SMACNA held its 75th Annual Convention in San Diego (not to be confused with SMACNA’s 75th Anniversary, which started the day after the convention) in October. The opening reception on Sunday evening is always exciting, but to see three Navy SEALs parachute onto the deck of the USS Midway Museum in the dark took it to another level.

The patriotism continued the next morning as singer Janine Stange, famous for singing the national anthem all over the world, opened the convention singing both the U.S. and Canadian national anthems.

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FROM THE PRESIDENT

A Time to Connect

SMACNA’s Annual Convention is near and dear to my heart. Over the years, I have gone from being a kid at the kids’ table, to accepting the nomination as SMACNA’s president this past October. No matter what my role is or was, I always learn something new at every convention. The SMACNA convention consistently serves as an opportunity where I can reconnect and strengthen old friendships while making new ones.

I am amazed how the educational programs at SMACNA’s convention are always focused on the topics we, as contractors need most. The technology sessions always hit the mark and this year was no different. Each of the Market Sector Council sessions were well attended, and the HVAC forum was full of people — to the point many had to stand in the hallway. The Product Show was bigger than in years past, and the vendors saw a lot of traffic. I know I had many productive conversations with vendors as I made my way around the show floor. I have made it a point over the past ten years to introduce myself to new faces I see at the convention. This year, my wife Shannon and I sat at a table on opening night onboard the USS Midway Museum with a group from northern New Jersey. We did not know anyone in the group before the convention. However, by the time the night was over, we had introduced a young lady working in her family’s business to Carol Duncan and Angie Simon — both are on the Women in Construction Leadership group. This young lady was passionate about the business and passionate about the industry and wanted to find a way to get more involved and I was happy to have the opportunity to make that happen for her. The benefits go both ways. We engage the next generation and they get more involved in the association and then they help lead the industry to greater heights in the future. I therefore encourage every person reading this to introduce yourself to at least one first-timer at next year’s convention, find out why they are there and see if you can help them connect with other members. The benefits will be awe inspiring!

After many conventions, I still find myself looking forward to Chapter Night — the one night of the convention where we gather as a group from our local chapters. It’s a unique setting in that most contractors in each chapter know each other — and compete with one another. Yet as a group, we are one, fighting for the unionized sheet metal industry. Through these events and our common bonds, many of us consider the other contractors in our area to be friends more than competitors.

Chapter Night is also unique because it gives us the opportunity to get together in a social setting away from convention and away from the contractor meetings to spend time together…to get to know one another better. For the first time as far back as I can remember, the Oklahoma City contractors did something more than just going to dinner. We combined with several other chapters and rented out the House of Blues and hired an ’80s hair band. The combination of great food, great friends, and incredible entertainment formed a common bond for many of us that we still speak about today.

It is an honor for me to serve as SMACNA’s president during SMACNA’s 75th anniversary celebration which will culminate at next year’s annual convention in Austin, Texas. This year-long event gives each of us the opportunity to reflect on the past but focus on the future through increased engagement and communications. It is my hope that we can all leverage this unique opportunity and use it to grow our businesses.

Sincerely,

Nathan L. Dills
SMACNA President

A lively, wide-ranging Policy and Politics session took place during the convention featuring commentary on politics, the midterm elections, economic issues affecting contractors and what to expect in Congress in the months and year ahead.

“Congress is the center of power for drafting and passing all legislation,” said Stanley E. Kolbe Jr., SMACNA director of legislative affairs; Linda Baxter-Jennings, executive vice president, SMACNA of San Diego; and Rep. Scott Peters.

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Policy Session Highlights Economy, Future Legislation

Why is Washington so Split?”

Kolbe cautioned the audience about the high probability of having to deal with a divided government in the months ahead due to the 2016 election not producing a convincing majority or mandate for the GOP. Democrats picked up around a half-dozen new seats in the House plus additional Senate seats to bring the parties closer together in votes.”

Kolbe noted that the key upcoming bills to watch in the lame duck session (from November to late December) include legislation to extend expiring tax provisions, the Agriculture and Nutrition Act of 2018 (the Farm Bill), criminal justice reform, reauthorization
of the Violence Against Women Act (VAWA), the Jobs and Investor Confidence Act (Jobs Act 3.0), funding for a border wall, and a disaster relief package. Many of these initiatives may be combined into a last-minute comprehensive budget agreement needed to keep the government funded.

**SMACNA’s 2019 Legislative Priorities**

Kolbe provided some insight into SMACNA’s legislative priorities in 2019, noting SMACNA will:

- Continue to press for legislation favoring composite model pension plans.
- Support the massive airport, public building, and energy infrastructure package that also includes building energy retrofit tax credits, incentives, and tax provisions.
- Extend energy efficiency incentives and boost the use of performance contracting.
- Support the Power Efficiency and Resiliency (POWER) Act that would give combined heat and power (CHP) and waste heat to power (WHP) tax credits.
- Encourage a comprehensive national energy policy package including an upgrade to public buildings and energy grid transmission facilities and that reforms efficiency rules.
- Push for reforms to halt employee misclassification and payroll fraud.
- Endorse initiatives to reform the bidding and procurement process.
- Turn back Senate efforts to repeal Davis-Bacon, project labor agreements, and apprentice standards.

