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One Hundred and One

BEST
Companies
to **WORK** For

in the residential
construction industry

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PERIODICAL

101 BEST Companies to **WORK** For in the residential construction industry

Being the best attracts the best

BY MARJIE O'CONNOR AND KIMBERLY SWEET

Labor continues to be the most pressing issue facing the construction industry. While many remodelers are working on growing a new labor force by offering scholarships and internships or teaching at local high schools, the industry can't afford to wait that long. To get the great employees you need to achieve the highest-quality customer satisfaction and best business results, you need to look within. Is your company a great place to work, the kind of firm where top-notch managers, carpenters, salespeople and designers want to be?

"One of the reasons the industry has some of the labor issues that we have is we don't have the mentality of being quality employers," says Denny Cisney Sr. of Cisney & O'Donnell Inc., a \$3 million remodeling firm in Huntingdon, Pa., and one of the companies that made our first list of the 101 Best Companies to Work For in the Residential Construction Industry. He says he's constantly recruiting, and that's why he pays attention to creating a goal- and team-oriented company culture, and to rewarding individuals and departments that exceed expectations with bonuses.

Making Cisney & O'Donnell a great company to work for is costly, to be sure, but has benefits besides recruitment. "A lot of it has to do with our reputation in the community," says Cisney, a feeling echoed by many managers at companies on the list. Satisfied employees who take pride in their company tend to make for happy customers.

Then there's the not-so-small matter of retention. Turnover costs differ for each company but include separation costs (severance pay or unemployment compensation, and time spent on exit interviews and paperwork), vacancy costs (overtime pay or hiring a temp), replacement costs (costs of ads, and time spent interviewing and testing candidates), training costs, and productivity lost while new hires get up to speed and other employees learn how to work with them.

Finally, developing a positive work environment can directly affect the bottom line. "The whole business of remodeling is played in a very slim margin," says Steve Howell of Howell De-

Compensation that motivates

Those who praised their company's compensation plan wrote not of riches but of fair, perhaps above-average wages. What they liked most: incentive programs that award per-project, quarterly or annual bonuses based on hitting or exceeding gross profit targets, meeting production schedules, and satisfying customers.

"The base pay scale may not be the highest, but the incentive brings it up," says Lois Bishop, the marketing and public relations assistant for **Cisney & O'Donnell Inc.** in Huntingdon, Pa. Starting fresh each quarter, the incentive program provides rewards based on department (accounting, production, sales, marketing) performance and individual performance. There's also an annual "Black Friday" bonus at the end of the fiscal year in September based on the company's overall bottom line, which includes profit from its remodeling and pool retail divisions.

"It helps to reinforce the feeling that we're all in this together and what you do affects everyone else," Bishop says. "It gives you a vested interest in the company."

President Denny Cisney Sr. started the incentive program about 13 years ago. "We all have monetary goals, but sometimes we aren't willing to make the sacrifice," he explains. "I didn't want to lose people because they were under too much stress. If they want to go home every day at 5, they can, but they have to understand they won't make as much money."

In 2001, he says, the accrued bonuses for his 23-person company totaled more than \$100,000. To make sure there's enough money to reward high performers, Cisney & O'Donnell puts as many costs as possible into the price of each project and then aims for a 32% to 37% gross profit on top of that. Carpenters in this rural area average \$10 to \$16 an hour; Cisney & O'Donnell's lead carpenters make \$12 to \$14 an hour, but with bonuses and incentives can get as high as \$30,000 to \$40,000 for the year.

Across the country in Santa Barbara, Calif., **Allen Associates** uses a different kind of incentive program: management by objectives (MBO). The president, vice president and the eight associates — managers who each run their own profit center — set individual goals based on the company's objectives. Associates receive a base salary, plus bonuses (up to 60% of base salary) based on performance and realization of objectives such as vol-

ume, profitability, customer satisfaction and team building. Associates earn \$65,000 to \$80,000 annually.

Field employees don't work under the MBO system. Average pay for their positions is \$25 per hour for a project foreman, \$24/hour for a journeyman carpenter, \$15/hour for apprentices, \$13/hour for skilled labor and \$9/hour for unskilled labor.

At **De Mattei Construction Inc.**, a 17-year-old remodeling and new construction firm in San Jose, Calif., the numbers for

the field are fairly similar. Finish lead carpenters can make as much as \$35 an hour, entry-level carpenters start at \$18 per hour, and laborers earn \$12 to \$14 an hour.

"Others will pay over-market to get people," says John Hinton, the chief financial officer of De Mattei, citing rates that go as high as \$60 an hour. "The problem is, they let them go after just one job." De Mattei, with \$32 million in annual revenue, employs Hinton, president Mark De Mattei, seven project managers, three project administrators, a receptionist, three people in accounting, a draftsman, a designer and about 30 field employees.

