

# Smith Renovations

## Private Equity Acquisition- Struggling Sales Transformation

Focusing on Revenue Generation in a recently acquired Private Equity Home Services Company that is struggling post-acquisition to hit revenue targets



# Table of Contents

Company Overview.....	3
Current Challenges .....	4
Failing to Capitalize .....	5
Taking Action .....	6
Fractional Evaluation .....	7
Key Deliverables .....	8
Building Out .....	10
The Payoff .....	11
Tidewater Solutions Group, LLC .....	12



# Company Overview



**Smith Renovations** is a distinguished home repair and remodeling contractor serving a three-county area with dedication and excellence. As a midsize company home services company, they pride themselves on delivering top-quality service to clients, utilizing a team of skilled professionals and subcontractors to bring visions to life.

## **Company Journey**

Founded with a vision to revolutionize the home renovation industry, Smith Renovations experienced rapid growth in its early years. However, over the past decade, the company faced a plateau in sales, with fluctuations of approximately +/- 3% year over year. Despite this, their commitment to quality and customer satisfaction remained unwavering.

## **Response to the Pandemic**

The years 2019-2021 brought unprecedented challenges with the onset of the pandemic. Despite the turmoil, Smith Renovations adapted swiftly, doubling sales within the first year in 2020 and experiencing remarkable growth of another 40% in 2021. This resilience and flexibility underscored their ability to thrive even in the face of adversity.

## **Current Standing**

With an annual revenue of \$5.2 million and an EBITDA of 18.2%, Smith Renovations continues to be a leader in the market. The Founder, John Smith, decided during the pandemic that he wanted to sell the company to someone that would continue his legacy while also preserving the business he created over the years. A Private Equity firm purchased the business 1-year ago and John Smith exited the business as it rolled up as one of several portfolio service companies of the PE firm.



# Current Challenges

Despite Smith Renovation’s success, the pandemic took its toll, with margins slipping by 15% due to increased costs. While word of mouth and referrals fueled growth, the current landscape presents new challenges. The prior owner was the leading sales person within the company, accounting for 70% of the revenue generation. There are two other individuals that share sales responsibilities along with their other roles as an estimator/engineer and purchasing manager that are now tasked to fill the void of the prior owner. In 2023, 12 months post-acquisition it was anticipated that there would be a 20% decline in revenue, prompting a necessary intervention and internal review of the sales process, opportunity pipeline, pricing models and individuals associated with revenue generation.





# FAILING TO CAPITALIZE ON ITS GROWTH POTENTIAL

The core issue was multifaceted within the sales team: a part-time sales team, inconsistent sales processes, a lack of sales leadership, an unclear understanding of target clients, no unique value proposition, and a compensation structure that failed to incentivize desired behaviors. Operationally, the company also has uncontrolled costs that the CEO will need to focus on to control costs and maximize labor and materials to increase efficiencies.

The company's unique product positioning had given the PE firm confidence that their investment could yield exceptional returns through a five-year invest-to-exit strategy. However, twelve months

into their ownership, modest growth threatened their ROI vision, necessitating a dramatic shift in sales performance.

This eBook captures the story of how our Fractional Sales Leadership approach transformed this company's ability to achieve their double digit, year-over-year, growth targets and radically increase their market value.

# TAKING ACTION



Private Equity Owner

The PE firm needed to build out the sales team and elevate it to an elite performance level. Achieving rapid growth required establishing a systematic sales approach to guide the existing team and prepare for scaling. The new post-acquisition CEO, a visionary leader, had previously relied on various sales strategies from former sales leaders, but what worked in a founder-run business no longer met their heightened growth targets.

The challenge was compounded as the CEO had to take on a sales role to keep the business moving forward. He realized he lacked the bandwidth and expertise to address their sales challenges and develop and implement an effective sales system while managing day-to-day operations.

Under these circumstances, our Fractional Sales Leadership expertise proved to be the perfect fit. A colleague from my group took on the assignment, which involved overhauling the sales organization that was stifling the company's growth. The objective was to create a robust sales infrastructure where solid players could be seamlessly integrated, generating predictable and consistent success. This approach aimed to eliminate the company's dependency on one sales superstar, the CEO, for most of their revenue.

Another critical aspect was working alongside the current part-time sales team as a coach to develop best-in-class sales skills while hiring a full-time team to enhance revenue generation. Ultimately, the goal was to build trust with the team and foster a culture of success.



