

Growing a Business the SMART Way

One couple's path to growing the family business, using educational tools from the Foundation.

Learning how to run a successful company is a challenging lesson for any business owner. Fortunately, Michael Ciofalo and Eve Segasture of San Francisco-based Professor Plumb realized at the start of their PHCC membership that the answers to their questions were now in their hands.

"We decided to join PHCC a couple years ago because we wanted to connect with like-minded professionals in elevating the trade and because we wanted to continue educating ourselves and our employees," says Segasture. She is known as "Mrs. Plumb" and serves as president of the plumbing, hydronics & solar thermal company. Professor Plumb currently has one employee in PHCC of Sacramento's apprenticeship training program and

another due to enroll within the next two years. "We're going to reap the benefits of their education in the years to come, and we also have begun participating in the broader managerial offerings, so we are excited to change our processes to improve how we do business," she adds.

Know What To Charge For Your Work!

According to Ciofalo, improving business is exactly what has happened since Professor Plumb put their numbers into the Foundation's Overhead & Profit Calculator. He says that the software helped the couple discover that they needed to increase their prices to cover business costs and achieve the growth they were seeking. As a result, their annual revenue has jumped from \$650,000 in 2012 to an expected \$1 million or more this year, with much better net profitability.

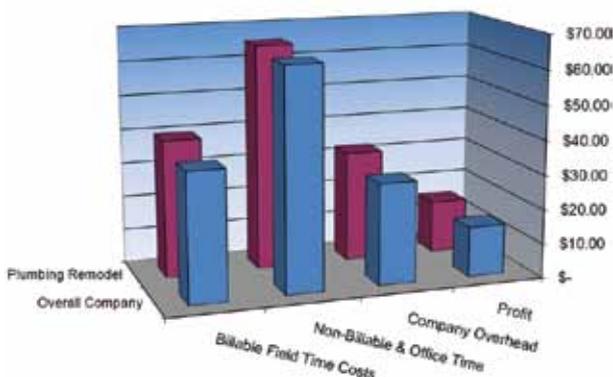
Says Segasture: "For all of those plumbers out there, struggling and wondering why they are not able to make ends meet, I would



say that this tool is your best friend; you should get it, use it, and let it help you, too!"

The tool easily calculates a company's real costs and helps users find the right selling price for their work. "It is quite user-friendly," says Segasture, "and it makes it easy to see what costs you may be leaving out when you think about the money you need to recoup from sales." She explains that the exercises in the calculator allowed her to comprehensively evaluate expenses and realize that charging more than her costs would ultimately lead to better success. "That sounds like a no-brainer," she adds, "but if you can't identify your own real-time expenses, how can you justify the cost of your services to your customers in an honest and understandable way?"

Department Costs Comparison





Know How Deep The Water Is Before You Jump In

The husband-and-wife team's next smart move was participating in the Foundation's *Essentials of Project Management* course in March. They are interested in the possibility of growing their business to incorporate larger new-construction projects and want to make sure they are fully informed of the risks and opportunities before making any moves. Ciofalo says he didn't want to "lose our shorts" because of an oversight; "we wanted to enter into this phase of our business with our eyes wide open."

That prudence is paying off. Segasture says that, "as soon as we returned from the class, we began applying new management techniques to our larger projects, and we have found the results to be much more positive."

She adds: "I think that the course helps one see the immense benefit of continued learning, and it stresses the importance of refining your methodology and management until you achieve those great numbers; the success for which you are aiming!"

Share What You've Learned With Others

Since becoming PHCC members, the Professor Plumb team routinely takes advantage of other PHCC resources, especially those offered online. "Our journeyman-level technicians utilize the Foundation's webinars, as do we here in the office," says Segasture. Of course, Mrs. Plumb and the Professor also are determined to share their love of the industry with

others. Having come away from the management course "inspired," Segasture says Professor Plumb presented a proposal to the local San Francisco/San Mateo chapter to host the PHCC Educational Foundation's two-day seminar program – An Owner's Guide to Creating Super Foremen! "We are excited to be a part of creating the opportunity for Bay Area PHCC members to learn cutting-edge concepts and to see in person just how amazing the Foundation's instructors are and what incredible value can be gained by participating!"

The Foundation resources mentioned in this article can be accessed through our web site:

phccfoundation.org/overhead/essentials • [/webinars](http://phccfoundation.org/overhead/webinars) • [/seminars](http://phccfoundation.org/overhead/seminars)



Foundation Sponsors Winning U.S. Team in WorldSkills Water Innovation Challenge

The Foundation is a proud supporter of the enthusiastic team of young plumbing professionals who headed to Singapore in June to compete in the WorldSkills Foundation



Team USA: Judith Torres, Sarah Parker, Tim Murphy, Nick Michalenko, Photo courtesy of WorldSkills Foundation

Water Innovation Challenge.

Team USA pulled ahead on day two of the three day contest and finished strong to claim the winning title. Their work will be used to develop a series of real and innovative solutions for emerging water and sanitation problems in two developing countries: Nepal and Bangladesh.