"You have to pay market to the employees to be competitive," says Hinton. "But you can be different from the next guy by what you offer that they don't have to pay taxes on." At De Mattei, that includes health care and a 50-cents-on-the-dollar company match on the 401(k) plan for all employees.

Hinton says the cost of supporting so many full time-employees is justified by the quality control that having in-house carpenters provides. "We get more efficiency," he says. "We have less turnover, and we feel we can get things right the first time." In De Mattei's high-end market (its average remodel is \$400,000, and its average new home runs \$800,000), having top-of-the-line finish carpenters is especially important.

Only the seven project managers, however, receive profit sharing based on each project's success.

DreamMaker Bath & Kitchen by Worldwide in St. Louis Park, Minn., uses an incentive plan set up so that "if one person does well, all do," says general manager A.J. Paron-Wildes. "We don't want it to be so competitive that salespeople won't help each other." For instance, salespeople get a 10% commission, but only if they achieve a gross profit of 45%. Their "stretch" goal is 55%. Their incentive? For the first \$300,000 of work sold above 45%, each salesperson gets a \$1,000 bonus. For every \$50,000 sold beyond that, each receives another \$1,000 bonus. And everyone else in the eight-person office gets 10% of those bonuses. — K.S.



Lois Bishop

Cisney & O'Donnell

Photo: Michael Hartman

sign & Build Inc. in North Andover, Mass. "Efficiency in the field is really key to your margins. I wanted to give the field employees a stake in bringing the projects in on budget and also reward them for ideas that increase efficiency."

Howell's monetary incentives have resulted in a number of such initiatives, including packing Dumpsters more tightly and thus using fewer (they cost \$700 each), and returning extra materials for credit.

The next question is, what makes a company great? Our research revealed that the answers for remodelers and new home builders differ slightly. Remodeling employees value corporate culture and respect above all, followed by job satisfaction, workplace trust/management credibility, and pride. Compensation and camaraderie tied for the next spot, followed by fairness and then training, with communication and customer satisfaction tied for last. Workers for home builders value corporate culture and respect somewhat less, with somewhat more emphasis on camaraderie and communication.

Companies that were nominated but didn't make the 101 list had a disconnect between managers and front-line employees, with company values and goals either not shared or not communicated. Another common problem was office-field disconnect, with unhappy carpenters and laborers wishing for the same benefits and opportunities as their office colleagues enjoy, plus better communication with the office.

Among remodelers that made the list, the strongest scores came in the categories of job satisfaction, management credibility, pride, camaraderie and customer satisfaction. Read on for tangible ways to make these intangible qualities a part of your company. — K.S.

Picking the 101 Best

This past fall, the Reed Residential Group — *Professional Remodeler*, *Professional Builder*, *Luxury Home Builder* and *HousingZone* — invited remodelers, builders and architects to nominate their company as one of the 101 Best Companies to Work For in the Residential Construction Industry. The nomination form was posted on www.housingzone.com and printed in our pages, with e-mail invitations sent to readers for whom we have e-mail addresses.

Ultimately, we received more than 6,000 nominations representing more than 300 companies. Companies with at least one complete nomination were asked to have their employees fill out an anonymous survey evaluating their workplace. The form could be completed online or in printed form and faxed or mailed. Companies of 500 or fewer employees were required to have at least a 50% rate of return; larger companies needed to have at least 250 randomly selected employees return the form.

A total of 5,834 employees filled out the survey, and their forms were sent to independent research firm Irwin Broh & Associates Inc. of Des Plaines, Ill. A correlation analysis determined how to weight each of the 11 factors — corporate culture, job satisfaction, workplace trust, respect, pride, camaraderie, compensation, fairness, communication, training and customer satisfaction — covered in the 90-question survey. The companies with the highest scores made the final list.

If you think your company should be ranked among the 101 Best next year, write us at 101best@reedbusiness.com.

Clothes encounters

The owners of a remodeling firm have to know they're doing something right when employees report conversations with former clients triggered simply by a company shirt or jacket. Ed Warren, roofing production manager for **Kaz Brothers Construction** in West Seneca, N.Y., says these chats have become so common that it's hard to recall any particular one.

"When any of us wear our Kaz Brothers shirts or jackets," he reports, "we get stopped in stores, restaurants, at sporting events by former customers who tell us stories of how satisfied they are. It's very gratifying."

