

THE COMPASS

Guiding

Your Path to Success

Brothers

PLUMBING & HEATING .

ESTABLISHED 1980 .

49 PENNSYLVANIA STREET

A Triple-Win Philosophy Leads Brothers Plumbing's
**SUCCESS AT AND BEYOND
THE BOTTOMLINE**

NEW FEATURE: SUCCESS TOOL SPOTLIGHT!

**START OUT ON THE RIGHT FOOT
WHAT DO YOU NEED MORE OF?
RETHINK TO GAIN SUCCESS!
BRING A BUDGET HOME FOR THE HOLIDAYS
FIND SUCCESS IN COMFORT**



A TRIPLE-WIN PHILOSOPHY LEADS TO SUCCESS AT AND BEYOND THE BOTTOM LINE



The Brothers Plumbing & Heating team standing in front of their beautiful four-year-old, 10,000 square foot building. Vendors often comment that it's the best facility in the Denver area.



BROTHERS PLUMBING & HEATING IN DENVER, COLORADO, PROVIDES MARVIN KANSTEINER AND HIS FAMILY WITH FINANCIAL REWARDS—AND FREE TIME TO SPEND WITH EACH OTHER—THANKS TO THEIR COMMITMENT TO THEIR EMPLOYEES AND CUSTOMERS.

by Bob Houchin



Maybe at no point in American history does time tick faster than it does today. Long gone is the 50's model family that enjoys a nightly, sit-down supper. In its place are 99-cent value-meal dinners grabbed in between soccer practice, the dance recital, and a school board meeting all crammed into one weeknight. Society values time above all things, even money, because there's never enough of it with BlackBerry calendars booked with obligations and outings.

Few cities represent this new-age lifestyle more than Denver, Colorado. It's filled with tech-savvy, time-strapped consumers who expect incredible service and immediate satisfaction. That's precisely what Brothers Plumbing & Heating provides the bustling metropolitan area, and it's why Brothers is among the most successful contracting companies in the marketplace.

Marvin Kansteiner owns and operates the business, along with his daughters Lynn and Michelle and son Justin. Outsiders unfamiliar with Brothers might consider the responsibility they share as daunting. It undoubtedly would swallow up their every waking moment, as they proceed to eliminate the problems and frustrations of their customers. That presumption couldn't be further from the truth.

It cannot be denied that these four, the Brothers' management team, and their incredible employees work hard. But it's not the

life-encompassing task many might suspect. Quite the contrary, Marvin has never had more time to enjoy with his children and wife, Jan. Their annual snowmobiling adventure is a must-do, annual event. They take cruises, fishing trips, and vacations together. More than ever, being a family has been possible for the Kansteiner family. That's not always been the case.

Marvin started Brothers Plumbing & Heating, with his brother Rich, who left after only a year, in 1980. The new enterprise appeared promising at first. Marvin concentrated on new construction and had more than 20 employees, but an economic slide almost pushed them into bankruptcy. Illustrating great resiliency, Marvin rebounded, and with Jan leaving her nursing job to be in the office, he and one other technician started focusing on residential service. "I always thought the service guys were making money because they always had the nice, new trucks. That's what we started going after instead," Marvin explained.

The 1990's proved to be much more successful for Brothers. The company was growing, albeit slowly. Marvin eventually pulled himself out of the field, and traded his tool belt for a desk position. Yet it didn't result in any less work. The company reached \$2 million in sales by 2000 at a marginal profitability, but Marvin still was going hard six days a week sometimes 10 to 12 hours a day. And vacations were something longed for, but rarely taken. There was never enough time.

He knew there had to be a better way to run the business, a more efficient and successful way. For years, Marvin avidly read Plumbing & Mechanical and attended available seminars seeking nuggets of information. He even dipped his toes into franchising in the late 80's in hopes it would offer support. Nothing really filled that void.

Around that time, Plumbers' Success International (PSI) was being started. A letter from cofounder John Young enticed Marvin, and he attended a Profit Day in St. Louis. Sure enough, he joined the new organization. Maybe, it would be what he'd been seeking.

