



THE JANITORIAL HUMAN RESOURCES WORKSHOP

AGENDA:

DAY 1: 8:45AM - 5:00PM

SESSION 1: CULTURE - THE FOUNDATION OF HR

SESSION 2: THE CURRENT STATE OF THE LABOR MARKET

SESSION 3: LABOR NEEDS - THE HR/OPS FEEDBACK LOOP

SESSION 4: BUILDING AN APPLICANT PIPELINE

LUNCH BREAK (LUNCH PROVIDED)

SESSION 5: ROUND TABLE - RECRUITING IDEAS

SESSION 6: SCREENING FOR FIT

SESSION 7: ONBOARDING FOR RETENTION

SESSION 8: ENGAGEMENT FOR RETENTION

Q&A & TABLE DISCUSSION

DAY 2: 8:45 AM - 12:00PM

SESSION 9: PAY, BENEFITS, AND PERKS

SESSION 10: RECRUITING AND HIRING MANAGERS

SESSION 11: RECRUITING AND COMPENSATING HIGH LEVEL LEADERS

Q&A AND TABLE DISCUSSION

LUNCH (LUNCH PROVIDED)

SESSION 1:

THE FOUNDATION OF RECRUITING & RETENTION

“Loyal, passionate employees bring a company as much benefit as loyal, passionate customers. They stay longer, work harder, work more creatively, and find ways to go the extra mile. They bring you more great employees. And that spreads even more happiness — happiness for employees, for customers, and for shareholders.”

-Rob Markey, Harvard Business Review

77% of candidates consider a company’s culture before applying. (Glass Door)

13.9% turnover probability at companies with good company culture. 48.4% turnover probability at companies with low company culture. (Columbia University Study)

Companies with happy employees outperform competition by 20% (Social Market Foundation)

63% of employees are not engaged at work and 24% are actively disengaged, leaving a mere 13% who are actively engaged. (Gallup’s State of the Global Workplace)

Employees who don’t like their company’s culture are 24% more likely to quit. (Tiny Pulse Employee Retention Report)

60% of employees say they would leave or have left a job over a bad boss. (Randstad)

58% of employees would stay at a lower paying job if it meant working for a great boss. (Randstad)

**"CULTURE IS TO RECRUITING AS
PRODUCT IS TO MARKETING"**

**-HUBSPOT
CULTURE CODE**

WHAT IS COMPANY CULTURE?

Culture is the personality or the soul of your organization

Culture is the “what it feels like to work here”

Culture is something that either evolves on its own or is intentionally created

Culture is defined by the following:

- Purpose/Mission – Why do you exist?
- Vision – Where are you going?
- Values – What moral convictions do you hold?

WHY IS CULTURE IMPORTANT?

The statistics overwhelmingly point to culture as a reason people stay or leave a company

Retaining employees is a lot easier and cheaper than hiring new ones

Having a clearly defined culture helps you identify the right people

Knowing your culture helps you make decisions relating to systems, hiring, performance metrics, habits, etc.

“

Company culture is the combination of people, vision and values that ultimately defines the atmosphere in the workplace and shapes how much you enjoy coming into work.

-Adam Mendler

”

BUILDING A STRONG CULTURE

How can you work towards being a company that has a strong culture to attract and retain workers?

Clearly define your culture

Three levels of people who can embody the culture

- Sr Level Management – Define, embody, and promote
- Front Line Managers/Supervisors – Embody and promote
- Cleaners - Embody

Speak the message with regularity

Live the message with actions

Recognize & encourage instances of the message lived out

Tell stories about the message being lived out

Craft systems, goals, and comp plans to encourage the message

SESSION 2:

THE CURRENT STATE OF THE JANITORIAL LABOR MARKET

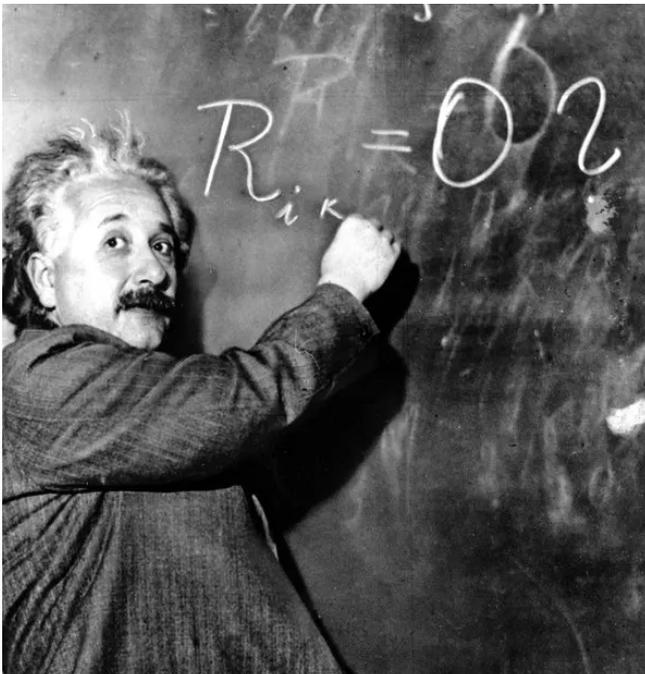
“For those looking for employment or to change jobs, the 2021 economy has been a blessing, as companies hike wages and many workers feel empowered to quit because they can swiftly find new opportunities. But the resulting labor shortages are causing profound problems across a range of industries — from restaurants that can’t find servers to factories that can’t find people for the assembly line to hospitals that can’t find nurses.”

-Alyssa Fowers, Washington Post

WHY SHOULD WE LOOK AT THE LABOR MARKET?

Before we craft solutions to any problem, we must first understand the problem we are facing. Solutions to the wrong problem are certain to fail us.

To be successful in recruiting and retention, we must know why we are having the challenges we have, and then craft evidence-based responses to those challenges.

