Mike Merrill:
Hello, and welcome to the mobile workforce podcast. I am your host, Mike Merrill. And today we are sitting down with Ron Babich, an advisor with crush IOT. Ron is a proven business leader with over 25 years of experience in designing and executing go-to-market strategies on leading teams in marketing operations, other parts of business, and getting things done. So Ron, looking forward to the conversation today, before we get too far in just wanted to welcome you and thank you for joining us.

Ron Babich:
Thanks, Mike. Great to be here. Thanks for having me on today.

Mike Merrill:
You bet. So I just wanted to start out. I know, of course you can speak on a number of topics. You've got a lot of experience in the industry, especially in construction, but I think kind of your wheelhouse would be talking about predictability and construction. So more specifically, why should listeners care about predictability and maybe how can they build predictability into their jobs sites?

Ron Babich:
Yeah. Well, that's such the million-dollar question too. It's funny because sometimes we joke about, we do all these things and we have all these tools and we have all these measurements and meetings and all this other stuff, and this is the estimates important. And our progress is important and our forecast is important and then we have all this stuff. And then you think about it at the end of the day, it's literally to get like one number, which is like, how are we doing right now? And what's going to happen next week so we can kind of plan it out.

So the fun is just getting to that one place, if you can get there. And to me, I think the most important thing is like having the tools in place and then having the right things to measure so that we can actually get to what we just said a second ago, which is predicting what's going to happen potentially tomorrow. And then how are we really doing today based on how we planned it.

Mike Merrill:
So what are some of the main areas on a job site that predictability really directly affect?

Ron Babich:
Yeah, so the two easy ones are the quantity and man-hours. So I mean really, to be honest, it's so funny because it sounds so simple when you say it out loud, but just with those two things we can put together, earn value on just quantity of man-hours. That's all we have against what we thought we were estimating, what we thought we were progressing and then how we're forecasting. Just those two numbers could tell us like a million things along the way. Unfortunately, though, most companies fall short on the man-hours part is there sometimes it's a little late, but have such a hard time with quantity milestones. The other thing I think is probably worth mentioning, and this is a lesson that I was massively ignorant about. And then just had some quick lessons, is that like in capital projects, you have this severe planning stuff that happens.

And we have these big estimates and we have these progress updates all the time, or we have these forecasts, but then you have this other side of it where there's this massive economy built around the service industry as well. And the concept of predictability is really important to those guys, but they're completely absent of this kind of philosophy of like, how do I know that I need 223 people in the field next week to install cable boxes in Zimbabwe or something like that. And that's what those guys are trying to get a handle on.

And really it's so funny because construction's really figured that part out, at least the theory of it. And I'm not saying everybody practices perfectly, but at least in theory, everyone attempts to get to that fun place we were talking about, but in the service industry, holy cow, it's one of those, Zen's that there's a huge opportunity for companies to get there, and I'm going to babble for a second.

But I think there are a couple of areas there that are problematic and there are some major differences between like capital projects and service. One of them is just in scheduling alone because in capital projects we get the luxury of like six months, 12 months, 18 months planning and all that, where on-demand services are like next week, two days from now three, so that's drastically different. The other thing is that a highway or a mine will be at a single location. And then you're trying to plan for service all over the place. And now you have regions versus a single location and that's very difficult and that's very challenging. And then the last part of it is just basically like crew scheduling. If in a construction perspective, I've got crews that I know are supposed to be at a specific location and I know the numbers and the et cetera, but in service with the on-demand and the scheduling being so kind of short duration, three days, five days, it's much more difficult to figure out what that is. So anyway, some kind of big difference is night and day between the capital side of it and the service side of it, you know?

Mike Merrill:

Okay. So you're … that makes perfect sense. They are very different, of course, different purpose, different focus, different … you're working with completely different animals two types. To harness that predictability or to better track that labor or that production, what types of tools or what have you seen implemented that has helped companies to get a handle on that?

