Connecting Company and Customer Values for Success

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Tim Clagg: Janitorial Manager presents the Business of Cleaning Podcast, the podcast that brings you the information you need to be successful in the cleaning industry. The Business of Cleaning Podcast provides in-depth interviews with successful personalities from the commercial cleaning industry, as well as discussing the trending topics that matter to you and your organization.

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Tim Clagg: Welcome to the Business of Cleaning Podcast your number one source for information on the commercial cleaning industry. We release new episodes monthly live from the Janitorial Manager studio located in Toledo, Ohio. I'm Tim Clagg, the marketing communication specialist at Janitorial Manager, and your host of the Business of Cleaning Podcast, Happy New Year, friends. This month, we are honored and excited to welcome in Stephen Harper, President and CEO of Spectrum Building Services of America. He founded the company back in 2001. After leaving corporate America, Steven I'm so glad, and I'm really excited to have you on the show you and I met at ISSA and we had a very lengthy conversation. I've been looking forward to getting the chance to speak with you about your experience and your company.

01:16

Stephen Harper: Well, Tim, thank you so much for having me on, it was completely my honor to meet you and get a chance to talk to you and understand what you guys are doing. I had seen the podcast before, and I said man what a great avenue for entrepreneurs to share their journey and to potentially help other folks along the way.

01:32

Tim Clagg: And you have some great ideas and I can't wait to present them and bring them to daylight for our listeners. Steven, let's talk about you here. First, to open the show, you have a very extensive background working for several Fortune 500 companies, I'm gonna brag on you a little bit - like Disney, FedEx Capital One, Boeing, and Gateway just to name a few! What led you in 2001, to make the decision to leave the corporate America side of things and start in a brand new industry- in the commercial cleaning industry?

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02:05

Stephen Harper: You know, honestly, Tim, when I first decided to embark on becoming an entrepreneur, the thing that sort of got me was that while I really love being in corporate America, it didn't really allow me the flexibility and creativity to do a lot of the things that I really enjoyed doing. While I learned a lot of things about processes, about customers, about all the things you need to do to run a company the right way, there were some times it felt a little rigid and confined. And being an entrepreneur that - honestly, when one of the jobs I had was I was running a resort for Disney, it was making 115 million dollars a year, and I was making less than 1/10 of 1% of that. Normally on the business side, they're making a pretty good chunk of money. So, I decided that being an entrepreneur would you know, sort of give me a better path to actually reap some of the reward of the gains that I needed from Disney.

03:00

Tim Clagg: How were you able to take skills from all of those stops in the corporate world, and take that information, and put it all together to start your business?

03:11

Stephen Harper: You know, Tim, I gotta tell you, the thing that I am most thankful about is that I did have an opportunity in those companies because I really developed what I like to call a toolkit, and that toolkit that was, developed and honed and enriched by serving in those executive roles. And in some of those companies, you know, I had an opportunity to really see how things work to really try some things out. And I felt like those things can really thrive in an entrepreneurial environment. And so for me, that was like the big aha, for me to say," you know what, this is really the path for me". I really wanted to go out and do my own thing. I had met some other entrepreneurs who had done things and I felt like, well, gosh, they could do it, you know I should be able to do it too, you know.

03:55

Tim Clagg: And certainly, one of the skills that is valuable and crucial, in all the positions that you have acquired and now as an owner, CEO is leadership. A leader never stops improving. You never stop learning. You have that thirst for knowledge. How important is this particular skill in the leadership role in owning your own business now? And how do you continue to evolve as a leader with all of your experience,

04:25

Stephen Harper: You know Tim, essentially, I actually grew up in leadership, at FedEx, where they really meant that you were servicing your team, you were developing processes, you were capitalizing on technology in a very dynamic environment. But in all that you had to lead, you had to get people to follow you had to say, you know what, it's not just about what I contribute. It's about what I can lead a team of people to contribute. And again, with the things that went on in FedEx, Disney, with our customers, how do you really make customers happy? How do you cultivate those valuable enduring relationships? As you know, Disney has some of the most fanatic fans in the world. Yeah, they do. Who will come back year and year and year again? And I said, you know, the nice thing about janitorial is that if you do a really good job, people are sending you checks every month, no one really knows the team or that there are a janitorial company. So all you have to do is really find a way to really delight

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those customers. But the whole thing about being a leader is that you have to really in view your leadership and your personality into the organization. And I didn't fully realize in the beginning, but the organization becomes you in a way, it becomes an extension of you of how you do things. And so if you're not leading, and if you're not providing that direction, if you're not providing the inspiration, if you're not providing or caring about the people, or any organization is never going to go anywhere. So leadership is everything to me.