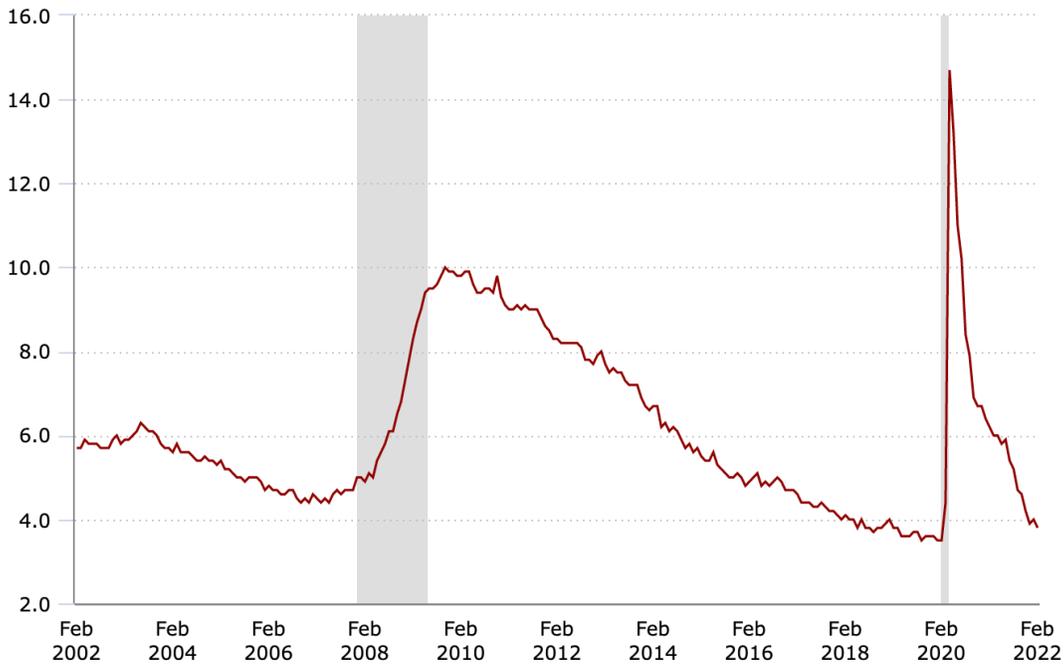


"IF I HAD ONLY ONE HOUR TO SAVE THE WORLD, I WOULD SPEND FIFTY-FIVE MINUTES DEFINING THE PROBLEM, AND ONLY FIVE MINUTES FINDING THE SOLUTION."

-ALBERT EINSTEIN

THE CURRENT STATE OF THE MARKET

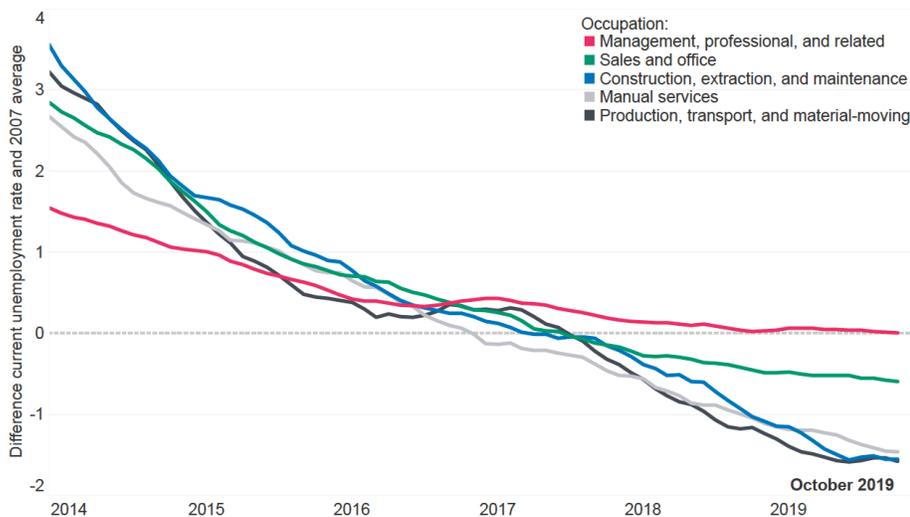
The national unemployment rate has been steadily declining since 2010. Despite a short surge due to the COVID pandemic, the rates keep inching toward historical lows. In short, everyone who wants to work can easily find a job. And if you want to switch jobs, there are plenty of options.



While the chart above describes the national unemployment rate, it says nothing about the unemployment rate among blue collar trades. As shown in the chart below, blue collar trades are experiencing an even tighter labor market than the national average.

The unemployment rates for blue-collar and manual services workers are now well below 2007 levels

Difference between current unemployment rate and 2007 average, by occupation group, 12-month moving average, January 2014 to October 2019



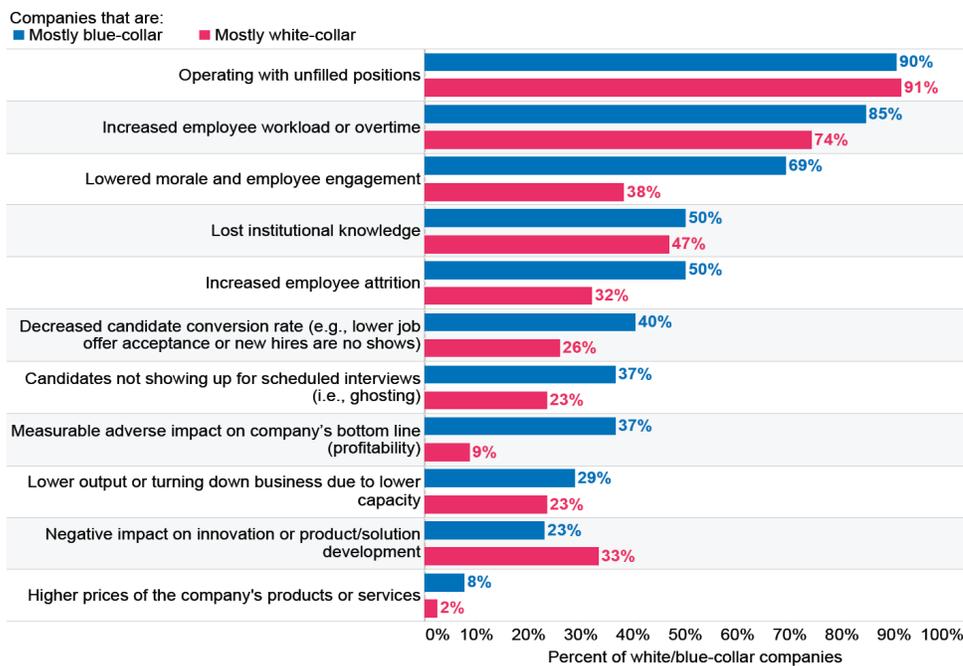
There are currently a record 7M job openings

70% of companies reported a talent shortage (Manpower studies)
Blue collar companies have been hit harder

- 37% of blue collar companies reported hits to the bottom line vs. 9% of white collar companies
- 29% of blue collar companies have turned down work (Conference Board study)

The following chart is a breakdown of how the tight labor market is affecting white collar and blue collar firms.

Business outcomes as a result of recruitment and/or retention difficulties



CAUSES OF THE TIGHT LABOR MARKET

The boomers are leaving the workforce

- Boomers leave the workforce at 2M per year
- In 2020 this number was 3M
- Boomers have a high net worth
- COVID was a final push for many

Low birth rates

- The replacement rate is 2.1 births per woman
- The US has been far below this since 1971
- We have not felt this gap until now
- As boomers retire, the gap will increase

The Loss of Prime-Aged Men

- 2.4M women left the workforce in 2020
- 22-54 year old male participation went from 94% in 1980 to 89% in 2019. When compared to 100%, this is 7M lost workers
- Millennials are expected to inherit \$68 trillion by 2030
- Opioid epidemic zapped 860k men in 2015
- For the first time since 1880, more men 25-34 are living with their parents than with a spouse
- Males are increasingly preferring part time over full time work

Disability rates have grown from those with high school diplomas and those with less than a high school education

Higher college enrollments have led to fewer 16-24 year-olds entering the workforce

