

Sink or Swim – Time to Lead

Corey King Interview Episode 10

Matthew [00:00:00] Welcome to Power Up Your Business podcast. I'm your host, Matthew Jones and in this episode, we speak with Corey King, director of SJM Plumbing based on the Gold Coast. Now, Corey's story is definitely one of sink or swim. Corey and his three brothers had to jump in and start to manage and operate the family business in 2016, when, unfortunately, their father got diagnosed with terminal cancer. Corey and his brothers, they were trainees in the business, being an apprentice coming through to be trainees. All they knew about was the job. All they knew about was getting things done on site. And it was a massive eye-opener in transition to Corey, who was ill-prepared to manage a business, and pretty quickly, he got constantly snowed under and closed a burn out by spending big days on the job and then also having to spend a lot of hours on the business in the office, which he had no idea about. And ultimately, being busy for a number of years, Corey's brothers doing a lot of good work, a lot of good turnover, but unfortunately, there was no profit in what they were doing. They didn't know what to measure. So, really hear how Corey, over the past 12 to 24 months, really immersing themselves in the Power Up Programme and really being open to change. Now, Corey has done a great job of getting out of the comfort zone, what we termed getting out of the comfort zone and getting uncomfortable, getting Corey off the site where he's comfortable, getting uncomfortable focusing on the business. And the really great thing, what Corey has done, he's been able to drive the business by actually doing less and driving accountability by focusing on the one percent as Corey started to use the numbers and the data to make educated decisions as opposed to just working off gut feel. One key aspect and really credit to Corey is that he invested heavily in training his team, like really ensuring that they understand the expectations of the rules of their game, really allowing his team to own it and buy in to the values and the key behaviours of that team. And what that's done is it's allowed to led the team to make changes in their own decision making, which ultimately has enable Corey to cut the overtime bill significantly. And the result well over the past period, revenue increase of 25 percent. Corey's brothers are now driving a two million plus annual business, which is great. But importantly, the bottom line, a massive 471 percent operating profit increase from a loss previously, now to getting money in the bank, now to getting a return on that investment of blood, sweat and tears as the owner. And Corey stresses down as a leader, his confidence is growing. Team ownership is growing. The quality of clients are up because now starting to say no to those déclassé clients, those clients that waste time but deliver no profit. So, this is a great story, one of definitely resilience, definitely one of sink or swim, having to take the reins and go with it and learn on the run. So really enjoy this, I hope you really enjoy the story. Cheers everyone.

[00:03:10] You're here to change your life. Because there's too much on the line, you're sacrificing right now and your family take the benefit. You got to make learning a passion for yourself. I think if they come to realise it, hey, I've got to get better at business.

Matthew [00:03:32] Great to have Corey King from SJM Plumbing Services on the Gold Coast jumping on board, MD of the business. Welcome, Corey.

Cory [00:03:41] Thanks, Matt. It's good to be here.

Matthew [00:03:42] Because you've got a great story to share and I know a lot of listeners on a tradie businesses will really resonate with your story. Just to give a bit of background, you're now running a family business and essentially, it was about 2016, about four years

ago, you and obviously then your three brothers as well took over the operation of the business?

Corey [00:04:00] Yes. So, my dad becomes sick, got diagnosed with terminal cancer. That sort of forced us to re-evaluate everything. So, yes, me and my three brothers decided to take on the business and help continue running the business while he was going through treatment and everything all that. We had about 13 people employed at that time and we didn't want to just shut everything down and let everything go. So, yes, we sort of took over the business, got started, just continued on from what they already had operating.

Matthew [00:04:35] Because the business had been going in that stage about 20 odd years, correct?

Cory [00:04:38] Yes.

Matthew [00:04:38] At that time, all four of you, yourself and your three brothers, were you all working in the business as well?

Cory [00:04:44] We did. Yes. So, I started my apprenticeship in 2001 and yes, I've worked the whole time for dad. I had about a two-year break. I went overseas for a couple of years and come back, but yes, always done plumbing with him. Same with my three brothers. Yes, once they come out of school, they started their apprenticeship. So, we've all worked in the company for a long time.

Matthew [00:05:06] Primarily, the four of you were just mainly on the tools, you're more driving the jobs, not so much in the management realm at that stage. Is that right? You're more sort of making it happen on-site?

Cory [00:05:17] Yes, that's right. Yes. So, I guess you could say we were sort of like laid hands around a fair portion of the maintenance side of the company at that point. A little bit of new construction work as well, but more laid hands started the majority of everything else.

Matthew [00:05:33] With that transition then, like how was that? Like obviously, the news that dad was sick, how did you and your brothers process that to say, okay, let's take it, let's just keep the legacy going? How did you process that and work through that?