"I was tired of it all by then. I was burnt out," Marvin admitted. "When PSI got going, we thought we would all go public, get a wheelbarrow of money, and live happily ever after. I was ready to get out of the business. I was looking for an exit strategy."

Justin, Marvin's son, had been with Brothers for years; however, his oldest daughter, Lynn, finally joined full-time at this juncture. She helped institute many of the changes PSI recommended; although, they didn't do many at first. Marvin remained a bit reluctant.

Eventually, SuccessWare® was instituted, and they modified how the phones were

answered. They even enhanced their image a bit by adding shoe covers and mats. After a few years, they developed a StraightForward pricing system. Each change brought about a bit more success. The more they worked on the business, the better it got.

"We really began planning, too. Before, it was by the seat of our pants. We never knew how to get to our goal. Now, we had meetings, put together a plan, and were hitting our goals," Marvin said. "It was such a confidence builder. Work stopped being drudgery and started being fun!"

This newfound confidence motivated the Kansteiner family to break out of this monotonous cycle and pursue a bright future. They were going to mold the company into what they always wanted. Brothers Plumbing & Heating would be a place that took care of its clients and its employees. In doing so, the company would no doubt be successful. The concept was known, as PSI called it, the triple-win. This became their mission.

"We always been passionate about taking care of the customer," Marvin emphasized. "And I always wanted to take care of our employees and provide a place where people enjoyed coming to work each day."

spent each day creating this culture. It's been a process.

Closely Examine Who You Allow into Your Company

Redefining the company's culture while also expanding the business required Brothers Plumbing & Heating to strengthen their workforce with more dedicated people. These new individuals had to be passionate about their roles and Brothers' mission. In the past, job candidates were interviewed, hired, given the same instruction, and then began work. This brief process led to a lot of attrition. "We had good people, but not enough of them," Lynn explained. "We needed to overhaul our hiring process, and we did."

Phone screenings usually occur first. Lynn, who handles human resources, will notify a person of Brothers' driving requirements, background checks, and drug screening. If interest remains, a person is expected to fill out an application in the office; technicians also must complete a technical test. "We set them up in a room with pictures on the walls of what we expect from our employees," Marvin explained. "Occasionally, when we leave them to finish the paperwork, we will come back a bit later to find that they've left. They decided that this wasn't something for them."

If Lynn or a manager comes across an applicant that catches their attention, they schedule an interview. Every interview may differ in how it progresses, but before it's completed, the manager makes a point to ask a predetermined list of questions. They want to ensure that they can properly measure candidates against one another before making any hiring decisions.

Even after an offer is extended to a particular individual, the hiring process has not come to a conclusion. "We have, what we call, a post-offer screening," Lynn shared. "They've accepted the job, but it's contingent upon their Motor Vehicle Report. We then send them to ErgoMed. The company drug-screens the person, and technicians also take a physical. We want to make sure they're physically capable of doing their job. You don't want to get burned by someone who is hiding a preexisting condition."



Brothers Plumbing & Heating keeps old equipment for their inexperienced technicians to use in training. Roughly 20 percent of Brothers' technicians are home grown by the company.

We find that by going through this elaborate process that if people are willing to do it, they're serious about working for Brothers Plumbing & Heating," Lynn continued. "They're not just job hopping. They're ready to commit to helping our clients and being a part of our family. They're on board with our values and goals."

Provide a Good Beginning and a Solid Direction

Finding the right people to build Brothers around was a critical first step. To expect any new employee to truly understand the triple-win philosophy from day one would be too much. It takes some direction and training.

Lynn takes all new employees on their first day under her wing. She will explain company-wide expectations and goals. They will discuss the culture that they're building. Much of this is outlined in a handbook called, "Geared for Success." "The handbook is more than 100 pages. It can be intimidating. That's why I don't just make them read it," she said. "We go over the important parts together. I want them to ask questions and be certain. I'll do everything possible to put them in a position to succeed right away."

