

THE ACADEMY OF ELECTRICAL CONTRACTING

**Paper Presented by Fellow
Thomas Curran ('06)**

Patience + Presence + Partnerships = Payback
June 2009

We're fortunate to have had an industry outsider point out to us that most electrical industry markets are completely overlooking a marriage made in heaven. What I'm talking about is that between the whole unionized construction industry and its local and state school board representatives.

I don't know how it is in other states, but in California we're embarking on a long-term relationship-building and nurturing process that might, in the end, capture a significant proportion of a \$100 billion (with a "b") school construction and renovation industry. We began this process in 2004, and today, the organized construction industry in California already has managed to claim about a third of this total for not just the electrical industry, but for all the trades.

I want to share with my fellow electrical contractors the way we managed to succeed, and to offer some advice so that we actually get on this wave and not continue to miss out on an entire group of people managing enormous construction projects who actually speak our own language – the language of education, training our young people, offering jobs that keep them home and earning excellent livings in an industry predisposed to hire locally.

The beginnings of our process were initiated even before we had a state-wide Labor Management Cooperation Committee (LMCC) in California. And it was a West Contra-Costa County school board member who approached us and pointed out this gap in our market-capture strategy. Charles Ramsey came to one of our meetings and asked us a critical question: How can we marry the two needs of separate entities who share the same philosophy? What he meant was, school boards have the need of construction services all the time. We have the need for construction work in our local

market areas. Both share this emphasis on quality education for our children, grandchildren, and neighbor's children, to build the economic futures of our local communities with good jobs and benefits.

Not only that, but school board members themselves – who desire to serve their communities in this way because they want better text books, and more tools to enhance their children's educations, and because they want well-trained teachers in their classrooms – are woefully unprepared to engage in the process of construction for their school districts' infrastructure. In most cases, that's not at all what they signed up for in the first place. It's only after the election when they take their seat on the board that a \$20 million construction project lands in their laps.

So they need us as experts in the construction arena also. We can fulfill one another's ultimate goals in ways that most of us in the industry are totally overlooking.

The actual first step is an easy one. Start talking to your own school board members in your district who probably are in charge of making the educational system work for your children or grandchildren. The conversation should not be about construction, however. It should be about education. We've all got to go out there and reverse the fact that our training program and hiring policies are the best-kept secret in our communities.

Now that the conversation has been initiated, there are three major challenges that are tricky and require some diplomatic personalities who believe in our industry. The first is to get local IBEW and local NECA chapters to cooperate. I cannot stress enough how important the formation in your area of a state LMCC will be – and if your

state already has an LMCC, then I can't tell you what a difference your involvement will make to its successes, and therefore, to the successes of our industry in your state.

The second big challenge is to get all the organized construction trades to join us at the table. The only way that's going to happen is if we make the first move and show them the advantages of working on the same side of this effort, so that it is good for the entire organized industry, not just the electricians.

The third challenge is to be patient. Build and nurture those relationships with those individuals. Just like a marriage between two people, this process is entirely dependent on laying a foundation of a relationship, building it, and then maintaining it.

What we did was to get to know a couple of these board members and begin the conversation about education needs and shared goals. Then we saw an opportunity to become a big player in their regular process by participating in their Unity Conference – a meeting organized by the Hispanic and Black Caucuses of the state-wide California School Board Association (CSBA). This happened in San Diego, and it was a gathering of all the school board members from around California who were represented by the wide variety of minority caucuses. We wanted to sponsor their meeting, so we promised \$25,000 to underwrite it. In fact, we were the first non-vendor sponsor they'd ever attracted, and no other sponsor had ever given that level of financial commitment in support of their meeting. In return we got mentioned on all their print marketing and their press releases and advertising materials, and a banner for everyone to see. We also were introduced to and started to build relationships with many

school board members throughout the state, and had the opportunity to make presentations about our training program at their seminars and workshops.

So we had a significant presence at this state-wide conference for this portion of the CSBA membership, and introduced ourselves to them more widely than we would have been able if we had gone one-on-one throughout the state. In all, for this first effort at positioning ourselves before the group, about 40 NECA and IBEW members showed up and participated. A few of the other trades came down also to see what was going on.

During the event, we invited key delegates from this conference, which included several of the elected officials within the greater CSBA, to dinner. But here's the key: we also invited representatives from the other trades and their employer groups to join us. That first dinner numbered about 12 of us in all.

Today, we're sponsoring a portion of the state-wide CSBA Annual Convention with a financial underwriting effort, and we do all the same things as at that first meeting on a larger scale. That construction trade dinner during the Convention has grown to 150 people. On the trade show floor at our first CSBA Convention, the State JATC booth – manned by NECA representatives and IBEW apprentices & journeymen – was the most popular of all. We know this for certain because we were using a card scanner to capture information about the participants, and we were the only group that ran out of tape. That popularity has held strong through the succeeding years.

The only thing we were talking about during that early period was our apprenticeship program. And this part was very important

to them – we had a statistic that I believe holds throughout the US, but check with your own locality. We know that 75% of our California public high school graduates do NOT attend a four-year school after graduation. We told them that current career planning exclusively targets the college-bound 25% and offers little beyond burger-flipping, military service, or stocking shelves at the local grocery to the leftover, overwhelming majority.

We showed them a way to steer those non-college-bound students to a post-secondary education with our JATCs that would pay them while they learned, and that offers a potential \$60 - \$80K career with full benefits including pension. Andy Berg, the NECA Chapter Manager down in San Diego, jokes that a lot of the school board member delegates asked where *they* could sign up when they understood our training program.