**Smacna.org/technical**

SMACNA’s Technical Services Department profiled the latest advances in their portfolio of technical resources for members during the Technical Roadshow. The featured guest, Eli Howard, SMACNA’s executive director, technical resources, and the technical resources team discussed the department’s current testing and research, educational efforts, and industry involvement.

Attendees were given an overview of some of SMACNA’s newest technical offerings, including the Architectural Sheet Metal Soldering Technical Paper, which presents the results of a study that assesses the in-service life of flat lock seam soldered joints, specifically, an in-service life of 75 years using a ½-inch wide flat lock seam. Contractors also learned about SMACNA’s new Rectangular Industrial Duct Construction App, which condenses a time-consuming and complex process that could take hours and boils it down to a procedure that takes 10 minutes. The Rectangular Industrial Duct Construction App is currently in production and will be available to local chapters for their use at their discretion.

As part of the technical department’s push to advance education, the technical department is also working with the Air Movement Control Association’s (AMCA) Air Systems Engineering Technology (ASET) Conference, which takes place March 24-26, 2019 in Chicago. Members can learn about the ASET Conference at smacna.org/technical.
The Architectural Sheet Metal Forum focused on effective communication between all parties as an “important aspect of every successful project.” Daniel Gibbons, principal with the national engineering firm Simpson Gumpertz and Heger, covered the benefits of proper communication from building envelope design through installation during his session, “The Importance of Communication in Building Envelope Design and Construction.”

“From a roofing and waterproofing standpoint, the process for design and construction is a multidisciplinary one that requires input from a wide variety of professionals collaborating together to achieve a watertight assembly,” he noted. “Each part of the design and construction process can play an important role in achieving a successful building enclosure project.”

To effectively convey the roles and interaction of the design community and construction companies involved, Gibbons utilized contrasting case studies of roofing projects with both good and poor communication.

Communications can at times be challenging because “different disciplines are involved, and some aren’t part of a traditional architect-consultant-design-bid-build team,” he said. That can include the sheet metal trades.

“As a result, you have to breach the disconnect to take project requirements into account, so contractors understand that when they interrupt the building project, communication among all parties must continue.”

A leader in Simpson Gumpertz and Heger’s roofing and waterproofing practice group, Gibbons spoke from experience with investigating and designing commercial, institutional, and residential buildings for waterproofing issues. He has consulted with architects, contractors, and building owners to analyze and repair water intrusion problems and construction defects.

Each part of the design and construction process can play an important role in achieving a successful building enclosure project, Gibbons said.

To develop a pre-design plan that ensures proper communication, Gibbons suggested that “for any specific detail, you have to look at the manufacturer’s and contractor’s requirements for installing, how those details, such as roofing installation, are used, and, most importantly, how it is maintained.”

Today’s electronic communications tools can make it easier to provide and disseminate information, Gibbons said. “But to make the best project possible, you still need people who know how to look beyond their own screens and beyond their “turf”—someone who understands everything involved.”

Gibbons stressed the importance of installing rooftop air handling units (AHUs) according to manufacturer requirements to avoid poor drainage, leaky roofs, and leaks into floors below.

He cited a case study where water testing of a building’s AHU showed sixth-floor leakage. “There were a number of clues we found with the AHU, with the sections where units come together.

They were monster units, 40 to 50 feet long, and came together in sections. These were not factory-installed and yet they had to perform for a long time in a water-tight manner.”

To solve the problem, the owner chose to lower the roof assembly itself and put in a counter-flashing to create a watertight seal.

“In hindsight, there should have been better communication between the roofing contractor and the manufacturer to properly install the air handling unit,” Gibbons said.

Part of the success of a building envelope project means sometimes the contractor has to go beyond the scope of the project rather than saying, “Sorry, my scope ends here.” “You need to look at the overall installation to fully understand the leakage involved,” Gibbons explained. “You also need to look at the roofing and how that interacts with the roofing assembly.”

Often the problem is a lack of coordination from the contractor, who should have communicated the manufacturer’s recommendation.

The essential perspective, Gibbons said, is that “our requirements are not just one element. It is important to have the mindset that we are all working for the building owner. We have to make sure all aspects of the project are understood and incorporated.”
Productivity is the cornerstone of profitability,” said Michael McLin during the HVAC Contractors Forum, “Productivity Tracking in the HVAC Industry for Design, Manufacturing, and Installation.”

“Labor is one of the largest, and certainly the most variable expense, in the sheet metal industry. However, the financial impact of productivity often goes under-communicated in the industry,” said McLin. “We found that many contractors do not track productivity during design, manufacturing, and installation because they are unfamiliar with the impact that improving productivity can have on their profitability,” he said.

“The reality is that tracking productivity is part art and part science, so you have to experiment a bit in order to succeed,” he continued. “If a five percent change in productivity yields a 50 percent change in profitability, how important is that to track and communicate?” The forum was also a preview of the white paper on the topic, which McLin is currently finalizing for a New Horizons Foundation project.

