've got that that team really performing and you're nailing it. As you said, your key thing, the value to your business is solidifying those relationships that for some of them you've been managing for as a business owner for over 20 years. Again, you've got a little distracted. You look at shiny objects and it's all about now getting back onto it. Now, you've done a very great job and just for everyone, like back in the day, you do a lot of [00:35:52]resio [0.0s] high volume or specky sort of stuff and tapping a lot different markets from [00:35:57]electrical [0.0s] and data point of view to really now being in that high end residential sort of architectural market there. You know, you've definitely know, especially in the northern beaches, the northern suburbs of Sydney, you've done a great job of positioning yourself in there and now that's what it all comes down to two things. Number one, you solving a lot of problems, you are solving a lot of problems for this particular customer because you're not trying to solve problems for everyone but just this type of customer, this A-class customer that we love. You are solving problems and more importantly, you are solving those problems and you are adding value to that customer. So because what we've always talked about, it's not about the price. People will sort of start looking at price when they don't see value. Even if you go in a low price and you don't deliver value, they're still going to think they're ripped off. What we're about is all about value. It's all about making sure we're delivering the right solutions to the problems. Now, how is that been your focus on that market? What are some of the key things that you've been working on and developing as a leader over the last few years to really improve your business-to-business and build those relationships with those high end A-class clients?

Peter [00:37:06] Like you said, the pricing is one thing being preferred and price isn't what we're about. We're about the trust, being in people's homes and they will often leave us in their homes when they get off to work before COVID anyway, and they just open the door we will help ourselves in the way and they trusting us that we're going to do the right thing. They are trusting us that we know we are going to put the right parts in, a lot of our customers we've had, like you said, for 15 years. We don't forget what helped us get to

where we are, the people that we did a house for 15 years ago, if we can help them with the right products today. We will do that. We don't want to bring in with any little niggling issues that we put the best stuff in that we think will solve their problem.

Matt [00:37:58] You don't cut corners.

Peter [00:37:59] For quite some time, we wanted to just ring up and [00:38:04] what more not the oven wants to [2.6s] go back and fix things, which all products you can have issues with but most of the products we try to recommend things that we put in our own houses.

Matt [00:38:18] And that's the thing about that, understanding what their needs are, so you're not trying to, again, sort of put in a solution that's for a low level or different sort of customers, just like we only deal with one type of customer. We understand this is the best solution and that's a good thing. Your team is confident delivering high value and high quality products. Then just that maintaining it but just how important is it to, again, just by having how easy is it clearly focusing on one type of market and this comes back to the sales pipeline. So, you know, having that sales pipeline gives you confidence, knowing that the next because when we talk about everyone, this is what I want you to understand, when we talk about the sales pipeline, it's not about just filling the sales pipeline with six months of work with any types of customers. We're talking that Pete has done a great job of filling your pipeline for the next six months with A-class clients. I say A-class clients that are going to deliver a lot of their budget. So how important is that? Again, just having that confidence and just that I suppose that familiarity with the same type of client, the same type of problem, same type of process as your team can just roll with it. How much easier is that too for operating a business as well?

Peter [00:39:25] So much easier it is now, when we get a days work, we kind of know what we're up against. We know who we're going to deal with and nothing is uncharted kind of thing. We can deal with that as a group and deliver a really good result for the customer and providing value, and hopefully they'll get us back to do something else in the future, they will recommend us. We've really had no marketing for like the whole time we've been going any marketing the [00:40:01] song writing [0.3s] is on the band really.

Matt [00:40:03] Well, the marketing is you have no marketing but it is actually delivering good value. This is where a lot of people actually fail to understand that is that if you do the best job you can deliver value and deliver on your expectations that's the best type of marketing because they can actually come back to you. A lot of people need a lot of external marketing because they never get referred back. They never get the clients coming back. So your marketing is bringing your A-game to the client. Bring your A-game to planning and getting the team on board. So, yes and that's the key thing where again those subtle little changes you have made over a long period of time again, just getting into that really niche market now and you're well positioned there in that market. Now the final sort of part of the puzzle with the processes and then the structure and what you've been putting in there, which obviously is to fine-tune everything. How important is it? How much of you and this is where it comes back to the group who you circulate with. If you want to be a high performer, you want to be hanging around high performing individuals. But as part of the key performance community, and other sharing of leveraging of other business leaders and tradie business owners stories, you know how powerful has that been leveraging off the community?

Peter [00:41:16] You feel pretty inadequate at times, listening to some of the skills that these guys have and some of the ideas. We all share them and borrow the ideas of one

another, which has been amazing. Like, for example, one of the one of the guys will explain that he was having team breakfasts. I think we will. We kind of taken it on.