Hearing about our apprenticeship program really excited them. Let's face it: we talk the same language. This is a service they really understand and that speaks to all the ideals they hold – ideals that made them decide to run for the school board in the first place.

Keep in mind that we didn't bash the non-union construction industry. We didn't talk about labor agreements on construction projects. We didn't discuss enforcement of the job site rules. It was all about education.

Here's where the patience part enters the picture. For about two years, we talked about nothing more than the opportunities for their students. Finally, at one of their executive board meetings, the then-President of the CSBA, Luann Rivera, said, "Okay, I get it. I like the program you offer. But now my question is, How do we help ensure that

there's work for the apprentices to do once they're in or through the program?"

At long last, we had arrived at the payoff part of the relationship. They opened the door and we simply walked through, with our IBEW in tow. That was the point at which we began to educate them about the process of construction, how to issue a construction bond, how to find an architect, what a Project Labor Agreement is. Of course, it's the building trades that go in and negotiate the deals with the contract-issuing authority. So this becomes a way for NECA and the IBEW to work together and show measurable success through collaborating.

Now, in some of the more conservative districts of the state, we didn't call them PLAs – the term we used actually came from school board members. In many jurisdictions where *labor* is a "four-letter-word," we call these understandings Project Stabilization Agreements or PSAs. Sure, it's probably a matter of semantics, but these construction projects do, in fact, stabilize a local economy through local hire, and it stabilizes a construction site by offering an umbrella under which everyone follows the rules. There's no reason not to make things as easy on yourselves as possible, because there are many aspects of this process that are much more difficult. Don't bicker over the terminology – play to your strengths. I happen to like calling them Project Stabilization Agreements better than the traditional anyway.

As we entered into the process of educating the school board members about construction, the CSBA executive board decided they wanted a construction handbook to be available to all of the 5000 California school board members, to use as a "best practices" guide for one of their biggest challenges. NECA's own Andy

Berg, along with various building trade representatives, sat with school board members on a task force to develop this manual. Now, it's available to all their members. On their website, csba.org, it can be purchased from their bookstore, and it's offered as a part of their e-learning program. If you're a member of the CSBA, you can enter a password and find online links to about 10 chapters of this construction manual, and the language used to describe and justify PSAs on school construction projects is very positive. They really have grown to endorse the concept and they advise it for everyone as a Best Practice.

As I mentioned earlier, by building this relationship to the point it is today, we -- that is, the organized construction industry as a whole -- have captured a third of the \$100 billion school construction market in California. In less than five years.

Now, I offer some hard-earned advice to anyone who wants to undertake this win/win partnership. These are the things we learned in California:

1. The best vehicle by which to access this market is going to be your LMCC. Period. Everyone has to have a measure of buy-in -- both financial as well as time investment to steer the organization. In California, we've hired a person to deal with this at the state level -- a Business Development Director. That's an enormous step over what we had four years ago, which was nothing but volunteers.
2. Don't assume that you're never going to get your foot into the door of a conservative, low-union-support region. Because we'd cultivated this relationship over a few years, we were able to get a positive PSA vote from the school board

just outside Sacramento, despite the anti-union lobbying of the local newspaper, the ABC, and no small number of the members' constituents who threatened them with losing the next election if they voted to adopt this PSA language. We won the vote and all the school board members who voted for it still have their seats. So never assume a battle is lost before it's begun.

3. Keep each district's Superintendent in the loop. Even though that position is hired by the school board and answers to that group, the board members nevertheless rely on the Superintendent to be their expert on education issues, including construction challenges. So always keep him or her informed, even if that person isn't whole-heartedly on the PSA bandwagon.
4. Send local tradesmen and contractors to speak with their own school board members. Everyone has to understand they're speaking with neighbors, that the challenges and the solutions are shared ones, that the goals are similar for everyone's children. Eventually, those dinner conversations where nothing but education policy was discussed will be about weddings, soccer and little league, about family illnesses and children growing up. We now speak with these folks not as customers, but as trusted friends and neighbors.
5. Keep in mind that these elected positions are, in many cases, the first step of an individual who aspires to higher elected office. Call it the "farm team" for county supervisor or city council, if you will. Many of these relationships, if nurtured well, will endure as the individual proceeds to local, regional, and state office. With that rise will be carried a

positive impression about the benefits our industry offers.

6. Finally, you cannot force results. Be patient and let the relationship grow around these shared education values. Like any construction project, you've got to start with the foundation before you lay the block. You'll be disappointed, in this world of immediate gratification, if you move straight from "how do you do" to "give me the PLA." A good friendship takes time. Give it the patience it will require to grow.

Thomas F. Curran launched his career in 1966 as an IBEW apprentice. By 1976, he had become a key executive at Red Top Electric in Emeryville, CA, where he continues to preside as chairman of the board, and he became active in NECA's Northern California Chapter that same year.

He has served his chapter diligently, having been vice president, president, a board member, as well as Governor.

Perhaps his greatest contribution at the local level stems from his work with the California School Boards Association. He was, and continues to be, the driving force in creating among school board officials an awareness of and preference for the quality electrical services provided by the NECA-IBEW team. What started as a local initiative, expanded into a statewide campaign ~ thanks to Tom's consistent leadership at every planning meeting, every event and every conference pertaining to school construction in California.

More recently, Tom has been an advocate for solar and alternate energy programs in California and nationwide. This initiative has not only provided new opportunities for NECA contractors but is also shining the spotlight on career opportunities in electrical construction and thereby drawing young people to the workforce.

Tom has been, and continues to be, a strong supporter of ELECTRI International and the NECA Political Leadership Council.