

# Best of BOC Podcast 2023

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## SUMMARY KEYWORDS

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00:00

**Tim Clagg:** Happy Holidays, friends, and welcome to the Business of Cleaning podcast in the Janitorial Manager studio live in Toledo, Ohio. This time of the year is a time to reflect and look back on the success of the past year. We're thankful for you, our dedicated listeners, and our guests who take time to share their wisdom each and every episode. During the past year, we've had so many joyous conversations with highly respected and talented people in the commercial cleaning industry. In this episode, we look back at the best conversations from the Business of Cleaning podcast in 2023. So, grab a cup of hot cocoa and relax by the fire. In April, Valerie Reyher, vice president, workforce development and social enterprise with the Kennedy Collective took us on a journey to show us how their organization is changing lives and providing jobs to special needs people in the commercial cleaning industry. Evelyn Kennedy founded the Kennedy Collective in 1951. How much of her impact back in those early days helped lay the foundation from then in 1951, all the way here in 2023?

01:18

**Valerie Reyher:** So, I believe the initiatives are alive and well today, our core values represent what Evelyn wanted for all. When we start with challenging the status quo, her not settling when someone told her to institutionalize her son. She went out, reached out to the community, and figured out who else was in the same predicament. And so, building that community uniting folks on a common mission and objective, ensuring inclusion and purpose for everyone. So all of our core values are certainly represented today of what Evelyn wanted way back. Even though she's not with us, I'll tell you, she was an amazing person, and just brought a tremendous amount of light into the world but also fight into the world, she did not have a problem arguing with folks to ensure every opportunity for individuals was afforded just like you and I would receive.

02:18

**Tim Clagg:** The Kennedy Collective truly has some impressive contracts when I was kind of doing my research, government federal agencies, just to name a few; Department of Development Services, DMV, Department of Transportation, and Department of Social Services as well. And to everybody, when they enter a job, they want that respect, sure your wages great, but you want that respect from your peers and that sense of belonging. Truly, they are earning that respect from everybody, especially from very well-respected organizations like the ones we just mentioned.

03:01

**Valerie Reyher:** Yeah, we're so fortunate that in our state, they have seen and most states there are recognizing the value that our workers can provide. And ultimately, that's the messaging we're trying to get out even through this podcast is having the availability to get people thinking, hey, maybe I should partner with some of our local community organizations that have a workforce that can help us with diversification. We're hearing now all about Dei, (diversity, equity, and inclusion). Well, we've been, we've been champions of that for years, and we can be a part of that solution. Diversity does include people with diverse abilities and diverse contributions. You're absolutely right, the value that people bring to the table that when you're working with folks, and you're seeing how they approach new jobs, new tasks, and new logic, it allows us to capture everyone as our audience. You know, and we're seeing that every day in the commercials that are airing on TV. And I think that there's so much value that our individuals can offer employers and businesses on how they can do their jobs better.

04:24

**Tim Clagg:** And they're earning that respect from their dedication to the job. You and I had a chance to have a conversation about a week ago. You mentioned that you had seen some employees taking the bus, walking to work, and nothing is stopping them. I know a lot of times we'll hear some excuses from people. I need to I need a PTO day, or I need a scam day, just to decompress. No, they're truly dedicated and take pride in that responsibility.

04:57

**Valerie Reyher:** Absolutely! Yeah. One of the stories I was sharing with you is that I'd be driving to work on an inclement weather day. And whenever snow is in the forecast, and here we are in Connecticut people panic about snow, oh my god, there's snow. And we've had some days that it's been questionable. And there I see at an intersection, two of our guys that we've helped find jobs and off the bus they go, and they have to walk down this really main highway and go up this hill to get to their jobs site at an assisted living facility. And they're just chugging away like nothing's at it. Meanwhile, I've got other people calling, my non-disabled employees saying, "oh, I can't make it in because of the weather." That dedication when people love their job, and they value their job, and they appreciate the fact that they don't take for granted that it's always going to be there. I mean, that's one of the difficulties we're facing right now is so many job candidates are like, "Oh, I'll get another one type of thing," but our guys that we are assisting to help find employment, they value the work that they're doing when they get in there. They just embrace it wholeheartedly.

06:16

**Tim Clagg:** And like Ted Lasso always says, "you just have to believe!"

**Valerie Reyher:** Yes, believe.

**Tim Clagg:** I know you guys recently started with Janitorial Manager here not that long ago. For our listeners, Janitorial Manager is a work management software built for the commercial cleaning industry to streamline their operations online and through the app as well. What has your guys' experience been like so far, using the Janitorial Manager program for your employees?

06:47

**Valerie Reyher:** Well, first off, I want to say our account rep, Claire, is amazing. We love her tremendously. She's helped guide us in all of the different phases of development as we're building this a platform for ourselves, and the information that we're putting in, helping us clarify areas. What I've appreciated is that when we've approached things, being an organization that hires individuals with disabilities, we wanted to make sure that this application would cater to folks who might have limited reading capabilities and might not be tech-savvy at all. And she's brought people to the table that say, 'We want to understand more. We want to figure out how we can make this work.' So, I'm truly appreciative of that because there are so many companies that just say, 'Nope, this is our package, take it or leave it.' The other piece that I love about it, and we're very new to it, so we're still getting the finessing of how we're supposed to do things. It's the contract details, information about our employees, information about every single contract, and the inventory that we have, and we're using. It's ultimately bringing everything down to a granular level for us to understand, what do we need to do? Have we done it? Did we check up on it, and are we meeting our customers' expectations? And then it has features that are going to allow our customers to interact with it and provide immediate feedback on the performance that we've done and allow them to comment back on the performance that we've done. And so that, it becomes an interactive collaborative experience versus us just going there. Before, everything was paper and pen, and paper and pen is great, but you can't analyze any of that. It just takes so much manpower. And so, the JM Connect application on our phones, and being able to me being here, I'm in Connecticut, and if I have people out at one of my other work sites in Pennsylvania, I'm able to see the work that they're performing and be able to follow up with them and ask questions and comment and look at what those needs are. So, I feel like it's such a dynamic platform, and we've just scratched the surface. And if what I'm seeing is just scratching the surface, I can't imagine what else it can do for us.

09:21

**Tim Clagg:** Edwin Eaton, owner of IPro Building Solutions, his journey took an unexpected path while he was a student at the University of Washington, and it changed his life forever. Edwin explains why building a positive company culture is so important and how it has led to employee retention. The commercial cleaning industry wasn't even on your radar when you were a student attending the University of Washington, go Bruins, the Conference of Champions, at least we got to agree on that for a few more years before UCLA moves to the big 10. But you were focusing really on Hospitality Management until your roommate's uncle contacted you guys for some help. Of course, like all college kids, you need money, right? Especially for that weekend, nightlife. And of course, you guys jumped at the chance to make some spare change. What were your first impressions when you helped, having no prior experience in the industry? Did you think that hit the fast-forward button and you would see yourself starting your own company, and kind of creating this nice movement that you guys have in your business?

10:35

**Edwin Eaton:** I think starting a company? Yes. Starting a commercial cleaning company, no! It took a little arm-twisting for my college roommate to convince me to help out. But you know, I thought very highly of his uncle and the things that he did within his company. So, I thought, you know, let's do it. Let's see what happens again, like you mentioned for beer money for us, right? [Laughs]

And so, it was one of those where they had three banks in our area, and they just needed some extra cleaners to hold over until they could find some people to replace in that area. And so, we did it. And that's kind of how I got into the industry. And, you know, honestly, I enjoyed it. There was nobody overseeing us, it was fast-paced, and we had a time budget to get things done. So, yeah, I got my feet wet and kind of sparked my interest for the industry.

11:22

**Tim Clagg:** Was it fair to say, if this occurrence hadn't happened? Maybe the butterfly effect would be a little bit different for you, and not even ending up in the commercial cleaning industry with your business?

11:35

**Edwin Eaton:** It's crazy to think that I've never been asked that question but thinking back on it, if we didn't get that phone call to help out, I don't think I would be in the commercial cleaning industry. I was in school and working in the hotels. I've actually talked to some of my people that I helped train in the hotel industry and some ex-teammates from there, and they're off all across the US and different hotels, and they're still in that industry, I really think I'd still be in that industry. I'm glad that phone call came around and my roommate twisted my arm to get into this industry.