05:44

Tim Clagg: You had mentioned in our conversation, there's three things that your company balances everything off of; technical competency, integrity, and sustainability. How have these three things allowed you to achieve perfect balance in every aspect of your business?

06:02

Stephen Harper: You know, here's the interesting thing, when I talk about how the company becomes you were probably pretty technologically intensive and savvy for a janitorial company, especially. And I kind of liken it to when I was at FedEx, where they really, you know, they're a package delivery company, but they had some of the best technology in the world. And so, what I found was that by being an expert, at what you do, that actually when I talk about those three things, those are the three differentiators that I think are really are sort of core for us. And because we know our craft, we really learn about the janitorial business, we understand that it's not just about looking and smelling clean. We know it's about asset preservation, we know it's about health and safety. We know it's about all these things. So we get into the knowledge, you know, as a matter of fact, we talked a lot about ISSA training, we've gone through the ISSA, sim certification process, I mean, all these things that we do, because we know that being experts in what you do, makes those long term customers feel like yeah, they can trust us to know what to do, and to give them the right type of advice. Now look at integrity, again, integrity, we have an unwavering commitment that our work has been built around lasting trust. We know that ours is basically a trust industry. And we have to get people to trust us because we're there at night when no one else is there. And they have to know and believe that the people that we have the processes that we have in place, that everything that we say that we're going to do, that we in fact do. And you know, when I first got in the industry, that was the big thing was that people will promise one thing and get another and, you know, we actually worked with a software company one time, he said, Well, you know, everybody lies until they get in there and you just make it work. And I'm like, no, we're not going to do that. We're gonna tell people from the beginning, what it takes to do what we need to do. And by God, we're going to stick to it. And because everyone I've hired understands it, and they have those same values, and everyone they hire has those same values. It becomes this whole integrity flywheel where everyone is holding everyone accountable for doing what we said we were going to do. And I tell people all the time if I'm ever not doing something, I say, we're going to do call me out because it's not intentional. But if we're going to be in integrity, which is that consistency between what you say and what you do, we got to make sure that we're being true to that. And the last thing was sustainability. That one was the thing that for me, I used to think sustainability was really about, you know, green products and chemicals and that kind of stuff, and not really wasting. But I sort of expanded that to be more than just products and chemicals, but to really be about sustaining our business and sustaining our relationships. So how do you have a sustainable relationship with a customer? You treat them with respect and dignity. You give them fair, but honest pricing, you look out

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for their facilities, and the things that are in their best interest. Same thing with our employees, we really know that employee retention is key for us. Because if you can keep a janitor, you can keep a customer. I mean, I can look back at one of our longest customers, Herman Miller, we've had that customer for 16 years, you know why? We've had the same day worker for them for 16 years. Wow. And they love the company is her to them. And so for us, focusing on employee retention, and ensuring that we keep those employees who know that account who know those customers who built those relationships, because then when it comes time when something goes wrong, or we need to have a difficult conversation, it's a whole lot easier, because we have that relationship, not only, like they don't want to lose that employee that they love, they don't want to lose that person's business there. And the last thing was really about our business practices. We have to have sustainable business practices so that the company can sustain itself. I mean, our company's been around for 21 years, which is a good amount of time, but it needs to go longer. In order to do that. We have to make sure that we're operating in a way that is in accordance with the spirit and intent of the law, and in the spirit of intent with good business practice and, more importantly, you know, a company has to be profitable, we got to make enough money to sustain the investments that we need to make for the long term. You know, we make investments in technology, we make investments in our people in training, we make investments in our equipment, we make investments in software, we make investments in all these things, all that stuff takes money. And if you're operating on that edge, if you're not building your business, and everything you do to be sustainable, you're not going to make it because someone's gonna walk away.

10:25
Tim Clagg: And I want to go back a little bit to the first steps when you started this company. You'd said, when you came in the industry you had success, you grew the company out, but you didn't necessarily have initial visions of having it grow out as much as you have. When did you realize Steven, well, you know, what plans change, and I'm gonna go ahead and run with this growth, this expansion. When did you kind of decide, well, you know, what, we're gonna, we're gonna go ahead and expand this further.