Such obvious public recognition is quite an ego trip, of course, but the day-to-day satisfaction of a job well done is more



Ed Warren, Kaz Brothers Construction
Photo: Phil Matt

meaningful to survey respondents. Just about every company on the 101 list had the word *quality* pop up on its completed survey forms. Most of the remodelers on the list had at least one employee boast about the high percentage of work for returning customers or direct referrals from former clients.

Randy Ricciotti, production manager for Los Angeles remodeler **Custom Design & Construction**, says "only superior work" meets the company's standards, and that each of the five employees feels pressure to keep

improving his or her skills and, by extension, service to clients.

"We're all on the same page," he says. "We all truly care about our homeowners and about Custom Design & Construction and its ability to give clients a quality project. We keep clients informed at all times. Positive feedback from them is part of what makes your job worthwhile."

101 Best Companies to Work For in the Residential Construction Industry

Company	Location	Years in business	Number of employees
All American Window & Door Co.	Germantown, Wis.	17	15
Allen Associates	Santa Barbara, Calif.	19	76
American Heritage Homes Corp.	Carroll, Ohio	6	30
America's First Home LLP	Altamonte Springs, Fla.	2.5	48
Archadeck of Charlotte	Charlotte, N.C.	14	24
Archadeck/U.S. Structures	Richmond, Va.	22	31
Astoria Homes	Las Vegas	6	100
Bell's Remodeling	Duluth, Minn.	18	3
Boardwalk Builders	Rehoboth Beach, Del.	16	20
Bostic Brothers Construction	Greensboro, N.C.	10	74
Bowers Construction Group Inc.	McLean, Va.	11	15
Bozzuto Group, The	Greenbelt, Md.	13	630
BrackenChase Builders	Tallahassee, Fla.	11	10
Brady & Associates Construction & Development	Bloomington, Ill.	16	19
Brindisi Builders	Marlton, N.J.	15	26
Brothers Strong Inc.	Houston	12	6
Chandler Design-Build	Chapel Hill, N.C.	14	9
Charlie Paterson Construction	Colorado Springs, Colo.	26	19
Charter Homes Group	Lancaster, Pa.	11	50
Choice Homes	Arlington, Texas	11	375
Cisney & O'Donnell Inc.	Huntingdon, Pa.	33	23
Cornstock Homes	McLean, Va.	16	73
Consolidated Construction Group	St. Louis	12.5	6
Craftsbury Co.	Yarmouth Port, Mass.	20	13
Custer Homes Inc.	Harrisburg, Pa.	36	20
Custom Design & Construction	Los Angeles	15	5
Danielian Associates	Irvine, Calif.	33	51
De Mattei Construction Inc.	San Jose, Calif.	17	47
Dolphin Architects & Builders	Johns Island, S.C.	11	29
Dominick Tringali Architects	Bloomfield Hills, Mich.	5.5	23
Don Simon Homes	Madison, Wis.	45	56
D/R Services Unlimited Inc.	Glenview, Ill.	9	13
DreamMaker Bath & Kitchen by Worldwide	St. Louis Park, Minn.	6	8
Dunright Construction & Remodeling Co.	Toledo, Ohio	8	6
Emmer Development Corp.	Gainesville, Fla.	47	65
Engle Homes/Arizona	Phoenix	4.5	89
Ernest Homes	Richmond Hill, Ga.	18	30
F.H. Perry Builder	Hopkinton, Mass.	25	12

Key: Remodelers ■ Architects ■

Custom Design owner Bill Simone feels so strongly about the company's outstanding customer service that he uses it as part of his hiring process. He gives potential employees a copy of the mission statement, vision and what he calls "the codes to live by," and he discusses them at length to make sure the candidates understand and agree with every aspect. "If they don't buy into it, maybe this isn't the best place for them to work," Simone says.

Cliff Peterson, an installer for All American Window and Door Co. (Germantown, Wis.), quotes an old saying to sum up his employer's attitude: "It is never 'good enough.' Either it is excellent or it is wrong."

President Terri Lodwick admits she's a perfectionist and acknowledges that she's not bashful about letting employees know it. But, she says, her high standards have rubbed off on them. "I've overheard them say, 'Is Terri going to like this?' Excellence is a very important word throughout the company. If our employees didn't agree, they wouldn't be here. Even if we fall short of our high standards, the customer is usually still pleased."

Another Wisconsin company, Loren Imhoff Homebuilder Inc. (Middleton), also refuses to accept "good enough," says office manager Linda Olson. She attributes this companywide attitude to the accountability of each of its dozen employees.

"We're responsible for our good work and our goof-ups," she says. "Our subs have the same attitude, too, or they aren't our subs for very long."

