

MCAA's Dawson: You're only as good as your people

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BLOOMINGTON, INDIANA — The key to his success has been the team around him, said Steve Dawson, president of Harrell-Fish Inc. here. Dawson is taking over as president of the Mechanical Contractors Association of America at the close of the association's annual convention in mid-March in Maui, Hawaii.

Dawson's leadership philosophy — to treat employees and clients the way he would like to be treated — has paid off with a successful track record.

Harrell-Fish Inc. is a mechanical contracting and service firm specializing in the construction, industrial, commercial, food service, residential and energy industries. HFI performs and excels in all areas including plan and spec work, design/build, full 24-hour emergency service, maintenance and construction management.

Dawson joined Harrell-Fish after graduating from Purdue University's Mechanical Engineering program in 1991. A few years later in 1998, he purchased the company at the age of 28.

Seeking ways to ensure continued success, Dawson got involved in the MCA of Southern Indiana to stay on top of state and local issues as HFI grew. His involvement there continued to expand and recently included a term as that association's Chairman of the Board.

Local involvement led to national exposure to many MCAA task forces. A dedicated member of the MCAA Education Committee for several years, Dawson has seen first-hand the value of education to any company's continued success.

The insights Dawson has gained from MCAA's prestigious Advanced Leadership Institute, the Institute for Project Management and Advanced IPM and his attendance at MCAA National Education Initiative events, MCAA's Annual Convention and the Mid-Year Conference go to work every day in honing his leadership. Extending his company philosophy to his work with MCAA, he has also taken the time to give back, sharing his expertise as a speaker at the MCAA Annual Convention and the Mid-Year Conference.

On a personal note, Dawson enjoys spending time with his two boys, Ben (age 17), and Ty (age 13). He has coached youth football, basketball and baseball for more than 12 years, is an avid fisherman and an accomplished artist, and enjoys all things outdoors.

Despite his busy schedule in advance of the MCAA convention, Dawson was good enough to devote some of his time to answering questions from CONTRACTOR.

CONTRACTOR: When did you know that you wanted to study mechanical engineering? Were you a tinkerer as a kid?

STEVE DAWSON: My father was an engineer and my dream was go to engineering school at Purdue University. As a kid I remember my grandfather was always tinkering. We made or built most of the things we needed. We built our own homes, fixed our own cars and repaired anything that needed repairing. My grandfather was also a steamfitter in [United Association] Local 136 out of Evansville, so I was around welding machines and all of the tools in his workshop. As a kid his workshop was one of the best places in the world to be. He built a small workbench for me and I would spend hours tinkering. As an engineering student at Purdue I was groomed for mechanical design and had job offers along those lines. When I graduated I followed my heart to mechanical contracting and the pipe trades. When I walk around our fabrication shop today it still reminds me of my grandfather's workshop!

C: You could do a lot with a degree in mechanical engineering, so how did you select HVAC and mechanical contracting? How did you land at Harrell-Fish?

SD: I graduated from Purdue University in 1991 with a mechanical engineering degree and had job offers in mechanical design all over the country. I really did not want to leave Indiana and I was fortunate to meet Joe Harrell. Joe founded HFI in 1985 and hired me. I was allowed to join UA Local 136 as a pre-apprentice and went out on jobsites to work. I then moved into the office and started managing projects and assisting with estimating.

C: What did your first boss teach you?



SD: Joe was very involved with the MCAA on a local level and he believed in the collective power of a strong organization. He passed that value down to me. I was about 24-years-old at the time and I had no idea I was a part of something that would eventually turn out to be so meaningful and rewarding.

He also taught me how to get things done and to believe in myself. I spent hours shadowing him and he taught me the business of contracting. I was lucky because I don't know how many kids starting out in this business got to spend every day with the president of the company.

C: Age 28 is awfully young to buy an existing company. How did you pull that off? What gave you that degree of confidence and certainty?

SD: Rennie Fish bought HFI from Joe a short time after I joined. He soon turned to me to buy the company and assume the duties of president. I was 28-years-old when we signed the papers and I was at the helm of a \$24 million firm. As far as confidence and certainty are concerned, if you're in construction it's good to have the former, but you soon learn to not rely on the latter!

The key to our success was then, and still is now our people. I was young and I did not pretend to know everything. I gathered our entire company together and shared a very simple yet important message. As long each person in the company performed each of their tasks well — no matter how small — and if we did this each and every day, then the results will take care of themselves. I also asked for their help — to speak up if they had a good idea or if they saw anything of concern. We work together and support each other and these simple yet highly effective ideas are part of our culture to this day.

C: Harrell-Fish is in a lot of different market sectors, from residential to food service, and design/build construction to 24-hour service. Was the company in all of the market sectors that it serves when you joined it in 1991 or has that evolved over the years?