12:14

**Tim Clagg:** Where there's a risk, there's a great reward, and you guys have certainly been able to achieve some high rewards here. A city that's right around 55,000 people, and you guys were expanding pretty quickly. Let's dive into the dedication and what it takes to be able to reach and get new areas growing because that's a process in itself. Especially at this point, it was just still the two of you.

12:47

**Edwin Eaton:** It was, yeah. As we started to build the Wenatchee area, we felt comfortable finally hiring our first employee, and that kind of took a lot off the plate for us to be able to continue to grow some more. And so, it spiraled from one employee to two employees to three employees. And then we had a couple of customers when I was with the other company that said, "Hey, we've got another office that's about an hour away, we love your services here would you be interested in doing that?" I'm not the type of guy that's going to tell you know, if I see an opportunity, I'm going to go for it. So, I hopped in the car and drove out there, took a look at the other office, put a proposal together and they said let's do this, when can you start? We can start as soon as you need this to start, right? Okay, you're going to start next Monday. And so again, we're off and running in a new area, I don't have anybody doing it. So, I've got to take care of it. But this time around, I have some employees on board now that I can take with me to assist me with that. And so, we've kind of taken that mentality we're not in a new area that we want to expand to, but we pick up something we've got the employee support to help us get that going and buy us some time to find some workers and supervisors, and some management staff.

13:55

**Tim Clagg:** When building a brand for your company, you want it to pop you want it to stand out and your colors certainly stand out and you know, catch the eye immediately. So how much time went into

okay, we're not just coming up with a logo, right? We're going to be putting this over everything you mentioned wrapping custom wraps for your vehicles. We need something that is going to stand out and pop up and be an eye-catcher.

14:23

**Edwin Eaton:** Absolutely, I mean that's the biggest thing. They may not know what the logo is but if they see a color that sticks out, it catches their attention. Suddenly they're drawn to whatever marketing you have on that piece, and they'll go back to look and read it. With the hopes of calling, you or going to your website. Color-wise, lime green just came to the forefront for us because it really pops. Any color that you put on black pops, but if you put lime green, it really pops. If you can see over here, the jerseys that we have up there, that pops and that sticks out. Even though you can't really see it, the color pops and so it catches your attention. So, it's just something that will catch your attention to draw you in so that you can see what else is on there.

15:05

**Tim Clagg:** And of course, marketing carries over to social media. And not just taking part, but being engaging, and having a presence online. Social media platforms like, Facebook, and especially yourself, I know you post content, pretty much daily on your personal page on your LinkedIn. Those are tools that get recognized and picked up by everybody. It's a good way for somebody who may not know what IPro is. They may come across some of your information, see what you guys are doing on social media, and decide they want to do business with you.

15:40

**Edwin Eaton:** Absolutely, we've gotten a lot of business, just from social media. It starts with Facebook and Instagram, for new business owners, it's free to just create your account. You see it as a platform to tell your story. Throughout the years, it's progressed, to all the different social media outlets, Facebook, Instagram, TikTok, Snapchat, YouTube, LinkedIn, everything. And so, it's an opportunity for us to tell our story. The biggest thing with us is we still post a lot of the work that we do there, but mostly, we like to use it to celebrate our employees. That's the biggest thing with us now, to push our employees. We celebrate them in the office, but we want to make sure other people see that. We've been able to create celebrations for employee anniversaries that come up and post out on social media. It's become a frenzy with the employees here, they'll say, "Hey, I got an anniversary coming up next month, when are you coming down to the office to take the picture of me and post that on social media? I want my family and friends to see that." And so, it's a great feeling for me, but it's a great feeling for them too. And you say, this is going to be 10 years in business and I'm thankful for every employee that we have. To be able to do something, to me, which seems as little as putting it on social media, to them, that's huge. It's almost like they become a local celebrity when that thing gets posted.

17:09

**Tim Clagg:** That fits right in with what we are going to be spending a lot of time in this episode on company culture and retention. Two of the most important things in any business, but especially the commercial cleaning industry that sees right now around 200% turnover rate. And you guys have managed some of the things, you just talked about celebrating birthdays, but when did you realize that

this was something that you and the company needed to spend more time evaluating and appreciating these employees?

17:46

**Edwin Eaton:** I think it clicked a few years back. We would have little employee meetings and things like that, but there wasn't a whole lot of interaction. It was just the supervisor, the manager, myself talking to the staff. And that was that, there'd be some pizza or some food and drinks but there wasn't a lot of engagement. And so, after a few of those meetings, I thought, hey, you know, what can we do to have them come in and we get them engaged and do fun things. So, it was doing fun things for them giveaways and asking them questions. And then people started getting into it. And then it clicked even more with me, we had the opportunity after the pandemic to purchase an office building. And so it was, our main headquarters building. And so, I thought, well, this is an opportunity to design the office in a way that is going to be kind of a cool factor for the employees to come in, right? And so, we kind of designed it in a way that just makes it a cool place that people want to come to work in, you know, we're a janitorial company, there's nothing glamorous about what we do cleaning toilets and picking up trash. But if we can make the experience for the, for the employees, when they first come to work, be engaged, want to come to work every day, have fun, by the time they leave the office, they're going to put in 100%, when they're out there in the field, doing what they're supposed to be doing.

19:03

**Tim Clagg:** One of the things that you and your company have had so much success at is selling companies, your employees, normally you go to a social media page, or even on Google, and you're seeing specific reviews particular or even a website about the company, but you guys sell your employees to your customers and your future customers as well.

19:30

**Edwin Eaton:** We do. I think, you know, with a lot of cleaning companies, especially ones that are well established and then in the business and been in business for a while, there's always you add your references piece that's in there, right, all the references that are like businesses that the current customer you're going after is we encourage our potential clients to look at our social media, look at our LinkedIn, and all that kind of stuff to see our employees and that's the big thing that we do. It's like "hey, you know, this employee has been with us for five years. This is the employee that's going to be in your facility cleaning." You know who this person is, there's a little blurb that tells everything about them and things like that. And then when we do start the accounts, we give them a little blurb that this is the person so that they trust us more, and they feel more comfortable with this person that's going to be in their account. It's not going to be a different person every single night. For example, this is John, John is your cleaner every night. John is in a rock band. John does this, John does that. Doing that, our customers when it comes to holidays, give gifts to our cleaners. It's almost like it's their second family and they're taking care of our cleaners because they know that our cleaners are taking care of their facilities. So, it's gone a long way celebrating employees.

20:50

**Tim Clagg:** In today's commercial cleaning industry, sustainability is a focal point for companies Betco recently launched a groundbreaking product called EnviroZyme a brobiotic solutions. Scott Prather, the

senior regional manager for Betco explained to us how Betco is preparing for the future. Now, you know, I think it's very interesting, business, back then even 1980s 1990s deals were finalized with a firm handshake or signatures down on a napkin, and you've seen it go through that transition now, where, it's a little bit different, you've had to build that trust a little bit more spend a little bit more detail in that. Tell us some of the early stories. I know you had mentioned in our initial meeting, too, that clients would stay at your houses, rather than the hotel life that we've all grown accustomed to, nowadays.

21:51

**Scott Prather:** Well, it's funny, Tim, because again, back in the early days, there weren't a whole lot of factory reps that were on the road. But the ones that were my grandfather and grandmother would bring him in, they wouldn't stay in a hotel, they felt like family. And so, watching a lot of these, these factory reps come in, of course, everybody wore suit and tie back in those days, and everybody carried them. Okay, so, you know the way to set up your schedule, or what we today call an Outlook calendar, was the phonebook. So, you know, a lot of times I would watch my grandmother cooking breakfast for the guys, and, you know, they'd be sitting there talking products and talking different types of applications and opportunities, and they'd be marking them, their yellow pages, if you would, and making calls. And back in those days, you know, a lot of things were just cold calling. But it truly was a different time and a different a different business. Back in those days, everything was done on relationship selling. You had close friends, you had good friends, kind of like they used to be when you started in sales, they would tell you that, you know, your best friends are going to be your best customers. And it's so true because as you work with a lot of these customers, and especially in my early days of Berkoff found that, you know, they weren't like family because, to be honest with you, you're spending more time with your customers out there in the field than you are with your own family. So, they become very, very close.

