

## FOR PUBLICATION

### PROJECT TITLE

Balfour Beatty WorkPlace  
– Freedom to Perform

### CATEGORY

I.0 Corporate/Brand  
Identity

### SUB-CATEGORY

I.1 Design and  
implementation costs  
over £100,000

### CLIENT COMPANY

Balfour Beatty WorkPlace

### DESIGN CONSULTANCY

The Workroom

### CURRENT DATE

11 June 2010

**“We’re thrilled with our new brand and it’s no exaggeration to say that it has re-invigorated our business. We now have a unique positioning that really resonates with our people and our clients. Our business is growing faster than ever and it’s abundantly clear the part that our new brand, and The Workroom, has played in this success.”**

**Paul Milner**

Business Development Director  
Balfour Beatty WorkPlace



# Executive summary

Faced with increased competition, the impact of the recession on Facilities Management (FM) Services, lack of differentiation between the key players in the sector, ambitious growth plans and a need to better articulate their Total FM Services offer to existing and new clients to move up the food chain, in 2008 Haden Building Management decided to rebrand as Balfour Beatty WorkPlace (BBW).

This was not just a name change. It was a fundamental rework of the brand's positioning and identity to firmly set them at the centre of BBW's business strategy.

## **One year on and the results speak for themselves:**

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- 41% increase in revenue in first year – 20% more than predicted
  - Smashed year 2 revenue objective after first year
  - 33% YOY rise in average annual value of orders
  - Qualification pitch stage conversion rate rises to 50%
  - Tender conversion rate soars from 25% to 50%
  - 32% YOY increase in sales pipeline
  - Dramatic increase in bid teams' productivity – 2.5 times more productive
  - Average value of orders per person rockets by 565%
  - 116% rise in graduate applications
  - Happier clients – downward trend of client satisfaction reversed
  - Happier staff – 27% drop in absenteeism
  - Design investment plus all other direct costs recouped within 4 months
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All this, despite a much slower growing market which saw a 1% decline in 2008 compared to 3-5% growth from 2003-2008.

What makes this story all the more incredible is that there has been no additional marketing spend to support the brand's relaunch.

No 'lipstick on a gorilla' superficial exercise here – everything BBW now says and does delivers on its brand promise.

# Project overview

## Outline of project brief

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Haden Building Management, established in 1816, was a market leader in Facilities Management (FM) and Technical Mechanical & Electrical (M&E) Services to both public and private sectors. It has been part of the Balfour Beatty (BB) Group since 1986. Under the Haden Building Management name the company's reputation was largely in Technical M&E Services rather than as an FM services provider. Haden was stuck in the Technical M&E Services space. This stopped them progressing up the food chain to more lucrative total FM contracts.

Faced with increased competition, the impact of the recession on FM services, lack of differentiation between the key players in the sector, ambitious growth plans and a need to better articulate their total FM services offer to existing and new clients to move up the food chain, in 2008 Haden decided to rebrand as Balfour Beatty WorkPlace (BBW). This was not just a name change, but a fundamental rework of the brand's positioning and identity.

In what would be a cornerstone of BBW's business plan, The Workroom conducted a major root-and-branch programme to define a brand promise aligned to BBW's business strategy then develop a truly differentiated brand positioning, identity, tone of voice and series of toolkits that would allow BBW to flex its own individuality and core offer, while increasing the company's alignment to the BB Group.

With virtually no additional marketing support, the rebrand needed to work hard to help BBW change market perception and raise its reputation to:

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- **Grow turnover from £411m to £1bn within five years, with an increase of £90m in the first year post-relaunch to £501m and a turnover figure of £550m by 2010**
  - **Attract larger-scale clients to increase average annual value of orders**
  - **Improve qualification stage conversion rates**
  - **Improve tender conversion rates**
  - **Increase business development pipeline**
  - **Improve the ROI on Business Development expenditure compared with the value of new orders secured**
  - **Increase average value of orders per person**
  - **Reverse a downward trend of client satisfaction**
  - **Increase levels of graduate applications to BBW by 50%**
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## Description

BBW provides its total FM services to an increasingly sophisticated and large-scale set of clients. By the end of 2008 its turnover was £411m with 12,000 staff. Its future growth and competitive advantage lay in the ability to communicate and sell its 360 degree holistic FM service.

