

THE ACADEMY OF ELECTRICAL CONTRACTING

**Paper Presented by
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Succession and Corporate Culture

May 1993

Seven years ago I was asked to present a paper to this group. It was an intimidating prospect, because I had found the Fellows so accomplished and successful that I'd prefer to listen to you rather than have you listen to me. But Bob Wilkinson—who was then NECA's Director of Services—prevailed, and I was received kindly.

This year, I was invited again, and since I had earlier expressed most of my ideas, I would like to review my previous thoughts in the context of today's circumstances.

The basic agenda of the previous paper was to communicate our corporate culture—that is, our fundamental operational guidelines, to two fine young men who would one day co-manage our company. So succession and corporate culture are the heart of what follows.

Our recruitment goal was somewhat unusual, in that I sought *two* highly qualified young people to groom for top leadership. This was done for several reasons. First, it is very difficult if the major burden falls on one person. It becomes difficult to schedule vacations and, if sickness should occur, the business suffers. Also, each individual brings his own unique ideas and abilities to problem solving, and more creative solutions are often the result of such communication and interaction.

Because ours has been a family business for more than 80 years, the people we sought were family members. We were fortunate in this regard, because many of our talented younger generation had worked for us during summer vacations. In this way, we had an excellent opportunity to observe their capability as well as their *interest* in the work. Both of the young men selected were college graduates who had done well academically, exhibited strong leadership and interpersonal abilities, and both completed the union apprenticeship program working at the trade, and receive their journeyman and master licenses. The relatives not recruited have done well in different fields more to their liking.

Our own training program has provided the opportunity to learn every aspect of the business by placing the trainees in varied positions of increasing challenge and responsibility each year. An important part of the program was developing sound judgement. We gave them limited decision-making authority in the beginning. Important decisions were discussed with them, and they were asked what they would do *before* we told them our decision. Explanations were always given so that they could review the reasoning, and this process has enhanced and strengthened their own capabilities. At this time, both men serve as vice presidents and assistant treasurers.

At the outset, our first objective was to convey the emphasis on hard work, and that remains a primary consideration. A quote from Will Rogers still has merit today. He observed, "I'm a great believer in luck and, it's funny, I find the harder I work the luckier I become." We believe that no one should work harder than the bosses, who should lead by example, not by direction. A 60-hour week is what I ask of them, and what I still do myself. I believe it's vital to like what you're doing and, when that is the case, the extra hours become not a burden but a pleasure.

Another important priority we emphasize is to give customers the best possible service—above and beyond what is generally expected. We work nights and weekends to give every possible assurance to our customers that their needs will be given the attention they deserve. Our young men share this conviction, and both have taken courses in customer and public relations to better equip themselves to handle this vital role. The service we offer has resulted in customer loyalty and a good deal of negotiated work.

The second corporate goal was to be a good employer. We are considered a very good firm to work for if a person is capable and conscientious. We try very hard to constantly improve our employee's technical abilities by taking them to trade shows and by offering dinner meetings that feature speakers on new products in the industry. In addition, we make educational courses available, and we reward our field men with good bonuses when we have a good year. The result of all this is that our field force feels very much a part of the team. We believe our people—at every level—are the best, and we provide the support and training to keep them at the top in their field. Our concern for employees extends beyond the workplace, and results in an affectionate regard that complements our professional relationships.

Our third goal is to serve our owners. We have found that by treating our customers well and our employees fairly, we have best served our stockholders. The return they have received on their investment has been well above average. It is important to achieve a balance in the commitment to customers, employees and owners. Each group must respect the just claims of the others in order for the enterprise to be successful.

The fourth goal is to serve the community in which we reside and earn our living. Our employees are represented in a wide range of activities including educational, charitable, and professional memberships. Experience has shown that while these activities take valuable time, they bring us into con-

tact with many fine people and ideas that enlarge our perspective and benefit the firm and ourselves as individuals. We try to express our concern for the community at large by contributing to all worthwhile industry and civic groups as well as local charities, and we believe that this is an investment that comes back to us in many ways.

In conclusion, I would like to share some entirely personal observations. Having served on two bank boards for over thirty years, I have come to the conclusion that from a purely natural and business point of view, it makes very good sense to live by the Ten Commandments. I have seen many successful firms suddenly get into trouble when the CEO failed to observe the values that are the foundation of a good personal and family life.

A supportive family is also a tremendous asset. Patience and understanding are essential qualities in coping with long hours and the inevitable stresses of business. My own wife has been one of the great blessings of my life, and I know our two young men would echo these sentiments.

Also, we try very hard to be understanding of competitors, although that is sometimes difficult to do. Even so, we make an effort to offer support and assistance as we are able, and this attitude helps to foster good will.

These are the basic tenets of a philosophy that has stood me in good stead for the forty-three years I have been running our family business. They are the values that I hope to pass on through precept and example and that have brought not only material success but, more importantly, personal satisfaction. They have been the cornerstone of a happy family life and many wonderful friendships, and my hope is that the next generation will be equally fortunate.

It has been a pleasure and privilege to speak to you, and I would be happy to have your reactions or comments on our philosophy of succession and corporate culture.

Thank you very much.

William A. Collins is president of Collins Electric Company in Massachusetts. His personal association with NECA began in 1950 when his father died and he was elected president of Collins Electric. The company has been a NECA member since 1928. Bill has also been affiliated with the Western Massachusetts Chapter since its beginning in 1952 and has served as its governor and president.