

## **Episode 18 - Kevin Frump - Performance Pay & Field-to-Office Ratio [00:33:35]**

**Intro:** Welcome to Profiles In Prosperity with your host David Heimer.

**David Heimer:** Hi, this is David Heimer. I'm delighted today to be joined by Kevin Frump, General Manager and part-owner of Illiana Heating and Air Conditioning in Cedar Lake, Indiana. Illiana's is a very successful company. They won best in region six years in a row best contractor to work for from the HVAC, our news, and residential HVAC contractor of the year from contracting business, all impressive awards. They are a consistently profitable company with very strong growth. Now, Kevin took an unusual route to our industry. He has an engineering degree and he worked for a large manufacturing company for seven years before joining Illiana, which is a company that is owned by his wife's father or was owned by his wife's father. Since joining Illiana, Kevin has introduced a number of innovations and the company has more than doubled in revenues. Kevin is married to his charming and beautiful wife, Wendy. They have four kids and they're in the process of adopting another. So Kevin Frump, welcome to Profiles In Prosperity. Thank you for taking the time to talk with me.

**Kevin Frump:** Absolutely. Thanks for having me, David.

**David Heimer:** There are a lot of interesting things about you and Illiana that we could discuss. But today I'd like to focus on two and the first of those is performance pay. You have given I think what is the most cogent explanation of performance pay that I ever heard. And I was wondering if you could tell us why you implemented performance pay, how you implemented it and what the results were?

**Kevin Frump:** Yes. Performance pay is something that over the last four or five years has had a real shift in the way that we approach both labor management, as well as pricing and just the general way we go to business when it comes to how much time it

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takes to do a job. And I'll talk a little bit more about that but the reality is that when I started in the business seven years ago, like so many people, it seems like we were constantly fighting and essentially losing the battle of how long a job should take, particularly on installation. But service also had its moments as well, where you sent the guys out on a job and salesmen had been there. The installation manager had seen the information on the job. We knew what we were sending out, we knew it was a wide-open basement and yet we'd send a two man team of qualified installers out and they'd come back at 4:30-5 o'clock in the afternoon, after eight or nine hours. So, you know you're talking 18 or 19 man-hours to complete this job and it was always the struggle that they were paid by the hour.

And they had every reason to want that job to last until four or five o'clock every day and the interesting thing is you'd have the odd job that you scheduled on a Saturday morning because it was hot or it was cold and there was a need that the customer had to have it then. And somehow magically that was the easiest job in the world because they'd be done by noon, without fail. So, there's a struggle that we knew could be done quicker. However, the motivation for the employees who are trying to provide for themselves and their families as I'm getting paid by the hour. I need to figure out how to make sure I'm getting these 40 hours. So that was the struggle we had. They had kind of different motivations the employees are trying to work longer and we wanted them to work faster, not because we wanted to pay them less, but because we knew that we had that kind of pent up potential there, that we had these qualified people and they were in trucks and we were paying insurance on them.

And if I could just get more work out of them, I didn't have to go hire someone else and buy another truck and manage another, everything that goes along with that. So, it was

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probably, I think it was when I went to the first boot camp, when we first joined Service Nation, when Services Nation became a thing, they talked about performance pay. And it just kind of clicked for me that this is going to be the answer because what performance pay would allow us to do was get our motivations aligned because now it wasn't, I'm going to pay you by the hours, I'm going to pay you to do this work. And the reality is I'm going to pay you the same if it takes you the same eight or nine hours, you're doing it today. Or if it takes you the four to five hours that it seems to take you if we can do it on a Saturday or if there's a time crunch.

So what my motivation was there, was not to pay my guys less, but actually enable the company to do more revenue, more installation work with the same resources. And at the same time, pay, those resources, the technicians, more money to do it because the reality is if they could finish that job by noon, I could give them a second one. So, now I'm doing twice the work they're getting paid twice as much and I don't have to incur all this overhead and all this other stuff that goes along with adding employees and trucks and stuff like that. So, I'm kind of, I don't know if I'm a slow learner, but I'm very cautious. I just recently did a personality profile that very much shows that I'm very cautious and I want to make sure that I'm going to do it right the first time.

