

Hitting the Mark



Mark Scott

FOR MARK SCOTT, PRESIDENT of Mark IV Builders in Bethesda, Md., having a written business plan has always seemed like an exercise in futility. But that was before his business started growing by leaps and bounds.

"I always avoided writing down a business plan, because then I might be held responsible for actually getting there," says Scott, who admits that point of view had a lot to do with his being diagnosed with attention-deficit disorder. "Now, we're bigger than I ever expected we'd be, and the lack of standard procedures and clearly defined goals has started to hurt the company. My employees — like most people — can't operate in the same chaotic world in which I'm comfortable."

With over \$4 million in volume from 17 projects this year, Scott realized that he couldn't run his business alone anymore. He also realized that with a million-dollar overhead, even small business mistakes could turn out to be very expensive. So several months ago, he committed himself and his company to establishing what he had always avoided,

MARK IV BUILDERS

BETHESDA, MD.

Years in business: 16

Written plan: Yes

Frequency to which plan is referred: No less than quarterly

Goal of plan: To establish a professional and satisfying company culture

Primary source(s) of business expertise: Some outside consultants, networking with other remodeling companies around the country

Quote on business planning: "Since we've instituted our business plan, we're much more efficient and I'm more comfortable believing our numbers and forecasts."

Year established: 1988

Number of employees: 21

2003 Gross Sales: \$3.38 million

2003 Gross profit: 29%

2004 Projected gross sales: \$4.1 million

2004 Projected gross profit: 29%

And he began by hiring consultants and building standard procedures

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into his operations.

Mark IV is now charting their business records: tracking sales effi-

Revenue target required

ciency, on-time completion percentage, materials costs and a host of other data. "We've always kept good records in the past, but we just didn't do anything with them," he says. "Now, we'll be better able to spot trends and predict our future. And we may stop tracking some things as we figure out what makes us more efficient."

In addition to outside consultants, Scott is traveling outside his market and visiting with other successful remodeling companies around the country to discover what their best practices are. He is also including his entire staff in the process, as he fervently believes in open communication within his company. He meets with his three most senior people monthly, and holds less frequent but still regular meetings with the rest of his staff.

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Mark IV's business plan has yet to be finalized, but Scott has clear goals in his sights. "Our written plan is going to take something of a natural course, but I'm putting myself under the gun to ensure it's completed in a timely manner," says Scott. "The plan is to double the company in size over the next four years, and all future employee bonuses are going to be tied to meeting those expectations."