



Contractor Web Exchange

WWW.UTILITYEXCHANGE.ORG

Dynamics of Leadership for Home Performance Contractors

April 1, 2010

John Garofalo

General Partner, John N. Garofalo & Associates

garofaljohn@yahoo.com; 713-857-9701

2466 Bering Dr., Houston, TX 77057

About John Garofalo



- 30 years of industry and consulting experience
- Southern Bell in the early 1970s, John began his dual career focusing on marketing and leadership development, with stints in sales and sales management, as well as serving as an instructor and manager for their Executive Learning Center.
- Dealer Marketing Manager for Lennox Industries
- General Manager for an \$5 million HVAC service business in Mobile, Alabama (with 15% net and 7,000 service agreements)
- Operations Manager of GroupMAC's Residential Group
- President for Encompass Residential Services, responsible for 35 acquired businesses generating \$350 million in annual revenue and \$35 million in free cash flow.



Why Bother With This?

**Nothing gets
“executed”
without effective
Leadership**

A History Note

- **A 15 yr. average NP of 3%**
- **A failure rate of 95% over 5 years.**
- **None of it caused by a lack of technical knowledge**

The 3 Reasons for Failure

- 1. Lack of Leadership**
- 2. No Accountability**
- 3. Poor Understanding of Financials**

Leadership is...

- **Observable**
- **Learnable**
- **Behavioral**

"You AIN'T born with it"

Jack Welch GE

“A leader is NOT the one with the greatest talent, rather the one who makes EXTRAORDINARY use of the ABILITY/TALENT and OPPORTUNITY of OTHERS , guided by INTEGRITY.”

Leaders Create VISION

- **You don't like that word, use Mission, no, use Direction.**
- **If your company, department, branch, team has no vision, you are like a ship without a rudder.**

A Systemic Problem

- **Missions often lack clarity**
 - Poorly defined
 - No one on the team understands the mission
- **When they don't understand the mission they can't accept it.**
 - If they can't accept it , they can't commit to it.
 - If they can't commit to it, they won't work to achieve it.

A good mission must be specific, measurable

continued

- **Everyone on the team needs to know exactly what they are there to produce and how they will know when they have succeeded.**

Examples

A Mission Statement should represent the broadest perspective of the company.

Mary Kay- To give unlimited opportunity to women.

3M- To solve unsolved problems innovatively

Merck- To preserve and improve human life.

Disney- To make people happy

Wal-Mart- To give ordinary folk the chance to buy the same things as rich people.

Home Performance Company Examples

- **The mission of _____ Home Performance is to provide Northwestern Arizona with the highest degree of quality service, maintenance and installation of “whole house” energy saving and comfort solutions.**
- **The mission of _____ Home Solutions in Atlanta is to carry on the tradition of integrity and quality service that was started in 1949 when we were founded**

Examples

- **The mission of ___ Remodeling is to provide high quality, efficient and professional services in an innovative manner that exceeds the expectations of our customers and surpasses all others in the home improvement industry**
- **We at _____, Inc. are a growing team of experts passionately dedicated to identify our client's needs and provide them the best solution in home performance**

Last

_____ Home Performance Solutions

- **Honesty, Integrity, and accountability**
- **People that embrace change**
- **Company-focused people**
- **Building a business on exceptional service**

Vision Statements Must Have:

- **Specific Goals**
- **Be able to connect everyone's job**

Leaders can handle adversity

- **JUSTICE**-rejects dishonest gains
- **CONVICTIONS**-stands their ground
- **POSITIVE FOCUS**-doesn't dwell in negatives issues
- **INTEGRITY**-Life matches words
 - Does not participate in gossip
 - Does not harm others
 - Speaks out against wrong
 - Honors others who walk in truth
 - Keeps their word **REGARDLESS**
 - Not greedy

Why Adversity?

- **You are leading people through CHANGE.**
- **You are challenging what they believe in.**
- **You are promising only POSSIBILITIES**

How Do You Rate Yourself?

- 1. How much do you know about how to motivate people?**
- 2. How do you think others would rate you as a leader?**
- 3. How would you rate yourself as a leader?**
- 4. How much do you know about Leadership?**
- 5. How did you acquire this knowledge?**

How Do You Rate Yourself?

- 1. How much Leadership experience do you have?**
- 2. Does it appear that people 'seem' to follow you?**
- 3. Describe your leadership traits?**
- 4. Why would anyone want to follow you?**
- 5. What gives you the right to be in a leadership role?**

The BIG Test?

You are interviewing a potential General Manager for your company. He (or she) just answered the questions you did, but with your answers.

**WOULD YOU HIRE THAT
PERSON?**

A few definitions

COLIN POWELL- " A leader is someone you **CHOOSE to follow, to a place you would not go by yourself, if only out of curiosity."**

OUR DEFINITION; "Leadership is the **ART of mobilizing other to **WANT TO STRUGGLE** to achieve common aspirations."**

In a word, Leadership is

INFLUENCE

Misconception

Nobody transforms anybody else.

**Instead, what Leaders do is
CREATE OPPORTUNITY FOR
PEOPLE. Then we encourage they
to apply their TALENTS to grasp
those opportunities.**

All Great Coaches Say the Same Things

- Tell players what you EXPECT from them-
Goals
- Give players an opportunity to perform-
ACTION
- Let players know how they are doing-
ACCOUNTABILITY
- Instruct and empower players When they
need it –CORRECTION
- Reward players according to their
contribution-CELEBRATION

You Can't Do Any of That Without

EFFECTIVE ACCOUNTABILITY

Examples

- **Performance goals – daily, weekly, monthly for ALL JOBS.**
- **Coaching based on the above.**
- **Objective Performance reviews at least Annually.**

Take a look at the examples



To Learn More.....

National Capital Contractor Forum

April 6-7, 2010

www.utilityexchange.org/nationalcapital



HOME | AGENDA | SPONSORS | ATTEND | ARCHIVE | ABOUT US

National Capital Contractor Forum

Growing Your Business in a Difficult Market

April 6 - 7, 2010

National Capital Contractor Forum's goal is to facilitate networking and professional development for residential and small commercial building contractors.

General sessions will feature interactive panel presentations with successful contractors and industry experts who will discuss the potential for incorporating energy efficiency and renewable energy initiatives into traditional contracting business practices to leverage federal, state and utility-sponsored incentive programs aimed at green collar workforce development.

Who Should Attend: Owners, department managers and other key employees with companies focused on residential and small commercial remodeling, replacement and service contractors with annual sales of at least \$500,000 annually. This workshop was suited for company owners and presidents who attended with their sales, service, installation and financial managers; and other key employees in the organization.

View photos below from a similar event--the 2010 Southern CA Contractor Exchange.



Roles & Responsibilities



Presented by Building Performance Institute and Electric and Gas Industries Association in support of the U.S. Environmental Protection Agency's Home Performance with ENERGY STAR Program.



UtilityExchange.org serves as consultant to the Agenda Advisory Committee and supports the host by handling event logistics and helping to identify/recruit/manage event sponsors and exhibitors.