



# THE ACADEMY OF ELECTRICAL CONTRACTING

PAPER PRESENTED BY FELLOW  
GREG E. STEWART ('08)

WHAT DO WE REALLY SELL IN  
TODAY'S BUSINESS WORLD?

JUNE 2014



I began working for my father in the electrical field in the early 1960s, doing wiring for houses, churches, office buildings and so on. I learned to do business the way business had been done in our industry for 50 or more years before that: working locally, bidding competitively, and developing relationships as the available jobs required.

Now, half – or more – of what we do today involves installing and using technologies that didn't even exist then. We're not dealing in light switches but in sophisticated lighting controls with motion-detectors and daylight harvesting systems. We're not training once at the beginning of our careers but are committing to continual learning to keep pace with the rapid evolution of our industry.

The way we do business must evolve alongside the technology if we hope to remain competitive and build the businesses that will support the lives we want for ourselves, our families, and our teams.

In this paper, I'll explore what it is I believe we have to sell as electrical contractors and the relationship- and value-driven approach that are required to sell our services.

### **What do we have to sell?**

It's tempting to say that as electrical contractors, we sell electrical installation and maintenance. Certainly, that product is integral and necessary to what we do. But, thousands of electrical contractors out there sell those same basic skills.

In order to thrive in the modern market, we have to go beyond the bare tangibles of the construction process and realize that what we are really selling is ourselves and our teams and the expertise needed to provide a higher value proposition than the competition. We are selling a comprehensive process from initial contact to detailed, design-rich proposals to the highest-standards of project execution and safety to ongoing maintenance. We

must operate to maximize both the use of our expertise and our commitment to excellence. Through this approach, we can maximize the value of the total electrical experience that we offer to our clients. In that way, we can retain their business and gain their referrals.

Relationship-based repeat business comes from great customer experiences. Achieving this involves constantly striving to exceed the high-level of quality of installation and services we promise our clients. We must provide a comprehensive pre-construction process, including BIM drawings, and extensive and creative value engineering. Project schedules must be met or bettered and safety requirements exceeded. Of course financial goals for both the client and ourselves must be met or exceeded.

This might sound both extensive and expensive relative to the traditional approaches to the construction industry business process. The fact is that the electrical contracting business has never required more investment both financially and in terms of the intensity of expertise and creativity required. Excelling in our business in a 21<sup>st</sup> century, technologically-driven world requires a team of people with the most advanced skill sets. This not only applies to electricians, but also designers, engineers, accountants and business development personnel. They all must not only have strong educational backgrounds but be enthusiastic about continual learning.

When hiring or promoting people, we are looking for those who are likely to have an electrical contracting, business, or technical magazine at their side, all of which are resources for continuous learning. They must be willing to attend training events with the same enthusiasm they might have going to a ball game. We need people who not only thoroughly understand our current systems and processes, but are always looking for ways to

achieve greater efficiency, more compelling proposals, and higher-quality work products. We need people who are committed to what they are doing.

Once this team and the tools they need are in place and operating, we can begin to see a return on our investment. This return will be based on obtaining not only more work, but more desirable work. It will come from processing that work at higher levels of efficiency, quality, and safety and thus continuously improving our bottom line, while providing greater customer satisfaction.

The essence of business in today's world is that we are selling the capabilities of our team first and foremost, not just the actual installed work.

#### **How do we sell?**

Maybe you recall a time, not so far in the past, when we would hear of a project and reach out to the decision maker. We might find a colleague or friend who knows that person in order to get an introduction, a foot in the door for a meeting or even an opportunity to take that person out to lunch.

These days, if we wait until a project is conceived to begin building those relationships, we've likely already waited too long. Now is the time to start building relationships and reinforcing existing ones in order to ensure that our reputations for excellence precede us. That's the new foot-in-the-door.

Relationships built on the premise of demonstrating our expertise are the best path to the larger and/or most desirable projects. The traditional design, low-bid, then build process is still widespread, especially in the public works arena, but that tends to leave you with the narrower profit margins that can handicap your ability to build top-quality teams and a top-quality business.

This area of work is also beginning to require pre-qualification to be on bid lists and requires the application of many of the technologies discussed above in order to be successful.

So who are we building these relationships with?

First and foremost are existing and past clients. When we focus on providing excellent customer experiences, our existing and past clients become our best advocates because they have already seen first-hand what they can expect from working with our businesses. We will already be at the top of their list for upcoming projects.

