

# CONTACTOR



Electrical Contractors Association of Alberta Newsletter

Issue 2, 2006

## ECAA GOES COUNTRY

Friday July 14, Commonwealth Stadium, Edmonton Alberta



*"The Voice of the Electrical Industry in the Province of Alberta"*

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# President's Message

I am honored and privileged to be the new President of the ECAA and I appreciate the opportunity given to me to represent our Association for the next year. We have a great group of hard working people in ECAA -- Sheri and her staff who work hard in support of the Board and on behalf of all our membership; the Board of Directors and committee members who volunteer countless hours of their time and travel around the Province to ensure that our collective voice is heard; and last but not least, the membership who turn out on a regular basis and give those of us on the Board their concerns and needs – it has been exceptional!



*Mike Brunner*

The strong economy of Alberta will bring, or is already bringing some very unique challenges to our industry—the shortage of skilled labour; the ever rising costs of materials and fuel; the shortage of materials – all these things impact us and our businesses. Hand in hand with the challenges there will also be many opportunities -- opportunities for growth; opportunities for new ventures; opportunities to make things better – and the ECAA will be in the forefront as the voice of our industry.

I encourage all of you when speaking with contractors and associates who are not ECAA members to invite them to join us as we move forward in these busy times. As a group we have the power to make things happen. To make changes that will benefit us all, now and in the future.

## Vision for an Enhanced Master Electrician Program

*“Taking each job personality, making each installation safe”*

The Electrical Contractors Association of Alberta (ECAA) in partnership with Alberta Municipal Affairs (AMA) is developing a proposal for an enhanced Master Electrician Program.

In 2005 the ECAA spearheaded two rounds of town hall meetings with master electricians throughout the Province. The purpose of these meetings was to garner support, gather ideas for improvement, and develop a vision for an enhanced Master Electrician Program.

Master electricians responded by telling the ECAA and AMA that the Master Electrician Program is of value to the electrical industry but improvements are required. Master electricians recognized a need for the program to be enhanced in the following areas: continuing education, legislated responsibilities and enforcement.

Currently the ECAA and AMA are jointly developing a proposal for an enhanced Master Electrician Program, which includes the following:

- Mandatory update training, including electrical code updates every code cycle;
- An ethics course;
- Accountability specifically given to the Master Electrician;
- Enforcement through a self administered organization of Master Electricians in addition to municipal enforcement.

The “Vision” of an enhanced program was presented at ECAA’s Annual General Meeting in Kananaskis, in May 2006. Both the general membership and Professional Electrical Contractors enthusiastically supported the proposal for enhancements to the existing Master Electrician Program.

Next steps include presentations to stakeholders such as contractors, master electricians, municipalities, and inspectors, to inform all parties of possible enhancements to the program, as well as gather feedback and support for change.

We anticipate holding further meetings with master electricians in the fall of 2006 to share the blueprint for the future of the Master Electrician Program. All master electricians are encouraged to participate.

As it becomes available information will be posted on the ECAA web site at [www.ecaa.ab.ca](http://www.ecaa.ab.ca) and AMA’s web site at [www.municipalaffairs.gov.ab.ca](http://www.municipalaffairs.gov.ab.ca)

*(At time of printing information packages were being sent to Regulators. Minister very much in favor of proceeding with the project.)*

# Convention '07 Preview

CAA is pleased to announce Mr. George Hedley as the feature presenter in Lake Louise at Convention 2007. Mr. Hedley owns Hedley Construction & Management Inc. and Hardhat Presentations. As a construction business expert, he is a popular speaker at numerous industry events including World of Concrete and CONEXPO-CON/AGG. He has written several business books and will present his business building programs to our members on building profits, leaders, and loyal customers. The following article has been submitted by Mr. Hedley:



## *Are Customers Your #1 Priority?*

*George Hedley, CSP The Business Builder*

There are lots of ways to make a profit in the construction business. They include cutting costs, reducing overhead, improving field productivity, accurate estimating, making no mistakes in the field, and having an excellent training program. All of these will give you a small improvement in your bottom-line, but not enough to make a significant difference.