10:58
Stephen Harper: Well, you know, it's kind of interesting, because when I originally looked to start a business, I envisioned the business that would allow me to have more personal and professional balance. Because there was a period of time where I worked 10 years, without taking a vacation when I was looking for corporate America, it was just crazy! You know, 60–70-hour work weeks, just all the time, it was just so normal to me. You know, my kids who are adults, now, they actually came up to me, they got me a little pig with wings when I said "Oh, yeah, I'll be home in an hour" and they would say “When pigs fly". So, they gave me a little pig. Because I was working so much. And so, I really wanted to have that personal/ professional balance. But the thing that I see now is that in order to have that, I realized that I have to have growth. Growth is pivotal for that. Because in order for us to create an exceptional workplace, and honestly fun, all the great things we want to do, it can only happen through growth, because you have to be able to increase the price. And you have to be able to add new customers, you have to be able to give people career opportunities, you have to give them places to go and things. So, they don't have to leave you in order to achieve what they want in life. And so what I found was that, in order for me to really create an exceptional workplace, and to have the level of

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flexibility that I have, you know, that we have to grow to a certain size and earn a certain amount of money to be able to do that, because one of the things that I've always done is I've always said, You know what, I'm always never going to get sucked into working on the company and working 60-70 hours because that's not what I want. But then I realized that my job as the present CEO is to work on the business, not in the business.

11:15
Tim Clagg: Yes, such an important phrase, kind of you always we find ourselves circling back to that phrase you just mentioned right there.

12:42
Stephen Harper: Yes, and, so because of that I don't, want to have a job because I want to always be available to lead my team to give them what they need to be looking out for what's around the corner that we don't all see, to be focused on, what's the next thing that we got to do in order to be a great company. So that's really my job, even though yeah, I can do accounting, I can do finance, I can do all those things. But if I don't have the right people in those positions doing and, again, you got to pay them, you got to pay the right people, because paying the right person is much more cost-effective than underpaying the wrong person.

13:19
Tim Clagg: You've been able to focus on that business, and you and I really kind of talked about and one of the key components of this episode is profit margins, you and I average standard profit margin in 2024, entering the new year, up around 4.5%. That to me, that number just makes things get seem like they get squeezed a little more tightly. What are some strategies that you've done that you can share with our listeners to help them maybe look to increase that profit margin in the new year and kicking off in the right way?

13:54
Stephen Harper: You know Tim, I didn't know the industry profit margin was that low when I first got into it, it was I'll say a revelation. But we aim for sustainability. So, when I started off, I didn't know any better. So, I said, I'm gonna aim for about 20% profit margin. That felt like a reasonable profit margin to me, it didn't feel excessive. But it felt like enough that I could do the things that I wanted to do, and still be able to operate because we do a budget every year. And I'm like, okay, in order for us to do this, we in order for us to pay raises in order for us to invest in technology in order for us to do these things. We need to have X amount of profit in order to be able to actually invest that and to be able to do that. And so our strategy really sort of focused on really kind of, you know, what, I'll call these growth engines. I mean, these are engines, one is growth, we have to have the ability to grow the company in a sustainable way. We've grown sort of accidentally people have found us we've done a little bit of marketing here and there, but we never really had a thing where say, Okay, we're going to grow 25% A year, every year, year in year out, and we have the tools, processes, and resources behind it to make that happen. The other thing that we're focusing on is being a talent magnet. And I'm grateful that in the 22 years, I've been running Spectrum- 23 years that I have run Spectrum we've never had a problem recruiting people. That's never been an issue. We've always had more people want to work for us then we have had to go looking for.

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13:58
Tim Clagg: That's a great problem to have, that is a great problem to have.

15:28
Stephen Harper: We've never placed an ad for a janitor ever. And really how we execute day in and day out, how do we make sure that we're fulfilling our promises to our customers day in and day out? And then honestly, being financially acute about how we do things. Are we doing the things necessary to be profitable? And even more important, are we collecting that money that we make in profit? Because you know, what? Profit doesn't pay bills, cash pays bills. Cash is still king focus on those things.

16:00
Tim Clagg: And one of the things I found so fascinating with our initial meeting back in, ISSA in November was you put the phrase, we were cool, we were remote before it was cool and took off. All of your employees are remote, except I believe one is what our conversation led to.

