



CEO CLUB | 11 QUESTIONS WITH DAVE HARWOOD, DIRECTOR OF HARWOOD HOMES

A builder of dreams

Quality work and customer care the keys for success

by Graham Skellern
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DAVE Harwood loves nothing better than to fulfil people's dreams. His Tauranga-based company Harwood Homes NZ builds new houses — but not just any home.

Mr Harwood, co-owner with his wife Kirsty, will sit down with clients, discuss their ideas and needs, and then deliver their dream home.

"Some people might spend decades dreaming of their new home. I enjoy interpreting what they want in their homes and then seeing it all come together," he said.

Harwood Homes' custom-built houses have seen the company win a suitcase full of Master Builders awards — including eight at last month's Tauranga Regional gala dinner.

Harwood Homes has become one of the Bay's leading building companies, not based on volume but on quality. And it all started 20 years ago when Mr Harwood was determined to build his own home. His friends saw the commitment and craftsmanship that went in to the house in Marau St and they wanted one, too.

"Our building standards are above the industry norm," said Mr Harwood. "I've been able to reassure people about the workmanship when they are buying an existing house built by us — it's not often you can talk to the builder 15 years later."

Q: How did you own your own company?

A: Ever since I was young, I wanted to be a builder. I was always using my father's tools and building toys, including one in the neighbour's prized tree when I was nine. They came home from work and to their horror discovered a tree hut in their well-cultivated tree — I had lopped the top off it to create a flat building platform. I was brought up by my father and the family struggled financially — to the point where we were evicted from our home and we had to rent. My father told me: "Life can be better and there are always opportunities if you pursued your dreams." He drove me around new subdivisions encouraging me to buy a section and I decided I wanted to build my own home.

I left Mount Maunganui College and joined builder Ian Glover as a labourer, then completed an apprenticeship and helped build quality homes on Marine Parade and Oceanbeach Rd. I worked there for four years and was able to pay off a section I had bought in Marau St for \$24,000. I then wanted to do some heavy commercial work and spent 18 months working on contract for the Harbour Board to extend the Mount wharf.

I married in 1988 and started David Harwood Builders by first building our own home in Marau St — I worked from daylight to dusk. The business was a partnership with my wife Kirsty who had a background in banking and finance. After finishing our home, I did house renovations and then we took a risk and built a spec house in Oceanodunes, Papamoa. The house sold during construction and it encouraged us to do it again and business never stopped. We ended up building 100 homes in Palm Beach.

We changed the name to Harwood Homes NZ in 1993 and we've built houses all over the Western Bay, and even in Waihi, Matamata and Taupo. A lot of people had the perception that we only built in Papamoa — and that's why we've just finished a showhome in The Lakes development in Pyes Pa West.

Q: What's the best part of the job?

A: I enjoy interpreting what people want in their homes and then seeing it all come together. Some people might spend decades dreaming of their new home and I enjoy being part of making their dreams come true. There's a big responsibility because people are putting their life savings in your hands — and it's a thrill to receive thank you letters when the job is done. I also enjoy working with designers



and making sure the plans meet the customers' requirements. We provide the customers with a full in-house design service, starting first with a meeting to understand their needs and budgets.

Q: What's the hardest part of the job?

A: I guess, wearing all the different hats. I can be discussing marketing and sales, accounts and then project management. I like to be involved in all parts of the business so things run smoothly — I choose to do this; it must be the little colonial in me. We have grown but we haven't quite got to a size where I can take on a general manager.

Q: What are your business leadership qualities?

A: My first employer told me: "I can see you in your own business one day, Dave." It was furtherest from my mind; all I wanted to do was to build my own home. When I did that, friends and other people wanted me to build their homes — and I had to quickly learn about contract documents and progress payments. I remember Ian Glover telling me: "Whatever is going on in your life, always pay your 20ths (payments due on the 20th of the month)." I've stuck with that.

I'm a talent spotter. I know what to look for in standards of work on the job — whether it's Gib stopping, painting, or interior design and fit-out. I gather a good team around me and let them get on with the job — I don't over-manage them and they can get inspired. For example, one of my builders was waiting for his dentist appointment and saw a panel ceiling in a magazine. He said: "Why don't we try this." The lounge ceiling is now a feature in our latest showhome.

Q: How many hours a week do you work?

A: An average of 45 hours, but it doesn't stop there. We are always thinking and talking about the business — it can be all consuming and it becomes a lifestyle. Kirsty and I have a rule that we don't talk business after 10pm.

Q: What do you do in your spare time?

A: I get involved with the children's sports such as hockey, soccer and horseriding. I said to the children that whatever you want to learn I will learn with you. So I've learnt snowboarding, skiing, surfing and mountain biking — I guess I'm doing a few things that I missed out on as a kid.

We do a lot of family camping and we go to the Urewere National Park to enjoy the great outdoors. It's full on wilderness camping in the Waimana Valley near Whakatane — tramping, rafting, swimming in the waterholes and waking up to the kokako. Once a year I spend time deerstalking and filming with some good

mates in Fiordland National Park and I also enjoy long-line fishing in a kayak off the Papamoa coast.