23:28

**Tim Clagg:** That's a winning combination. In any industry with certainly and your industry. You know, it's an exciting time we mentioned Betco just releasing a new top-of-the-line product called EnviroZyme probiotic solution. It's a word that we hear in our daily lives. I know that I take a couple of probiotics to help I'm kind of getting to that age now. I'm a new father. So, I figured you know what, I should probably do a little bit of extra taking care of myself. But it always has when you hear that word you associate with positive health benefits on our bodies but are not necessarily yet used to hearing it on cleaning products.

24:07

**Scott Prather:** That's correct. And you know, congratulations on being the new dad Tim!

**Tim Clagg:** Thank you so much.

**Scott Prather:** If probiotics were around when I was your age, I would probably have been on them same as you are. Again, technology is amazing. And the probiotic side of our line of cleaning is we've been able to design specific bacteria to go after specific areas as far as cleaning. We have found that we can eliminate odors in restrooms we can eliminate urine in restrooms, we can do so many things that we can design the bacteria which creates enzymes which creates more enzymes, which creates

more enzymes as far as regiments to go after what we're doing for an example. Well, one of the one of the first products that we designed was a product called grease salt. And you look at your typical all-purpose cleaners degreasers out there, and most of them are very high alkaline in nature. And, you know, people have always been looking for alternatives as far as to use more friendly or sustainable types of products out there in the workplace. But they just haven't found a way to change chemistry. So, with the probiotics program, we've found that these products will not only clean, but they eliminate odors, they'll break down cellulose, they'll break down urine, the breakdown in so many different things. And they have a pH of seven. So, it's very easy for them to relate when you start talking about a pH seven because they know that that's typically neutral. And they look at like, well, I've got to see this work, if it's a product kind of like a neutral floor cleaner if you would, it probably hadn't got a whole lot of cleaning ability. But then they're shocked when they use the products. And then also to that being that that particular type of product was designed to go after those hydrocarbons and all living types of areas, then it also continues to clean even when it's in the drain. So, we have the backside of the operation as well as the front side. And then we found in testing him that these probiotic products that we're using, actually have residual stone that will last up to 21 days, that's probably lasts longer. But we've tested them for 21 days knowing that, you know, after they claim they're still there, and they're still active. And once they are wedged again, then they become active again. So, it's a really good thing. As far as the environment is concerned for the worker, and everybody's surroundings.

26:53

**Tim Clagg:** Sustainability, certainly on everybody's mind, and wondering what happens, you know, we mentioned when things kind of get into the soil from what we saw in the mess. And East Palestine, Ohio. You guys, obviously, this is a multi-product. I mean, it's good for dock scarves, disposal, florists, grease traps, beverage trays, and restaurants. But really, you know, sustainability for our future is something where you guys have taken a lot of pride in for that next generation for, for your grandkids, my kids growing up. And that's really important. As so many things have happened, I would say in the last year or two, the things that have been able to get into the soil and the water.

27:43

**Scott Prather:** Well, I totally agree Tim. And, you know, I talked to a lot of folks my age, and they say, well, it's too late, it's never too late, I think that what we have to do is we just have to be, we have to be prepared to change, you know, it is a change, you know, by utilizing some of these products and procedures, the way that we're using them today, it's a change of what they're currently used to doing. But it's a positive change. So that's what they have to look at, you know, several years ago, we came out with and not only backhoe, but a lot of the companies came out to where we were going to, you know, everything was going to be green cleaning. And the problem was, is that the technology wasn't there yet to go along with totally switching from conventional products to green products. So, it got a bad rap, the first go around. And now I think that with the technology that exists, we're finding that there are a lot of voids, where we can use programs, like the probiotics in the environment and products that do as good or better of a job of cleaning and give us all the benefits of sustainable types of products. And, you know, in looking forward, I hope that you know, there's more and more coming down the pipeline, which I know there will be as far as in time to come to where, you know, we're probably using fewer products, but we're being able to adapt and use them as far as a lot of different things. So that makes training easier for the people and makes purchasing easier for the people. And also, like I say,

it's cleaner for the environment. Because you know, we all have to live, we all have to live, on this one as sad as rock. So, you know, there, we're all, we're all at one point in time responsible for what we're leaving behind. And I think that that's a big thing. If we can look at it like that, you know, our next generation of kids or grandkids. I think that this is a generation that can make a big impact on it. As far as starting that change and positively. You know, I've been seeing information on the news here the last month or so about where the ozone As the hole in the ozone is starting to close again, you know, hopefully, this is to, you know, by using these more environmentally friendly byproducts that, you know, do not have the ozone-depleting capabilities with the aerosols and so forth. So, I think we're on the right track if we can just pull everybody together and get the commitment for everybody to do it. And not just when you have to do it.

30:27

**Tim Clagg:** Owner and founder of the C Three Cleaning entered the cleaning industry with \$160,000 in debt. Ken navigated us on his journey, how he tackled that mountain and eliminated the debt. Ken built a plan for how he could work only two to three days a week and still achieve his profit. He explains how to create the lifestyle that you deserve.

30:50

**Ken Carfagno:** We're accumulating the debt because she's finishing up school. And that's where some of that debt came in, private school for her, I still had some leftover from me, and it just kept climbing, we made some very poor financial decisions. And we got to like \$267,000 in debt we owed 35 different people/businesses, debt collectors. It was very stressful, and then going into work on October 30, 2005, thankfully, just four months, after starting a cleaning business, my wife started the business of going into work, October 30, 2005, my career, everything I'd worked for GE was always the thing, they were going to keep me forever. So, I said that on the side, I could do the things I wanted to do. So, I could get out on my own terms. That didn't work out. Because that day I was tapped on the shoulder. And I had performance reviews before this that said, "Ken you suck. Ken you still suck. Ken you really, really suck." I'm like, oh, I'm doing fine here. I was just so oblivious. I was so optimistic, just blinders on when he got out of this job on my own terms. I went, you're out. I remember how I felt, I left for lunch after that meeting. They wanted me to think about it the Friday come back on Monday meet again, how they want to hit how they want to proceed, there's some options, I want to resign or do whatever. And I didn't negotiate a nice kind of leaving package, which helped me a lot. But um, I sat in the parking lot of g and then I went over to Wendy's, which is down the road, I was going to like, I just couldn't even process like waves and waves of like, like, comprehension and restarting. Like, everything had just been taken from me. I'm like, this is this real is not real. I ended up not telling my wife about this for a week. And I remember speaking with my mentors that were in the Amway business, I'm like, what just happened, like, how helped me and like, how do I shit like, I should have told my wife right away. But I was scared to tell her this. I'm not going to make it as a man now, because I just got less lost my job and we make like nothing, at least part-time businesses. I don't make any money. I made like 500 bucks total, that's not going to pay the bills. So that put me in a very hard position. And I was very depressed. And I went from ultra optimistic to like reality set in so quick, that it was extremely tough. I didn't sleep well. I didn't tell my wife for a week, like I said, and I mean, thankfully, we're just, we're, we're faith people. And so, I'm deeply in prayer. I'm just like, looking for help. I didn't tell my family six months later, I think so I told my family. So, it's just that was a challenging time then knowing that here I am in that Wendy's parking

lot. I'm sitting there and here's the thought of having everything I just worked on for all those years of Penn State, all those years of high school preparing for those years of leadership, all that stuff. 10 years of my life, it's gone. It's gone. And what do I have to show for we had no we had barely any money in the bank. I had 10,000 bucks in a 401k that I'd built up and I had stock options, which I earn stock options, but they're worth nothing. You lose them once you get fired. Yeah. And so here I am with like 10,000 bucks, which would end up being our living expenses for the first year because you made less than \$18,000 Our first year in the cleaning business. I'm sitting there in that parking lot. Like it's gone. We have \$170,000 in debt. I have no income. I have no medical insurance. Well, I would like to stay for a little bit longer. And I've got a wife that stays home. She's not working. And I have a brand new 11-month-old baby that They'll look up to me as I'm a hero, and I'm a total failure. That's how I felt in that Wendy's parking lot that day. So yeah, that's I'm not sure where you want to go from there. But you're at, you're like, you're hitting off, you're hitting some. You're hitting some big ones right off the bat, man, you're making me relive this.

