

Conklin Office Furniture

Short Term Smarts Saves Long Term Strategy

By The Vann Group

Conklin Office Furniture has been a leading provider of used office furniture throughout the Northeast Corridor since 1981 and has recently expanded into the Southeast and the Midwest. The company offers premium used office furniture at a fraction of the cost of new furniture, meeting the needs of corporate facility managers, office designers and purchasing agents every day.

A strategically focused company, Conklin is always looking ahead to the next steps for continuous growth and improvement and prior to the official announcement of this Great Recession the company had big plans for expansion. Today, while companies all across the globe have shelved expansion plans and new marketing initiatives, Conklin is moving full speed ahead. It's not because they weren't affected by the economic downturn, and it's not luck. Conklin's survival and success is due to these sound business practices:

- **Pipeline management**
- **Proactive cost cutting with a scalpel instead of an ax**
- **Opening new distribution channels & hitting sales hard**
- **Pursuing the long term strategy**

Pipeline Management

"Every business should be able to read their sales pipeline and predict the near term revenue outlook," says Conklin Office Furniture Owner, Franco (Fran) Arnold. "For us, by looking at design requests, requests for quotes, and WIPS, or Works in Progress; we can pretty accurately predict income going out six weeks."

Because the management team at Conklin understands their pipeline so well and watches it constantly, Fran knew in January that March was going to be rough. He knew he had to prepare the company for recession/depression mode.

Proactive Cost Cutting with a Scalpel

Knowing this as early as he did, Fran was able to proactively reduce staff in areas that would not hamper the company's ability to deliver its brand promise or continue to move forward with expansion plans.

This was a good first step, but Fran believed he needed to further reduce expenses. At that point, rather than cutting staff that he knew was critical to the company's success, he decided to reduce everyone's salary, including his own.

The success of this tactic was in the delivery. He brought his team together and explained that by everyone giving up something, the company would save eight full time positions. It was clear to all that if those reductions were made, it would impact the company's long term future as well as over burden the remaining staff in the short term.

Sales, Sales, Sales

At the same time, Conklin Office Furniture opened new sales channels in the Southeast and Midwest, areas that had been previously identified as ripe for opportunity. Because they had done their homework in scoping where to direct the new sales people, those new channels began paying off fast and just when the company needed them to.

Additionally, the company hit sales hard everywhere, going after every lead and working with older quotes in the pipeline. Everyone knew they needed to support sales and was prepared to do whatever it took to fulfill orders. If a customer needed something in a rush, they got it. No one said no.

Sound Business Practices Pay Off --

Pursuing the Long Term Strategy

By taking these measures, Conklin Office Furniture is now able to continue its expansion plans. They've recently purchased a new building and a new factory and they're in the process of expanding capacity five-fold. They're also in the midst of a rebranding

effort and will soon launch new marketing initiatives to fuel demand for the increased capacity.

If Conklin had not been able to read their pipeline, not taken those proactive cost cutting measures, and not stepped up their sales activity; the company would be in a very different place today. Not only would their expansion and marketing plans be on hold, it's even possible that they would have been forced to cut some of those critical positions initiating a period of contraction. Instead they are well positioned for the future. But Fran doesn't take anything for granted. He's still watching his short term numbers every day.