



# Construction Brand: Stepping into the Breach as Finance Director

## Case Study

### At a glance

- A thriving UK construction industry business lost its part-time Finance Director (FD) to retirement at short notice – a replacement was urgently needed
- The outgoing FD recommended EFM – and Martin Allen was chosen for the role
- The remit had historically been narrow (accounts, budgets, etc.); Martin saw an opportunity to broaden its positive impact on the business and helpfulness to the Board, embracing financial, human, and operational business aspects
- The Board reorganised roles and responsibilities on Martin's recommendations
- Martin combined wider business management expertise with a focus on business fundamentals to strengthen and measure the business's performance

### Background

Martin Allen's broad experience as not only a Finance professional but also as a business manager stood him in good stead when he was brought in from EFM at short notice to replace the part-time Finance Director (FD) of a respected UK construction materials business, on that FD's recommendation.

Expectations from the client were that this was a fairly traditional and narrow remit, requiring a trusted adviser. However, Martin's view of that trustworthiness was that it should embrace both day-to-day critical management accounts functions together with strategic responsibility for optimising the business's performance, across the full business management suite of skill sets - customer and supplier relationships, employee remuneration and reward, revenue management, performance improvement levers, and more.

Martin's expertise delivered a re-focus, and in some instances a reorganisation, of roles and responsibilities, leading to a strategic plan that would maximise engagement, productivity, and performance across both the leadership team and employees.

### Challenge

The business's operations depended on multiple, complex, matrix relationships in place with both suppliers and customers – terms and conditions, costs and margins, service level agreements (SLAs), incentivisation, and management of cash optimisation, to name just a few.

These had to be constantly monitored, measured, and re-evaluated, in order to consistently minimise risk and optimise the multitude of transactions both in the UK and Europe.

Martin also quickly identified a need to strengthen performance at an organisational level, as the business had significant scope to both empower and reward its staff, and, as he puts it, "focus them on what's important."

The business, for its part, was keen to unlock this unfulfilled potential in its people, and saw the value of doing so.

## Solutions

Martin's strong financial management of the fundamentals (forecasting, forward planning, cash management and pipeline) provided a solid platform on which further business and commercial management activities and tasks could be pursued, whilst, as he puts it, "not only arriving at a number, but exploring what the options are for what we do next, based on what that number actually signifies."

Martin maintains that an effective - and, more importantly, impactful - FD needs the ability to listen, and to act on human feedback but also to bring a strong commercial mindset to the Board table - "It's what businesses are crying out for," he says.

To this end, he delivered a strategic reorganisation of the business that empowered individuals across the organisation. At the Board level, the positive effects of this reorganisation were felt across the team, from the MD, who has been able to step away from tactical issues and focus on strategic priorities (leaving more of the daily management of the business to Martin), to the newest Board Director, who Martin mentors directly to nurture and accelerate their professional growth.

He also brought a commercial skill set to driving key supplier strategic planning, which has proven critical to the business's resilience in the ongoing dynamic and inflationary environment.

Throughout the rest of the business, Martin implemented more effective reward and remuneration packages - including EMI share ownership opportunities that enable staff to invest directly in the company, aligned to company and personal goals and objectives.

This gave both managers and employees a clearer line of sight to success, as well as greater incentivisation to get there, and also made the company a more attractive prospect for new talent.

Financially and operationally, Martin's solutions were no less far-reaching. As well as implementing new and more efficient processes and tools for financial management, to increase transparency and insight, he also further developed procurement policies with key suppliers, building on his extensive previous experience of incentivising the supply chain.

## Benefits

Martin has furthered the work done for the business by the previous FD, and has broadened the role and its impact, whilst simultaneously delivering all the benefits to the business of EFM's engagement model: Finance and business management expertise available when you need it, over whatever time scale suits your needs.

The changes Martin made in the client's business are firmly embedded and delivering benefits across the piece - financial, operational, commercial, cultural, recruitment - and the company is now set to deliver on a strategy that is powerfully aligned both to the market and internally, over the next three years.



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