The firm often is called to fix problems in new homes built by other builders. (Most of Imhoff's business is home building, but about one-third is remodeling.) Olson says the company often gets pleas for help from homeowners when their builder or remodeler has given up on a tough problem. "We'll take on the work no one else will, such as repairing extensive dam-

age in a house that was invaded by squirrels while the owners were in Florida for the winter," Olson says. "We did the work, and the owners were very pleased with it."

Remodeling companies take reputation and customer satisfaction seriously. After all, many rely on repeat business and referrals. But how likely are remodeling company *employees* to consider customer satisfaction the most important benefit they receive? That's exactly how the staff at **Mark IV Builders Inc.** feels, according to an in-house employee survey done last winter.

"What was most surprising was that 'The company has a reputation for quality work' was ranked as the most important benefit," reports Jeanne Casamento, office manager of the Cabin John, Md., firm. "Not wages, vacation, health insurance, bonus or training even came close!"

Mark IV estimator Kirk Van Camp says the gratification he feels when a job is completed arises largely from the fact that owner Mark Scott, CR, knows what he wants. Scott has it on the home page of the firm's Web site just in case anyone has doubts: "Dedicated to the highest level of customer service by exceeding expectations of personal trust, professional management and quality workmanship in a timely fashion."

"We work on a lot of houses put up by tract builders who don't know their customers," Van Camp explains, "but we get to learn our clients' wants and needs. Mark doesn't cut corners, and he flat-out tells them that. I've been in the industry since

1978, and it's nice to work for somebody with such high standards. Not everyone has them."

Van Camp also credits Scott's commitment to communication for the company's level of customer satisfaction. "One of Mark's favorite sayings is, 'I want to make sure what I thought I heard is what you thought you said.' He's really careful that everyone understands each other about every detail."

Ensuring that level of understanding is built into the process used for every project, beginning with the first inquiry from a prospective client and the initial interview by the salesperson, through the planning and construction phases, when weekly meetings allow all parties to discuss what has happened that week and what's coming up next, and right through completion.

At Loren Imhoff, part of the process is two walk-throughs, one upon completion of the project, the other about a year later as the company's written warranty expires. Project manager Debbie Gille accompanies the clients as they look for anything that needs to be repaired, adjusted or finished.

"I have been a project manager for 16 years, and I've been at Loren Imhoff for four," Gille says. "And I am amazed at how little we find in these walk-throughs. There might be a crack in the drywall or a doorknob that needs adjusting, but that's about it. I'm not sure the homeowners realize how exceptional that is, so I tell them about my previous experience. They are extremely pleased with our performance, though." — M.O.

The company as family

Perhaps one of the most important elements in employee satisfaction is also one of the most difficult to quantify. It's called corporate culture in large companies; in the more casual atmosphere typical of remodelers, it might be referred to as "the feeling around here."

Whatever it's called and however it's defined, a company's culture is the atmosphere in which its employees function every workday. It encompasses all of the non-compensation-related rewards (or burdens) they have. Among remodelers, exceptional culture is most frequently described as being like a family — an attitude that usually can be traced to the owner.

That's the case at **Small Carpenters at Large**, an Atlanta remodeling firm whose employees reported over and over that their boss, Danny Feig, CR, is one heck of a nice guy. In the views of

those who work for him, Feig has his priorities straight, emphasizing the importance of family and life away from work. This is one owner who isn't impressed by employees' worrying about work on the weekends.

Speaking of weekends ... at SCAL, they're almost always three days. The 40-hour workweek is four 10-hour days, Monday through Thursday. Feig instituted this schedule to give his staff an extra couple of hours a week of personal time, says SCAL controller Theresa Same. With Atlanta traffic notoriously snarled at rush hour, the earlier start and later quitting times help SCAL employees avoid the worst of the traffic on their average one-hour commutes and skip it altogether on Fridays.

"If there's a sub who can work only on Friday, we'll make some kind of arrangement to work around that," says Mark Camillo, SCAL administrative assistant. "But the four-day week works out really well most of the time."

