

ROOFING INFLUENCERS **TOP INSIGHTS**

Today's goal:
BE AWESOME



RoofersCoffeeShop.com
Roofing Influencers Top Insights
Book 1

May 2017 to January 2018 – Book 1

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FORE WORD



What “influencer” means:

Authority, Mentor, Guide, Expert, Consultant. That’s the group we have put together in our RCS Influencers Group.

We have been asking important questions to our diverse group of RCS Influencers who have expertise in different areas of a contractor’s business. Often times, we see articles written on a subject with one person’s opinion or suggestions, but there are many sides to the coin. With our RCS Influencers’ opinions, tips or advice a reader gets a feeling for all sides of a topic.

A beneficial twist is including companies that are not only roofing contractors but also companies that service the contractors. All will have an interesting perspective based on their interactions with the roofing industry. This is not a discussion group on installation practices but best business practices.

The knowledge, experience and forward thinking that the RCS Influencers bring to the industry is amazing. RoofersCoffeeShop.com is honored to share their expertise and they are generous enough to share back with the industry they love through regular posts on our website and social media channels.

We hope you enjoy reading the valuable input by this group.

Vickie Sharples on behalf of the entire RCS team



TABLE OF CONTENTS

Drug Policies – May 2017

How has your drug-free policy changed with today's new state laws?

Stealing Time – June 2017

Do you have a handle on how much time employees are paid but not productive (or all out stealing time)?

Employee Retention – July 2017

What Are Some of Your Employee Retention Practices?

Employee Side-Jobs – August 2017

How do handle Employee Side-Jobs?

Vehicle Policies – September 2017

What Company Vehicle Policies Work for You?

Selling at a Higher Price – October 2017

How Can You Sell at a Price Higher Than Your Competition?

Advertising with Small Budget – November 2017

Any Tips for Advertising When You Have a Small Budget?

Succession Planning – December 2017

How to build a Succession Plan?

Recruiting – January 2018

Real Answers for Recruiting, What Do You Do?



HOW HAS YOUR
DRUG-FREE POLICY
CHANGED WITH
TODAY'S NEW
STATE LAWS?



RCS Influencer Trent Cotney says employers should pay attention to how states are responding to new drug use laws.

As of the most recent election cycle, 26 states and the District of Columbia have permitted either recreational or medicinal use of marijuana. Contractors and employers will be faced with evaluating their drug policies and must be aware of what the courts have to say about the matter.

It's important to remember that while states have legalized its use, marijuana is still illegal under federal law. This means that contractors working under a government contract or for a federal employer are prohibited from using marijuana in any way even for medicinal purposes. This counts for both on-site use as well as off-site or at-home use.

While federal law makes it clear that an employee who fails a drug test while working under government contract or for a federal employer can be fired by the roofing contractor, the laws vary by state. Two issues up for continued discussion include handling employees who arrive at the job site under the influence of marijuana and the employer's right to a zero-tolerance drug policy. A number of states have upheld employers' rights to implement and enforce zero-tolerance drug policies.

Safety at work and on the job is of utmost importance. Marijuana use can cause impairment of the user's motor functions and that person should not be operating machinery, vehicles or other types of equipment that could put themselves and others at risk. There is not yet a method to determine if someone is currently under the influence of marijuana; testing only indicates whether marijuana was used over a certain time period, typically within the last 30 days.

Even though states have upheld the employer's rights for disciplining employees who fail drug tests for marijuana use, employers should still be following how states continue to respond to the new recreational and medicinal use laws as this can change over time.



Trent Cotney is the founder of Trent Cotney, P.A. & Associates, specializing in construction law.

RCS Influencer Michael Hicks was a pioneer in becoming one of the first companies in his state to be successful at being drug free.

Regulation has had virtually no effect on our drug policy. Our drug policy has remained basically unchanged for about 20 years. From the very beginning, the policy has been as tough to beat as we could legally make it.

To my knowledge, we are the second Ohio roofing contractor to go drug free, and the first to not go bankrupt in the process. From the very beginning, my intent with a drug-free policy was to truly be drug free, not just something I had to do in order to comply with state regulation. In fact, it is possible that some of the current regulation obtained birth due to HRI.

I can't remember the year, but it's been quite a while ago (10 plus years) that the Ohio BWC interviewed my General Manager for the purpose of understanding what we do, and how they could teach other companies to do it, because of the dramatic improvement to our safety record.

We have the occasional accident, it's just unavoidable in a practical world. For instance, in recent years we had a man black out while descending a ladder. Had he not landed on another employee, he'd likely have died in the fall. Another man was badly burned when a customer had an equipment failure which sent steam and boiling water out of a vent that the man was walking past. He has had a full recovery, but it was long and painful. You'll also have cuts and scrapes, and I think our 10-year average is around 45,000 – 50,000 man hours between reportable accidents. But I think we are more than five years since we've had an "at fault lost time" accident.

Despite the many people that said going drug free would be the death of the company, including some of my own employees, the adoption of a drug-free policy with real teeth has been the single best business decision I believe I've ever made. I can't relate to the problems I hear some people talk about, unless I stretch my memory back 20 years to "the way things used to be." Yet as much as I desire to catch users and eradicate drugs from company employees, I believe the best part of our policy is the way we handle people that get caught. One critical element of the program is that we pay every penny of rehab if an employee completes a program.

I don't want to get rid of drug USERS, I want to get rid of drug use. Our employees are our greatest asset, and every one of them is valuable. Improving their life at home is as an important part of our goal as is keeping drugs from influencing the company.

I will always be grateful to the man that helped me develop my program, the first Ohio roofer to go drug free and fail in process, and I welcome the opportunity to help others who want to take this giant leap toward making their company better.





RCS Influencer Brian Pratt explains why it's best to consult a compliance expert when it comes to drug-free policies and compliance.

When attempting to be in compliance with the state regulated drug-free workplace laws we would recommend engaging with an HR compliance expert or a labor related attorney to ensure that your roofing company is in compliance. The challenge can be when a roofing contractor is performing projects in multiple states. If you conduct business in more than one state, navigating through the laws of each state can be difficult to craft a policy that is uniform and consistent with each of the state's regulations.

One of the most impactful items for a drug-free workplace is the legalization of marijuana. There are currently 28 legal medical marijuana states including eight states approved for recreational use.

The biggest change employees/workers may not be aware of is that laws legalizing medical or recreational marijuana do not prevent an employer from taking action based on an employee's use of the drug.

In addition, they may not realize that marijuana can stay in a person's system for 24 to 48 hours after use. Employees who legally use the drug on weekends, or while on vacation, may need to face the consequences of a positive drug test on Monday morning.

Workers should be aware of the impact drug use can have on the workplace, how long the drug stays in an individual's system, and what will happen if they test positive for the drug.

It's also important to train foremen/supervisors to recognize the signs of substance abuse. They should know when a drug test is warranted, and what to do if the result is positive.

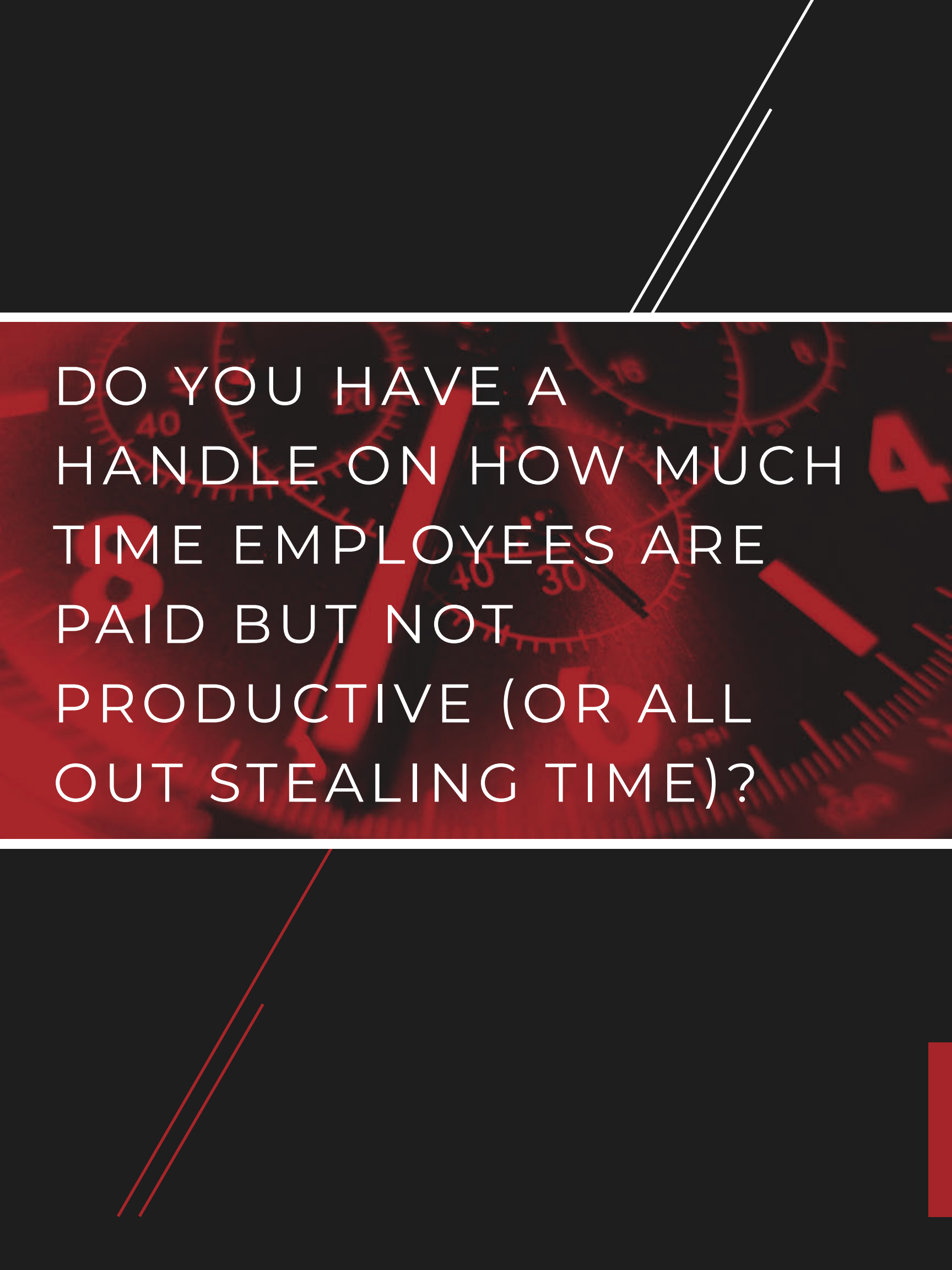
Currently, a person using medical marijuana within the limits of the state law won't face criminal charges but employers are not required to allow workers to use, or be impaired by, the drug at work. So far courts have consistently ruled that employers can take disciplinary action based on a positive drug test for marijuana but things can change.