Productivity Tracking Helps Keep Score
Four panelists, including Brandon Bratz of the Waldinger Corporation, Corey Chestnut of Climate Engineers, Randy Freitas of Western Allied Mechanical, and Joseph Lansdell of Poynter Sheet Metal Inc., shared their experiences of how tracking productivity had translated into profitability for their companies.

“Many employees are intimidated by productivity tracking,” Lansdell said, so he made sure his staff understood how it would benefit the firm. “We talked about productivity to people in the company like we talked about sports,” Lansdell said. “When we rolled it out into the field, we asked, ‘How many of you play sports?’ Everybody raised their hands. Then we asked, ‘In how many of those sports do you not keep score?’”

“Just as keeping score during a game lets coaches know how a team is doing, productivity tracking gives managers the information they need to address problems,” he noted. “A contractor might use tracking information to determine actual costs for more accurate pricing or to find a more efficient way to perform certain tasks.”

“This is an enhancer to the production process,” Lansdell added. “In productivity tracking you’ll start reacting to problems quicker and addressing them quicker. Keep it simple and keep it consistent.”

Freitas agreed. “We determined what we were going to track so it was consistent every time.”

Keeping Things Simple
Keeping score does not have to be a complex or expensive process. “Basically, every company’s accounting system already has this ability,” McLin explained. “Contractors can use the technology they already own. All they need to do is automate the timekeeping and add a progress reporting process. Software like Bluebeam or PlanGrid helps streamline the planning and reporting process, enhancing communication.”

Productivity and production tracking continue to evolve as methodologies progress in the industry. “Accept the fact that there might be things that don’t work and that failure is okay,” McLin said. “You pick something to get started on, and you test drive it and see if it works.”

“The first time we tried tracking, it quickly failed,” Lansdell added. “We went in way too deep, way too complex, and the results didn’t make sense. It’s like we counted things four times. We realized we needed to keep things simple.”

“Less is more,” McLin emphasized. “Having a few activities that are relatively simple to track works best. If your system is over-complicated, the guys in the field won’t use it. For example, when you’re installing a main duct, there’s no need to track the installation of the fire damper and the variable air volume box separately. For best results, track everything in-line, not individual components.”
Residential sales management expert Tom Piscitelli shared the techniques that residential service-based HVAC contractors do well to create the most profitable sales results during his session on the “Top Ten Strategies of the Best Retail HVAC Sales Companies.”

The key is to build a relationship with the customer, he said, and trust is the foundation of that relationship.

“You’re looking for a sale to become a relationship for a lifetime,” he noted. “Building trust with the client from the first appointment is critical. Everything builds on this foundation.”

Sharing his approaches to “what’s hot and what’s not,” he advised that contractors should first start with several simple best practices when visiting a customer’s home: Be prepared. Be on time. Be properly attired. Have photo identification. “Most contractors don’t follow these fundamentals,” he said. “So, when we do just the basics, I think we’re already rounding second base in a lot of cases.”

For example, Piscitelli noted that one study showed that a consumer commonly had to call nine contractors, only to actually reach five, only to have three show up, and of those, only one would be on time. “When we follow the fundamentals, the common-sense basics, then we are lifting ourselves above others — and that’s part of our mission.”

Sell the Solution
Residential work, Piscitelli stressed, is not simply selling systems. “We have three things to sell,” he said. “We have to sell ourselves, our company, and our solution. We have to sell ourselves as individuals. Am I letting you know that I am here to serve you? Do you feel that I’m trustworthy?” he asked.

“And then we have to sell our company” he continued. “Most consumers have some defensiveness about sales people, and they are guarded about contractors. There are some rotten apples in the barrel that taint the rest, and so we have to be mindful of that and do things consciously that will help elevate our company above others. And the third thing (and this is really a shift for some SMACNA contractors) is to sell a solution to the customer’s problems.”

Selling a solution can be a contrast to the commercial contractor’s process of “bid, estimate, and quote,” he noted. Residential customers aren’t interested in that. They simply want their problem fixed. “Selling a bundled package as a solution to address the problem, is a cutting-edge way for the retail contractor to offer their services and their products,” he said.

Piscitelli noted that women make 93 percent of the buying decisions, because they are usually the ones who are at home and who make the purchasing decisions for the household.

“The best service comes from mapping out a company sales process so the company owns it,” he advised. “With management expectations, the necessary tools, and proper training, every customer should be treated the same professional way.”


Sales people also can’t assume they know what the customer is thinking. “If sales people want to find out what customer’s needs and concerns are, they need to ask questions,” he noted. “And when they get answers, they should write them down. When you take notes, what does that tell the customer?” he asked. “That you’re paying attention. It’s a non-verbal way of telling the customer you are interested and that you care.”

Yet, most sales people don’t ask for the sale or even follow up, he reflected. “Instead, they say, ‘What do you think?’ That’s a therapy question, a losing question. Instead, ask, ‘Which of these three solutions would be best for you?’ This gives the customer a choice. Ask questions you already know the answer to. And the answer should always be ‘yes.’”

