Concierge Programs for Contractors -- They're Not Just for Consumers Anymore

May 16, 2012
AGENDA

2) Ryan Clemmer, Clean Energy Works OR – Presentation, Brief Q&A
3) Melanie Paskevich, NeighborWorks – Presentation, Brief Q&A
4) Jay Karwoski, ICF International – Presentation, Brief Q&A
5) Q&A
Business Support

- Business support is critical in order to create thriving, effective, efficient, ROBUST and RESILIENT businesses?

- It starts by focusing on being robust business and succeeds when we all become resilient businesses.
Building the Robust System

• Focus on your own businesses profitability.
• Focus on internal business systems that are replicable and robust.
BUSINESS SUPPORT

We’ve been working with Michael Stone, Hispanic Metropolitan Chamber, Metropolitan Contractor Improvement Partnership and others to provide business support services.

Business Coach

Business Classes

Find a Mentor
Business Support

Program Outline

• Orientation
• Business management courses
• Coaching
• Peer Mentoring
Business Support

Goals

• Increase ability of contractors to compete, thrive and grow.
• Address gaps and inconsistencies.
• Pursue opportunities to diversify the Home Performance industry.
• Meet MW business participation targets.
• Build on learning from customer research.
• Reposition and elevate what it means to be chosen as a CEWO contractor.
• Create model that can be refined and leveraged.
Business Support

Program Objectives

• Build program for existing and new CEWO contractors.
• Integrate business support program with contractor selection.
• Support contractors who seek to grow their businesses by providing coaching and advanced training.
• Invest CEWO financial resources and find leverage where possible.
• Provide shadowing and mentoring to all new contractors.
• Meet aggressive development/design timeline and deliver program on time and within budget.
Building the Resilient System

• Form & create local networked communities with your peers & competitors (i.e. Trade Organizations).

• Focus on the objectives of STANDARDIZING THE HOME PERFORMANCE PROCESS. (This informs the marketplace by conveying a clear message).

• Engage with your local utility programs with a unified voice. Help them help you.
NeighborWorks H.E.A.T. Squad

Shaping An Industry: Home Performance Contractors

Melanie Paskevich, Coordinator
NeighborWorks of Western Vermont
May 16, 2012
A little about NW H.E.A.T. Squad:

• One-stop-shop for residential energy efficiency in Rutland County, Vermont focusing on customer service, lowering the audit cost, providing objective Energy Advisors to help throughout the process, and in-house loan products.

• Program goal: 1,000 EE improvements by 2013.

• 16 Home Performance with ENERGY STAR BPI certified Auditor/Contractors work in the program (all companies do both, auditing and the improvement work)- important point.
Shaping An Industry:

• Communication and Listening
• Timelines, Competition, Incentives
• Provide Useful Tools
Communication and Listening

- Encourage Contractors to communicate with the program via email, phone, drop-ins: keep the lines open on all fronts. Stress communication with homeowners in a timely manner after audit and throughout process.
- Monthly 1-on-1 meetings with each contractor and HEAT Squad to review each client status, making sure no one has fallen through the cracks.
- Bi-monthly contractor meetings to review program issues, any changes, provide learning opportunity(s).
- Always include contractors at the start when proposing program revisions, new offerings, interaction with policy makers, etc.
- Listen to the contractors: to their needs, their wants, their issues. Energy efficiency programs would not survive without the contractors and they need to be fully engaged on all levels.
Contractor Meeting

- Bi-monthly meetings have encouraged a sharing of techniques and products by all the contractors.
- This was an impromptu demonstration of a new foam gun that one contractor has been using.
- These meetings have become very interactive and insightful, now the contractors are asking for these meetings.
Timelines, Competition, Incentives

• Set timeline for paperwork: 5-10 business days to get audit report to homeowner & HEAT Squad, if report is late they go off scheduling list, if past 4 weeks from audit, take audit away completely (late reports have gone from 4 months to 3 weeks).

• Encourage competition: Monthly report that shows each contractors conversion rates, Winter/Spring contractor competition--contractor who has the most completed projects in 6 months wins IR camera.

• Provide incentives: When contractors submit audit reports, they are paid $150 (Homeowner pays them $100 at time of audit) and when project is completed, they get paid bonus $100--total for completed project $350.
Each month all the contractors see how each other is performing and they can see their past conversion rates. This has been a great driver for them to revise their business practices.
Provide Useful Tools

• Held Sales Training--VITAL to all programs, VITAL to this industry.
• Provided equipment Loan: Low interest rate, great terms, flexible (not to be used for a new boat, unless it helps get to a project).
• Established Bulk Purchasing Program with local lumber yard, offer free delivery to site, lower cost, in-stock frequently used materials.
• Started a temporary labor pool: LaborWorks at NeighborWorks to help with workload without paperwork, cost, high turn-over rate.
• Co-marketing such as door hangers, ads, presentations, events, Energy Parties, articles, radio, provide marketing materials.
• This summer: Business planning; equipment lending, web-based project management & reporting tool.
Contractors are encouraged to distribute these doors hangers around neighborhoods where they are working, adding notes on the hanger as necessary. When Homeowners call in to schedule their audit, the contractor on the hanger will get this audit and the potential work.
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Successful Contractors = Successful Programs

May 16, 2012
Agenda

• Building a Successful Program
• Program Design
• Training
• Program Delivery and Mentorship
• How to Raise Awareness for the Services Contractors Offer/Marketing
• Setting Contractors up for Life After Energy Efficiency Programs
Program Design

- An easy to follow program design that fits easily into contractors current business model is a key first step.
- If a program is set up with too many variations to a contractors normal processes it can be an initial barrier to success.
- Do your research to find qualified contractors. Then hit the street and ask questions.
- Identify early champions.
Program Design

• How much of their current business model fits into the HPwES model?
• How well is the business doing in the current marketplace?
• Have they used Federal or State incentives and how effective were they?
• Do they have the certified individuals that understand how to do this type of work?
Training

• Keeping the training sessions open to questions is very important.
  – Contractors are there to learn. If the opportunity to ask questions isn’t an option during the presentation more than likely the question will never be asked.

• Make yourself available after the training. FIELD MENTORING!
Training

- Co-branded marketing materials
Training

INTERCAZ
Accelerate Your Learning
Program Delivery and Mentorship

- Assisting the contractors to change their flawed, cumbersome or outdated processes will achieve results.
Program Delivery and Mentorship

- Keep the “Big Picture” in mind.

$700 Whole-House Improvement Bonus

$100 Duct Insulation

$400 Infiltration 50% Reduction

$500 Windows

$300 High Efficiency Air Conditioning

$150 Crawlspace Insulation

$200 Floor Insulation

$120 High Efficiency Water Heater

$500 High Efficiency Furnace and $100 ECM Motor or $2,000 High Efficiency Boiler

$350 Attic Insulation

$200 Wall Insulation

$75 Rim Joist Insulation

$300 Basement Wall Insulation

$100 Duct Sealing 30% Reduction
How to Raise Awareness for the Services Contractors Offer/Marketing

• Get to know existing methods used for generating business:
  – Angie’s list or equivalent
  – TV or news print
  – Yellow Pages
The home improvement market place is constantly evolving at a rapid pace, more so than in years past.

– For example, not as many new homes are being constructed as there were pre 2002.

– A large number of these companies that built these homes went out of business because they weren’t prepared for life after new construction and the slow down in the economy that caused it.
Thank You

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