



## IOH - The Business

IOH operates as one of the pre-eminent health service providers in New South Wales, specialising in injury management and prevention in the workplace.

The genesis of IOH was the identification of a significant gap in the Health Service industry regarding workplace injuries. Accordingly IOH was formed in 1985 in Wollongong to provide a co-ordinated system of treatment and rehabilitation for those suffering from workplace related injuries.

With the introduction of NSW Workcover in 1987 and IOH's accreditation as one of the first rehabilitation providers, IOH and indeed the occupational rehabilitation market have grown exponentially in the subsequent years. To meet this increase in demand, IOH has progressively expanded its operations to include accredited offices in Sydney and Nowra and satellite offices on the Central Coast, Southern Highlands and Goulburn.

Operating as a family business, IOH extends these family values to its operations with a strong commitment to continuously improving its core business operations and ensuring that their staff are trained to provide the best possible services for the benefit of its patients, employers, insurers and the community.



## Belonging to a Network

The implementation of a franchise system provides the opportunity for business associates to have the benefits of being part of a network whilst still owning their own company

## The Challenge

IOH has successfully operated under a wholly owned structure, since its inception in 1985. This has been instrumental in IOH's ability to progressively develop its range of services and geographical representation, whilst ensuring total quality management and strong branding.

However, the inherent scalability and financial limitations of a wholly owned structure have prevented IOH from realising the full potential of its brand and capturing an increased proportion of the market.

Therefore, the challenge for IOH has been to create a business model that realises the latent opportunity in the occupational rehabilitation market whilst maintaining consistency of service.

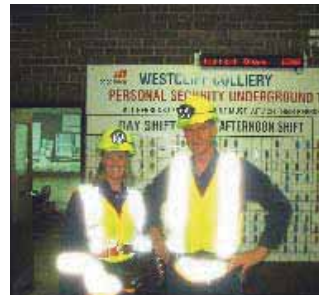
## The Solution

The concept of franchising was internally muted as a potential solution for IOH's limited expansion alternatives. In recognition of the internal management teams limited exposure to the detail and practicalities of franchising, DC Strategy (DCS) was engaged.

Whilst the adoption of franchising in a professional services business is uncommon, the strength of IOH's existing business model and the significant latent potential of the occupational rehabilitation market meant that IOH could consider it as a key strategy for growth.

An intense analysis of IOH and the industry considered such aspects as the economics, structure, and service focus of potential growth strategies. DCS was also able to assist with the development and refinement of the IOH business model.

Having demonstrated the viability of an IOH franchise network, DCS developed a project plan, addressing key issues including: franchise/company mix, recruitment, legalities, implementation and territorial allocation.



## The Outcomes

IOH is focused on a sustainable growth strategy that enables the value of the IOH brand to be recognised in the Australian workplace.

- The IOH business model has enabled IOH to focus on continued growth by developing a network with a mix of company and franchised operations
- The mix of operations will enable IOH to have their thumb on the pulse of the occupational rehabilitation industry
- IOH is able to offer an opportunity to people with the necessary skills and drive to establish their own companies by becoming business associates of IOH
- IOH has granted its first franchise and is well placed to realise their commercial objectives over the short and long term

### Strategy is 'King'

A thorough understanding of the IOH business model, prior to roll out, has enabled IOH to focus on the growth of the network, rather than the business system

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