The Access News Australia Regional Roundtable is an invitation-only forum of influential people that have an interest in developing business excellence, exchanging ideas and networking. The ANARR meets in a private boardroom setting. Following is an edited transcript of the most recent Round Table session, held at KPMG offices in Parramatta.
Exploring Growth - Unlocking Value

Jim Taggart: Good morning ladies and gentlemen. On behalf of Access and our key supporter today, KPMG, a most warm welcome. Each one of you has been asked here because of your skills and expertise. Many of you have been in business for a long time and have morphed from a single unit to quite large businesses through acquisition, mergers, sheer organic growth, or a combination of these. Today we’re looking at what are the drivers that bring success in a very competitive and now global world. David and Angela, I’d like to thank KPMG for your continued support, particularly to businesses in Western Sydney. I’m going to ask each of you to introduce yourselves.

David Amaneddine: Good morning everybody. My name is David Amaneddine, the director of AAA City Removers. We conduct close to 10,000 relocations a year. I come from a marketing background but as I’ve grown my business I’ve taken a wholistic approach. I try to take all things into my business decisions and look through not only the discussion today. Thank you for having me.

Jim Taggart: Thank you, David.

Nathan Rees: Nathan Rees. I run my own consultancy firm and have a range of clients in the tertiary education, local government, engineering, health and medical research space. The value add that I can bring to this forum are ideas about what Western Sydney needs to do to grow in the context of NSW Policy frameworks, but also the national context.

Jim Taggart: Thank you very much, Nathan.

David Pring: Hi, David Pring. I’m privileged to lead the KPMG Practice in Western Sydney in Parramatta and Penrith. We’re finding that companies are looking to grow or transform from being domestic suppliers to the domestic market to being globally competitive. Many companies are struggling with the issue of how to keep up with growth and the constraint which that often brings. I’ve lived and worked in Western Sydney for the last 20 years and am, I’m excited by what I see happening from a community point of view as well as business in Western Sydney.

Vanessa Ferreira: Good morning. Thanks for the opportunity to be here today. I’m Vanessa Ferreira. I’m the Manager of Engagement for Parramatta Light Rail. In stage 1, Parramatta Light Rail will connect Westmead through to Carlingford via Parramatta CBD. We also recently announced the Stage 2 preferred route, connecting Stage 1 north of Parramatta River to Sydney Olympic Park. We’re very pleased to be based here in Parramatta and are celebrating our first anniversary. We’ve got around 160 staff based here, and I’m sure that number will increase with Stage 2 now being announced.

Richard Gremonno: Richard Gremonno. I’m a developer. I have a family business with myself and three brothers in which we build custom homes. We also do larger developments such as land development, industrial development and home units. We also have a Sports Medical Company that services sports clubs throughout Australia. We also recently launched an online recruitment portal: I Want to Work, that I guess is a start-up business. So that’s been an interesting challenge as well. Our family is also the founder of Jersey Day, unfortunately, due to a family tragedy, Jersey Day supports Organ and Tissue Donation. So we’ve got quite a broad spectrum of businesses. But we’re certainly a Western Sydney-based family and we love being in the Western Suburbs.

Jim Taggart: Thanks Richard, Theo.

Theo Drivas: Theo Drivas from Water-view in Bicentennial Park is the largest of our venues. We have other venues which we’ve been dealing with for the past 47 years. We started off at Waters Edge at Pier One which we had for 30 years. We also have Dockside, Blackwattle, Star Room, Waterfront, Wolseley, Italian Village. We’re very proud to be in the hospitality industry, and we love dealing with events and people in general. So, it’s a pleasure and an honour to be here today with such distinguished people.

Lloyd Gilbert: Lloyd Gilbert. Like David, I’m one of the founding members of the office here in Sydney. We kicked off in February 2015. My areas of focus are networks, business development, focus on strategy and also developing new markets, which has been very exciting. And I love being in Western Sydney as well.

Jim Taggart: Thank you, Lloyd.

Steve Phillips: Good morning. I just want to firstly thank obviously Mike Walls for the invitation, Dr Jim Taggart for hosting, and obviously KPMG. My name is Steve Phillips. My professional career has spanned a multitude of industries. I run a small consulting business out of the Hills District – heavily involved in franchised services for companies. We also consult with a Blacktown manufacturer that exports to China, North America and Columbia.

My history is mostly in and around business building expansion and fixing those companies that come to a grinding halt for whatever reason.

Jim Taggart: Thanks very much, Nick.

