

Case Study

THE STORY OF CENTRALS
A family owned business



The story of Centrals

It all started with a 'dozer' on a hill in a time of severe drought. It grew into a successful large family owned enterprise spanning three generations.

Centrals is an innovative, earthmoving and civil construction organisation operating throughout regional Western Australia. They started in 1978 and their success can be attributed to their commitment to family, flexibility, innovative practices and encouraging participation with the region's Indigenous workforce.

Craig Patterson is the Managing Director of Centrals and took over the reins from his father on his retirement in 1997. Craig knew there were improvements to be made which would grow the business and he set out to do just that! This allowed him to capitalise on the mining boom of the 2000's.

With its headquarters in Narangulu outside Geraldton, Western Australia and offices in Perth, the organisation has grown from 11 employees to 110, and over 200 in the 2009-2014 mining boom.



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LEADERSHIP

Prior to Craig taking over the business, Centrals turned over less than a million dollars. Now under his leadership the business has a turnover in the tens of millions.

Centrals strong values sets them apart from many other organisations operating in the same sector. This has allowed them to operate consistently and grow year on year.

However, it was not all smooth sailing. When the mining boom ended in 2014, business slowed dramatically. Craig recognised the business lacked direction and was faced with some tough decisions. He decided to invest in his people starting with his Leadership team.

Craig Patterson Managing Director of Centrals

Linked 

A self-proclaimed farm-boy, Craig Patterson (55) married with two children. He maintains a demeanour of approachability and fairness, something that has put him in good stead as the head of Centrals.





What defines me is **the desire to make a difference in my community.**

Craig is most proud of Centrals unique Indigenous traineeship programs. The success of their programs speaks for itself, with 80% of graduates still in employment in the industry two years later.

“Growing up on a farm and living in regional Western Australia opens your eyes to the systematic racism against our Indigenous people. What defines me is the desire to make a difference in my community. Whilst being an innovative organisation, I am most proud of our connections with our Indigenous people.

We aren't the first to offer programs tailored towards Indigenous communities, but we engage in direct consultation first and foremost to ensure the integrity of our message and that we deliver on exactly what we promise.”

Always putting people before profits.

Boom or bust!

Why change was drastically needed

When the Western Australia mining boom ended in 2014, Centrals experienced a “boom or bust” opportunity – either they innovate and grow people, or they downsize and reduce operations.

It was a tough time for Craig as competition was fierce in the Western Australian mining sector. Many organisations were required to dramatically downsize or close the doors! The economy suffered, the housing market collapsed and fly-in, fly-out workers were laid off in large numbers.

Knowing that change was needed, Centrals engaged with a number of Executive Leadership organisations to remedy stagnant operations, inter-group conflict and flat profits. These organisations failed to deliver on Craig’s expectations - he had no idea where to turn.

If at first you don’t succeed – try, try again

Why staying focused is important in delivering results

“Integrity and Values was not the first company we hired. We tried and failed, then we tried again. I met Jennifer Elliott, the CEO and Founder of Integrity and Values, at a leadership retreat in Antarctica of all places. She challenged me and held the mirror up and got me to take a good look at myself. She made me realise there was more than one path to travel to get the results I wanted.”

CRAIG PATTERSON

“One of the key factors holding the business back was “gossip and rumour mongering”. This sets up a downward spiral on morale, productivity and results. Management did not know how to hold people accountable for their actions in this area. Business was stagnant, with little growth and things needed to change”.

PAUL SOMERVILLE



Paul Somerville
General Manager

LinkedIn

Paul Somerville (36), General Manager, was part of the change at Centrals. Originally a fitter and turner by trade on the mine sites, he became the Plant Asset Manager and during the Leadership Development Program, was promoted to General Manager.

“What I noticed first about Paul and Craig was that they were down to earth. They knew they had problems and they were open to have someone come in to tell them the hard truths. With Craig, there was a high level of humility, openness and a willingness to learn. With Paul, he was discerning and hungry for knowledge and change.”

JENNIFER ELLIOTT, CEO AND FOUNDER, INTEGRITY AND VALUES

“The culture permeating the business was one of knowing what was going on, with an unwillingness to speak up! This culture was killing the business and management did not know what to do to fix it.”

PAUL SOMERVILLE

“What shocked me was how spot on the Integrity and Values profiling tool was. In my own profile, it uncovered things that were so plain for others to see, but I was so blind to. I showed the results to my wife and she was shocked with how accurate my profile was. I had no clue how my decisions were affecting those around me.”

CRAIG PATTERSON

18-month Leadership Development Program

Integrity and Values, with the green light from Centrals, embarked on an 18-month Leadership Development Program encompassing their senior executives and other staff.

A significant part of the program focused on communication, self-awareness and accountability.

What were the key issues?

Over the past few years the business experienced slow growth. Contributing factors were unresolved conflict, a lack of clarity on direction and declining profits.

Integrity and Values first began coaching Craig over a period of 5 months. This included profiling each member of the management team and giving Craig a team dynamic report session – this was an eye-opening experience. In his own words, what should have taken 3 hours took 5 – he left the session with huge clarity on the gaps for each member of his team and renewed belief that change was possible.

The profile quickly identified key areas of development and certain blind spots for each individual. These blind spots held them back from achieving their full potential. The profile revealed who was loyal to the business and who had the capacity to do the hard yards that were required to lift the business out of the doldrums.

SOLUTION

Uncovering the hard truths and having difficult conversations was key to improving productivity, workplace morale and the bottom line.

The Integrity and Values Leadership Development Program is a fun, difficult and at times, confronting process. The program pushes leaders out of their comfort zone – so some will step up and others will step out.

The Program ensures an ongoing alignment of business and personal values which affects culture, productivity and profits.



“Before Integrity and Values worked with our organisation, my leadership style was ‘the knight on a white horse’, galloping in at full speed and yelling commands at those around me.”

CRAIG PATTERSON



“Before the program there was little accountability from leadership to staff. The program improved alignment with our core values, increased confidence and gave the Managers the tools to deal with conflict and ask the hard questions.”

KAREN GODFREY
MAICD, Company Secretary



RESULTS

What were the results?

Were they obvious – or slow to identify



After completing the program, Centrals reported the highest employee satisfaction for many years.

Profits recorded in the first six months were the best Centrals reported in the post mining boom.



The business performed well in a difficult market when they were faced with the prospects to reduce operations, or lay off staff who were not performing to a satisfactory standard.



The business experienced leaders choosing to “step out” during the 18-month program. This enabled Centrals to find the right fit for the new culture and business direction.



“The business now had clarity and knew where we were going and how to get there. We also knew who the people were that wanted to come with us on this journey.” Craig said.



Under Craig and Paul’s leadership, the business has embraced the new culture with a renewed focus on results and collaborative leadership.

Centrals is paving the way for innovation in Western Australia’s earthmoving industry.

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“With the assistance of Integrity and Values we now know the quality of the people that we want to attract. I have every faith that the future for Centrals is going to be bright. Trust in your people, have those hard conversations – be open. It’s easier to lead and will benefit you and the business in the long run.”

PAUL SOMERVILLE



Who are Integrity and Values

Two simple words set us apart from the competition – Integrity and Values being at the heart of everything we do. We empower leaders to build responsible teams that produce extraordinary results.

Established in 1991 we have worked with hundreds of organisations in Australia from CEO's to frontline workers. Our unique psychometric profiling tool has been completed by over 15,000 leaders. Our Leadership Development programs are known for delivering results and real change that can be measured over time.



**Empowering leaders to build
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integrityandvalues.com