Post- Acquisition CEO

## TRANSFORMATIONAL OUTCOMES

- **Strategic Sales Transformation:** A case where sales strategy and guidance transformed a sales team, enabling them to surpass revenue expectations.
- **Critical Sales Infrastructure:** Sales infrastructure is crucial for a company's success, encompassing motivational compensation plans, accountability-enabling systems, and processes ensuring consistent, scalable sales execution.
- **Impact from Skilled Sales Leadership:** The significant revenue growth resulting from an experienced sales leader who was capable of troubleshooting and rectifying sales processes, systems, and personnel deficiencies.

## Evaluating the Current Landscape

The Fractional Sales Leader's mission was clear: devise and implement a robust sales system that optimized the sales process while nurturing each sales representative's development, enabling them to achieve their individual targets. The company had an "All Hands-on Deck" energetic culture, but individuals were burdened with multiple roles. It was time to establish a dedicated sales team focused solely on generating sales and growing the business. This involved building repeatable and consistent processes, incorporating support systems, and introducing data visualization reporting and scorecards. Simultaneously, the company would hire a well-trained sales leader and team capable of executing the defined strategies.

It was essential for the CEO to step away from managing the sales team and being the leading salesperson. He needed to focus on leading the business forward and addressing operational headwinds.

Sales activities were ad-hoc at best, occurring only when there was time outside of other responsibilities. The estimator/engineer was overloaded with project design, field support, and compliance matters, while the purchasing manager was rarely involved, as she was constantly chasing down materials to keep projects on track and within budget during turbulent times.

### Value Elements to be Delivered for Enhanced Revenue Generation

- 01 Develop a Comprehensive Sales Strategy**
- 02 Implement a CRM System**
- 03 Define Ideal Client Persona and USP**
- 04 Build out a Sales Team**
- 05 Establish a Clear Sales Pipeline**
- 06 Align Sales Activities with Company Vision**
- 07 Streamline Operations and Processes**

In addition to these steps, the Fractional Sales Leader will streamline operations and processes to identify and eliminate inefficiencies, optimize productivity, and enhance profitability across the sales function.



# Key Deliverables & Projected Value

01

**Develop a Comprehensive Sales Strategy:** Start by crafting a robust sales strategy that aligns with the vision and goals of the organization. Define target markets, set clear objectives, and outline actionable tactics to drive sales growth. Ensure that the strategy addresses the shortcomings in the current sales approach and emphasizes value creation for both the company and its customers. Formal delivery of a Sales Xceleration Playbook™ that will define the company's vision, sales strategies, ideal client's personas, target markets, value propositions, and the company's expectations associated with the process flow, sales system utilization and accountability for their role and defined deliverables.

**Projected Value:** Potential to drive revenue growth, improve operational efficiency, and enhance customer relationships, ultimately leading to increased competitiveness and long-term profitability. The Sales Xceleration Playbook™ is a comprehensive guide that outlines the documented sales process and provides an overview for both sales team members and company leadership. It serves as the standard operational protocol for revenue generation, ensuring consistency and clarity in sales activities.

02

**Implement a CRM System:** Invest in a Customer Relationship Management (CRM) system to centralize customer data, streamline sales processes, and improve team collaboration. A CRM will provide insights into customer behavior, facilitate lead management, and enable better decision-making based on data-driven analytics.

**Projected Value:** Centralizing customer data, streamlining sales processes, and enabling better decision-making, leading to improved customer relationships, increased sales efficiency, and ultimately, higher revenue generation.

03

**Define Ideal Client Persona and USP:** Identify your Ideal Client Persona (ICP) and articulate a compelling Unique Selling Proposition (USP) that differentiates your business from competitors. Understanding the target audience's needs and preferences will guide sales efforts and help position service and/or product offering as the solution they've been searching for.

**Projected Value:** Pinpointing target customers' needs, preferences, and pain points, enabling tailored marketing efforts that resonate with the audience and differentiate the business from competitors, ultimately driving sales growth and market positioning.

04

**Build Out a Sales Team:** Hiring individuals suited to their roles, creating results-driven job descriptions, and fostering collaboration through incentives and training. Encouraging teamwork and providing ongoing support will enhance individual skills and cultivate a culture of accountability and excellence within the team.

**Projected Value:** Expanding sales capacity, fostering specialization in sales roles, and leveraging collective expertise to increase market reach and drive revenue growth. Ultimately relieving the CEO of sales duties, allowing for focus on strategic growth initiatives, and paving the way for scalability and long-term success.



# Key Deliverables & Projected Value

05

**Establish a Clear Sales Pipeline:** Develop a structured sales pipeline that delineates each stage of the sales process, from prospecting to closing deals. Implementing a transparent pipeline will enable better forecasting, resource allocation, and performance tracking, ultimately driving efficiency and revenue growth.