So, from learning about performance pay and deciding to do performance pay, so when we actually implemented it, it was probably a good year and a half. And that year and a half was spent talking to other people who had implemented performance pay as well as doing a lot of, well, I guess what I would call simulations where I wanted to be able to prove to my technicians that, hey, this is going to be for your good. In order to do that, rather than just saying, trust me, I'm going to totally change the way that you're paid just trust me. I wanted to have something down, at least on paper that I could show them

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that, hey, you know, even if you did the same exact thing, you did it for the last six months, you'd be paid the same. If you did the same amount of work, you always have, the same way you're going to be paid the same.

But if you decide that you want to maybe kick it up a little bit and maybe be a little bit more efficient with your time, you can either A, go home early and be paid the same or B I can pay you more to do more work and you can still go home at the same time you always did. But now you are going to make more, the company's going to make more. So after probably a year and a half of of analysis, which is probably longer than it needed to be but again, this is kind of a huge shift in the way that we went to market in paying, our employees and anytime I mess with someone's pay, I want to make sure they're comfortable I want to make sure I've kind of thought of every eventuality. Because there's no better way to lose the confidence of your employees than to make them feel like you're cheating them somehow.

So we started off with the promise that, hey, we're going to do this and we're going to track it for, I can't remember, I'll be honest, what the timeframe was because the reality was after month one month two, it was plainly obvious that these guys were going to make more money doing this. And the conversation of, let me prove to you that this is in your best interest was pretty quickly put to bed. But we did still go through due diligence to say, hey, here's what you would have been paid hourly and here's what you were paid for the last month. And it's actually, they can see it really easily in the paychecks because the way we ultimately pay is we still pay by the hour. So if a guy works 35 hours, I still pay him 35 hours but what changes is his hourly rate.

And the way that changes is based on how much work he does essentially. So, every job that we install has a predetermined number of what we call payroll units and this is a

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term I stole pretty much blatantly from Steve Miles. He was pretty key as far as helping me develop the program. He had gone down that road already, so I learned a lot from him. But the idea of a payroll unit is kind of decoupling the idea of hours from a job. Because the reality is I'm not paying them by the hours, I'm paying them to do that job. I'm still paying them by how many hours they actually work. But for example, let's say a furnace and an air conditioner or, and maybe an air cleaner or something. We would say that, say that's going to take sixteen man-hours to install that.

So, that could be two guys for a full day that might be one guy for two days, something like that. And we say, alright. So, this job is worth 16 PRU, Payroll Units and a payroll unit for our guys is going to vary depending on how much skill they bring to the table. So for our guys, a PRU is going to vary between, say 22 and \$25 per payroll unit. So in that example, 16 PRU for my top guy is going to be worth essentially \$400. So I'd say \$400 is what I'm paying for my top guy to install this shop now that could take him all day, that could take him two days, as I said, that can take two guys a whole day and in which case they would split those PRU's proportionally.

And the amazing thing that started to happen, of course it wasn't an overnight transition because these guys have started to see the benefit here. You kind of lay out the breadcrumb trail from them to follow and suddenly they start going, wait a second I can work faster and go home and get paid the same, or I can work faster and they give me another job. So, back to the way that they're paid, if he does that 16 PRU job, and it takes him 10 hours, let's say he still gets paid that full 16 PRU. So \$400, except now he's getting paid \$40 an hour to do that and I'm okay doing that because as we saw for years and years, I was going to pay that amount anyway. I was just going to pay it out to two guys for the whole day, or I was going to pay out to one guy over two days. We had

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already established that the standard of this is what we've been paying for this job.