16:20
Stephen Harper: Yeah, it's essentially, you know, the way it started was that I had an employee who had been with me for six, seven years. And she had a situation where she had to move because her husband's job moved to Nevada. And I realized I was pretty sad. But I was like, Okay, well, you do what you got to do, you know, I'm always happy, you know, people move on and do their own thing. But and so she helped out for a while we're looking for a new person to transition her role. And as it turns out, she was able to do her job successfully, because technology is evolving the way that you can do that. And so, she worked remotely from bed. And this went on for several years, actually. And then COVID hit. And then we needed everyone to work remotely. Because we couldn't bring people into an office. And so we let people go remote. And about a couple of months in I realized I said, this is the future. People need this flexibility, especially like I had, you know, I have employees that have young children, I had employees that have families with health situation, employees have different things. And you know what, giving them the ability to work remotely and flexibly has made them more engaged as employees, like I kind of joke because I give everyone they can work remotely, and they have unlimited paid time off. So they have the complete flexibility to manage their schedule, the only thing I've asked is that the things that need to be done for the company to be sustainable because you all know what it is that you're doing your part that contributes. And we have metrics that we measure to have accountability for those things on a weekly basis. So, this has been one of the big things like I wouldn't boy, I kid you not, she does our payroll stuff for us. And she delivered, she did payroll the day she delivered her baby because she wanted to make sure she got it done, Anyone else would say hey, I want to take some time off, I want to do this because she was already home anyway, you know, but she's so committed to doing her job and taking care of the company because the company takes care of her, you know, we try to create this environment of caring, you know, I care about them, I care about what's important for them in their lives, they care about the company, and then we all care about each other. And this whole environment of care really encourages people to really do their best at sort of what they're doing and when necessary to pitch in in ways that will be you know, a little bit different at times.

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18:59
Tim Clagg: Steven, I've had a remarkable- I've only known you in a short time a few months, but in our conversations, the examples you know, like you just gave not working. I'm not taking a vacation - excuse me- for 10 years and then that kind of understanding you're a very empathetic person towards your employees. And that's probably why a reason why they're so comfortable with doing those things is because you do take the time to understand Would you would you think that or rate that as one of your highest and best qualities is your overall empathy towards your employees?

19:31
Stephen Harper: You know, I wish I was more empathetic to be perfectly honest with you. I think that I have a level of empathy that comes from having been there certainly for sure. And when I started Spectrum one of my things was that I wanted to create a company that I would want to work for myself. So, I said if I worked for a company what would I want from them? I want them to pay me an above-market pay. I would want them to give me regular salary increases. I want them to give me an opportunity to earn bonuses based on how I'm contributing, I would want, you know, benefits. I want flexibility. I thought about all the things I would want. I said, you know, this is. So, this is what I created. And it was intentional in the way and it wasn't born out of empathy. But I'm glad that it feels very empathetic. Yeah. Because I do have employees who have young kids and the fact, they're able to be home with their young kids while they're working. To me, that's a huge plus.

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Tim Clagg: More so than ever. And I definitely respect and appreciate that.

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Stephen Harper: Because I can't imagine them having to pay for daycare, you know, while their kids- daycare is expensive!

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Tim Clagg: Average costs in about three years, they say it's going to be projected at $40,000. It's crazy. We're talking with Stephen Harper, President, and CEO of Spectrum Building Services of America, since 2001, when they started. Your company is finishing up going through a rebranding process to carry into 2024. What objectives are you guys hoping to accomplish with the rebrand? And what decisions lead a company towards a rebrand?

21:01
Stephen Harper: Well, you know, ours was really, you know, I say rebrand. But we really didn't have a brand before this was really our branding effort. And it started out of the thing as I was going through, and learning, okay, we had to create a growth machine. So, we were marketing, and I thought, Okay, well, how do we get customers? What kind of customers do we want? So, we really started going through and asking ourselves all these questions. And then, as part of that process, I was exposed to a video by Simon Sinek. And it was about understanding your why. And really, customers don't buy from companies, because they do a good job, they buy from them because they buy into why they're doing what they're doing. And so, we had to really figure out what our why was. And last year, I was actually