35:16

**Tim Clagg:** You mentioned \$18,000 in the first year in that business. Was there a time during the first couple of years you thought, we're pouring our souls into this, maybe this isn't the answer? Still not what we're looking for, what pushed you and your wife through that that helped carry you into the next few years. Because after that, after that moment, it seems like that's when really things kind of started to turn around for you.

35:48

**Ken Carfagno:** I was still part of the Amway business, and I had great mentors there. They were teaching me a good firm, business owner mindset, grilling me grilling me grilling me. And I relied on that, like, I call him like, I want a quick, why don't you try this? Try this. And then because they're helping me with the cleaning business and early on, too. And this thing? Have you tried to hop? Yeah, I'll do that. I'll do that. And this, if you don't get to this kind of point, like, if you don't start seeing some progress, then you probably want to go back, and engineer try something else. I tried reapplying. And I tried doing some interviews in engineering, not the right fit. And I just didn't look at my resume when I had all this stuff. And then it says cleaning business \$30,000 of revenue. Like what the heck is this? That I left my last job? Why would you leave GE? Well, I'll let go. Well, you're not going to make it here. So that didn't that didn't make it. So now you get to the point you're asking for now. I remember 2000 I'm going to go to 2008 because that's where it turned around from 2005 Working our buns off. My wife mostly. And then it's the introduction happened, you know, wow, can we set it up? The department landlord's apartment property manager is just like coming over to walk around the courtyard. My wife's out there with the baby. And he just looks up as Oh, hi, Teresa. And he's like, Oh, Hi, Brad. How are you doing? And he's like, uhmm. What's wrong, Brad? He goes, "the cleaners again." And they weren't doing a good job with the apartment complex. And he's like, Teresa, do you clean? She says, no, my husband does. And Brad says if you set up a cleaning business, if you want to some extra money, we'll give you all the apartments to clean for some extra money and we're like, she's like, all right. She got there. She got some insurance over it at State Farm I think for whatever she figured out. We went on eBay and got a backpack known as she used our vacuum our stuff and she put the baby on her back and she's cleaning on like, turned it into a workout. Yeah, yeah. And then she got me to help her and then I got fired, right? And then that same property, that same landlord property manager, passed on

the card, actually to his boyfriend of all things. And he was a real estate agent at Coldwell Banker, and I got a call from her when I was deep in depression in late November. I'm like I'm losing the family out here. I arranged to negotiate estate from October end of October through the end of the year, basically showing up part-time hours with full-time pay. They hooked me up for that time to help my family. But I was like looking for jobs. I was trying to get the business going. I got a call-in late November phone call from a banker. Hey, your information has happened to come across our desk. We keep three preferred vendors for cleaners. We have 750 agents that are looking for cleaning help. We have to the third one just got sick and can't do it anymore. Would you be interested in an interview?

38:43

**Tim Clagg:** Yes, absolutely.

38:45

**Ken Carfagno:** That was February of 2006. And I got in with Coldwell Banker. They beat me up bad. Like they taught me how to claim those people taught me how to claim those realtors. They taught me how to do what's called what I call presentation cleaning, how to prepare a property to look amazing for a showing or to sell the house and I learned how to clean through that window cleaning. I did some carpet cleaning. I did apartment cleaning. I did housework, I did everything. I did whatever someone was getting me because I needed the money I worked around. I got my desire back and I got that work ethic back that I mentioned in the early parts of GE.

39:20

**Tim Clagg:** So, at this point, you guys have had your breakthrough. You're starting to make some money. But it's then again, you realize I'm still putting in 60, 70 plus hours, 80 hours. Yeah, not being able to spend the important time what I'm talking about is with your family. When was it that you kind of had that epiphany moment, okay, we're making money but I'm just worn out I am missing things, the kids are just starting to get to that age where I don't want to miss things that you couldn't continue down this path. What hypothesis did you come to?

40:01

**Ken Carfagno:** Great question for the engineer, what hypothesis did you come to Mr. Edison? I'm going to keep it pretty simple actually. When I was working as an engineer for 100 hours, it was slightly physical, highly mental and emotional. But when you're cleaning houses, six, sometimes seven days a week, and apartment complexes, and you're going 60, 70, 80 hours of cleaning, physical physically cleaning, now you add a physical component, and so 6070 hours or so. So, anyone out there listening that's like new or in business, and you're cleaning by yourself, and you're hustling, and you relate to this next statement, you know what I'm talking about. But when you are cleaning 50 6070 hours a week, the hope of a future is like, Oh, I could never get out of this. Because that 60 hours, physical, mental, emotional, felt like 110 When I was just sitting at a desk doing mental and emotional because that physical component was tough. And I was burning out big time. And I at this point, we're in 2000, move fast forward, probably around 2012 and 13. And we're making I'll share some numbers are making like 60 to \$70,000 in profit, 6060 65,000 in profit, but it's taking me 566 and a half days a week to do. And this is 2012 13. So I've got to see my son put in a four. So that puts him at nine. So, 963, we have three kids. I'm not seeing my kids, I just want to be a dad, that trip to Fiji on travel, I want to do stuff with my

family. I don't want to miss this time. And I'm burned I get home, Daddy, Daddy, Daddy needs to sit down. If I did my best, I couldn't sustain that I couldn't sustain that I needed a way out. I knew scaling was going to be a solution at some point. But I was afraid of it because I failed so miserably the first time. And so I'm looking for another path. And so, the breakthrough came in 2014. I met a new best friend. His name is Vincent Puglisi. He is the founder of total life freedom. He's written multiple books that are though he won't say their bestsellers, but he does very well. He's built a mastermind community that I'm a part of outside of cleaning. We met Dave Ramsey, Seth Godin, Gary Vayner Chuk conference in New York City chance encounter we meet and after that, we built up a friendship. And he's in sports, photography and journalism. Incredible. Like, on the court, NBA Finals, Stanley Cup, Super Bowls, big time stuff. He is doing super cool. And I sold the lifestyle he had as a solo photographer. He's like, I'm talking to him in like October, like, yeah, I got this one where he does weddings, too. I got this one more wedding to do. And then my next one's in April, like, Oh, that's cool. We do machi now in April, don't travel. And they're like, What do you mean, you've off? Like, it just blew my mind. He had this level of freedom. And I started asking him, and we together we started, masterminding, and I started applying some principles that he had done, but also and I had worked with him. And it was he has figured out a way to be a solo operator in a photography business, where he could create a six figure income, basically eight months out of the year, seven months out of the year. And it's like Saturdays, and a couple days of editing. Could I and this is one another one of my podcast, don't say I can't change your two words, the three change I can't do How can I? How can I? How can I do something similar? How can I I'm an engineer, can I optimize the business that I have to Vincent's information, and then all that G stuff came into play? I started when my numbers I start tracking everything. I started looking at the potential, I start figured out like on the on the walks with my wife, hey, what if we did this, this and this and this, and I could shrink down a day of work here I could shrink a week or a day over here. And we over the next trial and error of like losing customers gaining customers getting higher paying clients getting faster by using so my engineering toolbox I knew like the 8020 rule, learning how to incorporate that and taking my average clean from like three and a half hours down to down to two and a half. And taking my average customer doing houses before I switched over to commercial marriage house from like 140 to almost \$200 that change was allowed us to go from five, six days a week. And like 50 60,000 in profit I point to two days a week and the same profit. So it took a couple of years by 2000 by late 2015 and into 16 I would say that as a solo cleaner, we had made it because now I'm making the income more than the income we were making as a full time had a job.

45:11

**Tim Clagg:** Brant Inero, Senior Director of Education at ISSA successfully has trained over 350,000 industry professionals. He discusses why investing in a proper training program for your employees pays off. He also looks at the hot topics in the industry, including clean airflow into buildings.

45:32

**Brant Inero:** It was a beautiful opportunity to go from zero revenue to a multimillion-dollar business unit in a short period of time, dedicated to changing lives in the cleaning industry. And it felt like home. So here we are today.

45:47

**Tim Clagg:** I'm interested to I mean, I come from a telecommunications background. I have several colleagues who have graduated that I still keep in touch with who came from a telecommunications background, how did that degree in your prior experience, prepare and allow you to take the tools from that to apply with ISSA today?

46:07

**Brant Inero:** So I'm going to go way back right. So, let's go back to my high school days, and I'll tell you how I got into this because it'll all come full circle. So, I want you to picture not this handsome face you see today, dork and dorky kid acne spiked hair in there.