But the interesting thing that happens is when I tell a guy I'm going to pay you \$400 and if you can get this finished today, I'm going to have another job for you tomorrow. And I'm going to pay another three to \$400 to do that or maybe I've got two jobs I can give you tomorrow. So, the real change that happened for us, as you mentioned in the intro is we've doubled in size as a company in revenue. When I started, we were on 1.6 and this year we were looking to finish up at 3.7, 3.8 million. The reality is we have not added any installers, we've added a helper here and there. But we still have two, what I'd consider fully qualified installers. Now, that being said, we're always looking to add one and we've had here and there we've had three a few times. But we still have two installers, but we're doing significantly more work.

And it is because now our motivations are the same that you're going to work efficiently. Now we still have safety is first. Quality is second and then comes productivity and as long as we're maintaining that safety and quality that productivity can just take off. It was again, the guys, they are great employees and great installers, but the motivations were different. So I'm not saying they were dogging it, but sometimes they were dogging it. Again, we could see that and as I said, we could see that when the motivation became such that on a Saturday, the motivation to get home was stronger than the motivation to make money. So suddenly they were, they were working faster so now with the performance pay system in place, we're able to tap into what was always there and it's been great for us.

We've also done it on the service side of things for a little bit different reason where installation, the challenge was this productivity and this ability to install more products on the service side. What we struggle with and what I think a lot of people struggle with

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is kind of this average ticket and getting these guys to educate the customer and present options. And when you're only paying by the hour, the only way you can motivate guys to do that is either pay him spiffs and sometimes that has mixed effectiveness where you just kind of seems like you beat them over the head and try to turn them into a salesman, which is what we don't want to. But that seems to be what it kind of is. So our performance pay on the service side is a little bit different animal, but it goes at the problem the same way as trying to figure out what motivation is and trying to build this performance pay plan to build in the motivation, such that, hey, if you educate the customer and present these options and then go for your pay today on today's check will increase proportionally based on what you do for them.

So, trying to get the reward as close as you can to the action seems to be a better motivator and the way we do our spiffs, at least. And I'm sure there are people that do it much better than we do, is, we pay them essentially a month behind. So next week we'll have an all-company meeting and I'll be paying spiffs for August. So something the guy did on August 2nd, he did a great job, maybe he sold an accessory, but he's not going to see that money for almost two months. So there's not a direct connection there, but performance pay on the service side, we still pay the spiffs. We didn't take that away, we just added the additional benefit that, hey, when you're actually going and installing the accessory you're also being compensated at a rate approaching 30 to \$40 an hour at the same time.

So, on both sides of the house, it's been a great thing for us. The installation size probably has been more pronounced just because I think of maybe the greater potential that existed before we got started. And the service side is coming along as well, we've seen positive results there, and it's a constantly changing system. When you hire

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someone new from outside, they get kind of a weird look on their face. And I'll say this, some guys can understand it and embrace it and some guys can't. We've had a few guys, you have to bring them in over and over and there's nothing more effective than setting the checks down next to each other and saying, this is what you got paid before, and this is what you've got paid now. But I think there's an inherent distrust of employees to employers that they have a hard time believing I want to pay you more to do more work.

And somehow they're trying to figure out, well, how am I getting the raw end of this deal? But once you can get over those hurdles and make sure education of your employees is sort of at the forefront of when you're thinking about this, always trying to put yourself in the employee mindset of alright, I need to make sure that I'm presenting this as clearly and as concisely as possible that they can get what I'm saying at the heart of this. This is not, the company wants to make more money. This is I'm going to enable you to make more money while the company is more successful through your talents and efforts.

**David Heimer:** Great explanation and a great story and it's going to be a tremendously satisfying thing to show people, look, you're working about the same number of hours and you're making a lot more money. It's got to feel really good to have that explained to them, doesn't it?

