

*Bringing focus to family business vision statements*

Some family businesses that have grown from humble beginnings aren't very comfortable with fancy management concepts and the fancy words that describe them. They won't bother to learn Total Quality Management, but they sure understand working together effectively and never forgetting that the customer comes first. And although they consistently set productivity records by giving their employees good working conditions, incentives and a feeling that they're doing something important, they can't bring themselves to say "human performance technology."

Of course, a lot of management theories and here-today-gone-tomorrow methods serve more to keep consultants well fed than to improve corporate performance. On the other hand, even Granddad would have welcomed some of the

new tools for handling business problems or using resources that can give family companies tremendous competitive and profit-making advantages. Because of the special bond between many families' internal values and their business aspirations, I especially like one particular management tool: the statement of a company vision.

To some people, "vision" is one of the fuzziest terms in the dictionary of novel management. It can conjure up some unlikely images, such as the founder as being omniscient. Or it can have some specific, if limited, implications. When asked about her vision of her family's company, one crusty CEO answered, "My entire work force without a single incompetent relative."

But in fact a statement of its vision is a solid foundation block in any family company's strategic business planning. Before you can develop a mission statement, before you can set long-term or intermediate goals and lay out a strategy for reaching them, you've got to be able to express the family's vision of the company's future. Remember the inventor's credo: You can't create what you can't imagine. There are hundreds of examples of what happens when someone tries to build a business or anything else without having a clear mental picture of what the end product should look like — the camel (a horse designed by a committee) and the Edsel automobile being just two — and none of them are very pretty.

"We envision a company that commands not less than a 20 percent share of its market, that grows at not less than 10 percent per year, that competes aggressively but always ethically, that constantly looks to and prepares for the future, that compensates fairly those who contribute to its

**KMW Builders brings well-known names to startup business**

**GREENSBORO** — The poor economy played a role in veteran contractor John Kavanagh's decision to close his namesake home-building firm, but it didn't stop him from starting a new venture.

In early 2009, Kavanagh joined Lee McAllister and Mike Weaver in forming KMW Builders, a general contractor that has amassed millions of dollars worth of projects across the Carolinas. The company is poised for more growth with several projects in the pipeline, including a \$6.5 million, 48-unit affordable apartment community in Greensboro called the Terrace at Rocky Knoll developed by Beacon Management.

**What does the company do?** KMW Builders focuses on the affordable housing market as well as market-rate apartment projects and renovations. Most of the company's work takes place outside of the Triad in areas as far as Summerville, S.C., where the company is planning a \$16 million apartment development called Arbor Village.

KMW Builders was also selected as the contractor for a \$5 million, 66-unit senior apartment project in Concord that will begin in March. Though KMW never intended to be so geographically diverse, there were not enough business opportunities in the Triad to sustain the company, Kavanagh says.

**How did the company start?** Before closing his home-building business, Kavanagh had a job lined up to build the 68-unit Churchview Farm senior housing apartment community but no longer had the financial wherewithal to execute the project.

So Kavanagh pulled a small group of employees from his old company, including Kevin Sasser, and teamed with McAllister, who is the president and CEO of Weaver Investment Co., and Mike Weaver, chairman of Weaver Investment Co.

"It was Lee's idea to start a company that would be a general contractor that would focus on affordable housing," Kavanagh says.

**Biggest obstacle early on?** Establishing KMW Builders as a player in the market.



JULIE KNIGHT/THE BUSINESS JOURNAL

John Kavanagh, right, is president of of KMW Builders in Greensboro. Kevin Sasser is senior project manager.

**KMW BUILDERS**

**Who's in charge?** John Kavanagh, president; Lee McAllister, Mike Weaver, partners

**Address:** 324 W. Wendover Ave., Greensboro 27408

**Phone:** (336) 544-0962

**Website:** www.kmwbuilders.com

**Year founded:** 2009

**Employees:** Nine

**Expected 2012 revenues:** \$10 million

"We've had to show people what we could do just like any other startup."

Sasser, the company's senior project manager, says KMW Builders was able to overcome that obstacle with the completion of major projects including Carden Place, a 240-unit apartment development in Mebane, and The Arbors at Carolina Forest, a \$12.6 million, 180-unit project in Jacksonville.

On the rehab side, KMW showcased its renovation skills with a 100-unit apartment community in Fayetteville that is managed by Beacon Management.

KMW Builders has renovated more than

650 units to date and expects that amount to grow by 15 percent, Kavanagh says.

**Biggest clients today?** Brown Investment Properties, Beacon Management, Durham attorney Sherrod Banks and the Weaver Investment Co.

**Growth opportunities?** Kavanagh says the company sees potential opportunities to build in both the Charleston, S.C., and Charlotte markets. KMW Builders could also potentially work on some select commercial projects "especially in this market where we have good contacts," Kavanagh says. In terms of job growth, the company is planning to add an administrative person and likely another superintendent.

**How the company controls costs?** Weaver Investment Co. provided funds for KMW Builders when the company was getting off the ground.

"I couldn't have started a business by myself the way my credit was," Kavanagh says.

Weaver Investment Co. continues to back the company and provides back office support including accounting and human resources functions.

— Katie Arcieri

**DATEBOOK**

Don't miss these upcoming Triad opportunities for networking and business leads:

**The Art of Customer Service**

Discover the latest techniques for building customer loyalty and improving communication by being an active listener. Free. Preregistration required.

**Date:** Nov. 1

**Time:** 1 p.m. to 4 p.m.

**Location:** Alamance Community College, Small-Business Center, 1304 Plaza Drive, Burlington

**To register:** Call (336) 506-4311.

**Setting Up Your LinkedIn Profile for Small Business**

This Forsyth Tech Small-Business Center workshop covers setting up LinkedIn profiles, fine tuning them and getting started with related activities.

**Date:** Nov. 12

**Time:** 6 p.m. to 9 p.m.

**Location:** 4th St. Small-Business Center, 601 W. Fourth St., Winston-Salem

**Registration:** Call Neil Perry at (336) 631-1320 or nperry@forsythtech.edu

**Building the Right Team for Your Business**

In this GMA Small-Business Success Series seminar, Corliss McGinty, of Soft Solutions, will teach three simple steps taken by progressive companies to find the "perfect fit" for open positions.

**Date:** Nov. 13

**Time:** 8 a.m. to 9:30 a.m.

**Location:** GMA offices, 225 Commerce Place, Greensboro

**To register:** Call (336) 378-6350.

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