

# Tyler Hoppe



## Mike Merrill:

Hello, and welcome to the Mobile Workforce Podcast. I'm your host, Mike Merrill. And today we are sitting down with Tyler Hoppe the controller at HBS Painting. In today's episode, Tyler and I are going to have a hands-on case study about how HBS Painting is diving into driving revenue, maintaining profits, and also keeping up productivity with all the different technology solutions on and off of the job site. So thank you, Tyler, for joining us today. Looking forward to the conversation.

## Tyler Hoppe:

Absolutely, happy to be here. Thanks for having me.

## Mike Merrill:

You bet. So I guess, just to start off, why don't you share with the listeners how you feel like technology has changed? How HBS does business today compared to maybe say 15 years ago?

## Tyler Hoppe:

Okay. I'll give a quick little rundown of who we are and how we operate. We're family owned and operated business. I am third generation in that family business. We are high end residential, primarily painting contractors. We do do a little bit of commercial, but it's primarily high end residential. So we run about 45 to 50 individuals. About 40 of them are usually deployed in the field and on job sites, we do have a headquarters office and shop location that we keep a couple of guys at. We have a spray booth there.

So we're a little bit of a mix between a warehouse, but primarily a service based business that's remote in the field. How have we changed? We've done our best, I think as a lot of small businesses have over the course of the years to figure out what technology is worthwhile, where do we get our return on investment? And what's a shiny toy?

That's been a bit of a landmine game, if you will, I would say for the last couple years. In the early 2000s, when a lot of this can do it started to come online. I think we wood all like, we're just going to install this and all our problems are going to be solved. And we all quickly kind of found out that we were probably, I don't want to stretch it, but from my experience, probably a decade away from a lot of that stuff really working in the field. Some of it, the highest end, best stuff would work in the office environment. When you had everything kind of perfectly dialed in and you had your network all set up, but much of it you struggled with.

So we've spent every bit of 15 years really kind of trying to figure out what technology do we have in place? What are we using? What are we getting an ROI on? And what do we not need? And obviously the goal of any business, but a small business we want to limit our overhead. Having things in place that are not producing a return on that investment or things that are just more of an exercise. KPIs, key performance indicators, we're all data driven in today's world.

UPS's tagline is logistics and analytics. It's this cool thing to do in today's world. But how many times do you get handed a report and you look at it and you're, "Well, this is all great." And you set that report right back down and you go back to doing what you were doing. You're not actually making decisions, running your business based off of that, it's more of a shiny toy. Trying to figure out the difference between what's an actual true key performance indicator, what will truly help our business. And what's not a shiny toy. So kind of a long-winded answer to what you were asking, but that just kind of gives you an intro of where we're at, how we operate, how we've trying to navigate this technological world in a small business environment.

## Mike Merrill:

Yeah. I appreciate that background. That's actually very helpful. And I mean, you're at a size, an employee count

that's enough to... I mean, you get your hands full. No question about it.

### **Tyler Hoppe:**

Yeah. We are in that, what I've been referred to by many business coaches over the year of the dead man zone. That over 2 million to sub 10 million range is a tough range to operate in. You're big enough that you're attractive for lawyers or attorneys or even state legislatures, government. You're large enough, you're doing enough revenue that there's something there if you will. Hey, if you're a one man band operating out of the back of your truck and you go to a slimy lawyer and say, "I want to sue this guy." It's hard to get anything out of one guy. But if you're doing two plus million dollars, you got to have an actual business there and you become a target at that point. So I would say both for target purposes, as well as operational and logistical purposes, you get to plus 2 million, you likely have 10 plus employees.

It becomes very difficult to try and do the old school paper and pen. We'll just text message. We'll just communicate old school. You can do it. You get to 40 guys you just flat out can't do it. So you do get to this point that... But we also, I guess, where I was going with that, we're not a \$10 million operation where we just have this endless amount of... I shouldn't say endless, but this large bucket of resources that, "Hey, we'll just throw another guy on the HR team. And we'll make him focus on this new thing that came out from the government." We don't have an HR team. The HR team is me. And we're doing our best as all companies are, but we're all wearing a lot of different hats. And so kind of trying to figure all that out is a complicated battle.