**Kevin Frump:** It absolutely does. And the interesting thing is we're very much at Illiana about a work-life balance. When we get busy, it's not alright, guys, we're going to turn up the screws and everyone's working 60 or 70 hours this week in order to squeeze every last drop out of the season. Our installers, honestly, are not working more than interestingly; they rarely break 40 hours because they're not motivated to stretch their

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days out. And even in our busiest time, they break in 50 only occasionally and they're being paid extremely well upwards of, like I said, 30, \$35 an hour on their good weeks because they're working hard, no doubt. But they're still able to get home and see their families and just make a great check even in our busiest times, which is like you said, very satisfying that we're able to provide that type of work environment while also allowing for them to be very successful and do the things that they want to do as a family or as an individual. Versus the only way you're going to make more money is if you're just gonna essentially sacrifice any life outside of work. Because you're going to either be too tired or you're just not going to be home to enjoy it. That's not what we're about here.

**David Heimer:** Yes, good for you guys. When you guys implemented it, I sort of had the impression that you did it at first with installers, and then you did it with the service team. Is that correct?

**Kevin Frump:** That is correct, yes. We spent, as I said, a good year and a half or so developing the installation program and it was probably up and running for six months to a year. And it was pretty much an unqualified success as far as what we were trying to achieve there and we said, alright, what's next? We've got to figure out service and service is trickier and there's lots of ways to skin that cat in so many different ways in the business. And I looked at lots of different ones I know SNA has had a plan out there that's pretty much based on a percentage of the ticket.

And that's very straightforward, no doubt, but what always struck me with that plan was that you better get that number just right from the very beginning, because you've linked the pay to the revenue. And if you got that ratio just wrong, there's not much you can do other than changing the ratio and risk upsetting people and every time you have a price

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increase, everyone automatically gets a raise. So, those were two things that gave me pause to begin with so it was actually in Phoenix I was at a Service international Roundtable event. I was sitting in a circle with John and Vicki Laplant, as so many of the great ideas that made our company successful seem to come from. But one of their other advisory board groups that they were mentoring at the time and the subject of performance pay came out.

Then one of the guys in the group, and I apologize, I don't remember his name right now, just kind of gave an elevator pitch for what his performance pay for service looked like. And it just resonated with me and the basic format of it as essentially the guys are paid a base hourly rate, and that base hourly rate similar to our installation performance pay depends on their skill level and what they're able to bring to the company. So, on the low end of the spectrum, you've got a guy that can do your tune-ups, he's EPA certified, he's got some experience. He's trained enough that he can go out and do tune-ups, he's maybe got a little bit of light service experience and whatnot, but he's one of your beginner guys. So, he's paid \$12 an hour.

On the other end of that spectrum is your guy that can do everything. He can do your light commercial work, he can do your boilers, he can do tune-ups, he can do service work, he can do zoning, he can do ductless systems, he can do everything. He's \$15 an hour. Now that doesn't seem like a big range and you're like how you're getting to a top guy for \$15 an hour. Well, they're paid that base rate for the hours that they work for us. So, if we have a meeting in the morning, I'm not paying my top guy, \$30 an hour, and my bottom guy, \$12 an hour to sit through the same meeting and same training. There's a smaller range there but where the difference is when they get into tasks and our task

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dollar per hour is \$30 an hour so, If a guy goes on a no cooling call, for example, he's getting paid his base the entire time he's on the clock.

So if you start at eight o'clock in the morning, the clock starts, he's getting paid \$15 an hour. He goes on a no cooling call, he gets paid \$10 in addition to his base rate to do a complete diagnosis. So, that's figuring out what's wrong, presenting it to the customer, giving them recommendations, presenting options, and having them determine what to do. And then when he actually does a repair, he's paid \$30 an hour at a pre-set PRU again. So for example, doing like a blower motor, I think is one and a half PRU's. So he's going to get paid \$45 so \$30 an hour times, one and a half PRU, so \$45 plus 10 plus his base for as long as he's there. So you can imagine it adds up pretty quickly when he's actually doing a repair, he's getting paid 40 to \$50 an hour.