Cory [00:05:46] It was extremely hard because at the same time, because dad had been diagnosed with terminal cancer, he had been given 12 months. That was sort of we had to deal with that. And then I had to basically show up for work on Monday. And like we had quite a lot of work on at that stage with 13 people. So, there was a lot of different moving parts, a lot of construction jobs, a lot of maintenance work on. Contracts are already in place, we're halfway through. So, we didn't want to sort of just close all that down and let it all go by the wayside financially as well, because we thought that would be another stress that dad would have to deal with. So, it was pretty important for us to carry that on and have him see that before he pass away and see that we were okay as well, that we were going to be fine. So, yes, it was pretty important to me.

Matthew [00:06:36] Hundred percent, obviously, if your dad, to give him that peace of mind, knowing that he set the family up and the brothers up, with a going concern and the business is still viable and that he's not worrying about your financial security. It's amazing how you go down one track and then pretty much overnight, it's like, right, you guys now

are going to have to run the business. And how was the process then between the four of you to really come to the decision where, okay, Cory, you are going to be the MD, you're going to manage the business now and then the three other brothers essentially still the leading hands. How did that sort of come about? Was that just a natural sort of selection process between you and your brothers or was there a bit of a dialogue or some discussions there and was just like, no, it's all yours?

Cory [00:07:17] Yes. So at that stage, I was sort of managing the maintenance side of things anyway in the business, and I probably had the most experience on the actual business side of it. It was always sort of an intention to take over that role within the company. It got pushed along a lot quicker. But yes, we basically sat down, had a bit of a meeting and discussion and said, look, this is the situation. I'm happy to step up to the plate and manage the company and everything like that. But yes, it has to all come from, like you have that one sort of person steering the ship, and then we sort of developed a business structure sort of thing roughly through that because it sort of became more laid hands sort of set up. First 12 months, we had a lot of work lined up already, so it was kind of just stuck in and that sort of changed on my part quite a lot just for the invoicing and stuff like that. But we've got Alexis in the office, shaping with the company for seven years, eight years at that stage. So that was really helpful because we didn't have to show anybody that side of it. Yes, we sort of worked really well together, so it made a lot easier.

Matthew [00:08:24] To get fit straight in that role.

Cory [00:08:26] Yes. We didn't sort of really change staffing wise. Things didn't change too dramatically. It was just sort of my position moved from being on the tools into the office. I sort of started three days a week, four days a week, and then I'd try and do all the tools at the same time. It was a huge workload.

Matthew [00:08:44] And we've been working together. We've been the last two or so years, correct Cory? Over that time, and I know personally, you've done really well. Because look, overnight, you had to, as you mentioned, you're going from the tools to the office trying to process that when you've been hardwired to be working on the tools all the time, getting the job done, being busy, a lot of time being reactive as well, to then being thrown in the office environment where you've got to sort of slow down and be more proactive. And how did you sort of process the fact that where were you best serves? The value for the organisation that you could deliver, where you best served? Now, mainly often business owners and people running a business, they think they're still best served by just being on the job and making things happen on the job. They still don't understand that the best position is to be spending at least quality time in the office, looking at the numbers, looking at the team, looking at relationships. Are they steering the ship? Cash flow and other things like that. How was that transition between you being that firefighter and really being busy all the time to actually slowing down and working on the fundamentals of business? How was that?

Cory [00:09:48] It's been a real challenge. It's been pretty hard, you just have that, as a tradie, your natural, oh, I can go and fix that sort of thing. I'll go out and help the guys on site. That's where they need the help. They're really busy. But then things fall by the wayside that you don't really notice in the office and stuff, and all of a sudden, cash flow slows up because you haven't sent a heap of invoices, like your money is odd, the jobs just aren't adding up, and you sort of so busy focusing on doing the job, but you put away of actually making any money to the side because it sort of doesn't seem as important.

You try to keep the customer happy, keep everyone happy, but it's been a massive learning curve. It's a really sort of step back and assess everything.

[00:10:35] We're speaking with Cory King from SJM Plumbing. If you'd like to learn how you can earn more with a lot less stress, just like Cory, please pick up a free copy of my book. Power Up Your tradie business, only pay for shipping. Go to www.powerupyourbusiness.com.au/book and enter the code podcast, all lowercase.