Nick Slack: My name is Nick Slack. I’m a Partner at the law firm, Hall & Wilcox. We are a law firm that, unlike a lot of others has had exponential growth in the last four years. We started off as a Melbourne-only firm, which is 100 years old, but expanded from Melbourne four years ago with 40 partners, to now being 70 partners nationally. We’re one of the few firms that’s actually growing in an increasingly fragmented market. I’m one of a couple of partners who are leading the charge grow our presence in Western Sydney. So we’ve opened an office here. And we are looking to grow at the same rate.

Jim Taggart: What is your area of expertise within the law firm?

Nick Slack: I’m a Banking and Finance Partner.

Jim Taggart: Thanks Nick. Jelena? Yelena Wennman: I’m Yelena Wennman. My passion is Higher Education and business transformation. My career has spanned a multitude of industries. I’ve lived in and worked in Western Sydney for the last 20 years and, I’m very excited by what I see happening from a community point of view as well as business in Western Sydney.

Vanessa Skuodas: I’m Vanessa Skuodas from Sydney Olympic Park Authority. We’re a NSW Government Agency responsible for managing and developing Sydney Olympic Park. We have three major entertainment venues, 11 sports venues, 430 hectares of parklands at Sydney Olympic Park. We host over 10 million visitors every year, and the real growing area for that is the number of people coming to our green spaces: we get 3 million people coming to our parks, alone.

We’re also in the midst of transforming Sydney Olympic Park into a thriving business and residential suburb as well. Today we have 20,000 residents, workers and students in the Park. But in the next 10 years, that will grow to over 60,000 – not to mention what’s happening on our boundaries.

So, it’s a great time of transformation of us. Thank you for the opportunity to be here today.

Jim Taggart: Thank you.

Ben Brokken: My name is Ben Brokken. I’m a Director of KPMG in the Deal Advisory Team. I bring about 12 years of Corporate Advisory experience, two secondments into banking institutions, one secondment into government; I have dabbled in real estate advisory, capital markets, transactions, IPOs, vendor due diligence, acquisition due diligence, turnaround strategy and formal appointments. I specialise in turnaround strategy – so, working with companies going through periods of change, resetting operating models, negotiating with key stakeholders and also, changing the course of their destiny. This is my first time in Western Sydney – and what a day to be here – and what a community to participate in discussion with. Thank you for having me.

Jim Taggart: You’re welcome, Angela.

Angela Haynes: My name is Angela Haynes and I’m a Director in our KPMG Western Sydney Office. I specialise in restructuring Services and, in particular, the work I tend to be around operational improvement – so, driving profit or driving cash. At the moment, the economy is going extremely well so a lot of the work is around growth and expansion. I grew up and went to school in Western Sydney and I’m Alumni at Western Sydney University. So, for me this is very much a real place to work. In our early 20s, my husband and I, then as boyfriend and girlfriend, started a transport company that we still run today. It delivers around the East coast of Australia and Adelaide – mostly refrigerated trucks, going into chain stores. It’s based in Moorebank. So I feel like I’m Western Sydney through and through.

I’m delighted to have you all here today. I think there’ll be some really great wisdom at the table.

Jim Taggart: Thanks Angela. Set the scene for us, for today.

Angela Haynes: OK. We’re exploring growth today. Each year, KPMG does a CEO survey. I’ve pulled a couple of the key findings out of that survey and what the CEOs are telling us is that they expect growth, but there is uncertainty. The area that they’re seeing the most growth is in head counts. 91% of CEOs expect to increase their head count over the next three years which reflects the underlying growth expectations.

Our CEOs are evolving. They’re looking more widely for their skills. And they’re not coming to the table with an expected: “I know all about this business. So, they’re collaborating a lot more and they’re looking for high emotional intelligence in their employees, as opposed to skills-based hiring. The last thing is a cognitive revolution. They’ve increased their investment in cognitive technology, moving away from: 1, male. 2, do, I try, looking at: How can I do that better, with a cognitive framework. So, a lot more around the thinking behind what they’re doing – and going beyond simply strategy.

From these findings, there are risks and there are opportunities. This is what is front of mind for our CEOs:
Cyber Security – it’s a top investment priority and a large risk area. Understanding cyber security is quite difficult. It’s not something that we grasp just through our common sense or through our interactions. It’s huge, and our CEOs really need to invest both to understand it and to mitigate the risks and make growth.

Innovation – which is underpinning our growth. Innovation requires investment and 5% of our CEOs are investing heavily in this area. That means new products, services and ways of doing things. And we’re seeing the innovative, new businesses transforming and this is the underlying route to growth.

Data – Data is a way of obtaining our customers’ and our stakeholder insights. Without data quality, we really cannot see where our business should head, what the biggest opportunities are, and how we can service our customers so we can service them better.