Now that's where, like I talked about before, the motivation comes in, because now he's motivated that when I'm on a job, I need to give a good diagnosis and I need to make recommendations so I can get on a task. And if I'm not billing for a task, I'm still getting paid, but it might only be \$15 an hour. So, that's done on unbilled hours so now, if the guy calls you and says, I'm at the Jones house and all it was a clogged filter, or the kid flipped the light switch off, or the service switch off or something simple. Whereas in the past, they've always wanted to be generous with the company's time understandably. So they've got good hearts that's why they work for us. But they want to get paid their full hourly rate while the company doesn't bill anything. So now it turns around and it's, well, if you feel it's appropriate not to bill them anything additional, that's fine. But now they've got a little bit of skin in the game because now {cross talk 19:57}.

**David Heimer:** They're sharing that generosity.

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**Kevin Frump:** Yes. If they haven't billed for a task, there are no PRUs associated with it so they're just getting paid base rates. So they're not hanging out of their pocket necessarily, but it's not just the company. Now, I don't have to pay him at that \$30 an hour rate if he's not billing anything, I'm still paying him that base rate. But it does help them to be more intentional about what tasks they're billing and if I'm only billing, say a 15-minute miscellaneous labor task for something that's only labor. It better only be 15 minutes rather than an hour and a half. Because that's all I'm getting paid for is that 15 minutes plus my base.

So, it helps with that. And then on the flip side, if you have a guy that is more experienced, then my standard time for say a blower, motor change out was an hour and a half, but he's got the tools and the training and the experience, and he can do it in 45 minutes. Well, now he's getting the benefit of his years of experience and he's being able to be compensated for that investment in himself. And then he gets to move on to the next job that much more quickly, the customer's happy, everything because we use flat-rate pricing the customer has a price upfront. So, now they're not worried to be looking at the clock and he knows what he's getting paid upfront too. So he knows that, hey, I'm getting paid one and a half {inaudible 21:21} I'm getting paid 45 bucks plus however long it takes me.

So again, it's the kind of thing that as a manager now, you don't have to be the guy looking at the clock and calling the guy and saying, hey man, are you going to move on anytime soon? And then when he calls in, oh, it was just the diagnostic charge because they're now thinking of the same thing. Because before they only got paid per hour and it didn't matter what they did as long as they did enough to not get yelled at or fired. That kind of always balances, yes, you try to encourage a guy to raise the average

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ticket. But you have all these {inaudible 21:54} out there to assist and stuff like that. And other than bringing him in and talking to him and coaching him and all that, you didn't have that same thing to motivate you and make them somewhat self-regulating because now it's beneficial to them to be efficient and give good recommendations and bill appropriately.

**David Heimer:** Yep. So when you roll this out or maybe before you rolled it out, did you test it, did you like to get one guy in the company to try it out for a while? Or did you roll it out to everybody at the same time?

**Kevin Frump:** No, we had a couple of guinea pigs or pilots as we like to call them. With some pilot projects, some beta testers, and I took one guy that was very green. It was a guy that we had actually taken on as a helper about a year previously, and then sent him down to total tech down in Tennessee for a four-week course and brought him back as a maintenance tech. So, I wanted kind of both ends of the spectrum to make sure that the program was constructed in such a way that it accurately reflected.

I didn't want the low-end guy to be necessarily overpaid because it wasn't going to give him room to grow and I didn't want it structured so that might happen more skilled, experienced guys were not being paid enough. So, I took one from both sides of the spectrum there, and we sat both of them down individually, went through the whole program and I had some like ahead on the installation side, some kind of simulations of, here's what you've done in the last six months. If you did the same thing under this program, you get paid about the same amount. But here's the potential that exists if you did more. And so I showed that to them and then we had the same kind of thing where, alright, we're going to start you on the program on such and such a date and we're going to monitor it.

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Not every week such that, hey, your paycheck is lower this week. I'm going to go ahead and bump you up. But after a month, we're going to look back and say, alright, here's what you would have been paid straight hourly like you were, and here's what was paid on a performance basis. And then again, it wasn't more than a month or two that it became clear pretty quickly that this was going to be beneficial to them in the long run that they'd be paid that way. So, we did it.