Same says: "Money has never been Danny's primary motivating factor. Quality always comes first on the jobs, and he cares more about people



Theresa Same

Small Carpenters at Large

Photo: Robin Nelson

101 Best Companies to Work For in the Residential Construction Industry

Company	Location	Years in business	Number of employees
Finished Basement Co.	Denver	5	34
Fish & Calatozzo Construction	Swedesboro, N.J.	6	14
Florsheim Homes	Stockton, Calif.	20	45
Gehman Custom Builder Inc.	Harleysville, Pa.	16	19
Genesis Designer Homes	Savannah, Ga.	3	22
Gibraltar Homes Inc.	Sarasota, Fla.	6	15
Granor Price Homes	Horsham, Pa.	31	12
Gulfstream Homes	Naples, Fla.	4	26
Hatchett Home Improvement	Newport News, Va.	42	24
History Maker Homes	Fort Worth, Texas	52	61
Holiday Builders	Melbourne, Fla.	19	203
Howell Design & Build Inc.	North Andover, Mass.	5	17
Hubert Whitlock Builders Inc.	Charlotte, N.C.	45	20
Ideal Homes	Norman, Okla.	13	95
John Cannon Homes Inc.	Sarasota, Fla.	12	51
JP Maguire Associates	Newtown, Conn.	20	58
Kara Homes	East Brunswick, N.J.	7	82
Kaz Brothers Construction	West Seneca, N.Y.	20	30
Kennedy Homes	East Dundee, Ill.	35	90
Kensington Homes	Naperville, Ill.	7	18
Kimball Hill Homes	Rolling Meadows, Ill.	60	654
Kirk Development Co.	Phoenix	23	11
Lakeside Development Co.	Mequon, Wis.	15	19
Lee Kimball Kitchens	Boston	60	12
Legacy Custom Builders Inc.	Scottsdale, Ariz.	14	35
Lennar Corp.	Miami	47	7,982
Loren Imhoff Homebuilder Inc.	Middleton, Wis.	19	13
Macatawa Bay Development Group	Holland, Mich.	20	4
Mark IV Builders Inc.	Cabin John, Md.	14	12
MDC Holdings Inc.	Denver	30	1,700
Morrison Homes Inc.	Alpharetta, Ga.	20	678
Neumann Homes Inc.	Warrenville, Ill.	16	260
NewDay Development Inc.	Encino, Calif.	24	22
Olszewski Construction Co. Inc.	Vilas, N.C.	20	11
Orren Pickell Designers & Builders	Bannockburn, Ill.	26	114
Palm Harbor Homes	Addison, Texas	23	4,800
Partners in Building L.P.	Houston	50	60
Picerne Real Estate Group	Warwick, R.I.	76	900

Key: Remodelers ■ Architects ■

than how much they're producing. He allows people a lot of autonomy and lets them create their own niche."

With so much of the company's culture based on the attitudes of one person, what would happen if Feig were suddenly out of the picture for some reason? While Camillo is non-plussed at the thought, he isn't particularly concerned about the company's future. "I'd like to think the company would go on with the same philosophy he has built it with: craftsmanship, not an assembly-line approach."

Not surprisingly, every firm on the 101 Best Companies to Work For list has an outstanding culture. **Kaz Brothers Construction** is typical of the remodelers on the list: Its emphasis on teamwork motivates employees to do their best at all times. Employees are empowered to make decisions on the job site when a problem pops up. They get plenty of practice, too, by expressing their ideas about how the company is run.

"We include everyone in decision-making," says Ed Warren, roofing production manager for the West Seneca, N.Y., remodeler. "Even the lowest man on the totem pole gets input on how things run. It's not just the managers."

Ron Kazmerzak, siding and window division manager at Kaz Brothers, explains that he and his brothers Rick (president) and Ken (roofing division manager) were acutely aware that as owners of a family business they present an intimidating front to new employees. So they have made special efforts to show their 20-plus employees that each person is equal in the eyes of the company.

"Everybody is here to grow," he stresses. "Rick's philosophy is that we all share the wealth. He's very accessible to anyone who wants to talk to him. We try to listen to the guys and do what they want."

The word *family* popped up repeatedly on the survey forms returned by

employees of the top remodelers, even in unexpected places such as responses to "What one thing about your company would you like to improve?" Many employees feel so close to their bosses and co-workers that they wish they had more chances to socialize with their entire families. Not that there is a shortage of such events: Christmas parties, barbecues, picnics, fishing trips, golf outings and boating excursions (at least one remodeler has a company boat available for employee use).

And how's this for family atmosphere: Every year, Julie Platt, wife of owner Halsey Platt, bakes birthday cakes for all 25 employees of **Walter H.B. Platt Builders & Cabinetmakers** (Groton, Mass.). She and the Platts' two young sons bring the cakes to the office and join in singing *Happy Birthday*. "It blew me away the first time it happened to me," cabinetmaker David Ahlman recalls. "But it's just the kind of thing that happens around here. We're all friends."

The atmosphere is casual and friendly, even allowing for occasional job-site appearances by man's best friend. As long-time employee Frank Stark puts it, "Quirks are tolerated; imaginations are embellished. Dogs are OK, too!"

Stark explains that Halsey Platt is committed to the people he hires. If someone makes a mistake, well, "suck it up and try again," Stark says. "Halsey takes the time to work with people for

their strengths, and he's put together a great team."