Ron Babich:

Yeah, that's a great question, Mike. The biggest tool is timeliness, as stupid as that sounds, the biggest tool is timeliness and something like what you guys do with your workforce assets, where I can digitally put something in today versus pencil whipping on a

Friday. It's getting the numbers in number one, getting the numbers, right. And like what you guys do makes it much easier to do that because I can do it now instead of waiting until later when they're inaccurate. But it's just the timeliness of getting the time in. It's funny before we got on I just did a Google search on just timesheet memes, just kill me. It's so it's hilarious. Cause there are so many of them, but I swear on a stack of Bibles, 139 million results on timesheet names. Like right now, if you Google and like it's the most hated thing on the planet. So you're like finding, we were talking about like, ah, it's the timeliness. It can't be that difficult, but it is kind of difficult because people just hate it so much. So you've got to make it easy for them to do it or else they just want to kill you, you know?

Mike Merrill:

Okay. So timeliness and simplicity obviously of a way to capture that data.

So with you… obviously you have a very diverse background in construction, construction technology. You've been in large organizations, small organizations, startups, and everything in between what today, with where we're at in 2020, the year of craziness. No question about it. What, what surprises you still, or maybe even most about construction and their adoption of technology today?

Ron Babich:

It's bizarre. I used to have a slide that we would put up that when you're going to go talk someplace about time and it's an 1886 timesheet from Jerome, Arizona in a mine. And I swear to you, when you look at it, you go, Oh, that's the one we're using right now. And it's just it's mind-blowing. The, I think the light at the end of the tunnel is that now there's this whole new era of millennials and young people that are coming in. I sound like an old man look at the young people coming, but millennials and young people that are coming in which changing that. And they're not afraid of using that technology. The other thing is that, and this is the biggest surprise. I think in the last few years, how simple unified communications has been so that when I even on voice like an IOT stuff that we work with all the time and mobile devices now, and if I talk something on voice, something happens on the back

end and then I get this text back and this whole thing is just, it used to be like, well, now I have a mobile app. Now I have this, it doesn't work like that. Now it's in the last 18 to 24 months getting really normal for us to kind of do the circle.

Mike Merrill:
So you're actually seeing it get a lot better improve rapidly.

Ron Babich:
Absolutely. And people are much less afraid of it. It's completely unscientific on the adoption rate. I mean, we have some numbers and stuff on all that, but the reality is enterprises are really kind of embracing this stuff now more than ever. And we really see a big change like in the last two years.

Mike Merrill:
Yeah. We've noticed a lot of the same things too. I know just generally before we hopped on the call, you were talking about contractors need to really embrace and take ownership of being kind of the hero of the project. Being able to predict and know what needs to be, where, and when weeks or months ahead of time how are they able to best do that now? How can they come in and be the superhero that saves the day? Like you explained?

Ron Babich:
Yeah. You know, we talk about unified messaging, but the whole concept of unifying the schedule to the estimate to the forecast is still like the most important thing to be the hero because you start segregating those things out and making it disparate where we have planning that isn't constantly being updated with the schedule and we have scheduling that's not being constantly updated with our forecast. You take one of those out and if you're talking big dollar stuff, like it's a billion dollar project, you really can be three weeks can kill you. So I think that the whole lot, the whole concept, which is the, basically like the unified tool unified communications is probably the most important thing to be the hero in construction.

Mike Merrill:
Okay. Yeah. That makes sense. So with that, I mean, you're talking about assets and kind of forecasting knowing what's needed. When what about on the time and labor reporting you talked about the story of the mines in the eighteen hundreds. Why is it so hated, what is it that ... why is there such a grind? Why are there 136 million memes about it? In your mind.

Ron Babich:
It's so weird because when you think about it, I was thinking about that yesterday. Like how quick it is to fill out a timesheet only takes a few seconds, but it's so bizarre. It's just like expense reports and nobody likes to do them. They're like, let me do my job. And there's this mental thing. And I'm hoping that maybe when everyone has an RFID tag in their head that maybe that will be the ... but I also hope, I love solutions like yours. I hope that at some point it's like, it's okay, it's easy. It doesn't distract me. It actually helps me. I really do believe, cause I know a lot of large enterprises when they start using, you know this, but when they start using mobile timekeeping, it really does help reduce the amount of time that a worker has to kind of put into timesheets every week. And it's a huge benefit to them mentally to the organization too, because they don't get frustrated that they have to do an 1886 timesheet.