Upon completion of this day-long orientation, a new technician must go on ride-alongs. This process can last several weeks or more than a month. Throughout this time, he will ride with several of Brothers' top performers. The new technician should observe the pricing system in action, understand how he should respond to homeowners' needs, and see the benefits of giving customers options. It's all part of the procedure to get him

ready to hit the ground running.

Managers will work closely with the experienced technicians to judge the progress of the new employee. Once they feel he is ready, the new technician has one more day of orientation before getting a truck. In the morning, Lynn will make sure he knows how to operate the radio and go over other fine details, and the technician's manager will meet with him to discuss safety subjects and do some light training. In the afternoon, the new technician goes to the warehouse to see where parts are located and how the trucks should be organized.

"That last day of orientation is a full day, too," Lynn expressed. "It is all meant to get them ready. We want them to know that they're not just a number or a truck. They're a key person in the success of this company. We want them to be a part of us and to do well."

Offer Long-Term Support to Your People

Employees at Brothers Plumbing & Heating receive an excellent introductory instruction to serve as their foundation. That foundation is frequently built upon throughout their time in the company. No one is expected to produce without further support and guidance. Every employee receives ad-



Brothers Plumbing & Heating's management team takes a photo with their Denver/Boulder Better Business Bureau's Torch Award for Marketplace Trust. The award recognizes the company that strives to set a higher standard in every aspect of business. It's an award Brothers was nominated for by an anonymous individual(s).

ditional weekly training to help in their continued development.

"There's a minimum of one meeting a week. We're a part of the Success Profit Network, so we use that training; we also use the CDs from the Professional Plumbers Playbook, and we role-play too," Marvin explained. Managers also are required to conduct regular ride-alongs with technicians to assist with their communication skills. Supplementary technical training is provided after hours, and is heavily attended, by those looking to expand their knowledge.

"We have what we call a tool count and an educational count, too," Marvin pointed out. "For every task a technician completes on a job, he receives one dollar to be applied towards new tools and additional outside training. They end up getting a couple of hundred bucks a month from it."

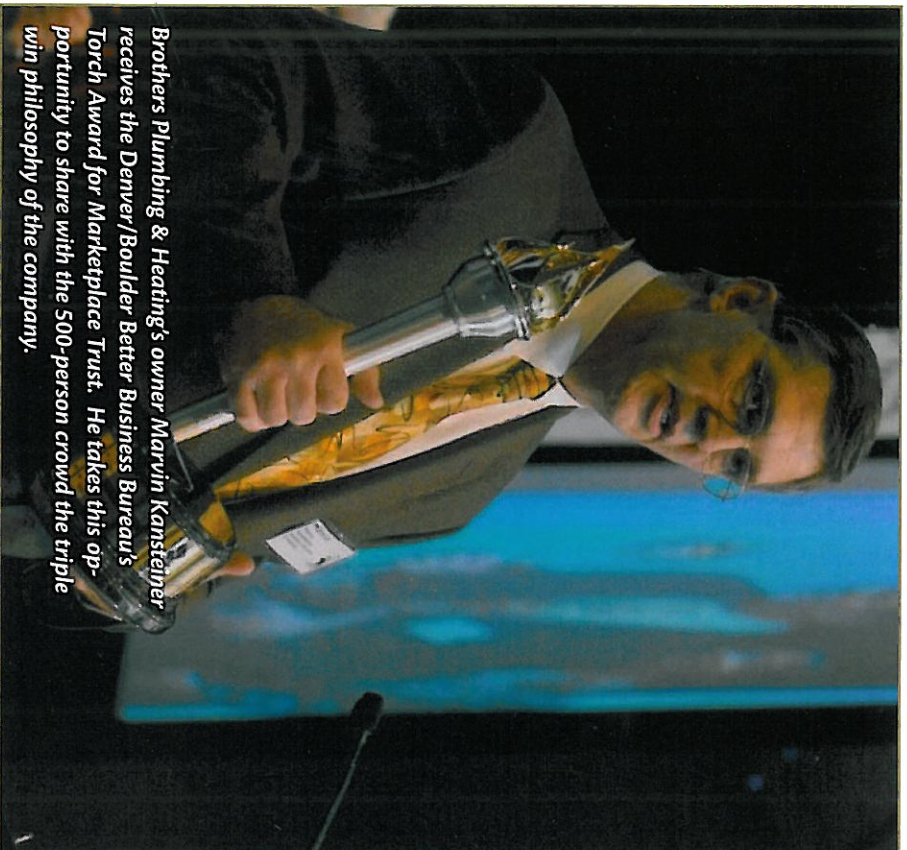
This program ensures that the technicians have the proper tools to complete jobs (and aren't borrowing from homeowners). The extra training money helps their people keep up-to-date on new technical developments, so no repair is too difficult. Brothers does everything possible to build and keep its professional image. "We have guys who have been here 12, 13, and 15 years," Marvin continued. "I think it's because we treat them well, and offering extra incentives doesn't hurt."

