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Quality and Integrity

Following decades of experience in the Australian building sector, Phill Matthews highlights the fact that a crucial principle for anyone in this industry is probity.

Images by Andrew Watson

Phill Matthews, Director of Austart Homes, entered the construction industry at 15 when he started his apprenticeship in carpentry and joinery. By his early thirties, Phill was quoting to the New South Wales Housing Commission, renovating and building new houses in country New South Wales, and turning over around \$6 million per annum. He soon grew tired of government contracts and moved into residential building for himself, launching Newstart Homes in Queensland in 1987 and opening his first display home by 1991.

Phill saw growing success across Queensland and Northern New South Wales, selling the South-East Queensland sector of Newstart Homes to Home Australia in 2000. "I then focused on Cairns and decided that I was going to franchise. So I changed the name from Newstart Homes to Austart Homes, because

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- Phill Matthews

that then gave me permission to go back to South-East Queensland and to Northern New South Wales and actually compete against Newstart Homes. We now run the Cairns franchise ourselves, while all the other locations are owned by franchisees."

Since establishing his organisation, Phill has taken great pride in the company he has built and the people who keep the business running. "Some of the proudest moments are when you can actually go to work and you know that you have a good rapport with your staff and you are working as a team to achieve the goal. In life, it's not about you; it's about others. If you don't have good staff, you don't have a good business, and vice versa.

"I don't believe in dictatorships; I don't believe in being a boss. I am just a person who is the leader who has the inspiration to say, 'This is where we are going over

the next two years; who is coming for the ride?' I think that when you have actually achieved this and can then say to your staff, 'Okay, this is your bonus. Thank you so much', and you can see that they have been rewarded for their effort as well as you being rewarded for your effort—I believe there is a lot of pleasure and satisfaction in that."

Throughout his career in the building sector, Phill has held onto his principles and values. He notes the duplicitous nature of the industry and how his integrity has helped him and his business. "When I was about 32 and was doing about \$6 million worth of work for the New South Wales Housing Commission, I then got approached to do, as they called it, bigger and better projects, and for me to go into the discussions I had to take my chequebook.

"And that's when I said, 'I don't pay anybody, and I have never >

paid a bribe? I have never paid anybody a cent in my whole life to win a building contract; but that is a sort of element that you get. Whether it was 30 years ago, or even now, that's where it is and I don't do any of that. I find that those sorts of things are a major challenge—to stay clean and to stay honest. You've only got to look at the state of the unions and you can start to see the state of our industry at times. You can go a lot of places if you want to be corrupt, and you can make a lot of money. No, thanks. I don't think there is any reward in that whatsoever. I am totally and absolutely against it."

Phill is a strong believer in integrity and keeping his word to clients, staff, and subcontractors. "If I tell my subcontractor that I need them to finish a job by Friday and they will get paid on Friday, then my core value is, if they are finished, they will get a cheque; there is no excuse.

"There is no reward in looking at the staff or subcontractors that you have employed and saying, 'I am sorry, I can't pay you this week'; you know the stress and anxiety that that puts into their lives. I have been in the industry long enough to see other builders. We used to tender against them. We used to be doing a contract on one end of the street and they'd be doing a contract of 10 or 20 houses the other end of the street, and there was a little bit of competition; but it was always very interesting in two years time when you looked at them and would say, 'There goes another one down the gurgler. Look at all those subcontractors that didn't get paid?'"

With franchises throughout Queensland and parts of New South Wales, Phill believes in maintaining a consistent Austart standard of quality. "We have schedules. We have specifications that we as a builder have to adhere to—that our franchisees

have to adhere to—so that if you were to get the Austart franchise on the Gold Coast, or the Austart franchise in Mackay, the Whitsundays, or Cairns to build your homes, the standard ought to be the same and the customer service ought to be the same. There are rules and regulations that state we cannot totally dictate. We have minimum standards that are written and documented, and then we visit franchisees, go through their displays, and go through some of their client houses to establish that they are meeting that target.

"We also monitor the flow of the franchises. We get profit and loss and balance sheets of all the franchisees once a year and we study them to make sure that they are making money, to make sure that they are not going to go under. If we think there is a financial problem, we try to work them out of it, because financial problems are the worst problems. You can always fix a house. If



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somebody has done something a bit shoddy, you can always fix that; but sometimes you can't fix it when you've got no money and you're broke. That's pretty much it: we set the standards, we write it down, we plan the exercise, and we just monitor it as it goes through to ensure that we are going to meet the targets okay."

Phill is pleased with the company's progress so far and anticipates more of the same in the coming years. Expansion for Austart Homes does linger on the horizon, but Phill will only do this if he feels certain of its success. "In the future, we are going to keep building houses and hope to make our clients happy. We believe in value and quality. We will build you a good-quality home at a value price and we will just keep doing that year after year.

"The future for the brand name Austart Homes is that in about 12 months time we will be slowly expanding further out on the horizons by developing franchises in other regions of New South Wales, country regions of Queensland, and Melbourne if we feel that there is a demand there for it. But it is not an ego thing that we need to do it within one year or two years; it's just a thing that that's where we will go as the market calls for it, and also as we perfect ourselves and we feel within ourselves that we can do it with full success and integrity." •

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