EVIDENCE BASED RESPONSES

Have more babies

Massive focus on retention

Compete better with existing/active workforce

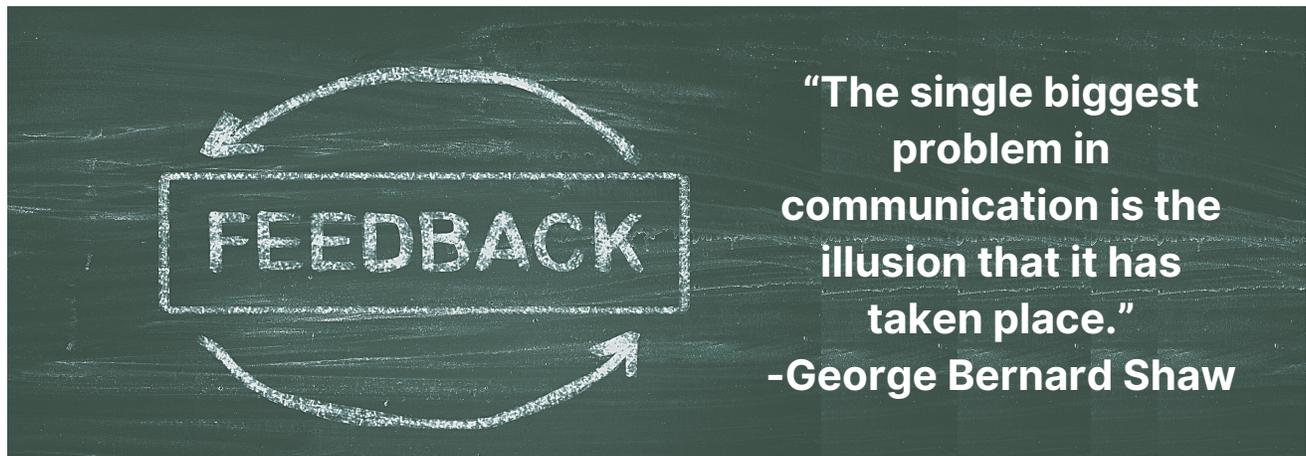
- Understand the needs of Millennials, Gen Z, and Gen X
- Provide more flexibility

Start recruiting on the margins

- Retired boomers
- Immigrant populations
- High school and college students
- Those with disabilities
- People once considered unemployable (criminal records, addiction, mental health)
- Prime-aged males

SESSION 3:

THE HR/OPS FEEDBACK LOOP



HR-OPS COMMUNICATION IS NECESSARY & CRITICAL

The constant need to hire new cleaning team members is the one constant you can count on in this industry. Having a sound process for communicating needs to Human Resources is essential for creating a good applicant pipeline.

Staff openings may come about by:

- Adding a new customer
- An existing customer wishing to expand service at same/other locations
- General team member turnover (this generates the most demand)

Poor communication can cause several problems:

- Increased days to fill an empty job
- Supervisors cleaning instead of managing
- Poor screening due to hiring urgency
- Frustration between HR & Ops

A quick look at the Frantz numbers:

YEAR	TURNOVER RATE
2017	131%
2018	90%
2019	92%
2020	125%
2021	122%

TURNOVER RATES BY YEAR

AVERAGE DAYS OF EMPLOYMENT

In 2021, Frantz had 706 employee terminations. The average days worked for those 706 employees was 268 days, or 9 months.

If you look at the terminations for employees who had worked three years or less, the average days worked for all terminated employees was 171 days, or 6 months.

200 employees (28%) stayed less than 30 days.

296 employees (42%) stayed less than 60 days.

362 employees (51%) stayed less than 90 days.

DETERMINE THE STAFFING REQUIREMENTS

The field supervisors/managers, in combination with the head of operations, must determine the following information:

- The number of staffing positions needed – cleaners and supervisors
- Wage ranges for all positions
- Days and hours of coverage needed
- Unique job-related requirements (vaccination status, PPE requirements, strength requirements, gender requirements, etc.)
- If a team member leaves/terminated, consider if the team can absorb the hours or if an internal candidate from another site could be used.

**It is critical that this be an ongoing conversation between operations and HR. Recruiting takes time. For HR to be effective, they need lead time to convert an opening into a viable candidate.

COMMUNICATION WITH HR

At Frantz, we have found that the branch managers are in the best position to communicate staffing needs to Human Resources.

- It might be helpful to use a standard form that includes all the necessary information HR needs to complete a successful candidate search.
- In addition to the above information, communicate anything additional that might help HR find the right fit.
 - Personality types
 - Physical fitness
 - Leadership ability
 - Communication skills

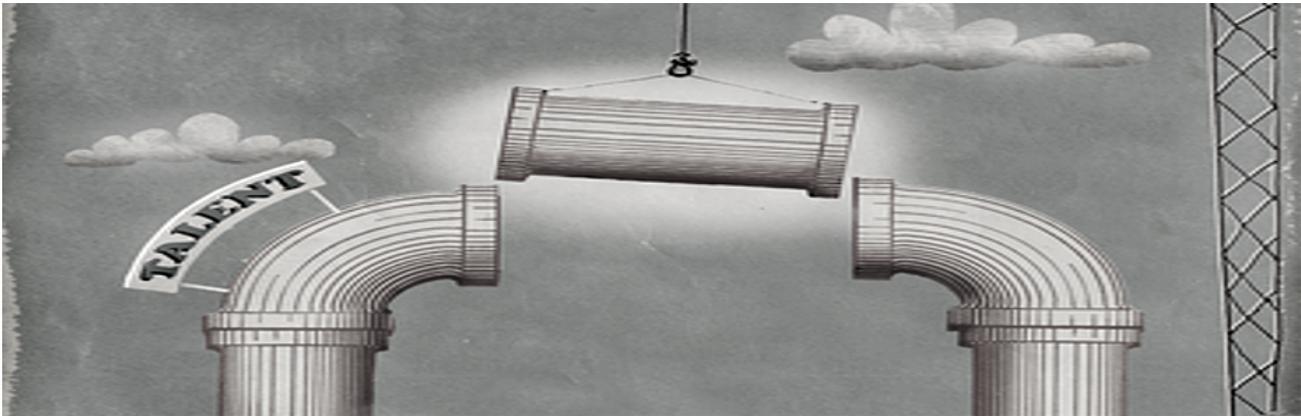
TRACKING CANDIDATE ACTIVITY

While HR may handle the initial phase of recruiting and hiring, Operations is nonetheless involved. This is a dance that must be coordinated.

- We suggest an applicant tracking system to keep both departments in the loop at all times. We currently use Quantek but other systems are available.
- There is a certain amount of flexibility in who reviews applications and does interviews. However, HR and Ops should both be communicating during the process. One acts as a check and balance on the other.

SESSION 4:

BUILDING AN APPLICANT PIPELINE: CREATING FUNNELS OF APPLICANTS IN EACH GEOGRAPHIC MARKET YOU SERVE.



CRYSTALIZE YOUR EMPLOYEE VALUE PROPOSITION

What is an employee value proposition (EVP)? In simple terms, your EVP is what your company offers a prospective employee in exchange for their skills, capabilities, and experience.

We shouldn't forget that in the same way company's select people whom they want to hire, individuals pick the company's they want to work for.

The EVP is highly connected to your employer branding. Positioning your company as an "employer of choice" in the labor markets in which you operate is imperative.

- Do whatever it takes to create and reinforce a positive, compelling image of the company. Companies that have a good reputation in the communities they serve, with past and present employees, and former and current customers have a much better chance of attracting quality employees.
- Deliver a clear and consistent message about what it's like to work for your company (i.e., work/life balance, opportunities for growth and advancement, total rewards, etc.).