The other top 3 which are in the forefront are: regulatory changes, geopolitical uncertainty and global economic factors.

KPMG also does some work around the SME space and I’ve written some stats from the Nab ‘Business View’ Issue, 24 Summer 2017 to highlight growth in this area.

SMEs have reported growth in the last 12 months. This is relevant because Western Sydney really thrives on its SME businesses. It is an SME today that can turn into a medium SME tomorrow, and actually become a large corporate. That’s where a lot of Western Sydney’s growth has come from, in particular ‘FamBiz’, which is the heart of a lot of Western Sydney, and particular the fringe growth.

66% of SMEs are confident of their growth going forward. 45% of them intend to expand. Medium SMEs are looking to provide Australia to break into the international market.

KPMG ran an Export Asia Conference about two months ago and questions that kept coming up: How do I export? Where do I export? And those we answered as exporting, where do they go next or how do they do it better?

The Nine Levers of Value are:

1. Quality. Change. 26% of SMEs have changed the nature of their business since they started. That’s an enormous amount of disruption indicating our Western Sydney businesses are very resilient, and adaptable, there are road blocks. 35% have wanted to expand business but have held back. Th is is mainly due to uncertain economic conditions, much competition, they’re worried about taking on too much. SMEs really need to do the right skills – the skills to do their business, but the skills to manage change. That’s when we advise our clients, be prepared.

I looked at the Western Sydney statistics out of the Budget. I won’t go through them in detail but there are three growth hotspots: Health services, transport infrastructure and education.

Moving into unlocking value I’m going to give us a framework for our discussion. This is the framework KPMG use when we look at our organisations across an organisation.

The Nine Levers of Value are both external and internal levers. The external levers drive profitable growth and the internal levers underpin operational excellence. We’re not going to look at the specific levers today but I want use these levers as prompts for ideas in the discussion.

Looking at what we call the Nine Levers today which are around:

What levers are the most important when you’re going into growth?

Where are the main challenges that inhibit that growth? And

What levers do you need to unlock value within these levers?

To that end, I’m going to open our Session 2 with some points to consider:

In your experience and considering internal and external factors, what is your most identifiable area to grow?

Jim Taggart: I’m going to you, Theo, because I’m very fortunate to know you as a friend, and I know a little bit about your business, and I’ve always been in awe of how you’ve grown that. Talk to us.

Theo Drivas: The key features in our business, which is hospitality, is not so much the skills but mainly about people having the right attitude. At the moment I’m trying to employ two staff members. I’m finding that people who are more experienced and have better qualifications aren’t necessarily the people I’m looking for. I’m looking for people who will grow within themselves and within my family of staff. That’s what I’ve told all my staff. We’re a family and we’ve got to grow as a family. When we host an event it’s like coming into our home. Just like we open our doors to our relatives, our friends, the same thing applies with our events as well. Every one who comes into our venues is treated like they’re coming into our own home. If we disrespect them, well then we’re disrespecting our family, and it shows.

Jim Taggart: And that’s a cultural thing which comes through all your organisations. You shared with David and I, that one long weekend, you had 13 weddings.

Theo Drivas: Yes. It was a long weekend. It was the days when we had the Waters Edge down at Pier one. Now I’ll just give you a picture of the weekend. There are two dining rooms at Waters Edge. I’m not sure if you’re familiar with where Pier one is, underneath Harbour Bridge. People always used to say to us: How can you go wrong? You’ve got such a beautiful vista. And that’s why you do so well down there. No – it’s not something to do with that but that upstairs used to be a restaurant called the Harbour Watch which went broke. It had the licence for 30 years. So it was a Saturday, Sunday, Monday, in total 13 wedding with around 2500 people that went through. Everybody got treated with the same care. They weren’t just a number. You are very special to me. That’s what I used to say to them.

Jim Taggart: Thanks Theo. That’s really deep and insightful reflection for us all to think about in our own businesses. David, 10,000 removals per year. Huge number in logistics. Key to growth?

David Amaneddine: I need to know who I am as a person. I need to know who I am and give myself to people. And if they like it, they come. That’s the first and foremost thing I had to work out the hard way. I got to like myself and I made sure the people around me shared that same vision. If they didn’t, off they went. Furthermore, we need to have our internal processes and our Quality Control Department – that’s on par with the rest of our service. Our staff need to have the necessary skills. And like, Theodore, I don’t read resumes. If it do, it’s just to be respectful to potential candidates. There’s more in the eyes of a person and in their demeanour – in the way they sit, in the way they talk. Their verbal and nonverbal communication gives it away in a split second. Once you pick up on the kind of people that you want, they become like my family. My internal staff are treated with the utmost respect. I lead by example. They believe in the product we have. So, we try to serve and please our many customers and to keep the best image as possible.