**Tim Clagg:** We've all been like that.

46:27

**Brant Inero:** Like that puberty stage, right? But, you know, no friends, I was an introvert. But I was really passionate about the sport of bowling. And I had a few 300 games I was really into it. And I was 16-17 years old. But I had the pleasure of attending a fundraiser for children who were blind and deaf, and they were raising money for these children. And I said to myself, I need to do this for something like I just it almost like just wrapped its arms around, said, Brent, you need to go help somebody else use the sport of bowling to do so. So, my first year we ran this event, we raised a few \$1,000 and I had all the local news personalities and radio stations show up and it beat the celebrities. So, during that event, one of the radio stations back then known as Albany's number one hit music station, flag 2.3, big shout out to them. They were there. They called me and said Hey, would you like to come to tour our radio station the next day, we liked your personality. I didn't know it was an interview. And I literally was offered a job the next day, I took that job. And I started you know, Tim, this is going back \$7 an hour minimum wage. And I would go out and I'd set up all the events go to the concerts, I was the guy behind the scenes and then quickly, I was on air. So I would do overnights, I did a little bit in the evening hours. And then I started a DJing company, I broke out of my shell during this time, I was forced to be on stage in front of 10,000 people or 5000 people and essentially be a talent or an entertainer with no background, and no training. And it was figured out you're on fire, go do it. And that's how it all started. And my love for public speaking and being in front of people to help make change really started back when I was 17 18 19 years old.

48:23

**Tim Clagg:** it's come full circle. You've traveled internationally to certify people in the industry from Europe, South America, Australia, Canada, and Mexico to certify over 350,000 industry professionals. That's it. That's an impressive number to help change lives and allow people to get that training so that they can help other people, their employees. When you think about that number, because it is mind boggling. What does that mean to you personally, especially that 17-year-old kid that wanted to help people?

49:00

**Brant Inero:** Yeah, you know, it's funny, Tim, I did a podcast with one of our members maybe a year or two ago. And every time I think about it, I tend to get a little teary-eyed and choked up because I didn't personally train and certify 350,000 people it was a group effort with all of our master trainers.

And it's the stories that come to life. And just to share a couple with you because I think it really brings it home. But I'll never forget this gentleman who I'm still dear friends with a text quite often. I met this gentleman in 2014 and just starting a little puppy running a contracting business essentially and we didn't know where this person was going to be in 2024 But today, multimillion-dollar contracting company, software companies, consulting, I mean you name it they're involved in seeing somebody go from nothing to being one of the industry leaders in less than 10 years is amazing and to create those And but I'll tell you my I guess my thing that I'm probably closest to right now, you know I was showing you before we jumped on air. But I had a couple of articles. And these two articles are for me not because my pictures are in there again. But it's it really is what we're doing with these organizations and it's the workforce development programs. It's individuals that are homeless, they were abused, they were on drugs, they were alcoholics, maybe they're in prison. They are taking our training and certification courses because they say I want to be better. I don't want to be the person I used to be. In coming from the faith that I come from, I know what that's like, you know, you want to jump ship from who you were to be that better person today. And we are giving the opportunity as a gift from ISSA. It's something we do at the core foundation. And for me, watching these individuals go from living on the streets to getting some support in a home to taking our training and our certifications, and going to work for 20 \$30 an hour. That's what it's all about. There's nothing else that matters more in my day than seeing that happen.

51:13

**Tim Clagg:** Has the increase of customer expectations, and demand for that quality cleaning habit led to a greater focus on training to meet these standards?

51:25

**Brant Inero:** I think a lot of things have shifted since that rethink clean campaign came out. And again, if you don't, if you haven't seen the videos, it's rethinkclean.org. The videos are still live. I encourage anybody down there; they can share them. They're funny, they're also serious and they're short. What I will say to you, though, Tim is it's shifting, and here's what we're finding is when the pandemic hit, and right post pandemic right after that everything was about disinfecting, right, we need to disinfect every surface. You saw people just spraying anything they could in the air, causing damage to assets and human health. And then all of a sudden, we're trying to figure out how do we get people back into buildings? How do we get them back into office space, because we were forced to learn how to work virtually, it's been difficult to get people back into the office, especially with the younger generation. So certain market segments like the commercial office space are still trying to play catch up. But then I mean, Taylor Swift's on tour selling out every stadium, right?

52:28

**Tim Clagg:** Oh my gosh, yeah. It's a phenomenon. It's gone crazy. The summer 2023.

52:33

**Brant Inero:** Yeah, it's amazing. So all these concerts are coming back. And you're a music guy like I am? Yeah, absolutely. I've gone to a few nobody's wearing a mask. Nobody's washing their hands. Nobody's using hand sanitizers, they're all dancing, having a good time. So, from a consumer standpoint, it's almost like we're back to nothing that ever happened. We're back to just visual cleaning.

While they're smarter, and they understand how important it is to disinfect. It's not a top priority for them. So, they're not focusing on it. So that's starting to shift. We're coming out of the issues of supply chain where we were having a hard time getting raw materials and chips for scrubbers and things like that, to now saying, we don't have labor to clean. So, we're back to where we were pre-pandemic, we have the tools and equipment, and we have the chemistry, but we don't have the people. So currently, some of the biggest things that we're finding as far as trends, are they need help work loading, they need help identifying productivity rates, they need people to come in and redesign their cleaning system because the traffic flows are different in the buildings than they were 234 years ago. So, there's a lot of things shifting. And again, the other big thing that's shifting is the government. So, the government you saw in New York City recently, there was an article that they're going to require certain things around indoor air quality inside the built environment in the city. So that shift is going to be a trickle effect and other areas are going to start taking that on and implementing requirements.

54:04

**Tim Clagg:** It's an interest in an industry that is ever-changing, always evolving, always growing new equipment, the latest and greatest continually coming out new procedures. So how often do you recommend? Or what would be your recommendation as to how often you need to update your training? Because there's so many different options. You mentioned we could be here all day, and then some. So what do you kind of recommend based on, you know, each customer's needs that comes to you guys?

54:36

**Brant Inero:** Sure. So, I'm obviously selfishly, I'm a big advocate of hiring somebody else to provide the training, put the onus on them to update their curriculum, it needs to be evaluated on an annual basis and updated no more than two years out. So, less than two years. Everything is shifting, right. So, you mentioned technology, the biggest trend that was happening before the pandemic and a little bit after is robotics, AI, virtual reality, and all that sort of stuff. And we have not caught up from a training perspective just yet and all of that technology. So, we're starting to fall behind again because there's so much investment taking place in our industry. So, I'm a big advocate of outsourcing your training and certifications to an independent organization that provides an enhanced level of value and integrity to your training. Another thing too, is some companies will rely on their partners, their distributors, and manufacturers for training. And oftentimes, when there's a change in leadership, there's a change in products and brands that you're using. And then all of a sudden, your training starts to fall apart again, because you're relying on your vendor. So, if you find someone who's in the space of training in the space of certification, use them, and then basically work with your other distributors and manufacturers to have that add-on. that's specific to what they're doing. We often see this Tim with floor care companies. So, each one has a different little bit of a different nuance when it comes to stripping and refinishing or maintaining a gymnasium floor that's specific to using that product, that process. But what are the core competencies that everybody needs to know? And I think that's where every organization should start. And then again, that needs assessment, where are the gaps? But during the course that we teach are teach a course called train the trainer here at ISSA, the designation is certified professional trainer. And that's where we work with individuals from organizations that are looking to deploy or enhance their training. And we try to help them look at it from a holistic view of 12 months. So, what's the onboarding training protocols that they have? What is their ongoing review training?

Everybody needs to have their OSHA safety training on an annual basis. But are we stopping there are we going to have enhanced safety training courses and once we start to dive into that, we also help them identify their cost of training, we'll help them identify who they want to train when they want to train and build up the whole schedule. So, I know I'm kind of going down a rabbit hole. But to get back to the very basics of your question. It starts off and needs assessment. But keep it within a two-year timeframe of updating content.

