SUNCOAST PAVING

Outside Help in Acquiring Management Skills







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Suncoast Paving is a fairly small (30+ employees)
Tarpon Springs based company, They make asphalt and
they lay asphalt and they're very good at what they do. A
customer or contractor who uses Suncoast Paving knows
that when the job is done, the job is done. There won't
be any call-backs, no punch work (repairs), the newly
surfaced paving will look good and it will drain well.

The company was founded by Bill Camm, Snr. and incorporated in 1970. It has been family run by Mr. and Mrs. Camm for years, with their son Bill, II taking the helm about a year ago.

When it comes to management and running a business, Bill Camm II, the company's president, is the first to admit that they had a lot to learn. "None of us here could be considered business people," he explains. "Equipment operators, equipment designers, yes...we can build roads, but we couldn't necessarily tell you how to run a business."

So it was that in the mid 1990s the Camms took up an offer from a consulting company to come and have a look at how Suncoast was doing business and make suggestions for improvement. The consultant who did the work was Sue Mallinger. Sue spent several weeks at the company helping them put in some badly needed management systems. Looking back on it, Sue helped Suncoast bring about a considerable turnaround. "Before she came, we were struggling," recalls Mrs. Camm. "One year we might make a small profit and the next year we'd be in the red, back and forth with no real profit. If you don't make a profit you can't upgrade the equipment and if you can't upgrade the equipment, you're in trouble."

Workable Management Tools "Sue really set us up on a budget that we didn't have before," explains Mrs. Camm. This budget was a breakdown, month by month, line item by line item, receivables and payables, so that at any time management could see where the company stood in relation to the previous year and could predict. "An operating statement or budget is a staple that any company should have to run with but we'd been running without one for 25 years," says Bill.

"It's very difficult to give the full picture of what Sue did for the company," he continues. "The first time she was here she spent hours and weeks going through all of our records so that she could institute a proper budget and operating statement. She reorganized our management stream and gave people different responsibilities."

Bill explains that before Sue came to help them, he didn't

know which end of the computer you were supposed to look at. She provided them with Excel based models they can use so that they have a real time picture of how the company is doing financially—and he and the computer have become firm friends. "She put the information in forms that we could easily identify with so that we could run the business instead of just letting it wander down the road by itself," explains Bill,

She also helped them split up the company into profit and cost centers. They have a team that puts down the asphalt, but they also make asphalt and sell it to anyone who cares to buy. Now they have introduced a second team to take on smaller jobs. They have their own repair shop for their equipment. They have a sales team. With Sue's help they were able to organize the activity into different centers which has given them the capability to predict, helped with pricing and made sense out of a previously somewhat random activity.

"Her models, by which I mean these spreadsheets she writes up in Excel, have been tremendously helpful," says the company's President. "You can see right away if you're even close to being right. You can see it right here," he says, pointing to one of the extensive and very detailed printouts of these spreadsheets (models) that Sue developed for them. He seems quite at home with these tools now and is obviously on top of what and how the company is doing.

Winning Approach But Sue's assistance to the company went beyond the introduction of financial models and the delineation of cost and profit centers. "One of the things Sue was very instrumental in doing, above and beyond the budgetary changes and pricing structure, is she was able to educate a lot of us on things which simply have to be—things a company cannot survive without," explains Bill. "Her management skills in being able to convince

someone who has been doing something wrong for so many years that they've actually been doing it wrong and get them to go in the right direction far surpasses anything I've ever known," he says.

"She wouldn't come out and tell us, 'You've been doing it wrong for 30 years, this is the way you've got to do it,'" Mrs Camm adds. "She had a way about her where she would just ease into the fact that you needed to change this and do it differently and she's very good at doing that."

This could have been quite a challenge considering that all of Suncoast's upper management team has been there for 20 years or more. "You get into a bit of a mode of, 'This is the way we did it last year and the year before and the year before that—this is the way we've always done it,'" says Bill, "But hey, you can buy calculators that fit in your pocket now!" Between them, the Suncoast Paving employees, anxious for improvement, and Sue with her expertise and winning approach managed to negotiate the necessary changes.

Encore Suncoast Paving called Sue back early in 2002 to help refine and expand on her previous work. She did some additional work on the models she had introduced several years before. And they plan to have her back again. "She's very intelligent and knows a lot about managing companies," says Mrs. Camm. "I've always been very impressed with her. She almost became family around here."

The Bottom Line: "We would recommend Sue to any company except to any asphalt company within 100 miles of here," Mrs. Camm and Bill agree unanimously. "Sue helped us from zero or minus to a comfortable plus," continues Bill. "Speaking for myself, I think if we hadn't had her around here, or at least someone in her capacity—fortunately for us it was Sue—I would hate to think of the state we'd be in now."

article written by David Phillips

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