Nick Slack: Th e key growth for us, I would say, is multi-faceted under the banner of what we call smarter law.

Jim Taggart: Is that Hall & Wilcox’s view? Or is that a professional view?

Nick Slack: Smarter Law is a program we put in place about how we want to operate our business and that is, by embracing innovation, internal disruption, co-creating a future with our clients through a number of different levers to work together and to grow. And it means doing things differently. The practice of law is very congested and it can be an incredibly conservative field. If you sit still and do the same old thing that’s been done for the last 30 or 50 years, you will very quickly become irrelevant. So, we’re trying to do things differently.

The Nine Levers of Value

1. ‘FamBiz’
2. Exporting
3. Fringe growth
4. New products
5. Nonverbal communication
6. Data
7. Inner values
8. Logistics
9. Customer and stakeholder insights

The Nine Levers of Value

- it’s a top investment
- 49% of SMEs have
- recorded growth in the
- last 12 months. This is
- relevant because Western
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- what is an SME today can
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- rate.

-Angela Haynes.
up, I’m the Patron of Greater Blacktown Chamber of Commerce and I sit on the other chambers and Councils. I know that if there was the right vehicle to bring together a greater regional plan, having things come onto that in blood. But we don’t have it. We don’t have the forum for it. And if we’re all singing off the same sheet, we don’t have the opportunity to everyone in government, everyone in big business, that would put us in a much better position to take advantage of external opportunities and pursue them. That’s the first thing. The second thing is: every big business that’s got a Master Plan that covers our 640 hectares, and they haven’t done well in the past is looked outside of Sydney. And the other side, I know that Universitie University of Western Sydney will cross over broken glass to make sure that the kids who graduate from those Universities are ready to go. But again, we don’t have a means of putting those collaborations together. There is no forum for a vehicle for doing that. The higher education sector has a unit. It’s based down in Melbourne. It’s called THE Business Higher Education Round Table and it’s meant to do that. But I’ll bet no-one’s ever heard of it. So, the ability to marry all this up, now is a good time. There’s a Premier and a Tertiary sector, that vehicle doesn’t exist.

Jim Taggart: Thanks for that. Also, too, please don’t wait for me to ask questions. I’m going to throw some hard grenades in. I want robust discussion. And if something doesn’t sit with you, please let’s use the intellect in the room. Don’t sit back and wait.

Nathan Rees: Can I just ask? Did I make sense then?

Jim Taggart: What’s the vehicle? Do you have an idea of what that vehicle is?

Nathan Rees: I think it’s a small group of people with a relatively small resource, just to go and sit and start these consultations and put documents together in an orderly fashion that everyone’s signed onto from the start.

Jim Taggart: Susan would suggest that Sydney Olympic Park’s already doing that for quite a large area. Susan, I’d be interested in you’re response to Nathan.

Susan Skudonas: Sydney Olympic Park has a Master Plan that covers our 640 hect- ares. And I think one of the things that we haven’t done well in the past is looked outside that 640 hectares. But that’s something that has changed in our recent review of our Master Plan. How does Sydney Olympic Park interact with the region around it? And that’s where the Greater Parramatta and Parramatta Light Rail is a really clear enabler for that.

Jim Taggart: Susan would suggest that Sydney Olympic Park’s already doing that for quite a large area. Susan, I’d be interested in you’re response to Nathan.

Nathan Rees: This is a region which has been identified as Greater Parramatta and Olympic Peninsula – GPOP. Sydney Olympic Park is really committed to see how we can contribute to the growth of that area. Even in our discussions around the Western Sydney Venture Economy, it’s such a big geographic area and there are many different characteristics within it. I’m not sure if there is a way to create a forum for all Western Sydney. Or does it need to be broken up into smaller areas, like GPOP to be able to enable growth that is dynamic and led from the people within those regions.

So that’s where I guess your growth is say- ing is Greater Parramatta. We’re seeing connecting these pockets of growth. So, what are your thoughts?

Jim Taggart: I agree: Well, that’s our challenge. It’s working within this GPOP community. And you’re right in saying that there are multiple plans for Light Rail for the future and we work with each and everyone and the broader community. I think we’re very blessed at Parramatta Eels to have a Director that puts innovation at the forefront. Most of you will know that there are multiple Light Rail projects across Australia that are either be- ing delivered or in the planning stages. And we are learning from each and every one of them. But we can only learn so much by watching other people, by insuring we deliver the project to meet the needs of Western Sydney – that fits best for Western Sydney. So, it’s not a one-size-fits-all approach. We are driven by what the community wants and what our stakeholders want. The biggest change for me is my head.
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So, I’m certainly a great believer in some people having the skill sets in business and some people don’t. People that do have the skill sets are the ones that should be encouraged to grow.

