

Construction Materials Company Generates 4x Increase in Revenue and 7x in Profit



by Leveraging Delivering Happiness Culture Model

Business boomed during a national crisis



INDUSTRY
Manufacturing



SECTOR
Construction



EMPLOYEES

100



HEADQUARTERS
Istanbul, Turkey

A family-owned materials distribution firm based in Turkey and in business for over 30 years, brings high quality products to the needs of the construction sector.

CHALLENGE

In 2015, Canpa was facing colossal business challenges, and they came very close to closing their doors for good. **Turnover was one of their most expensive problems.** "We were training everyone and just when they were good enough to contribute to the company, they left and contributed somewhere else," says Murat Ozcan, Canpa Vice President. "On average if we lost 12 people, that cost me about \$150,000. That was our loss in retention, just imagine the cost in customer dissatisfaction."

Things became worse when they were forced to go through with enormous lay-offs. "Psychologically, it was a hard time for everyone in the company. We would say never let go of your teammates' hands and then we had to let go of so many people in one day," says Murat.

From **declining profitability, a 30% employee turnover rate, low productivity, and poor company morale**, Canpa's leadership needed to correct the direction of the company, or they'd face eliminating entire departments, or even worse, closing their doors for good.

SOLUTION

Murat read Delivering Happiness [the book] and was inspired to attend a DH Masterclass. The DH team led Murat and the Canpa team through exercises to identify the company's core values and higher purpose ["**To Provide Service to WOW our Customers**"]. With this foundation in place, Canpa could finally **structure their culture around values-based initiatives and behaviors.**

SOLUTION

DH coaches brought Canpa through experiential learning sessions to demonstrate the critical factors and impact of the **science of happiness**. Through these fundamentals, participants aligned their values to promote desired behaviors within their organizational structures.

DH also helped them develop a **culture roadmap**, so they could start implementing a culture change immediately with objectives and program inventories to stay on track. This roadmap helped to align their culture foundation with their overall business goals [profits, turnover rates, growth].

Soon after returning to Turkey, Murat moved forward with the next steps in Canpa's **culture transformation**. They needed to align the executive team and board of directors on initiatives to build a profitable and sustainable company culture. They were now in a better position to reduce their turnover rate by **increasing employee engagement**, and **attracting talent** that could fulfill both skill and culture requirements.

Murat also made an incredible discovery. He wasn't living up to his own values. If an issue came up with the business on a weekend, he'd run and fix that problem, instead of spending time with his son, or reading books he wanted to read.

“When we don't prioritize what we want as individuals and as a company, someone else will decide our priorities for us. That was one of the greatest learnings.”

RESULTS

“I think a handful of believers versus hundreds of non-believers within the system made all the difference.”

Murat Ozcan, Vice President, Canpa

They went back to the drawing board and began implementing the models they learned from Delivering Happiness. They put their **employee's happiness** and **growth at the forefront**, and aligned everyone's values with the company's.

They implemented team-building events, which is where some of the best ideas were born, when everyone's minds were at ease. They noticed problems between employees vanish, and instead, everyone would talk about how to grow and improve the business. They added culture to performance reviews, and changed up their office space to make it more fun and engaging.

QUICK FACTS

CHALLENGE

Declining profitability, a 30% employee turnover rate, low productivity, and poor company morale. Canpa came very close to eliminating entire departments or closing their doors for good.

SOLUTION

The DH Masterclass helped Canpa structure their culture around values-based initiatives and behaviors. DH coaches helped them develop a culture roadmap based on the science of happiness, and aligned their culture foundation with their business goals [profits, turnover rates, growth].

RESULTS

Business doubled and they saw a 4x increase in revenue, 7x increase in profit, and their turnover rate dropped from 30% to 0%. As Turkey's economy tanked, Canpa's business continued to grow year after year.

RECOGNITION

1st Place in Turkey's 2018 "Great Place to Work" Assessment

DH CULTURE SUCCESS STORY

“We don't compete with the price or the payment terms. We compete with the quality of our emotional relationship with our customers, because that's the only thing our competition cannot copy. We were judged so much about this 'happiness stuff', but in 35 years of business, we've now had our record sales year in the history of our company... so happiness works!”

Murat Ozcan,
Vice President, Canpa



RESULTS

All of these changes created drastic and long-lasting effects for business.

From 2016 forward, the company saw a **4x increase in revenue**, and **7x increase in profit!** They saw dramatic improvements in turnover rate from **30% to NEGATIVE percentages** – some employees who left and heard about their culture transformation, asked to come back.

*“Business grew year after year, and I worked much less,” Murat laughs.
“Every aspect of business enhanced, not only retention, but profit, revenue, the amount of customers we gained, and so forth. When you let culture do what it does, which is small acts of kindness, and when you share it with your customers, it makes a big impact.”*

Canpa managed to sustain even during Turkey's national crisis in 2018, when their currency, the lira, hit record lows. The crisis affected small and large businesses across many industries. Inflation and joblessness were alarmingly high, growth was minimal, and fears of what was ahead was on everyone's mind. **As Turkey's economy tanked, Canpa's business grew, generating a 4x increase in revenue in 2018 alone.** They were awarded **FIRST PLACE in Turkey's 2018 "Great Place to Work" assessment**, considered alongside organizations like H&M, Microsoft, E-Bay, and Hilton.

GREATER IMPACT



“At the end of the day, in a business of commodities the only way to win is through an emotional connection with the customer. When you win one business, there are more businesses that follow. When you win one heart, one project manager, one construction site, they change companies and they take you with them.”

As Murat has shown, an incredible emotional relationship with the customers pays off. Their company events have grown in size, and it's where many of their customers and their families gather together.

Today, Canpa continues to **grow in both profits and size**, but more importantly, they have made a big impact on their community. Employees were inspired to live their purpose through community meal-giving. They gave out 50,000 meals in their first year!

“There is nothing compared to the revenue we made through better customer interaction. If we don't run this business with a happiness-based model, then we don't do this business. What makes it worth the time and capital, are smiles.”



DH is a coach|sultancy working on creating sustainable cultures to drive business objectives and profits. To date, we've worked with over 350 companies and organizations around the world including:

aetna

Century 21



STARBUCKS



Northwell Health

TOMS

Email us culture@deliveringhappiness.com to discover how a happier culture will lead to more success for your team.