Grow Your Technicians

Brothers Plumbing & Heating has grown considerably since launching significant changes after joining PSI. Marvin, his fam-

Brand with the Technician Seal of Safety
Brothers Plumbing & Heating is a large player in the residential HVAC and plumbing market in Denver, Colorado. Owner Marvin Kansteiner and Human Resources and Marketing Manager Lynn Frydenlund market the business in a variety of ways. Direct mail, radio spots, and TV ads are just a few of the mediums used. They've also invested a great deal into building a beautiful website, www.brothersplumbing.com, and optimizing it.

In all of Brothers marketing, and in most of their signage, they brand their name with the Technician's Seal of Safety. "We put it on every truck, every uniform, and every piece of advertising that's been renewed," Marvin said. "We have posters in our office with it. It's all over. It's important that consumers know who's in their home, and it's important that they know we have great, quality people here who can serve them. That makes us stand out." ❧



Brothers Plumbing & Heating's owner Marvin Kansteiner receives the Denver/Boulder Better Business Bureau's Torch Award for Marketplace Trust. He takes this opportunity to share with the 500-person crowd the triple win philosophy of the company.

ily, and his managers have worked hard to locate and mold current employees into good representatives of the company. But Marvin has discovered that it can often be easier, and more effective, to build your own technicians.

The business spends money on continued education and tools; it also invests in apprentices looking to become plumbers and HVAC technicians. Brothers will pay for night school classes, as long as the helpers are at the company working dur-

ing the day. These techs-in-training help out in the warehouse and do regular ride-alongs to provide support. The company also has a bank of old furnaces and water heaters pulled from jobs that the apprentices can use to evaluate and use in their studies.

"After a while, we will let the young guys do some work on our irrigation side of the business. They will blow out sprinklers; it's not too difficult," Marvin said. "The reason is to see how they interact

with customers. It's a good beginning experience for them."

"We have four helpers right now," Lynn added. "The program has been a big success for us. About 20 percent of our technicians are home grown. Some of them are our best producers."

Grow Your Management Team

Technicians are not the only ones who have been home grown at Brothers. Most of their management team has been, as well. "Only Mary Peacock, our controller was hired for her specific managerial position. She came from a large company in the corporate world and wanted something a tad less demanding," Marvin shared. "Everyone else has been promoted from within."

Trevor Bates runs the business' CSR department. Prior to that, he was a call taker and later a dispatcher. Brian Colasunno has managed the plumbing division for seven years. He started with the company 15 years ago as a drain cleaner and eventually earned his master plumber certificate. John Hicks is the HVAC manager. He began with the company as a technician. Before joining Brothers, he owned his own business. Two years ago, he stepped into his management function.