**Projected Value:** Visibility into sales opportunities, improving sales forecasting accuracy, and enabling systematic lead management, thereby streamlining sales processes, maximizing efficiency, and facilitating sustainable revenue growth.

06

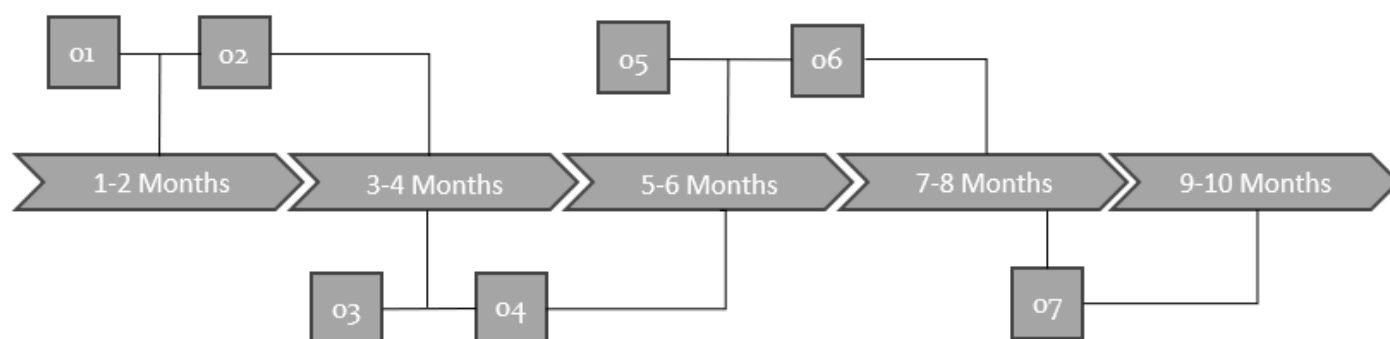
**Align Sales Activities with Organizational Vision:** Ensure that sales activities are in alignment with the broader vision and values of the organization. Encourage a customer-centric approach focused on delivering value and building long-term relationships rather than short-term gains. Emphasize the importance of integrity, professionalism, and ethical conduct in all sales interactions.

**Projected Value:** Ensuring that sales efforts are strategically aligned with the company's long-term goals and values, fostering a customer-centric approach that prioritizes sustainable growth, fosters loyalty, and strengthens the brand's reputation, ultimately driving increased revenue and positioning the business for success.

07

**Streamline Operations and Processes:** Identify and eliminate inefficiencies in sales operations and processes to optimize productivity and profitability. Streamline workflows, automate repetitive tasks, and leverage technology solutions to enhance efficiency and effectiveness across the sales function.

**Projected Value:** Increasing efficiency, reducing administrative burdens, and enabling the sales team and leadership to focus more on revenue-generating activities, ultimately resulting in higher productivity, improved customer satisfaction, and greater profitability.





## Building Out: Accountable and Confident

As is often the case in underperforming environments, the arrival of the Fractional Sales Leader marked a pivotal moment in addressing the sales team's lack of accountability and confidence.

The first step involved establishing a streamlined sales system and developing a new strategy. This approach was documented in a customized Sales Playbook, which provided guidance on the company's value proposition, ideal customer profile, buyer personas, competitive positioning, and more. This helped build the new sales team's skills, market understanding and confidence.

The Fractional Sales Leader then defined sales roles, responsibilities, and key deliverables, creating performance-driven job descriptions. These descriptions were used to recruit two new sales roles: an outside sales/business development position and an inside account manager position.

To instill accountability, the Fractional Sales Leader introduced a range of metrics and performance indicators, clearly outlining expectations for each team member and aligning them with the business's growth goals.

This granular performance measurement identified individual sales representatives' strengths and weaknesses and fostered a culture of accountability where each member understood their contribution to the company's overarching goals.

Through consistent sales leadership, hands-on coaching, and the implementation of a structured sales system, senior leadership and Private Equity ownership began to see positive shifts within six months. Not only were leading sales metrics improving, but there was also a growing belief that the newly formed team could achieve the company's rapid growth goals.

# The Payoff

By addressing the pivotal issues head-on—building a new sales team, streamlining the selling approach, refining the compensation plan to align with core sales activities, and fostering a culture of accountability—the Fractional Sales Leader laid the groundwork for a radical transformation.