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involved in a program with Salesforce, it was an entrepreneurship mentoring program. And they gave me access to some of the best minds at Salesforce, some creative forces, some marketing forces, sales forces. And the really great thing was that we actually were able to develop a mission, you know, beyond just making money, you know, because that would allow us to attract the right customers, because without people knowing what you're about, why did they choose you over any of the other guys out there with a mop and a bucket that claim they clean good? I mean, how do they do that? And, so, you know, building that whole process, it allowed us to articulate our mission, and to be able to attract the right customers through digital marketing and account-based marketing. And, you know, we've learned to identify customers who share our values, you know, like, our mission is clear. Now, we say our mission is to be caretakers and stewards, and restoring and enriching spaces so businesses can thrive. And the thing is, it, sounds like, oh, wow, what a thing. But it really is we do seek partnerships with those who value their facilities as much as we do. I actually had to, you know, terminate a relationship with a customer because they just didn't care about the facilities. And as much as we tried to tell him, look, you need to do this, in order to take care of this, you need this. They were just so intent on pitching things. It was just maddening. It was in a way embarrassing, , but it was a way real. I was actually meeting with them. And I started tearing up as I was talking to them. And I realized, wait a minute.

23:21

Tim Clagg: You know what, I want to continue to talk about branding. But this is a very interesting topic that I want to circle back to. When you were going through, as you guys finished up that process here of a brand solidifying that what you want to be, right, during that process, how vital was it before starting it, to have everything in a detailed, organized fashion laid out in front of you? So that way, there wasn't something that was overlooked or not discussed, when you guys became committed to that.

23:56

Stephen Harper: Well, you know, the thing is that we really looked at it as a process. And so we laid out the process that we were going through, and the objectives that we want to accomplish more so than the specific detailed steps of everything. But we had the right resources, we took our time, and we just really asked ourselves questions like, what are we really good at? What are we not good at? You know, and it’s, that willingness to be honest and vulnerable about what your capabilities are. So we can do that, deep dive. Branding work is a different kind of work that I'm used to doing. I mean, I'm used to doing analytical work, financial modeling, engineering, analytics stuff and then we'll talk about okay, what do you feel, you know, what do you believe, you know, , and, that's where those three core values I came from in terms of technical excellence, integrity, and sustainability because those are the things that were just really good at. I mean, we're at our best, and we're focusing on those things. And so, you know, we got to make sure that we're finding customers that actually value that as well, because then our haggling is not about price and about this, it's about, we know we want to work together because we're in alignment.

25:18

Tim Clagg: I thought it was really fascinating what you just said, having those tough conversations, because everybody doesn't feel sometimes comfortable discussing. There are some problems, there are some things we can improve. But if there's nothing to improve in my job or your job, then we should

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all just retire right now. So how difficult was that- it might not have even been difficult at all, to because some people sometimes may not respond to that criticism, or the things you aren't doing so well at then other people might but coming together as a team, what was that process like going through that together with your team?

26:00

Stephen Harper: Well, here's the thing that our team is used to that sort of process. We've always from the beginning of the company had, an annual planning process, where we would go through and do a SWOT analysis where we do this. This is opportunities and threats. And so we were sort of used to that. And, again, I think that I've cultivated enough equity with our team over the years that they know that I am, above all things committed to the truth. And that while I love to hear good news, I have to hear bad news. You know, it is such a part of our culture that really nobody holds back when it comes to things that we don't do well, right? And, at the same time, if anything, I think that probably over-glamorizing things that we do well, even though I believe we do them well but to them, they're so shocked, because they all worked in this industry for years. And they came here, and the reason they that they've stayed here, you know, most of them program decade is because it's different. It's different here, I've had one employee who worked with worked for me for five years, left for two years. And he's been back now for eight years. So, he's worked with for a total of 13 of the last 15 years. But he says I went out there, I wanted to see I wanted to explore something, and I saw that you know what, it's not like this. And so, trying to create a work environment that attracts people who thrive on excellence and growth, and professional pride and caring, you know, finding those people that's the key. And that's why even when we recruit, we have people we recruit for values, we don't recruit for skills, and I mean we can teach anybody the skills. This is why it's not a complicated industry, but the values, that's huge.

27:51

Tim Clagg: And that's a conversation having with guests, that kind of is a reoccurring theme is what you just said right there. We want to get to know somebody, when we're going through that interviewing that recruiting process, we want to get to know who they are as a person. So that way, we know that they line up with our values, our agendas, we can train them. So why do you think in 2024, because it's still a huge problem industry-wide, that more people don't feel comfortable or just don't take that approach in general, why do you think that is?