Changing state laws make it imperative for employers to regularly review their drug-free workplace and substance abuse policies. In addition to decriminalizing marijuana use, state law may also regulate when and how drug testing is to be conducted.

To recap, employers should review their substance abuse policy regularly to make sure it reflects the current needs of the workplace. Employee job functions, safety issues, and any emerging substance abuse concerns should be taken into account.

A substance abuse policy is never really finished. As more recreational and medical marijuana laws are introduced, employers need to make sure their substance abuse prevention practices remain current.

Brian Pratt is a regional manager for Roofing Risk Advisors, Division of Furman Insurance.



DO YOU HAVE A
HANDLE ON HOW MUCH
TIME EMPLOYEES ARE
PAID BUT NOT
PRODUCTIVE (OR ALL
OUT STEALING TIME)?



RCS Influencer Rudy Gutierrez says setting production goals ahead of time can help manage the waste factor.

In an interview with Rudy Gutierrez, CEO of Shell Roofing, he notes that time and productivity is a problem that every company deals with, no matter the type or size of company. "I learned a long time ago as a project manager that I needed to manage by the numbers not the time. At Shell Roofing, we have found that a productive eight-man crew can do 160 squares a day and a very productive crew can do up to 180."

Gutierrez empowers his superintendents with clear numbers they want to hit for each job, every day. "We give the numbers to the superintendent and they then make those numbers happen. By setting goals ahead of a project or installation it helps to cut some of the waste factor. In the office, we can see the level of output and activity. In the field, it is harder to track so we do it by the square per person."

"It is very rare that we do not hit our numbers. We also incentivize by the numbers and when we see savings we share it with our employees. We add incentives per squares delivered."

For Shell Roofing, keeping it to the numbers continues to make it clear and concise for all. They have found that it is a much easier way to run their business. When you stay in the black it is more fun for all, employees, management and ownership alike.

Gutierrez is looking at new technologies to enhance the process. "I have seen companies that have a card system that is scanned up on the roof. It saves a lot of money and we are looking at that for the future. Today it is still about developing checks and balances that are determined by setting goals and expectations upfront for every job. Safety is first, it costs a lot of money to be safe but if you don't make that first then you really lose time."



Rudy Gutierrez, Shell Roofing Solutions is president and CEO of Shell Roofing Solutions.

RCS Influencer Charles Antis Weighs in on Employee Productivity

Hi Roofers Coffee Shop, thank you for your question. “Do you have a handle on how much time employees are paid but not productive, or all out stealing time?”

I have a lot to say on that and you can use any of this, or all of this. This has always been a concern of mine because as a roofing company we have offsite labor. Statistically offsite labor, the number that comes to my brain is 20% of offsite labor is the national average of theft of hours. That means if you pay for every 10 hours of pay we employees, if we're a typical offsite labor company, 20% of it is being stolen, it's not being worked. That's a huge expense. That means 20% of our pay that we're paying out, and our burden on that labor, is being wasted. This history of Antis Roofing we've had this concern, and this struggle, my nature is to put time and emphasis on my employees, so they won't want to steal.

I have been caught, at times, penny pinching, worried so much about the bottom line that I'm chasing it. When you start doing that, you start looking to catch your people. It creates a different economy of emotion amongst your employees. In which case, you're making examples out of them, you're catching them, it's this cat and mouse game. It doesn't help your culture. My experience has been, when I put the people first, no matter what, and I'm not focused on shrinkage, or theft of hours, my experience is that this is where we thrive. Today, if I had to guess what our ... because it's hard to guess.

If I had to guess how much our theft of hours was, I would say it was under 10% I believe this because our culture is so strong, because we put our peoples first no matter what. Our emphasis on them is less about how much time they're stealing, or how much materials they're stealing, but it's all about congratulating them for doing the right thing. Our emphasis is on safety. By focusing on other compliance, like safety, I think we also emphasize a more pristine environment that allows employees to want to be honest, and want to do the right thing.

The last thing I'll say is purpose. If you can effectively bring purpose into your culture, which we have at Antis, and we believe all of our employees, we believe that they self monitor unlike they ever had at any times in their lives. Because they believe in what we're building, they believe that they're influencing the LA labor market, and the world of roofing, to a higher standard. Hopefully that's stuff that you can use for this. If you have any additional questions, please get back to me.

Goodbye, thanks.



Charles Antis is the founder and CEO of Antis Roofing.



RCS Influencer Monica Cameron challenged her team to brainstorm the time and productivity issues facing the industry and she got some interesting feedback.

As contractors, our primary business proposition is to provide roofing goods and services to our customers by estimating and managing the materials needed and labor associated with covering and/or repairing a roof.

Within this context, labor is the aggregate of all the human (physical and mental) effort used to produce those roofing goods and services. So, when you ask a question about whether we have a handle on how much time employees are paid for but not productive, you are essentially asking us to tell you if we have a handle on the production of our business and managing the resources needed to produce value to our customers!

Wow – that’s a loaded question that I’m not real sure how to answer. My guess is that most of us in the industry would say that we must have some idea of how to handle employee time or we wouldn’t be in business anymore. However, we probably all feel like we can do a better job at managing employee time and production. Since stepping into a leadership position about 5 years ago, I can honestly say that our company has worked hard to improve our time management processes and I’m not sure we are any closer to getting a handle on this than when we first started.

Initially, I thought our paper tracking system was an old and inefficient way to manage time. So, having 80% of our field coming from the millennial generation and beyond, we felt the need to transition to a mobile solution to track and manage labor and productivity. Even though we spent a good amount of time implementing this new system and training our employees, we quickly learned that the software app could track the same details that we were using on paper; however, it was cumbersome for our foremen to get on their mobile device every time a daily task changed. They spent so much time messing with their phones that timekeeping became the primary focus and not production.

To minimize this problem, we decided the mobile solution only needed to track time and not productivity. Not happy with this limitation, we explored another mobile time management system that was connected to our accounting package to streamline our processes and make it an easy clerical function. This too failed, because the very nature of making timekeeping a data-entry function allowed our leaders to forget about their responsibility to manage production. Recognizing these problems, we’ve gone back to a paper tracking system and are currently in the process of determining how to move forward from here.

One thing I have learned over the last couple years is the importance strategically aligning our objectives with a “shared” vision. When we first jumped into changing our time management objectives, we failed to get buy-in. And ultimately, we were not able establish the oversight, control and discipline to improve production.

So, last week when preparing to write this article and to create some buy-in, I decided to challenge our branch to answer this same question and brainstorm solutions. The results were interesting, to say the least. I asked for estimators, project managers, and field managers to give their input into this issue from the perspective of the areas of the business in which they work the most.

The overarching theme that I discovered was that the field sees the issue entirely differently from our project managers. Project managers, who are often results-oriented and sometimes short-term/quick fix influencers, commented on things like “wasted time at shop at the beginning of the work day; wasted time at the convenience store on the way to the job site; and taking lunch breaks beyond what is allowed.”

Indeed, these issues are prevalent in the industry and require oversight. There’s a lot of wasted time and money in these distractions that are happening every single day. Contrast that with the issues that field managers felt were critical such as “laborers not being directed what to do; lack of training and wasted opportunity for laborers to get better at their jobs; one person working with two people watching.” These issues are equally critical and contribute to wasted time and money. Interestingly, estimators and PM’s were focused on lost income, while field managers were focused on wasted talent and skill.

You’re all asking, “how do we solve this issue?” Unfortunately, I don’t have a simple answer. However, I do see a problem and realize the problem is bigger than can be solved with the stroke of a pen, a new policy change, a memo to employees about wasted time, etc.

The only solution is acceptance of the idea that wasted time is a universal issue, not an isolated one. All businesses at all levels, small and large, profitable and unprofitable, on any part of the big blue planet, suffer from the issue of wasted time and money. Timekeeping, labor productivity, training, wasted time and money...these issues should and will be part of our company’s strategic Enterprise Risk Management plan. By establishing an ERM continuous improvement model to change our operating environment, we are able to:

- Apply strategy-setting initiatives across the organization;
- Drive ongoing, evolving and flowing objectives;
- Effect people at every level within organization;
- Identify potential events affecting an organization; and
- Gear achievement of objectives in one or more separate but overlapping categories.

