

# THE NEXT STEP

HOW AMBITIOUS BUSINESSES CAN  
ACHIEVE THEIR POTENTIAL



## HOW TO BECOME THE 'GO TO' COMPANY

Interview with Paul Bellamy, Managing Director  
flex7

COMMISSIONED BY



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A report commissioned by SAS Specialist Accounting Solutions considers the biggest challenge for any independently-owned company which has the potential to go further.

The ability of the owners to scale the business.

In their own words, directors talk about the issues they are having to address and how they want to achieve their goals.

The interviews will be brought together as a report to be published by DECISION magazine and then as a digital book.



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NORMALLY APPLIED to highlight the perils of inertia, ‘if it ain’t broke, don’t fix it’ is probably the most familiar management homily. And it can be complemented, if that’s the right word, by ‘it’s always been done that way’. But as Paul Bellamy, managing director of flex7, manufacturers of lighting system connectors and control products, points out, they aren’t necessarily the antithesis of best practice.

It all comes down to timing, he suggests. “We don’t have to continue to do things a particular way today because that’s how we did it yesterday, but when there is a need to get orders out of the door, it is more expedient to carry on with a way which works rather than devote resources to pursuing new ideas. The priority has to be meeting the customer’s requirements,” he explains. “I’ve got no problem with ‘that’s the way we’ve always done it’ if we qualify that it is actually the best approach rather than taking it for granted. Of course you can’t stand still, you’ve got to identify what can be improved, but remember for a small firm, implementing change and learning new ways takes proportionately more time.”

Bellamy describes flex7 as “fairly unique” in that they are the only UK company which manufacturers both connectors and the controls. “Our



*Paul Bellamy*



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competitors tend to make one and buy in the other,” he says, “but how can you completely understand a product you’re buying in compared to one you are manufacturing?”

“We sell to a market which demands the best possible product but wants to pay the least for it - a Rolls-Royce product at Ford prices. The only way to delight the customer is to provide really good products at an acceptable price with the service they need, but be under no illusion - there isn’t a great deal of loyalty today. The larger the customer, such as a contractor employing thousands of people with multiple offices up and down the UK with a dedicated buying department, there is less loyalty than with smaller companies where the guy installing the kit is often responsible for buying it as well.”

But there is an alternative to entering a race to the bottom. “Contractors will come to us having won a job and then retrospectively need help with the design or product selection, so there is an opportunity to leverage our expertise,” he explains. “I want flex7 to be the ‘go to’ company, not



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just to buy product but when someone is unsure about the specification and design. I want this to be the business which people can come to, to ask ‘we’re thinking about doing this, what would be the best way of going about it’?

“And in this digital age, whether a product is full of technology or not, it has to be simple to understand and install. Then we will pack everything up on a room-by-room rather than item-by-item basis for the contractor, so they don’t have to sift and sort through everything. Everything they need for room one, for example, is in a carton labelled room one. Yes, competitors have tried to do the same, but because they are followers, I’m not sure their heart is really in it, and I don’t think they do it as well.

“Something which works for and against us is that because we are a manufacturer with a real passion for what we do, when a customer says ‘I like that particular product, but can you put a ‘bell’ on it, then that’s what we want to do for them. But ‘bespoke’ makes a business more difficult to run, and you can’t afford to get the pricing wrong. We aren’t





going to stop making specials, but we also need to have a rationalised product range.”

Set up by entrepreneur and engineer Steve Garton, now chairman, the company has some forty staff, and sells through distributors. Apart from a two-year absence with a lighting manufacturer, Bellamy has been with flex7 since 2000, and has been managing director from 2017. That appointment came about when the founder MD decided to start another business, Quickwire, which produces a junction box for electricians which is pre-wired and maintenance-free.

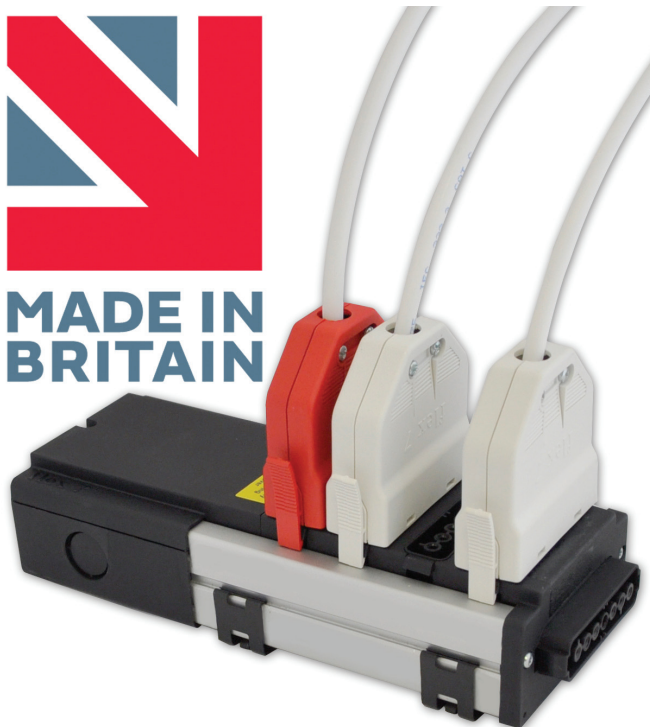
“Of course a newly-appointed managing director will want to make their mark,” says Bellamy, “and I could see that we had something to offer to potential customers overseas. We already had a good percentage of the UK market but apart from Hong Kong, UAE, and Ireland, we weren’t doing much exporting.