Mike Merrill:
So in your experience, what have you seen be the difference in companies adopting that type of technology or change versus and embracing it versus ones that are completely resistant?

Ron Babich:
I think the two things are the speed of use and simplicity. Like if it's not just a no-brainer, if they have to go hunting for the icon and if you open it up and it's got to be like six different things, if they lose anything, it's like, they want it so simple because your audience is a mystery out there. But we had one project we did, we were in 24 different countries collecting time on a gazillion set-top box installations every single day. And you have no idea who's using this app or what country they're in, but they all have to do it. It's mandated or they don't get paid. So because you don't know that

and yada, yada, yada, it's like the simplicity of it, it's just got to be like, you know, rock-solid. So I think that's probably the biggest challenge.

Mike Merrill:
So I think to key in on what you just said there, if they don't do it, they don't get paid. So that sounds like that's a top-down initiative. You hit the road, Jack has that kind of the approach that needs to taken?

Ron Babich:
Yeah. Unfortunately, I think, and this is just my opinion, but unfortunately, I think that's the only way it works because otherwise if you start being diplomatic about how you manage time, it's going to be a mutiny and you're going to get 129 million more memes.

Mike Merrill:
Well, on your background. I mean, a lot of it going back is more on the estimating and the project cost management. So obviously there are so many components to what kind of equates to those costs. Time is a big one it's the largest variable expense in a construction company. You also worked with other industries like mining and oil and gas and other ancillary specialty trades. How is it different there or is it different or what, what are your feelings.

Ron Babich:
Oh, that's a good question, Mike. That's a really good question. I think it's literally, there are all of those different segments are like different religions. And even though they're very different, they're similar they're the same as well, too, because mining is almost identical to heavy highway construction in terms of how they want to do things on progress measurement. And the same thing with subsea. Subsea is so similar to those two other industries. But on the flip side of that, like when it comes to service, like mass service, where you have thousands of people out in the field every day, it's like, that's where kind of things just vary off, but there's this yearning for ... everybody has that one common thing of, I wish I knew what my workforce looks like two weeks from now. And it's so funny because if you just solve that problem, if you help people solve that problem because they're doing it in

spreadsheets and stupid things now, instead of trying to automate it.

Mike Merrill:
So what I'm hearing is better measurement upfront. So daily accurate collection of data. And then obviously if you start plugging that in modeling that with your estimates, now you can predict the future more accurately because you've got an accurate depiction of the current and past so,

Ron Babich:
Yeah, you don't have to go hardcore on the whole earned value science, but just getting, like we were talking about those two core measurements are quantities and man-hours, figuring out what that is in your organization. And then as far as what your quantity means to you, and everybody knows what time means, but if you get that quantity part right, then everybody and their brother can make improvements, so it doesn't matter what industry you're in.

Mike Merrill:
So quantities, you're talking linear feet of this yards of that pieces, parts.

Ron Babich:
Digits, years. Yeah

Mike Merrill:
And within different organizations, of course, there are various roles. Okay. So how one person interacts with a technology solution versus how another does, how does a company kind of roll that out and to make sure that their training and the understanding of the application is one that serves everybody that has to touch it, or is waiting for data from somebody else?

Ron Babich:
That's a really good question, Mike, that's a really good question. I think in my opinion, I've seen the most success is in the biggest organizations is when a, not a third party, but when an assigned resource within the organization, that's their only responsibility on

that job site or within that project. And typically like a project manager at a Honeywell or yada yada there might be responsible for that. Right. But if you don't do that, if everybody owns it, it's the old saying that nobody owns it.

Mike Merrill:
That's great advice actually. So again, somebody has got to own that project in that they're accountable for its success, essentially. And of course, if the individuals in the field, if their paycheck depends on it, then, of course, you've got a lever there that should wield a pretty big, it's a pretty big hammer.

Ron Babich:
That's right. That's right

Mike Merrill:
So with all of this unique background, again, being on so many different sides of construction and the trades, and different software applications, different solutions, I think even going way back, you started in, I believe CRM. If I'm not mistaken, is that right?