BBW's work touches many places, spaces and people – with clients including QinetiQ, Chartis, the BBC, Department for Work and Pensions, Royal Edinburgh Infirmary and Royal Mail. The range of services spans across six broad capability areas, within which there are many different skill sets.



## Overview of market

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The FM competitive landscape has become increasingly concentrated over the past five years, with a handful of dominant players such as Carillion, Mitie, Serco, Interserve and BBW. Contract values, contract durations and the cost of bidding are all rising. The advent of 'mega-contracts', mainly through the public sector, has given rise to £500m to £800m order values and long-term 10-15 year deals. These are intensely fought over by the major players.

Clients are becoming increasingly sophisticated and while needing to cut costs they also recognise the importance of engaging with a service-driven provider who shares their cultural values and business ambitions.

The recession has had an impact on the FM market. 2008 onwards has seen a 1% decline compared to 3-5% growth from 2003-2008. (Source: Credo Market Research 2009)

Factor in the impact of the recession with clients needing to cut costs, and FM profit margins are being squeezed to breaking point amongst the major players.

Not only this, but the sector is widely regarded as dry and generic, with little differentiation amongst key players. All the more reason for an exciting and fresh rebrand.

### Competitive landscape:



## Project launch date

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19 November 2008

## Size of design budget

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£183,000

## Outline of design solution

The Haden name had been in existence for nearly 200 years and had a reputation and heritage. Haden had been owned by Balfour Beatty for 22 years prior to the rebrand and there was no internal pressure from BB Group to rebrand. This was not a decision that was taken lightly.

At a time of uncertainty and change, when new ideas are closely scrutinised by clients and employees alike, BBW has signalled an exciting future to staff, clients and the industry as a whole. This is no 'lipstick on a gorilla' superficial exercise. The values were shared quickly and efficiently throughout the company and already form the basis of a refreshed HR appraisal process, 'The WorkPlace Way,' where employees are now rewarded and recognised for their on brand actions, behaviours and communications.

### Positioning

Research with BBW's management, employees and clients helped The Workroom identify the brand's vision and values. A brand model clearly summarises the core components of BBW's positioning and is used internally as the basis for everything BBW now says and does. At the heart of this is the brand essence 'Freedom to Perform'. BBW handles the non-core parts of its clients' businesses, giving those businesses the freedom to perform to their maximum potential. This creates a strong platform for all internal and external communications, is simply expressed and provides maximum impact in marketing material and sales collateral.

## 2.0 Brand positioning model

Our brand model is a helpful tool which clearly summarises the core components of our strategic positioning. At the centre of everything is the 'essence', the single central thought that runs through everything we do. This creates a strong idea which forms the basis of our communications.

### Vision

Creating the environments that enable everyone to achieve their potential.

### Vision

What we want to be. It's what we constantly strive to attain.

### Values

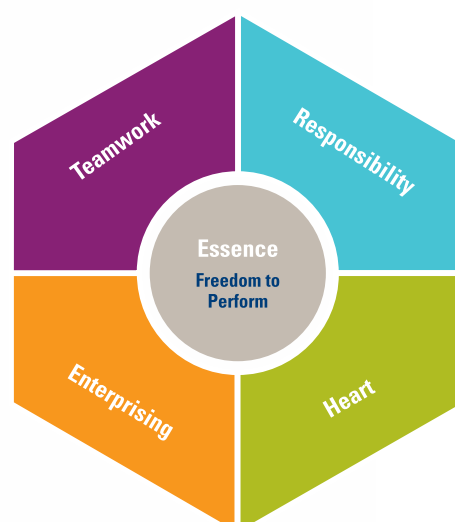
What drives us as a business.  
What we stand for. The qualities that define us.

### Essence

The central organising thought.  
The thread that runs through everything we do.

### Expression

The outward facing description.  
With the end benefit that the brand delivers.