### **Mike Merrill:**

Great point and a nice segue into, so at the size you're at, and with obviously some of the challenges we've gone through the last couple of years with the pandemic and other things, what do you think has made technology so important as we've gone through this?

### **Tyler Hoppe:**

So we are a painting contractor that you think it's just a simple painting contractor, but offering tons of different services. There's different labor rates, different material rates. We obviously estimate and bid everything based off actuals, a real company does its best to do that. We're not just guessing, we don't do any guesstimating. We don't walk onto a project and say, "It feels like about three guys for two weeks, four grand."

We don't do any of that. We do everything with square footages and with actuals. When you have many different services, it's very easy... We can have \$100,000 contract and there's \$40,000 in wood finishing and there's 50 in painting. And then there's miscellaneous high end, we did some gold in the bathroom at the end of the project. If you're not counting your data, you can walk away and say, "Okay, we invoiced 100. And we spent 80, we're up 20."

But you don't really totally know where did we win and where did we lose? Was it the gold gilding that we won on? Or was it the painting that... Did we underestimate our material or did we underestimate our labor it took? When you can actually look at your data and trust it and say that, hey, this data that I'm looking at is real valuable data. So when I have to bid this job next go around, I can actually use this as actuals based off of this, not just continue to, "Hey we did okay on that job." It's possible that maybe the wall painting was all of your profit and then some, and the wood finishing in the kitchen you actually lost money on that one. Well, when you go to bid the next project and let's say there is no wall painting on that project, all your bidding is the cabinetry finishing.

And if you don't know that's where you lost it and you bid it the same square footage as the last project, you walk away and go, "I don't get it. I bid this one for eight and I had to spend 10 to get the job done. But the same service I did over there seemed to be okay." Well, you're missing that your wall paint covered up your loss on the cabinetry finish. The only way you can see that is through data. You cannot just walk it and get this... Again, \$100,000 contract is it could be five guys for 10 plus weeks. You're not going to emotionally, accurately pick that job apart and figure out where you won and where you lost. You need data to do that.

**Mike Merrill:**

So you're obviously promoting solutions that can deliver that type of data and that level of detail. What is it aside from just the details that you look at in order to define whether a software system or a technology is useful or it needs to get weeded out?

**Tyler Hoppe:**

I think that kind of goes back to all business decision making. I go back to the key performance indicator things. I think it's very easy, specifically in small business to get a little emotional with things. There's certain things that could be glaring visibly right in front of us. Maybe our shop guy's production or it could be this one client that's very difficult. It's interesting. Once you get your hands on a few years of actual valuable, accurate data, sometimes the things we assumed are exactly opposite. And sometimes the customers we thought were our best producers are maybe not so good.

So I bring that up to say that you really have to make your business decisions based off data and actuals, not based off what you're emotionally feeling. We try and do our best to make sure that when we're picking, hey, we want to put WorkMax into place.

Why did we make that decision? Did we just see a commercial and say, this looks great let's throw it into place. If that's the way we did it's very difficult to determine six months down the road is this justifiable? Are we getting a return on this investment? Because we didn't actually have a key performance indicator that said, hey, look, we're suffering in this aspect. Here's why we're suffering. I'm seeing about a 12% loss of time on our guys. We're having customers report they're five and 10 minutes late and they're leaving five and 10 minutes early.

We're making the decision to bring WorkMax in this example, based off of actuals. Here's an actual problem. Here's what we expect, what we hope to gain by putting this solution in place. Well then six months down the road, you can look back at that and say, are we getting out of it what we expected to get out of it?

If you're just doing the typical consumer of, "Hey man, I was at a conference and saw this cool new app. It's great. We signed up." It may be great. And it may be a cool app. But is it actually adding value to your business? Well, if you're not making decisions to put these things in place based off need, you could very easily get wooed by shiny objects. There's a lot of really cool apps out there. There's even some in our industry that I'm like, that's amazing, but that's probably more geared towards commercial painting. Cool app, not disparaging of it, but I don't need that. That's going to create another level of management, another level of overhead and another cost that isn't really going to bring me any value for my business. So that's how we try and analyze this type of stuff. I think it goes back to your decision making on why you put it into place to begin with.