Tom Piscitelli Believes in “TRUST”
Tom Piscitelli’s customer-friendly “TRUST” sales approach includes these principles:

T – Tell the truth. We always tell the truth.
R – Relationship. We intend to build a lifetime relationship with every customer.
U – Understand the customer. Ask questions and listen.
S – Show them choices. When given choices, people will choose.
T – Take action. Ask for the sale with a choice.

To receive the audio and slide presentation from SMACNA’s Residential Contractors Forum, members may email Tom at tom@sellingtrust.com.
Industrial Contractors Forum
Peak Performance

SMACNA contractor Charles Graves, president of Graves Sheet Metal in Kokomo, Indiana, has been doing industrial work in the automotive industry for decades. He was excited about attending the Industrial Contractors Forum “Industrial Ventilation System Design and Performance Including a Focus on the Automotive Industry,” during SMACNA’s Annual Convention in San Diego.

“The industrial forum is a great place to learn about common design principles that contractors routinely encounter when designing industrial ventilation systems,” said Graves, who brought two new designers from his company with him. “The presenters did an excellent job of keeping it simple for the newer audience members yet providing enough detail to inform and even spark an alternative viewpoint from the veterans.”

Dale Price, president of M&P Air Components Inc. in Southern California, discussed the importance of precise industrial ventilation systems design, and Robert Shearer, president of KBD Technic in Cincinnati, Ohio, covered industrial design specifics unique to the automotive industry.

Price talked about the critical factors affecting industrial ventilation system design and performance, such as the relative degree of capital costs and return on investment (ROI), energy efficiency, and important issues like static pressure, airflow, blast gate, and velocity.

“An understanding of the purpose of the individual ventilation system allows you to prioritize the allocation of appropriate resources and investment in design, procurement, and fabrication levels,” Price noted.

“Manufacturing process controls have a direct impact on production and loss of productivity,” he continued. “When ROI can be directly measured, it is easier to justify the higher allocation of capital resources for ventilation design, procurement, and fabrication.” Price has years of experience providing technical support, equipment, and training for industrial plant ventilation and process air handling applications.

System balancing, either by blast gate or design, is critical to a properly functioning industrial ventilation system, he said, as well as airflow and velocity, which must be calculated correctly.

He also explained the principles of fluid dynamics related to airflow. In the audience, Graves noted one of his young designers was particularly impressed with Price’s discussion about static pressure laws.

“The presentations offered significant knowledge for young project managers to consider when selling potential projects,” Graves said. “Concepts like identifying capital costs, calculating simple return on investments, and offering energy efficiency equipment to better solve the owner’s circumstances.”

Automotive Industry has Unique Ventilation Needs

Shearer shared examples of automotive industry ventilation systems projects where he worked as a consultant. For example, he designed an oil mist collection system at an automotive plant in upstate New York and an exhaust system for a weld booth at an automotive assembly plant in the Southeast.

The weld booth project involved determining an exhaust rate that would ensure all contaminants, which were generated during the production welding process, would be contained inside the booth, while minimizing the amount of time for workers to safely enter the booth.

Many participants in the audience were also fabricators and installers, so Shearer discussed the thought processes and principles behind good industrial ventilation design. “Good communication among designers, fabricators, and installers results in the most effective and efficient installation,” Shearer noted.

With a good awareness of design constraints and outcomes, Shearer added, contractors will also be better prepared for the ever-changing regulatory environment. “New, aggressive standards mean you might be compliant one year and not the next, because the regulatory rules have changed,” he explained.

Shearer also noted that automotive manufacturing now involves processes that can emit a variety of different contaminants. Combustible dust, contaminated materials, and precious metals are also involved in industrial applications, so ventilation systems need to be precisely designed, fabricated, and installed.

Shearer recommended that contractors focus their investments on a well-designed ventilation system instead of a less efficient system that may often require larger duct and bigger fans, and that could foster additional misdirected expenditures.

“The industrial forum is always a good way to sit back and objectively look at the material presented, then compare and contrast to the many projects our own company has secured and completed,” Graves reflected.

“As a second-generation SMACNA contractor in the process of ‘retooling’ our own corporate sales structure and philosophy, it’s rewarding to see a young project manager grasp the understanding that our business solutions need to go beyond fabricating and installing ductwork,” he said.
continued from page 1

Adding further to the patriotic atmosphere, Navy SEAL Commander Rorke Denver gave a keynote address that shared his lessons on leadership.

The week-long event generated a wealth of new ideas for contractors and their staffs with dozens of education sessions, product show presentations, and opportunities to network and talk with peers. There were also plenty of fun events, award ceremonies, and the election of new officers and the board to keep people busy.

Monday Recap

On Monday, SMACNA managed to catch Tom Martin, president of T.H. Martin Inc. completely by surprise by presenting him with SMACNA's Contractor of the Year award. “Tom’s involvement in local and national SMACNA boards is lengthy and impressive,” said 2018 SMACNA President Jack Knox, “and his work to advocate for and grow the industry makes him especially deserving of the recognition.”