Platt is adamant that he needs every member of the team and has since the beginning. "This is not *my* company. It's *our* company. I couldn't do this alone. I have a great deal of respect for everyone who works here. I've got a lot to learn from them. I listen to what they have to say and let them do it their way if it makes sense."

It's getting harder to maintain the family atmosphere with the number of employees the company now has, Platt says, but he's trying hard to keep it. "At our monthly meetings, I try to single out two or three people to compliment on something special they've done — a problem they solved or an especially good job on a project. The family feeling is important to us, and the clients can tell the difference, too."

Enjoying workdays was common among survey respondents, and many acknowledged an employer's willingness to share the company's success with them. But several also admired their firm for taking stands on larger issues. Scott Bridge, another Platt Builders cabinetmaker, notes that his boss actively supports Habitat for Humanity and invited his staff to join him on a fundraising hike last month. And at **Allen Associates** (Santa Barbara, Calif.), several employees praised the firm's commitment to the environment. — M.O.

Beyond basic benefits

Production manager Mark Bruins of **Howell Design & Build Inc.** in North Andover, Mass., touts "excellent pay and benefits" as a big part of his company's appeal, and praises owner Steve Howell for modeling the benefits package on that of Howell's former employer, Hewlett-Packard.

"Working in the high-tech world, I learned that a nice, full benefits package gives people the ability to stay at one company," says Howell, who founded Howell Design & Build in 1997. For that reason, he made sure entry-level employees receive the same benefits package — medical and dental coverage, eight paid holidays per year, plus an annual two weeks of flexible paid time off that can be used for vacation, sick days or personal time — as more senior employees. In addition, part-time employees who work more than two days per week receive prorated benefits.

In 1999, Howell began offering two retirement savings plans, both administered

online. One is a profit-sharing plan to which the company contributes once a year depending upon net profitability (the target is 5-6% of each employee's salary), with employees fully vested after five years. The other is a 401(k) plan to which the 17 employees can decide on their own contributions.

"We know the success of the company depends upon attracting and keeping the best employees for each position," says Bruins, who notes that some of these benefits "go above and beyond" the industry standard. Perhaps most unusual: a flextime policy that lets even lead carpenters start work at 9 a.m. as long as they're on a regular schedule.

These benefits aren't so unusual for the remodeling firms on the 101 Best Companies to Work For list, though. Regardless of company size — three employees or 76 — the 101 firms offer at least paid holidays, a retirement plan, medical insurance, and some combination of paid vacation, sick days and personal days.

Many of these companies also contribute to an employee retirement plan; provide a tool allowance, a company truck, gas money, cell phones and company shirts; offer bereavement days and dental insurance;



Mark Bruins

Howell Design & Build

Photo: Dave Bradley

and treat employees (and sometimes even their families) to an annual trip.

"It shouldn't matter whether you're in a big manufacturing firm or a small home-improvement firm," says Denny Cisney Sr., president of **Cisney & O'Donnell Inc.** in Huntingdon, Pa. "You're entitled to the same things."

Even so, Cisney recognizes that it can take small firms awhile to build up to offering big benefits. His \$3 million company has been in business for 33 years but didn't offer a 401(k) plan until 1995 because Cisney didn't want to offer it until the company could sustain it.

Now, regardless of employee contribution, Cisney & O'Donnell contributes 3% of an employee's salary into the

401(k) after that person has worked at the company for one year. In addition, the company matches an employee's contribution dollar for dollar up to \$1,000 in an individual retirement account.

Dunright Construction & Remodeling Co. in Toledo, Ohio, an 8-year-old exterior remodeling firm aiming for \$1.6 million to \$1.8 million in 2002, offers its six employees a different kind of IRA, a SAR-SEP (salary reduction simplified employee pension), which allows employees to contribute through elective salary deferrals. (While SAR-SEPs still exist, employers have not been able to start new ones since 1997 because of federal legislation.)

