From the President

What’s the top of your game? What does doing extraordinarily well in business look like for you personally? It’s different for each of us depending on the talents and gifts God bless us with.

If you’re a smaller company it may be your craftsmanship in painting and carpentry, drywall or stucco texturing. The painting craft is fairly easy to measure, the PDCA Craftsmanship Forum has documented that well.

I’ve heard it said that a painter goes through five stages of growth on the way to the top of their field; Apprentice, Painter, Journeyman, Craftsman, and Master Craftsman. The Master Craftsman can elevate himself/herself even further by teaching and mentoring, not only within their own company, but also on a local and even national level by sharing their knowledge.

But what if you laid down the brush years ago, or came into the business on the ownership or management side? What does extraordinary look like in these fields?

Hitting your sales and profit goals with perfected marketing, and using the company’s assets and overhead to the fullest is a sure sign of a brilliant business person, but as you master being top of your game on a truly consistent basis, what’s next for the residential painting contractor? Many move into more complicated sectors such as multi-million dollar homes, large residential communities, or commercial and industrial work. If this type of growth or B2B (business to business) painting is not part of your vision, there is another option. Fine-tuning your own business so that you can delegate some of your responsibilities to others in your company is a great way to create more time to share your knowledge within the trade, and is highly rewarding.

Consider these outlets for your expertise; executive brainstorming and networking groups, serving on boards, teaching opportunities for material suppliers, mentoring other businesses (sometimes ex-employees), business and trade speaking engagements, paint failure consulting, and expert witnessing in court cases and government legislation.

I have to say the Expert Witnessing has been an interesting and rewarding venture for me. My expert services have been referred by insurance agents and found through IT searches from our services webpage. I’m sure social media would be a good place to “advertise” your services as well. And while mustering enough faith in yourself to be that expert in paint failure analysis or proper job sequencing in writing can be challenging, it can also be very satisfying (and being able to charge $140 per hour feels pretty good too). How’s that for a T&M rate with little risk!

Developing these talents takes effort and time. Try setting some time aside this holiday season or during winter slow times to increase your business acumen, industry knowledge, and presentation skills in preparation for the rewarding climb to the next level. How can the Residential Forum help you get there? Let us know, or just start by sharing your expertise through this peer-based forum. I hope we can be part of your success, however you measure it.

Best regards,
Randy Fornoff
Letter From the Editor

Why We all NEED to Get Away at Least Once a Year

This past summer, I had the pleasure of catching up with an old friend from the West Coast while she was on the East Coast for work. She works for a non-profit organization, and they host several events throughout the year as fundraisers. While we were chatting one afternoon, she mentioned that the next event had been moved to a new location and would be in the Bahamas in December. “You should come,” she said, “and I’m sticking around for a few days after to unwind if you want to come when it’s all over.” I didn’t give it any thought at the time, but then came fall…

Back to school, the height of our exterior season, an all company meeting to plan, three family birthdays in the same week, Halloween, our company health insurance renewal, and a plethora of marketing deadlines. My plate was full and my calendar was jam packed straight through mid-November. And as the final week of October approached and I could feel a crash coming on, I heard her voice in my head again – “You should come…” This time I didn’t blow it off. Instead I sent her an email before the thought bubble over my head had a chance to pop and asked for the trip details. Then I blocked out the dates on my calendar (just to be safe), checked flights, checked the school calendar to see if my daughter would miss anything important if I took her with me and booked the trip.

This was also the moment when I exhaled for the first time in weeks. With so much to do, and what seemed like not enough time, I hadn’t even realized I’d been holding my breath (figuratively speaking). Knowing there was a light at the end of the tunnel now gave me the energy I needed to push through until December 1st (our departure date). Those final two weeks didn’t go so smoothly though, and a last minute family emergency for one of our office staff almost made me cancel the trip, but I held my ground, made sure everything that I needed to do to be away for five days was done, and I got on the plane.