Matt [00:41:45] Everyone now is doing on a Monday morning team breakfast that's it, let's go.

Peter [00:41:49] It's a brilliant.

Matt [00:41:50] Set up the week.

Peter [00:41:51] Yes, so we do it every fortnight, but we kind of offered the team leaders if they want to run their own breakfast every other week, they can. But the results have been outstanding from that. Those kinds of things get together; get this stuff out of the truck. We need to be in the trucks, get organised for the week, have a chat. If we learn as a group together, all those little things that in that community we all share among each other's thing and having the support, it can be a lonely spending the hours by yourself running a small business and just knowing that you're not alone that we're all in a similar boat.

Matt [00:42:32] I think that's a key thing there, because it is, it's tough running a ship, leading an organisation, it does get lonely. I think, this where, for any business owner that needs to be, you know, wants to improve, you got to look at the group that you are circulating with. There's nothing worse if you're continually, you're a business owner, you hanging around with other tradie business owners and they are on that tradie mindset. It's all about the blame game or whinge and then it's all about price. It's going to be hard for you to get out of that cycle. You want to be in a right community that can actually help you thrive and grow and support you and that's where you've been great, obviously contributing great stuff to the community as well. But I think that's the key thing, is that one of the aspects that for you is that, you know, your ability to be open to learning and more importantly, to apply new things. So the community, everyone that's so important so make sure you're in the right thriving community. Again, success leaves clues, everyone. Success leaves clues. You do not have to reinvent the wheel. We're just plugging into what works, hey, happy days. I think that's really important for any business success. It's a credit to what you've achieved and your journey over the last six years that we've been on board and looking forward to the next chapter. One of the things just as a takeaway, just for a business owner that may be struggling with time at the moment, maybe, you know, is it all worth it again, in your words? I'm just burnt out. I'm out of here. What's the one sort of takeaway that as a recommendation or a tip for them to sort of tap into?

Peter [00:44:10] You need support and support from someone who knows. So a shoulder to cry on or something you need like someone to point you in the right direction, who has seen it before. This is not new. We'll go through the ups and downs, like what you said, the community around you, and make habits, make habits that aren't just revolving around you just going to work and doing a day on the tools, like look at some time, lock out a party calendar to start off with it, it's once a fortnight just lock out at a small part of the week and just concentrate on improving the business. I think of the things that we first worked on is what are the most annoying phone calls about if you're getting all these phone calls, you haven't communicated well enough to start with the team or the customer. So we try and we are always evolving. We always try to improve something that we want to work first go. So get better at it and try it again and just slightly make an effort to improve it.

Matt [00:45:24] Process of evolution.

Peter [00:45:26] Process of evolution and just delegate, automate, [00:45:26] it's idyllic isn't it? [7.9s]

Matt [00:45:35] That's right, automate, delegate, if it's not good then get rid of it. One of those things that sort of is sucking up a lot of your time, what you're alluding to there is that there's a lot of people say they'll try and put a new process, you know, or a new habit, so it doesn't work. But, you know, it's that what we're trying to you know, you create a process and you actually implement it and you test the results, then you modify it again and you go again.

Peter [00:45:56] In the valley of disappointment, you call it.

Matt [00:45:59] The valley disappointment that right.

Peter [00:46:01] We've been through a few of those valleys. It does, you start climbing back out and you can see things not going right. You think about it again, you get back down, it goes back down again. Then on the other side, you come up the hill and it worked for you.

Matt [00:46:18] That's right because in that valley of disappointment that we talked about there is often you think I'll only take a month and it will maybe take a year but generally it takes a lot longer and that's when you're riding through the valley of disappointment, where you think that you've actually wasted your time, well you haven't actually wasted your time. It called latent potential. So it's still there. Then when you cross that line, I say, oh, finally and that's when you hear people like being like an overnight success after battling for ten years but that's the whole persistence there and that and that mindset of we're playing a long game and that's that key thing as a business owner. Some things work and it doesn't mean it's not the right thing. It just means it needs that refinement and going back again. Now, look, really appreciate, Pete, great story. Thanks for sharing that. For those listeners, there are a lot of great takeaways that you can really sort of apply. Obviously on your journey as a business owner, everyone's got their own little story that's happening. So I'm sure you can tap Peter's story. So, as always, mate, really appreciate it.

Peter [00:47:20] Thanks, appreciate it. Looking forward to keep building the rest of the year.

Matt [00:47:24] It'll be good and beyond.

Peter [00:47:26] And beyond for sure. Yes, five more years.

Matt [00:47:28] Cheers, everyone.