**David Heimer:** And then were the other people then just chomping at the bit to try and get into the performance pay program?

**Kevin Frump:** Well, I guess I would have loved to say yes, but we don't have a terrible lot of technicians. So, the guys that didn't get picked to do that were not necessarily motivated by money. So, people are motivated by different things and economic motivators are not really high on the list of these other guys. That being said, I had two guys now that were on the program that could reassure so even though they're not economically motivated, they certainly are going to be concerned that, hey, is my paycheck going to be the same or better.

I had two guys, at least they could reassure him that, yes, this is legit. It's a real thing, it sounds too good to be true, maybe. But on the program, all of our technicians are getting paid more. All of our average tickets are up, as I said, the installation side is probably more of an easy-to-show success story just because of the drastic difference we experienced. But the service side of things is I still feel there is a lot of potential to be tapped there. And because it is such a different way of paying than just paying by the hour I think there's a lot of opportunities we still have yet to extract from that as well.

**David Heimer:** One of the KPIs that a lot of people look at is the field office ratio. You

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told me once that you have what is traditionally considered an imbalance in that ratio. But you're okay with it and you intend to keep it that way. Could you explain what your thinking is around that?

**Kevin Frump:** Yes. So there was a thread on one of the Service Roundtable, email threads, and someone was just asking, what's your field to office ratio? Just kind of, I think, wondering where they stood, is there a benchmark, is there a good or bad and guys on there, we're going, I'm two to one and guys are on there on three to one, and someone said I'm four to one. And he was like; {inaudible 25:44}. And I started thinking in my mind, I think we're about, one-to-one. I am either missing something totally or there's something more at play here. Yes. We would be, I think, compared to a lot of other companies, certainly a lot of companies that aren't of the caliber of folks that are in Service Nation and you get the companies where you've got all the field guys. You've got the owner and maybe one or two guys out in the field and you call a company's phone number and it goes to the owner's cell phone. So they've got like a zero to three ratio, or maybe they got someone part-time or maybe you finally get someone in the office and now it's a four to one, five to one ratio, whatever it is.

But when I look at that, and I'm not saying the guys in SNA that say I'm three to one or doing something wrong. But I just look at that and I say, if you don't have people in the office doing the things that my people in the office do, either A, they aren't being done or B someone in the field is doing them. And the way I've always looked at that is, I don't just look at that ratio I look at how my company is doing revenue per employee. So on a monthly basis, we are anywhere from 15 to \$25,000 revenue per co-worker and that to me is a more telling number of the way I've structured my company and how we're doing capacity-wise. So for example, in June of this year, which would have been our

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busiest month, we were at \$25,000 revenue per co-worker.

Above that number, I think we're probably getting to the point where we need someone else, whether that's in the field or in the office will be determined by looking a little closer at some other things. But that number, if I'm able to achieve \$25,000 revenue per co-worker in my busiest month with my maybe out of whack inside the outside ratio, to me tells a story of what we've tried to do as a company, which is the guys outside are good at fixing things. And they're good at being that technical expert in the customer's home, interacting with the customer, building that customer relationship, making qualified recommendations. I don't want them to be calling customers if they don't need to be. I don't want them to be going to suppliers if they don't need to be. I don't want them even coming into the office if they don't necessarily have to. I like seeing my guys but if they're sitting here in the office talking to each other, talking to the office people they're not out doing what they're good at.

So I've kind of taken the other side of it. If we are in the office, the support staff can do everything possible to make those guys out in the field more efficient and effective. It does a couple of things for us. It makes it easier to really control that growth if we want to because now when I add an outside person if so much of my revenue is determined by those outside guys, if I add an outside person he's going to have to do all the same things, the other guys doing, calling customers, going to supply house, all those inefficiencies. So it's hard as it is to find outside guys, I'm not necessarily taking the best advantage of his abilities if I'm making him do these other things that quite honestly, he's maybe not that great at.