To make a long story short, it was probably one of the best decisions I’ve made all year. Nothing catastrophic happened while I was gone, and more importantly, I came back refreshed and recharged, ready to finish out the year with a clear head. I also had the chance to spend quality time with my mother, daughter, and the beautiful creature pictured below in what has to be one of the coolest experiences of my life. And all of this was thanks to a friend’s suggestion and listening to that little voice in my head. So as your friend, here’s my suggestion…

I know not everyone can hop on a plane to the Bahamas on short notice (the destination was not the point of my story), but we can, and need to plan to step away from EVERYTHING at least once a year to recharge our batteries. And while I will suggest that you save the dates for the PDCA EXPO in March and AST in July now, I’m also asking you to do yourself (and your business) a favor and block out a 4-day weekend (at least) at the end of one of the craziest months of your year.

You deserve it, you have earned it, but what I think we often tend to forget as entrepreneurs and business owners is that we NEED it. Taking a few days off to disconnect and recharge is just as vital to the success of your business as showing up for work all of the other days of the year. So take a minute to think of somewhere you’ve been wanting to go, or an old friend you’d love to reconnect with who lives in another part of the country and make a plan now to make it happen. I’ll be eager to hear your getaway stories in New Orleans or San Diego, and Happy Holidays.

Yours truly,
Suhaiba Neill
Cultivating a Good Labor Force

By Doug Imhoff, Imhoff Painting

If I had a grain of sand for every time I heard a contractor complain about there being no good employees out there, I would be an island prince. A good labor force is **NOT GOING TO DESCEND FROM ABOVE** into your lap, you have to cultivate it. It’s like Twain’s famous quip that “everyone complains about the weather, but no one does anything about it.” It’s funny, mainly due to the fact that no one can actually change the weather… so why complain, right? But the chronic labor shortage is not the same as complaining about the weather. Whether you believe it or not you **CAN** do something about your labor shortage.

There are many causes of labor shortage in the painting trade; and I sort them into **2 BUCKETS:** those **I can do something about,** and those **I cannot.** For the sake of space and sanity, I’ll just share my experiences on the first one.

The **FIRST PROBLEM** to correct is one of **perspective.** Having the right perspective is one key to happiness, and if lacking, it is very easy to become mentally defeated. So the first solution is to correct and rewrite wrong thinking (ie - setting the expectation that there are no good painters out there must stop). You cannot simultaneously have a root attitude about something while being optimistic that its polar opposite may just happen. Your thoughts, words and actions are pointed in one direction, or the other; but never both. “**Well I guess I’ll try but it’s never worked before…**” Agreed! Why try? If you’re sure you’re going to fail, don’t try. Just shut-up about it and stop complaining to everyone within earshot – you’re just boring them.

**BREAKING THE PATTERN,** however, is easier said than done – a mental habit is just as tough to break as a physical one, but is a necessary first step. **Some tips:** read good books about cultivating good work forces – *Hire on a Whim, First Break All the Rules, Carrots and Sticks Don’t Work;* are a few. I like short books, and I like to start with the last page, then go back to page one - it sets the right expectation in my cartoon bubble. And in truth, it doesn’t matter so much which ones you read, but that you read. We need different inputs if we’re expecting different outputs.

The **SECOND PROBLEM** is picking from the menu; you can’t order off-menu – that’s “complaining about the weather”. You only get to pick from what’s available. So, if your best candidate is **50%** of what you were when you were in your whites, then that’s where you start. Be a better leader, trainer, manager, and boss and you’ll have a **better employee.**

Talk about success, goals, visions, your mission and philosophy. Talk about why, and share a little about your struggle. This is fertilizing the ground so your seed will grow. Start small, with the right attitude in place.
The goal here is to reach the point of critical mass, but you have to do it one new employee at a time; once you have a critical mass of good people, you will only attract good people. I know that is cart before horse but I think it is useful to begin with the end in mind. Now onto the good part, SOLUTIONS…

**LET YOUR TEAM HELP YOU HIRE;** I conduct 1st interviews only, 2nd interviews are in the field, with a strong crew, so the new recruit can see, hear and feel what is is like to be on that team. After that day, they hire or discharge themselves. Our retention rate with “stays” is excellent.