Matthew [00:11:02] In a tradie mindset, yes, it's what we build on. This is like, well, I'm busy. I've got heaps on, so I must be doing okay. We've got heaps in front of us. There's a lot happening. I don't need to worry about the numbers. I'll just take care of themselves. Let's just get it done. Have a good time of invoice. Have a good time to make sure are we getting paid? Have a good time to make sure your other guys are being productive. Let's just get stuff done. And that's that common thing where, as you sort of touched on, when we're on the tools on the site, we see what gets done in the day. You get there in the morning and then at the end of the day, there's a drawing line or you get there in the morning and at the end of the day, it's all been fitted off or it's all been roughed in and the walls are up. Correct? You can physically see it. The thing with business is the lag effect where you don't see immediately a problem, okay? It just creeps up on you, but not invoicing every day. You don't see an immediate impact. There's a lag event, but you're going to have that lag if it was going to be no cash in a month's time or a couple of weeks' time, and then you start to go, well, how did this happen? And this is the thing where as a tradie, you can't fix that quickly. As you mentioned, like when you're a tradie, you can quickly get in there, fix it, broke, and done, awesome. But this is where a lot of business owners get really frustrated because their tendency and their skill set is to get stuff done and fix it quickly. But with business, if you take your eye off the ball, if you get in the red in your cash flow, it may take you like a month to get in the red from a cash flow perspective, it may take you six months to get out of that red or 12 months to get out of that red with no cash in the bank. And that's the thing which we were stressed, stress time again. This is where a lot of business owners really struggle with, the fact that because I see something on site, they've got to be there and they see something happening. But in the office, they're not saying it. It's not that I appear to be urgent, but it's critically important and they let it slide. But that's when it gets hard, because then when you do get in that stressful situation, Cory, it's hard to then turn it around and change it. You can't just change things like you can on a job.

Cory [00:12:57] Yes, that's right. And sort of we experienced that last financial year and a little bit the year before. We were sort of flat out about it. Heaps of work on. We didn't have to chase work. It all just kept rolling in because we do a lot of work for new builds. That was just always new projects coming in, like a bit of coding, but weren't competing for work and stuff like that and then head down, going flat out and then just work slowed up, just dried out, finished a couple of large projects. And then we had probably seven, eight months in the red continuous and it just caught us out by surprise. The market in new home sales did dive a little bit, but we definitely weren't prepared for it and yes, then we've spent probably the last twelve months trying to strengthen that and rebuild that, and have a really solid foundation so that we're not relying on new home sales for our company. Like we've got a diverse field of work that we do, but being able to forecast and see what's coming up in the next three months, I never did that before. It was always just like we had so much on. There must be more coming all the time. But at one point, we had 50 units on the go, plus about another 75 houses all at once, and then it just stopped. And I was like, I had no idea what was coming up six months down the track. Obviously, some jobs came in, but it definitely slowed up massively and it sort of made me realise, okay, me being on

site every day isn't where I need to be. I need to be out with the builders and really pushing the business itself, not so much pushing the guys to do the work. Like you've got to draw the actual business, just take a fair bit to get your head around it and get used to it.

Matthew [00:14:46] You know, at certain times, it's just really challenging. Plenty of sleepless nights where you got a thousand things on because your mindset slips back into that tradie mindset, where is the job, job, job, and then you try to end it in between being busy on the site, you're trying to fit in between all the important tasks, which you can't do that.

Cory [00:15:04] Yes.

Matthew [00:15:05] What I want to get back to which is a real critical component there, which is at the main failing of businesses, is that you get busy, you got 50 units on the go, you got 75 or 100, whatever it was, houses on the go, you get busy. And that's where the business owner gets focused. They get focused on delivering that and they don't keep focusing on their business development within their sales pipeline process that we work on. You still got to keep the leads coming and those prospects. You still got to follow up the [00:15:34] quotes. [0.0s] You still got to follow up when it's [00:15:35] won, [0.0s] because often, like you did, you get through all that amount of work and then you pop your head up and then you go, oh, there's nothing in front of me, what's going on? You just think it's just going to keep on rolling, right?

Cory [00:15:46] Yes.

Matthew [00:15:47] So this comes [00:15:48] back to, I want listeners [0.3s] to understand, the value is not just to get in there and just get it done. You should be then making sure, which I want [00:15:54] to talk to yourself, [0.0s] Cory, about really engaging the team. You've done some great stuff with your team, but at all times, you've got to have that business head on. As a business owner, business leader, your main priority is looking ahead, you're navigating through the storms, the economies, markets, builders going broke, whatever that may be, you're going to navigate that. And you can't see, you can't effectively navigate through the storms if you're stuck on the job, if you're just working on the job. And that's at your evolution into that leadership role, it has been great. Now, one thing I want to touch on too, which you sort of alluded to, where you got great support and I definitely recommend to every business, especially if you want to grow and scale, you need that good administration support. You've got Alexis as your backbone. Now, I know that some of the decisions and some of your behaviours have really frustrated the shit out of Alexis, correct?

Cory [00:16:46] Absolutely.

Matthew [00:16:47] Frustrated Alexis, right? Alexis is there ready to help you but you're too icy and make things happen, yet you think certain things are not important. You think Alexis doesn't need to know that or why are we doing that for, because you've got to be on the job site, correct?

Cory [00:17:03] Yes, you definitely slip back into that mindset and it's like, oh, I've got to put this fire out and then I'll deal with that later. [00:17:10] You soon learn [0.1s] that it doesn't work.