Jim Taggart: Thanks for that. That’s a very interesting concept especially the analogy that you use, David, your reflections!

David Pring: I was just reflecting on that in terms of what we’re seeing with organisations themselves and how they are responding to the market and what’s happening out there. Take the example of what’s happening in retail with Amazon opening. That hasn’t happened overnight. That’s been coming for years. And those retailers are, I think, very slow to respond to what’s been happening elsewhere in the world and the business models that are going to arrive.

It’s almost like misguided arrogance, isn’t it, that Gerry Harvey is saying: No. This will never happen

David Pring: Amazon’s already a $1 billion business and is going to provide some fierce competition for many retailers in a very short space of time, with tenfold growth. However, Australian retailers who have focussed on the customer and moved to an omnichannel model are positioned well to compete.

I think the smart businesses are the ones that say: Not only are we busy now, but the market is going to change. How can we transform our business for the business of the future?

In the construction space, there are a lot of companies looking at: How do we take some of our process online? How do we allow customers to design and cut projects online? Some of our clients are then looking to say: How can we do that and supply product direct – so, cut out the entire business model they currently have with their factories, for a new model to supply to customers going forward.

Now, a lot of companies are sitting back and saying: Well, we’re really busy with what we’re doing. We don’t worry about the future. The future.

But I think that whole innovation piece and changing omnichannel model – there’s a great opportunity to do that and it’s one we’re in a strong market.

(MORNING TEA BREAK)

Jim Taggart: Thank you for the first part. I thought we shared some very interesting insights.

Ben Brokken and Susan Skuodas.

I have and I have got miles of questions because, when you deal with people with such intellect and experience as those in this room, I think we want to come out to best to come out. So I want to challenge you.

I’m going to start with you with what you do. What are your businesses, particularly in Western Sydney, need if we’re going to be a road map and we’re a group of advisors for businesses? What are those things that they really need?

Ben Brokken: You’ve got a lot of experience in this.

Lloyd Gilbert: I’m going to go back to the point made before: You have to know what you’re good at and where the gaps are. You have to understand what’s impeding your growth. Self reflection is very important. And I think you have to understand opportunity. One of our focus areas at the moment is export – because Western Sydney has to get into that game.

Most people know there’s a huge opportunity, but they don’t really know what all the moving parts are and how to make that work.

Jim Taggart: Do you think businesses understand their opportunities?

Nick Slack: No, I think they tend to be focussed on what’s in front of them. Most businesses don’t look beyond two or three months. They don’t look much further than that. I think understanding what the next 12 months is really going to be like and doing scenario planning around that will give them a greater handle on the future.

Jim Taggart: It’s such a critical part in business planning. Why don’t we do it?

Richard Gremmo: What I find in business is they are concentrating too much on working in the business rather than working for the business. You get bogged down with day to day mundane problems, rather than delegating and finding the right people.

Ben Brokken and Susan Skuodas.

Ben Brokken: I think it sort of comes back to the point around parameters. You don’t want someone trying something that’s going to ultimately compromise the business.

Lloyd Gilbert: No. It can’t be done if it’s going to have a fundamental impact.

Angela Haynes: But Richard’s business is diverse. I hadn’t appreciated actually how diverse your family business is. How did you go from being a carpenter/ builder developer into a range of businesses.

Richard Gremmo: It’s quite interesting how we got into the sports tape/sports medical business. I hurt myself at the snow and went to the physio. He said he was thinking about building an App. I said: That’s interesting and then thought nothing of it. My brother was stretching his knee that night and I said: Do you know what you’re doing?

He said: Not really.

So I rang up the physio and said: Let’s have a crack at this App.

And I won’t lie to you, I thought: Oh we’ll throw 5 grand in and just see what happens.

Richard Gremmo: It’s hard making Apps – let me tell you.

From there, we couldn’t really get any of the tape companies to sponsor it. And then I was flying from New York to Nashville and was looking out the window thinking: 15 grand in a physio App. I’m a carpenter. And then: We’re not going down this road. I rang up the guy we did the App with and said: Maybe we should have a look at starting our tape company, just to recover a little bit of the cost.

Jim Taggart: The entrepreneur.

Richard Gremmo: So we started looking into it. And the more I looked into the sports tape/sports medical business, I saw the big players had very poor marketing and were very staid in their business models. They were all doing the same as each other. So the more I looked at it, we said: We can take the principles that we use to build luxury homes and apply them to sports tape.