**THINK OUTSIDE OF THE BOX;** In our company we have 40% woman work force, this is another elevating factor – apologies in advance for stereotyping (disclaimer: stereotyping isn’t always accurate; only often, and it does save time), but a woman on the jobsite elevates behavior, language, pride, diligence, courtesy, satisfaction scores, etc. Also, look at the available work force demographics: young, non-college educated males who go into trade work earn more than their counterparts who go into the service sector, the same is true of young non-college educated women; for whom tradition holds either service or ECE (daycare) sectors – neither of which pay well, or offer much headroom. This is a growth sector in the labor market that we ignore at our peril, so stop ignoring half of the population when you interview.

**DROP THE DEAD WEIGHT;** we’ve all done it, held onto a guy because we needed that extra body. If you truly want to create better workforce, you have to be willing to let go of the people that are holding you back. Everyone in your company already knows who they are, they just don’t want to say it out loud. And what new employee wants to join a new company and work with a grumpy employee? As the leader, show your team how important they are to you by letting go of the “bad apples” and replacing them with someone who made need some training, but has a great attitude everyday when they show up for work.

While we may not want to admit it, the trade-school days are ending, or already over, depending on your perspective. If we want to ensure the future success of our companies, it’s time to **TAKE RESPONSIBILITY FOR WHAT WE USED TO TAKE FOR GRANTED.** If you’re too busy to do it yourself, hire a good coach/consultant who can help you cultivate a good hiring system, which will lead to a good labor force. Then make sure you have a good training system in place to get them to where you want them to be. Or you can always choose door number two and resign yourself to being like Eeyore, on whom it always rains, but remember, no one wants to listen to you complain about the weather.
Why Outsourcing **PAYROLL** Makes Sense

By Jacque Kelly, Crestwood Painting

**Typically**, small businesses manage their payroll one of three ways; **in-house**, with a local bookkeeping service, or through a web-based payroll system. Over the past nine years, we’ve looked at a variety of payroll options for our employees and tried our hands at two.

For the first several years in business, we opted to handle our payroll **in-house**. Although we have the manpower and skill set to do this, the process ended up eroding our efficiency and creating even more headaches. The time and energy spent processing and distributing paper checks each week, meeting tax filing deadlines and ensuring employees’ deposits were made during personal time and not Crestwood Painting’s time, amounted to a **STRESSFUL, ARDUOUS UNDERTAKING**.

While delegating this responsibility to a trusted local bookkeeping service sounds appealing, we opted to pass on this option due to numerous drawbacks. Adhering to the bookkeeping service schedule, the inconvenience of storing hard copy ‘ARCHIVED’ payroll records, and rarely having the option for direct deposit for your employee’s pay are just a few of the disadvantages. This option also proves to be time consuming in unexpected ways, is costly, and your time resources are better spent elsewhere.

Two years ago we decided to switch to a web-based payroll system, and chose a national company called **TruPay**. Other companies like ADP, Paychex, and PayData offer similar services as well. In addition to “cutting the checks”, these companies take care of all tax filing deadlines, W2 processing, year end reporting, and the option of direct deposit into the employee’s checking account each week. Employees also have online access to all of their pay records. With a click of a button, payroll information can be accessed for the current year as well as past years. It makes getting ready for Work Comp audits a **BREEZE**.

For about **$2,500 per year**, not only do the web-based payroll companies take care of all aspects of payroll, they also act as a human resource information portal. **Pay history, hire/fire dates, emergency contact information, and performance reviews** are just a few items that are stored in the cloud. No more labeled boxes filled with payroll records are required to occupy precious office space.

While the cost often deters people from exploring the option of outsourcing payroll, I can attest that this decision has played an **INTEGRAL ROLE** in improving the culture of our company. Now we have less **paperwork, less recordkeeping**, and most importantly, **LESS HEADACHES**. And rather than spending time on this routine task we have more time to focus on strategic ideas to help grow our business, which we can all agree is a much more valuable activity.
Here’s your chance to be recognized in front of your peers for outstanding work in the industry, community, and PDCA itself.

Log into the members area of the PDCA website to review the categories and download the entry forms. For submission and guideline questions, please call Beth Thompson at 800-332-7322.