Matthew [00:17:12] And I think you had that, which again, a lot of people do, they really fail to understand the value of that admin person. Would you agree now? You've got to be totally aligned, you got to be on the same page with how the business are. Too many times, again, you'll employ someone from an admin point of view and then you just sort of treat them like a mushroom, leaving the corner and just process that data. That's not good enough. That's not talking about being on the same page or having the support. What we're talking about, which is what you're doing, those success habits that we really harp on about right within the Power Up Programme and the coaching is that you and Alexis need to be collectively together. What's happening with the cash flow forecasting, agree? What's coming in, what's going to be invoice sales pipeline? That then allows Alexis and yourself to be on the same page to make educated decisions as opposed to what often happens. So yes, [00:18:03] Alexis, [0.0s] you just do that. I'll go over here and you disconnected. Again, just from your stress levels coming down and give you greater confidence, the importance of those really key habits of connecting yourself and Alexis.

Cory [00:18:15] You've really got to work as a team on that side of things and to be able to analyse what your cash flow forecast and your sales pipeline and everything like that. It does take both of us to put it all together, like she does all the books and all of that side of it. And then I sort of back her up with what jobs have been quoted, what jobs have been won, stuff like that, and making sure that everything is in the right spots. And then, yes, just so we can both understand everything and work together, it makes a massive difference. You have to have someone in your administration to do that, you just can't physically do it all yourself. And you do have to put a lot of trust into that person and give them the reins and say, okay, look, this is going to get sorted. We can work together. You do that side out, I do this side and we join it in the middle and everything works really well. For me, like I have to be in the office at least four days a week for that to happen. If I'm out on site a couple of days a week, starts to get on top here a little bit, but yes, definitely, you have to have someone that you can work with in your administration side and that you can just give them the full range as well. And it helps, like if you've got a problem, you've got someone to bounce off as well. You're not just sitting there by yourself trying to figure all this out. There's things that I say sometimes on our panels and they'll be reading through it and trying to figure it out, and you've got someone else there to say, oh, hey, I can see this and can say there's a bit of a pattern happening here that you might not notice. It's really good.

Matthew [00:19:47] And that's what you're doing really well. And as we go through on that monthly basis where you're doing really well now, you're going through how a tracking report and just do a snapshot. Obviously in the last period, the period before, we're having that focus and we've increased our income to have like 23 percent, gross profits increased. But more importantly, we had a massive increase on our operating profit by about 470 percent. So, that cash in bank in control. So we've gone from making a loss, and that's the thing, you're working hard, you stress the eyeballs, you're putting in massive hours, but you don't know you're losing money, correct?

Cory [00:20:20] That's right. Yes. We were flat out, like most often than we do now, we were absolutely [00:20:26] flat chat. [0.0s] And at the end of the year, we were behind [00:20:30] the eightball. [0.0s] We were making a loss and then we try to piece it all together and thinking like, why is that? We're just not making any money. It was really frustrating. And then your stress levels are really high, so you don't think clearly. It just all sort of spirals out of control, yes, and it happened so quickly. It's very hard to turn it around the other way.

Matthew [00:20:50] Yes, definitely. You fall a lot quick in the rise and there's so many times, there's so many stories, especially in our community and on the podcast that we talk about here as well, you think you're sweet, you take your eye off the ball, and then all of a sudden, oh, I didn't see that coming, how did that happen? It's great though now with the processes that you got in place, this what I want people to listen and understand, like the success of it. So, we talked about your lock-in time on a weekly basis with your admin team or whoever your support team, are we invoiced up-to-date? Who owes us? Who's going to get paid? What cards are outstanding? Follow them up. Convert into a win or loss. How many leads have we got there? And then our cash flow, what's coming into that bank this week? What's going on of our bank this week? How are we looking? These are some of the key fundamentals. If you look at it from a sporting point of view, these are the stats and the processes that we need to make sure we're making the right call and that we're going to win. We want everyone in our community to win, okay? Put enough in a lot of blood, sweat and tears. You got to win a business and to win a business, the only way to do that is to understand the scorecard and the numbers. And that's what you've done really, really well, mate. It's really, really pleasing. The key things about enacting that, because as we identified, within the profit plan or within how a tracking report or the panel, that's where we can identify that potentially productivity was not great, potentially, that the team were wasting a little bit of time on their ordering now. And that's one thing, have you been starting to use data and share that with the team? One of the things is obviously if this works for your report, which really identified that the team are really going to order at the wrong time, they're probably not being as productive as they could be in terms of why not ordering online. Again, using the data, using the information that you're starting to get now by having the better understanding of the numbers, what improvements has that made in your direction to the team and your decision making with the team and also more your confidence. Now, this is what we're doing. How has that changed?