There will never be a day where we sit back in our office chairs, fold our hands behind our heads and say, “finally, we’re as efficient/productive as we’re ever going to be. We finally solved this problem.” Rather, we will continue to see the up’s and down’s, the good days and bad days, of what it means to be in business. Somedays will be great, others not so great. But by staying focused on improving our businesses strategically and aligning our objectives with a shared vision, we are able to address the full spectrum of its risks and manage the combined impact of those risks as an interrelated risk portfolio – which in my opinion is movement in the right direction.



Monica Cameron is vice president of Diamond Roofing.

The background features a dark grey area at the top and bottom, separated by a central red band. The red band contains a blurred image of several sticky notes pinned to a surface. One prominent sticky note in the upper right of the red band reads "FIND NEW JOB" in bold, black, hand-drawn capital letters. To its left, another sticky note partially shows the words "POSITIVE ATTITUDE" in similar handwriting. Below this, another note also displays "POSITIVE ATTITUDE". The text "WHAT ARE SOME OF YOUR EMPLOYEE RETENTION PRACTICES?" is overlaid in white, sans-serif, all-caps font across the center of the red band. White double lines extend diagonally from the top left corner into the dark grey area, and red double lines extend diagonally from the bottom right corner into the dark grey area. A solid red rectangle is located in the bottom left corner.

WHAT ARE SOME OF
YOUR EMPLOYEE
RETENTION PRACTICES?

RCS Influencer Sarah Weiss says that treating others the way you would want to be treated plays a big part in employee retention.

At Elite Roofing Supply, it doesn't matter whether an employee is a roof loader or a top salesperson or even a partner, they will be treated with respect. As leaders, we keep in mind that our employees have families, financial responsibilities and a life outside of Elite. We look at issues facing our employees' families and look for ways to make a small difference in their lives.

Back to school time is a time of great financial strain for most families. Elite recognized the challenge our employees face at that time of year and decided to start a Tools for School program where Elite provides the school supplies, backpacks and lunch boxes for all every employees school aged children (ages 3-18). This year Elite purchased over 90 Elite "kids" back to school supplies.

We aren't just buying backpacks in bulk and generic supplies either. We ask the employees to complete a form that tells us about their children, how old they are, what their favorite characters or interests are and then we customize the backpack for their child. We also ask them if their schools have specific supplies that they have asked the children to get and if they don't know, we do the research ourselves.

A couple of team members for each store shop for their Elite "kids" supplies, often time it is the Managing Partner who is doing the shopping. Everyone gets into it. We go above and beyond to make sure the kids have the backpack they want and it can get tricky. Every year we are hunting stores to find an elusive, sold out character backpack. This year one of our Managers was on the hunt for a Call of Duty backpack which could not be located, so he bought a black backpack and Call of Duty patches and sewed the patches on. Going to this length for the Elite "kids" shows the employees entire family how much we value and care for them.

Another way we send our team the message that we genuinely care about them as human beings, is that our leaders personally attend the healthcare open enrollment meetings. The local Managing Partner makes the time to be at the meeting, as does myself and the President of our company. The President and I flew to each Elite branch this year to roll out our benefit offerings, answer our team's questions and show them that we understand how important medical coverage is for them and their families. Each year I speak with multiple spouses who have questions regarding the benefits. I make sure every employee has my cell phone number and knows that they can use it. Healthcare is a large cause of financial distress for people and we want to help mitigate that strain as much as possible through education and proactivity. Taking the time to lead those meetings demonstrates to our employees that our actions are aligned with our words.

From our onboarding to even when someone leaves, we want to leave people with the same kind of respect that we would want to be given ourselves. That's really helped us with our retention strategy.



Sarah Weiss is a founding partner and COO of Elite Roofing Services.



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RCS Influencer Jennifer Stone say it comes down to making sure that they know matter and feel like they are part of the process to retain employees.

It's very difficult in today's market to retain employees – especially where I am in the Seattle area. There are so many companies that will try to lure good employees away by offering money and higher wages. I have found the best way to combat this is to show employees a path of opportunity and empower them to be part of the decision process. It's hard enough to find good employees so when you do find them you need to work even harder on retention.

It really boils down to people feeling that they are valued. In my company, Nations Roof, I've created an environment of inclusion. In the past, for instance, we would have pre-construction meetings prior to starting a new job with just the project manager. Now we invite everyone to be part of the process. The job foreman and lead are there and they invite members of their crews to come to the meeting. The outcome has been fantastic.

Many field laborers have never been to a meeting and have never had any input into the process. By inviting everyone to the planning meeting we get buy-in from all employees. They help set goals for the project and they feel like they are part of the bigger group. They also have the chance to see opportunities that they may never have been exposed to before.

We are also very transparent with the team. We share financials and people are really interested in where the project comes in and whether it was on budget. They also get to enjoy a little competition between the crews for meeting goals.

At Nations Roof we also do a lot of things for the families of employees through our Nations Cares program, offering prescription savings tips and programs and other perks for being part of the Nations family. We also make sure that the messaging reaches the families by sending directly to family members' email addresses. By focusing on the family as a whole, you are able to help everyone see the opportunities that exist through a career here and you begin to build excitement and hope because everyone can see a path for growth within the company.

”

Jennifer Stone is the president of Nations Roof, Pacific Northwest.

RCS Influencer Rudy Gutierrez says that employee retention is about much more than just money.

It's not always about the money. A fair wage is certainly a must; however, I learned from best practices from top level executives that it's not about the money – it's about respect!

In my business, respect is the most important part of the employee relationship. We call our employees team members. They know that in our company we don't tolerate mistreatment and/or insults. We have a zero tolerance for disruption of synergy between the team.

Our team knows that in our company they are appreciated and respected. We have had long-term employees leave our company only to find out that it was never about the money. Respect was the important factor in their career at SHELL Roofing Solutions Group.

I challenge my colleagues in the roofing industry to get out of the office occasionally and go around and thank all of their team members for working at their company. I can guarantee a 15% to 20% increase in production by just thanking the team and raising the level of respect.

It's not always about the money.



Rudy Gutierrez, Shell Roofing Solutions is president and CEO of Shell Roofing Solutions.

A man wearing a hard hat is shown from the chest up, looking down. The image is heavily overlaid with a red color and features several white geometric lines: two parallel lines in the top left corner, two parallel lines in the bottom right corner, and a solid red rectangle in the bottom left corner. The text is centered over the man's face and chest.

HOW DO YOU HANDLE
EMPLOYEE SIDE JOBS?

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In many states, doing side work without a contractor's license is illegal and brings many risks.

It is inevitable that employees are going to do work on the side to make money. Our position is; we don't encourage work without a contractor's license, as it is illegal and the liability is high without the proper insurance coverage. We speak to our team about the legal ramifications of doing side jobs. We pay our team a higher wage than most so it allows them to think twice about getting involved in side work. We encourage rest over a weekend so that our team members are focused and ready to work at the beginning of the work week.

Again, it is inevitable that side work is going to happen. However, our position is clear; it is illegal to do work without a contractor's license and proper insurance coverage.

There is no gray area here, the law is the law.

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Rudy Gutierrez, Shell Roofing Solutions is president and CEO of Shell Roofing Solutions.





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RCS Influencer Marty Stout says he is very old school when it comes to what has come to be known as side jobs.

We all have a cousin that has a neighbor whose secretary needs a roof or a roof repair and that is a side job. The problem is that her neighbor also needs a roof and their neighbor and so forth.

In that part of town, there is a real roofing company with real overhead and real employees that has made a real commitment to do a good job and be around for the long haul. That company has insurance and is required to provide for their employees a long list of benefits and all that costs money. And now that real roofing company is competing with the guy doing the side job.

Some justify it by saying, “Well I only do small jobs and repairs” thinking that it will drive the real roofing company that only wants to do small jobs and repairs to do bigger jobs. That contractor is then competing with the real roofing companies that are in that space and they move up and so on and so forth.

I support people that want to start and run companies, it is rewarding in many ways. So, go out and get set up and compete for business with all of the required documentation that your local area requires.

If you are a roofing contractor and you know your guys are doing side jobs and you allow it you are only exposing yourself to more workers comp losses, more material and equipment costs and smaller contractors moving into your space.

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Martin Stout is president of Go Roof Tune Up, Inc.

**RCS Influencer Michael Hicks says this
his company allows side jobs but with
conditions.**

Our policy is fairly simple and straightforward.
Side jobs are permitted with a few qualifiers:

1. It can't be any larger than 10 squares. If it's bigger than 10 squares have the owner contact us and if we get the job there's a commission for the reference.
2. If you do a side job, you need to buy the materials from the company
3. In no way can a side job interfere with your work duties at the company
4. Work for a competitor and you're done

Our team knows that in our company they are appreciated and respected. We have had long-term employees leave our company only to find out that it was never about the money. Respect was the important factor in their career at SHELL Roofing Solutions Group.

I challenge my colleagues in the roofing industry to get out of the office occasionally and go around and thank all of their team members for working at their company. I can guarantee a 15% to 20% increase in production by just thanking the team and raising the level of respect.

It's not always about the money.



Michael Hicks is owner of Hicks Industrial Roofing.



RCS Influencer Charles Antis says its human nature for skilled labor to want to use that skill to make additional money at times with side jobs, but it's important for employees to be open and honest about it.

Charles Antis being interviewed by Junior Journalist Ava Inman Schumacher

Ava:

Hi. I'm Ava, and I'm here to find out how Antis Roofing handles employee side jobs. Hi Charles.

Charles:

Hi.

Ava:

How many employees do you have?

Charles:

I have 95.

Ava:

Wow. Okay. Do any of them ever do side jobs?

Charles:

Yes, they do. I would say most of them do side jobs, or have.

