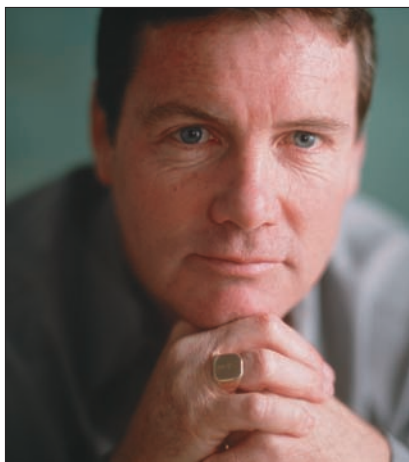


# Commentary **Mark Richardson**

## Tunnel Vision

**All projects and clients are not created equal.  
Figure out what you're best at and ignore the rest.**

**W**henever I meet with remodelers, I like to ask them about the kinds of clients and types of projects they believe are right for their companies and the kinds of business opportunities they see. They describe very broad client characteristics, such as young vs. old, rich vs. middle class, or white-collar vs. blue-collar. When asked about the project type or size, their answers are equally broad, describing projects as big vs. small, or as \$50,000 projects vs. \$500,000 projects. Few discriminate by client or project type. The same is true about business opportunities. Most remodelers think about branching out into commercial remodeling, a small projects division, or new homes without, however, distinguishing why one opportunity might be a better fit.



### **FIND YOUR FOCUS**

Unfortunately, what seems like a plus — the ability of remodelers to work with all kinds of people on a variety of projects — is often the cause of their downfall. To succeed in business, remodelers need to discriminate instead of accepting every client or job or opportunity that comes their way. The most successful remodeling

companies are the most targeted. The owners of those companies drill deeply into the right stuff and rarely stray outside their competency just because an opportunity becomes available.

Part of the problem is that most remodelers are competent at many things but struggle to master any of them. Mastery begins with great systems and processes that ultimately lead to a formula or recipe to duplicate past successes. To grow your business, you first need to differentiate yourself from the pack.

### **SEPARATING YOURSELF**

Where do you start? First, study your numbers. Compare close rates and gross margin on projects of different types, then do the same for projects of different sizes. Ask yourself what type and

size projects you like working on most, then see if your preferences square with those of your production team.

Next, try to identify client characteristics that correspond to high margin jobs and to projects that you and your staff like to work on. For example, it may be that your best clients have a particular income level, assessed home value, profession, or location. Also look for patterns in your client feedback surveys.

Finally, try to understand the amount of corporate energy that gets invested into the different type of projects and clients. Some projects have a short sales cycle, are simple to specify and build, and rarely encounter major problems. Others take longer to sell, are more complicated, and invite a blizzard of change orders. Some clients are decisive and seldom stray off plan; others are indecisive and constantly veer off course.

### **EYE ON THE PRIZE**

If all goes well, somewhere among all of this deconstruction you will find certain types of clients and projects that work best for you and your company. That's where you should be focused. Zoom in by making sure your company image and marketing message are consistent with the project types and clients that you want. Does your logo appeal to your target audience? Does your marketing message address the needs and wants of your potential customers? Does your sales approach emphasize your company's focus in unique ways?

Once you have a plan to make the changes necessary to align with your newfound focus, you move into the implementation phase. You may need a lot of patience, because although you, as company leader, see where you should be headed, your team may take longer to get on board. In fact, you will probably have to undertake some additional training to make sure everyone understands what's changing and why.

Take sensible baby steps and monitor the progress. Remember, the numbers that you examined early on in the process don't lie. It takes courage to say "No" to the wrong stuff. But in the long term, the proper focus will make you healthier, happier, and more profitable. —*Mark Richardson is president of Case Design/Remodeling and Case Handyman Services, Bethesda, Md., and author of 30-Day Remodeling Fitness Program. 301.229.4600; mrichardson@casedesign.com.*