"STRONG EMPLOYMENT BRAND CREATES AN IMAGE THAT MAKES PEOPLE WANT TO WORK FOR YOUR COMPANY. WHERE MANY TRADITIONAL RECRUITMENT STRATEGIES ARE SHORT-TERM, REACTIVE ACTIONS TO FILL VACANT POSITIONS, BUILDING A STRONG EMPLOYMENT BRAND IS LONGER-TERM AND CAN PROVIDE A STEADY FLOW OF APPLICANTS."

– SHRM

Can you clearly articulate what makes your company different?

Why does it matter? Even the most persuasive recruiters will find it challenging to source candidates if their company has a non-existent or negative employer brand.

An EVP answers the two-part question: Why would a person want to start working for my company and why would they want to continue working for my company?

IDENTIFY YOUR IDEAL CANDIDATE

Consider your mission, vision, and values.

- Mission – To love and serve well.
- Vision – To become the most respected company in our industry.
- Values – Integrity, Humility, Excellence, and Ownership Mentality.

Consider your company, team, and customer culture.

- Every organization, team, and customer has a unique DNA.
- You want to hire individuals who will fit well within each of these spheres.

Build a candidate profile. Who are you looking for?

- Essential Job skills - Are there specific skills required to perform the job?
- Prior Experience - Is prior experience necessary or can they be easily trained?
- Desired Behaviors – What behaviors need to be present to align with your core values?
- Motivations – What motivators impact job satisfaction, success, or failure?

DIVERSIFY THE POLES YOU HAVE IN THE WATER

Develop a clear recruitment marketing strategy:

- Employee referral bonus
 - The best advertisement for your company is your current employees.
 - Consideration: Higher amount for long-term employees who refer
 - Remember, birds of a feather flock together.

- Company Website
- Indeed, ZipRecruiter, Google Careers, Craigslist, etc.
- BSCAI's new Job board – mycleaningjobs.com
- Facebook, Instagram, and other social media platforms
- Representation at recruiting events
- Presence at community events
- Collateral materials (Fliers, brochures, yard signs, "You Impress Me" cards)

Establish Relationships with groups / organizations that can source talent:

- Recovery programs / ministries
- Local churches
- Refugee organizations
- Work One (local unemployment offices)
- Niche Facebook groups

ENSURE YOU CAN MANAGE YOUR APPLICANT INFLOW WITH EXCELLENCE

Applicant Tracking System

- We currently use Quantek, which carries applicant data over to Team if we hire.
- Our Recruiter, Branch Managers, Area and Project Managers all have access to applicant information.

Be proactive and prompt in your follow-up (FT shelf life/PT shelf life).

SESSION 5:

RECRUITING ROUNDTABLE

Recruiting is like sales! You must identify who is the ideal client. You must find where these ideal clients are. You must find out what sort of message will attract them. And you must have a way to target and deliver that message. Start thinking this way and you will improve your chances of building a bigger candidate pipeline.

“TIME SPENT ON HIRING IS TIME WELL SPENT.”

-ROBERT HALF

STEP 1: GATHER DATA

Why are people accepting a job with you?

Why are people leaving?

Why are people deciding to stay?

What is the DNA of your best employees?

Describe/Define several profiles of your ideal candidates?

- Where do they live?
- What is their financial situation?
- How old are they?
- What is their education level?
- What is their current job situation?
- What is their family situation?
- What motivates them?
- Why do they work?
- Where do they find meaning and purpose?
- What are their goals and ambitions?
- How do they spend their free time?
- How do they communicate?

STEP 2: FINDING THE PEOPLE

Where do they hang out in-person?

Where do they hang out online?

Who are they connected with?

What does their social network look like?

STEP 3: WHAT SORT OF MESSAGES WOULD RESONATE WITH AND PERSUADE THEM?

STEP 4: HOW CAN YOU TARGET THEM?

SESSION 6:

SCREENING FOR FIT:

GET THE RIGHT PEOPLE ON THE BUS, THE WRONG PEOPLE OFF THE BUS, AND THE RIGHT PEOPLE IN THE RIGHT SEATS.



THE EMPLOYEE APPLICATION EXPERIENCE

Consider the length and complexity of your application.

Make it insanely simple (the application should never be the interview).

What information are you really trying to gather at this point? What do you really need to know?

We are working toward an application that takes 90 seconds to complete and doesn't require the creation of an account. At the end of the day, I need to know:

- Who you are?
- What position you are applying for?
- Who your previous employer is/was?
- The name of one person who will vouch for how great of an employee you are.
- How I can best contact you?

Most applicants will use their phone/digital device to apply. If your application is cumbersome or not easy to complete on a 3-inch screen, you may lose an applicant before you are ever able to personally connect with them.

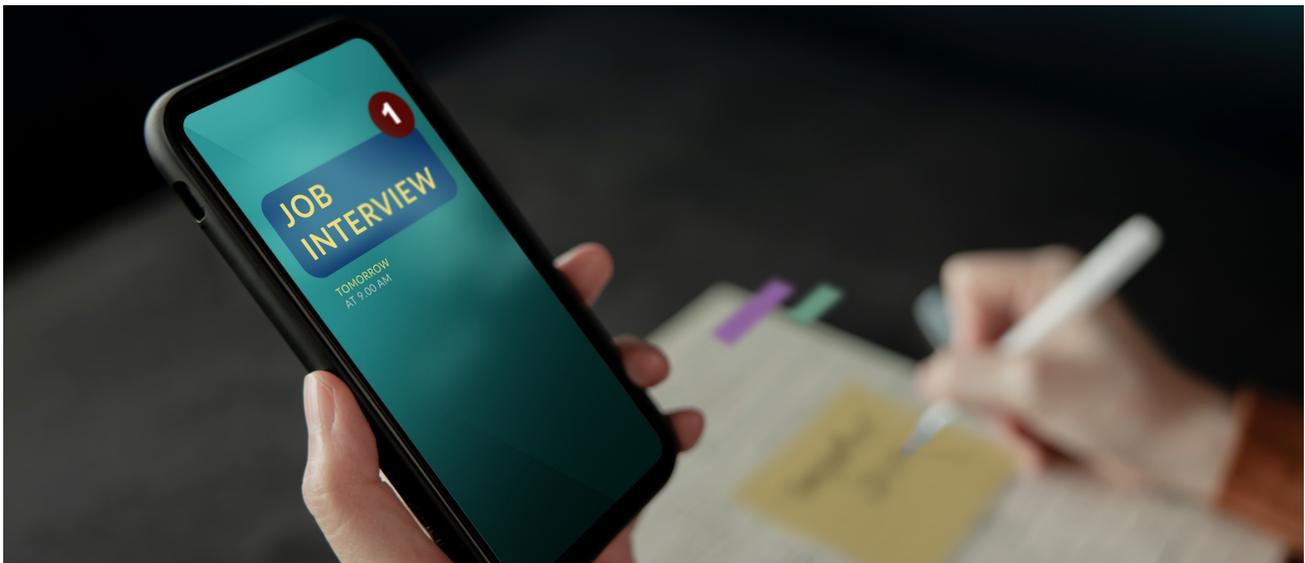
THE INITIAL PHONE SCREEN

The purpose of a phone screen is to ensure applicants meet minimal hiring criteria.