Serving on SMACNA’s Board of Directors, Martin chairs several national committees and is spearheading the development of a new library of business books for contractors through the New Horizons Foundation. As president of the SMACNA Cleveland chapter, he collaborated with his labor partners to defeat a bill that would curtail energy efficiency standards and is actively involved in a program for high school students to discover the benefits of a career in the sheet metal industry.

Later during Monday’s luncheon, two deserving chapter executives, Lauri Rollings, executive director of the Sheet Metal and Air Conditioning Contractors Association of Milwaukee, and Linda Baxter-Jennings, executive vice president of SMACNA of San Diego, were recognized as co-winners of SMACNA’s Chapter Executive of the Year Award for tackling a critical industry initiative: recruiting a skilled workforce.

SMACNA President Jack Knox commended Rollings for launching an apprentice recruiting program as well as creating a youth apprenticeship program to attract high school students to the trades, getting labor and management actively involved in the fire-life safety marketplace, and for launching the “Choose Bigger” apprentice recruitment campaign with SMACNA and several unions. Jennings teamed up with her SMART local union and the JATC to establish an active recruitment program, for working with veteran groups including the Wounded Warriors Project and Warriors to
Work to educate veterans about the apprenticeship program, for maintaining a “Direct Entry” program for veterans and non-union workers, and for teaming with industry partners to provide new veteran applicants with a tool package so they would have the best tools from day one.

Knox also recognized three individuals on Monday for their legislative service to SMACNA, Kim Best, Sheet Metal Contractors of Iowa, was named Chapter Executive Legislative Advocate of the Year. Fred Streimer, Streimer Sheet Metal Works, received the Distinguished Legislative Service Award, and Keith Harris, BHW Sheet Metal Company, was named Contractor Legislative Advocate of the Year.

During Monday’s luncheon, Navy SEAL Commander Rorke Denver described the tough training that SEAL trainees endure, “where 75 to 80 percent don’t see the finish line. You have to be somebody who just won’t quit.”

Denver shared his adventures, thoughts on what makes a hero, and advice on how to bring out one’s best leadership qualities. “How do you instantly get better when you’re already performing at a very high level?” he queried.

He invited the audience to stand up and raise their arms high. “Now,” he said, “give me one more inch. That is the difference. It’s rarely the big idea that changes the world. It’s the small things that you steadily improve. Find those inches. Ask, ‘Where can we find those inches and get better?’”

“It has never been a better time to be a warrior in this country. So, stop a soldier and tell him, “Thank you for your service,” he advised. “Thank you for giving us the opportunity to fight for our country,” he added. “This county is the most phenomenal place on earth.”

Monday and Tuesday sessions: 
From Managing Growth to Millennials

SMACNA members picked up a host of useful tips and take-aways at the dozens of education sessions throughout the convention. At one such session, “Understanding Millennials and iGens in the Workplace,” psychology professor Jean Twenge offered advice on how to recruit, retain, and manage millennials and the iGen generations.

“Born in 1995 and later, iGen-ers grew up with cell phones, had an Instagram page before they started high school, and do not remember a time before the Internet,” she said.

“The ‘i’ in iGen represents the individualism they take for granted as well as their rejection of social rules,” she reflected. The “i” also indicates they are in no hurry, ‘in person no more,’ insecure, irreligious, inclusive, independent, and have income insecurity. “iGen is the ideal place to look for trends that will shape our culture in the years to come.”

Construction expert Thomas Schleifer Ph.D. counseled contractors to carefully manage their companies’ growth and to rethink their procedures in order to elevate their businesses to world-class operations.

“Growth is the critical first step in business planning. Unstructured, unplanned growth can be lethal,” he warned. “The rate of growth needs to be carefully planned and managed.”

He advocated the “science of project selection,” noting that “project selection is critical in the whole scheme of things.” He advised members to focus on “good work that you always get right and good customers who always pay on time.”
Marketing and media expert Boaz Rauchwerger shared his powerful marketing ideas with members to generate more business while suggesting they “have an attitude of gratitude,” during his session on creating great business relationships.

“Call the media in your town, tv stations, radio stations, newspapers. What if somebody says yes? If you’re enthusiastic about your company, you’re helping the assignment editors do their job,” he noted. “I once challenged someone to call CNN. They need more stories than anyone else in the world. It ran on CNN worldwide.”

“You must be gigantic. It just takes one phone call. All you have to do is have the guts to call.”

Another marketing tip: Change your voicemail message and turn it into a commercial, he said. “I’m sorry I’ve missed your call. We’ve just completed a major installation downtown and we can do the same thing for you. Let people know what you are doing.”

The first 15 minutes of a day are the most important, he said. “Set a timer for them to think on your goals, and plan how to reach them. If it is to be, it is up to me.”

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Author Kate Andersen Brower shared a sneak peek of White House resident staffers from the 1960s to the present during the spouse breakfast on Tuesday. Staffers, cooks, and butlers were particularly fond of President George H.W. Bush’s family, she said. “Staff could not say enough about them. If there was a death in the family, the Bushes were the first people they heard from. The Bushes all were so loved.”