Ava:

Is that ever a problem?

Charles:

Oh yes. There's been a lot of problems. I can think of a case a couple of years ago where an employee took a side job, while they were on one of our jobs, that the company should have probably done. They took it for themselves. They made up a lie to the homeowner saying that we would approve of it, and then there were problems on the job that leaked. The homeowner came after Antis Roofing upset when we never did it, Inman but he pretended he actually ran the job I think through our company and wore our shirts and used our materials on the job, and he was consequently fired.

Ava:

Okay. How do you control that problem?

Ava:

Okay. How do you control that problem?

Charles:

That's a great question. I don't know that we ever completely control it, but I think it starts with the culture, because it is going to be human nature for all skilled laborer to use that skill to make money on the side. There's nothing wrong with that so long as none of the stakeholders of their primary employment are hurt. That means, are they taking work away from Antis Roofing that supplies for the other families? Are they taking creating exposure problems for somebody by damage, like it happened to us in the previous job? So I think, we control it, number one, by understanding that it happens and that we want our employees to have a good livelihood.

We also try to control it by setting rules that tell the employees what's fair and not fair. Although part of me wouldn't ... It wouldn't bother me if they used a tube of caulking. We have to tell the employees they're responsible to pay for the material that they use in their side jobs. We also have to say, obviously, they can't double-bill us and get paid on a side job while they're getting paid on our job. So the number one thing that we require is communication. We ask our employees to tell us if they're asked to do a side job during the day, especially while they're on the course of our jobs, and if they do, I instruct management, or our management decision is to allow that so long as it doesn't bring any other problems.

But the main thing is communication and transparency. If the employee is honest and open and the company has an open policy, which I believe it should, that would allow them to make this extra income, then I don't think it's a big problem. And so I'd say to Antis Roofing, today, we control it by putting our employees first in all cases. We always put our employees first before we make decisions. We comp them as well as anybody in the industry. We give them time off. We give them extra time off. We give them bonuses. And so by taking really good care of our employees and treating them equally and letting them have a voice and letting them all be educated for growth in the industry, we find that the trend falls away from stealing money and time to do side jobs. Does that make sense?

Ava:

Yes.

Charles:

How'd I do? All right. Thanks.

Ava:

Thank you.



Charles Antis is the founder and CEO of Antis Roofing.



RCS Influencer Trent Cotney says contractors should clearly define their policies on side work and back it up with signed agreements.

Many employees in the roofing industry moonlight or perform side jobs after work or on the weekend. There are a lot of differing opinions on whether side work is acceptable or not. In some cases, if the side work is not taking business away from the company and the company's resources and tools are not being used, a contractor might decide it's all right for employees to do side work. In other situations, the side jobs may be competing with the business, cause the employee to perform poorly on their day job, or result in the employee habitually leaving early to get to their side job.

Whatever your stance on the situation, contractors should have solid policies in place on the issue in their employee handbooks and should consider asking all employees to sign a non-compete and confidentiality agreement. Confidentiality agreements, also known as non-disclosure agreements, protect private, proprietary information and trade secrets and should explicitly define what is to be kept confidential. For example, a contractor may have a proprietary installation method or sales methodology that should not be shared or used outside of the business in any way, otherwise competitors may be able to obtain and use the method to their own advantage. It is also important to include available remedies in the event that the agreement is breached, and should specify the contractor's ability to obtain an injunction in addition to monetary damages.

Having employees sign a non-compete clause protects your business from the competition that can result from employees performing side work. It also provides protection for a specified period of time after an employee leaves the company from the employee either starting his or her own competing business or obtaining employment with a competitor. Acceptable time periods range from one to several years, depending on the level of responsibility the employee holds within the company.

Laws vary by state as to the enforceability of a non-compete agreement, including acceptable geographical and temporal limitations, so be sure to familiarize yourself with the laws in the state where your business is headquartered.



Trent Cotney is the founder of Trent Cotney, P.A. & Associates, specializing in construction law.

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RCS Influencer Mark Holencik says it comes down to showing employees the benefits of NOT doing side work instead of how it will hurt your business.



Let's face it, we all hate regulations. Our employees are no different. In the long run this regulation will have little effect on their behavior. So we will not go into legal issues.

Side work is a problem in many ways:

1. I do not hire the competition. If you allow side work, your employee will steal leads. The customer may be under the impression that you are doing the work and not the employee who stole the lead. When something goes wrong, they call you to honor the warranty.
2. They may get hurt while doing side work, then drag themselves to work and go on your workman's compensation.
3. They will also steal materials to do the side work.
4. They come to work on Monday beat, because they worked all weekend on their job.
5. This is not a complete list. Add your experience to the comment section.

We present ourselves as a family oriented company. Our pay structure and benefit package allows them not to have to do side work. We tell the employee before they are hired that we do not allow side work. Our reasons are we want them to spend time with their families.

We understand that family and friends will come to them when they need a roof or other service that we provide. Most of these people come to employees to save money. They may apply a lot of pressure on our employees to save them this money. In all likelihood they will never return the favor. Our employees and their families are the ones that are inconvenienced and pay the cost. They may have to give up taking their family to Disney World or the shore to appease them. They have paid vacations that they can take at any time of the year.

As an employee, we will give these people a discount on any work that we do for them. The employee gives us a list of 10 people that will potentially come to them with this request. All they need to do is tell them they are not allowed to do side work, but one of the benefits of working for Holencik Exteriors is I have you on a list of friends and family at work. Just call the office and tell them that you are on my list and the work you want done. Holencik Exteriors can provide you with warranties and service that I cannot.

Like everything else you have to present everything in a way the employee can see how it will benefit them. If you only show them how it hurts your company, do not expect them to buy in.

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Mark Holencik is the owner of Holencik Exteriors, Holencik Gutters and Holencik Insulation.

The image shows the front grille of a Ford vehicle, likely a truck or heavy-duty car, with a prominent red overlay. The Ford logo is visible in the center of the grille. The text is overlaid on the grille area.

WHAT COMPANY
VEHICLE POLICIES
WORK FOR YOU?

RCS Influencer Alison LaValley provides a glimpse into some of the vehicle policies from contractors across the U.S.

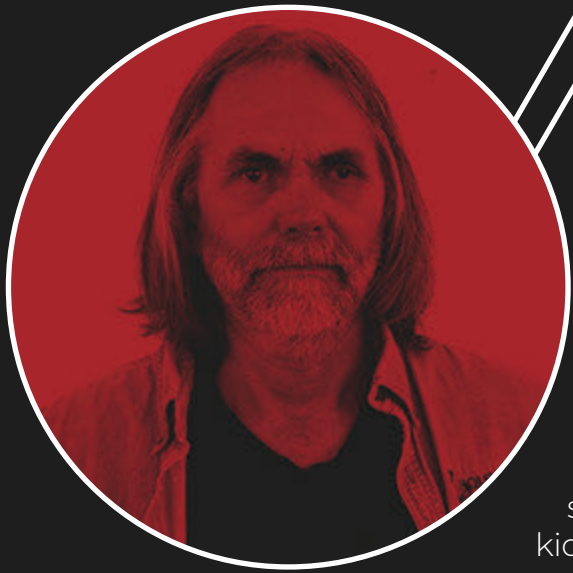
A company policy for company vehicle use must be clearly stated so that employees and supervisors both understand the terms by which these vehicles may be used.

And thanks to a few NRCA member contractors, I am able to share some of their important vehicle and driver safety policies with you. Although no two are the same or necessarily correct or incorrect, the following practices reveal a varied approach across the country, including:

- We have a strict cell phone policy: No texting is allowed while driving – no exceptions.
- Our policy states that company vehicles can be used for business purposes only. Non-employees are not allowed to drive or be a passenger at any time.
- We allow all foreman, superintendents, estimators, project managers, safety directors, department heads, as well as the CFO, to bring their truck home. Basically, anyone that has an assigned vehicle can take it home.
- We do not allow anyone under a superintendent to take a company truck home. We do annual driving record checks on ALL employees and decide who qualifies to drive depending on each individual report. Drivers are required to notify us of infractions even when it's in their personal vehicles.
- We conduct annual defensive driver training classes. We have GPS to monitor our vehicles' speed, location, as well as start and stop times. We have similar requirements for non-owned vehicles also that are used on company time.
- We do not allow our employees to take company vehicles home at night. Company vehicles are parked in garages here at our facility every night. Several people have asked us through the years if we believe this has ever caused an employee to leave or a prospect to refuse a job. I don't think it's ever caused either. They are "company" vehicles and for that reason we feel they should be used as such.
- We provide gas cards for all vehicles.
- We do not allow smoking in our vehicles, but this is a tough policy to police.
- We pay a monthly fee for a service that alerts us if one of our teammates has a change in driver's license status. (We find out before they do).
- One of the things we do with all company drivers is a DMV check twice a year. This keeps us informed of any non-work related traffic issues and helps us identify trends, such as speeding, phone usage, etc.
- We have become very strict with our daily truck inspection reports because our state and surrounding suburbs look to the commercial vehicles as another source of revenue by writing violations. As a result, we have been able to challenge and win against an overzealous law enforcement official that is looking to drive revenue.



Alison L. LaValley, CAE, serves as Vice President of Strategic Partnerships and Development for the National Roofing Contractors Association (NRCA), as well as Executive Director for the National Roofing Legal Resource Center (RNRLC).



RCS Influencer Mark Holencik says his company puts safety first and vehicle maintenance second in their vehicle policies.

One of the first policies I started was if there are two employees in the vehicle, one gets out when you back up. From the time you load something on the truck and start the truck some kid could be playing behind the truck that you cannot see. Very few people will watch what you are doing, they will pull in right behind you while you are backing up. Backing into a customer's driveway, the ladder goes through the garage door. This actually happened.