28:28

Stephen Harper: You know, it's, harder, and it takes longer because it's easier to look at a resume and see skills, and say well- this person has all the skills, let's bring him in, as long as they don't blow up, you know, we'll hire you, right. But our goal, we do what they call a behaviorally anchored interview. And we talk to them about things they've done in the past to show attributes that we're looking for. And so our goal is to understand how they problem solve, how do they react to adversity. How do they work together as a team, what happens when things go wrong? You know, it really is about getting to know them as a person. And even during the interview process, I'm just taking notes the whole time. I'm writing down everything you say, and I don't do most of the things I do 99% of time I just ask the question, sit back and just write down what they tell me. People will reveal themselves to you if you say well, they will reveal themselves. And that's what I want. I want them to reveal themselves to me because to be honest with you. If they don't fit our, our values, I'm so anal about it that they won't

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survive anyway. I mean, they won't. And we've had instances where people sort of fake their way through the interview and they gave the answers that seemingly were close enough and people liked it. But the reality is, once you get here, it's like you know, oh you know that? Yes, we did. As you know, one of the one of the biggest ones is that we tell all of our frontline managers, you work for the employees, they don't work for you Your job is to give them whatever they need in terms of resources, time, energy, equipment, training, whatever to be successful at their job. Because if they're not successful, especially if none of them are successful, well, I'm looking at you, I'm looking at the man, I'm not looking at them.

30:17
Tim Clagg: Going back to that process being so in-depth, have you found in your own personal style when you're recruiting and hiring, that getting to know a person that you may have more success with somebody who, like you said, we can train them that might come from another industry with necessarily not a commercial cleaning background versus somebody-okay. He said, two years here, a year here, and a year there. What is that process? Like? And what is the success for those people who are transitioning into a new career path?

30:53
Stephen Harper: You know, I understand what you're saying, if I look at my leadership team, about half of them came from the cleaning industry, and the other half did not come from the cleaning industry. And, I've seen equal levels of success along the way. So, to me, that sort of validates in my mind, that it isn't about experience in the industry, although this isn't to say that experience in the industry is irrelevant. It just means that it's not everything. And so, what we did was we put together a training program, along with playbooks and all this stuff so that people can learn how we do things. But the more important thing is to learn how we do things because we haven't documented it well enough so that you can follow along and do it if you just do the steps. And we have a mentor who works with you to help you learn those steps along the way. So again, while I think that having industry experience has some merit to it, and attracts a certain type of person, so I'm not surprised that you know, to have someone that actually did come from the industry. But it's not everything, it really is not.

31:59
Tim Clagg: 50%, that's a lot higher of a number than I thought, which is a great thing. I didn't come from the industry.

32:05
Stephen Harper: Right, exactly.

32:10
Tim Clagg: Knowing your worth in your contracts is something that all commercial cleaning businesses have to know and understand. And you talked about, it just scratched the surface, a lot of companies are necessarily not comfortable about taking, talking about this next subject. Not all contracts are going to be as you documented the best for your business, being able to bring in the right customer, and saying no to somebody that might be the wrong customer. You shared one example. But what are some strategies, that you imply that you could share other listeners or businesses that to employ this

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identity. And potentially finding out those problematic contracts before entering into those agreements. Because they think well, you know, what? Pretty enticing contract. But here's a red flag. Here's a red flag.

33:07
Stephen Harper: You know, it's funny customers actually tell you the red flags, it's actually pretty amazing. Like one of the first question, we asked is, How long have you been with the last company? And why are you changing companies? Anyone has had more than two or three cleaning companies in the last five years. That's a red flag. That is a red flag for me.

33:26
Tim Clagg: Would you be willing to take on that contract, then if it was two or three and five years?

33:30
Stephen Harper: If they had a really good explanation for it, then yeah, but if there was just, I know, they never did this, they never did that. The red flags cause us to dig deeper. It doesn't cause us to go away necessarily, so we say, oh, why didn't they do what they're supposed to do? What was the specification? What was the budget? You know, what, what are your expectations and really sort of looking at that whole thing? Realistically, if they have unreasonable expectations, that then then then then, you know, we can help educate them. But you know, my favorite story was the one that was a chain of grocery stores, and like 50 stores, and they wanted us to come in and clean them. And so they called us and, and we asked them what, you know, whether it's Oh, no, we love our current company. I'm like, whoa, why are you getting rid of them? They said, well, because they wanted to raise the price to account for minimum wage, really?