This also gives us a leg-up in receiving referred business. After all, when someone refers us, they are essentially pinning their reputation to our output, and by providing an excellent experience, we're making that an easier, safer leap of faith for those who make it.

The immense value of current and past customers is also what makes it critical that our personnel at every level are conscious of and committed to the total vision of the company and the goals of each individual project. Though you or your marketing/estimating team may have pitched and closed the deal, it is the pre-construction team and field supervisors who have daily contact with the customers, handling issues and concerns on the spot. They must prove again and again the wisdom of hiring your company by making the process smooth through creative thinking as well as by applying effective and dedicated effort.

Of course, we're also selling to new decision makers and influencers. Building relationships with those who have both knowledge of upcoming projects and the ability to issue purchase orders and contracts allows us to give them first-hand experience of our companies through our own communication. Meeting these people through

political arenas, community philanthropies and charities, and professional organizations lets them experience our common aims and purposes directly.

Never underestimate the power of eye-contact and a handshake.

Not only can proactively developing relationships with decision makers and influencers give us a head start in earning their contracts, it also opens the door to conversations in which we can demonstrate the need for work they may not have considered or realized they need, for example energy retrofits or preventative maintenance.

### **How do we make ourselves better and more competitive?**

Twenty years ago, a precious few of us had cell phones. Ten years ago, the most advanced among us may have had the first generation of smart phones. Today, we are all connected 24/7 by smart phones that deliver not only our calls but also our email, our news, social media, and a variety of reference and computational tools specific to our industry.

Likewise, the tools and technologies of our industry are evolving at an ever-increasing pace. Keeping up with the latest and greatest of electrical engineering tools, techniques, work methods, wiring systems and supervisory models takes more than a trip to the local mobile store. It takes immersing ourselves in our industry and all of the educational tools available.

Being members of NECA is a great first step. Here, we have a family of electrical contractors from the most experienced veterans to the most inspired of future leaders. We have perspectives from across the globe and throughout the wide variety of niches that we serve. Start seeking out best practices here by joining peer groups and taking

advantage of the wide variety of training available through EMI and the many studies funded and published by ELECTRI International.

Utilize EI studies, and today's advances in BIM, pre-fabrication, and scheduling techniques to give your company the competitive advantage.

Monitor costs constantly, especially for labor. But a word of caution: monitoring labor costs does *not* mean treating your crews only as cost centers, but also as valued team members and a great resource. Your team needs the best tools and most advanced training to achieve the best results, and they also need to understand their value to the overall success of the business. When we hold our people to high standards that we communicate and monitor transparently and consistently, we give them the internal tools they need to achieve their own personal excellence, an outcome that can only contribute to the overall health and viability of your business.

### **How does all of this lead to success?**

We can talk best practices all day but the bottom line is the bottom line. We have to be profitable in order to build sustainable businesses and to bolster our industry as a whole. By growing our revenue and profits, we can afford to hire the most talented and dedicated people, and to invest in the most cutting-edge tools and latest training. After all, there's only one place to get the best view, and that is at the head of the pack.

Finally, a word on what we're all working toward because we're not just building electrical systems or even businesses. We're building our best lives. It's necessary that we each focus also on the art of experiencing happiness, balance and joy in living and in what we do, not only for ourselves, but also for our team.

Living well is not just about the profit we obtain but in taking enjoyment from the process. Otherwise, what is the point of all of our long hours?

### **About Greg Stewart**

Greg is The Superior Group's CEO and a 40+ year industry veteran having managed more than \$600M in electrical construction in the Columbus, OH, area alone. Greg's particular areas of expertise include heavy power distribution, mission critical facilities, controls, and distribution environments. Greg is a valued member of the construction industry, serving on several local and national boards within groups such as NECA, ELECTRI International, and the IBEW/NJATC. Currently, Greg serves as the NECA District 2 Vice President and is a member of the Academy of Electrical Contracting.

When you meet Greg, you will be taken by his commitment to our clients, tireless work ethic, and integrity. At work, he is a self-described "assistant estimator to Ted" and "project manager", and outside of work an avid fisherman.

Learn more about Greg at [www.superiorgroup.net](http://www.superiorgroup.net).



Academy of Electrical Contracting \* 3 Bethesda Metro Center \* Suite 1100 \* Bethesda, MD 20814  
301-806-1109 \* [mike.thompson@necanet.org](mailto:mike.thompson@necanet.org)