**Mike Merrill:**

Yeah, that's a great answer. And I appreciate you going into the detail on that, because I think that's something that it doesn't matter if you're running a construction business or no matter what business, a restaurant business. I mean, you can't, you can't spend more than you're going to bring in. You got to bring in more value than it cost you to put something in place.

**Tyler Hoppe:**

Unfortunately we're not the post office and we don't get to run in the red year after year. We got to show some black at some point.

**Mike Merrill:**

There you go. Well, and obviously HBS has been in business for over 50 years. Your family owned and operated. Clearly you've been trained by others that had the same mentality. And it just sounds like it's a part of who you are and just how you roll.

**Tyler Hoppe:**

Yep, absolutely. Absolutely. It's definitely a culture.

**Mike Merrill:**

Props and kudos to you.

**Tyler Hoppe:**

Yep. Thank you. And those who came before me, my father and grandfather as well.

**Mike Merrill:**

Absolutely. So obviously they didn't have the software solutions that you have access to today. So what ideologies have you tried to adopt and adapt in today's market and day and age that you learn from them?

**Tyler Hoppe:**

Yeah, I think one of the things that's a little bit different with small family owned business, as opposed to the corporate environment is it's still a little more old school and hands on. My grandfather and his brother, when they founded this business in '73, they were tradesmen. They were craftsmen. You could just start a business and start operating and you didn't have to be an accountant and an HR expert and a payables and receivables expert. You can kind of run a relatively simple service based operation. And it wasn't all that complicated by the mid to late 80s, things were changing and getting more difficult. My father was always a data driven guy. Obviously the software wasn't there. So we were doing it differently. We were doing it with paper, doing time sheets on paper and collecting all that paper each week and trying to process all that paper by hand.

That's definitely a different level of challenge. Your ability to really process that amount of data and stay up with it. I mean, there's so many jobs that are starting and there's so many day to day fires that you're dealing with, putting things, addressing every text message and phone call that comes in. Sometimes doing the post ops it can slip through the cracks. Data gives you the ability, software gives you the ability to have that.

So I would say from the first generation where it was mainly trade oriented into my father, where he was realizing, "Hey, we got to build an actual business here and convert this from just service providers to a business." And then now moving into the world of today where the expectations, we're not commercial. I point that out because we're not union based. I know union and commercial type operations are very different.

I think their demand for data and their demand for this software has been there at least 10 plus years, probably 20 plus years at this point. In residential, that's not so much the case. There's still a lot of contractors out there that they don't hardly produce any paper. They're literally guesstimating. They're given handshake type agreements. There's far less of that, but there is still some of that. And the reason I bring that up is we are probably on the cusp of... We're on the leading edge, I would say, I don't want to pat ourselves in the back too much, but we're definitely on the leading edge of technology in the segment. The other vendors we're working with, our fellow tradesmen. They're usually coming to us. When they see us doing things like WorkMax clocking in and out, they're coming to us saying, "Hey, you guys are always leaders here. What is that? Tell me about that. Help me with that."

But yeah, the amount of data that's now starting to be required, I'm starting to see it a little bit like this of, I think in our level of work the attention to detail used to be an area that we would get hurt with clients. They can come in and just expect more and more detail. And as we know, time is money and we're going back and we're cleaning lines. And that used to be a trick that I think clients... Clients nowadays can use the paperwork, the logistics of a project to kind of get time and money out of you. And contracts are really important. Your ability to prove... Again, we can have large contracts where it can be a 10 man crew for six months, eight months, we have a project we're on 15 months right now, memories get faded.

So the ability to produce paperwork, you didn't have people come up to you, at least from my experience. And I know I'm a younger guy, but 15 years ago, they weren't coming up to us saying "I'm going to need to schedule of values. And I'm going to need to see how much time was put into the kitchen versus..." They just didn't ask for that. In today's world they're starting to. And if you're trying to do all that manually it's going to be an uphill battle. And where we're seeing clients... And I don't want to speak disparagingly of clients, but they're using that. They really are. They're, "Oh, if you can't prove it to me that your guys were there then I can't pay you." And even things like signatures and, "Hey, write me the change order." We walk the project. We all agree to it. We talk about it, but, "I'll sign and get it back to you later."

