

Hello. This is Wayne Rivers at FBI, and We Build Better Contractors.

This week, I want to talk about - There isn't a shortage of construction employees, there's a shortage of good construction companies. Now, that's a bold statement. Why do I make that statement? Well, our consultant, Mike Flentje, found an article in Inc. Magazine, September 2019 issue. It's about Josh Levin and a company called Empowered Electric. It's a very inspirational story, and I picked up the phone and cold called Josh yesterday, and we had a delightful chat. And we talked a little bit about his success.

So just very quickly, here's the story. And you can read the article for yourself, of course. He was born to a 16-year-old unmarried woman. He ended up with multiple stepdads. Mom wasn't really selecting so much for caring, nurturing, loving people. She was looking for somebody that could provide a roof over her children's heads. He talks about eating pork rinds for a whole week because they couldn't afford groceries, so they bought the cheapest thing in the greatest quantity that they could. Their water was shut off repeatedly. They had to move repeatedly. He made the wrestling team in high school, but he couldn't afford wrestling shoes, so he wrestled in his sock feet, which is not optimal, I can tell you, for a wrestler.

He told his future wife's father, he met this young woman and he knew her dad from the neighborhood, and he was with the dad and he said, "I want to marry your daughter." And the dad looked at him and laughed and said, "You're a bloody joke." Can you imagine that? You open your heart to someone and say, "I want to marry your daughter," and he looks at you and says, "You're a bloody joke." Why did he say that? Because Josh was working as a residential painter. He had no health insurance. He had no aspiration. Now, Josh thought he was doing great. He was making something like \$18 an hour. And this is in the early 2010s. And that's more money than any adult he'd ever seen make. He owned a small home of his own. He had a 10 or 15-year-old car, but the car ran. He actually thought he was doing great compared to how he grew up. The guy says, "You're a bloody joke."

He quit his painting job that day. He went to work for an electrical contractor. He began to learn the business. He didn't like the way that they treated their employees. And he talked about, for example, they got a week of vacation, but the boss encouraged them not to take the vacation because they had so much work to do. The press of work - work first, play second. Forget about your vacation. Forget about recharging. Forget about the things you need to protect yourself and your own psyche. Work, work, work. That was it.

Josh talks about in his article, and this is amazing, he doesn't see a labor shortage. He says, and quote, "The real shortage is good construction companies." Oh my gosh. What a bold statement that is. The real shortage is good construction companies. Now, our members are delightful, and I think they're great construction companies, but I wonder if we can look in the mirror and think about that a little bit. In his small electrical contracting company, they have over 50 employees now, they were able to hire 20 people in the second half of 2020. So COVID is going along. He was able to add 20 people to his team in the second half of last year. That is just amazing.

If you could get 20 people right now, maybe not 20, five, 10, if you could get good people to come on board with you right now, wouldn't you do it? How does he get this opportunity to even talk to 20 people, much less hire them? Well, he talks about what he does and how he does it. He looks for any motivated person. He doesn't care if they have experience as an electrical contractor, as a journeyman in the field, he doesn't care about that. He just hired a former chef because the person was motivated and wants to learn and has the right attitude.

He uses social media extensively. They use primarily Instagram and Facebook, and over half of his employees have come from one of those two sources, Instagram and Facebook. He's all over it. Furthermore, he analyzes who's coming to their website, who's looking at his Facebook posts, his Instagram posts. And if people repeatedly come back, he picks up the phone and cold calls them.

Seeing that he was a fan of cold calling, I cold called him. He picked up on the first ring. It's his mobile number. And we had a delightful chat, but he actually, the people that are interacting with his company virtually, he picks up the phone and calls those people proactively. He doesn't wait for them to make application. And I said before, he added 20 people in the second half of 2020.

On their website, all over their website, in fact, there's an equation, people are greater than profit. Does that mean he's not profitable? No. Does that mean he doesn't value profit? No. Does that mean that he doesn't need to make profit to stay in business? Well, no, of course not. But people are greater than profit. And that gets back to the old McDevitt & Street mission. We recruit, hire, train, and retain the very best people. Bob Street knew 30, 40 years ago, it's all about people. Josh Levin knows it's all about people. People are greater than profit.

The website is terrific. They've got stories, not from Josh, from other people in the organization that demonstrate how they live the values of the company. Go to their website. It's Empowered Electric. It's terrific. They're in Kansas City. There are several Empowered Electrics, but this one happens to be in Kansas City. I talked to Josh and I said, "You know, you had a great advantage." And he was like, "What? I grew up, single mother, we were dirt poor."

You had a great advantage. Most of us went to college, learned business, worked for other people, and saw how things are done. I said, "Josh, you didn't have to unlearn anything." Most of us have these things in our mind. This is how you do business. And then we realize that the old way of doing things isn't getting us where we want to go. So, then we have to innovate. What a great advantage. Josh was able to start his own company, not knowing very much. Now, of course that's not an advantage, but he didn't have to unlearn all of the stuff that we learned from working for a bank back in the 1980s. He didn't have to unlearn any of that stuff. So really, it's a great advantage.

If you had a clean sheet of paper and you were starting your company today, what would it look like with respect to the people, the culture, the environment, the way you treat your customers, et cetera, et cetera. Well, why can't you do that? Why can't we sit down with a clean sheet of paper and reimagine what our company could do, can do, is capable of doing, reimagine what our people look like, reimagine what our culture is and what it means to all of us, as well as our customers. He didn't have to unlearn any of that. And I really do think in a manner of speaking, it was an advantage.

So, I'd like to hear what your thoughts are. There isn't a shortage of labor. The real shortage is good construction companies. This is Wayne Rivers at FBI, and We Build Better Contractors.