The easiest way to make more money is to create it! Profit starts with revenue. The more profitable revenue, the more profit. Revenue comes from customers. To make more profit, develop more profitable customers. Are customers your #1 priority? Do you have a business plan to enhance customer relationships? Studies show it costs and takes five to seven times more money and time to find a new customer than to keep a current customer. Maximizing profit is dependent on customers – current, repeat, and loyal.

## *Look at Your Calendar*

Think about what really happens every day. Most construction business owners and project managers spend at least ninety percent of their time doing the work at hand. You multi-task as you manage employees, subcontractors, suppliers, and projects. Your only customer contact is during project meetings, bid negotiations, or haggling over change orders, field problems, and schedule updates. You take repeat customers for granted and assume if you do a good job, they will put you on the bid list for their next project.

When new customers call with project opportunities, you immediately drop everything and put them first. You call your existing customers and cancel meetings to allow time to wine and dine potential customers. You put on your best clothes, take them to the finest restaurant, and present them your shiny brochure filled with glossy photos of your company's accomplishments. All while current customers wait for you to return their calls or fix a project problem. Sound familiar?

Your calendar doesn't lie. How much time do you invest creating deep customer relationships versus getting projects built? Do you take time transforming current customers into repeat customers by spending quality relationship building time with them? Or better yet, do you make time to take your loyal customers out to lunch, or a ball game, or a monthly round of golf on a regular basis? Just like with your friends and loved ones, building relationships take lots of quality face to face time enjoying each other in fun settings.

Does your company have an action plan to convert repeat customers into loyal customers? A customer loyalty program takes concentrated effort and will return big-time to your bottom-line. You can be a repeat customer of K-Mart or Wal-Mart, but you aren't loyal as you'll shop anywhere the products are available. Repeat customers will use your company again if your price is low enough or it is convenient, but they are not loyal. Loyal customers will only use your company, period! Loyalty is based on relationships and trust earned over time.

- How many repeat customers do you have?
- How many loyal customers do you have?
- Which repeat customers can you make loyal?

## *You are in the Relationship Business!*

Profitable contracting is more than being able to build on-time, under-budget, with excellent quality, value, and service. It is about convincing customers to hire you at your price.

*People buy construction services based on:*

- Perception of Value
- Relationship

*Perception of Value* – Construction customers need to know your company has the qualities and capacities to complete their project in a workmanlike, competitive, and timely manner. You have lots of competitors who can build and perform the same as you. There isn't much perceived difference between them and your company. Customers ask your company and others to propose or bid on projects. They are comfortable awarding jobs to any of the lowest pre-qualified contractors or subcontractors they perceive as the same.

Perception of value can be created over time using marketing, advertisements, brochures, word of mouth, third party recommendations, and reputation. You can enhance your perception of value by improving your bid completeness, proposal package, or project presentation. It is extremely hard to win contracts based solely on your perception of value unless you are the low bidder.

*Relationship* – Once customers perceive your company can handle projects adequately, you can then start building a relationship with them. Relationships are more powerful than your track record. Think about the time you knew you were low bidder and the best contractor for a project, but didn't get awarded the job. You

probably lost it based on your competitor's relationship with the customer. A strong relationship is the best way to improve your competitive advantage. By making repeat and loyal customer relationships a priority, your bottom-line will improve as you get jobs based on relationship more often than price.

## 7 Steps to Make Customers Your #1 Priority

### 1. People First and Paper Last!

Delegate paperwork and getting the job built, but never delegate building and maintaining customer relationships. Customer focused construction company owners and managers spend at least fifty percent of their time with customers in face to face relationship building sessions. This includes meals, sporting events, industry meetings, and sitting on boards of community organizations. I am a member of a private golf country club in our community. Almost every time I go to the club, the owner of a large and respected general contractor in our area is there. He always has three guests with him including architects, engineers, real estate brokers, developers, or his construction customers. Sometimes he even is entertaining my customers!