If you hire an inside person you hire them for their organization and their abilities and customer service and all that kind of stuff. When you're hiring an outside guy, he has to

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have some level of that. But certainly not in the same way level you to expect the CSR or a bookkeeper, an office manager or a sales coordinator or something like that to have. So, what I look at it, as is my inside staff makes my outside staff that much more effective and efficient to the point that if as an overall company, we can achieve that 20 to \$25,000 revenue per co-worker per month we're doing great. Other companies can achieve that if they're able to find guys, that's great. If you can find a bunch of qualified guys to work outside and it allows you maybe to not have as much overhead, that's fine.

But we struggle. And I'm sure we'll continue to struggle in the future to find the quality and caliber of the people that I want to put in people's homes. So we're super picky about who we get in the office, but certainly in the field as well that I want to make that person as effective as possible. And I want as much of his time every day in a customer's home doing what he's best at, and if that means that I have to spend a little bit more overhead to do it, so be it.

**David Heimer:** It's a great explanation. Typically it is easier to find office people than it is to find technicians also.

**Kevin Frump:** I will never say that my office folks have an easy job. They are key members of this team, this family here. However, I can put a job listing for office help and have literally a hundred plus applications in a couple of days. I recruit year-round for technical staff.

**David Heimer:** If only that were the problem for technicians.

**Kevin Frump:** Yes, right. So the problem with technical staff is just certainly the volume that you get. But also finding the right person, because they've got to have the technical

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skills. But they also have to be a fit for your company culture. So, when you have a hundred people to choose from you whittle your resumes down to 10, you do phone interviews with five of those and you do in-person interviews with three of them and then you've got your person from a pool of a hundred. If I waited until I got a hundred technical staff to hire for one thing, all of them would have accepted the position somewhere else by the time I actually got to that point. And the tricky part is in the office staff workforce, you tend to have a lot of women for one thing, but you'll have the situation where they might be, maybe they were a stay-at-home mom, and they're looking for part-time work.

So, you have this pool of people that weren't necessarily, I'm not going to say they're unemployed, but they weren't necessarily currently working in a job whereas most of your technical staff, if they're unemployed, they might be unemployable or they're going to be currently at another company. So, your window of opportunity between them being unhappy with the job that they're in and starting to look and making an offer and we're pretty slow-moving as far as our hiring process because nothing is worse than a bad hire. So, that makes the whole thing that much more critical in my mind to make sure that the guys we do have, we make them as effective as possible while trying to find other people to join the team.

**David Heimer:** Yes, alright I feel like I've taken too much of your time already. I appreciate it. This was a great conversation.

**Kevin Frump:** {Cross-talk 32:09} unless you're going to do a 40 minute podcast.

**David Heimer:** Alright, I could break it up, but it is, there's a lot of gold here, Kevin. It's great and one of the things I always enjoy about you is you've got this at the risk of

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stereotyping. You have this engineering quantifiable way of looking at business so I enjoy it, and it's kind of a rare thing in our industry. So, it's great to talk with you and it's great to have your insight into this. So Kevin Frump, thank you so much for taking the time to talk with me today. Truly I think anybody that's listening to this is going to find it useful and thought-provoking. So thank you very much and I look forward to seeing you again in the future.

**Kevin Frump:** Sounds great. Thank you very much, David.

**Outro:** We're always looking for good ideas and interviews for our podcast. If you have an idea or maybe you think you should be interviewed, just shoot an email to [profiles Prosperity@serviceroundtable.com](mailto:profiles Prosperity@serviceroundtable.com) that's [profiles Prosperity@serviceroundtable.com](mailto:profiles Prosperity@serviceroundtable.com). If you think what we're doing has any value, it would be very helpful if you would give us a great rating on iTunes. Thanks for your support. Hope to see you again soon. Bye.