Q: How well placed is Harwood Homes?

A: Every week real estate agents and others are using the Harwood name to sell a home we built. The quality is not just on the surface, but what's behind the walls. Harwood Homes has become a brand and as it gets stronger we can add value to all our customers' houses. Over the past 12 years, we've collected 45 Tauranga Registered Master Builders awards, including 13 Golds; we've been national finalists four times and won a national category with our showhome in Palm Springs, Papamoa, in 2003. We also won the Manufacturing and Distribution category in the Westpac Tauranga Regional Business Awards last year.

We are in the top six in the Bay for value of houses built. We complete a range of houses, big or small, and customers will get the same quality — we don't want to build for just one market. In the mix of 25 new houses a year, there would be two or three million-dollar homes. At present we've got eight houses on the go in the Western Bay and that's fine. We also have a dozen home and section packages available in the Beachwater, Palm Springs and Excelsa subdivisions in Papamoa. We also have a dozen home and section packages available in Papamoa, including our new home and land Beach Haven packages in Excelsa Village.

I'm aware that the building industry fluctuates and we operate conservatively — any risks we take are very calculated. For instance, we have expanded the business in a quieter time by opening the showhome called The Lakewood in The Lakes. It is the first time we've had two showhomes in separate areas — we've got another one in Excelsa Place. This will set us up for further growth.

The Lakewood, which took seven months to build, is a culmination of our ideas and feedback from customers over the past 10 years. I'm thrilled with the result, from a team effort point of view. We've added a scullery in the kitchen, a lounge tech roof in the sunroom, a study nook, a walk-in linen cupboard, a fully fitted laundry with an ironing centre, walk-in showers without glass screens, guest toilet and attic storage.

Our business is based on four cornerstones: We will build for a lifetime of living; our homes will have lasting value; we will create any style or design you want; we will build on your land or ours.

Q: What plans do you have for the company?

A: We want to get better rather than bigger. It's not that I don't want to be

bigger — but I believe growth will come through being the best you can possibly be.

I reached the point where I've taken a lot of information on board and I want to find better ways of putting systems in place to make the business run more smoothly and produce better outcomes for the customers, in terms of price and quality. Ninety per cent of the homes we build are one-off designs — every house is different and a lot of skills go in to making it happen.

Q: How are you handling the present economic downturn?

A: The market is soft but we are steady. What happens is the people who have leapt into the industry and built spec houses are the first ones to pull out. They are followed by building companies from other regions who have used Tauranga as a satellite operation but found it too tough. There may be less homes being built but there are less people doing the work. The cost of building has increased and I've talked with my sub-contractors and suppliers to be as competitive as they can.

I actually believe it's a good time to build — it is a very competitive market and the cost of building won't get any cheaper. Interest rates have gone too far and once they start to come down then the market will ramp away. A pattern I've noticed is that people who have dreamed for years won't put off building their new home.

Q: What effect has all the awards had on your business?

A: It's given our customers the reassurance that we are a reputable building company. It also encourages people to come and have a look at what we do.

Q: You get fully involved with charity work?

A: We sponsor a number of people and community organisations but our biggest focus is Homes of Hope run by Hilary Price. The agency helps give children in foster care a settled environment. I was drawn to it because of my own background as a youngster and because Kirsty's parents fostered children. Kirsty remembers one child who had 17 foster homes before she joined them at four.

There is a cluster of half a dozen Homes of Hope in Tauranga and we will provide sponsorship where it's best needed. I've always wanted to inspire young people to go after their dreams, whatever their situation.

I've always believed that you never give up and that you stick with your vision and goals and what you are good at. I realised from the many people I've met — including my grandparents — that if you have a focus, then it's amazing what you can achieve, even if you started out with nothing.

DAVE HARWOOD

Age: 44
Marital status: Married to Kirsty; three children, Sacha, 14, Casey, 11, Josh, 9.
Title: Director of Harwood Homes NZ, based in Tauranga, builder of new homes. Family-owned business in conjunction with Kirsty. She looks after financial management, human resources, marketing, and some research and development; I oversee projects, work on improving systems and operations, and get involved with consultation and design process involving customers.
Staff: Three full-time, office, sales and project managers; two part-time sales people; contract four to five building gangs involving up to 15 tradesmen; have access to about 100 sub-contractors.
Qualifications: Three-year apprenticeship with Ian Glover Builder at Mount Maunganui, obtained Advanced Trade Certificate in Building and Joinery.
How long have you lived in Tauranga: 40 years.
Memberships: Tauranga Registered Master Builders Association, Tauranga Chamber of Commerce, Employers and Manufacturers Association, Bethlehem College Foundation, The Orchard Church, Papamoa Pony Club.

WELCOME TO MY WORLD: Experienced builder Dave Harwood has gathered feedback from customers over the years and incorporated new design features in The Lakewood showhome in the new Lakes residential community at Pyes Pa west.
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