Going back to the App thing: a guy that was developing one of the Apps with us said he would put 14 videos into the app but then delivered the app with only 10 videos.

I said: Well, you said there’s 14. There’s only 10.

And he said: Yeah. But the app is only 99 cents. Nobody will care.

I said: No! If somebody is spending 99 cents with us, or a million dollars, they get what they paid for. If we say we’re giving you 14 videos in the App for 99 cents, you’re getting 14, not 10.

So I applied those same business principles: This guy thought I was mental, because it was only 99 cents. They’re out of business now. So, that attitude of: Near enough is good enough that he took to his business – it’s not good enough.

It’s the same business principles – value for money, treating customers/clients with respect, giving them what they pay for. These principles work across different forms of business.

But, going back to the original point: you do have to have a certain skill set to be able to operate in different businesses.

“WISDOM

"The key features in our business, which is hospitality, is not so much the skills but mainly people having the right attitude. I’m finding that people who are more experienced and have better qualifications aren’t necessarily the people I’m looking for."

- Theo Drivas.

“I need to know who I am as a person. I need to know who I am and give myself to people. And if they like it, they come. That’s the first and foremost thing I had to work on the hard way. I’ve got to like myself and I made sure the people around me share that same vision.”

- David Amaneddine
Yelena Wenman: What I see, of course, is a lot of very specific skills development and specific knowledge development. But what also I see is that people who will become University students in 5, 10 years time are actually not looking for knowledge at school. They’re looking for knowledge on Google. What they need to is to learn how to apply that, how to have the right behaviour, and the right attitude, how to apply the plethora of information that’s bombarding them every second into something that’s tangible and something that they direct. That’s the skill set we don’t know how to teach yet. I don’t think there are many universities that teach that. So, by default, you sort of go back to Accounting 101 and Statistics 101 and Business 101. And it gives you a reasonable grounding. But I don’t know where the transcendence happens from that and how you apply that.

The connection that Nathan was talking about between how you take kids at the universities and put them into a work environment before they even come up with a degree, ready to deliver value. There’s a difference between becoming a graduate and delivering value. And that gap is quite substantial right now.

Nick Slack: I don’t want to be the naysayer, but that transference, isn’t that it what experience is? Yelena Wenman: With knowledge, without application?

Nick Slack: With some knowledge, I mean a Philosophy Degree might be their only knowledge. Yes, there’s a world of commerce. But it might give you a strategy for thinking and analysing things.

In a different climate, there’s almost an insane urge to say that our graduates need to hit the ground running on Day 1. All of a sudden, they’re meant to be able to solve problems that we ourselves with 20, 30, 40 experience haven’t been able to solve. It’s that experience that ultimately gets you where you need to be.

David Amaneddine: What you’re saying is correct. A lot of the people come out of university with compartmentalised learning. And this can be used to our benefit. That’s what Steve Jobs was. He was a conductor. He wasn’t the most intelligent person, but he conducted the show the way it ought to go. I surround myself with people that are smart. Angela Haynes: What if you can’t afford to surround yourself with smart people and there’s a lot of businesses out there just don’t have that spare capital to be able to spend on increasing their internal skill set or free themselves up to go out and actually have that thinking time. How would you suggest that somebody does that, when they’ve really got to be in their business because they’ve got all these pain points?

David Amaneddine: That was one of the hardest decisions that I’ve made in my life. One year ago, I let go of 9 trucks in one day at the detriment of $6,000 loss a week. I was looking back into the business. I had a decision to make. Integrity, or let’s keep these guys that’ll work 24 hours a day? a day who say: Yes boss, to everything, but were not up to the standard that I expected. I had a decision to make. Am I going to walk my walk and walk by faith, or by sight? And I walked by faith. The decision was: basically, these guys are affecting my business anyway, so I jumped into the unknown and haven’t looked back since. And that was one year ago. I don’t know if that’s going to be applicable to every single person over here. But it was the most difficult decision I made in my life.

Jim Taggart: Thanks for sharing that. Let me pose this question: Where do you get your advice to make decisions?

Theo Drivas: Reflecting on what Richard said about his four brothers, if you’ve ever had a family run business, it’s very hard to be in partnership with somebody, let alone your own sibling, your own father, your own brothers.

Jim Taggart: And respectfully, they’re partners.

Theo Drivas: Correct. And that’s one thing with my brothers and I – in particular Chris, my second brother, who I’ve been partners with for 47 years. There are things that he can do that I don’t do as well. And there’s things that I do that he just doesn’t want to get involved with, like everyday events and people.