Marvin's children have worked from the ground level to later step into a leadership capacity, too. Justin has been with his dad since 1992. He's since become a master plumber and manages the company on the weekends. Lynn initially served as a CSR and dispatcher. Now, she acts as the human resources and marketing manager. Marvin's younger daughter Michelle recently jumped aboard and is working in accounting. She hopes to move into a senior administrative role eventually.

"We have so many talented people in this company," Marvin gushed. "My only problem is I wish I could move some of them up faster. We're working on providing that opportunity. We'll get there."

Those individuals who have attained management positions at Brothers Plumbing have done so because of their willingness to work hard. They've adopted the triple-win philosophy, and it's rewarded them.

A Company Handbook Can Help Launch a New Hire's Success
Brothers Plumbing & Heating in Denver, Colorado, values getting their new employees off to a great start. The best way to do so is by Human Resources and Marketing Manager Lynn Frydenlund sitting with a new individual and going over their "Geared for Success" handbook.

The book, which is roughly 100 pages, contains standard operating procedures, job expectations, policies, bonus program information, safety details, the personal contact information for each manager, and details on their benefits program and other essentials. Each employee is expected to bring the handbook to all meetings, so they can write valuable notes in it.

A 100-page handbook can be intimidating for anyone. That's precisely why Lynn prefers to go over it with a new hire. "We never want to just throw it at someone. There's so much," she explained. "We want to make it as easy as possible for a new hire to do well immediately." SGI

As they've helped customers and the company, they've helped themselves.

Differentiate to Succeed

It's opportunity that motivates everyone at Brothers Plumbing & Heating. Every member of the team understands that as they help the company expand, possibilities to grow with it will arise. However, helping the business succeed does require some sacrifice.

Just as Brothers has differentiated itself by having a sterling image, offering superb guarantees, and providing second-to-none service; they do something else that makes them stand apart from the competition: They're open seven days a week. Not everyone is guaranteed a typical weekend.

"More companies are doing it today, but we started working on weekends 20 years ago. Things don't only breakdown on weekdays," Marvin said. "People need help all the time." And Brothers offers it at the same prices as during the week, too. In his eyes, it's what they should do to serve clients. Along the way, they've managed to pick up a considerable number of homeowners because of the policy.

Brothers will run up to 12 trucks on Saturdays and 10 trucks on Sundays. They have two CSRs and a dispatcher in the office. And Justin makes sure everything runs smoothly. He manages and supports both the inside and outside staff with anything they need. "We're open from six in the morning until ten at night, Monday through Friday, and from seven until eight, Saturday and Sunday," Marvin said.

Protect Your Business by Using Physicals

Owner of Brothers Plumbing & Heating, Marvin Kansteiner, does his best to treat his people as if they're part of the family. He offers paid training, provides healthy bonuses, and supplies great benefits. That's not even mentioning the other fun incentives and activities that Brothers conducts throughout the year for employees and their families.

However, to become a member of the Brothers family is not an easy task. Marvin and his management team make sure to hire only the best and most committed people for their open positions. Job candidates must go through an elaborate screening process. For all employees, that requires taking a physical.

The physicals are offered by a local company in Denver, Colorado, by the name of ErgoMed. Brothers makes technicians take the physical, so they can be certain the individual is able to handle the rigors of the field position. It's also used as a way to discover hidden injuries someone may be reluctant to disclose in the interview process.

"We got the idea to do this in a risk management class that we took through our insurance company. It's helped us with some workers compensation claims that we would have probably had from people with preexisting injuries that wouldn't tell us about them," Marvin shared. "It's an expensive procedure, but it's saved us many dollars in the long run." SG1

Work Can Be Fun When Everyone Wins

"I prefer people to know when they're working, so their schedules rotate for some. Others like working on weekends, and some like working nights," he continued. "Someone may have a significant other who works retail and is off on Wednesday and Thursday. Someone else may get child custody during the middle of the week. I have one guy who prefers to start work at noon and go until 10 p.m. We do our best to work with everyone."

The policy works for homeowners; it works for his employees, and it's certainly worked for the company. Recently, the company generated \$20,000 in revenue on a Saturday and \$17,000 on a Sunday.