Every Tuesday, the employees have a checklist that they must complete before they leave the shop. This consists of lights, turn signals, oil, transmission fluid, tire pressure, etc. This allows us to get the most mileage without down time out of our vehicle investment.

Once a week the truck must be washed. This lets the employees take pride in the company they work for. The customer is not embarrassed to have us parked in front of their house

We are a drug-free company. Any accident and you go for a drug test.

The driver is always responsible for the load being strapped down. No finger pointing.

We use Fleetmatics for vehicle tracking and maintenance. The driver will get a text when they are speeding or driving erratic. They can take the truck home at night. Fleetmatics lets you put in the time and area where the vehicle needs to be at night. If it moves we get a text telling us the truck is moving.

When you log in to Fleetmatics you can enter alerts for oil changes and inspections. The driver and the office will get the alert and the driver can schedule the service. There are many services you can setup – even to get an alert when the vehicle is idling too long.

In real time you can look at where your truck is. You can see every stop your truck makes and how long it was there.

All of these policies make for a more professional-looking company. The more professional you look, the more you can command for the service you provide.



Mark Holencik is the owner of Holencik Exteriors, Holencik Gutters and Holencik Insulation.

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RCS Influencer Trent Cotney says that without a vehicle policy, a contractor can be held liable if they allow a bad driver on the road.



Contractors have many options when it comes to establishing vehicle policies for their business. They may choose to allow employees to take vehicles home or they may decide that vehicles are for business use only and must be locked in at the office each night.

There is not one set policy that works for every roofing contractor, but no matter which type of policy you choose to implement, it's important to have one in place. Your business can be legally liable if you allow a bad driver on the road. If you fail to take reasonable steps to determine that the driver is qualified to drive one of your vehicles and he or she causes an accident, you could be liable under negligent entrustment. A negligent driver may also damage the company vehicle or incur a ticket, fine, or penalty that costs your business money and/or increases your insurance premiums.

Get started by spelling out the basics of your policy, which might include:

- Requiring employees to have a valid driver's license and performing a driving record check
- Addressing safety such as making seatbelt use mandatory and creating a cell phone policy
- Establishing who can ride in a company vehicle
- Detailing out exact uses of company vehicles, for instance, can it be taken home or used for personal use?
- Is smoking permitted in the vehicle?

The next step is to consider and address liability concerns. Meet with your insurance provider to review coverages. If your policy allows employees to take company vehicles home, be sure that your insurance policy has the appropriate coverages for the many different scenarios. Ask your attorney to review the policy to be sure your business and your employees' interests are adequately addressed by the policy and insurance.

Include a section in your vehicle policy on what to do if the driver and vehicle is involved in an accident. Clearly state the steps the driver should take in this situation and be sure each vehicle is equipped with an accident-reporting packet.

Continued Next Page

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Trent Cotney is the founder of Trent Cotney, P.A. Construction Law Group, specializing in construction law.



Be certain that your Driver Vehicle Inspection Reports (DVIRs) are being completed as required. These requirements can vary for each state so you will want to verify with your state's department of transportation. The federal requirements for DVIRs require that at a minimum the following items are included:

- Service brakes including trailer brake connections
- Parking brake
- Steering mechanism
- Lighting devices and reflectors
- Tires
- Horn
- Windshield wipers
- Rear vision mirrors
- Coupling devices
- Wheels and rims
- Emergency equipment

You may also want your vehicle policy to permit your company to reduce a negligent employee's wages to offset the cost of a damaged, impounded, or stolen vehicle (including any company tools or equipment within the vehicle). However, such provisions have to be properly written so that they do not violate federal or state wage and hour laws.

In addition to having your policy written out and signed by each employee who has access or reason to operate a company vehicle, it's a good idea to make this the topic of one of your regular safety meetings – at least on an annual basis. You may have employees who just skimmed the document or may have trouble reading. By presenting the information visually and verbally you are ensuring that everyone receives and understands the message.



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HOW CAN YOU
SELL AT A PRICE
HIGHER THAN
YOUR COMPETITION?



RCS Influencer Alison LaValley shares great tips from NRCA contractor members on how they sell at higher prices.

Often, the impediment to selling at higher prices is the perception of value. The question is ... what do YOU do to justify the higher price that your customers perceive as something worth paying more to obtain?

A sampling of NRCA contractor members were asked just that: What is the one thing that allows you to successfully sell at a higher price than your competition? And, at the center of every conversation, was the perception of providing greater value ... on every job, including these 10 Tips:

- 1.** Insist on having an opportunity to present to the decision makers; otherwise, you're just in the commodity business competing on price.
- 2.** Be knowledgeable and honest. Your reputation and history will help you up-sell to customers who want a quality job, done on time, within budget, safely, with little interruption.
- 3.** Offer a good, better and best approach. Most of your competitors will be caught up in the good or better scenarios and this will allow you to offer something they might not have thought of.
- 4.** Be the first or last to deliver your quote. If you're first, you can set the expectation of your customer by being professional and detailed in your proposal. Discuss items touched upon in your pre-quote conversation. If you're last, you have an opportunity to have an open conversation about the other bids and what makes you different and better.
- 5.** Go above and beyond. On residential jobs, in addition to cleaning and raking up around the house in the Fall months, consider raking the customer's entire yard, if daylight permits. You will get a lot of compliments when the homeowner comes home to a new roof and a raked, leaf-free lawn.
- 6.** Provide complementary inspections accompanied by thorough professional reports with photos detailing deficiencies and expected longevity. These reports routinely lead to orders for the associated repairs.
- 7.** Bundle services. Offer your roof quote with a roof maintenance plan or quarterly inspections; this keeps you in front of your customer after the sale and positions you best for their next need.

8. Ask whom you are bidding against. This tells you the validity of the bid. If you are bidding against other “good” contractors in your area, this means you may need to check your bid to make sure there were no mistakes made, or you will have to negotiate with the customer to obtain the work.
9. Don’t badmouth your competitors; however, if you are unfamiliar with the contractor who has submitted the lowest price, mention that fact to the customer. It puts doubt in their mind about the quality of the competing bid.
10. Understand the consequences of taking work with low margins. Do you really need the work to keep crews busy or are you just trying to pump up revenue numbers to make you look better on paper? There is a big difference between those two perspectives.

Although you will always encounter customers who may be “penny-wise and pound foolish,” it’s up to you to differentiate yourself and offer something they perceive as greater value for which it makes sense to them to pay for.



Alison L. LaValley, CAE, serves as Vice President of Strategic Partnerships and Development for the National Roofing Contractors Association (NRCA), as well as Executive Director for the National Roofing Legal Resource Center (RNRLC).





RCS Influencer Michael Hicks says that you can't expect to get more money if you can't offer legitimate value for that money.

In the mid-nineties I was faced with the reality that we were not the company I wanted to be, and needed to decide if we were going to make HRI a good place for good people to work, or hang in the realm of the bottom feeders chasing work as the low bidder. I'm a rather simple and unsophisticated person, horribly unorganized but honest as the day is long. What we provided to customers was not what I was selling and it needed to stop. Drugs were being bought, sold and used on the roof, attendance was deplorable and outside of a small group of key people, we really struggled to find good workforce.

Our first step was drug free, and as I stated in a previous month's contribution, much of Ohio's drug free workplace program is a carbon copy of what we were doing.

Second, we started offering full family health insurance at a low cost to employees. Today, that cost is \$100/month to the employee for family coverage. We do not have a minimum number of hours worked to carry insurance through the winter. If you're hired in October and laid off in December, as long as you bring in the \$100 each month, we pay the rest.

Third was a decent retirement 401k and to date, employer contributions have averaged nearly 100% of employee contributions. With profit-sharing, our 401k is a very good plan for those that contribute.

Fourth was to take our safety program to new heights. We are the only roofing contractor ever nominated by economists at the Ohio BWC for the "Governor's Award in Workplace Safety," and we've been nominated twice. We never expect our little company to win in this All-Industry award, but it is a great honor just to be nominated.

Fifth, we went in search of the very best products. Products that had something different about them and were a little more expensive. I knew we couldn't compete in the TPO, rubber and other commodity markets. We sell the merits of the products right alongside the merits of the company. The one/two punch has made us very successful in bidding opportunities where something other than just the low dollar is being considered. When it's just about the money, I'd say our hit rate is under 5%.

You cannot expect to get more money if you can't offer legitimate value for that money. Find out what makes you better, and sell that.



Michael Hicks is owner of Hicks Industrial Roofing.

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RCS Influencer Martin Stout says that price is the last component of a good sale and focusing on price is the last thing a good contractor should do.



Often, we think if we can get our prices up we can make more money, however focusing on efficiency will move the bottom line faster than trying to move the top line with price. A wise old roofer told me many years ago and he continues to tell me (thanks Dad) “profits are the wages of efficiency.” I don’t know if they are his words or if he got them somewhere but his point is well placed.

If you raise your price 10% but you are not efficient you could wind up spending 11% more to get the job done. But if you figure out a way to get the job done just 2% more efficient you can keep your price low and have a little extra to add to the bottom line.

We are all in business to make money, and use it to, in some cases, save the earth or whatever the government allows us to do with it. So, to make higher profits and get a higher price here is my suggested formula:

Work hard and developed a program that works well and is efficient.

Good communication, quick response, on-time quotes that are the final price, no surprise extras, quality workmanship, clean jobsites, and quick follow up after completion. Pay your suppliers quickly and let them enjoy having you as their customer, make them want to service your account first. Engage your team to be involved and share ownership in the relationship with the customer. These are the high points.