57:21

**Tim Clagg:** For Chris Cunningham and Rachael Moir, commercial cleaning is in their blood, their family owns Imperial Cleaning in Nova Scotia, Canada, and they take us inside their family dynamic of day to day operations. Chris and Rachael also tell listeners, how social media has allowed them to find and hire qualified candidates. One of the biggest pain points of hiring, making sure you have the right candidate. So let's talk about finding that right candidate. Certain things you guys are looking for reliability, transportation, how have those sorts of things kind of affected your operations and how you are hiring in 2023.

58:04

**Chris Cunningham:** In my personal opinion, if I'm doing an interview on someone, and I just get like a really like good East Coast vibe from them, because this is a real thing out here on the East Coast like you get a real East Coast energy, then I'm like, whether you have like three cleaning companies on your resume or zero, we can teach you how to clean in fact, our job or like Rachel and I are here to coach you to get you set up to go out and clean. But if you just have seven different cleaning companies on your resume, but no real trust or integrity behind you, then you're probably not going to be the right candidate for us, this company.

58:44

**Tim Clagg:** One of the things that we talked about, one of the challenges you're facing is having to go outside Nova Scotia to find quality candidates. So, when did you kind of see that shift, when maybe in the past you had been able to get quality candidates right there in Nova Scotia versus now in 2023? Well, we're going to have to think outside the box and find people outside of the area.

59:11

**Rachael Moir:** Ever since the pandemic, things kind of took a downward spiral if you will. We're not like a big province in general, so I guess I don't know where all the people went.

59:27

**Chris Cunningham:** In a very community-based province too, I was just saying that to someone this morning. It's funny you can hire someone and then one of our other cleaners is like, "Oh, I work with that person over here."

59:45

**Rachael Moir:** So, it's very tight knit. I feel like in the industry itself, everybody knows everybody if you will, whether you know they cleaned with them for a different cleaning company or whatever the case

may be. Since probably the pandemic is when we've noticed that we really need to start branching out and hiring people from elsewhere. We did try and reach out to different hiring companies that...

1:00:20

**Chris Cunningham:** Nova Scotia works, I just sent them an email to say that we need some of those contracts that are outside of the general city Peninsula. We need your help because we're not attracting the right candidates. Sometimes you need to reach out and use your resources, but definitely the pandemic we saw it.

1:00:43

**Rachael Moir:** It was really huge. I don't want to say detrimental, but it really was, and not just for us, not even just for the cleaning industry. I feel like for all ages, all around Nova Scotia, in general, everyone here is looking for everything from an employee to a supervisor to a manager, like, everywhere you go, you see signs, that everyone needs help.

1:01:08

**Chris Cunningham:** And the thing is with the pandemic, too, and this is unique to our industry. So, you had your drive-thru window that was open, okay, well, if your staff gets cut off by 50%, you're managing a drive-thru window, or you're managing a small store, we were taking stuff outside to meet our clients. With us during the pandemic, in this industry, and I heard from other people, when we were at a conference last year, that everyone wanted double the cleaners. For the people that were in the office, double the cleaners double the sanitization practices. But in the same breath, people were going off, because they were nervous about the pandemic. So, your client wants double the work from you, double the employees, and extra standardization practices but there's no one to bring in.

1:02:07

**Tim Clagg:** Right! Highlight the link between employee quality and customer satisfaction. Obviously, your employees are the ones that are going to be out on the site out of the particular building day to day, the ones being seen in front of the customer. So, it's key for those employees on site to build trust, expand that relationship, and continue to build upon that.

1:02:36

**Chris Cunningham:** So, Rachael, and I, built this supervisory training, and it's like an onboarding for supervisors. So basically, that training has the fundamental stuff; the health and safety, how to do an inspection, all that sort of thing. But honestly, one thing that I can say, and people who are listening might disagree, but you don't need to be the best cleaner to have the best relationship with your client. If your client likes the cleaning stuff and respects the cleaning stuff, that cleaner will have a job until they retire. Because people on the East Coast create a great connection, a great trust with their cleaner, and they don't want that person to go anywhere. There are so many times that we have tried to transfer someone we're like, this person is amazing. They would be so well suited in this new role that we will give you \$1.50, \$2, \$3, or more, and they just want to stay here because they love the people that work around their building.

1:03:46

**Rachael Moir:** And the people in their building, don't want them to leave.

1:03:53

**Tim Clagg:** That's interesting.

1:03:54

**Rachael Moir:** I think I need to, that's going to benefit us. And they're like, "No, you're not taking my cleaner."

1:04:01

**Tim Clagg:** What do you think that's the reason? What do you think that reason is just, once you establish a relationship, you're used to that continuity, that familiar face, and you can go to a person if you have a problem, is it's harder to build that trust with somebody new? Maybe?

1:04:20

**Rachael Moir:** Yeah, I feel like some of it doesn't even come down to how good of a cleaner they are, it just comes down to the fact that they've built a relationship with this person. Again, as humans, I don't think a lot of us like change in general.

1:04:36

**Chris Cunningham:** It can be very reassuring to show up to your office space or your workplace every day and see the same, you know, the same cleaner has been with you like, for the last five years and check in with them, like "Hey, how was your weekend?" We somewhat encourage that because we want our cleaner to create, you know, a relationship with the people they work with because we might not be on the same team, but we're still a team, we're still contracted to come in and clean your space and do a great job for you. Because at the end of the day, it can be a very thankless job. So when that relationship is there, and they feel that, you know, they feel that the work that they're doing is valuable, they want to stay, you know, it's not, it's not even about money, it's about relationships, it's about, you know, going in and, and making personal connections, and we encourage it.

1:05:25

**Tim Clagg:** And if people are seeing those ads on that Facebook posting, they're going to look you guys up on Instagram, you know, I've looked at your guys, and I think you guys do a great job highlighting and showcasing your employees. And that goes a long way, especially with somebody that is looking for employment, to see that appreciation that value that goes a long way. That way they can feel that pride and go back and share it on their social media and with their friends, family, or whatever. And, you know, feel like they're belonging, because sometimes I think that employers don't notice those things. So, would you say that's a strategy that you guys have encompassed here? Recently,

1:06:14

**Chris Cunningham:** it's not tactical, we feel for our people to do a great job for us. Right. So I wrote one of our new supervisors, and you do it a lot to like, I wrote one of our new supervisors the other day and just said, you know, thank you so much for handling that, like super proud of you kind of stepping into your power and your own voice and making that happen. So that Rachel, I didn't have to take that

on, like, I, we trust you. And I need you to know that we trust you with the site. So, anything that you shift around, or that you make happen, like we're, we're, we trust you and we're proud of you, she wrote me back, she's like, you don't know how much that means to me. I've had a challenging life. And to hear that the two of you are proud of the moves that I'm making is important to me. And like that, and like that, you know, that some of that we're going to have around for a long time. And that is not, that's not incentivized. It's not practical. It is just humanity. It's genuine.

1:07:08

**Rachael Moir:** Exactly. I feel like we do that often for you know, I will say some sometimes people go unnoticed, and it's not purposeful. Sometimes we just get so busy here that, you know, people don't get recognized as much as they should. But that's something that I know that we, in particular, and your mom actually really strive to try and like remember whether it's a gift card or like thank you, thank you anything just to say like, "Hey, we notice you, we appreciate you, thank you so much."

1:07:45

**Chris Cunningham:** The thing that I've been doing lately, when I'm sending out by like, employee emails or my supervisor emails is just remind them, like at the bottom of our, you know, my email, I'll just say like, thank you so much for your hard work. We appreciate everything you do, both for our company and for them. Because that little sentence like that goes a long way. Because again, I said it earlier, it can be a really thankless job. Our job can be the complaint department for five days in a week. Like, "Our toilet is dirty, hey, is this garbage in this one room didn't get emptied?" And complaint and then we're and then of course, as the claim department, we're sending those complaints back to the supervisors and the employees to say, can you go and take care of this. And then they need to be reminded, like, hey, but I also appreciate that you took care of that. And the next time that you know, the end of the month rolls around, and you want to have like a pizza party, give us a call. Rachel is great for that, like give us a call.

1:08:41

**Tim Clagg:** The sales approach has undergone a profound transformation over the course of the last three years primarily due to COVID-19, MJ Mrga, manager of business development with GDI provides her strategies and new concepts to go above and beyond for your customers and prospects. I personally believe that it is a true art of sales in business. And really, things have changed for you and approach and everybody in the landscape for the last three and a half years. What are some of the challenges that you guys have seen in that time frame in the last three years of how you deal with handling sales?