34:31
Tim Clagg: Oh man! And being that open and upfront about it too. I mean, good lord. Why do we think that some companies are fearful of going through that process? You know, some people may well my company may not be in a position to say no. So, we have to accept a contract that may have a red flag or two underneath of it.

34:56
Stephen Harper: I've been there. So let me just first say that I have taken customers that at the beginning. And this was a while back to be fair, but I said where they weren't really a right fit, I knew it wasn't going to be a great deal. But I needed to get some more money coming in the door. And the reality that I have found is that it takes so much work, time and energy from your management team, your team, whatever from your employees, you got to deal with the employees because you put them in difficult positions with customers where they can't really be successful. That, again, it puts you in such a position that you can't be true to who you are. And it ends up not being a sustainable situation. And so what I've come to realize is that getting customers who are more aligned with who you are, and how you do things, makes it easier to run a business. Because I can tell you, our business is 50% bigger than what it was four or five years ago. And the reality is, that we have the same overhead that we had the same amount of management, the same amount of office staff. And so, you know, the ability to be more efficient with customers. And to service those customers more cost-effectively is what helps us to

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have the profit margin we have without relying solely on a higher price because you can't always rely on a higher price. And you have to be competitive within the marketplace. But if you can reduce your costs in a way that makes sense through technology, or through the way you deal with things the way we do so. And some customers just don't fit well into that. So, you got to really identify that upfront and say, you know, I said this during the beginning, I said, you can be cheap, or you can be a pain in the ass, but you can't be both.

36:51
Tim Clagg: Right?

36:55
Stephen Harper: Because, you know, like, if you're paying Yes, but you're paying a lot of money. Well, we can try to find a way to work around it. Okay, maybe but if you're both is that's the best. But I've expanded that to a little bit more holistic list. That was my initial list.

37:10
Tim Clagg: Steven, we certainly appreciate you taking time out of your busy schedule, especially after the holidays, to come on the show to discuss so many valuable and important topics and trends in the commercial cleaning industry. How can people find you guys on social media, you guys do have a brand new, beautiful website, by the way.

37:29
Stephen Harper: Thank you. Yeah, we were in the process as it needs to be right now. And again, I'm always overwhelmed with people, we're actually, as part of our rebranding, we're actually redoing our website to optimize it better for a digital market, we've learned some things and figured out how to do some better. We've we're starting to put out content about the services that we offer about our company and about how we do this so that people when they come to our website, they can understand who we are, it's not just text, it is actually videos that we shot a video and actually at one of our customers, and actually some of our customer's locations, because we want to make sure that we're doing a great job of presenting it so they can find us a spectrum bsa.com But we're actually relaunching a LinkedIn page, we're redoing a Facebook page, Instagram, so those things won't be there. And we'll have links to those on our website. But if someone wants to start there, they can do that. If they want to reach out to me, you know, personally, you know, my email, that's fine as well. I'm always glad to help and support other entrepreneurs, other people in the industry that are that are where I was, you know, because, you know, I wish someone had been there to help me when I was at that stage. So that's, that's really why I came on today. You know, what if I can be of service if I can help other people, you know, not make the mistakes I made, make some different ones, you know, let me help you avoid these you know, or to share some insight that might, you know, accelerate their growth. I'm always happy to do that.

38:59
Tim Clagg: Pay It Forward mentality. Absolutely. Love it. One more thing, friend. Go. Bruins! UCLA graduate. That's one thing you and I was so excited to share. Living in the East Coast, being a huge UCLA fan. I wanted to share that moment with you.

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39:16
Stephen Harper: And for those who don't know, I actually went to UCLA for graduate school. I always joke that the two times that they won the national championship, I was on campus.

39:28
Tim Clagg: So, I better go there. And you better go quick because they got a young team, a very young team that's trying to grow in time for March. But Stephen, certainly appreciates you coming on the show and we can't wait to stay in touch with you and we're excited about your company's rebrand, and launch of all the socials on the website that will conclude this month's episode of the Business of Cleaning Podcast. Be sure to subscribe on Spotify, Apple podcasts, Google podcasts, or wherever you get your podcasts from. Also, be sure to leave us a five-star review with Your comments from everyone at Janitorial Manager our guest Stephen Harper I'm Tim Clagg saying so long until next time!

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