BUILDING
CONNECTIONS

6 Steps to Take Before Terminating an Employee

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NSCA®
YOUR VOICE · RESOURCE · ADVISOR

FALL 2019

A Message from the Executive Director

What Should We Call Ourselves?

Commercial integrators? AV integrators? Technology professionals? Low-voltage contractors? Systems contractors?

What binds members together is not so much what they call themselves but the scope of work they provide, their expertise, definitions of licensure status, delivery methods, levels of professionalism, and the ability to provide excellent service.

But NSCA members come in all shapes and sizes. As a result, they've started to create new terms to explain what they do and create differentiation. This, however, is the opposite approach that other trades take.

Internally, NSCA has its own conversations — and differing opinions — about what terms the industry should use to describe itself.

My Perspective

"I like less-restrictive terms, such as systems integrator or technology solutions provider. Many feel like those phrases don't define the type of system or technology they offer or the markets they serve. On the other hand, it also doesn't restrict you when new innovation emerges or when venturing into a new vertical market.

"Differentiation can be a double-edged sword. As we struggle to explain our industry and create industry classifications, the lack of an easily understood identifier can make us almost invisible. This plays out in areas such as insurance ratings, safety and experience ratings, exemptions and requirements for licensing, research and industry data, etc. Because we've fought the notion of being classified the same, we often find ourselves being left out of classifications and standards discussions altogether."

NSCA Education Foundation Director Kelly Perkins' Perspective

"Everything we do involves some type of audio and/or visual component. Security, life safety, nurse call, IT — it all involves audio and/or video (at least from the perspective of the end-user). To protect ourselves, our industry should come up with a classification that's better than 'low-voltage contractor.'

"When describing what we do, this is what I say: We're in the business of creating — or 'integrating,' if you'd like — a system(s) of multiple technologies that helps people communicate. I tell people outside the industry that we are architects of sound, video, and lighting in commercial spaces."

What Do You Call Yourself?

So now we have a question for you: Does it matter? Does the lack of consistency help us? Hurt us? Or have no impact at all?

Chuck R. Wilson

Chuck Wilson
NSCA Executive Director

UPCOMING EVENTS

Sept. 23 EVENT
Ignite Golf Tour
Grapevine, TX

Sept. 23 EVENT
Ozobot Team-Building Event
Irving, TX

Sept. 24-25 CONFERENCE
Pivot to Profit
Irving, TX

Oct. 8 WEBINAR
Keys to Implementing AVaaS
Presented by: GreatAmerica

Oct. 15 WEBINAR
You Get What You Measure
Presented by: Navigate Management Consulting

Oct. 29 WEBINAR
4 Key Strategies to Retain Top Talent During Times of Change
Presented by: Insperity

Nov. 5 WEBINAR
How to Drive Business Value without Growing Revenue or Earnings
Presented by: Capital Value Advisors

Feb. 26-28, 2020 CONFERENCE
Business & Leadership Conference
Irving, TX

Solving Your Most Significant Challenge:
Creating Recurring Revenue

With the fourth annual Pivot to Profit event just around the corner, time is running out on your opportunity to join us at this exclusive event.

Pivot to Profit concentrates on how to develop, manage, and grow a successful recurring revenue model. Discovering lucrative new pathways to increase revenue may mean that your organization has to "pivot" to discover additional growth opportunities — and Pivot to Profit shows you how.

The change can be especially difficult because it impacts *every* area of your business: sales, marketing, service, operations, systems, project management, and talent acquisition. In just one place, you can get the answers you need to start down the path to managed services and recurring revenue **the day after the event is over**.

At Pivot to Profit this year, you'll learn how to:

- Prepare for emerging innovations like 5G, IP-enabled automation, PoE lighting, and IoT
- Handle technology regulations and challenges, including standards, privacy concerns, and cyber concerns
- Get involved in the very early stages of a project to create differentiation
- Strengthen defenses and risk-mitigation strategies as you store and manage systems and data
- Shift from project-centric thinking to service-centric thinking
- Integrate new consumption models into processes
- "Win" at selling RMR and help customers maintain a perpetual technology budget
- Pick the right innovation partners
- Make each solution you provide a sound investment
- Develop and manage an outsourced services team
- Elevate your business and improve profit margins with RMR
- Fight back against off-the-shelf commodity solutions

Whether your company sees $1 million or $100 million in revenue, you'll walk away with best practices and insight on taking your business to the next level: capitalizing on what you do best while integrating managed services into the mix. △

Sept. 24-25

Sheraton
DFW Airport Hotel
Irving, TX

$295

www.nsca.org/p2p

BATTLING AGAINST
Restrictive State and Federal Legislation

So far, this year has brought us an unprecedented number of conflicting codes and standards that govern our sector of the industry. This year has also marked the highest level of regulatory, legislative, and licensure bills introduced at the state level in recent years.