### Expression

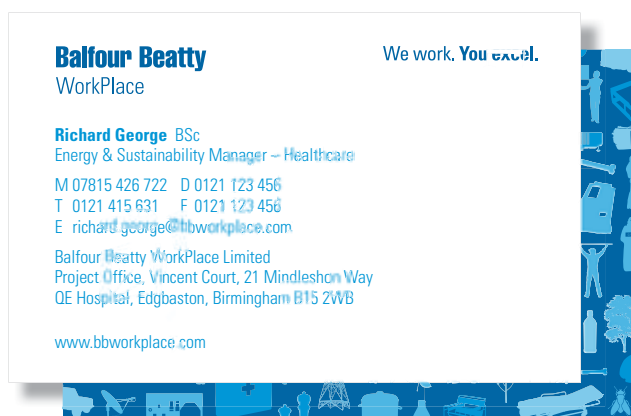
We work. You excel.



## Strapline

### We work. You excel.

This outward facing description of BBW's business is used as a strapline. It's a direct, benefit-led explanation of their essence '*Freedom to Perform*'. This is the brand's promise, delivering a direct, powerful message of intent. It resonates with BBW's staff to deliver their part of the promise while clients and customers are clear on what they can expect from BBW.



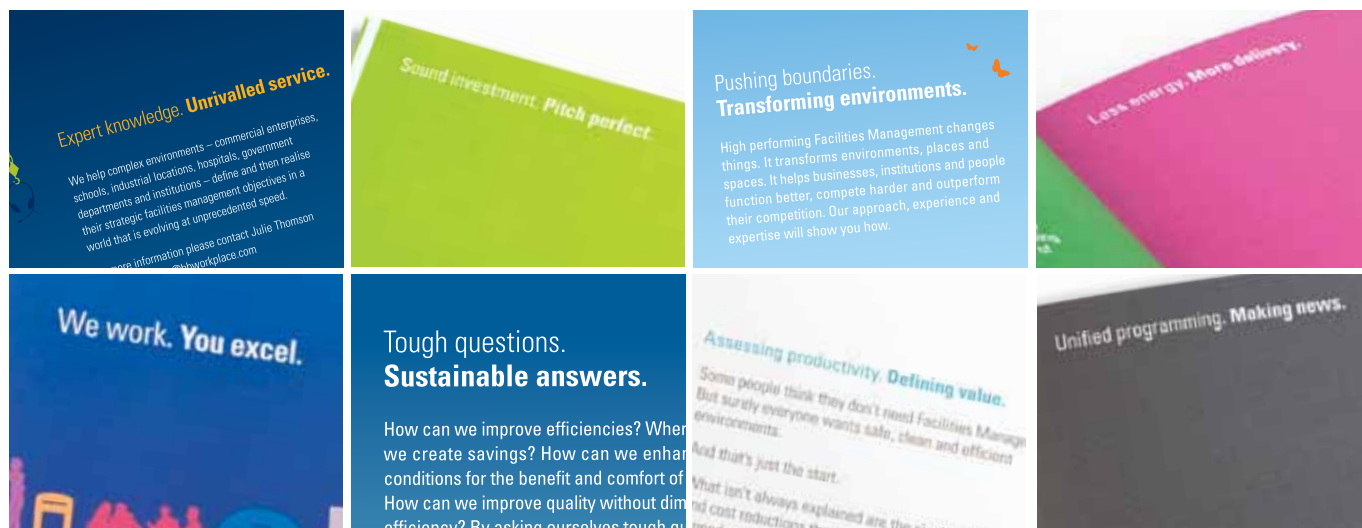
## Identity

The idea that BBW is the catalyst for its clients' success inspired a new visual brand language. As part of extensive brand and business development toolkits for use by BBW employees and agencies alike, The Workroom designed a visual scheme of 670 silhouette illustrations. Each one represents an aspect of the business. When combined together the silhouettes demonstrate the depth and breadth of BBW's service offering. The imagery is scaleable and has as much impact in documents as it does in office environments. The use of colour conveys a strong visual message. The new brand's dynamic and differentiated visual identity has clear stand out amongst the dry and generic competitive set.