More noteworthy, however, is Dunright's paid time-off

101 Best Companies to Work For in the Residential Construction Industry

Company	Location	Years in business	Number of employees
Plaskoff Construction	Tarzana, Calif.	13	20
Pulte Homes	Bloomfield Hills, Mich.	50	9,400
Sandy & Babcock International	San Francisco	42	52
Schmid & Rhodes Construction	Knoxville, Tenn.	15	16
Simonini Builders Inc.	Charlotte, N.C.	29	37
Sivage Thomas Homes Inc.	Albuquerque, N.M.	15	100
Small Carpenters at Large Inc.	Atlanta	21	21
Spectrum Skanska	Valhalla, N.Y.	18	130
Standard Pacific Corp.	Irvine, Calif.	35	1,250
Stephen K. Hann Custom Builders	Stafford, Texas	9	13
Strite Design + Remodel	Boise, Idaho	26	12
SWH Construction	Atlanta	8	11
Terry's Quality Service Inc.	Spokane, Wash.	10	7
T.H. Properties	Harleysville, Pa.	10	120
TK Constructors	Muncie, Ind.	12	110
Toll Brothers Inc.	Huntingdon Valley, Pa.	35	3,099
Village Homes	Littleton, Colo.	18	320
Walter H.B. Platt Builders & Cabinetmakers	Groton, Mass.	11	25
WCI Communities Inc.	Bonita Springs, Fla.	50	3,000
Webster Architects	Olathe, Kan.	12	8
William Hezmalhalch Architects Inc.	Irvine, Calif.	20	106
William Ryan Homes Inc.	Schaumburg, Ill.	10	153
Williams - Builder	Robbinsville, N.J.	47	17
Winans Construction Inc.	Oakland, Calif.	22	10
Winchester Homes	Greenbelt, Md.	22	318

Key: Remodelers ■ Architects ■

Keeping the edge

If quality and customer satisfaction are the pots of gold at the end of the remodeling rainbow, training is surely the path to getting to them. It is hard to imagine how any company could keep its employees motivated, interested and loyal without offering them plenty of opportunities to become more professional, efficient and adept at their jobs.

Many of the companies on the 101 list offer standard industry-related education to employees, paying for courses from the Remodelers Council and NARI, including programs such as Certified Graduate Remodeler, Certified Remodeler and Certified Lead Carpenter. They sometimes also pay employees for time spent in study groups working toward these educational goals.

Randy Ricciotti of **Custom Design & Construction** in Los Angeles says training helps employees keep up with industry trends and with each other. "We're all on the same page,"

plan: Employees can take as many vacation, personal or "mental-health" days as they want, whenever they choose.

"Most of our guys take vacation when it's not quite so busy," says owner and president Bill McConnell. "I haven't had anyone take more than a week or 10 days in a row. No one takes advantage."

He says he can fill in at any position if necessary, or hire a temp. It helps, he says, that employees will speak to a colleague who isn't performing up to par, thus informally policing company expectations.

The big question, of course, is how a small company manages to pay for benefits that many would consider a luxury. On top of up to three weeks' vacation, a personal day, and 401(k)

contributions of an equal match up to 3% and then 25 cents on the dollar up to 6%, **Gehman Custom Builder Inc.** in Harleysville, Pa., pays the entire medical premium for its employees.

"Year after year they have worked to adjust the numbers so that we would not need to pay any weekly premium," project manager Jon Downey says.

That's exactly how all these companies do it. Employees and owners alike are quick to point out that their firm is known as one of the more expensive ones in the area.

"Charge the right amount," McConnell says. "You attract the proper salesperson, attract the proper installer and attract the right customer." — K.S.

he explains. "We all truly care about our clients and about Custom Design & Construction's ability to give its clients a quality project."

Part of keeping everyone on the same page is training the firm's trade contractors in how they should treat clients and each other. The contractors must sign an agreement to abide by Custom's standards if they want to do business with the company. "We're all in this together," Ricciotti points out.

At **All American Window & Door Co.** in Germantown, Wis., all employees are given an annual training budget of \$300, which they must use. Each employee has to attend a seminar or workshop on customer service or communication; the remaining money may be spent on whatever media and material the employee thinks will be most useful: books, tapes, CDs, videos or classes.

President Terri Lodwick also instituted a twice-yearly job swap. Every employee spends four hours with another employee in a different department, observing and helping. This glimpse into other jobs provides informal but effective training on how each job within the company affects everyone else's. It also builds mutual respect as, for example, a sales star discovers that the receptionist has responsibilities that make the salesperson cringe.

"At the end of the four hours, they are all saying, 'OK, get me out of here!'" Lodwick says with a laugh.



Randy Ricciotti

Custom Design & Construction

Photo: Mark Robert Halper

At **Mark IV Builders Inc.** in Cabin John, Md., employees go through DISC testing to help them better understand their abilities and those of their co-workers. (See *Remodelers' Exchange* on page 31 for a related story.) Then they receive training on how to communicate with other personality types.

"[President] Mark Scott is a very strong D [dominant]," says Mark IV estimator Kirk Van Camp. "But I'm the exact opposite. That's why I'm better at numbers."