1:09:27

**MJ Mrga:** Oh, that's a great question. And it has been challenging for sure. I'm really big on meeting the clients face-to-face and getting to know them. But as we all know, it's been difficult for a lot of people to work from home, coinciding your schedules with their schedules. You know, zoom. Great example, getting into a Zoom meeting or a Teams meeting, whatever the case may be, so at least you can, you can have that face-to-name recognition. So, I think that's, that's helpful and its own, phone calls and emails, I think everybody's so busy with their schedules. And with that hybrid working model, people are overly busy, trying to do the balance of work at home, I find that even working from home,

you tend to work a lot more than you would say, at the office. So being able to put a face to a name is very important when it comes to sales, and I try my best in order to meet that need. Whether it be scheduling a lunch or just as simple as a Zoom meeting. Yeah, that's, that's all you can do. I find that having that phone call, kind of sales thing doesn't work anymore. It does not mean people are too busy for it.

1:10:51

**Tim Clagg:** So, does that change your approach? Because your schedule, there's a typical timeframe, let's say, if you were in person, maybe you'd have an hour to talk with somebody face to face where a lot of Teams meetings, sometimes you may only have 30 minutes, does that change? Or has that changed kind of your approach your team's approach, when trying to establish that connection, point, get the pain points from your customer and hear their needs,

1:11:18

**MJ Mrga:** I guess it would help with kind of understanding what doing social media looking up who the client is understanding what they like, whether their interests or hobbies, whether they're a part of a chamber of commerce, or, you know, they play a golfing League, that's something that you have to kind of look at. So, then you can arrange your schedule, be a part of that come commerce or Chamber of Commerce, do the golf, and meet them that way. I think that's helped me quite a bit. And just being a part of that in any networking type of conference or events that other companies may have conventions, you just have to be a part of, you have to be out there to, to meet that one client that, you know, you're looking to get a hold of.

1:12:11

**Tim Clagg:** A strong presence can go a long way, especially with a company in the commercial cleaning industry, having to do their independent research. So, if you guys share that data and put it out there, your clients are going to see that they're going to retain that and then try and make those changes with their company. But what you mentioned something two pain points, as we enter the q4 of 2023, hard to believe it's already here. But what are some of the things from your clients that you're listening to hearing that might have popped up on the radar here as far as pain points that are being brought to your attention?

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**MJ Mrga:** Flexibility, I think, like a lot of clients are looking for a flexible partner, somebody that can adapt to their environment. For instance, let's take the office market, and the commercial office market. They're working on a hybrid model, so they don't need a scope that's adjusted for their new future, that's everybody's livelihood. Now they work from home, and the office. So, it's something that, you know, bringing that solution to the client, because we see that, you know, the scope that the client does provide has been a scope that has been around since they've occupied that space. So, it's, it's going back to the client and saying, hey, you know, what, you know, instead of doing it this way, we find that there's more traffic on these days and then adjusting the scope to their needs. And keep on seeing their needs, but it is their needs in that solution customized for them.

1:13:51

**Tim Clagg:** Mark Anderson's industry experience is truly one of a kind. With over 50 years of experience. He's seen it all and done it all, Mark lets listeners know when it's an appropriate time to start thinking of scaling your business. Also, here is Mark's knowledge on upsell and cross sell and get the most out of your current customers' contracts. Sometimes people may or may not fully investigate truly what it takes to run a business. You've seen it time and time again. You understood the process from a young age, not just the process, the hustle, the grind, going to school, you mentioned staying out until two 3 am and cleaning with more resources than ever before. Are you seeing that this has improved with today's business owners that they are better prepared, especially the surge during 2020 COVID When we started to see a lot more first-time owners getting into the cleaning industry.

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**Mark Anderson:** I think one thing you have to remember is this is a low barrier to entry business, and anybody can get in it you know there's no certification. There are qualifications and there's no career path. There's no technical school, you might go to a technical school to become a custodian. But as far as running a business, and no, you'll get some things there. Well, that is just I'm trying to think the, in the in with COVID, the sprain and all the technologies that changed, a lot of people jumped in, I think that didn't know what they were doing and got an opportunity, just because the electrostatic spraying if you could get one, I mean, everybody lived through that. So, a lot of people jumped in. But it's very interesting when you talk to most people in this business, you'll find that they didn't start out to do this. And I mean, I've gotten customers and I've known people for the last 40 years. Nobody started out to do this. And when you do again, I get back to the low barrier to entry, you get in it, and you have a lot of them find out what I did one when you're starting now, it's easy to make somebody happy because you don't have any overhead. So, you can get all the customer my buddy Edsel Cow says, "You get the first five, you spoil them to death, you'll probably get five more." So that's our more people getting into it, the industry is changing, like I'm out on LinkedIn a lot. And yes, people are getting into it, because they're realizing it's a multibillion-dollar industry. And there's a ton of facets to it. It isn't just cleaning buildings, it gets into buildings, facility services, and just the whole scope. If you can clean it, fix it, wash it, paint it, I could go on with the analogies cut the grass, it all plays in that category, and it's widened the scope. And the industry has gotten very smart about putting more of those things in their palette. On their painting palette. Yes, we do these things. And they'll do them through arrangements, though. Subcontracting arrangements primarily. So, I think people are growing their businesses, in those ways, a lot more than they ever were. Because when I grew up, you cleaned buildings, it was a toilet cleaning company. I mean, I make no bones about it. That's what we did, it wasn't what we did when we sold it two years later. But that's what we did.

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**Tim Clagg:** You mentioned scaling just a moment ago, everybody is focused on growing their business, right? That's what we're all about here, growing your business, getting more clients offering up sales. Well, everybody's situation is different. But what is the appropriate time? And you mentioned scaling? What is the appropriate time when you're an owner to look at scaling in your commercial cleaning operation? What is the process, that planning process like? And how much funding or how much cash? Do you recommend having it on hand I know everybody's situation is different, because not paying attention. These details not being organized, and not having a plan leads to businesses

failing and 74% of startups try to scale too fast. Well, unfortunately, 74% of them end up failing and closing doors forever. Right?

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**Mark Anderson:** I think unless you are just cleaning the building for extra cash, you start thinking about scaling when you get your first account. Because that's where the process starts. And every one of these things is a plateau that goes up at different revenues and different volumes. But if you've come into this, even if it's a side hustle, you're going to have to scale you don't want to be doing all the work. So, your first plan is how do I become a supervisor and a four-person instead of a cleaner how do I move out of those positions into just a supervisor manager and hire the right people under you? And I think everybody should start. I mean, it's great if you say I want to have a \$10 million company, but man, that's a long grind. Okay, yeah. But when you start to have a revenue objective in mind, and then backstep it, man, if I have nothing, let's just say the first year, I want to, I want to be up to 300. And let me do this math right 360,000 Which would be 30,000. What do I have to do to get there? How do I get there? What kind of people do I need Stephen Covey said just a bunch of other people said I'm just kind of a Covey fan. I was trained that way. I begin with the end of mine in mind for the year and then what do I have to do to get there? If it's just me, and I have nothing, and I've got to get 10 accounts. So, if you're in it for business and under, and not everybody gets to seven figures, not everybody gets to eight figures. And it's based on a couple of things, but one, it's the person and the individual and their ability to grow themselves. If you aren't growing your business isn't going to grow, period and distort. We talked about that a second ago about studying and going to other things seminars industry meetings, you have got to grow yourself if you want your business to grow, and you've got to grow faster than the business, and sometimes the business outgrows you, and that's where you wind up the 74%. Cash is king. And the big key is don't run out of cash.

1:20:19

**Tim Clagg:** Let's talk contracts. Okay, expanding customer lists, a lot of things some people fall on the short end is realizing, they don't realize there's a benefit. And this is right up your wheelhouse of upselling your current customers, because it said, and this is mind-boggling. We've talked a lot about finding the right people to develop relationships, especially with time of the essence, takes about 18 months on average, to go out and find a new contract. And you can certainly wear yourself out and exhaust yourself out. What are some reasons before we dive into the upselling? What are some reasons that the process now in the day we live in, can take up to 18 months?

