



## Fernwood - The Business

Fernwood Women's Health Club is recognised as Australia's leading health and fitness chain with over 50 clubs throughout Australia. From humble country origins in Bendigo Australia in 1989, founders Diana Williams and John Clow created one of Australia's most recognised brands through a network of company-owned and franchised clubs.

The exclusive women's only concept was developed around the specific needs of women, through member focus groups and questionnaires to identify what women wanted in their club.

On the foundation of mind, body and soul, Fernwood developed an environment that includes fitness classes, FPT® (personal training), Slimplicity®, and Life Coaching as part of the club.

Fernwood has been the recipient of numerous awards, which have recognised the company as an industry leader. Fernwood has been listed in the Business Review Weekly TOP 100 fastest growing companies for several years and is internationally recognised as one of the world's largest and most successful chains within the health and fitness industry.



### Corporatisation

The core challenge required a balance of entrepreneurialism and corporatisation to evolve the company infrastructure to support a network of 200 clubs

### The Challenge

Fernwood had experienced considerable success as a result of a sustained period of rapid expansion. The desire to leverage the brand to extend the network further was a reality but it was also recognised certain 'growth' pains had emerged as a result of the earlier successes. Entrepreneurialism, the necessary ingredient in any successful business, was creating pressure on the future scalability of the network to support the identified objective of 200 clubs. The core challenge was the evolution of the company infrastructure to support the next stage of growth and successful management of an increasingly large network of franchisees and company employees.

## Large Network Success

The ability to balance entrepreneurialism and the need for structure is the key to growing and maintaining a dominant position in a large retail network

## The Solution

Fernwood recognised the immediate challenge of evolving the company infrastructure to drive the strategic objective of growth and corporatisation.

In recognition of its specialist network development and franchising expertise combined with experience working with fast growth organisations, DC Strategy (DCS) was engaged to assist with this strategic objective.

The project was structured over a 12-month period and was focused on prioritisation of the key issues and the most effective means of transitioning elements of the business to a more corporate and structured environment.

The foundation of the project was strategic planning, turnkey club rollout, and network management. Necessarily this required a focus on the people, processes, systems, and club-operating environment, and per unit profitability objectives across the current and future network. It also required a healthy respect for the franchise issues and the sensitivities that are associated with change management for the existing network.



## Change Management

Change is a process of priority, practicality and time. The process itself requires the commitment and confidence of the individuals involved to achieve the identified objectives

## The Outcomes

DCS worked closely with the founders and senior management to drive the following outcomes:

- A restructured head office team including operations, sales, marketing, finance, property, and franchise development.
- The franchise program was reviewed including the economics, commercial model, and recruitment process. Updates were made to reflect the changing needs of the network
- The process of opening a new club was structured in a turn key manner to accelerate the timing and effectiveness of the network expansion
- A board of management was formed which represented the culmination of the new communication and reporting lines in the company
- The culture transitioned to a more performance orientated environment with a more structured approach to growth
- The creation of a new team enabled the implementation and refinement of head office processes and systems

Fernwood Women's Health Club is well positioned, with a balance of entrepreneurialism and corporatisation, to drive the network towards its goal of 200 clubs across Australia.

---

## DC Strategy Contact Details

### International Head Office

Level 5, 530 Collins Street,  
Melbourne VIC 3000 Australia

[growth@dcstrategy.com](mailto:growth@dcstrategy.com)

[www.dcstrategy.com](http://www.dcstrategy.com)

### Australia

Melbourne +61 (0)3 8102 9200

Sydney +61 (0)2 8220 8700

Brisbane +61 (0)7 3015 7600

Perth +61 (0)8 6222 1011

Canberra +61 (0)2 8220 8700