SD: We have evolved over the years. We annually conduct a strategic planning process using the techniques I learned at MCAA's Advanced Leadership Institute. Some may think strategic planning is simply creating mission and vision statements. Our strategic planning centers on setting annual goals that are specific and measurable. We engage the entire company, including field personnel, and we ask three simple questions: What are the things we are doing well that we need to keep doing? Where do we need to improve and how are we going to do that? What are new things we should try?

We form goals out of this yearly effort and share them with the entire company; then, we measure these goals monthly in all of our team meetings. This brings a strategic mindset to our everyday operations, which has been extremely successful because it has created a culture of working hard to improve our company each and every day.

C: How does your firm's work break out between new construction and service? Is there a dominant market sector, such as commercial? How significant are the energy industries to your work mix?

SD: We enjoy a diversified mix of business and that is on purpose. Our strategy is to be in as many different market sectors as possible because we cannot always predict which sector will outperform from year to year. But, generally speaking our service business represents 35% of what we do. Energy is one of our strategic focus areas and we have specific and measurable goals for that initiative.

C: What do you most enjoy about your job?

SD: The people I'm blessed to work beside. My firm now has annual sales in excess of \$40 million and we employ 165 very talented people. We are like one big family, even though we are not technically a family business.

C: What do you dislike, the one task you would rather never do again?

SD: Nothing. If it weren't that way, I wouldn't still be in the business. Yet, it does feel as though the business climate is getting more difficult. We see more owners and general contractors moving away from "relationship building," and toward low bid "opportunities." A few years ago our *relationships* would win work. Now, it seems anyone is granted a "relationship," which is really only an invitation to bid against 10 other firms!

I hope this trend changes because this business was built upon strong and true relationships between people and companies. One of our clients may get in a bind some day and I want to be there to help them. I do not want to have to tell them, "I can give you a bid to fix that!"

C: It seems like the country is awash in cheap energy these days. What are you hearing back from your customers about saving energy and water?

SD: Most everyone appreciates the fact that "cheap energy" is a temporary phenomenon. We help our customers understand the value of making smart, energy-saving investments in their facilities. We like to say, if HFI can measure it, we can manage it, and we can save you money!

C: After all your years in the business, what are the most important one or two things that you have learned?

SD: Respect and reward your people, for they are your greatest strength. Make sure they work safely. And, *always* exceed your customers' expectations!

C: What do you want your boys to know about this business?

SD: That ours is a great industry that is vital to our nation's economy; that we protect and enhance everyone's quality of life; and that I'm extremely proud to be a part of it.

C: What is the biggest problem facing your firm? What are you hearing from MCAA members as being the biggest problem for contractors nationwide? What is MCAA doing to try to fix that problem?

SD: I honestly think it's the nationwide shortage of talent across all industries. We are no different in the mechanical construction industry. As MCAA president I want to raise awareness of the need to attract new people to our industry. We all have a responsibility to attract, hire and train the industry leaders of tomorrow. That is why MCAA has declared 2015 to be "The Year of The Intern." Our goal is to double the number of college students our members hire as interns, giving as many of them as possible experience in our industry so they will want to consider a career in mechanical contracting. And, as good UA contractors we also need to support General President [William] Hite's call for a 20 percent apprenticeship ratio at a minimum. I fully agree with him that our apprentices are key to our joint success going forward.

C: As MCAA's President, what do you see as your greatest challenge?

SD: I genuinely care about MCAA and its members. I want to leverage their enthusiasm and to get them excited about what they can collectively bring to our industry. I want them to understand that their involvement in MCAA can help them reach their full potential.

C: How important is political action to MCAA?

SD: Extremely important, and in 2015 it is just as important as ever. Last year we successfully completed Phase I of our three-year effort to restructure federal pension law as it relates to multiemployer plans. We have strengthened the current multiemployer pension system by making needed technical changes to the Pension Protection Act and by providing the most severely distressed plans with remedies to avoid insolvency. We have now set the stage for Phase II, the consideration by Congress of companion legislation to authorize new and innovative plan designs that will allow bargaining units to strengthen their plans and, most importantly, eliminate withdrawal liability for contributing employers going forward, or greatly reduce the potential for it to develop.

C: If you were limited to accomplishing just one goal this year as president for either the association or its members, what would that be?

SD: Getting all of MCAA's members to understand the importance of planning for the future and being strategic about attracting and developing the best talent they can find.

C: If there's anything that I haven't asked about that you want to address, please do.

SD: We are now seeing growth in almost all market sectors across the country. We will continue to work with our United Association labor partners on strategic initiatives to regain market share and be competitive across the full industry landscape.

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