Put customer time into your calendar. Make it a priority. I try to schedule at least three meals plus one golf game with current or potential customers every week. Phone calls don't count when building relationships. Job meetings don't count. Doing good work also doesn't count. The only way to build customer relationships is in a relaxed setting where you can really get to know the person.

### 2. Help Customers Make a Profit!

People want to help those who help them. Look for ways to help your customer make more money. Be more of a business partner than a provider of construction services. Before I meet with customers, I try and identify how I can help them be successful. I come prepared to share a business tip or trick that will help their bottom-line.

Send something to help your customers make a profit at least four times a year. Send business articles, books, tapes, technical specification updates from your suppliers, magazine subscriptions, photos of jobsite challenges, new code updates, changes in the law, or industry studies from your association. When you send things to help your customers, you reinforce your relationship with them. Include a little handwritten note like: "I thought this would help your business. It helped me provide better customer service."

### 3. Constant Customer Contact!

Think how you cultivate personal relationships and build true friendships. Trusting relationships are built over time with lots of one on one contact, conversations, experiences, and fun. In business you get distracted with constant pressure of making a profit and getting projects built. It isn't natural to stop and take time required to build deep customer relationships. So you continue bidding lots of jobs and selling low price. This won't generate above industry average net profit.

Put your customer relationships first by keeping a "Constant Customer Contact Chart" to tracking business relationships. List all your old customers from the last three years, loyal and repeat, current, potential target customers you would like to do business with, and those who refer you work. Put them into one of the categories labeled: loyal customers, repeat customers, old customers, new target customers, and referring parties. Next rank them A thru F based on how easy they are to do business with, and five \$\$\$\$'s thru one \$'s for their potential to become loyal customers who generate profitable work for your company. When completed, list them in order of their rankings.

CONSTANT CUSTOMER CONTACT CHART

	Ease of Business Ranking	Profit & Loyalty Potential	V=Visit M=Mail						
			Jan	Feb	Mar	Apr	May	Jun	Jul
<b>Loyal Customers</b>									
EZ Development	A	\$\$\$\$\$	M	V	M	V	M	V	M
Best Friend Inc.	B	\$\$\$\$	VM		VM		VM		VM
<b>Repeat Customers</b>									
Trumped Corp.	A	\$\$\$\$	M	V	M	V	M	V	M
Master Builders	C	\$\$	VM		M		VM		M
<b>Old Customers</b>									
Acme Dynamite	C	\$\$	M		M	V	M		M
Smith & Western	D	\$	M		VM		M		M
<b>New Target Customers</b>									
11-7 Retail Stores	A	\$\$\$\$	VM		VM		VM		VM
Hibid Builders	B	\$\$\$	M	V	M	V	M	V	M
<b>Referring Parties</b>									
Topline Realtors	A	\$\$\$\$	M	V	M		M	V	M
Alpha Architects	B	\$\$\$	VM		M		VM		M

### 4. Spend Time With Top Customers

You now have your customers listed in order of importance to your business. You know where to concentrate your customer relationship time and which customers are your top priority. Keep track every time you meet with customers and note your visit on the Constant Customer Chart with a 'V' for visit. Make it a goal to see every 'A' or \$\$\$\$ and \$\$\$\$ customers and targets at least every two to three months.

Most local construction companies only have five to fifteen major customers who provide them with the majority of their business. To keep in touch and build relationships with them requires less than twenty meetings every three months, or an average of two per week. Don't forget, your goal is to convert potential target customers into repeat customers, and repeat customers into loyal customers who only use your company for all their construction needs.

### 5. Be in the Right Place at the Right Time!

You know lucky people who seem to always be in the right place at the right time. In my business, I noticed subcontractors who spend a lot of time in our office, get the most work. Luck? I don't think so! By making customer relationship time a priority, you'll land jobs just because you made it easy for customers to ask you questions and advice on projects they are currently working on before they go out to bid.