Serving as your voice, NSCA makes things easier for you by monitoring legislation that affects our industry. We invest in resources that identify and stop legislation and regulatory actions that would be harmful to integration businesses. We also provide alternative model legislation, when possible, to help position you in the best possible business climate and enable you to provide technical solutions and services that meet client expectations.

To give you some examples of what we've been working on this year, we've compiled the following list of proposed legislation that would've affected the way your company does business. So far this year, NSCA has fought more than 100 regulation changes that could have impacted permitting processes. (At one point, we were tracking 130-plus bills in more than 35 states.)

- **Arizona:** Proposed elimination of certain communications systems licenses.
- **Colorado:** Proposed requirement to be licensed as electricians to do Class 2 or Class 3 circuit work.
- **Florida:** Proposed modifications to licensing requirements.
- **Hawaii:** Labor laws restricting non-domiciled business entities.
- **Idaho:** Modifications to existing limited energy licensure.
- **Maryland:** Proposed creation of a statewide electrical license and statewide low-voltage license.
- **New Jersey:** Restriction of PoE cable installation, mandating that it can only be done by an electrical contractor. (The position of the electrical board is that you have to be an electrical contractor to install PoE.)

- **North Carolina:** Proposed modifications to licensing for building automation.
- **North Dakota:** Proposed creation of a statewide power limited technician's license that would require integrators to go through apprenticeship and the electrical board to pass an exam.
- **Oklahoma:** Proposed restriction on who can run Class 2 and Class 3 circuits (AV and low-voltage cable and connectivity), excluding alarm systems.
- **Pennsylvania:** Proposed 10V limitations to our exemptions for electrical licensing.
- **Texas:** Proposed amendment to current laws to restrict low-voltage installations to those less than 50V (nearly everything integrators install).
- **Utah:** Modifications to the electrical license exemption to restrict work on any circuits with voltages greater than 50V.

Even integrators who *don't* work in those states could be called upon by customers expanding into them and, therefore, could be affected. As the rule goes, call NSCA *before* bidding a job in places like Hawaii or Nevada if you haven't established nexus. We can save you thousands of dollars and hundreds of hours.

Although we advocate for the industry, it's important that you also keep tabs on what's happening while also becoming involved in tracking legislation and/or serving on rule-making committees or licensure boards in states where relevant legislation is discussed or pending. Contact NSCA to get involved! △

6 Steps
to Take Before Terminating an Employee

By Dawn Motsiff

Sometimes an employee just doesn't meet expectations. Before you send them on their way, are you sure job responsibilities were clearly spelled out? Did you provide guidance? Was there a plan to help the employee improve?

Follow these steps to ensure you're handling the process correctly and avoiding potential problems later.

1. Write Everything Down

If you don't write something down, it can be argued that it didn't happen. Even informal conversations written in a notebook can be helpful and count toward documentation.

2. Clearly Communicate Expectations

For every job, you should have a job description. Even if you don't have anything formalized, you should have a solid understanding of the functions and responsibilities of each role on your team. You should also know what it takes for employees to be successful in each role. And it's essential that your employees know this, too. Your progressive discipline policy should be established, outlining how corrective action and termination should take place if you need to go there. Following a progressive discipline policy helps ensure that similar issues are handled consistently and fairly.

3. Be a Good Coach

New and existing employees should be coached. This is informal feedback and consists of what's right and what's wrong. Your employees need this feedback to understand how they're doing before you get to the point of considering disciplinary action or termination.

4. Initiate a Performance Improvement Plan (PIP)

Let's say you've provided ongoing coaching, but you're seeing some major performance concerns that coaching hasn't affected. This would be a good time to develop a performance improvement plan (PIP). It should articulate the problem areas and give detailed goals about what's expected to correct it.

In some cases, verbal counseling might be the better way to go. Use this in addressing things like attendance, communication, and other behavioral issues. The timeline given to improve should be reasonable. Some deficiencies are quicker to fix than others. Document the conversation and plan. Have your employees sign an acknowledgement form to confirm that they understand.

Hold regular follow-up meetings. Make sure you document these conversations and have employees sign that they attended. Give them specific feedback on how they're doing.

