

THE ACADEMY OF ELECTRICAL CONTRACTING

Paper Presented by

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A Philosophy for an Electrical Contractor

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Several well known schools have surveyed their graduates after they had been out twenty five years or more to see how they had done in life after graduation. They found two interesting things:

1. 50% of how they did seemed to correlate with how they performed in school. Those who were efficient and conscientious in school displayed those same qualities in their work and had enjoyed business success proportional to their school success.
2. 50% of how things had gone after graduation was due to luck, i.e. being in the right place at the right time or having a friend in the right position when they needed a hand.

Now there's no way in the world that I know of that you can plan to be lucky, but Will Rogers had an interesting observation.

He said "I'm a great believer in luck and it's funny, I find the harder I work the luckier I become".

Aside from Will's observation most of us have to do the best we can and hope for luck.

In my case I feel I have been very fortunate. I often say:

1. There's no other job I'd rather have;
2. There's no other wife I'd prefer (this one makes me a hero at home for at least a day);
3. There's no other place I'd rather live.

Having said all this, I have tried to see if there is a philosophy behind my business efforts that has helped my firm and me to be successful and perhaps lucky.

It is said in business schools that any firm should try to achieve a balance in serving four constituencies.

1. Their customers. No one can do business without them. In our case we stand on our heads to try to give them the best possible service. If they have a problem it becomes our problem. We will frequently work to midnight and on weekends to get estimates to customers with deadlines. We have been rewarded with great loyalty as a result. Some of our customers have been with us over sixty years. Consequently we get a great deal of negotiated work which is far healthier than the competitive bid market.

2. The second constituency we try to serve are our employees. We are considered a very good firm to work for if a person is capable and conscientious. Conversely we're considered a poor firm for a lazy or lackadaisical man to work for. We try very hard to constantly improve our men's technical abilities by buying subscriptions for them to electrical magazines, taking them to trade shows, and having foreman's meetings when we go to a good restaurant and have speakers on new products in the industry. We also try to develop their personal abilities by having them go to sales schools and take courses like Dale Carnegie. We reward our field men with good bonuses when we have a good year. The result of all this is that our field force feels very much a part of the team.

We claim that our people from the office down to the field electrician are the best. We believe they are and we keep training them to stay the best.

It should be pointed out that we are an I.B.E.W. firm and believe this has been the best arrangement for us in our area. We generally get good cooperation from the local unions we deal with. When we think they are wrong we resist them strongly and have managed to have agreements which have no feather bedding clauses and wages in line with neighboring areas.

This might be a key point. Our management recognizes that a construction man doesn't have much security without a union. I think our acceptance of this breeds trust and mutual respect.

Our regular workers become like a part of an extended family. We are invited to the weddings and go to the wakes and funerals of their family members. If their children play on athletic teams we are often solicited for contributions and are happy to respond. If some one is hurt or sick, we will visit them in the hospital and assure them that they should take care of themselves and come back to work only when the doctor tells them they are ready. This is done out of a genuine affection for the fellows and is not in any way put on.

3. The third constituency that we serve are our owners. (Some would say they should be first.) We have found that by treating our customers well and our employees fairly we have best served our stockholders. The return they have received on their investment has been well above average. However, there has to be a balance. You can't be so good to your customers and employees that the owners receive nothing. The three have to each respect the just claims of the others. No one group can

be ignored and have the enterprise be successful.

4. The fourth group that we should try to serve is the community in which we reside and earn our living. In this regard various of our management people are active in

N.E.C.A.

Labor Industry Boards

N.E.C.A. Negotiation Committees

Chamber of Commerce

Bank Boards of Directors

Rotary Club

Apprenticeship Committees

Trustees of Union Funds

Construction Industry Association

College Boards of Trustees

American Subcontractors Assn.

Engineering Societies

Church Boards of various faiths

Businessmen's Clubs

Our experience has been that while these activities take valuable time that they bring us into contact with many fine people and ideas that enlarge our perspective and benefit us as people as well as our business.

We pay dues to all worthwhile industry and civic groups and try to be generous to local charities. One churchman I was impressed with said years ago "you never miss money you give to charity". I have found him correct. Somehow money given to charity has a way of coming back to you also!

Some personal as distinct from business thoughts follow:

1. Having sat on two bank boards for over twenty years I have come to the conclusion that from a purely natural and business point of view it makes very good sense to live by the Ten Commandments. I have seen firms that were successful for years suddenly get in trouble when the owner or president let his personal life get out of control. All the talent that formerly was channeled into the business was now expended in trying to cope with personal problems.

2. I have watched a lot of men who, as the kids say, "have it all together" and found that many of them are considerably strengthened by a firm religious faith. Every life has its crises such as when you lose parents, family or close friends to death or dread disease, and a strong belief in a divine being helps mightily. This has been true in my life.

The head of a local utility once told me years ago "All that holds the world together are dedicated people". I think there is a lot to that observation and I've been privileged to meet quite a few in religion.

3. A good wife is a great blessing as the Book of Proverbs in the Old Testament teaches us. I have been most fortunate in having one who cheerfully puts up with my working long hours and reading blueprints on the dining room table at night when other couples are out enjoying themselves; someone that I could talk things over with; who would disagree with me at times but still always from a positive helpful viewpoint. I try to tell our children that two of the biggest decisions they will make in life are: 1. their life's career and, 2. their choice of spouse. Like all parents I'm not sure how much my words are heeded but I hope they make a little impression.

4. We try very hard to be understanding of competitors (some times it's difficult). If one calls us and inquires about a former employee of ours that he's hired we try to give an honest appraisal. If one needs to borrow a tool we try to oblige. If one has a legal or union question we try to give helpful advice. This attitude seems to make for a better spirit, wherein most will recognize the other as a human being trying to make a living in a difficult field. (Years ago there were grudges that seem to motivate people more than business judgment with resulting detriment to all.)

These are the main parts of a philosophy that has stood me in good stead for the thirty six years I have been running our family business.

It has brought my firm and me material success, but more importantly, much satisfaction. It has produced a happy family life and many wonderful friendships.

Whether any of it makes sense to you in your individual situations I will leave to you to decide.

I would hope at least some part of it struck a responsive chord, but you may say it was all luck. If so, so be it.

In that regard some years ago when television was in its infancy and the early stations were regularly losing money, I was startled to read that one of the local stations had shown a good profit. Shortly after I ran into one of the assistant managers at a cocktail party. I asked him how they had made such a good profit. (He had had one beer too many which may have explained his candor.) He responded "My boss is nuts and lucky and that's an unbeatable combination".

I hope at least you won't conclude that I too am nuts.