“The biggest challenge though is time – the number of hours in the day. That’s why a managing director has to recognise they will have a better

understanding of particular parts of the business and that they can't specialise in everything. That's why you've got heads of department. Your role is to bring it all together."

"And," Bellamy admits candidly, "I'm acutely aware of my inability to delegate. If there's a sales problem or technical issue, I suppose I've been here so long, people will ask me the question. If I don't know the answer, I'll find out for them, although probably what I should be doing is to give them guidelines and let them sort it out!

"But I try to encourage an open culture and I believe a managing director has got to make time for everyone. That has been the culture of flex7 and it's my responsibility that it is continued. One thing I am at pains to



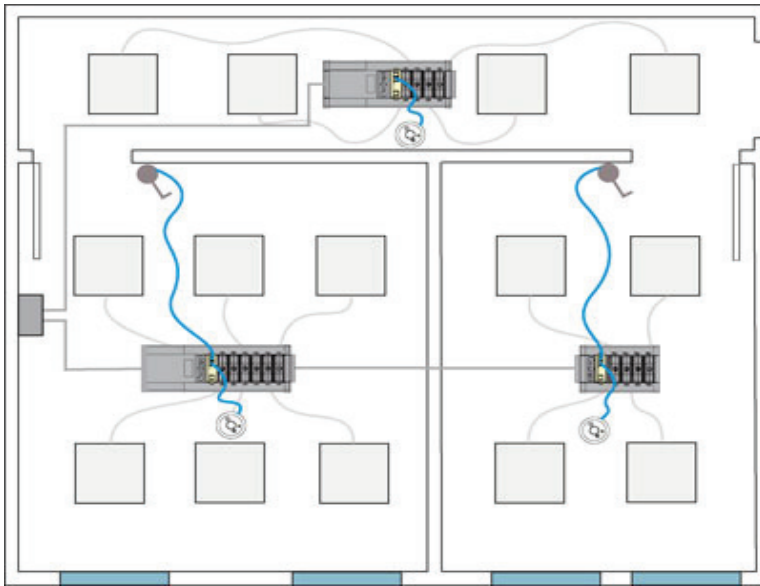
*Promoting the country's manufacturing capabilities in flex7 literature*



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*A flex7 control schematic*

tell everyone who joins the company is that they have a voice, a view which is as valid as mine, and my door is open as a consequence.”

That might sound like a familiar refrain, but Bellamy has thought it through rather than uttering a platitude. “This is essential in order to encourage innovation,” he believes. “An independent company has to fund its own product development, and there is no alternative if you want to keep ahead. An independent company though isn’t beholden to anything more than its own set of accounts, so you’ve got a bit more breathing space compared to a company with disconnected outside shareholders.”

That said, an independent company has more in common with a corporate than popular perception would have us believe. “The biggest difference in business now is that even smaller companies need to have processes in place because you are more accountable regardless of size or ownership,” says Bellamy. “Crossing the i’s and dotting the





t's is increasingly important; there can't be unofficial ways of running a business especially when it comes to HR. Processes stop a company from getting itself into trouble."

Over time, his approach has also changed. "I'm more direct now if I'm being honest," he explains. "Of course it's not about being dictatorial, but providing clarity. Otherwise people don't really know what you want from them. I suppose there used to be two Pauls at one time, one at work, the other at home. By this I mean at work I was always very careful not to upset anyone by being too forthright, the downside being perhaps my requirements were unclear. At home, especially as a dad, I was more straight talking. Now I'm just straight talking, full stop.

"And I would say it's important to trust your instinct, because you probably know more than you think you do. Life skills and experience should give you the confidence not to doubt yourself."

That helps when it comes to one of the hardest things for a manager to say. "I've learnt not to be afraid of saying no when it's necessary," Bellamy reveals, "even though it's the decision the person you're talking to doesn't want you to make. And it has to come with a clear explanation."

[www.flex7.co.uk](http://www.flex7.co.uk)



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## About Specialist Accounting Solutions

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