

Pros Share How They Scaled Their Firms to New Heights

Tips for transforming your business into a multi-million dollar firm

Perhaps you started your business at the kitchen table - or in the cab of your truck - with just you at the helm. You are not alone. Plenty of interior designers and builders started their ventures with just one or two people before growing them to multi-million-dollar firms. We asked some of those business founders how they did it. Scaling requires building a trusted reputation, responding to changes in markets and tastes, and finding mentors who can teach you along the journey, they say. Oh, and did we mention hard work? There was that too.

Here they share some of their insights for scaling successfully.

BRANCH OUT

An effective way to grow your customer base is to think beyond your comfort zone, and diversify your business to meet the demands of the marketplace. This could mean adding a design component to your construction firm or adding commercial jobs to your mix.

For several years, Austin-based [Etch Design Group](#) focused solely on residential work, but after a few years in business, the co-founders realized that they had the expertise within their growing team to add commercial work to their specialties. This allowed them to expand their offerings and provide insulation from market waves, says co-founder Jessica Nelson.

"I actually was really surprised with how quickly that ended up taking hold once we shifted our mindset and our business model a little bit," Nelson says. "I think that being able to be relevant in more than just residential work can help offset whenever things shift slightly," says Nelson.

Susan Wintersteen of [Savvy Interiors](#) in San Diego counts at least three distinct phases in the growth of her business. It has evolved with industry changes and depending on the phase of her family's life. What started as a "little side thing" kept growing. "Then we got our general contractor's license and became a corporation." Now the majority of her firm's work focuses 75% on construction and 25% on furniture and styling.

Tip: With [Houzz Pro lead management](#), you can nurture and track leads through every phase of your company's growth and every phase of the sales process.

FIND AN EXPERIENCED MENTOR

No matter the size of your business, having a coach or mentor helps you learn through every growth spurt or through the steady climb. This is especially true as you scale your business

because the transformations require you to use different skills. For example, you may pull back from the day to day operations to focus more on growth, strategy, and finding new opportunities to increase your client base.

"If you don't learn a lot at any step, you're going to fail," says John MacDougall, founder and president of [JMC Home Improvement Specialists](#) in New Jersey. He started out decades ago by offering package deals at a set price for a bath remodel, for example. However, he realized that he was not making a profit because clients wanted to add on items to make the makeover their own. He credits his mentor with helping him as he doubled the income of JMC. With MacDougall at the helm, the company is a thriving multimillion-dollar business with about a dozen staffers as well as almost 200 reviews and a perfect five-star rating on Houzz.

Picking the right mentor is crucial, he says. Find someone who has already done what you are trying to do. "A coach, first of all, he zones into where you are," he says. "He zones into me and my business perfectly. He also zones into some \$30 million businesses and he's on the board of directors of those businesses," MacDougall says. "He knows what he's talking about."

Tip: With a community of more than 65 million home professionals and enthusiasts, Houzz provides opportunities to meet other pros.

INVEST IN TECHNOLOGY

For anyone who aspires to grow their business even a little bit, making use of technology to streamline their operations is essential, MacDougall says. "Whether it's working for yourself or not, then you're going to have to use some technology," he says. "Once you've grown past being an hourly handyman, if you don't subscribe to this, you're going to be reinventing the wheel as you go."

Incorporating technology into your work builds credibility and trust, showing your integrity and that of your firms, agrees Wintersteen. It becomes even more important as you grow your team and client base. "Having a software program to track all of the proposals, POs, and invoicing has been critical to our firm from a level of organization because the more luxury client that you work for, the more the expectation is that you are organized and you have a process," she says. "You don't want to give any client the impression -if they're giving you hundreds of thousands of dollars - that you don't know where their money is or you don't know how it was allocated," she says. "They're looking to you to be the professional."

She provides clients with a good faith estimate of what they can expect early on, and then more clarity on the details as they progress in the process. Having Houzz Pro software gives her company the tools for that estimating process and beyond, she says. "It allows me to do that and then track purchases, track purchase orders, be able to reconcile all of those things, financially run financial reports to make sure that at the end of the day... that this is in fact a profitable business," she says.