Realistically, this should be a 3-5 minute phone call.

Questions we ask an applicant:

- Are you interested in a FT or PT position?
- What shift are you interested in?
- What days are you available to work?
- Do you have a clear criminal history?
- Do you have a clear drug screen?
- Do you have reliable transportation?
- If required by our customer, will you wear a mask?
- Can you wear steel toe boots or work in hot environments?
- Do you have any commercial cleaning experience?



THE IN PERSON INTERVIEW

The interview is meant to answer the questions the application and phone screen didn't.

Are you asking the right questions to illicit the right responses to help you determine the right hires?

We have provided a list of interview questions along with sample answers to help managers get a sense for the type of response we are looking for.

CONDUCTING A DRUG SCREEN AND BACKGROUND CHECK

We use a 5-panel instant drug screen (instacube) prior to all employment offers.

- This tests for cocaine, amphetamines, meth, marijuana, and opiates.

We currently use BSCAI for background checks.

- There is always tension between cost, thoroughness, and speed of response.

What are our current hiring standards?

- No felonies in the previous two years.
- No theft in the previous two years.
- No violent charges.
- No sexual charges.

LOCATION PLACEMENT

Consider team fit

Consider customer fit

- Ex. manufacturing vs. educational environment.

SESSION 7:

ONBOARDING

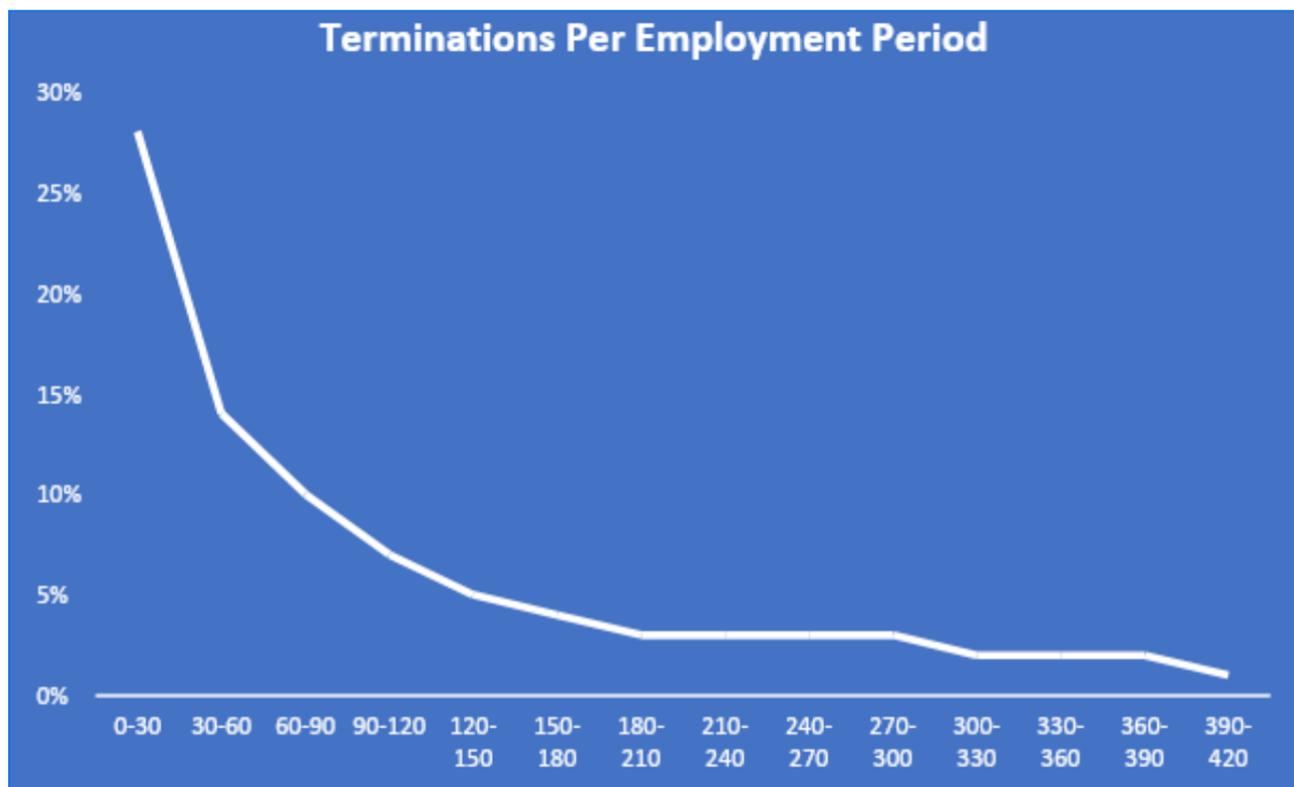
“Oftentimes, the lack of a robust assimilation process leaves the new employee confused and disoriented.”

**– Bill Conaty,
Former Senior VP of HR at General Electric**

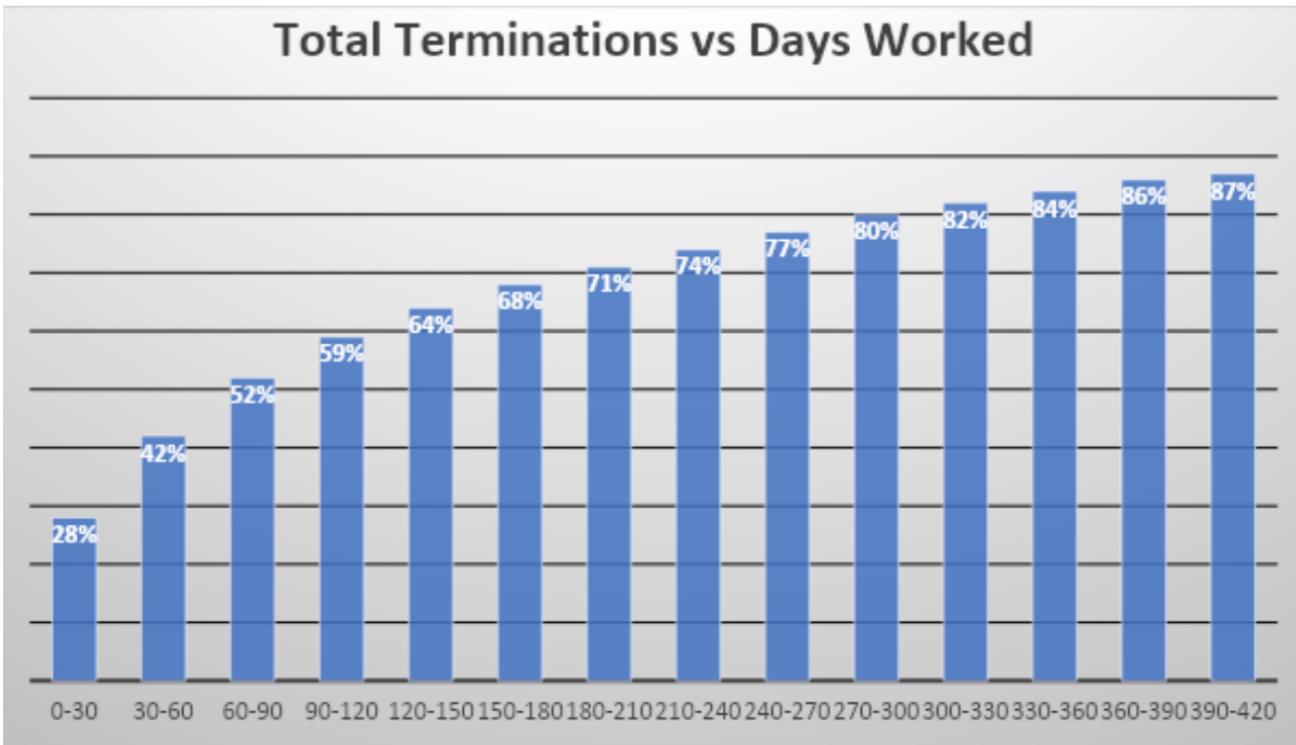
THE FIRST 90 DAYS

The goal of operations is to build trust and establish confidence with customers. The goal of HR is to do the same with new employees.