And then you don't get it. You follow up with them and "Hey, can you sign that agreement?" "We're good for it. We're good for it." Just move forward. We've had a couple of times where long time good clients, we get to the end of the project, over the last 36 months we've had a few of them. "Hey, man, I'm sorry about that, but I never actually got that signed by the PM. And I didn't really have the authority to move forward and we don't have an agreement in place for that last change order. So I know the work's delivered, but I can't get you paid for that. Because you didn't collect a signature." It's a different world out there. It's a litigious world of the ability to prove things. It's not just so much, "Hey, I've known you guys for 25 years and you've never cheated me. If you're telling me he's there, I'm good for it."

That's not flying so much anymore. So technology is really important in that aspect, our ability to kind of back up what we're invoicing for, what we're paying guys for and protect ourselves. The world of... We're in California. California's a tough state to operate in. There's new rules and regulations coming at us relentlessly. So I'll keep my perspective on California limited, but it's a tough state to operate a small business in and it's getting tougher all the time. So software is what's going to help small businesses navigate that.

### **Mike Merrill:**

I think the importance of having access to cloud based systems that you can get to at a moment's notice and not have a data trap or data silos. And then also integration. Maybe talk a little bit about that. How important is integration and sharing that data that you've collected with the different systems you need to cover your cover bases? Bases we'll say.

### **Tyler Hoppe:**

Yep. CYA. Yep. So I'll go a little off track here. When I say we do 40 different services, we obviously have our core competencies. I think all good businesses try and stick to those core competencies. When you try and make everyone happy as the old saying goes, you make nobody happy. I bring that up to say in the perfect world, we just have one piece of software that does it all. It does our accounting. It does our time collection. It all just works. You can import your photos. So far, at this point in 22, I have yet to find that amazing product.

So as you said, yes, softwares need to communicate with each other. As we know, that's becoming more and more streamlined through things like APIs and other tools and technologies advancing, but there are definitely some systems that work better than others.

So the ability to do that, to do it quickly, routinely. Like I say, 40 guys are starting and stopping projects. We could on a moment's notice you have a guy show up at a project and homeowner's sick, nevermind, you can't be here. Hey, we need to reroute this guy down to this project that's next on the list. I need you to be able to update the job list right now at a moment's notice so he can get the address and clock into that project.

If you have a really complex system that requires your IT admin to press five magic buttons and it can only go every two hours and whatever the case may be, that system in that moment is useless to you. So having the systems set up correctly in a way that's truly efficient, that's truly cost effective.

I've seen systems, I've even been guilty of having one over the years that, it was 15 plus years ago so options were limited. But yeah, I had, I had an outside developer come and develop it and it was badass. It produced some cool reports that I could not get elsewhere, but it took him 3, 4, 5 hours a week. It took constant troubleshooting with it. It was built in Microsoft Access. It had several SQL databases that it was querying, pulling data in and out of QuickBooks. It just was not reliable. It was difficult. So having softwares that are integrated properly and that are set up properly is key. Because it's like having the most amazing vehicle in the world that's unreliable, you just don't ever want to drive it.

### **Mike Merrill:**

Yeah. So technology's obviously a huge enabler in gaining efficiencies. But what about in your case, I mean, you've got a family owned business. Does that present challenges at times when the way that you have to deal with or work with different people or tell us a little bit about that?

### **Tyler Hoppe:**

Family business is definitely a little complicated. It's different for the obvious reasons in the standard



business. There are personal relationships that come into play a little bit. So I'm not going to be naive or deny that there are complications with it. But being third generation, it can very easily be done.

So you kind of have to navigate the personal relationships. In my opinion, in most all businesses, I don't want to speak out of turn. But culture management is the name of the game. Managing clients' expectations, employee expectations, keeping people happy, keeping perspectives in line. All of that is really where the money is made to be honest with you. Hey, you got to be good at what you do. You got to understand your core competencies. All that's very true. Don't hear me wrong. But again, you can have the star of the show out there.