## Tone of Voice

Communicating with clients and developing comprehensive, often complex qualification and tender documents are the lifeblood of the business, so an extensive Tone of Voice guide was developed in tandem with the visual identity to set BBWV apart from the crowd. The plain-speaking, jargon-free, open, committed, bright and confident tone of voice is reflected in all copy. And in a nod to BBWV's witty personality, the rhythm of the strapline is reinforced by two-part headlines.



## Toolkits

Comprehensive business development and brand identity toolkits were also created.





## Toolkits continued



# Summary of results

Because the brand relaunched 19 November 2008, it is unlikely to have had much of an impact that year. Therefore, all the rebrand impact information that follows is based around data collected from January 2009 onwards.

## 41% increase in revenue post-relaunch – 20% more than predicted

In order to achieve its ambition to grow turnover from £411m to £1bn within five years, BBW set an objective to increase turnover by £90m to £501m in the first year post-relaunch – a 22% YOY increase. At the end of 2009, BBW's revenue was £580m – that's £79m more than projected, a 41% YOY increase and 20% more than predicted – and all under the context of the global recession.

BBW also completely smashed its turnover objective of £550m by 2010 well ahead of schedule and is on the road towards achieving its five year growth plans. (Source: BBW internal data 2008-2009)

## 33% YOY rise in average annual value of orders in 2009 and predicted 122% YOY increase by end of 2010

BBW's growth ambitions depend on attracting larger scale clients. This is measured by an increase in average annual value of orders. By the end of 2009, average annual value of orders had increased by £4.98m – that's a YOY rise of 33%. Not only this, but BBW's 2010 forecasts show average value of orders growth of £24.71m over 2009 – an astounding 122% YOY increase. This is all the more remarkable because the years prior to rebranding showed declining YOY growth in this area. (Source: BBW internal data 2008-2010)

### Average annual value of orders

	2006	2007	2008 (rebrand 19 Nov)	2009	2010 (forecast)
Average annual value of orders (£m)	12.34	13.88	15.31	<b>20.29</b>	<b>45.00</b>
YOY increase (£m)		1.54	1.43	<b>4.98</b>	<b>24.71</b>
YOY % increase		12%	10%	<b>33%</b>	<b>122%</b>

## Qualification conversion rate rises to 50%

Tenders in the FM sector are a long and protracted process. The first stage is qualification, where information is supplied so that clients can shortlist down to the main tender stage. As the content would remain the same, how it is presented based on the new identity and tone of voice is key to improving conversion rates at this stage. By the end of 2009, BBW's qualification conversion rate had risen to 50% versus a 33% conversion rate in 2008. (Source: BBW internal data 2008-2010)

## Tender conversion rate soars from 25% to 50% by May 2010

Tenders are an expensive undertaking in FM, so an improved tender conversion rate means a more efficient business development team and ultimately increased profits for the business. By the end of 2009 BBW's tender conversion rate had increased to 33% versus a 25% rate in 2008. And in the first five months of 2010 the rate had improved to a remarkable 50%. And all this under the context of a fairly consistent rate in the three years prior to the rebrand. To put this into context, the business development costs for an average tender are £1m so doubling the conversion rate makes a significant impact on efficiency and profitability. (Source: BBW internal data 2006-2010)

### Tender conversion rates

	2006	2007	2008 (rebrand 19 Nov)	2009	2010 (to 31 May 2010)
Tender conversion rate	20%	20%	25%	33%	50%

## 32% pipeline growth

By the end of 2009, BBW's entire sales pipeline saw a 32% YOY increase. Yet another indicator that the repositioning has led to a perception change amongst prospective clients. (Source: BBW internal data 2008-2009)

## Dramatic increase in productivity of the bid teams – 2.5 times more productive

This is all about what the bid teams cost BBW to run over the course of a year, as a percentage of the revenue they won over the same year. The lower it is, the more efficient are the teams. And with nothing changing aside from the introduction of the business development and the brand toolkits, it's a strong indicator that these tools are helping the business development teams. They do not have to work as hard to get more wins.