Ron Babich:
Yeah. I don't want to sound like I'm a hundred years old, but it literally, we were literally one of the first CRM solutions in the market, especially in the enterprise market. And in the beginning, we were in the far right-hand corner of the Gardner quadrant, and Salesforce after a while kind of blew past us because we didn't realize that we were the only ones on the planet, at the time. But yeah, so SalesLogics was acquired by Sage and, but at a time we were like the monsters of the universe back in from 97 through like 2001, 2002 for CRM, which was a huge, so much fun and a wild time in software as you know, at the turn there, when the money was a different story.

Mike Merrill:
Yeah. So you're, so ... I mean, I think just because my use of a CRM and how critical it is in my business today and looking back when I had my construction hat on and, and then understanding, even from a construction perspective, how valuable a tool like

that really could be. What have you seen today with companies in construction actually utilizing a CRM? Do you see that much still, or has it gone back into that part of the business, the front-facing marketing so to speak?

Ron Babich:
That's a really good question. That's a really good question. You don't see a lot of the, what you see, if anything, is resource availability, meaning who's it who could be on a schedule next week or something in the CRM and that's like internal and it's weird because you wind up having ... I'm just bringing up service again. Cause it's the only thing that really ties into the CRM part, but a customer's availability about when they're going to be there and everything else that's tight. You could see how one day it's just going to be like, no, this one CRM system like Salesforce it's tied into the schedule as well. And so I can see customer's availability as well as ours, but that's perfect unity if all of it's happening. And I know you guys do a lot of that too, with your stuff.

Mike Merrill:
It is. I just, the reason I asked and we've had a few guests that are kind of on that side of things and some of the topics have been about marketing, your construction company, marketing your service, your solution. And I know just in construction historically, we haven't been great at the marketing piece. It's the word of mouth. I remember I had lots of friends in the industry and people would say it almost like it was a badge of honor. Oh, I've never had to market anything. It's all word of mouth. That's all we do. And what I've learned through this other side of the business is, wow, that's a big area that I think companies can capture a lot more opportunity and really grow, if they are better at marketing,

Ron Babich:
You're a thousand percent right. I mean honestly, it's funny and no, one's going to believe me when I say this, but I can't tell you how many, literally like a $500,000 annual contract or three $50,000 SAS contract came through our internet marketing or came through our digital marketing or came through. It's like, really? Yeah. I mean, obviously, you had to still sell and all the other

stuff that goes with it, but man, it's like, and this is for a while now. So it's things like this, I think thought leadership sessions where you got to be not selling essentially. And you're great at that. And you're the master of the trade show, high kicks and appearances too so absolutely.

Mike Merrill:
The reason that I see a correlation here also, kind of a bridge between marketing and then also capturing this kind of data. One thing that I've seen and heard about in the industry and not just on some of the podcasts guests, but they're actually sharing with the market in a marketing sort of way, or in a marketing approach, the types of technology that they use, the way that they're tracking their jobs and their completions and their warranties and their contracts. They're actually using that as a way to say, this is why we are cutting edge. This is why we're better. This is why you want to hire us, because we're going to better track your jobs, we're going to track your money, we're going to track the change orders. We're going to be way more accountable to you than our competitors because we've embraced technology. And it's a core part of our business.

Ron Babich:
Yeah. It's really smart. And that's kind of, it's not age-old, but I would say like, I don't know, last 12 years or so. It's like if you want to be successful in this business, show everybody what you do, show everybody what you got. There are no secrets anymore. And there are still some old school people out there who kind of, it's a minority they'll disagree and go, Oh you got to keep certain things back. I'm like, no, the cat's out of the bag on everything now there are 9 million YouTube videos on everything from how to make a squirrel out of a wooden straw, so there are no secrets. Get it all out. This like what you just said, show everybody what you do, how to do it. And then you gain a community and now you've got friends and you're not selling anymore. You're just providing solutions to people that you know.

Mike Merrill:
Well, and I think this is the same for the construction industry. Maybe even more so than software technology space, but you're investing in a partnership,

in a relationship. So if you're going to build my custom home, I'm partnering with you as a contractor to help me to accomplish the project that I have, that my family needs and that we're planning on investing the next 30 years of our income into so to speak. So I think just that different approach along with some of these other things that we're talking about are kind of some of the low hanging fruit that companies could better take advantage of. And I know you would agree with this as well with your background.