I relate a lot of things to athletes. As we've seen over the years, some of the most talented athletes are the worst in the locker room. And these kinds of things are things that we have to, as small business owners, specifically, family businesses, you unfortunately do have to manage them. And there's certain times that there's certain scenarios and it's like, hey, employee X may not get away this. But this is employee Y and for this reason we have to make this decision. It's not to corporate world cut and dry. "Hey, handbook says this, this is your third write up. You were 10 minutes late. You're terminated." You just can't operate quite as rigid that way. We don't have a line of applicants out the door as we may have in previous years. So managing your workforce, managing your clients. All of that is what I would say is the most complicated part of the family business.

### **Mike Merrill:**

Yeah. Are there any things that you have to intentionally avoid just because it is a family business that you just steer around?

### **Tyler Hoppe:**

I think a lot of that was probably done before my day, to be honest with you. When I came on board, the culture and the structure of when you come to work, we have a work relationship. And not in a poor way, but it's still your dad, still your grandmother still your family, but it's different when we were at work. That was kind of made very clear from my first day. And it

never really changed. So obviously my dad at this point being my boss and whatnot, we have our moments. We get after it periodically, obviously, just because we're both passionate about what we do, and we're both doing the best. But we also can push away from the desk at the end of the day and say, okay, that's business. And now on Saturday, we'll go do family time.

### **Mike Merrill:**

Nice. Well, that's good advice, anyway, I think that's sound advice for any business, whether family or not. When it's time to work, we're ready to put the nose to the grindstone and get our hands dirty.

### **Tyler Hoppe:**

Yep.

### **Mike Merrill:**

So how do you feel like maybe your other employees benefit from the fact that it is a family business? Are there some things that are different for them as well, that might be better or more in line with what they would hope?

### **Tyler Hoppe:**

I think a lot of this stuff's personal preference. As we've seen through the pandemic, some people love working from home. Some people who thought they would, don't like it so much. We're all different people in different aspects. I don't ever mean to be negative towards what I call the corporate world, but it's a different environment. It is different. I think for many of the reasons I just mentioned, and I won't go through that laundry list, it's different with the small business, because there is some flexibility.

There is some understanding, personal situations, whatnot. We have a personal relationship with our employees. We've been very fortunate. The pandemic cut a few of them short because some of our crew was aging. But up to two years ago, we had two guys over 30 years and six guys over 20 years over half our workforce was 15 plus year employees.

So I think we found this really kind of basic concept of when you're good to your employees and they're good

to you there actually can be this win-win relationship that happens. It takes work on both sides. It does take work at times as the employer to continue to remember. As with all things, you can take somebody for granted. They've been around 15 years and maybe you forget the value they're bringing. But at the same time, the employee can maybe forget. So it takes a constant nurturing of those relationships if you will. But I think the advantage is just having a personal relationship. You're not a number. You are Tyler or you are John. You're not just, "Employee 1292, okay what's your problem, who's your manager again?" You're not sitting down with this lady at the end of the hall in HR that knows nothing about you or any of your circumstances.

She's more or less a therapist listening to you vent and telling you, "Okay, I've heard it and I'll address it. And off to your cubicle, you go." That's not the case in a small business. Obviously we're all different. We have different preferences. There could be some downsides that come with that. But that kind more, I don't want to use the word old school, but old school environment of a little less formal. We try and be obviously as formal as possible. We follow all rules and all that good stuff, but it's not the got to wear a suit type of thing just because the handbook says. So I would say that's probably the biggest difference for us.

### **Mike Merrill:**

Yeah. And I mean, it sounds like a comfortable, nice environment to work in generally. Especially if you want to get in and work hard and get things done, but we're not going to hold your feet to the fire on all the technical stuff as long as you're putting the work in.

### **Tyler Hoppe:**

Exactly, exactly. Follow, be compliant, follow the rules, be a good employee, but we're not in the business of micromanaging individuals. We're not in the business of trying to control every little aspect of every little thing. I think that can almost go back to one of your other questions. For example, introducing WorkMax. That is one of those balances of we've had certain employees, 20, 25 years. They all of a sudden feel like, "Hey, big brothers watching. Do you not trust me? Do we now have an issue here?" The decision to put WorkMax into place had nothing to do with this 25

year employees work performance or anything. But from his perspective, it's very easy to feel like, "Wait a minute, I'm feeling SP on a little bit and I'm feeling like you may have a problem with me."