Cisney & O'Donnell Inc. (Huntingdon, Pa.) takes advantage of multimedia to bring training to the company. At this writing, two employees are taking a one-year, video-based management training course offered by Crestcom International Ltd. (www.crestcom.com).

Once a month, they share what they've learned with the entire staff during a two-hour meeting.

"It's helping even nonmanagers with goal setting and problem solving," says Lois Bishop, marketing and public relations assistant for the company.

Cisney & O'Donnell also has monthly field safety meetings, bringing in experts such as a local firefighter to explain proper use of a fire extinguisher. The firm helps individuals with job-specific training, too. It has sent Bishop to out-of-town training for Market Sharp, its lead-tracking software, and to a direct-mail seminar presented by the U.S. Postal Service. — M.O.

A question of trust

Credibility. Does management have it? Perhaps more important, do employees perceive that management has it? Management sets the tone for the entire company, and at small companies that's especially true of the owner, who's often the president.

Although trust is an intangible concept, there are a number of concrete ways to go about creating it. Several companies on the 101 list pointed to a mission, vision and/or values statement put in writing and distributed widely so that everyone, including the owner, can be held accountable to it. A.J. Paron-Wildes, general manager of **DreamMaker Bath & Kitchen by Worldwide** in St. Louis Park, Minn., says her team reads its code of values every Monday morning at a weekly production meeting that even the trades attend. Key phrases include: "We must re-earn our positions every day in every way," and "Speak calmly and respectfully, without profanity or sarcasm."

"The most fun is when we get to fire our boss!" Paron-Wildes jokes. Slip-ups, such as not handling a phone call properly or swearing in the office, can draw a "You're fired" or "Code of values" comment from anyone on staff.

Employees at **Finished Basement Co.** in Denver wrote their credo, together with management, at a company retreat. Their admonitions include "Assume complete ownership," "Be unreasonable/unstoppable in all aspects of the game," and "Respect and empower others to fulfill the above."

Finding people who believe in a company's values and goals is another important piece of the puzzle. "Having disgruntled employees is like a cancer," Paron-Wildes says. "You need to hire right, and you need to live up to your end of the bargain to make them successful. It's especially important if they interact with the public — they have to believe in the company." She uses personality profiles to hire and recently waited four months to hire a production coordinator until she found a person who fit DreamMaker's culture.

Even having the right people isn't enough to create an atmosphere of trust without good communication. Many companies start by having an open-door policy that's figurative as well as literal. "Some of our best and most ingenious solutions to problems have come from the most seemingly unlikely person at times," says Bill McConnell, president of

Dunright Construction & Remodeling Co. in Toledo, Ohio. "By encouraging opinions on many issues from many people, our clients get the very best of the very best that we have to offer."

Heather Melton, office manager of **Archadeck of Charlotte** in North Carolina, says company owner Barry Klemons makes a point of being "easy to talk to" and "approachable" and hearing everyone's views. "He sets the tone, and we all follow in his footsteps," she adds. "We communicate and work together. When there are problems, we talk it out and find resolutions."

More formally, regular staff meetings and employee handbooks set expectations across the board, in addition to creating systems that allow work to continue even when key leaders aren't in the office or on the job site. Documenting systems also heightens accountability. The paper trail required at DreamMaker, says Paron-Wildes, means "it's pretty apparent if somebody's not living up to their end of the bargain."

Last but not least, everyone is a fan of empowerment. At its most basic level, that means letting employees make decisions in their areas of responsibility and giving them the training to be able to do so. Sandee Aga, office manager at **Charlie Paterson Construction** in Colorado Springs, Colo., emphasizes: "I enjoy working here because I am given the freedom to do my job without being micro-managed. Charlie openly listens to my concerns and ideas. I feel as though I have ownership of my position and am given the freedom and backing to do the best job I can."

At the more extreme end of the spectrum, empowerment extends to open-book management. Usually individual salaries aren't revealed, but just about every other aspect of company financials is.

"We have a profit-sharing program, and seeing the books helps us know why we're getting what we do or why we're not getting anything at all, which happened last year," says Pat Michelson, marketing director of **Strite Design + Remodel** in Boise, Idaho. "People who work here get very educated about the money side of the business."

DreamMaker has an annual planning process to determine company targets for the year and for each month. The entire staff meets once a month to review sales figures and the profit-and-loss statement. For Paron-Wildes and owners Lynn and Sandy Monson, one of the positive developments of

open-book management has been that employees present them with solutions, not just problems. So when the designers approached Paron-Wildes about adding a staffer to lessen their load and streamline work flow, they proposed giving up 2% of their commissions to help cover the costs. — K.S.



A.J. Paron-Wildes

DreamMaker Bath & Kitchen

Photo: Steve Wolf