The results were striking. **Within just one year of the Fractional Sales Leader's entry, the client was on pace to grow top-line revenue run rate, from \$5.2 million to \$8.6 million**, demonstrating the effectiveness of the deployed strategies. With this dramatic turnaround and scalable sales operating system, **the team is projected to meet the key revenue deliverables in the organization's 3-year plan.**

This strategic overhaul extended beyond rallying the newly formed sales team; it included hiring the Fractional Sales Leader's successor, ensuring the company's sales engine would continue performing optimally long after the interim leader's departure. This remarkable turnaround not only solidified the company's market position but also dramatically increased its valuation and profitability. **Both the Private Equity Firm and Smith Renovations' CEO were extremely pleased with the turnaround and the future trajectory of the business.**



**The resounding success of this strategic sales revamp showcases the transformative power of targeted, expert sales leadership intervention. This remarkable achievement underscores how dedicated, skillful guidance can drive significant growth and elevate an organization to new heights.**



TIDEWATER  
Solutions Group, LLC



# About Tidewater Solutions Group, LLC

TOP-LINE revenue is the lifeblood of any business, serving as the foundation of every P&L statement. Yet, it's surprising how many small to mid-sized business owners overlook the critical importance of a cohesive revenue generation system, team, and activities. At Tidewater Solutions Group, LLC we're dedicated to filling this gap by empowering businesses to optimize their sales strategy, processes, and execution. From assisting with hiring a dynamic sales force to transforming company sales cultures, implementing streamlined processes, and instilling best practices, our mission is clear: to align every aspect of the sales organization with the vision and needs of the business. With a focus on both strategic direction and tactical execution, we ensure that transformation within the sales organization is not only comprehensive but also sustainable, driving unparalleled growth and success.



Meet Shawn Dunahue, CSL the founder of Tidewater Solutions Group, LLC, where he serves as a Fractional/Outsourced VP of Sales & CRO. Shawn specializes in optimizing sales strategies, processes, and execution for small and mid-size companies, driving record-breaking sales results. With a focus on both strategic and tactical levels, he assists clients in areas such as sales force recruitment, transforming sales cultures, implementing new processes, and instilling best practices.

Based in Sarasota, Shawn extends his expertise to clients across Florida and the United States, leveraging his dynamic entrepreneurial spirit and visionary leadership. Throughout his career, Shawn has consistently showcased an unparalleled passion for innovation and demonstrated exceptional business acumen. His dedication to excellence has established him as a prominent figure in the business community, inspiring others to embrace change and pursue success in today's rapidly evolving landscape.

## Experienced Background:

- Manufacturing- 30 Years
- Construction- 30 Years
- Energy Conservation- 15 Years
- Automotive- 10 Years
- Aerospace- 6 Years
- Consumer Package Goods- 20 Years

**Key Roles:** Plant Manager, General Manager, National Sales Manager,  
North American Business Manager (VP of Sales), Divisional CMO-Americas

**Company Types:** Large Private Family, Fortune 500, Global Private Equity Owned



[www.tidewatersg.com](http://www.tidewatersg.com)



[sdunahue@tidewatersg.com](mailto:sdunahue@tidewatersg.com)



[941-320-2131](tel:941-320-2131)



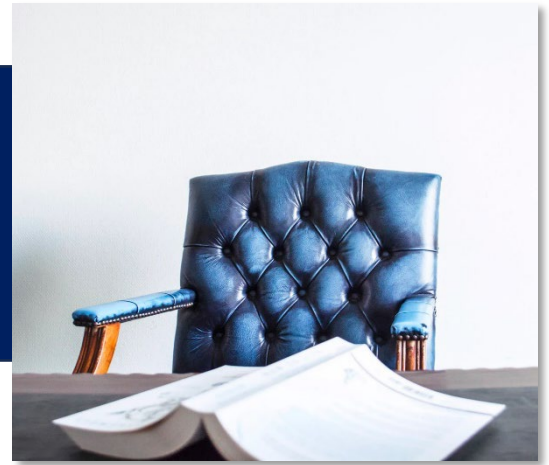
[www.Linkedin.com/in/shawndunahue](http://www.Linkedin.com/in/shawndunahue)





TIDEWATER  
Solutions Group, LLC

Shawn Dunahue  
Tidewater Solutions Group, LLC  
Sarasota, FL  
941-320-3121  
sdunahue@tidewatersg.com  
www.tidewatersg.com



Fractional/Outsourced VP of Sales & CRO Services



Tidewater Solutions Group tailored services for Startups, Private Equity, Investment Capital and Exit Planning