One of the best ways to be available is to get involved in organizations where your customers hang out. These include industry associations, community groups, political campaigns, or charity organizations. Ask your top customers where they spend their time and ask them to help you get involved.

## 6. Show You Care!

The number one reason customers stop doing work with companies is an attitude of indifference. They don't think you care about them. Customers want to know you care about them, their business, their challenges, and them as people. Keep personal files on each of your customers. Track their family, schools, hobbies, goals, vacations, activities, and major life events. Before you meet with them refer to it and then ask them questions about their personal life. This caring attitude will set you apart and solidify your relationships.

To show your care, send your top customers a handwritten note as often as appropriate. Mail out to your entire customer list at least every two months. Send materials that will help customers improve their business. Ideas to send include: how-to ideas, tip sheets, new product brochures, code updates, business articles, or new industry trends. This constant customer contact will also help you build deep relationships over time.

## 7. Get Lots of Referrals

Want to double your business with profitable work? Get a referral from each of your customers. People don't walk around telling friends or business associates how great your company is unless asked. Most construction company owners wait for their customers to refer them business to potential customers. This rarely happens. You get referrals by first earning them and then proactively asking for them. Getting lots of referral is easy. Go visit your top twenty customers. Tell them your business growth goals and show them your target customer list. Ask who they know who might need construction services. Don't ask, don't get. When you ask, you'll get!

Time is money. Meaningful time with your customers is big money. Remember, doing a good job, quality workmanship, bids, faxes, emails, job meetings, and phone calls don't count when trying to build relationships. Make it a priority to invest at least fifty percent of your time with customers. This will return more profit than you'll ever make out in the field with your crews. Rearrange your calendar, put customers first, and watch your bottom-line grow!

# Labour Relations Update

Brian Halina

The Industrial sector continues to experience a fairly slow period with the winding down of some major projects. It is expected to pick up again late in 2006 or early 2007. Unionized commercial contractors are holding their own in a tight commercial institutional market.

A seminar/workshop was held for Unionized Electrical Contractors on June 22nd to deal with issues around "Fitness for Work" and "Duty to Accommodate" as it applies to hiring through the Union dispatch system. A very informative presentation was made by a group of lawyers from Miller Thomson and the Alberta Human Rights Commission. The seminar was attended by 21 contractor participants.

Discussions continue to take place regarding a coordinated approach to drug and alcohol testing through a common provider. Joint sub-committees in marketing, health and safety and foremanship training continue to meet and progress is being made in these areas.

A presentation was made to the Standing Policy Committee on Education and Employment on July 18th. The presentation was made by Ray Matthews – Training Director; Tim Brower – Business



Manager IBEW; and Pat Barnes – Labour Relations Coordinator, ECAA Labour Committee. The intent of the presentation was to open some dialogue around the Training Centres taking a more active roll in apprenticeships for Unionized apprentices.

The Apprenticeship Sub-Committee has selected a number of apprentices through consultation with Careers the Next Generation and the PACT program, who will receive extra mentoring in order to prepare them for competition in the 2008 Nationals and the 2009 World Skills Competition. Both of these events are to be held in Calgary.

The Electrical Industry Education Trustees have confirmed that the Mobile Training Facility is due to arrive late in August. The Mobile Training Facility will be set up at the Edmonton Training Centre location at that time for viewing and outfitting. It is anticipated that it will be sent to remote sites early in 2007.

On July 20th a "round table" discussion took place with Fort McMurray contractors and the IBEW to plan upcoming training programs for the new Fort McMurray Training Centre as well as the Mobile Training Centre. Many good ideas came out of that session.

The Annual Labour meeting took place in Kananaskis on May 27th. Newly elected Labour Relations Committee members are as follows: Dick Ducholke, Sean Casault and Kevin Pretty.