Tip: Create estimates quickly and accurately faster with [Houzz Pro Estimate Builder](#).

BUILD A COLLABORATIVE CULTURE IN TECHNOLOGY

Hiring someone is a long term commitment and investment that requires you to be intentional about adding team members. Decide on the type of talent you need as you grow, looking to where there are gaps in meeting your goals. For Nelson, she already had employees that could help her expand into the commercial space in the Austin area. But she also focused on building a company culture that would attract talented designers as the business scaled.

"I feel like the growth automatically comes if you have a great company culture," Nelson says. "People will see that and people will gravitate towards that. I think having our employees at the forefront of everything... has been a foundational element as to our success and why we keep growing because people see that."

[Jay Jeffers](#), whose eponymous firm takes on sprawling luxury home designs in Silicon Valley and beyond, also puts a strong emphasis on creating a welcoming culture for employees with a "no-drama policy." The company office housed a refurbished warehouse in San Francisco provides a common space for his team to collaborate and bond.

"I try to make sure we have a good work environment, which we do. It's a nice place to come to work," he says. "If people are

having issues, then everybody needs to work the issues out, but there aren't a lot of them." The team tries to meet monthly for lunch together in the office. And, before the pandemic, Jeffers used to help get the creative juices flowing for the team with field trips to museums and shows. "I'd like to get back to doing that," he says. That respectful culture should extend to the rest of the employee package, offering benefits such as a 401K, bonuses "and making sure everybody's paid accordingly."

Roy Maor, who opened [MY Home Builders](#) in LA a decade ago says building trust extends to subcontractors and vendors too. "Reputation is not only customers; it's also based on how you treat your subcontractors and your employees," he says. "If you have a reputation of being a good owner and a decent and honest business, then you're able to maintain a high level of personnel that's going to help you excel on the next project."

Tip: Houzz Pro [Project Collaboration tools](#) let you incorporate your team in the mix as well as subcontractors and other vendors. You have control of setting the role permissions to assure that everyone sees only the information they need to do their work.

CHOOSE YOUR MANTRA

Jeffers thinks it is important to have a point of view as a designer and decorator, especially now. "I think it's very easy for things to become homogenized or, you see a color or a wallpaper on Instagram and it goes viral and suddenly it's in everybody's homes or everybody wants it, that sort of thing," he says. While I think it's all great and it's wonderful, and I get so much inspiration by looking at other designers' work. I think it's super important to be original and have a point of view. It's not necessary to stick with it for every project, but it's like - just have your mantra."

For him, that means designing homes that are luxurious but eminently livable and reflect the client's personality. "I like for there to be bold moments, but that doesn't always mean that it has to be crazy or out there, or colorful," he says. "Bold can be many different-it can take many different forms. It could be black walls or bold instead of it being just a bright color or that sort of thing."

Tip: [3-D Floor Plans](#) and other Houzz Pro visualization tools bring your design and build vision to life for clients.

CHART YOUR GROWTH

Thinking about the year to come and five years down the road can be challenging when there is so much to do in your business

day to day. However, successful pros say setting goals and considering your growth strategy is an important piece of the scaling puzzle.

"I'm really big into goal setting, says interior designer Jena Bula of [Delphinium Design](#) in Charlotte, North Carolina. Every year I set 10 personal and 10 professional goals for myself. I try and make them tangible with something numerical," she says. "I have like an actual number to guide myself not just I want to grow, but I want to grow by 25%, or whatever it is depending on the year."

Then, the following year, she tries to meet or exceed the previous growth milestone. "If I grew by 50%, then I'm not going to slow down, I want to try and do it again, and shoot for the stars," she says.

Nelson also sets goals annually.

"You still have to keep all of the processes in place that you're doing on a yearly, monthly, weekly basis, but also forecasting what the new year should look like, setting your goals, doing all of those things," she says.

Learn more about how Houzz Pro all in one business software can help you meet your business goals this year and beyond. [Get a free account.](#)