2009 saw a dramatic productivity increase in this area – with the percentage measure reduced to 1.46% from a 2008 figure of 3.9%. That's more than 2.5 times more efficient than 2008, with consistently lower productivity levels in 2006 and 2007. And the efficiencies continue in the first five months of 2010. (Source: BBW internal data 2006-2010)

To put this into context, for every £100 of new business secured it now costs BBW only £1.87 to bid, compared with £3.90 to bid (and above) prior to the rebrand.

### Business Development ROI – Cost as percentage of sales

	2006	2007	2008 (rebrand 19 Nov)	2009	2010 (to end May 2010)
BD ROI – Cost as % of sales	4.21%	4.38%	3.90%	1.46%	1.87%

## Average value of orders per person rockets by 565% in 2009

An increase in the value of orders per business development person is yet another strong indicator of the success of the brand positioning alongside the business development, tone of voice and the brand toolkits, especially since the business development team headcount has not increased.

By the end of 2009 average annual value of orders per person had grown by £7.47m over the previous year – an incredible 565% YOY increase. And the trend continues, with the first five months of 2010 showing a YOY increase of 25%. (Source: BBW internal data 2008-2010)

The qualification and tender process is more streamlined, and because they are able to better articulate BBW's special difference, the impact and differentiation of the communications to prospective clients are stronger. Furthermore, the team does not have to reinvent the wheel every time they tackle a pitch. This creates confidence, and leaves more time to concentrate on the client's requirements and the substance of the sales response rather than on the style and design.

### Average annual value of orders per person

	2008 (rebrand 19 Nov)	2009	2010 (to end May 2010)
Orders per headcount of business development personnel (£m)	1.32	<b>8.79</b>	<b>10.97</b>
YOY % increase		<b>565%</b>	<b>25%</b>

## Happier clients! Downward trend of client satisfaction is reversed

BBW has conducted annual client satisfaction surveys since 2007. When the survey was conducted in 2008 (prior to the rebrand), BBW saw a drop of 2% in client satisfaction over 2007. The 2009 survey recorded a 7% rise in client satisfaction. (Source: The Halo Works client satisfaction surveys 2007-2009)

The only thing that changed – the way in which clients were communicated with, thanks to a powerful brand positioning, tone of voice and identity. These have given BBW staff the license, tools and impetus to proactively and regularly create client communications with a distinct personality that are creative, clear and ambitious – encouraging the building of long-term client relationships.

## 116% rise in graduate applications

2009 saw a rise in graduate applications of 116% over 2008, more than doubling its objective of a 50% increase. The only thing that changed in BBW's recruitment efforts was the look and feel and tone of voice of its communications to graduates. This is all the more telling if you look at other Balfour Beatty Group operating companies. Balfour Beatty Construction saw a rise in graduate applications of 100%, while Balfour Beatty Capital and Balfour Beatty Engineering both saw declines. (Source: Balfour Beatty Group operating companies internal data 2008-2009)

### Balfour Beatty Group operating companies graduate applications

	2008 applications	2009 applications	YOY % increase
Balfour Beatty WorkPlace	355	<b>768</b>	<b>116%</b>
Balfour Beatty Construction	357	717	100%
Balfour Beatty Capital	108	103	-5%
Balfour Beatty Civil Engineering	894	509	-45%

## Happier staff! 27% drop in absenteeism rates

Since the rebrand there has been a 27% drop in absence rates over 2008. This is all the more significant since absenteeism had increased in 2008. (Source: BBW internal data 2007-2009)

With its new positioning, BBW has a clear and determined focus on the future – a vision that everyone is now proud to share. And the rebranding has resulted in more engaging, innovative internal communications by virtue of the tone of voice and brand toolkit. All of this nets out to enhanced motivation and commitment from all BBW's people, as measured by the drop in absenteeism.