Cory [00:22:44] It's been really good because like my three older brothers are partners in the company. So, having the data to refer to and to use to say, okay, look, this is where we're sitting at the moment. This is how we're tracking. This is where we're going. This is our profit and loss. It's all there in black and white. It's not just coming from me. It's right there. They can see it. And it's great for me because I can refer back to it and go, okay, look, I can see how we're going to go in the next month and the next two months. Have we got enough work on? Are we tracking well? The [00:23:18]reeceworks [0.0s] for your reports are amazing. That was a huge eye opener for me. And it's really good because then, as you start to turn the corner and with the ordering and stuff like that, you can then show them the improvements on the data. And then they sort of say, okay, look, there's actually something tangible that you can see it changing. If you don't know those numbers, you just sort of guessing and always had a pretty good grasp of where we were at, but I never went into the numbers as much as I do now. It's so much easier and less stressful that I understand the numbers, because prior to that, because I didn't really fully understand everything that was in there and I couldn't read it and forecast and see it, I just get really stressed out and frustrated with it. So then, you put it on the back burner and you go do something else, and you always choose that path of least resistance, as you always say. But it all take time. It's something that has taken time and it's pretty daunting to start with, but you just got to keep working through it. And every day, it's just, yes, like we touch base on our numbers, I would say nearly on a daily basis, but like cash flow, probably at least twice a week. We have probably 20 minutes to half an hour meeting.

Matthew [00:24:34] So you're working through that 30-minute cash flow forecast within the cube?

Cory [00:24:38] Yes. So, we go through that at the start of the week and usually at the end of the week. So, normally on Monday and then on a Thursday or Friday, in between that there's the sales pipeline. Alexis updates most of that stuff. She puts a lot of that in, the data in, and then we sort of talk with each other as to what jobs have been approved, what hasn't. Are they in the right spot? What's coming up? And I give her the time schedules on those quite, so we can forecast. Is it going to be so much in this month? So much in next month? Some of our jobs carry over for six months or eight months.

Matthew [00:25:15] And you can plan in your capacity around that as well.

Cory [00:25:17] Yes. And it's been really good because I can say, okay, well, that job is going to carry us through for six months, but there might be a month there where it's quiet and we might only have a couple of jobs. So, it's like okay, well, I need fill in and we need to really hustle for that month like we found looking back at our data, August is a not a very good month for us, which I sort of never really realised until we sort of looked back. And so now, we can focus on making sure that August is a better month and look at what comes in, look at our expenses and stuff like that, and make sure that we've got the workload and the right jobs to carry it through so that we don't take a huge hit in August.

Matthew [00:26:02] And you did well this year, didn't you all? This August should navigate through that really well, proactively managed that.

Cory [00:26:06] Yes, we did. Yes. It's only because we look at the numbers and we've got the good data there now to read off, but we do that like prior to that week, yes.

Matthew [00:26:15] Your sort of mentioned before, and this is where most business owners do, when I talk to them, I say, look, what's your operating percentage or what are some key metrics? And they can't specifically tell me that. They go, oh, I've got a good feel for that. We're doing okay. We're okay. We're doing all right. So, that's just a warning flag for me that you don't really know. You're guessing, sometimes you might be right, but at the end of the day, you're not in full control of the wheel. And what I wanted to really clarify is a lot of business owners with their decision making, I like their confidence in making a clear decision, whether it be hiring someone, firing someone, firing a client or whatever decision they need to make with pricing. They struggle, they stumble and they feel a bit sick in their guts because they don't really know the numbers. Whereas now and this is one of the key things that you've done really well, mate, that's a credit to you, is to assist you and all your brothers to get aligned on the same page. You're using the data to provide, well there's a story. These are the numbers. That's the facts. Okay? Remove the emotion or perception or whatever you're taking out of it. There's the facts. As you mentioned, you're really using the data to back up the story that your brothers potentially, if you didn't have the facts there, they may have pushed back, correct? They go. Cory, come on, mate. We're not doing that. Agree? But now, you've got the facts, so they're like, oh, okay.

Cory [00:27:30] Yes, the [00:27:31] **reeceworks** [0.0s] for you was a big one for that. So, we realised that a lot of the guys were doing that ordering and then they would go to reece on the way to the job. But when we were finding out overtime, like the guys had always been working until five o'clock at night. We always have a massive overtime bill at the end of every month and was always a huge problem, that we've been working on for 18 months to try and reduce it. And sort of at the start, you look at it and you think, oh, it must just be because we've just got so much on and we're trying to get through all the work. But when we sort of had to look at the reece works for you data, the guys were going to reece

on the way to the job, but our highest ordering was around between the six and seven o'clock in the morning mark. So that in turn, I spent half an hour there. Then they go to the job, so they're not getting to site until eight o'clock, 8:30. Then they'll unpack their tools, and the productivity and the flow of the day is slowed down at the start. And sort of the most productive part of your day is generally in the morning, and they were spending too much time ordering the gear before they were even getting set up. So, the last sort of three to six months have been really focusing on preparation of the work and making sure that the orders are in before that six o'clock order in a day ahead or two days ahead for a job, and it actually frees up your time in the morning, so that you can go to the job and spend less time at reece. I mean, [00:29:05]reece [0.0s] love having you there at seven o'clock, but that's not a productive thing to do to be in the store at seven o'clock in the morning.