# Highlights From AGM '06 in Kananaskis



Master of Ceremonies, Terry Sawatzky



Terry, Roger & Kelly presenting Award of Merit to Mr. Willard Kondro



Lethbridge Chapter President, Todd (Vanessa) McKay



Kris Gjertsen receiving his Lifetime Membership Award (sons Wayne & Dean and President Milot)



Lifetime member Klaus Reichwald and Honorary Member Ken Cameron



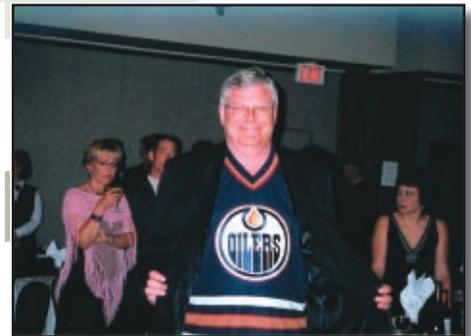
Connie Milot & Karen Sinclair singing with the band



Incoming President Mike Brunner from Calgary



North East Chapter President Jonnie (Sue) Nielsen



Brad Quist cheering on the Oilers



Past Presidents Jeff Light & Perry Schmaltz with Gary Borodenko and Ned McLean

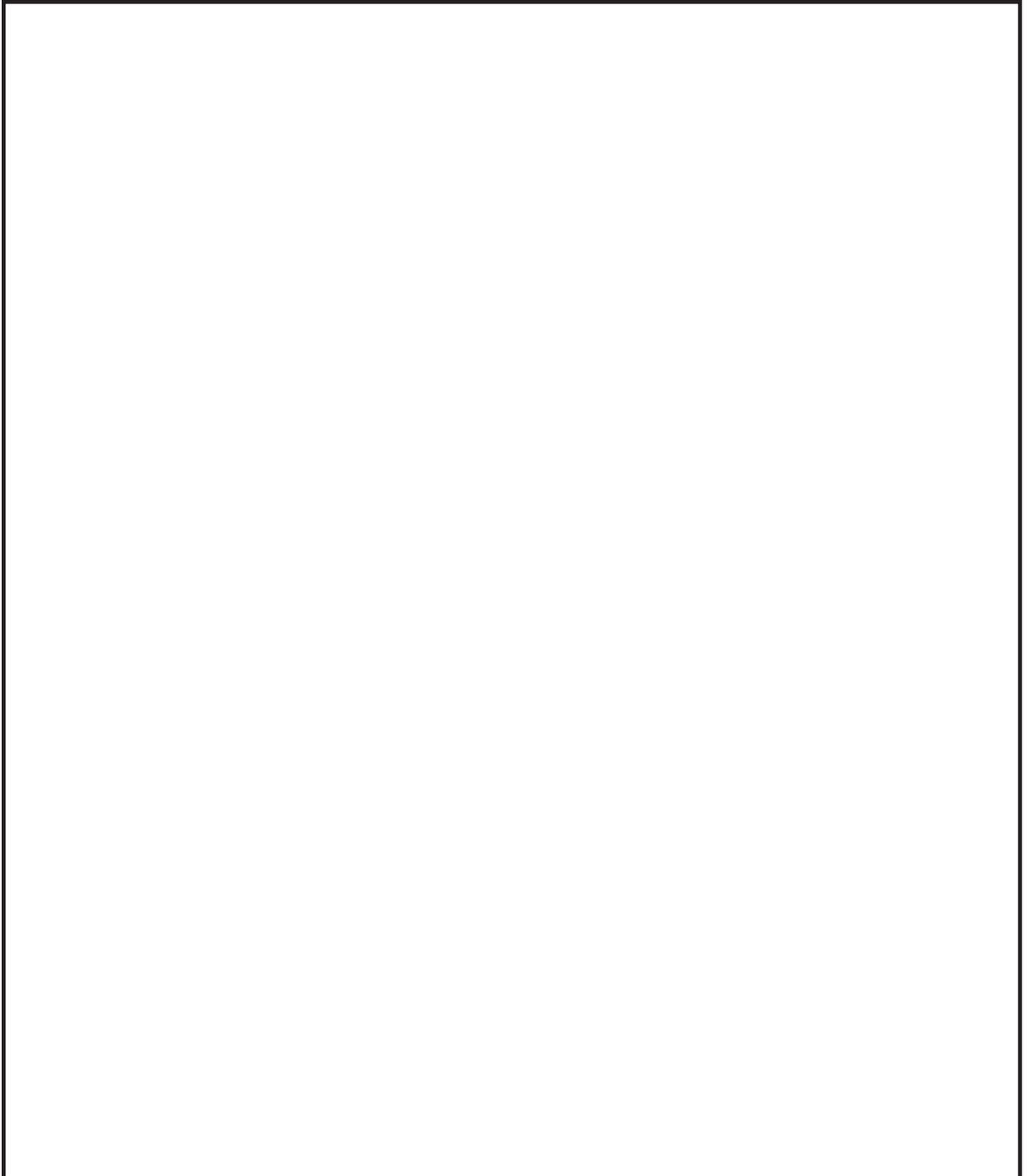


Golfing in the "snow"????



# *Your Insurance Just Got Better!*

John Paisley, President & CEO, Federated Insurance Company of Canada, recently announced a brand new benefit automatically available to clients free of charge! The new Trauma Assistance Program provides confidential counseling or Critical Incident Stress Management to help you and your employees through the difficulties following an insured loss. Brochures highlighting the program in more detail are available from Federated Insurance.



# Board of Directors

## Electrical Contractors Association of Alberta

### Executive:

President:	Mike Brunner
Vice President:	DJ Coppens
Treasurer:	Todd McKay
Secretary:	Ron Mackenzie
Past President:	Terry Milot

### Chapter Presidents & ECAA Directors:

Calgary	Brian Phelps
Central	Charlie Bagshaw, John Kostiw, Darcy Teichroeb
Edmonton	TerryMilot
Fort McMurray	Gord Stuve