5. Conduct Written Counseling

If things are getting egregious, move to written counseling. This is somewhat similar to the PIP. It should outline areas that employees need to correct. Detail specifically what needs to improve and how this should be accomplished. The counseling form should also express that improvement needs to be immediate, marked (noticeable), and sustained. Employees should sign this form after you've discussed it with them. This doesn't mean they have to agree with what you've documented.

6. When All Else Fails, Terminate Employment

Despite your efforts, you still may not see the type or quality of improvement needed — and the only option left is to sever the relationship. By now, you should've clearly documented what you did to help the underperforming employee improve.

Prior to terminating, review associated documentation. Contact your legal counsel or HR representative to review your decision. You want your termination decision to be supported, justified, and sound. Confirm that you're following all state-specific wage and hour regulations. If you use employment contracts or non-compete/non-solicitation agreements, ask legal counsel to provide validity and enforcement guidance.

In releasing employees, honesty is the best policy. For example, you can say, "John, as you know, we've talked a few times about your attendance, and we haven't seen this improve as we would have liked. We have made the decision to terminate your employment effective immediately."

The termination process doesn't have to be stressful if you have the right documentation and processes in place. Visit **www.insperity.com/nsca** for HR tips and guidance that can help your business soar. △

*Dawn Motsiff is a human resources advisor at **Insperity**, an NSCA Business Accelerator.*

What We Forecast for Construction in the Last Half of 2019
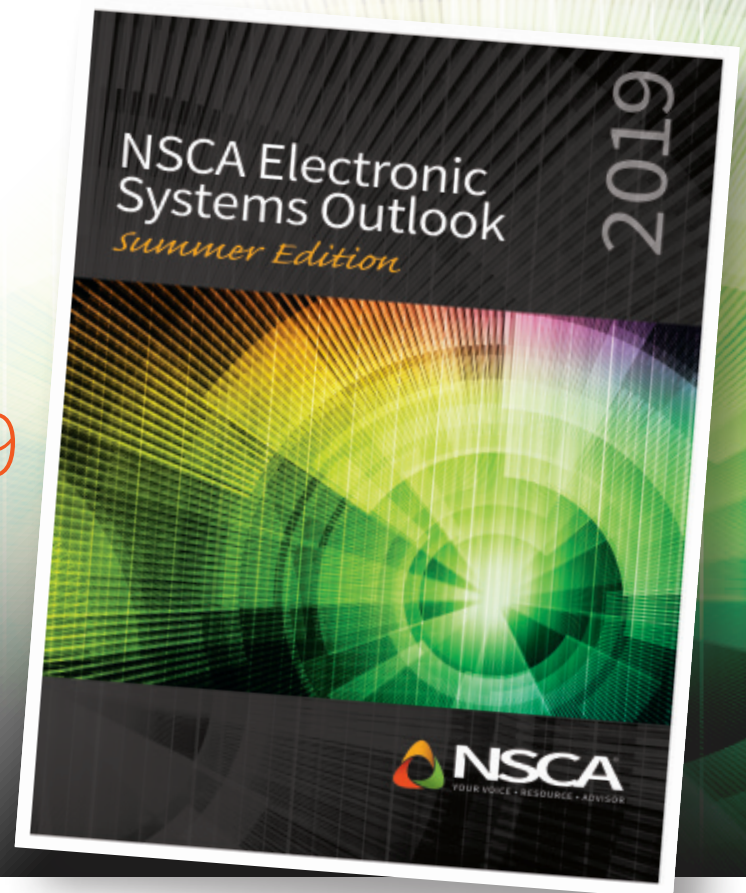
NSCA's Electronic Systems Outlook report has been updated for Summer 2019 and includes construction outlook information based on actual data from Q1 and Q2 of 2019, as well as a forecasted outlook for the remainder of 2019 and beyond.

This report was initially created as a response to integrators asking about market conditions and trends so they could adjust go-to-market strategies. NSCA has followed and reported on industry conditions for more than 22 years, knowing that new construction is the best indicator of the future business climate for integrators. Understanding construction put-in-place totals allows NSCA to predict patterns of slowdowns, recoveries, and market/geographic changes.

Overall, the forecast for 2019 construction put in place calls for a **1% increase this year**, in comparison to the 4% growth rate of 2018.

In the Summer 2019 edition, the *Electronic Systems Outlook* report provides an updated view of construction data by market and electronic system/technology, offering details on:

- Markets projected to do the best in terms of renovation and new construction
- Construction forecasts for 2019 and beyond
- Technologies growing in demand — and where growth is occurring
- Developing a focused sales approach
- New business opportunity potential

Download the report to find out what these trends indicate for short- and long-term industry construction plans. ◌

How Are You Supporting the Industry?