You will have customers that are willing to pay you the price you ask because it is efficient for them, we all like easy and effortless processes. If they are happy they will tell their friends and so on and so on.

Don’t try to sell at a higher price than your competition, price is driven by the market and perceived value. BUILD VALUE!

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Martin Stout is president of Go Roof Tune Up, Inc.



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RCS Influencer Mark Holencik says that to sell at a higher price than your competitors, you have to know your competition and it's not who you think it is.

First, you have to find out who your competition really is and most likely it's your own mind.

Ten percent of people will always buy because of price and 90 percent of the people will buy for value given the chance. The funny thing is that 90 percent of contractors fight for the ten percent who only buy because of price.

If all things are equal, people will use price to make the decision who to buy from. You owe it to your customers to have the choice to buy value instead of price.

Ask yourself, “can I make my roof worth \$100 more than other roofing contractors in my area?” There must be something that is different about your company that is worth \$100.

Your reaction might be “what will \$100 a job do?” One hundred dollars is an amount that you can wrap your mind around. It will get you started selling for more than the other contractors in your area.

I am a firm believer it is not how much you make. It is what you do with your money. So even if you can never raise your price more than \$100 a job, here is an example what you can do with that \$100.

Just to get your mind thinking in a new direction, let's say you do 50 roofs a year. $50 \times \$100 = \$5,000$. Over 4 years that adds up to \$20,000. This is a down payment on an \$80,000 rental house. You make \$200 a month on the rent house which gives you an income of \$2,400 a year. Save the \$2,400 with the \$5,000 and now you can buy another house in three years.

If you continue this process, in nine years you will have four houses bringing in \$9,600 a year. When you take into consideration all the other factors, like tax benefits and that the tenants will pay off the mortgage, you will make a lot more. This example is just to get you to take a risk of trying to sell your roof for a nominal amount more.

Get started as soon as possible. You will build confidence as you do. Couple this with reading books on building and selling value, and talking to contractors who sell value and not price will ensure that you will win the fight going on in your mind.

Most of our work is residential. No matter what your selling price is if you are booked six weeks out your price is too low. Raise your price.

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Mark Holencik is the owner of Holencik Exteriors, Holencik Gutters and Holencik Insulation.



ANY TIPS FOR
ADVERTISING
WHEN YOU HAVE
A SMALL BUDGET?

ADVERTISING



RCS Influencer Heidi Ellsworth says you need to start now!

There are many ways to look at advertising for roofing companies that are on a small budget. In fact, today there are many ways to get in front of customers in an economical way that were not there even ten years ago. With the internet and social media, it has opened the market place for creative marketing for all sizes of companies.

But, before you dive into figuring out new ways of advertising it is important to take the time to develop a budget. That means taking the time to review your current year to date financials. How have you done with marketing this past year? Are you over or under budget? Do you have a budget? Tracking dollars that are spent on marketing is very important. Having a budget makes that tracking process much easier.

Let's start with those who may not have a marketing budget. As we move towards the new year it is important to identify what has been spent on marketing to help build a new year budget. This is going to include everything you do to brand and market your company to the public. Categories may include:

- Printing and collateral production (for truck magnets, door hangers, etc.)
- Memberships (associations and civic groups)
- Home shows (exhibit space and graphics production)
- Subscriptions (email software, services)
- Freelancers (website creation/maintenance, graphic design, writing)
- Technology costs (website, social media, CRM)
- Digital and traditional advertising (ad words, TV, radio)

There may be additional categories that fit your business so take the time to pull together everything you have spent that helps you communicate with your customers. As the marketing budget comes together, there is usually an overall concern on how are we going to make this work. There are many ways to creatively fund your marketing budget for overall success. Right now, as you are working on your marketing budget, so are your manufacturers and distributors. They are looking at certified contractor programs, reward programs and business building opportunities.

If you are already signed up as a certified contractor with your favorite manufacturers and distributors, do not forget to take advantage of your year end rewards. As I have worked with contractors and manufacturers in the past, I have seen where thousands of dollars have been left on the table by roofing contractors. Every major manufacturer has programs for business building support but many do not ask for it or follow-up with the paperwork. It is worth the time to look at what type of

for it or follow-up with the paperwork. It is worth the time to look at what type of marketing tools and services are provided. In fact, it is not just at the end of the year when these are available. Your marketing budget can be supplemented all year long by using manufacturer services, discounts and opportunities.

Talk to your suppliers about cooperative advertising (coop) programs that will contribute dollars toward marketing initiatives that include their logo. There are different guidelines for what is covered and there might be reporting required but this is free marketing money! In many coop programs, contractors earn dollars based on material purchases or warranties sold. These same programs will often see those dollars expire at the end of the year. Don't be one of the contractors that leaves dollars sitting on the table.

There are also manufacturers that will design and provide co-branded materials for you to use in presentations and marketing efforts. They may offer technology to support your needs including SEO services, website support, sales apps and much more. All you need to do is ask your sales representative and they can give you details of their program.

Finally, be sure to look to all your local vendors for the best value. Notice I did not say best price. Marketing and advertising can be expensive but there are many ways to supplement what you are doing with "value ads". Value ads include free extras that can help promote your message and brand further than traditional advertising. An example would be if you advertise with TV or radio, what else can they do besides the ads? Ask about video production, events and sponsorships. They should also have an active web and social media presence where they can highlight your company. Look at what other advertisers are doing and ask for the same.

Budgeting is critical for marketing success. Through the budgeting process, you can really take the time to think about what you want and how you are going to accomplish it. I find that working on a marketing plan first, setting goals and really determining the brand and culture of your company makes the budgeting process much easier. So, take the time now to look back at the year and forward to 2018. Working with your leadership team, mentors and advisors to develop a strong marketing plan and budget now will mean additional success in the year to come no matter the size of your company.



Heidi Ellsworth is owner of HJE Consulting Group and a partner in RoofersCoffeeShop.com.



RCS influencer Charles Antis says that social media is key to maximizing advertising on a small budget.

Hi. This is Charles Antis for Roofers Coffee Shop and this month's question is, "How do advertise with a small budget?".

That's a great question because we all started having to figure that out. Well most of us started, as roofing contractors, having to figure that out.

So, let me go back to when I first started. I didn't know whether to do Yellow Page ads or whatever, but let me tell you what worked. I made cards on my computer. Little cards that had like an elephant with a string around his finger. And I would send that to management companies and it would say things on there like got leaks? And I would ask, is there a leak that nobody can solve that I could do? That's how I would get my start.

My point is being creative with a 30 cent stamp. Today, we are more creative. Then as you get into more creativity, let's look at advertising and where it blends into marketing. Especially when you look at what you can do digitally on your channels. And I think one point I need to make right now is as roofing contractors many of you don't have presence on social media. You don't even know what I mean yet when you say social media channels, which I only learned the last couple of years. So, social media channels mean are you on Facebook, are you on Instagram, are you on Snapchat, are you on a combination of all that and LinkedIn? And the answer on that should be that you are or you're working toward that.

So, my first rule of thumb that all of you need to have whether you know it or not is you must be on social media. You must have a Facebook presence. The trick is, you don't have to do it well but you have to show up. So, I'm going to show you just some stuff going on in our Facebook. So, I just dialed in our Facebook on our feed and we have some form of advertising right there. Mentions some of the good that we do in the community, which I always recommend sharing. As you go down, there's Karen our COO and she's talking about the difference we make in the world.

That's great advertising today. Now there's something on today being Veteran's Day. I think that's important that you call out what's happening in your community. We have a walk tomorrow we're doing for Alzheimer's Corporation, or Alzheimer's Orange County. That's important, it's purposeful. We're inviting our customers and our stakeholders to join us. Here's a feature from a couple days ago by Roofers Coffee Shop. And this Roofers Coffee Shop features about our Movember, which I'm wearing now my Movember hat. Because that's advertising and people feel good about when

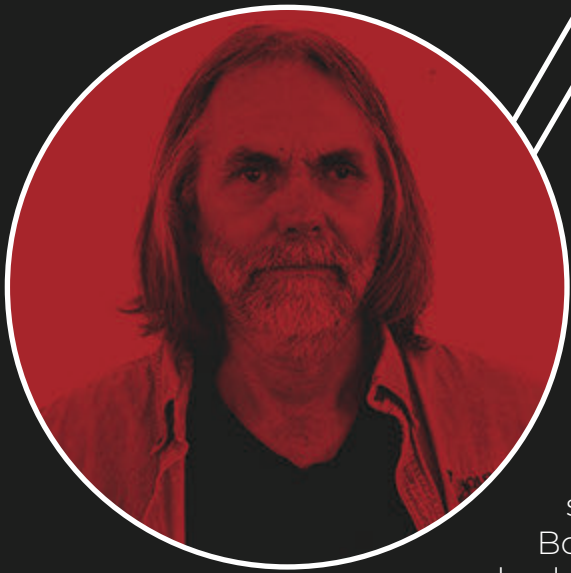
you do good works, and they want to copy you. They want to go with you, they want to be your stakeholder. There's some that we're doing for the roofing industry. And, by the way, if you're doing something for the industry talk about it. Your critics will not touch you. In fact, they will cause your stakeholders to dig in their heels and defend you. There's a reward that Antis is about to receive. Next is a WisdomWednesday pitch where we gave somebody a maintenance tip on their roof. To me, this is advertising.