In my case, I’m a mediator, I’m a marriage counsellor, I’m a celebrant. You name it. It’s got to do with dealing with people’s problems and listening to what people have to say. There’s no one else in that family – brothers – so I can totally sympathise because even though you’re from the one hand, all the fingers are different. So, there’ll be opinions. But you’ve got to have that demarcation. You’ve got to have that chain of command. And, you’ve got to have that fine line you don’t cross. And, if you do, the other person doesn’t trust on your toes.

The fish sinks from the head. So there’s got to be somebody leading the way. And you’ve got to take responsibility. That’s what we do in our company. It’s not about you. It’s about us. It’s ‘not it’s fault – it’s our fault’. We’re all in it. So, if we’re going to take the praise, we’ve also got to take the blame.

Jim Taggart: I agree with that. Ben, you’ve got a lot of experiences with firms over many years. When you go in, you go to, you question where they’re at? You know, in the sense of maybe poor quality advice that’s got them into this situation, or processes, or things.

Ben Brokken: The biggest things we sell are contextual and external challenge. So really, most of what you’re doing is challenging the thinking in a business around their trajectory or what they’re focusing on, in an informed way, because you have relevant expertise and you’ve seen a lot of different situations unfold. So when you break it down, that’s ultimately what you’re doing. I finished an MBA a couple of weeks ago. The most interesting subjects I did were philosophy, and the other one was around decision frameworks and bias – and the amount of bias in businesses around maintaining the status quo. It’s quite insightful when you’re in business and you see the decisions that happen, how front of mind those biases are at the table and how they manifest themselves in the trajectory of the business. So, yeah, that’s something that I definitely see a lot. Jim Taggart: Angela and I have a thing with the term called “Business Detox”. We come to Christmas where we want to cleanse ourselves, our family, our friendships, and all our relationships. I’m wondering whether businesses do that and whether they do it in a similar way?

Our view, I hope I can speak for Angela, is: we don’t think they do. We often talk about Business Plans. And I think someone made a comment, I think Yelena, about 26 pages of beautiful, you know, quality paper and ink and all that type of stuff. But do they really own it? and (B), do they really understand what it means to sacrifice to do those things?

I’m not being condescending about Business Plans. Far from it. But I’m wondering whether you have a mechanism or you pull their business apart on their own – right? And I’m saying no. When we were in business – I was like you, David – and still am today – I will ring you up. I’ve run David up and got help – all the time.

And that’s the relationship: I don’t know this. Can you help me? What I’m saying is: in a business that’s changing so rapidly, if you’re not changing with the times, you’re going to be working in Western Sydney. There’ll be half a million businesses. The change is incredible. How do you know what you don’t know?

Lloyd Gilbert: Can I make a comment?

Jim Taggart: Sure.

Lloyd Gilbert: The Detox piece – I think people actually need independent and objective – I wouldn’t say “advice” – but sometimes the diagnosis alone gets you to shut down and there’s a belief system that you know, people don’t challenge, someone else will.

Jim Taggart: So how do they find out about people like you?

Lloyd Gilbert: You ask a few questions. And just say to somebody: Do you challenge your strategy every 6 months. No. Well, you’re probably missing something.

Jim Taggart: I think that’s a good take-out: challenging the business every 6 months.

Lloyd Gilbert: Of course. I mean you don’t want to remain on $2 million a year. You want to be planning for $4 million or more.

Jim Taggart: I want to grow by 10% next year or 15% or 20%.

David Pring: I think, regardless of what size the business is, you need a mindset of looking for sources of input. That could be people with skills that you don’t have. Look for someone who can provide you advice in a certain area.

The other areas which are really critical is leveraging the weight of talent in our organisations – if only we’d ask them what could change or what the opportunities might be.

So perhaps once a quarter we go out and ask for people for their one, two or three things that happen. And it could be interesting. Sometimes it’s an absolutely brilliant idea that comes through. But sometimes it’s a theme that you’ll see happening across industry or whatever else. And you get the collective wisdom coming through from individuals. You don’t say why, or so, or think it’s a missed opportunity not to.

And the third one I have is: who are those people? Who are those people that you can go and talk to? And that’s not in your sphere, who are in an adjacent sphere.

I’ll often be talking to clients about their business and issues they’re having, and thinking about how that relates back to me.

Jim Taggart: Steve?

Steve Phillips: I don’t know if the question’s been answered that Angela asked. How do you deal with old clients and drawing it back to that if you don’t mind.