A little friendly competition never hurt anyone, right? Right! Which is why we kicked off the $100K NSCA Ignite Challenge in June, sponsored by Shure Incorporated and an anonymous integrator donor.

These two organizations want to see **Ignite** — a program that increases awareness of the communications technology industry among students and young professionals — continue its upward momentum and contribute to talent growth.

In order to do this, however, it takes money. The program is 100% funded through donations and sponsorships. So far, with your help, Ignite has been able to launch an internship program, establish a group of ambassadors, and create an online job board.

But there's much more left to do:

- Fund the systems integration industry's workforce development program
- Reach out to STEM program leaders, educators, guidance counselors, technical colleges, and higher-education institutions
- Support and subsidize industry internships
- Develop marketing materials that integrators and manufacturers can use to raise industry awareness and attract new talent

Through donations, Shure and the anonymous integrator are challenging other manufacturers and integrators to support the NSCA Education Foundation as well by making contributions that equal $50,000 between the two groups. Shure will match manufacturer donations up to $25,000; the anonymous integrator will match funds raised by other integrators up to $25,000.

If the challenge is met, then Shure and the anonymous integrator will match each group's donations — and **a total of $100,000** will be raised for the Ignite initiative. Follow along with our fundraising progress **here** — and thanks in advance for your support! ◌

COMING SOON: Don't Grow Your Business into the Ground

Available in October, you'll want to get your hands on our newest white paper: **Don't Grow Your Business into the Ground.**
It will be available for free download on our website.

Over the past few years, our industry has seen an active climate of mergers and acquisitions: Approximately 30 NSCA integrator members have been acquired in the last year alone.

Although many NSCA members have experienced great success by hiring the right people and creating organic growth, completing successful acquisitions is another key to expansion in many cases. But acquisitions aren't always the right way to spur growth if they're not the right "fit" for both parties.

A successful acquisition leads to:

- Increased market share
- Purchasing leverage
- Increased diversification in technologies and/or markets
- Better relationships with key accounts

Some integrators have important stories to tell about things that can go wrong in the acquisition process — because they've experienced these things firsthand. The information shared in this new white paper will guide you through a successful growth process based on the successful — and not successful — experiences of NSCA members.

You'll also uncover thoughts from several of NSCA's trusted advisors — many of whom have walked away from far more deals than they have completed.

For more information, or to make sure you receive a copy of *Don't Grow Your Business into the Ground* when it's available, send a note to **nsca@nsca.org** or call **800.446.6722**. ⬡

SUPERCHARGE
Your Team & Manage Change

By Stephen Kohler

Engaged teams are far more nimble and able to manage change rather than wasting time being stuck on the wrong path.

- 75% of cross-functional teams are dysfunctional (Behnam Tabrizi, Harvard Business Review)
- Only one-third of the American workforce is engaged at work (Gallup, State of the American Workplace 2017)

With historically low unemployment, having a team that works in harmony makes the difference between success and failure.

DYSFUNCTIONAL TEAMS …	SUCCESSFUL TEAMS …
Do not communicate or collaborate effectively	Have candid conversations and work together to create something better
Are rowing in separate directions based on individual views	Have different parts to play but operate on the same page — like a well-rehearsed orchestra
Are unable to adapt to changing conditions	Quickly change course and minimize lost time and energy
Are made up of talented individuals who keep stepping on each other's toes	Understand individual roles and respect others
Do not trust other team members or their leader(s)	Trust that fellow team members will do what they say they will do — when they say they will do it
Waste meeting time: grandstanding and egos prevail while nothing of merit is discussed or decided	Use meetings to see where everyone is on projects and problem-solve as a group

What can you do if you find yourself checking off some of the "dysfunctional teams" boxes? Here are some suggestions:

- Get coaching to figure out how you can create a respectful environment in which members deliver and receive open and honest feedback.
- Ask your team leader to reset objectives, strategies, and timelines if you're going in different directions.
- Create meeting agendas. If someone is regularly trying to grandstand or pull you off topic, simply put it in a "parking lot" to discuss later.
- Develop a "pre-mortem" process where you anticipate issues that might require change and create contingency plans before they occur.
- Recognize individual talents and give everyone their space to shine.
- Do what you say you will do — when you say you will do it.

If all else fails, reach out for outside assistance. Team facilitators, leadership training workshops, and executive coaches offer a wealth of tools and exercises to build your team leadership muscle memory. ⬡

Stephen Kohler is the **Audira** *CEO & Founder (an NSCA Member Advisory Council member).*

MEMBER ADVERTISEMENTS