The first chart below shows our termination data from 2021. It shows what percentage of total terminations happen in a given employment period (measured in days).



The next chart uses the same data but graphs the accumulated percentage of terminations (current period of days plus all previous days).



Conclusion: The first 90 days are critical in the onboarding process since 50% of employees leave by that point. If you can get an employee to make it past 90 days, you have a much better chance of that person staying for a significantly longer period of time.

For this reason, we consider the “onboarding period” to be the first 90 days of employment.

THE FIRST 90 DAYS

The Broad Phases

Prospective Team Member:

Includes the following processes:

- Interviewing
- Drug screen
- Background check
- Formal offer/review job & pay
- Offer accepted.

Data Collection:

Gather necessary paperwork

- Forms of ID
- Manager notification that prospective team member has been formally accepted.

Team Member Onboarding:

Training process begins:

- Welcome email, Includes the following questions:
 - Do you feel like you have received training to help you do your job
 - How have your interactions been with your supervisor, etc.)
 - A schedule of payroll periods and pay dates
 - A "who do I call" if I need something list
 - Next steps if a person is benefits eligible.

Pieces of Information Gathered

- Application with all typical information (address, phones, etc.), plus good emergency contact
- I-9 form
- W-4 form
- State tax form (if applicable)
- List "A" item or List B & List C items

Much of our process is automated, but if yours is not, a good work flow document would be helpful to make sure that the team member feels as though your company has a good plan in place.

“Organizations with poor onboarding processes are twice as likely to experience employee turnover.”
-Lorman Training

TRAINING AND COACHING

Orientation

The employee should learn a few things about the company during those first few days. They should be welcomed, feel cared for, and introduced to the team.

This is a big deal for them (and for your company), so put in some effort. Don't just sign the papers and whisk them off to the jobsite.

Safety Training

You cannot do all the safety training an employee needs during their first 30 days. They simply will not retain the information.

Emphasize the major issues and make sure they stick.

- Basic HazCom
- Lifting and slipping dangers
- Building security

Video combined with in-person training is ideal.

How to Clean' Training

- Video training before getting to the jobsite
- Orient them to the new building
- Teach and work with the new employee
- Affirm and encourage as much as possible. Live out the culture.
- Frequent follow-up, feedback, and retraining is necessary during the first 2-3 weeks.

Follow Up

- Daily communication during the first week
- Find a consistent rhythm of phone/text and in-person communication
- Ideally there would be periodic communication from the home office
- Find out things about the new employee that will help you better understand how to communicate and meet their needs.
 - Family life
 - Life plans
 - Personal struggles
 - Financial goals
 - What they like/dislike about the job
 - Etc.

SESSION 8:

ENGAGEMENT FOR RETENTION:



“Employee engagement is an employee’s intellectual (head) and emotional (heart) connection with and employer, demonstrated by motivation and commitment (hands) to positively impact the company vision and goals.

– Emplify

MISSION CRITICAL: THE FIRST 168 HOURS

The first week sets the trajectory for an employee’s experience with your company.

Make them feel like an integral part of the team from day one. Set them up for success. Remember their name!

Successful orientation – teach them what they need to do, how they need to do it, and when they need to do it.

Training language tool:

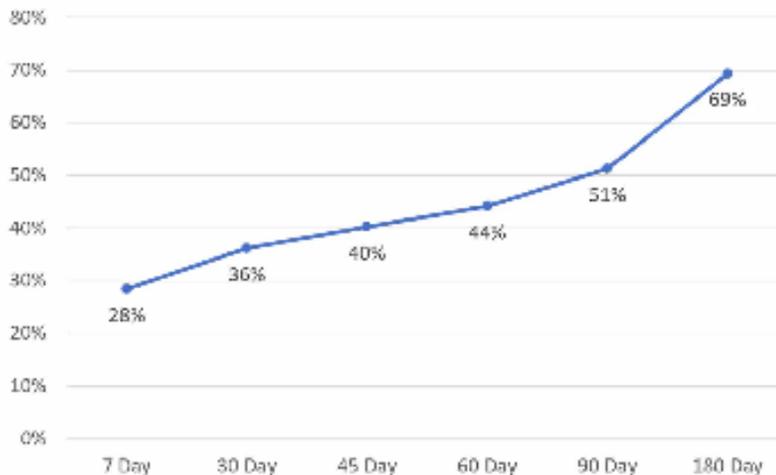
- Step one – Do it in front of them.
- Step two – Teach them why.
- Step three – Show them how.
- Step four – Do it with them.
- Step five – Keep them going.
- Step six – Help them reproduce.

Consider a buddy/mentor (People who have stayed with your company are the most likely to help new employees stay and succeed).

INDUSTRY DATA SUGGESTS THAT THERE IS A TIPPING POINT AT THE 90-DAY MARK.

If you can retain an employee for 90 days, you have a 50+% chance of retaining them for a year.

Chances to retain for 1 year



LEVELS OF EMPLOYEE ENGAGEMENT

Actively Disengaged (13% of employees)

- Disruptive, miserable, poor attitude, often late or absent, wastes time, little concern for quality of work.