Totally not the case at all. We're doing this for other reasons, but those are those types of things that you have to navigate. You have to constantly be having those conversations and constantly be reminding guys of we're happy with you. This is totally unrelated to your work performance, but that's just a small example of it's complicated. Maybe I'm incorrect here, but when you work for direct TV, if you will, if you're installer 1,290 of 10,000 and they come to you and say, "Hey, the software changed. We're now using this to clock in." I don't think that employee has any sense of, "Are they mad at me? Did they do this because of me?" It can happen in a small business.

And I know it can seem kind of silly, but that stuff does happen. I mean, we had a 32 year employee, I think there was some other things going on, I think COVID had something to do with it, but basically came in and quit out of the blue and kind of had a bit of an emotional tirade of you guys just stopped appreciating me. You stopped noticing me. Well, hear me clearly, we are very complimentary. When we walk onto our job sites, this specific individual was a very talented artisan. We were, we felt from our perspective that we were constantly complimenting him.

We had just given him a raise about six months prior. He was happy with that raise at that time. And then all of a sudden something unraveled in a short period of time and that employee's out the door, and that's painful for a small business. When you have a 32 year veteran that you've invested years of training in and they just walk out the door, you want to avoid those, obviously at all costs. But you can't always, sometimes. Obviously there was a few things that went down and his perspective got a little jaded. And if you're not constantly massaging that stuff constantly in tune with that stuff, it can negatively affect you. So small business can be a little different.

### **Mike Merrill:**

Yeah, that makes sense. And I think, I think that's back to you've got to, like you mentioned before... I mean, you're trying to be supportive. You're trying to be

aware. You do everything you can, as you grow that becomes more difficult to where like the direct TV scenario where everybody knows that they are literally just a number in some regard or another. Because you can't run a business that size without managing more of the data than actually working with people, so to speak.

### **Tyler Hoppe:**

Yeah. Which is where, when I use the word perspective, that's a perspective I'm talking about. When you join the job and your perspective is, "Hey, I'm just a number here." You're not insulted when you're treated that way. But if your perspective is, "I'm a 30 year employee, I am something different. Hey, this time collection system, maybe for the new guys, but not for me, I've been here the 80s, what are we talking about?" Well, then when they're standing there saying, "No it's for everyone, I need you to follow the system too." Totally unintentionally he's now offended. And so perspective matters.

### **Mike Merrill:**

Yeah. And any situation with new rules or new compliance, new policies, new got to sign this, got to have this training. I mean, people don't like change generally.

### **Tyler Hoppe:**

That has been our biggest challenge by far. Even customers or I don't even want to use the word customers as much as a job site superintendent. When you're remote, they can grab your guys and just say, "Hey, I got cabinets going in here tomorrow. It's the laundry room. I know you're working in here, but I need you to prime and paint this room really quick today for the cabinets going tomorrow." My guy on site may not know if I have that in the contract or not. He may not know do we have an agreement in place? I may be actually in a dispute with the homeowner about, he's saying my price is too high. And I'm saying, "Well, we don't have to pay the laundry room."

And then I show up to the job site following week. And it's like, "Who painted the laundry room?" "Oh, I did. The superintendent asked me to do it last week." The employee wasn't doing anything wrong there. They

were following what the superintendent said, but that's the kind of stuff the data technology software can drastically helps you with.

Coaching these guys into, "Hey, I know that is the job site superintendent. Your response in that moment is not no. But you need to communicate with us now. You can't just take his word blindly. You need to call your supervisor and say, 'Hey, they're asking me to paint the laundry room. Do I got the go ahead on that or not?'" That's changed. That's a little bit different.

So much of what we do is for repetitive contractors. We do a ton of maintenance work where you're at the same property. Sometimes two, three times a year, every spring, every fall, I want to get the place touched up. You do build personal relationships. And then all of a sudden we're telling them, "Hey, we need you to change." And this perspective of this client's good for anything. No, if we send you there with a list of items to accomplish, and they add five items to that, we need you to check with the office first, before you just go ahead and execute those. That's different than it was 10 years ago. Teaching that, changing that culture, changing that perspective, it takes time. A lot of time.

