

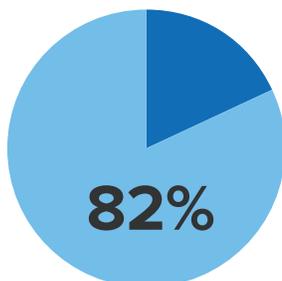


In August, EGIA surveyed its network of contractors on Leadership. Below is a summary of the results.

The typical contracting company has a number of departments and segments operating in unison with one another – moving pieces that can come together perfectly or, each on their own, entirely derail an otherwise successful business. So how do these often very disparate areas cohesively work together toward aligned goals to deliver efficient, effective work day in, day out? It all starts with leadership, which sets the tone for every employee, every department, from the top down. Even the best employees in the world can spin their wheels without proper leadership. Last month we asked our member contractors about leadership, to get an idea of what strategies and philosophies are prevalent (and successful) in the industry.

### Has the company leader (owner, manager, etc.) created a financial blueprint for the company?

First, we asked contractors how company leadership establishes financial expectations – specifically if an owner or senior management creates a financial blueprint for the company. The vast majority, **67%**, replied in the affirmative, with **33%** saying no. A financial blueprint is a necessity for a contracting company. Every company has financial goals, but without a roadmap for how to actually get there, that goal isn't likely to become a reality that can be repeated time and again. With a financial blueprint, companies can learn how to hit the industry's widely accepted target goal: 20% profitability.



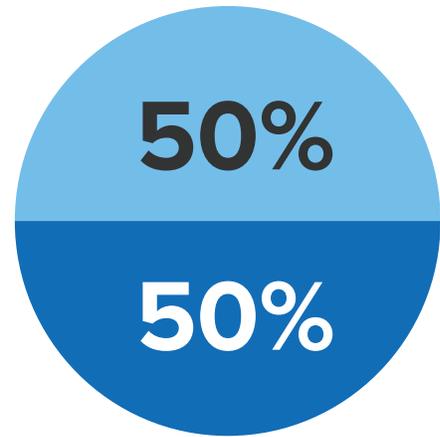
LEADERSHIP IS INVOLVED  
IN INSTALL/SERVICE CALLS

### Do senior management and/or ownership ever personally get involved in an install or service call?

One of the cliché sayings about leadership is that a leader shouldn't ask others to do something they're not willing to do themselves, and there's some truth to that. Certainly delegation is allowed and encouraged, but a willingness to take on any job if necessary can set a tone of mutual respect within an organization, and lead to increased morale. Senior management at most member companies felt likewise. When asked if leadership ever personally gets involved in installs or service calls, an overwhelming **82%** said they did, with just **18%** deferring. It's not reasonable to expect an owner to go out on every service call; their time can be better spent elsewhere. But showing that they will can send a powerful message of appreciation and teamwork to other team members.

## Have company leaders established clear, written key performance indicators (KPIs) that employees and the company as a whole are expected to work toward?

Next, we wanted to know if company leaders are establishing clear, written KPIs so that team members understand what goals and metrics they should be targeting. Surprisingly, respondents were evenly split, with exactly **50%** responding both in the affirmative and in the negative. Ideally, this should be a unanimous yes. KPI's ensure every member of an organization is on the same page and knows exactly what is expected in their job role – in terms of financials, soft skills and everything in between – and KPIs must be clear and put in writing. If a team member can't refer back to written KPIs, there's nothing ensuring that they'll remember the specifics of their goals and objectives.



COMPANIES HAVE KPI'S  
ESTABLISHED BY LEADERSHIP

## Does your company have a daily huddle or meeting to discuss reporting, training, KPIs or other pertinent info?

Meetings can be a dual-edged sword. Certainly communication is a foundation of any effective business, but too much time in meetings can reduce productivity. When asked if companies do a daily huddle or meeting, just **30%** of respondents said yes, against **70%** who answered no. A daily huddle can be an asset especially to service

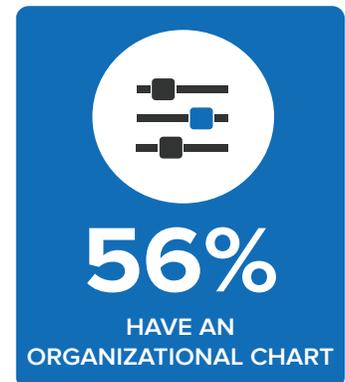
“Someone wiser than me once said ‘We’re not in the window and door replacement business, we are in the lead generation business.’ In other words, nothing happens until the phone rings or someone reaches out to us online.”

-HVAC Contractor in Virginia

companies, as it may be the only time that field employees get together with the rest of the company on an average day, but it must be arranged properly. Whether meetings are daily or weekly, they should follow a set of guidelines that could include being properly prepared, arranged around an agenda, reducing tangents and side topics, involving two-way communication between leadership and team (ideally arranged in advance so it can be included on the agenda), and allowing for feedback or questions, be it in the meeting or in the parking lot afterward.

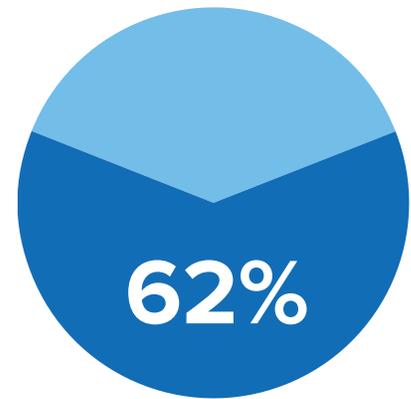
## Does your company have an organizational chart that lays out who does what inside the company and how many of each job role is needed?

Similar to establishing KPIs, an organizational chart promises that every person always knows what they should be doing by precisely defining their job and tasks, yet just **56%** of our respondents said that their company has one, while **44%** do not. Org charts are a widely accepted best practice, but they often go overlooked by companies, inside and outside of our industry. Especially for new employees, org charts ensure every person is on the same page and aligned in the direction of success as established and defined by leadership.



## Is there a process in place for employees to give feedback to company ownership and/or senior management?

Of course most companies have a system in place for managers to review employees – nearly 70 percent of those surveyed do, in fact – but there's value to upward communication as well; front-line workers and other team members giving feedback to ownership or senior management. Our respondents agreed, with **62%** indicating their company has a process in place to give feedback to senior management, against **38%** that do not. Getting feedback from service techs, salespeople and other team members can create more buy-in and turn them into stakeholders, rather than just employees. Additionally, those roles are exposed to different situations than is management, giving them access to unique insights and information.



**HAVE A PROCESS TO GIVE  
FEEDBACK TO MANAGEMENT**

## Learn More About Leadership

Leadership is one of the ten core areas of focus for EGIA Contractor University, which aggregates all of the tools, educational resources and training programs that contractors need to take their business to the next level. To learn more about Leadership best practices and strategies, as well as the other nine core topics, visit [EGIA.org/University](https://www.egia.org/University). And visit EGIA Contractor University's online Contracting Business Best Practices Library for a deeper dive into Leadership Principles, complete with videos, how-to documents, usable templates and more.

You can learn more about the EGIA Snapshot Survey program at:  
[www.egia.org/SnapshotSurveys](https://www.egia.org/SnapshotSurveys)