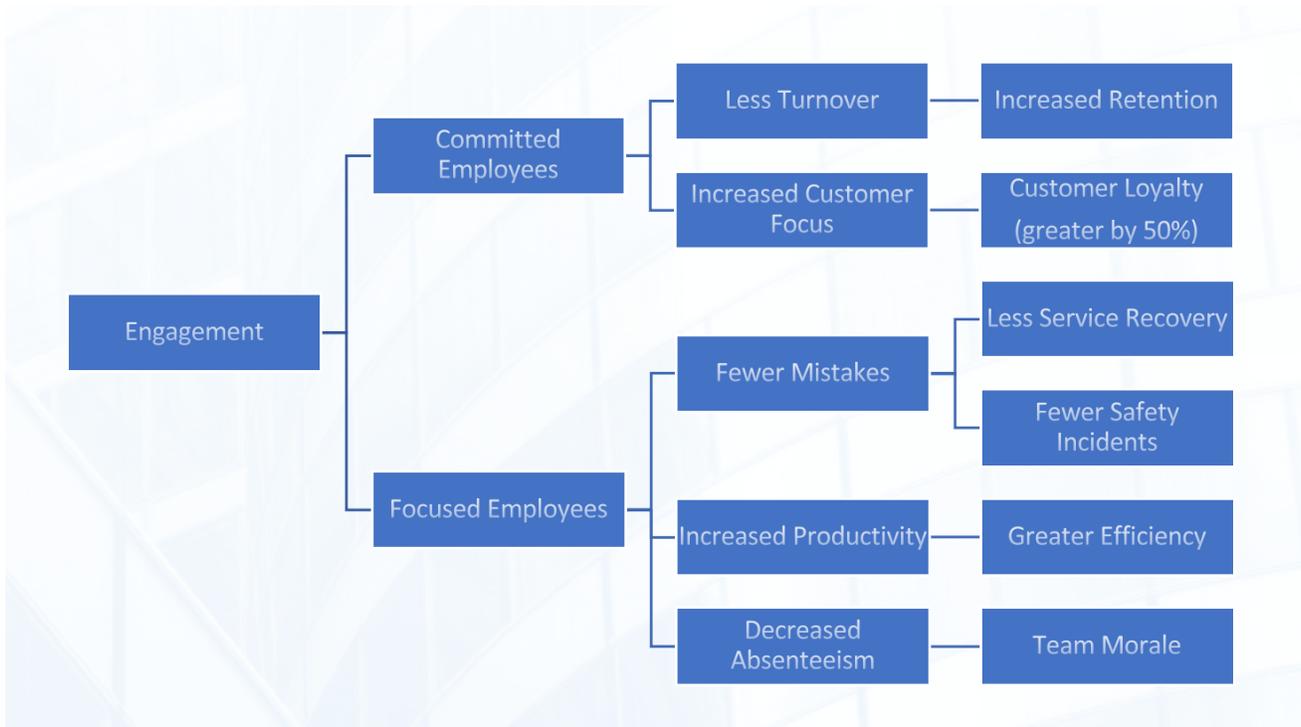
Not Engaged (53% of employees)

- Generally checked out. These employees are primarily here for the money, clock watchers, exert minimal effort, leave when they can, and have little excitement, enthusiasm, or commitment to their work or employer.

Engaged (34% of employees) – High performers, efficient, committed, high energy.

- Highly engaged employees are 87% less likely to leave their workplace (The Muse). Furthermore, they typically:
 - Say – speak positively about your company to coworkers, potential employees, and customers.

- Stay – have a sense of belonging and a desire to be a part of the company.
- Strive – Are motivated and exert effort toward success in their role and for the company.



SEVEN NEEDS OF EVERY EMPLOYEE THAT FOSTER ENGAGEMENT

Respect – I matter and am valued as a person.

“Appreciate everything your associates do for the business. Nothing else can quite substitute for a few well-chosen, well-timed, sincere words of praise. They’re absolutely free and worth a fortune.”

-Sam Walton

Recognition – My work is noticed, valuable, and appreciated.

- Service Excellence Award (gift card)
- Social Media Spotlight
- Company Podcast featuring TM’s
- Thank you/appreciation cards (I write and send 3-5 per week).

Resourced – I have the necessary training and equipment to complete my job with excellence.

Personal growth – My company and manager(s) care about my development.

Belonging – I am made to feel like an integral part of the team.

Autonomy – I am given structured freedom.

Meaning/Purpose – My work fulfills me and contributes to the company's big picture goals.

“

"Employees are a company's greatest asset. They're your competitive advantage. You want to attract and retain the best: provide them with encouragement, stimulus, and make them feel like they are an integral part of the company's mission."

**-Anne M. Mulcahy,
(Former CEO of XEROX**

”

MEASURING EMPLOYEE SATISFACTION / ENGAGEMENT

Collect good data/analytics

- Who tends to stay and what are the common characteristics?
- What is the average employee tenure?
- Who tends to turnover? When? For what reason?

Explore employee sensing initiatives (Employee satisfaction surveys, stay interviews, feedback portals, etc.).

- How would your company score if you asked all your employees how likely they are you to refer their family and friends to work with your company?

KEEPING THE EMPLOYEES YOU HAVE IS MUCH MORE EFFECTIVE THAN HIRING NEW EMPLOYEES

Necessary ingredients for high employee engagement and retention

- Recruitment
- Selection
- Onboarding
- Compensation and benefits
- Front line leadership/management relationship
- Training and development
- Work/life balance
- A clear path forward

SESSION 9:

PAY, BENEFITS, AND PERKS



If you don't create a great, rewarding place for people to work, they won't do great work.

– Ari Weinzweig

HOW TO KNOW IF YOU'RE IN THE RIGHT BALLPARK

Market research data

- EMSI data for each of our geographic markets (Bloomington as an example)
 - Is the compensation fair?
 - Is the compensation competitive/attractive?
 - Is there room for growth?

Pay is important, but it's not the golden calf

- MIT Sloan Management review data (predictors relative to compensation)
- Toxic work culture, lack of job security, lack of recognition/appreciation drive away more employees than compensation alone.



BUILDING A BENEFITS PROGRAM THAT EMPLOYEES VALUE

Cost to the company vs. value to the employee.

Benefits that aren't affordable aren't a benefit. Benefits that don't meet a need aren't a benefit.

With benefits comes the compliance monster. Make sure you have a trusted benefits advisor and compliance director that are helping you lead your benefits program.

Snapshot of what Frantz Building Services offers:

- Major medical (Two deductible options)
- Dental
- Vision
- Voluntary life
- Work Site (Accident, Critical Illness, Hospital Indemnity)
- 401K – 100% match to 3%, 50% match to 5%.
- Vacation for PT and FT employees.

ADDITIONAL EMPLOYMENT PERKS

If we are strictly in a wage race, we are all going to lose.

- Infused culture as a perk
- Flexible schedules/work life balance
- Paid holidays
- Company-sponsored events
- Benevolence fund
- Daily pay
- Development opportunities
- Career planning
- Employee recognition programs
- Ministry/counseling resources
- Financial/retirement teaching
- Corporate swag

SESSION 10:

RECRUITING & HIRING MANAGERS



Finding “right fit” managers may be one of the most important factors in driving customer and team member loyalty.

60% of employees say they would leave or have left a job over a bad boss. (Randstad)

58% of employees would stay at a lower paying job if it meant working for a great boss. (Randstad)

ROLE OF THE FIELD MANAGER

Two key aspects of the role (refer to position profile in appendix)

- Serve and lead the team member
- Serve and care for the customer

Other aspects of the job connected to the above

- Selling
- Interviewing
- Financial management and oversight
- Scheduling
- Administrative duties

WHEN DO I HIRE A MANAGER?

Hiring a manager shouldn't just happen when things feel stressful or you "sense" you need a new someone. Rather, you need some metrics to help make an informed decision.

- Number of buildings
- Weekly work hours
- Account profitability
- Other factors

WHEN DO I HIRE A MANAGER?

