

# Opportunity knocks in tradie experience



ISGM chief Jonathan Field says subcontractors are often the only touchpoint major companies and big brands have with their customers. Picture: Stuart McEvoy

It's known colloquially as the "grubby subbie": the tradesman who comes to your home late complete with dirty shoes and smelling of cigarettes, after not calling in advance when they said they would.

Now an Australian firm backed by private equity powerhouse Ironbridge Capital is working to transform the customer service levels of tradespeople who work for companies in the retail, insurance and utilities sectors ahead of a potential future sharemarket float.

"Looking at our opportunity pipeline, we want to structure the business from a capital perspective to allow us to pursue the growth we want," says Jonathan Field, chief executive of Infrastructure Services Group Management.

"Whether that is a listing in time or bringing in institutional investors, that is something we would consider over time.

"At the moment the model works very well. But given our growth plan, I'd say within the next two years we would need to consider what that next step would be like."

ISGM, which competes with NBN contractors Service Stream and Visionstream, is chaired by Rowan Kennedy, the deputy chairman of private construction giant Grocon.

While he is careful to avoid the term “grubby subbie” and the connotations it carries, Mr Field — who has taken over from ISGM boss Liz Butcher while she is on maternity leave — says subcontractors are often the only touchpoint major companies and big brands have with their customers.

“So the traditional techie or tradie that goes to the home is another sales channel for the brand,” he says. “We want to provide the best in-home customer service levels for our clients.”

ISGM manages all subcontractor customer installations and maintenance for Telstra’s copper wire services and late last year secured a fresh 10-year supply deal with the telco giant. The new contract covers work to install satellite dishes for Foxtel and contracts with NBN Co. It also supports contracts secured by Telstra from NBN.

“In the telco space, technicians traditionally fix the problem and leave — they don’t engage with the customer, to pick up the lifestyle cues of the people in the home to work out what is important to them,” Mr Field says. “For Telstra we have established new sales channels in the home that generate tens of millions of extra dollars for the company.”

Now ISGM has secured a contract with a major national utilities provider to provide smartmeter installation services in NSW and Queensland and is in discussions with clients in the retail and insurance sectors.

It is also looking at a future move offshore into New Zealand and recently hosted a delegation from that country at its Melbourne head office.

ISGM was founded six years ago by Adrian Field, Joe Caporale, Bob de Boer and Richard Bale with an initial \$1 million investment. A year later it secured private equity powerhouse Ironbridge Capital as a minority shareholder. It now generates turnover of more than \$500m and has a subcontractor workforce of 3500 that will increase by a further 2000 over the next 12-18 months as it expands into new sectors and drives towards its goal of generating revenues of \$1 billion within three years.

“The key to what we do is transparency — sitting with the client company, understanding what drives efficiency from the company then managing the end-to-end workforce to deliver the outcome, in a completely transparent manner,” Mr Field says.

“For the contractor, in reality he or she can earn more money, their work is optimised, they are paid quickly and their work is allocated in a simple manner.

“And they are respected - that is the key thing.”