“In Washington where there is so much politics and negativity,” she said, “these are actually real people and real relationships.” She noted that later the first ladies often became friends, even when their husbands had been rivals.

“Barbara Bush loved being first lady,” she recalled. “Anyone who doesn’t love being a first lady is out of their mind,” Barbara once said.

Wednesday’s Events
“t’s no secret that the industry is humming along quite nicely, showing growth for the next couple of years,” SMACNA CEO Vince Sandusky said during the annual business meeting Wednesday. “Our good fortune and the challenges that brings are likely to continue.”

“Our strategic objectives include improving the competitive position of our contractors, engaging more deeply with our constituencies, and developing the quality
and quantity of the resources that are available to you. To meet these objectives, SMACNA has invested heavily in added staff expertise for our technical, legislative, and communications work groups,” he said.

“In 2019, we’ll be refining and improving these efforts. Look for expanding engagement levels between SMACNA and Congress and between SMACNA and the design and code communities. We will increase program resources to chapters so the interests of contractors are served at the local and national level.

SMACNA 2018 President Jack Knox agreed that the industry is robust. “Almost all of the markets for our members are strong — there is plenty of work,” he said. “We are enjoying a good relationship with SMART. And, we have outstanding leadership on our national Board of Directors and Executive Committee.”

He noted that SMACNA’s chapters were also responding to the manpower challenge and that two chapter executives were recognized for their efforts in recruitment.

“All of us would like to see these efforts spread throughout the industry, and not just during these times of worker shortages, he said. “As an industry we need to find the best and brightest to assist us with meeting and exceeding the expectations of our customers. Our old approaches won’t get us there.”

In his acceptance speech, new SMACNA 2019 President Nathan Dills reflected on the lessons his forward-thinking father, Harold Dills, instilled in him. “He had a lot of heart and a strong work ethic. Growing up, he encouraged each of us to push ourselves and always ask how we could do something better.”

“He always had technology on his mind and he taught me to embrace it,” he said. “What technology did we need to make us more productive and that will allow us to get more work? He knew he needed a workforce that embraced technology and kept up with it.”

“I want to know where you think technology is taking us and its impact on the industry,” he told the audience. “We must be ready to embrace everything that comes our way.”

“SMACNA gives each and every one of us the opportunity to be successful and gives us a group of contractors who want you to succeed. Every person in this room wants you to succeed.”

On Wednesday night, platinum recording artist Andy Grammer led a spirited show to close the convention, singing his hits “Honey I’m Good” and “Keep Your Head Up,” with his high-energy backup singers and band (a guitarist jumped up on a table top), and he showed his versatility on keyboards, guitar, and trumpet.

One of the largest Product Shows in recent memory, 60 exhibiting companies, a 30 percent increase over last year, represented a spectrum of products and services in the HVAC industry.
Why Leadership Matters

Throughout my consulting career, I’ve been working with company executives focusing on the pressing problems of the construction industry. While many of those challenges call for operational, financial, or organizational solutions, we usually find that an awful lot of them are, at their core, people problems.

After all, the research tells us that 70 percent of the people who quit a job do so because of their boss, not the work itself. Employee engagement is directly impacted by how leaders show up. In an era where there is a serious shortage of people, great leadership can become your ultimate competitive advantage.

In this column, over time I hope to present the most common people problems, discuss the negative impact they have on companies like yours, and suggest general approaches to solving them.

Here’s the leadership problem, in a nutshell, that we face in our industry. Many who excelled in the first half of their careers did so because of an aptitude for details, processes, and procedures. They are task-oriented and results-driven. Because of their success, they were promoted into management roles.

What we don’t tell them is that now, in their new role, the scorecard for success has dramatically changed. In the words of executive coach Marshall Goldsmith, “what got you here won’t get you there.” They can fix project problems; people problems are something else altogether! So, they go back to what they know best and, in the process, frustrate their direct reports, resorting to behaviors we describe as “micro-managing.”

There’s a better way. In my work with Boards and senior executives of construction companies, my team shares some essential traits of leadership that can be learned in an hour, but which take a lifetime to master. They are leadership behaviors and are not dependent on a person’s position or title. They can be remembered through the acronym SAM.

Setting Direction — Like the scouts and wagon bosses of the Old West wagon trains, leaders know where they’re going and can hold the course, taking others with them to a preferable future. Setting direction is about “the why.”

Aligning Resources — Great leaders make sure their people have all they need for the win (tools, people, information) and actively seek to remove obstacles that block the success of their teams.

Motivating and Inspiring — Leaders know virtually everyone needs to occasionally reconnect with the things that are most important to them. To the extent that leaders can remind people of their personal “why” for work, they will inspire people to be fully engaged.

We work with many executives who have leadership titles but usually practice managerial behaviors. Managers are good at planning, organizing, and controlling outcomes. All of these are important and necessary, but they do not fill those fundamental human needs to know where we’re going, have the resources to get our work done, and be reminded regularly of why the work is important. Anyone who demonstrates SAM behaviors is leading, regardless of their position.