Ron Babich:
No, a hundred percent Mike that's right on.

Mike Merrill:
So within … you're in the Phoenix Scottsdale area, is that right?

Ron Babich:
Yes. North Phoenix

Mike Merrill:
And kind of a tech hub a little bit. Right. I mean, there's, there's a lot of technology and software down.

Ron Babich:
Oh yeah, no thanks. Yeah. We're trying to make … it's a lot of big stuff. It's just, I'll tell you. So it's a story in itself, but so there are 15 West Valley cities out here when you cross over i17 and we have less than 2% of all the tech companies. So everything like I've started and we'd been a part of, is either going to be in the North Scottsdale corridor or it's going to be the central Phoenix corridor. And what we're trying to do is Microsoft's got like three plants out here. Now, AWS, the scout line, the white clog guys just put a manufacturing plant. We've got like three free trade zones out here in the West Valley now. So we're making a huge push that's supported by all of the cities, which is super cool and Maricopa County, which is the big County out here to put a tech center right in the center of everything.

And I've been very fortunate and been lucky to be leading that charge, to get the, not only get the center

up but to provide the programming and do the stuff we're talking about, like right now. So help companies market, how do I get my product to market? How do I create a marketing plan? How to create a business plan, how to predict a prediction, like how do I predict how much money I'm going to make if I start doing something tomorrow? All this stuff to help those tech companies and by doing so if we do that kind of create a new tech epicenter central thing out here in the West Valley. So yeah, we started it it's a nonprofit and we started that three years ago and it's taken legs and I can't tell you how excited that makes me about all the support we have for what's going on now.

Mike Merrill:
Wow. Oh, that's fantastic. Yeah. We're in Utah they call it Silicon slopes instead of Silicon Valley here.

Ron Babich:
Yeah. You have that. You have a cool area there with all those companies.

Mike Merrill:
Yeah. And it's interesting because construction is still booming here and doing really well, very busy and a lot of large companies in the area and there's a lot of adoption of technology. So it's really long overdue and exciting to see it kind of make me want to put the hard hat back on and get back out there and implement all this stuff that we've learned from this other side of the business

Ron Babich:
That's really cool. Yeah. That's really cool. It's impressive. What you guys got up there.

Mike Merrill:
Yeah, there's again, I think the biggest thing like you mentioned, there are so many youthful technical people that are flooding the marketplace. And I think that's the other thing, and you've probably seen this too. I hear all the time that the trades are struggling to get more people, young people into their programs. So I think in the future we've got our work cut out for

us and having enough blue-collar workers to actually perform the labor that we have.

Ron Babich:
Yeah. everybody wants to be a gamer and a YouTuber and yeah.

Mike Merrill:
Well, so in kind of winding up a little bit and wrapping up by, I just wondered, wanting to kind of ask you one last question. So for you, Ron Babich is there a hack or some kind of secret sauce that you've learned in your years of experience, that's kind of become your superpower so to speak,

Ron Babich:
You know what, in my old age, I would say one thing I've gotten better at I'm still not great at it is being way more open to change. Also understanding that nothing lasts forever. And when I kind of tell myself all the time that let everything just roll off, everything's going to change. Everything does change. It makes me stronger in terms of dealing with things and everything else. So I would say being more flexible, Mike.

Mike Merrill:
Interesting. All right. Open to change and flexibility that sounds good.

Ron Babich:
Yes, yes.

Mike Merrill:
Like Pilates right?

Ron Babich:
Yeah. And you know all about flexibility because you're the master of this. As we know someday, I'll get to see that again. But anyway, you've been doing it for a long time. I don't have to tell you about it,

Mike Merrill:

Well, thanks again I enjoyed the conversation today. Appreciate your insights. It's been a lot of fun having you.

Ron Babich:

Thanks, Mike. Always a pleasure. Take care.

Mike Merrill:

Thank you all for listening to the mobile workforce podcast, we appreciate your listenership. And of course, as always, we hope that you will leave us a rating and review, and five stars is the best way to do it. And you can also follow us on Instagram at, at work max underscore. And again, share this episode with your friends and coworkers in order to help them and you to enjoy a better life and better business.