Lethbridge	Todd McKay
Medicine Hat	Glenn Pocsik
North East	Jonny Nielsen, PEC
North West	Les Dzwonkiewicz, PEC

### Directors-at-Large:

North	Terry Emmerson
South	Ken Rickbeil, PEC

### Committees:

ACSA	Dave Hagen
ACA (South)	Al Miller
ACA (North)	Peter Rasmussen, PEC
Apprenticeship	Dean Gjertsen
Associate Liaison	Terry Sawatzky
CECA	Willard Kondro
Code	Clem Gratton, PEC/Perry Schmaltz, PEC
Communications	Kelly Wilde
Convention '07	Mike Brunner
Convention '08	DJ Coppens
Labour Relations - Union	Brian Halina
Labour Relations – Non-Union	DJ Coppens
Legislation	Dick Ducholke, PEC
Master's	Kelly Morris, PEC
Membership & Public member	Carmen Nickolson
Nominations	Terry Milot Roger Richard Willard Kondro
PEC	Lou Hiemer, PEC
Safety Codes Council:	
Fire	Keven Lefebvre, PEC
Electrical	Perry Schmaltz, PEC
Ways & Means	Todd McKay

## WELCOME NEW MEMBERS

### Contractors:

Andarr Industries Inc., Edmonton  
Ganotec AGI Inc., Edmonton  
Norcan Electric, Fort McMurray  
Redman Controls, Edmonton

### Associates:

Belden Cable Canada, Edmonton  
Design Plus Graphics, Edmonton  
Fireball Graphics, Edmonton  
G.E. Consumer & Industrial, Edmonton & Calgary  
Graybar West, Edmonton  
Power Optimization Ltd., Calgary  
Simpower Ltd., Calgary

## CONGRATULATIONS NEW PEC's!

Danny Young, #120	Luis Anchondo, #124
John W. Carson, #121	Robert Laframboise, #125
Jonny Nielsen, #122	Arthur Lippert, #126
Todd Harkness, #123	

## The Contactor

The Contactor is the official publication of the Electrical Contractors Association of Alberta.

We welcome articles and paid advertisements.

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