Don’t get me wrong. It’s not an either/or. Organizations and people need management. But they also need leadership, and usually more than we think. That’s why the successful teams I work with always emphasize that a leader must pay attention to what people need.

What would happen in your company if you could dial up the leadership capacity of every person by 5 to 10 percent? My experience and FMI’s research concur — these so-called “soft skills” will lead to some measurable, objective results.

Let us know what your experience is as you become more intentional about setting direction, aligning resources, and motivating and inspiring your team.
SMACNA's 2018 first place Safety Excellence Award Winners (left to right): Dominic Caminiti, University Mechanical and Engineering Contractors; Ken Wurst, accepting for chapter winner SMCA of Philadelphia and Vicinity; Glen Popovich, accepting for Vets Sheet Metal; the overall Canadian safety program winner; John Santivasci, CMC Sheet Metal; John Sickle Jr., Ohio Fabricators; Mike McCullion, SMACNA director of market sectors and safety; Steve Shank, S.P. McCari and Co.; Bill Reardon, executive director, SMCA of Philadelphia and Vicinity accepting for Lo-Mar Mechanical; Brian Ninomoto, Hawaii Sheetmetal and Mechanical; Joe Geist, Auburn Mechanical; and Brian Keck, Winger Contracting Co.

SAFETY

Safety Award Winners Prove that Safety Matters

It was an exceptional year for SMACNA contractors when it comes to breaking safety records. A record number of companies participated this year when 250 firms answered the challenge to compete and be recognized for their safety excellence.

“The 2018 Safety Excellence Award Program recognizes those companies that go above and beyond and strive for safety success,” said SMACNA 2018 President Jack Knox, “because safety matters.”

“The SMACNA safety awards program acknowledges safety excellence in companies of all sizes, and shows that the industry as a whole values the well-being of all workers,” noted Mike McCullion, SMACNA director of market sectors and safety.

Knox lauded the first-place U.S. and Canadian winners of SMACNA’s 2018 Safety Excellence Award Program for their outstanding performances in occupational safety and health at Wednesday’s luncheon during SMACNA’s Annual Convention in San Diego.

MEMBERS

Welcome New SMACNA Members

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How to Retain Talent, Measure Customer Satisfaction

“Two of us fail when there’s a bad hire,” acknowledged Guy Gast, chair of the New Horizons Foundation (NHF) and former SMACNA president, speaking during the session “Managing the Talent Crisis and Measuring Customer Satisfaction: Two New Tools to Help Your Business” at SMACNA’s Annual Convention in San Diego.

Gast introduced the New Horizon Foundation’s upcoming resources scheduled for release in the near future. Many items currently in development include papers and educational opportunities covering ways to enhance manpower development and increase customer satisfaction. Also covered during the session was the development of a new Contractor’s Library.

Over the past year, the Foundation has been hard at work developing a tool that SMACNA members can use to increase the probability that the employees they hire are the right fit for their team. Brian Lines Ph.D., a professor from the University of Kansas, spoke about the white paper he is writing for the Foundation to help companies faced with talent demands.

“Using personality and aptitude assessments will enable SMACNA members to hire the right people,” said Lines. He went on to add, “The assessments will also help identify existing talent and predict the likelihood of their success as opportunities become available. This NHF product will help SMACNA members retain talent and grow employees to achieve their maximum potential.”

Using Performance Metrics to Stand Out

In addition, to help SMACNA members stand out from their competition, Jake Smithwick Ph.D., of the University of North Carolina at Charlotte is working on a customized performance research tool that SMACNA members can use to compete against low-bid construction. It will help educate real estate owners who do not understand how to recognize and evaluate performance and quality, and, as a result, select less-qualified bidders.

Using this New Horizons Foundation tool, SMACNA members will include independently verified performance metrics for their company into their proposals. These ratings will include satisfaction scores for the company and their staff from previous customers.

Using this rating system, a contractor will be able to say, for example, that their company has a 98 percent customer satisfaction rating on 15 similar health care projects. In an increasingly competitive market, this could be a tool that helps SMACNA members close the deal regardless of where they fall on pricing.

New Contractor’s Library of Knowledge

Years of sheet metal and HVAC industry business research are being compiled by the New Horizons Foundation into an easily searchable and assessable Contractor’s Library. When it’s completed early next year, members will be able to easily navigate this resource to find a New Horizon Foundation research study or white paper on a host of strategic and operational issues.

Dr. G. Edward Gibson Jr. Ph.D., a professor at Arizona State University, guided the convention audience on a tour through the library’s information index and explained how to use it as a resource in making smart business and project decisions.

Mounir El Asmar Ph.D., co-director of the National Center of Excellence on SMART Innovations, also at Arizona State University, explained that over the years, the Foundation has developed more than 40 research projects and published numerous research papers, which are all available for SMACNA members. “The issue is some may not be aware of this resource, some may not be able to find them very easily,” he said.

Dr. El Asmar is leading the project that is studying the NHF’s available research products and organizing them into the Contractor’s Library of Knowledge. With this extensive database, any SMACNA contractor can search the library and find the desired subject matter to help contractors build and grow their businesses.