Matthew [00:29:11] No, not when everyone else is there, and everyone else who's there just sort of [00:29:14]scrambling [0.0s] over everyone. That is a peak time. [inaudible] you go in their peak time, you're going to be kicking stones. But this is all the thing about being that day before getting the order train, to reece the day before. For 15 bucks, whatever the ordering is, just back then your price. It's a lot cheaper to get it delivered than it is to stop what you're doing. Go there, pick it up, then come back. It's just ridiculous, right? And this is our thing, using the data, understanding the change behaviour. And unless you know what you're looking at, most people don't know what they're looking at in the numbers, and that's understandable, but a lot of people don't want to get uncomfortable. Like you mentioned, you have a lot of people go, I've got a choice. I'm going to spend the day looking at cash flow and my numbers, and productivity and profitability, or I'm going to spend the day on the job site. What do they do? They don't want to get uncomfortable. And that's, again, credit to you getting really uncomfortable. Have you been getting out of your comfort zone and you'd agree that I've pushed you hard. I'm going to keep pushing you hard so you don't fall back in that comfort zone. I know with some of those moments where you felt really uncomfortable, especially with Alexis at you as well. So you're coming from both angles. I'm coming from one angle, and Alexis coming from another angle. How does that make you feel at certain times?

Cory [00:30:23] It's tough because it's something I've never sort of had to encounter as well. Yes, I've got to really look back at myself and I have to assess what I'm doing. And is it the most efficient and valuable part of the business? I know I even think sometimes when I'm out on site and now like if I go out on site for a site meeting and the builders rocks off half an hour late, I'm sort of sitting there going, come on, like I've got to get back to the office. I got things to do. Like my time is important. Whereas before, they're kind of be like, oh, you know those shops and we'll just hang out here, and it's something you have to work on every day. But it is difficult, yes, but it is good. It's what I needed to get that to happen and to be pushed. I don't mind being pushed.

Matthew [00:31:09] That realisation of where your value is and where it lies in the organisation. And it's about you also realising your time is important, and that's as we always say, if you've got to miss [00:31:20]a [0.0s] client or a d class client that doesn't respect your time, then you're not going to build a long-term relationship with those people because they don't respect you. That's the thing when you understand about time and value. And remember, we don't want to do overtime. We don't want to work long hours. We want to fit that whole less is more mentality. I'm only working eight hours, so that means I'm going to focus on the important things and don't waste my time. This is how we roll. And you've done a really good job with building that culture into your organisation. The thing before we finish up, I really want to tap into, to get your brothers on board and your team on board and change the direction and the overall culture, in our terms, the way we

do it here and the rules of the game, just explain a little bit about the circle of influence workshop, all the key investment you made in having a full day get together with your team, having Alexis there as well, presenting as well. So, it wasn't just you having videos in there and you did a great job with PowerPoint presentation, made it very, very professional to really set the scene. It was a bit of a re-launch, wasn't it? It was really like, okay, here you go, guys. Here we go. This is a bit of a re-launch. This is who we are. This is how we go about things, using that to get your team to buy in. Leading into it, how was your thoughts about, oh, I'm going to invest in this and get planned and prepped for the day. All right. Number one. Number two, then delivering it and being resilient and as getting out of your comfort zone, bring your A game to presenting. So number two. And then the outcome of that. So number one would be the trepidation of getting it set up, then delivering it and then some of the outcome. So, just take us through those sort of three points.

Cory [00:33:00] Yes. So, it was pretty daunting. We wanted to make it sort of, yes, like you said, a launch sort of something that the guys haven't experienced before. But for me, it was pretty daunting because I was like, I got to stand up in front of everybody and sort of present all this. Alexis spent huge amount of time putting it together and like we had sort of prepped ahead, spent a couple of weeks preparing it. We hired a boardroom, made it very professional. We sort of went through some things, and the guys really sort of bought into it because I think I could say that we were really serious. Other staff meetings that we've had, they just expect to get told off, and we wanted to make this one a bit more of an inspiration and get them sort of involved in the company. You don't just work for us, like you are part of the business on a pretty [00:33:50]key part because [0.0s] we sort of believe your staff are your company who worked there. You're only as good as your weakest link. So, the reaction from everybody was really good. We went through the circle of influence and we did a bit of a workshop where I just got all the guys to write on the board and said basically, like where do you want to go? Where do you want to be in 12 months or 18 months? What do you want to present? How do you want to move forward? It's not just what I want. It's what everybody wants, and if we can do it all collectively. So, yes, we did that and that was really good because everybody had a bit of input when everybody was involved. The outcome from that was the chosen, the proof is in the panels. At the end of the quarter, the attitudes of the guys has been really good. I have less phone calls than I used to have. They sort of take things on board themselves and go that little bit extra. I sort of explained to them as well, like there's no good us with all this going to reece in the mornings and doing all this over time. So, I'd rather pay you a better hourly rate, but you'd work less, would be the ultimate goal. Like that's where we want to get to, and I was sort of really surprised. It's not just a grinding factory where we just come and you just work, work, work, and profits go out into the pocket of the owners. We have invest it all back into the company. It's definitely showing like where we are now to where we are two or three years ago. It's been a massive change and I can sort of see it moving forward to where we want to go, which is exciting. Sort of two or three years ago, it was kind of like, oh, if it's going to be like this forever, I don't know how long I can do this for. You just get so down, it's not a nice lifestyle.