KILZ® Picture it Painted Professionally Awards (PIPP)
Community Improvement Awards
PDCA Safety Achievement Awards
L.E. Travis, Jr. PDCA Craftsman of the Year Award
PDCA Painter’s Choice Awards
PDCA Member Service Awards

LAST CHANCE TO ENTER!!
Deadline is January 8, 2016

Join Us

Do you love seeing a new issue of the Painter’s Rag in your inbox?

Do you look forward to making the trip to AST every year?

Do you find the articles and tips in the monthly e-news helpful and relevant?

Have you ever considered joining the Residential Forum Board?

We need your help to keep the Forum fresh and new.

Whether it’s contributing to the e-news, joining the AST planning committee, or taking an official seat on the board, the door is always open for members to get involved. Please consider making a small contribution of your time to lend a hand and propel the Residential Forum into the future.

Contact Executive Director Tony Kozak at: 716-844-8174 or email Tonykozak@roadrunner.com.
Implementing the right technology to manage your painting business can be DAUNTING. Twenty years ago, the basic requirements were a clipboard, paper time sheets, a file cabinet, a phone book, and if you were savvy- the latest version of Microsoft Office.

TODAY, running your painting business may seem a lot more complicated as a variety of cloud-based software solutions have become available to manage many of the primary as well as day to day functions. When implemented and used effectively however, these solutions provide a platform for SUCCESS, allowing your business to grow efficiently, based on accurate data and detailed insights on how your business is truly performing.

DON'T GET ME WRONG, many of these applications provide a platform for work-free weekends and access to reports in real-time… but before I dive into some of those, I should also mention- just because some cool timekeeping or scheduling app is hot on the market doesn’t mean it’s right for your business. In a world filled with buzzwords and innovation, it is easy to feel OVERWHELMED and ANXIOUS. What I mean is, be careful when signing up for a monthly service for single-solution apps before mapping out exactly what you’re company is after. Otherwise, you’ll quickly find yourself being nickel and dimed for thirteen different applications that don’t sync with each other or make much sense for your company.

The **GOOD news:**
You have several options.

The **BAD news:**
You have several options.

Here are **5 STEPS** for prioritizing your winter tech strategy:

**STEP 1.** **LIST THE PROBLEMS YOU’RE TRYING TO SOLVE.**
What existing systems are currently working? What needs improving?
Has your business outgrown the current applications? If so, should you upgrade NOW to a more scalable model? Are your people using it effectively (even at all)? Or are you like many of us and don’t know where to begin… still trying to fathom how your clipboard, paper time sheets, and sticky notes physically squeeze into your ipad?

Quick Tip - **Start with the SALES PROCESS.** From the first time the lead comes in; to estimating; to scheduling; to project managing; to time keeping/payroll; to accounting. List any and all issues in each of those categories. If you don’t have anything implemented in a specific area, write down what you’re looking for or trying to solve. Ask yourself, **how might technology help improve these functions?**
STEP 2. IDENTIFY THE KEY FEATURES YOU NEED.

The following features are RELATIVE to the painting industry:
Customer Relationship Management (CRM), Estimating, Scheduling, Time Keeping and Payroll, Project/Task/Document Management, Job Costing, and Accounting. If you’re like me, you’re saying, “Yes please! All of those...I need them ALL!” That leads us to the follow-up question—how do you go about finding the right application for each of them? Then, since they’re all connected, how do you get them to talk to one another? MEANING, are you logging into five different applications to enter the same data over and over or spending a lot of your time exporting and importing data? OR - Is your software solution end-to-end, and simple enough for not only you, but your entire company to use? These are important questions to think about before signing up for any type of software solution/mobile app.

Quick Tip - Refer to your list in STEP 1. Identify the top three most important areas to work on (ie- what you need today). Is it implementing or updating a CRM? Time Keeping component, etc.? DISCLAIMER-I don’t have the space nor the brain capacity to list all of the cloud-based solutions currently available. However, I’m happy to answer specific questions to the best of my ability.

STEP 3. MAKE A PLAN AND SET A BUDGET.