Fall Back. We have a regular presence on social media. There's our 1st post for Movember, where I'm challenging people to get their prostate checked. This is how we do our advertising today. It gets, and sometimes when we do a Facebook post, I can go inside the Facebook post and I can spend like 3 dollars to boost it. More people see it. There's a lot more I can talk about, but I want you to notice one thing. When you looked at Antis' posts, we talked a lot about why we exist. We're helping out the community. I strongly recommend you have a way that you exist within the community and you do something continually. Not on an annual basket drive, but you do something. Like call out hashtag Movember. It lifts your culture at the same time as bringing a genuine brand of trust and alignment with the consumer. That's all I got.



Charles Antis is the founder and CEO of Antis Roofing.





RCS Influencer Mark Holencik says there are lots of ways to get your name and message out without spending a lot of money on an advertising budget.

As the saying goes, I am Chief Cook and Bottle Washer. Advertising will be the last thing that gets my attention, time and money. If I do spend any money that I do not have, it will be some community service booklet. Little league, Boy Scouts, School Band... will be the extent of my budget.

My time is so limited being a one-man operation. I need to make choices that involve the other things that I do. First, I will need a truck. Do not pick your truck color because it is your favorite color. Buy a White Truck. It is the best background for your message. Your message is your name, phone number, and web address. Also list 1, 2, 3 or 4 things you do. No more than this. It will just clutter your message and make it harder to read. Get your truck lettered simply with this basic information. Most people in the advertising industry will advise you on the latest trends. Right now, this is truck wraps. I have to laugh when I see them. Most of these wraps you cannot read unless you are standing still and right in front of them. The basics are timeless and always work.

You can get a website presence for \$1,000. Contact me and I will show you how.

Use job signs on every job. No matter how small the job. ½ hour repair gets a job sign. Tell the customer you will be putting a job sign up and will be leaving it there. They can take it down whenever they want because you will not be back to pick it up. Some people will take it down when you leave, some when they mow the grass, some will leave it up for months, some cannot throw it away and will bring it to your office, or shop. Some will have it beside their house. If you see this the next time you pass their home, stop and pick it up.

How you and your crew act on the jobsite is priceless. Homeowners do not want roofers on their property. They grit their teeth and endure us. This is because most roofers have a concert for the whole neighborhood. Most times it is not even music they would listen to if they did want to go to a concert in the middle of the day. They do not want their children around because of the language your guys use and the topics they talk about. If they have teenage daughters, whistling at them will not get you a referral no matter how good of a roofer you are.

Most people do not look at their roof until their neighbors are getting theirs done. They do look at their landscaping with the nails, small pieces of felt, cigarette butts, and other items you left behind. They do remember you when they walk through their lawn without shoes on and step on a nail. Even if you do clean up every nail, if you leave one in the gutters, it will find its way to the downspout and into the driveway. Then you give the customer a lasting memory of a flat tire months after you finished the job.

I am in business 37 years and have a nice budget with advertising advisors. The thing that they do not realize is the money that I use to pay them came from the basics. No amount of advertising budget will make up for these basic advertising principles.



Mark Holencik is the owner of Holencik Exteriors, Holencik Gutters and Holencik Insulation.



HOW TO BUILD A SUCCESSION PLAN



RCS Influencer Jennifer Stone says that contractors should take advantage of the resources that exist to help with succession planning.

Succession planning is such an important topic, yet many family owned business seem to just avoid the subject. I've never been in a family business and only have experience in the corporate world, where if someone was planning to retire, we would determine if there was a replacement within the company or if we would need a new hire. Then

we would figure out how they would be trained and plan our next steps. It's just not that simple in a family business.

I am fortunate to be a part of the National Roofing Contractors Association (NRCA) Future Executives Institute (FEI) Program and there is a big focus on succession planning for family businesses because many family businesses in this industry are not very good at creating a solid succession plan. The program goes into what succession planning should look like, where to find legal help and defines the best way to plan based on each contractor's business.

Contractors with family businesses should take advantage of the resources that are available through the NRCA and consider sending one of their family members through the FEI program. In addition to succession planning, it provides a great deal of information on family businesses in general, on increasing professionalism in our industry and on how to recruit millennials into roofing.

Tom Shanahan, who runs the FEI program is a great person to reach out to and well as Amy Schuman, a family business consultant that teaches some of the FEI succession planning classes. There are also consultants in the industry who specialize in succession planning for family businesses. Sometime a third-party consultant can be the right decision for a family business because they can take the emotion out of it, see things differently and look at from a strategic planning perspective.



Jennifer Stone is President of Nation's Roof, Pacific Northwest.

RCS Influencer Alison LaValley says a succession plan must account for the unique needs of your business and family because it empowers you to leave a lasting legacy.

Succession planning can be a complex undertaking that's filled with questions. For example: When do you want to transition out of your ownership role? How can you derive the greatest value from your business? Who's the best candidate to lead your company into the future? How do you know you have the right management team in place?

Many contractors, like most business owners, avoid addressing important succession questions like these because they touch on sensitive areas. Unfortunately, these are often the same companies that have no succession plan to prepare for future leadership, ownership, and management once the owner retires or is unable to manage the business. And, this is becoming a significant issue for the construction industry. According to a FMI Special Report: Surety Providers Survey, more than 50 percent of construction firm owners are over age 55, and less than half have a formal succession plan.

As we all know, many roofing and construction companies are family owned and operated — some for generations — and have had a substantial impact on their local communities over the years. In addition, many of these companies are smaller, and therefore highly dependent on their owners to manage day-to-day issues. And that is why it is so important to build a comprehensive succession plan that accounts for the unique needs of your business and family—because it empowers you to create a lasting legacy.

NRCA member contractors surveyed recommended the following steps to ensure a successful transition:

1. Start by communicating with those you know and trust, including family and staff who have a vision for your company.
2. Succession planning should be done over a four- or five-year period to ensure the most successful outcome — and the earlier, the better. Demographic changes will push an increasing number of businesses onto the market in the coming years – all competing with yours.
3. Develop an employment agreement, which outlines responsibilities, establishes compensation, and then some.
4. Assess your company's value and identify financial conflicts early, including establishing exactly who can purchase your company, as well as a written and well-defined purchase schedule.
5. Build, train and incentive your successors. This is one of the major factors in business transition failures—the lack of adequate training with the right management skills.

It takes time to develop a successful succession plan, but it's important. NRCA contractors also recommend you talk to your certified public accountant and other advisors sooner rather than later; they will be able to guide your attention to important areas, explain and analyze your options, and ultimately help you implement a strategy that aligns with your vision and objectives.



Alison L. LaValley, CAE, serves as Vice President of Strategic Partnerships and Development for the National Roofing Contractors Association (NRCA), as well as Executive Director for the National Roofing Legal Resource Center (RNRLC).



RCS Influencer Sarah Weiss says that succession plans are critical for every position in a company, but it's a challenge to make the time to create them.

Last year we began the process of creating succession plans for each role in our company. We're early on in this process but began with creating a succession plan for our CEO. To do so, we engaged a consultant who specializes in estate planning for family owned businesses. He helped us think through the steps we needed to take to ensure the heir apparent was prepared to fill the shoes of the CEO if the unexpected were to occur or when the CEO was ready to retire.


One of the first questions we examined was, what information does only the CEO have today? What passwords, documents, etc? We then thought through, if an unexpected event occurred, what are the first calls that the successor would need to take? What steps would be critical to take in the first 30 days to ensure the business remained stable? He also pushed us to think through the current strengths/weaknesses of the heir apparent and develop a plan to prepare for the succession to take place.

The consultant also helped us review the key owner's personal wills and trusts and helped us rework them to ensure the ownership interests in the company would be smoothly transitioned in the event of death.

Talking about these topics is never easy but it's critical when you own a business and have employees who rely on you day in and day out for their livelihoods. You have to be very proactive in succession planning as it's not something that happens overnight. Writing the plan is only step 1, actively working the plan until the succession takes place is where the true work takes place.



Sarah Weiss is a founding partner and COO of Elite Roofing Services.



REAL ANSWERS FOR
RECRUITING, WHAT DO
YOU DO?



RCS Influencer Heidi Ellsworth shares tips on recruiting talent, diversity and attracting the younger generation.

As the roofing industry is looking to gain talented labor for today and tomorrow, I believe we need to look beyond our current workforce makeup. According to U.S. Labor reports, only 2% of the roofing industry is made up of women. Yet, 51% of the population is female. In terms of recruiting, that represents a very large pool to pull from.

Speaking of diversity, currently over half of the employees working in roofing are Hispanic. How welcoming have we made the industry to other cultures and languages? RoofersCoffeeShop.com is working right now to offer translation options on the Coffee Shop so it can be read in English or Spanish. We are working hard ourselves to make the site welcoming. We need the talent of all cultures welcomed into the industry and we need to not just talk about it.

And, although the millennials are a much smaller population than the baby boomers, they are our future. What are we doing as an industry to recruit them and retain their talent. Too often I hear about how “they” don’t get it. Ironically, it is the older generation who will have to figure “it” out since the younger generation will be ruling the world in 20 years or so.

So, when it comes to recruiting, I believe that we need to be looking broader and creating a work space that welcomes all types of people with a focus on company culture that makes employees want to stay. Following are some key tips on developing a diverse recruiting and retainment program.

Start with your current business.

Look at what you are doing now first. What is the make up of your company? Is there any diversity? Is diversity celebrated? Meet with women and minorities who are already working for you and ask about the company culture. Is it welcoming? Is it empowering? Employees who are celebrated and empowered are loyal and work harder because they believe in the company. They can also spread the word to their friends and family that it is a great place to work. Diversity starts with retaining minority employees first and then letting them spread the word

Promote from within.