A strong profitability is a hard-earned reward that Marvin and Brothers Plumbing & Heating have enjoyed much more frequently since 2000. The company generates nearly \$7 million annually and it does so at a comfortable margin. Few owners could be more grateful for this success than Marvin.

Sitting in the Brothers headquarters is a sculpture reminding Marvin of the help he's received. "It's a bronze statue of a turtle on a fence post. If you haven't heard the story around the turtle on the fence post, the point it makes is

Continued on Page 18



Brothers Plumbing & Heating is deeply involved in several charities, including "Homes for Our Troops," (pictured) which builds homes for injured veterans, and the "Brent Eley Foundation," which provides residences for families with children staying in Denver for leukemia treatment.

MAIN STORY *Continued from Page 17*

that others help you get on top," Marvin explained. "The turtle obviously didn't get on the top of a fence post on his own. It's a great way to look at life and business. It takes a team to do something. We keep that statue in the office to remind everyone that building this company takes a team effort. No one person can do it all. I think we've created that type of culture."

To reward his hard-working team for all that they've done to contribute to the company's success, Marvin offers a variety of fun events. They've had barbecues and group outings. All employees who have been with Brothers for more than 10 years go on a yearly fishing trip to Canada. The one thing everyone enjoys the most is their annual awards banquet. "We have our best attendance with it. We all get dressed up, and we recognize our people for all that they

do throughout the year. Some awards are based on statistics; others are voted on," Marvin shared. "Everyone really seems to enjoy themselves."

True to Brothers' triple-win philosophy, Marvin and his team make an incredible effort to help the Denver community. They particularly are active in two charities. One is "Home for Our Troops," which helps build homes for veterans who have been injured in battle. They also have a long-standing partnership with the "Brent Eley Foundation." It provides residences for families who have children suffering from leukemia and must come to Denver for treatment. "These people can be here for six to nine months. The kids really need a sterile environment to get healthy," Marvin said. "The foundation knows it can call us anytime work is needed. We've also pledged to donate \$100,000 over a three-year period to help."

The commitment to their employees and to the city has not gone unseen. Last year, they received the Denver/Boulder Better Business Bureau's Torch Award for Marketplace Trust. The award recognizes the company that strives to set a higher standard in every aspect of business. "We're not even sure who nominated us, but we were chosen over 120 other companies," Marvin continued. "It was very exciting. I had to speak in front of 500 people about our company and the culture we strive to create. I even shared Terry Nicholson's 'Beyond the Bottom Line' poem that we have hanging in our lobby:"

The acknowledgment was greatly appreciated, but Marvin, his family, and management team don't work hard each day hoping for accolades. They're a welcomed side result of what's truly important. These dedicated people put

Continued on Page 20

MAIN STORY *Continued from Page 18*

in the effort to build the triple-win culture because it's the right thing to do for everyone. When it's properly enacted, everyone truly does succeed. Marvin will admit to that fact.

Life for Marvin is better than ever. He has time to spend with his wife Jan and their family. They enjoy financial security and have the ability to take trips and vacations whenever they choose. And even though he may be in his late 50s, Marvin loves what he's doing more

than ever before in his 30 plus years in contracting.

"Through this change in our business and the success we've enjoyed, I've had the opportunity to sell it. I know that's not what my kids want, and it's not what I want. I remember wanting to retire in my 40's, but I couldn't imagine doing that now," Marvin laughed. "I'm having too much fun, and we've built a legacy thanks to this triple-win culture. I'm looking forward to handing the company over to Justin, Lynn, Michelle,

and some of the other key people I want to take care of. It just won't be right this second. I've kidded with them and said that I would like to stay around as long as they'll let me. They haven't said that I've needed to go, yet!"

Those annual family snow snowmobiling trips will have to remain an annual event, rather than a weekly one. The Kansteiner family and Brothers team is too busy, as they continue to build something special steeped in their triple-win philosophy. **SGI**