The New Horizons Foundation works with contractors and academic institutions to commission and conduct applied research that can be used by SMACNA members and the HVAC and sheet metal community.

College of Fellows Inducts Eight New Members

Bill Ecklund, vice-chair of SMACNA’s College of Fellows, inducted eight new members into the College (left to right with their spouses): Jack Knox and Barbara Knox, Julie Hermanson and Rick Hermanson, Janis Keating and Tom Keating, Clarice Isom and Joe Isom, Carol Goodman and Milt Goodman, Diane DeMusis and Tom DeMusis, Cindy Bigham and Jim Bigham, and Sharon Benson and Craig Benson.

College of Fellows Inducts Eight New Members

Bill Ecklund, vice-chair of SMACNA’s College of Fellows, inducted eight new members into the College of Fellows during SMACNA’s Annual Convention, a high honor that recognizes years of dedicated service to the association and the industry.

Bill Ecklund (left), vice-chair of SMACNA’s College of Fellows, inducted eight new members into the College (left to right with their spouses): Jack Knox and Barbara Knox, Julie Hermanson and Rick Hermanson, Janis Keating and Tom Keating, Clarice Isom and Joe Isom, Carol Goodman and Milt Goodman, Diane DeMusis and Tom DeMusis, Cindy Bigham and Jim Bigham, and Sharon Benson and Craig Benson.
The Labor and Technology Forum during SMACNA’s Annual Convention featured SMART General President Joseph Sellers Jr.’s thoughts on leveraging new technology from a labor perspective and technology expert Drew DeWalt’s take on innovation in the digital age.

Deborah Wyandt, Esq., SMACNA executive director of labor relations and human resources, who served as moderator for the program said, “Technology is growing at an unprecedented pace and our contractors need to know how to strategically integrate it into their business while training their workforce to be the most proficient in their industry.”

DeWalt, chief operating officer and co-founder of Rhumbix, urged contractors to take the lead and embrace technological change. “This is your opportunity to engage more thoughtfully in the industry,” he said. Rhumbix, a SMACNA Silver Associate Member, helps construction companies go paperless.

Sharing the technological advances currently impacting the industry, he noted, “Data is driving the future of everything. Data is the new raw material of business. Ninety percent of the world’s data was created in the past two years. Businesses that are building their infrastructure around data insights are learning how much stronger data can drive their business to new heights.”

“So much is happening that you have to be engaged in the changing technology of construction,” he explained. “You want to be enhancing your workers with better information so they can make better decisions in the field.”

He urged participants to think about how they are going to approach their current condition and the trends impacting construction industry.

As for the future of construction, he cited a 10-year projection by the World Economic Forum that predicted full-scale digitization for the construction industry resulting in a 12 to 21 percent cost savings of up to $41.2 trillion globally.

“Where do you start?” he asked the audience of contractors. “Focus on the tools and technologies that are going to help you every day. Ask yourself, ‘What is core to what I do and how is it going to help me on a daily basis?’”

“The construction industry is changing aggressively. You don’t just look at the technology, you look at what’s important for your business. Ask, ‘What’s frustrating and costing me time and pain and money?’ And then you go looking for it.”

“How do we improve what happens in the field for our folks?” he said. “How do we make their lives better? How do we make those small incremental changes? Start with the simple stuff.”

“Baby boomers are not the largest generation in the workforce anymore, it’s the millennials. In 2017, millennials became the largest demographic group in the workforce. What are we doing about it? How are we making sure we are recruiting and retaining that generation of sheet metal workers? How do we adjust to what it takes to get the best of the best into our programs?”

He advocated labor and management working together in partnership. “If you get everybody together,” he noted, “people want to do more. Getting everybody together would help improve how we function and improve on the job.”

November 2018
SMACNA CALENDAR

JANUARY 2019
Jan. 27–29
Chapter Executive Institute
Austin, Texas

FEBRUARY 2019
Feb. 24–26
Safety Champions Conference
Tempe, Arizona

MARCH 2019
March 3–7
Business Management University
Tempe, Arizona
March 12
Collective Bargaining Orientation
Dallas, Texas
March 14–15
Association Leadership Meeting
Dallas, Texas

APRIL 2019
April 1–4
Leadership Development Program
Chapel Hill, North Carolina
April 7–10
Project Managers Institute
Raleigh, North Carolina
April 28–May 1
Supervisor Training Academy
Milwaukee, Wisconsin

MAY 2019
May 5–8
Advanced Project Managers Institute
Raleigh, North Carolina
May 7–9
2019 CEA National Issues Conference
Hyatt Regency
Washington, D.C.
May 10
Safety Surveys Due
May 19–22
Financial Boot Camp
Tempe, Arizona

JUNE 2019
June 2–4
Council of Chapter Representatives
Lake Tahoe, Nevada
June 10–11
NJAB
Cleveland, Ohio

SEPTEMBER 2019
September 9–10
NJAB
Salt Lake City, Utah

FUTURE SMACNA CONVENTIONS
Oct. 20–23, 2019
76th Annual Convention
JW Marriott, Austin, Texas