Leading the U.S. team was William N. Erickson of PHCC member company C.J. Erickson Plumbing Co. in Alsip, Ill. Two of the members on Team USA were past winners of the SkillsUSA contest, offered every year to the nation's best career and technical students to demonstrate their skills and leadership.

Always committed to training and supporting the p-h-c industry's next generation of workers, the PHCC Educational Foundation sponsors the SkillsUSA plumbing competition each year.

Workforce Development is a Top Priority...

...just ask anyone looking to hire qualified, skilled workers. The Foundation is working to help connect contractors with their next employee through a number of avenues, including support of PHCC chapter career events.

In April, the Foundation and PHCC Texas helped to support the San Antonio PHCC chapter's booth at the Citywide Construction Career Day at the Freeman Coliseum in San Antonio, Texas.

More than 800 students from San Antonio area school districts were hand-picked from their trade programs to attend the full day event. Construction businesses, trade schools and associations had tabletop displays at the fair, along with hands-on activities and information on a career in the construction industry for the students.

Keep in mind the workforce development resources available to you from the Foundation – scholarships, plumbing & HVAC apprentice textbooks and e-Learning programs, plus access to career recruitment videos on YouTube and brochures for career day events.

Learn more at: phccfoundation.org/career



Photo courtesy *Construction News*

Convincing Others to Change? Here's How!

The project managers attending the Foundation's recent Advanced Management Workshop discussed the construction industry's resistance to change throughout the two-day program, held June 6 & 7th. Foundation Board of Governors member Viega generously hosted the workshop at their educational facility in Nashua, N.H.

During the program, lead instructor Kirk Alter of Purdue University helped attendees understand why people will resist change, even when changing makes perfect, logical sense. "You have to see things from their perspective," explained Alter. "What's their reward for changing versus doing nothing? Is that reward worth their time, effort or risk? What will they have to give up if they change?"

What should they be afraid of if they don't change? Pinpoint those answers and then you can make your argument."

The program also explored workforce development, building the perfect project management team and the next evolution in construction prefabrication.

**Learn more at:
phccfoundation.org/advanced**



CONFIDENCE, CONNECTIONS, AND A WHOLE LOT OF TOOLS

PHCC's HVAC Apprentice Contest winner
went home with that ... and a career boost.



Tyler after he finished the electrical wiring portion of the 2013 HVAC Apprentice Contest.

According to his supervisor, Tyler Pleuger “plays well in the sandbox.” A young field technician with Downey Plumbing, Heating and Air Conditioning in southern California, Pleuger “runs his own band,” from being dispatched, to diagnosing problems and offering solutions, to repairing equipment and selling new equipment,” says the company’s managing partner, Joseph Keays. “He’s not afraid to get in there and try to figure something out, and his attitude and demeanor is perceived very well among our clients,” Keays adds. As a result, “Tyler has very, very few callbacks. Everybody gets some, but his frequency is low, especially considering he’s fairly new to the trade.”

It also seems that Pleuger plays well among his peers. After all, he took home top honors as the

winner of PHCC’s 2013 HVAC Apprentice Contest, held during the association’s CONNECT convention in Las Vegas. While Pleuger admits that the win earned him “a little more respect around the shop,” more importantly, it gave him “a lot more personal confidence in the field.” He explains that – prior to the competition – he had only been working in the plumbing and HVAC arena for about nine months, but, winning the contest confirmed in his mind that “I



“Get your hands dirty. Instructors prep you as much as they can in school, but nothing replaces field experience.”

– Tyler Pleuger

know how to do this.” He adds: “I may need to take more time, pay more attention, be more patient, but I *know* this stuff, especially when it comes to things that are not super obvious. It made me not second-guess myself.”

Contest Nuts-and-Bolts

Pleuger says that – walking into

the competition – “I had no expectations.” The HVAC Contest features the nation’s top 12 HVAC apprentices in a hands-on competition that comprises six events: brazing, where contestants assemble a refrigeration circuit with components following a drawing; refrigerant recovery and identification; a written knowledge test; an opportunity to take readings on a working package unit; electrical troubleshooting; and basic electrical skills and wiring. “The contest really set the bar for what we should know,” says Pleuger, “and, while it was a bit of an eye opener in some areas, it also helped confirm some things I already knew.”

In the end, Pleuger considers the contest’s practical application setting key to his success. “Hands-on is where you really learn most of your stuff,” he says of his preparation as an apprentice. “If I had just read the book, there’s no way I could have won,” he adds. “It’s like being in a lab, doing recovery and troubleshooting ... that was the biggest factor in helping me in this competition.”

In addition to the actual contest, contestants have the opportunity to attend special educational seminars at CONNECT, complete with peer-to-peer networking

and exposure to the latest technologies and products available. “It was really great for building connections,” Plueger says of his involvement last year.

The Winnings

While Plueger is enjoying bragging rights and a big confidence boost, the tool package he received as the contest winner is the more practical part of his victory. “Especially in the HVAC industry, where things change so quickly with the technology, having those up-to-date tools makes my job so much easier, he says. Plueger estimates that the tool package he took home – which included power tools, diagnostic equipment and some small hand tools – is worth \$1,500 to \$2,000. “A lot of it was upgrades to what I already had,” he adds.