	Manager	Hours per Week	FTE	No. Team Members	No. Buildings	Monthly Recurring Revenue
1	Project Manager + I	1,360	34.0	33	2	\$ 81,686
2	Area Manager	1,060	26.5	28	13	\$ 68,538
3	Area Manager	1,020	25.5	29	10	\$ 42,357
4	Area Manager	1,000	25.0	36	12	\$ 58,218
5	Project Manager	1,000	25.0	26	1	\$ 64,866
6	Area Manager	960	24.0	38	14	\$ 57,728
7	Area Manager	900	22.5	38	20	\$ 68,423
8	Area Manager	840	21.0	26	24	\$ 57,230
9	Project Manager + I	800	20.0	22	4	\$ 69,203
10	Area Manager	760	19.0	28	23	\$ 51,525
11	Area Manager	680	17.0	25	20	\$ 37,124
12	Area Manager	680	17.0	24	5	\$ 37,547
15	Project Manager	680	17.0	19	1	\$ 47,230
13	Area Manager	660	16.5	30	19	\$ 46,212
14	Area Manager	560	14.0	18	16	\$ 38,424
16	Project Manager	560	14.0	19	9	\$ 36,997
17	Project Manager	420	10.5	13	1	\$ 23,761
18	Project Manager	400	10.0	14	1	\$ 28,038
19	Project Manager	360	9.0	10	1	\$ 40,307
20	Project Manager	340	8.5	9	1	\$ 24,332
21	Project Manager	320	8.0	13	4	\$ 32,666
22	Project Manager	320	8.0	10	1	\$ 24,940
23	Project Manager	320	8.0	8	1	\$ 22,764
24	Project Manager	300	7.5	10	1	\$ 22,321
25	Project Manager	240	6.0	6	2	\$ 21,085
26	Project Manager	200	5.0	5	1	\$ 12,270
27	Total	16,740	418.5	537	207	\$1,115,793

- Average Hours Per Week = 644
- Median Hours Per Week = 670

FINANCIAL BREAKDOWN OF AN AREA MANAGER

1	Wages – Salary	\$35,477	
2	Wages – Additional	\$10,466	
3	Payroll Burden (Taxes, GL, WC)	\$4,612	
4	Benefits (Health, 401K, Life Ins.)	\$6,058	
5	Vehicle (Gas, Insurance, Maint., Depr.)	\$6,500	
6	Cell Phone	\$600	
7	Total Cost (Sum 1-6)	\$63,713	
8	Annual Revenue Oversight (all revenue sources)	\$626,182	
9	Annual Profit Oversight	\$227,217	36.3%
10	Net Profit (Line 9-Line 7)	\$163,504	26.1%

WHERE DO I FIND MANAGER?

Referrals: Your referral network is your most powerful tool. The friends of people in your circle will likely share the same values and vision for life as you.

Internal Candidates: Look for cleaners with potential or ones that possess a work history likely to translate well to janitorial management.

Job Hunts: Headhunters and job ads are an option, though not as ideal as referral candidates

WHAT AM I LOOKING FOR IN AN AREA MANAGER?

- Blue collar professional
- A desire for the job (not overqualified)
- Grateful for the job
- Humble
- A sense of urgency
- Care for people
- Emotional intelligence
- Diligent and hard working (not a diva)
- Ideally some sort of background that translates to the role (Management experience not necessary)
- You will notice that we did not include janitorial industry experience.

The interview process, including the questions, should be aimed at discerning the extent to which the person possesses these traits.

COMPENSATION – SELLING THEM ON THE JOB

- **Base Pay:** This should be in the middle of a range the candidate would expect to be paid at a comparable job. Your company should have a set range for what comparable area managers make. This number can fluctuate depending upon experience, work load, and other factors.
- **Additional Comp:** There should always be other performance driven ways for managers to earn additional income. This is beneficial for both the manager and the company. There are two basic categories for this:
 - Sales Commission - Managers should have the ability to earn addition income by selling add services or increasing the scope of service to an existing customer.
 - Performance Pay -Managers should receive profit sharing or bonus for meeting certain key metrics.
- **Other Tangible Benefits:** Health insurance, retirement, company vehicle, credit card, vacation, etc.
- **Intangible Benefits:** If all other pay and benefits are within the appropriate range, the intangible benefits are what will ultimately retain your managers. Company culture, good work environment, feeling appreciated, opportunities for advancement, training, among other things will keep managers around for a long time.

SESSION 11:

FINDING & KEEPING HIGH LEVEL LEADERS



“Getting the right people in the right jobs is a lot more important than developing a strategy.”

– Jack Welch

THE KEY TO OUR GROWTH – OUR KEY LEADERS

The major growth milestones of Frantz Building Services have largely happened because of our key leaders. These leaders either initiated the growth or were necessary in making it happen.

“Get the right people on the bus, the wrong people off the bus, and the right people in the right seats...”

– Jim Collins

KEY POSITIONS

- President
- VP Ops
- VP Sales
- VP HR
- VP Finance/Admin

The growth of your company is constrained by your own personal limitations and abilities. You can't be great at everything. You can't make all the decisions. You can't control and run everything. You must be willing to let go of certain key areas of the business.

- You need A-players to make it happen.
- You cannot have a messiah complex. You must be humble.

You will not hit a home run every time

1. Glenn – Good for a season (headhunter)
2. John – Swing & miss (job ad)
3. Lisa – Home run (personal network)
4. Brian – Home run (job ad)
5. Dennis – Good for a season (job ad)
6. Jody – Good for a season (job ad)
7. Kim – Swing & miss (job ad)
8. Jeff – Home run (personal network)
9. Gordon – Swing & miss (job ad)
10. Eric – Home run (Personal network)



WHAT ARE YOU LOOKING FOR?

First, define the skills that are needed for the key position.

Second, what would make this person a cultural fit? What moral values would they hold? What view of the world do they have? What is their personal mission and vision for life?

Third, what sort of growth potential does this person have? Do they have the capacity needed to grow with the company or are they only a fit for right now?

Fourth, what sort of job background would make the ramp-up period much shorter?

**Don't be afraid to aim high in the caliber of person you are looking to higher. Don't aim too high but don't settle for what "works for now."

WHERE DO YOU FIND THEM?

Your referral network is your most powerful tool. The friends of people in your circle will likely share the same values and vision for life as you.

You are not looking for people who are looking for a job. The best candidates already have a job.

Always be on the lookout for solid fits, even if you don't currently have a need.

Headhunters and job ads are an option, though not as ideal as referral candidates.

WHAT SOMEONE NEEDS BEFORE YOU HIRE THEM?

- Culture fit
- Entrepreneurial mentality
- Proven track record
- Humble, hungry, smart
- Long-term fit – personal/professional goals align with the company vision



THE INTERVIEW PROCESS

The resume review

- Check job tenure
- Big gaps with no explanation
- Past activities match (at least loosely) with future expectations

The Phone Screen

- Walk through job history
- Ask specific questions about every bullet point on their resume
 - Explain to me what you meant by this
 - Tell me more
 - What specifically did you do to achieve that goal
- Ask for proofs
- Ask about bosses and colleagues
- Don't sell the candidate on your company

The In-Person interview

- Review the proof file
- Get other people on your leadership team involved
- Spend 2-3 hours

The Dinner with Spouse

- For better or worse, a spouse (and their marriage) is part of the hiring package
- See how the husband and wife interact

MAKING THE JOB OFFER

- Compensation must be in the ballpark
- Pay for performance
- Don't skimp on benefits
- Sell the vision and how the key leader fits into the vision
- Sell how the company will help the key leader achieve personal and professional goals

KEEPING THEM HERE

- Craft job compensation plans that fire them up
- Create projects that energize them and tap into their passions
- Give them a seat at the decision-making table
- Provide growth opportunities