### Absence rates

	2007	2008	2009
Average absence days	3.5	3.64	<b>2.66</b>
YOY % increase	n/a	4%	<b>-27%</b>

The rebrand was launched to staff at a conference in Alton Towers in January 2009 and the impact and positive response was almost immediate:

**“I really feel BBW are going places now and that I am part of a company that is going to make a difference to our customers. I love the way the new brand looks and what it says about us.”**

**Andy Wilcox**

BBW employee

**“Love the new brand imagery – I just know it will work in the Sales environment and help us get our message across.”**

**Chris Trow**

BBW employee



## **Design investment and all other direct costs recouped within 4 months of launch**

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The design fees investment of £183k plus all other direct costs of £400k such as reprinting stationery, new branded uniforms, office redesigns, etc were recouped by March 2009 – within 4 months of launch.

This is a phenomenal return on BBW's investment – measured by the increase in turnover, profitability, staff absenteeism reductions (so staff costs are reduced) and the other positive outcomes highlighted as evidence in this report.

BBW's board of directors is highly satisfied that the business recouped the cost of the rebrand in such a short period of time.

## Testimonials

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“We noticed straight away that BBW were different. From the first meeting they had a brightness about them and this was conveyed in the quality of the materials they sent us and the consistency of their message. Their binders really stood out with the use of colour and images and their written documentation was clear and concise. We really got what they were about. This consistency of message, I am pleased to say, has continued from the Sales process into the live running of operations – we continue to have a bright, forward thinking, innovative, open relationship with the BBW Team.”

### **Director of Site Services**

Arqiva

“Through this process The Workroom has brought clarity to our business internally. Equally it has enabled us to define our expertise and make our complex offering clear and appealing externally.”

### **Kevin Craven**

MD, BBW

“The procurement team at QinetiQ that appointed us referred to the innovative and eye-catching branding of all our presentation and bid documents. The marketing collateral really made our proposals come to life and illustrated our submissions beautifully. The brand positioning together with the power and punch of the strapline led directly to the clarity and speed with which we were able to articulate and deliver our message to QinetiQ.”

### **Darren Orr**

Bid Director, BBW

# Research resources and other influencing factors

## Research resources

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Balfour Beatty WorkPlace internal data, 2006-2010

Balfour Beatty Group operating companies internal data 2008-2009

Credo Market Research 2009, done on behalf of BBW

The Halo Works client satisfaction surveys 2007-2009, done on behalf of BBW

## Other influencing factors

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### Was it the Balfour Beatty Group name effect?

Whilst there is the possibility that the name change, rather than the rebranding, may have had a part in BBW's success, there is equally the potential that Haden customers and prospects would become confused and disengaged by the name change. This is especially true because BBW's core expertise and reputation is built around service provision while BB Group's reputation is based around technical ability and scale of engineering and construction, two completely different disciplines.

Furthermore, almost in parallel with BBW's launch in November 2008, stories about BB Group having to pay £2.25m following a Serious Fraud Office investigation appeared in the media. The story has been regularly rehashed in the media for almost 18 months, with the latest coverage in April 2010, illustrating that having a name so distinctly aligned to the group is not necessarily always good for business.

While part of the BB Group, BBW stands alone with its own group of clients and its own identity. The rebrand has not led to any existing clients of BB Group moving across to BBW as it operates in its own space in the marketplace. The growth in turnover and new clients has therefore come directly from the rebrand and not from being part of the wider BB Group.

### Was it advertising or PR?

Only one full page print ad appeared in BBW's trade press in November 2008. The ad announced the brand relaunch, used the brand's new identity and tone of voice, and was designed by The Workroom.

No proactive PR has been conducted. In fact, one could argue that the rebrand has actually boosted BBW's reputation amongst the trade press. In 2008, prior to the rebrand, just 3 unsolicited articles appeared. Compare this to post-rebrand, where 15 unsolicited articles appeared, and by the end of April 2010, 14 further unsolicited articles were published.

### Was it a change to BBW's business development and tender process?

Nothing in BBW's business development and tender process changed, except for usage of the new brand identity and positioning, business development toolkit and tone of voice, leading to an improved sense of what BBW stands for, easily articulated by all business development team members. There was no increase in headcount within the business development team.

Before the rebrand BBW could not find its voice. Since the rebrand BBW has a strong, energised voice and the sales team is better equipped to articulate and convey its sales message.

# Declaration

## **On behalf of The Workroom**

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## **On behalf of Balfour Beatty WorkPlace**

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