

Regional Building Services

It's All About People

Cecil Osborne, Jr., doesn't particularly want to talk about the equipment his company uses or how he and his partner, Paul Duma, organize their operations at Regional Building Services Corporation in Kirkland, Washington. No matter where you start, he brings the conversation back to people.

The most important people for RBSC are clearly the customers—and the people those customers serve. In fact, the first thing you find on the Regional Building Services Corporation (RBSC) web site is the mission statement: "To provide innovative, practical and highly professional Customer

Focused Quality Service that allows our customers to effectively and efficiently service their customers." In conversation Osborne reinforces that message over and over: "We're there to please the customer."

The customers clearly appreciate that approach. RBSC, a franchise business that the two principals started from scratch, will celebrate its fifth birthday in April, and it's doing a comfortable \$3 million annually, thanks as well to some other people: its 25 employees and 35 franchisees. The partners and their colleagues have one very important philosophy in common: "We work hard. We work hard at getting business, and we work hard at keeping business. Everything we do in the office or on-site has one focus only: to give the best service possible."

Willing Workers

Of course, there's more to it than working hard. Osborne and Duma make sure their people work smart as well.

Training is very important at RBSC. The partners use BSCAI training materials as well as their own, and insist that no employee goes into

a customer's building until he's had 16 to 24 hours of training, depending on the experience he's bringing. Osborne and Duma may have started their careers behind a mop, but they know that today there's a lot more to building services than a bucket of soapy water. "The equipment and the materials we work with are getting more sophisticated every day," Osborne says, citing special finishes that have to be cleaned with custom-mixed chemicals. "Employees need training for everyone's safety as well as the customer's satisfaction." Once the preliminary training is completed, the employee spends the next two weeks on the job under very close supervision. Only after that is he given some degree of independence in getting the job done to RBSC standards.

RBSC is not unionized but pays above union scale. "We have to compete for employees, and the only way for us to get good employees is to pay well," Osborne says, noting that the company also has a profit-sharing plan. "The ones who are actually doing the work

are getting the lion's share of the money."

The company keeps a lean administrative office—seven people—but makes sure there's operations back-up for the on-site people day and night. "All our staff are well-versed in the business," Osborne says.

Treating your employees well pays off: RBSC employee turnover averages 10 to 12 percent. Unfortunately, commercial vacancy rates have been rising in the Puget Sound area and construction has been dropping, so Osborne has had to lay off a few employees recently. "In downtown Seattle the vacancy rate is 15% and on the East Side it's 25%," Osborne said. "And construction cleanup used to be 15% of our business. Now it's 2%, because nobody's building." He sees the economy in the Pacific Northwest starting to turn somewhat—"but very, very slowly."

Some companies might be content to have gone from \$300,000 to \$3 million in five years, but the partners worry that the business isn't growing as fast as they'd

BY ANNE GRANT

like. Osborne and Duma had been hoping for 50 percent growth this year, but recognize that the goal will be tough to meet given the economic situation.

Experienced Franchisees

"Our ideal franchise client," Osborne says, "has some experience and good access to the kind of employees we prefer." Franchising is a very competitive business, but RBSC has done a good job in attracting and retaining the kind of franchisees it wants, even though it takes a very low-key approach to recruiting and gets most of them through word of mouth. "In five years, I think we've taken out two or three newspaper ads inviting applicants for franchises," he says, "and we haven't got a single franchisee that way." No more newspaper ads for RBSC, obviously.

Whether a building is serviced by a franchisee or RBSC itself depends on the customer, Osborne notes. "Some customers only want employees."

Osborne and Duma know

what kinds of customers they want as well as what kinds of franchisees. Although the buildings they handle range from 500 square feet to 500,000, "on average," Osborne says, "the building will be 65,000 to 75,000 square feet and bring in \$4,000 a month."

Respecting Others

Osborne's respect for his employees, franchisees, and customers is clear, but he also speaks highly of his colleagues in the building services industry. "The public has no idea how big a business this is—\$70 billion annually—but what impresses me most is how many good people there are in it. Most people in this business are very knowledgeable. Even though they may be taken for granted by their customers—we rarely hear from a customer unless there's a problem—the majority work very hard to provide service."

RBSC also respects the community. The Seattle area is well-known for its commitment to environmental responsibility (there's an old joke that at a ball game in

Yankee Stadium when the New York fans were pitching debris on the field, everyone knew they were playing the Mariners because the Seattle team started sorting it for recycling!), and since its inception, the company has been a member of the King County Green Works program, whose logo is prominently displayed on the RBSC web site. The motto of the program is: "Sustainable businesses run lean and green—and sustainable businesses lead to a healthier environment." Osborne feels the program, which gives free assistance on recycling, where to buy recycled products, water and energy conservation, and source control to reduce waste, has been quite helpful.

Room to Grow

Although the economic skies may look a little gray at the moment, Osborne and Duma see plenty of opportunity along the I-5, I-405, and I-90 corridors running from north of Seattle south to Tacoma. They also see plenty of opportunity for companies like theirs. "Though the

average janitorial service has about 10 employees and \$500,000 in revenues," Osborne says, "the trend is toward larger operations. New architectural materials, new legal requirements, new building security requirements are all moving the industry deeper into complexity. It makes it hard for smaller business to compete."

The two principals in RBSC have a clear vision of what the future can hold for their company. They know the path they want to take. Best of all, they know that, today and tomorrow, their success depends on people, whether those people are customers, franchise clients, employees, or their community.

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