Matthew [00:35:45] Again, that credit to you making the change and going through this process, but getting that team engaged, you've done really well, especially in the last six months and probably the last three years, there's been that where the team would look up to you. They definitely respect you. So, they always used to come to you for advice or come to you to make the decision, right? And that was one of the key strategies of working through here, is part of this workshop getting the circle of influence that you allow your team to own it, allow your team to create it, allow your team to buy into it and give them full

accountability. Don't call me. Make a decision. If it doesn't work [00:36:20]to plan, [0.0s] no worries. Let's learn from it and go again. Because then again, that's that thing where your value is not being a fire chief, your value is not there answering the phones all the time. That's not where your value lies. Your value lies in investing the time, energy, money to create a full-day programme getting your team off site to buy in, because that one day, that one day off the tools may cost you 10,000 dollars, right? Maybe 15,000 dollars to get the boys off site, everything like that [00:36:51]hire [0.0s] the boardroom. What most business owners, their reaction to that is that's costing a lot. And this is what I want people to understand, trade mindset, that's too expensive. Business performance mindset, you know that that's an investment because that 15,000 dollars investment, hey, we're not making any sales, lost productivity on that day. That's where too many people focused on rather than you're thinking, I'm going to invest 15 grand, that could potentially make me 150,000 dollars on the bottom line. This is profit I'm talking about people, not sales. And that's what you mentioned. The proof is in the bottom line of the performance, where we're just getting a massive spike on the bottom line. Why? Because actually, you're engaging the team. They're engaged, you're building up them to really connect with the organisation. They got to sign in the values and the behaviours. And that's a massive shift from just being, as you sort of alluded to, just as sweet as we just come in, you're a number and then go, where it's like no, you're valued individual. We want you to grow within the organisation and you've done that really well. And having Alexis here to help drive that as well and dot the I's and cross the T's in terms of professionalism, it has been great. Again, a credit to you. But as we know and as we discuss as we continue this, it's an ongoing programme. And you don't just do that once and expect that, okay, it's all going to be rosy. You've got to keep going back and reinforcing it, correct?

Cory [00:38:12] That's right. Yes. So, we've now implemented, we do one of those meetings every three months. So, at the end of every quarter, we will have a big boardroom meeting with everybody and we'll go through all that key stuff about the business and how we're tracking and all of that sort of things, any major changes to the company. And then in between those, we have our normal small site meetings and stuff like that. And to start with all, I was kind of thought, okay, this is really expensive, so pull the guys off site for the day. We've got to block out the schedule. So, we've got to make sure actively to the builders we don't book any work in for that day. At the same time, I sort of looked at it as, okay, we've got to invest this money to get more out of everybody and create that culture of it's more than just a job. You're not just here for you to grind it out for 8 to 10 hours a day. We want you to be more involved. So, we're doing those every three months, and like we had our second one a week or two ago for the last quarter, and it was really good because then we had stuff to refer back to from the first meeting. So, we had reeceworks for you data that we could go back to and show the guys the progression that they've made. And we had like a 10 or 20 percent increase in online ordering, which effectively meant we spent a hell of a lot less time at reece, and sort of explained to them, if you looked at each time you got a reece, if you think about, let's say an hour and say that cost you a hundred bucks. If you go to reece, we had [00:39:50]about... [0.0s] One of them was 800 times a year. It's a hell of a lot of money just sitting out reece just to do an order. So now, we're progressing to the online ordering, using Macs, having everything prepare, less time at reece, more time on site, less overtime. And the structure and the goal, the guys really enjoyed it. And then after the meeting, we can go through, like yes, clean it all up, sort all that stuff out. The guys get a day of off the normal, they're still working, but it's just a different sort of day. It makes a huge difference. We really have to look at it as you're not spending that money or investing that money, but it's something that just has to be done to get to that next level.

Matthew [00:40:33] So essentially, and this is where that investment here and this is the key change, is that one of the reasons why previously cash flow wise and not making money was the two reasons there, over time was the killer and spending time at reece was a killer, right? Which is obviously, yes, they're too connected, but that were two big blind eyes. When you look at your wage cost, it was way, way too high. And to make a change in an organisation, to get people to change their behaviour just to tell them and just trying to say, come on, you got to change this, and change this, most of the time, it will blow off, that won't make a change.

Cory [00:41:07] That's right, yes.