Make sure any overt barriers to promotion of internal candidates is removed. For example, is information about position openings and developmental opportunities accessible to all employees through an organization-wide posting system? Outside potential employees want to see that there is room for promotion no matter their gender or ethnicity. It is fine to say you support diversity but if there is no diversity in leadership or at least a clear path for promotion then it is just talk

Build a reputation.

Roofing is a small industry and word spreads, both good and bad. To attract diverse types of employees, they want to see that they will have a good experience working for you. The younger generation is motivated by many things, but respect is at the top of the list. They want to be engaged, respected and rewarded and they will talk. If they are seeing great opportunities in an amazing culture they will let their friends know. That does not apply just to the younger generation it applies to all groups. And don't say it unless you can back it. One incident of harassment that is not dealt with swiftly will blow years of a good reputation.

Image of your company.

The image that your organization conveys to the public will affect your recruitment results. While your advertisements, brochures, social media and website help to form a certain perception of your company culture, sometimes information passed informally by word-of-mouth has an even greater impact. If your company is seen as one that offers real opportunities to diverse employees, where all employees are treated with respect and where senior management is composed of a mix of people, you will likely find diverse applicants coming to you. By sharing that strong image of your company with highlights of a progressive company culture it can become your strongest recruiting tool.

Build and expand your informal network.

Like general recruiting, building relationships is even more critical in diversity recruitment. Your efforts will depend on the quality of the relationships you cultivate with diverse individuals and groups, both inside the organization and outside in the community. Understanding the needs of distinct groups is key. For example, when recruiting working parents being flexible regarding childcare is very important and could make the difference from an individual picking one company over another. Build relationships with women and minority organizations and understand the needs of those diverse groups. You can then position your company to attract the top potential employees.



Heidi Ellsworth is owner of HJE Consulting Group and a partner in RoofersCoffeeShop.com.



RRCS Influencer Charles Antis says that people with talent need to be attracted to something that matters and contractors should put purpose before profit and success will follow.

Hi, it's Charles Antis with Antis Roofing. And this month on Roofer's Coffee Shop, the question is what do you do? "Give us some real answers about recruiting."

Recruiting talent, attracting talent, retaining talent is a challenge for all business today, let's start by saying that. People need to be attracted to something that matters. So as a roofing company, it's clear to all my employees why we exist. And this is a fundamental place to start. We exist to keep families safe and dry. And beyond that, we provide roofing when families are not able to afford roofing, we still provide it, because our job is to keep families safe and dry. That's purpose. When purpose shows up before profit, you will attract talent. Number one.

I'll go back to that, but I'll talk about another challenge we have. We, in the roofing industry, as you know, are understaffed. 20% more demand out there than what we have. And so it's a real battle to get it. But a little fact I learned from some very intelligent people that serve on the National Roofing Contractors Association Board across the country. Through their research I learned that for the largest labor pool, which is immigrant labor for the roofing industry, mostly Hispanic labor, that their recruitment is more heartfelt. And it's through, if you want to attract talent, that immigrant talent in the roofing business, then you need to attract them through employees that already work there.

And I didn't know this because I'd had some failed policies in trying to attract talent in the past, but it didn't work. What really works is talking to your employees. So let me give you an example of an evolved strategy that Antis uses to attract talent.

We give a bonus to our employees when they bring somebody in. So if they bring in a cousin or a friend or somebody they know in their outside of work roofing network, then we bring them on and they get a bonus. The bonus is in two parts. The first is received upon the first day of the new employee that they brought in. And say that's \$500, that seems like a bonus that we were doing last year. And then if that person is still here in three months, the other \$500 comes and there's a \$1,000 bonus. That is such a win win and it really works.

I want to talk about one other this is because if you want to build a big company, you're not only attracting talent in the field. You also need to attract talent in the office because you need to manage this. And I'm going to tell you something, I love you roofers out there that are great craftsmen. But there has to be a great business management division. And we're a roofing company, and can a roofing company attract talent? The best talent?

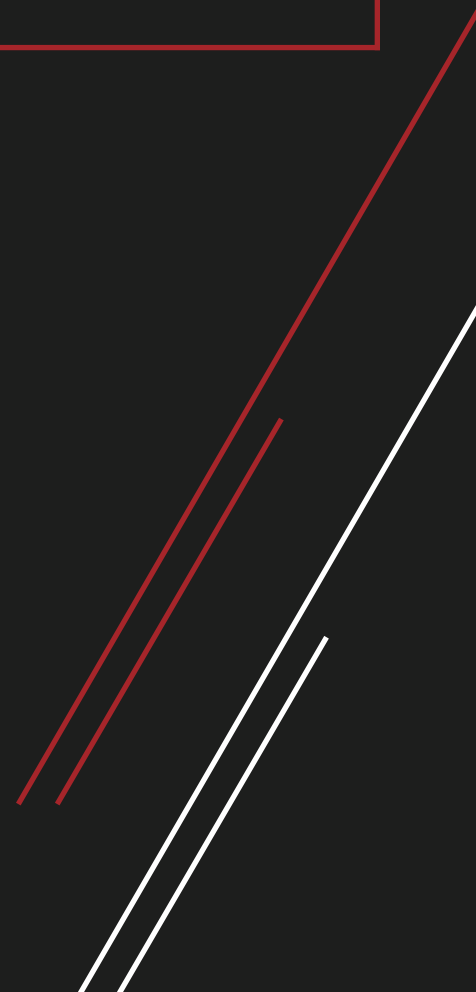
Let me tell you what I want. I want the talent that wants to go work at Microsoft and Google. I want them to work for this roofing company that exists to keep families safe and dry. And I'm going to tell you something, if you don't want the same, that's fine, but you're never going to get it. But if you want the same, put purpose in your company.

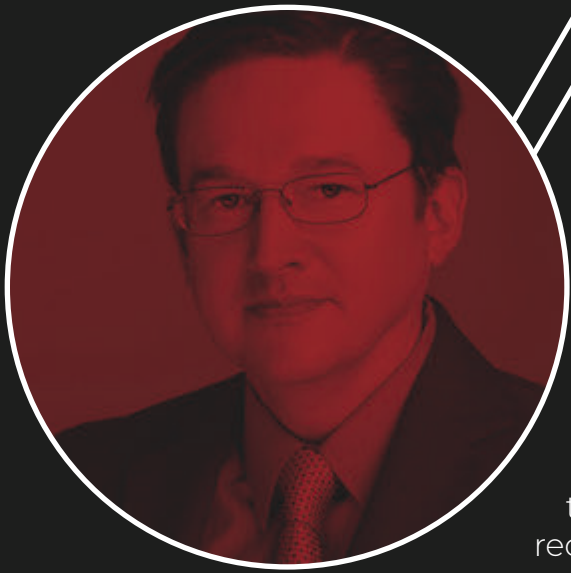
Start with your employees. Take care of them. This is a day of reinvestment. Survival is different in this new world. It's a whole new time. The business, the strongest voices in business 10 years ago don't have the same muster they do today with all of the shifting. But if you're attracting talent with purpose, then no matter what happens, drones enter the workplace, no matter how much of it shifts to solar, no matter how the labor pool, you'll matter, you'll attract talent and you'll exist because you put people first. That's why the new companies today reinvest so much. I think we need to do that.

I hope that helped. Thank you, have a great month.



Charles Antis is the founder and CEO of Antis Roofing.





RCS Influencer Trent Cotney says that recruiting should start with your existing employees.

We have used recruiters to find the right employees but have found that our existing employees are the most valuable assets for recruiting. We've instituted a bonus program that rewards employees who find qualified recruits.

While it's great to find the right recruit to bring on board, it's even more important to retain the employees that you have along with those new ones who are joining the team. In order to do that, we are very focused on the culture of our organization and the happiness of our employees comes first because retention is so much more important than growth.

Just as your business has a strong focus on providing the best service for your customers, it's equally as important that you apply that same service mindset to your employees in terms of addressing concerns quickly and efficiently. By following this practice, you will create an environment for your employees that is appealing, enriching, nurturing and makes them want to stay.

Having a happy, engaged workforce is better for your overall business as well. A Harvard Business Review article cited recent studies that showed that unhappy employees had 37 percent higher absenteeism, 49 percent more accidents and made 60 percent more errors. By having strong internal customer service practices in place, you create an environment where employees are content, enjoy their career and are happy enough where they would ask a friend or colleague to consider joining the company.



Trent Cotney is the founder of Trent Cotney, P.A. & Associates, specializing in construction law.

Meet the RCS Roofing Influencers

What “influencer” means: Authority, Mentor, Guide, Expert, Consultant.
That’s the group we have put together in our RCS Influencers Group.



Charles Antis



Monica Cameron



Trent Cotney, P.A.



Heidi Ellsworth



Rudy Gutierrez



Mike Hicks



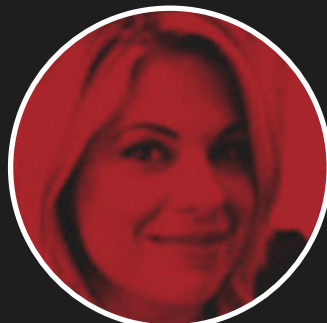
Mark “Lefty” Holencik



Alison LaValley



Brian Pratt




Jennifer Stone



Martin Stout



Sarah Weiss



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RoofersCoffeeShop.com is committed to being a roofing professional advocate by supplying consistent information, education and communication avenues for all roofing professionals, and especially contractors, while promoting the positive growth, education and success of the roofing industry overall. Visitors to the site continue to find excellent opportunities for sharing information while participating in important ongoing conversations concerning new technologies, safety and the overall roofing trade. From the rooftop to the board room, RoofersCoffeeShop.com is "Where the Industry Meets!" For more information, visit www.rooferscoffeeshop.com.