As the managing partner at Plueger’s company, Keays sees great value in this particular perk and encourages local suppliers to continue supporting the contest by donating tools. “When somebody wins something like that, all those tools end up getting drop-shipped at the office ... everybody is checking them out,” he says. “If one guy finds a tool that works well or saves time, all of a sudden it’s the shop’s brand!”

Words of Wisdom

While Plueger is in the early stages of his career, his whirlwind year has taught him a few lessons, which he’s eager to share. First, “get your hands dirty,” he says. “Instructors prep you as much as they can in

school, but nothing replaces that field experience.” Sometimes, he adds, “you learn the hard way, but if you do something wrong, you’re never going to do it wrong again. Learn from your mistakes.”

Secondly, Plueger says, finding the right mentor is imperative. “I call my instructors at least once a week with field questions,” he says. “The technology is moving so fast, and there are so many things we run into that we can’t keep everything up-to-date that fast, so it’s key to have a mentor to call and ask questions.” Plueger says he has his go-to resources – instructors and veteran employees – that are always willing to take five minutes out of their day to help him diagnose problems. “Even my suppliers ... they’re open, and I call them all the time to ask questions, even those that aren’t related to parts,” he says. “It’s a great industry to be in.”

Give Your Apprentice a Shot at the Top!

Do you consider one of your apprentices among the nation’s best? Give them an opportunity to take home top honors – plus valuable tools and prizes! – at this year’s HVAC Apprentice Contest in New Orleans on October 8 and 9 during CONNECT 2014.

It’s a win-win-win for you, your apprentice, and the industry, as the contest provides an excellent opportunity to generate awareness for local apprenticeship programs and HVAC companies, as well as boosts interest in the HVAC field and helps attract new recruits to the industry.

For information and contest applications, contact Merry Beth Hall at hall@naphcc.org or visit phccfoundation.org/contest



Tyler taking readings on the package unit in the 2013 HVAC Apprentice Contest.

Invest in Your Future Annual Giving Campaign: One Decade, Two Sponsors & \$1.3 Million Raised

In 2005, the Foundation launched a new annual giving campaign to support the development and delivery of our educational programs. The fundraising goal for the new Invest in Your Future Campaign was set at \$100,000, a sum that would require a powerful response from contributors and our industry supporters to achieve.

Ferguson Enterprises stepped forward to join existing campaign supporter InSinkEerator in making that first year's campaign a success. Both companies are members of the Foundation's Board of Governors and were already longtime supporters. Together, they went above and beyond, pledging \$35,000 in matching funds toward contractor gifts. The campaign finished with over \$110,000 raised, surpassing

all expectations.

Our past success has allowed the fundraising goal to grow to \$150,000 for 2014. Each year, InSinkEerator and Ferguson have maintained their strong support – allowing the Foundation to gather over **\$1.3 million** in contributions to support our educational programs since 2005.

We recognized InSinkEerator's 25th year of Foundation support at CONNECT 2013. Please join us at CONNECT 2014 in New Orleans this October as we say thank you to Ferguson and celebrate their 10th year of funding powerful education for contractors and their employees!

You can make your 2014 gift at:
phccfoundation.org/invest

Your Gift Supports the Development of These Educational Programs:

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- Management Workshops
- Free Access to Articles & Online Resources
- Free Small Business Human Resources Info
- And more!

See it all at: phccfoundation.org



How One Person Makes a BIG Impact



In 2008, PHCC member Gary Forosisky of G.E. Mechanical received a Foundation scholarship application from

his local PHCC chapter executive, with a suggestion that his son should apply. That year Evan Forosisky won a Foundation scholarship to support his studies in Mechanical Engineering.

Gary had already proven himself as a strong advocate of education, providing scholarships through

his own company to technical education students and employment opportunities once they graduated. For the Foundation, Gary went a step further – helping to secure a five-year, \$10,000 pledge from the South Jersey Mechanical Contractors Association (SJMCA) toward the Foundation scholarship program. This April, he worked with his chapter's board to secure a renewal of that five-year pledge, bringing the SJMCA chapter's support to \$20,000!

Gary's cover note to us about the gift says it well: *Our SJMCA members recognize the importance of educating*

our children, especially those who are entering our industry. We know how much time and effort goes into running your programs and we are glad to help out. We hope in the future, children of our members continue in their family's footsteps to keep our industry alive and staffed with educated professionals. Keep up the good work!

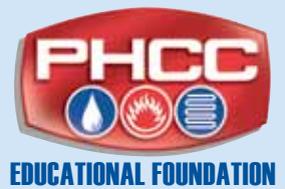
– Gary Forosisky

Our thanks to Gary, the board of directors and the members of the SJMCA!



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PHCC Educational Foundation

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2014 Invest in Your Future Annual Giving Campaign

Please make checks payable to the **PHCC Educational Foundation** & return to:

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