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**Mark Anderson:** Well, a couple of points to this to make the larger the customer. And the more they spend, the higher they usually are up in the company. And if you're in charge of buying the cleaning service, and it fails, that doesn't look good on your resume, whether you're the office manager, the facilities vice president or director, or head of the whole thing. And it's a risk, I got to give you the keys, I got to hope you're going to do it and fix what I said. And it isn't like I go out, buy a new pair of shoes from wherever and I look at this great man, everything I want, that we don't we don't give a product, it's a service. So, there's risk involved in the startup people don't like to change, do you like to change Tim?

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**Tim Clagg:** The older I'm getting, I really don't.

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**Mark Anderson:** Change for change's sake. Yeah, you know, you walk in, and everybody's getting that building cleaned by somebody, and I guarantee if their happiness is relative, we could go into that definition. Why change, so you're going to get no contracts up in a year, its annual renewal, see me that. Soon there's, there's the first part contracts are usually based on a year. However, they're all cancelable. In 30 days, nobody was in this business. Now there are ways when you're writing larger contracts, there are ways to lock things in, there are performance issues that are part of the contract, and there are certain guarantees, as long as you're performing. And I'm talking about things that he started getting into the \$200,000 a year stuff they have to because you can't go in and start something then somebody gets mad and throws you out and 30 days hold up. So they're strict. There are different strategies for different contracts. But let's just say a level contract a couple of three grand a month, you know, you're on a 30-day contract. Oh, yeah, they signed a year, we signed two years, but they're all performance-based every one of those things. Yeah, you're going to get two years if you keep everybody happy. So people think in terms of calendar years or budgeting. So when budgets are due, that's when they get new, more money for next year's cleaning contract. And if let's just say well make it simple. My fiscal and calendar year are the same. Okay, so at the end of the year, the whole company rolls over December 31. And where do I'm doing my budget in October? Well, if I've got a 22, I've got a \$2,000 month budget. And my boss says, I'm not giving any more this year, I still got a \$2,000 month budget. I go out to bid and everybody's 2500 bucks, I'm not going to change. So I could go into more of the psychology about this. And really, you have when you get the bigger the contracts and the larger the customers the more you have to understand this. There are a customer large customers can be a two to five year cycle, right? Just because the cost of change the opportunity of failure for a change. But so those are Wyatt takes that amount of time. Oh gosh, I'm trying to think who in the heck I should look this up because I was talking to somebody else and forgot exactly who it is. Chet Holmes has a buying pyramid. Chad Holmes was the second co-founder of FedEx jets pass now. This is again why you study outside industries and people and he has something look it up called the buyers pyramid. And he proved this over geez, I don't know 50 years of selling it's a proven concept. 3% of the people are buying today. Those are the people that are pinging Google. Okay, I need something today. Who is Google listen okay. And then the paid something you're over here and if you didn't, you're down. There buying today another seven percent of those people are purchasing, probably within the next they're in the buying cycle. There in the next, we'll say a month contract. So that leaves 90%. Well, what in the world are they doing? Well, in chats pyramid, I'm not going to go through it, he explained. Another 20, or 30%, are thinking about why these people haven't even considered buying. And this people aren't going to change because their nephews doing it just to stretch. So they're in this pyramid, and it's proven. So that's why it takes cycles. Because people aren't just going to quit, it isn't going out and getting a new pair of shoes or a new shirt. There's more to it. And I love it. When people say, Well, anyone can clean a building, I'll throw you the key if you show me.

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**Tim Clagg:** Leveraging those current contracts, they may have other business that isn't being taken care of in their building, especially, I'm going to use the example let's say winter, right Winter is coming as much as I hate to admit it, it is almost here. So there's tons of winter eyes services that you could, if

it's not being offered, or maybe you could expand that contract and pick up a couple \$1,000 a year, maybe a couple \$1,000 a month.

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**Mark Anderson:** Yeah, and here's why you're leaving the money on the table. If you're doing the cleaning. And again, let's keep this in somewhat perspective, someone's spending a few 1000 a month, you know, the smaller the account, obviously, the smaller the account, if it's not triple net lease, or excuse me, if it's not a full lease, not a triple net, it's provided by the people you're renting your space from. But most people have to go out and find all those things you're talking about. When you get into larger contracts, say \$5000, but not \$5000 is not exactly large, will just use that they have to buy a number of services, well, they paint their building, they paint the walls, but the walls are a cycle. You don't paint your whole building every year. Now we're back in sight, you have to understand when people buy stuff and what cycles are. And those are the those are the sales cycles, that's when they're ready to buy. They have landscaping, they use plumbers well, you can get and then they use a lot of services that are more vertical to what we do. They may pressure wash, they may window clean, they may do a lot of they buy it from someone well, if you're in there and doing a great job and you're in their building every night, and they liked you and trust you. And it isn't. This is a real no like and trust your service. And um, you're there all the time they're talking to you. And you say well, we campaign? Well, great, would you give me a bid? I'll give you a bid. Usually, they will tell you what they want to spend since they already know you This is my question. Everybody's got a budget. I always say what's your budget? I'm going to tell you and look, tell me your budget is too low. I'm going to tell you I can't do it. Here's what you got to spend friend. You've got a budget, don't tell me you don't. And don't try to get me to get a download, I'll give you the best deal I can give you but with the upsell cross-sell, you can add these in a question is a certain size building to make this work? Well. So, I did, we had painting contracts of 50 to \$70,000. And you get better margins because you sub them how you get all this done. It's the basic con, it's the basic primary and secondary contracting, you know, I'm the prime I hold the contract. I'll take that from me. And they're happy to give it to you because now it's a single point of contact. But again, you have to be doing the work you have to be performing. But when we sold the business it was \$15 million, we were doing a minimum of 10% every year and upsells cross-sell at a minimum of seven to 10% more gross operating margin and off our monthly recurring or monthly recurring services or MRM. It's there for the taking. All you have to do is ask now you have a little marketing program, you have to educate and entertain, but you just don't get it again, it's not let you know it's the same thing. Hey, Tim, I just met you. You want to buy it, you want to buy it? Well, even when you know him, it's the same thing. It's a journey. So you learn what their cycles are on all these things. And if they're happy with the landscape, or they're not going to change if they've got something coming so there's a strategy and a psychology to working on this. But as you shouldn't be able to add 10% If you've got a decent and I'm going to say a marketing program that works with your current clients and educates them, here's what we have to offer. It offers them some value. I'll just say, hey, it's winter. Here are the 10 things you need to do now we're back John. Here are the 10 things you need to do to button up your building for the winter. Snow is coming. Are you prepared? Have you pre-paid in advance for someone to do your snow removal? Okay, because people will prepay. Do you know why? Because when it snows, everybody's busy and you're going to have to wait. And heck we used to sell contingency contracts, we didn't get a lot of snow out here I had a couple of panic customers, but they'd give us 3000 bucks to be first in line and I'd pay the subcontractor an extra, you know, 500 of that to

make sure I was first. And we have that money, whether it's snowed or not, okay. I don't want to belabor this. There's a lot to it. But upsell, cross-sell, bundling, spanning, and they are seven times more likely to buy from you than they are anybody else. Because even if they bring an outside contractor in, they may know you're there. So there's no security issues, there's no key issues, we can go on a single point of contact. And if you work at and now you're tied in. So let's say you don't do such a great job with the cleaning this month. I get rid of these guys. Well, they look down crummy. Let's see they're painting for me. They're doing the HVA services. Now you're doing a few other contractors, but you have contracts with them. They don't take your work away and long story short, they go and I've had this I had to have my million dollar account purchasing agent called us in and goes, well, you know, maybe we better bid this thing. He starts looking down at everything. We're changing all the filters in the factory back. We're painting we're on the line. We're sorting screws, because I can't get rid of you guys doing too much. Yeah, you're doing too much. So what you're doing, just fix your problems for me and we'll be good and it doesn't mean they won't go right but it means they will think twice because all of a sudden it isn't just putting the janitor work or the cleaning or the disinfecting work whatever portion you're in industry silo of serving. And the closer the closer you are, the more valuable you are.

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**Tim Clagg:** 2023 has been quite the journey. We appreciate you for allowing us to bring you information and stories from the world of the commercial cleaning industry. We're looking forward to continuing success in 2024. For everyone at Janitorial Manager, our guests, I'm Tim Clagg, wishing you and your loved ones a blessed holiday season. We will see you in 2024!