

\$80MM MEP Contractor

GOAL: Build the foundation required to support growth to \$250MM, and profit margins of 12-15%

The situation

- Family owned business operating a slim margins
- No written strategy or budget
- Key managers all reported to the President, who was stressed and overworked
- No separate sales department; President was also the key rainmaker
- Legacy managers and board members were resistant to change
- No company-wide processes; poor internal communication
- Inability to predict financial or job-specific performance

FortéOne Process

Following an initial diagnostic phase which included voice of the customer calls to key clients and vendors, FortéOne presented recommendations around six key areas that would yield the largest near-term impact. We were then hired to implement this plan.

Establishing a Foundation for Performance

- **Strategic Focus and Job Filter Process:** Designed a “stage gate” process that defined the criteria for jobs to bid, which department will lead the job, and a process for increasing win percentages. We created a process by which all the right members of the team were aware of the bid opportunities and acted on them promptly.

Continued on next page

RESULTS:

Company achieved highest profits in its 90-year history

Leadership Team is in place, and trained, to continue improving efficiency

President now able to focus on strategy and high level business development

\$80MM MEP Contractor

Establishing a Foundation for Performance *continued*

- **Material Control Process:** Eliminated time wasted in procuring or finding materials by implementing a locating system for the warehouse and jobsites. Improved Material Controls for the Pre-Fab department, sourcing materials and labor based on location within the construction project to improve productivity and, in turn, capacity.
- **Information Control Process:** Developed and trained processes to ensure teams have current drawings, specifications, and submittals updated for the latest changes. The BIM (Building Information Modeling) group was more tightly integrated with the rest of the pre-construction process. These new processes dramatically increased project team alignment, improved capacity, and ensured company teams are able to be first on the jobsite with all essential information.
- **Financial Function:** Implemented new process that reduced closing the books from two months to one week; installed weekly job reporting processes and KPIs throughout the company. Provided management and the board with financial and operational analysis required to make informed and timely decisions.
- **Safety Function:** Changed the firm's Safety department personnel & improved training.
- **Organizational Design:** Assisted with hiring/replacing positions including new VP Finance, VP Construction, Prefab Manager, Logistics Manager, BIM Specialist, and Safety Director. Also redefined the incentive plan to promote firm-wide cooperation.

RESULTS:

New processes are leveraging BIM in all departments, and also enabling higher margin work outside the region

Board now looking at strategic acquisitions