Matthew [00:41:08] So, this is a credit to you. The business was not performing well, but then you still knew you needed to invest it by you investing in it. They automatically change really quickly, which potentially without putting the data, having them offsite, getting them to buy in, that might have taken 12 months to change or longer or maybe never to change, but what you've done, you've been able to change it, turn around pretty much within a three-month period really quickly. And you've seen that impact on the bottom line. You've already got the return on that investment.

Cory [00:41:34] That's right, yes. It's great when you see like you're in the meeting and you're showing the guys the data, because obviously, I've already gone over all the data and then you show them and you see them see it and go, oh, wow, like the reece stuff was [00:41:49]it blew them away. [0.0s] They couldn't believe it. And instantly they were like, oh, we're going to have to change the way we do it. And it gives them a goal, like the last meeting, it was like, oh, okay, like I said to the guys, we need to have 80 percent. I want to order online 80 percent and then 20 percent install. At the moment, it's about 55 to 60 to 40, so it's a fairly big increase, but with preparation and stuff, and it gives them a target, which gives them something to work for. And then when you get to that target and you show them, they think oh, things are changing. Yes. This is different, like this is different to what we normally do, and they start to see the results. But it's something you've got to continually just keep checking in and making sure to keeping it rolling sort of thing.

Matthew [00:42:39] Well, this just becomes part of the success habits, right? It just becomes your regular rhythm. This is just part of how we operate here. And it's a credit to you, this is where a lot of business owners out there listening to this, they're thinking, oh, there's no way I'm going to give my team some data and information, too much information. I'll just tell everyone, the organisations that such as what you've done, Cory, more transparent. You're more open. You're letting people see some of the numbers. You're seeing that by their performance or their decision-making, what impacts that makes to the business and the cash flow? When you do that, you know what? Your team want to know that. The right team members want to know that and too often businesses owners go, oh, my team don't need to know that, or they don't want to know that. They need to know that. We're human beings. We turn up, we work hard all day. What's the outcomes? Like give us some feedback. Okay? And I think, again, credit to you, that's a really big shift too getting out of your comfort zone to give me more information, more data, and then you presenting it. And look, you've done really well on your journey, mate, lots of credit to you just to finish up. And obviously, over the last four years into that MD role, also the complexity with your brothers on board as well, you're really building a great unit. And obviously with the Alexis in the background there really driving the admin. You've got the good team, that premiership winning team, as we call it, to move into the future. So, there's any budding business owners, entrepreneurs out there, what's the one takeaway that,

especially now in your journey, you'd sort of as a tip to tell people to focus on and do more of?

Cory [00:44:07] Definitely get uncomfortable with your business, get to know your numbers, really sort of push that because that does drive your business. It's not so much just delivering the product. The better you get with it, the more confident you get with it. So, if you've got to go into a bigger job and you're trying to win it, if you know your numbers and you know where you're at, you have a bit more power to negotiate. If somebody is trying to screw you down on price or if you know where your bottom line is and you know where your margins are, then you can push back. And sometimes, yes, they'll respect that. They'll understand that. Okay, well, this person, this company is professional, they know what they're talking about. They necessarily might not be the cheapest, but they want to work with you instead of somebody that doesn't know what they're talking about.

Matthew [00:44:57] And that just goes back, because you know the numbers, you've got confidence there and you're confident in the meeting. Now, we're not dropping that price, we're not doing that. Now, this is what we do.

Cory [00:45:05] Yes.

Matthew [00:45:05] So, yes, you come across to that professionals, you know what you're doing, you know your numbers, and you're not just trying to guess, or some people, they're not trying to take the piss and say, oh, you know, knock a thousand bucks off that or off the top [00:45:16] of your head, [0.0s] the clients are going to get in. If you can automatically knock a thousand dollars off, are you trying to rip me off from the start?

Cory [00:45:21] Yes, that's right. Red flags get raised.

Matthew [00:45:25] Look, credit to you, mate and the team and your brothers, and obviously, it's been a difficult four-year period. Correct? With your father, and just that alone is difficult to attend to and deal with, and then with your brothers in there as well, it's great what you've done to date. And I'm really looking forward to the next 12, 18 months of where we can take the business.

Cory [00:45:45] We're really looking forward to it. And I think we're at a point where we can start to see things opening up, opportunities coming in every day, and it's just, yes, get you a bit excited about it. Your dream is actually possible.

Matthew [00:45:59] That's cool. And that's [00:46:00] our thing about Power [0.0s] Up Your business, right? This is like, hey, let's just make it, let's put it out there. And what we're trying to do is often your dream, you might think it's five years or 10 years away, but we want to bring it forward to three years, bring it forward. Thanks for sharing your story, Cory. I'm sure everyone out there will be plenty of great takeaways to put into their day to day in their process and into their business. So, much appreciate it, mate.

Cory [00:46:21] Thanks, Matt. That was really great to talk with you.

Matthew [00:46:23] Cheers, mate.

Cory [00:46:25] Cheers, thanks a lot.