

At a Glance

Customer

Lee's Accu-tech Service Inc., DBA Lee's Air Conditioning, Heating, and Building Performance (Lee's Air)

Location

Fresno CA - USA

Industry

Construction Services (Repair, Maintenance and Installation of Air Conditioning and Direct Digital Control Systems)

Business Challenge

The business needed more clear, more detailed, and more consistent departmentalization to determine where money was being lost and to help motivate the employees in each department.

Solution

BizTools Enterprise Analytics

Results

Lee's Air can now breakdown their financials on a weekly basis so production numbers can be posted in each company meeting. The Excel functionality also allowed for very fast and detailed quarterly reports.

Customer Profile

Lee's Air has been in business since 1981 and was run by the Lee family until 2011. It basically provided the same services over its lifespan. Those services include maintaining, repairing, and installing residential and commercial air conditioning equipment and control systems for the air conditioners. The downturn in the economy in 2008 plus 2 deaths in the family caused the family to turn over daily management to Tom Howard in 2011, and later, in 2012 they sold it to him. The company has 15 employees and currently has a little over 2 million dollars a year in gross revenue.

Business Challenge

In order to be competitive in a rough economy and in an ever changing world of digital advertising and unorthodox marketing plans, Lee's had to know exactly which divisions were making money, which ones could benefit from more advertising dollars, and which ones had Lee's put marketing dollars into and were failing. The employees also needed to know how their divisions were performing as a whole compared to previous years and how they were performing individually. When Tom first took over the company, he had to report quarterly to the board of directors that had hired him. Since the company was not a large corporation with tens of thousands to spend on reporting, creating meaningful, content rich reports, took weeks for an administrative assistant to create and that included a lot of Tom's time answering questions that the assistant had about finance and how to report certain items.

Solution Overview

Tom had a background in finance. Some of the ratios that he was used to seeing simply did not exist in QuickBooks which was the software that Lee's was using. Calculating those ratios manually every time he looked at the financials was not an option. He searched for ways to get the reporting needed until he finally he found a blog that had people complaining about the lack of analysis capability of QuickBooks and someone had posted on there that they were using BizTools Analytics.

Tom checked out the product online and found it to be exactly what he was looking for. He now felt like he was able to take the blind fold off and see clearly when running the company. He can walk into company meetings with confidence and tell everyone exactly how their department is doing.

"I just wanted to let you know that I have BizTools up and running here in Fresno. I tried out some of the features yesterday morning and by the afternoon, using the "ad hoc" analysis portion in Excel, I had put together some of the graphs that I wanted to see. I came in this morning, updated BizTools and my analysis had updated seamlessly and worked even better than I had expected."

**Tom Howard - President
Lee's Air**

"Small businesses can find themselves in a David versus Goliath battle when it comes to taking on their large competitors. Lee's Air had no choice but to win that battle. They could not afford to take a loss on the books. It is important to remember though that it was not just David's faith or his strength alone that allowed him to take down Goliath. David had a sling and a rock. Lee's Air had BizTools."

Tom Howard - President
Lees Air

Business Benefits

Before BizTools, Tom was under the impression that 50% of its sales were residential and 50% were commercial. In fact, it was 81% commercial and 19% residential. Additionally, BizTools also helped point out that the commercial side was much more profitable than the residential side. This was shocking because for 30 years, the company had spent almost all of its marketing dollars on the residential side while the company's commercial division was growing organically in spite of almost no marketing dollars being put toward it. Marketing efforts were changed drastically almost immediately thereafter.

Employees were excited to learn of the company's performance. Lee's called it the "Push for Transparency." Each year, for two years, each Service Technician increased the amount of service calls they ran by 15% or more year over year. Lee's lived by the quote **"When performance is measured, performance improves. When performance is measured and reported, the rate of performance accelerates."** TS. Monson.

BizTools allowed that measuring and reporting to happen. The lowest producing technician went from running 328 calls per year to 778. The highest producing technician went from 725 to 954 calls in two years.

Obviously other things were implemented that also helped company performance but overall, the company in 2011 had one of the highest net profits, (EBIT) it had ever had. 2012 was a great year which posted profits in addition to growth and this year, 2013, the company is on track to grow 30% over the previous year. In fact, Lee's could grow more but it is scaling back so that it will not exceed it's sustainable growth rate.

For more information visit:



www.leesair.com



www.biztoolsanalytics.com