Steve Phillips: I think that the way to do that is just basically meet people who are in similar situations. You go and seek them.
Most people want to talk to you. Some people want to charge you for it, and that’s OK. But if you’re in a position where you don’t have capital or you can’t raise seed funding, and need to go out and talk to people that are in the industry. And people want to talk, because they want to bounce ideas. YouTube Webinars are a great forum for that, where you can go on and talk to people. Go and ask, and you shall find out – if you ask enough people. The other thing is to just read all the books that everybody reads – all the biographies, all the Steve Jobs. The messages in those books have more than answered. You don’t need to necessarily go and get it structurally formulated and paid for. So, does that help with the answer?

Vanessa Ferreira: Can I also just jump in on that?

Jim Taggart: Vanessa?

Vanessa Ferreira: My role prior to joining Light Rail was with the Office of the NSW Small Business Commissioner (OSBC). So my experience is communities and small businesses working across NSW. What I know is that small businesses are not great at embracing change, especially when it comes to the digital economy. A lot of small business owners are should I say ‘older’ and technology doesn’t necessarily come as easy to them as it does to teenagers.

A program I was aware of during my time was the OSBC partnered small business owners with high school students to assist them to create websites, and social networks for them. And what I was picking up was that this opportunity has given these students work experience that they may never otherwise have.

Experience in a real world setting, learning about the business and from the small business owner directly. So, when these students get to university, they’ve got a different perspective.

Jim Taggart: I think that’s excellent. I’m going to make a statement and then, I’m going to shoot to you, Angela, if I can – because I know you have a number of areas that I’m going to pick up on was that this opportunity has given these students work experience that they may never otherwise have.

Experience in a real world setting, learning about the business and from the small business owner directly. So, when these students get to university, they’ve got a different perspective.

Angela Haynes: It’s more about finding the cause of the problem to the business?

Jim Taggart: That’s on your revenue side.

Angela Haynes: That’s on your revenue side, certainly. But, in your sort of business, you probably have more control around your costs. And that’s really the area you can try and extract that value, if you are constrained on your revenue side.

Steve Phillips: So, the two pick-ups on that is: you can actually choose your customers, you can actually go into a company and apply two principles. One of them is looking at whether they can sustain cost reduction, and then using that cost to propel some growth. But you can also go through and weed out – if you’re dealing with customers that pay you on time, you’re one of the few, because there’s a lot customers that don’t. Everything gets dragged out to 60 or 90 days, you see.

Jim Taggart: Thanks Steve. Ben?

Ben Brokken: Ben Brokken: It’s interesting that you talk about cash. I spent three months working with a large ASX listed entity last year. They didn’t have a 13-week cash flow. So, basic principles around cash, managing your cash, apply from small companies all the way up to the bigger companies.

So 12 months cash flow budget, 13 week rolling cash flow, that should ideally tie to each other. These are basic principles but it’s amazing how many companies don’t apply them.

Richard Gremmo: The first sign is usually they can’t pay a bill because they don’t have the cash.

Ben Brokken: Most situations I go into it’s because, you know: We can’t pay our wages next week.

David Amaneddine: If I may ask a question? In my business I don’t have any debtors. We deal with charities and government organisations and, they pay within 30 days – 40 days maximum. For the rest, we get paid at the end of every single job. How do I forecast when there’s minimal debtors? How can I forecast when I’m at the mercy of the market based on what that’s happening outside in removal world?

Angela Haynes: Angela Haynes: That’s on your revenue side, certainly. But, in your sort of business, you probably have more control around your costs. And that’s really the area you can try and extract that value, if you are constrained on your revenue side.

David, I’ll give you the final comment. I think Nathan’s comment was very insightful. So, the first sign is usually they can’t pay a bill because they don’t have the cash.

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Jim Taggart: And Angela, if you just wrap up.

David Pring: David Pring: Thank you all for coming along today. I’ve approached this company, if you will: we’ve got a business here in Western Sydney that’s new, it’s growing and it’s less than 3 years old. So, listening to all the comments has been really helpful for me in terms of running our business.

Richard, thanks very much for your thoughts on customers and the way we look at businesses.

So, I hope you also gained something from today. I look forward to continuing the conversations around growth and how we can take all of our respective businesses forward.

Jim Taggart: Thank you, David.

Angela Haynes: Thank you all for coming along today. I’ve approached this company, if you will: we’ve got a business here in Western Sydney that’s new, it’s growing and it’s less than 3 years old. So, listening to all the comments has been really helpful for me in terms of running our business.

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Jim Taggart: Thank you, David.

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Jim Taggart: Thank you, David.

Angela Haynes: Thank you all for coming along today. I’ve approached this company, if you will: we’ve got a business here in Western Sydney that’s new, it’s growing and it’s less than 3 years old. So, listening to all the comments has been really helpful for me in terms of running our business.
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