Any solution you select will demand TIME and EFFECTIVE MANAGEMENT in order to be successfully implemented. The best way to go about this is making a SIMPLE plan and setting a REALISTIC budget. Of course cost depends on a variety of factors. For instance- Size of company, type of solution(s), level of customization, in-house IT support, and add-ons. LUCKILY, cloud-based software makes it much more affordable today than it was 5 years ago. You pay a monthly fee, typically less when you sign up for a full year.

Quick Tip - Don’t look at market pricing for these systems yet. See what you can REALISTICALLY afford. If you have a business plan, be sure to update it accordingly. The plan piece isn’t some elaborate document either (although if you have time for that, great!). Remember, a good solution has the capability of not only helping you grow your business, but also has the capability of growing with you (meaning with features/storage/security/etc). The plan is more of how you are going to go about tackling that list in STEP 1. Think long term and strategically about how you can overcome some of those issues today and tomorrow. As we all know, you gotta prep before you apply the paint...

STEP 4. REDUCING YOUR OPTIONS.

When looking for a cloud-based software solution, many business owners tend to focus SOLELY ON PRICE or get lost in the sexiness of it all; not paying much attention to the specific features and functionality that best fit their company. Maybe you’re like me and you’ve tried to make the general CRM’s, Project Management systems, and costing apps work, but quickly find how difficult and expensive customization can be. Quickbooks dominates the small business accounting software sector and I’ve found the majority of painting contractors already use it. It’s a good idea to make sure whatever cloud-based solution you’re looking at integrates with Quickbooks (or whatever accounting system
you're currently using). No need to mess with your money just yet... save that until you absolutely need to.

Quick Tip - Now you know the main functions you want to focus on and have a plan, it's time to NARROW it down. Google will give you a million options if you were to ask “Best small business CRM” (although I suggest you try googling whatever it is you're looking for... it just might point you in the right direction). More importantly, ask your colleagues what they are using. PDCA Residential Forum's AST annual workshop is a great place to start! Your peers are a wealth of knowledge.

STEP 5 - DEMO. DEMO. DEMO.

Today, most cloud-based software-as-a-service companies offer a free monthly trial. If they don’t, they’re probably a scam. Once you start to narrow down your options and you like what you see, do the free trial.

Quick Tip - Be sure to look at the level of technical support. During your free trial, ASK QUESTIONS. Lots of them! Before committing your time and money, you will want to know the solution has a good chance of sticking. Be prepared to spend some time in demo phase. Have your office staff and sales people try it, too. Most importantly, the software solution should be making it easier and enjoyable to run your painting company as well as offering a scalable platform for long term growth.

SAVE THE DATES

Advanced Shop Talk
AST 17

July 29 & 30, 2016

The Westgate Hotel
San Diego, CA

Save the date NOW and we’ll see you in sunny California next summer!
Wishing you a beautiful holiday season filled with love and laughter and a prosperous New Year.
2015-2016
BOARD OF DIRECTORS

Executive Director
Tony Kozak,
PDCA Residential Forum
63 Marne Rd., Buffalo, NY 14215
(716) 844-8174
tonykozak@pdcaresidentialforum.org

President
Randy Fornoff
MTS Painting
(602) 397-6778
randy@mtspainting.com

Vice President
Dan Brady,
Dan Brady Painting & Restoration
(231) 943-0161
dan@danbradypainting.com

Treasurer
Jacque Kelly
Crestwood Painting
(816) 332-0092
jacque@crestwoodpainting.com

Director
Doug Imhoff,
Imhoff Painting, Inc.
(303) 650-0933
imhoffpainting@msn.com

Director
Diane Walsh
ShurTech Brands
440-570-8514
dwalsh@shurtech.com

Immediate Past President
Scott Lollar,
Precision Painting & Decorating Corp.
(630) 774-6581
scott@ppdpainting.com

Disclaimer -
While this newsletter is designed to provide accurate and authoritative information on subjects covered, the association is not engaged in rendering legal, accounting, or other professional or technical advice. Accordingly, the association cannot warrant the accuracy of the information contained in the newsletter and disclaims any and all liability, which may result from publication of or reliance on the information provided herein. If legal advice or other expert assistance or advice is required, the services of a competent, professional person should be sought.

Premier Sponsors:

Partner Sponsors:

Supporter Sponsors:

PDCA NATIONAL CHAMPIONS