- **Sales Agility Assessments** that identify and address sales readiness of a client or prospect.
- **Sales Discovery Reports** which consist of a written evaluation of 12 key sales Drivers
  - Sales Strategy: Industry Positioning, Competitive Landscape, Value Proposition & Points of Differentiation
  - Sales Management: Sales Coverage, Sales Process, & CRM Utilization
  - Sales Analysis: Sales goals and quotas, metrics, reporting and dashboards & Compensation and Incentive Plans
  - Sales Organization: Sales Training, staffing and hiring plans & defined roles and responsibilities
- **Sales Xceleration® Playbook** is a comprehensive manual designed to empower sales teams with deliverables like the messaging, points of differentiation, ideal customer profiles, discovery questions, sales stages, and a consistent sales process.
- **Sales Infrastructure** which develops and implements elements such as forecasting, budgeting, compensation plans, job descriptions, organization charts, sales process, CRM implementation and/or usage enhancement, onboarding new hires, pricing review, and sales plans or strategy enhancements.
- **Sales Recruiting & Hiring** utilizing existing recruiting staff or our recommended retained Amplify Recruiting services to have the “right” individual in the right seat within the sales team or organization.
- **Sales Management** which may or may not encompasses Sales Infrastructure while managing all aspects of the sales organization included teams, processes and systems.
- **Sales Training** utilizing “Best in Class” training techniques and modules from the RAIN Group and can be provided for individuals and groups. This can be provided as self-guided or coached services.
- **Sales Xceleration Framework** is a hands-on process where we work with the executive leadership and sales teams to ensure there is a solid strategy, action plans and accountability to achieve revenue targets and departmental goals.

Based in Sarasota, FL, Tidewater Solutions Group offers services to clients locally, regionally, and nationally. Let's delve into how our services can assist you or your business in surpassing established revenue targets.

**Schedule a free consultation today.**

**TSG walks alongside you to achieve your sales goals.**

Our goal is the same as yours, to provide the right sales tools, processes, and team members to achieve your revenue goals with a sales growth strategy that works.



TIDEWATER  
Solutions Group, LLC

Shawn Dunahue  
Tidewater Solutions Group, LLC  
Sarasota, FL  
941-320-3121  
sdunahue@tidewatersg.com  
www.tidewatersg.com

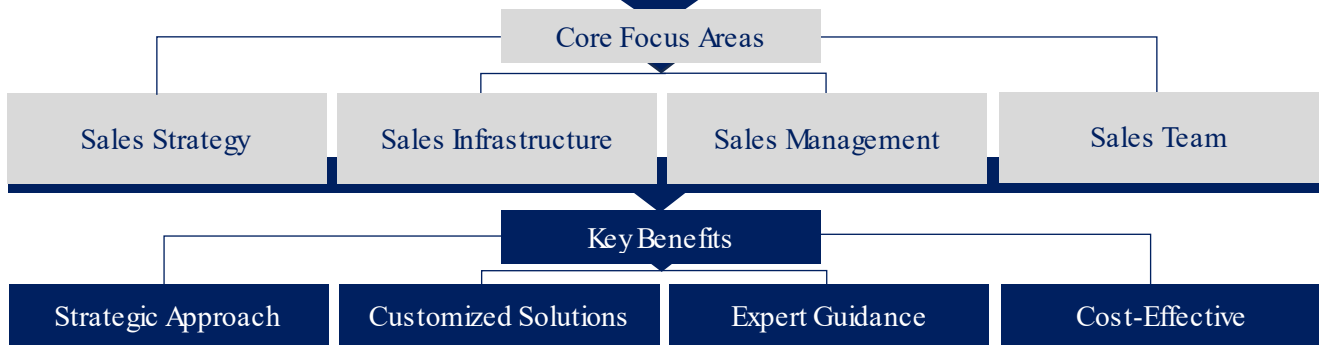


Fractional/Outsourced VP of Sales & CRO Services



## Other Companies consult...at Tidewater Solutions Group, WE BUILD

TSG is more than a consulting company; we become a part of your team to help build a solid sales growth strategy by implementing our Certified Sales Operating and Management System powered by Sales Xceleration® to drive revenue. Our consultant does this by combining his certified sales leadership experience with the Sales Xceleration systems, tools, and processes to deliver results. TSG's service offering can do all or a portion of creating, building, and executing on your sales plan.



The answer to hitting and surpassing sales goals lies with having the right sales growth strategy in place. Time is critical. When hiring a full-time resource, it takes time to get up to speed and answer the question of can the individual deliver. Alternatively, hiring an experienced sales leader, at a fraction of the cost, who knows how to do this and can do it quickly is an option.

## TSG walks alongside you to achieve your sales goals.

Our goal is the same as yours, to provide the right sales tools, processes, and team members to achieve your revenue goals with a sales growth strategy that works.