### **Mike Merrill:**

Well, and what I'm hearing you say is you need good systems and processes in place, and then software tools that will help you execute on those so that you can manage those expectations to that system's capability and the steps that you've aligned to them. And then everybody can be on the same page.

### **Tyler Hoppe:**

You phrased that perfectly, because you use the word tool, which is what software is for me. You could have the most amazing shed in town, but if you don't get out there on Saturday morning and actually fire the lawnmower up, your yard's going to be overgrown. Software is that. I think a lot of people in business have this false sense of reality of, "Hey, if I just buy every tool in town, my yard's going to be dialed in."

They don't run themselves, unfortunately. Software does not run itself. It requires maintenance. It requires stop process. How are we implementing it? How are we going to best utilize the software? As you guys know,



you have a pretty solid core competency in remote time collection. There is probably 200 different ways, different service providers, different businesses collect their time. And that's just a small example of being able to adapt to that is imperative.

### **Mike Merrill:**

Yeah, that's a great point. I think if I were to sum things up, it sounds like to me, I mean you're in a family owned business. You're not huge, but you're not teeny. You've got systems in place. You've got culture in place. You've got software tools. It sounds like you have a lot of these things established over years and years of refinement. What would you say just from the conversation we've had today, which has been fantastic. What's the number one takeaway that you hope that the listeners come away with from our conversation?

### **Tyler Hoppe:**

I think one of the things for me that is still a learning process is it's never done. Nothing's ever finished. Everything is constantly changing. Time goes quicker as we get older and some things that I'm redoing now, I feel like I just did. And I look back and I'm like, "Wow, no, we've had this system in place since '06. It's 2022." It's served us for 16 years. You're just always going to be moving. You're always going to be adapting. Specifically with small business. Me, myself, I got to keep my perspective in place. It's easy to look at bigger businesses and they got the handbook dialed in and revised every year and they got company parties and they got new uniforms and they just seemed to have everything just dialed in. And as a small business owner, that's the old don't try and keep up with the Joneses. Focus on you, focus on what you know your business needs.

Because there's always going to be something, there's always going to be a need. There's always time moves quickly unless we just are blessed with an amazing staff where you just got a star in every aspect. Where my accountant's a star, my project manager's are stars. I just got to let these guys rock and roll and life is good. And that happens not always, very, very unlikely. You're usually having something all the time and that can mentally beat you down. It can. You can start to feel like, "My gosh, I just can't. I can't keep up with this

stuff." The one thing that's been a little bit PPP or I'm sorry, COVID then with PPP and all the different things you do feel as a small business owner underwater with some of that stuff. And you start to, even in California more so, you start to feel like I'm a target.

I can't be a full time HR specialist and operate a small business with any kind of profitability. If I have to have a compliance officer for my safety and a full time HR person for every little complaint and a full time accountant, because the payroll collection laws and how we're doing sick pay, it's just gotten so complicated in the state. I can't operate profitably.

And that's where you got to kind of manage those things. I mean, obviously as the controller or whoever's running in your office in a small business, you're doing a lot of different things. But yeah, final takeaway, never done, always going to be changing, always going to be working, always something to improve. To me, that's not a weakness. That's just a personality type that's focusing on something to always improve. But when you're a small business owner, you feel that. And it can be a little demotivating at times. But shake it off and realize you're one thing after another. And you look back 10 years later and you've gotten a lot of stuff done.

### **Mike Merrill:**

Well said. Well, that's awesome. So thank you for that. So just on a personal note, a couple questions before we wrap up. What's one thing that you're most grateful for in your professional life?

### **Tyler Hoppe:**

Personally, I would say probably freedom. What we've just talked about. It can be challenging, can be a bit overwhelming at times, but I am not a Groundhog Day kind of guy. I don't find comfort in the repetitiveness. Again, everyone has preferences. I like to be doing something different all the time. I go through phases where I'm... I mean, just moved our accounting software. That's a nine month process of, okay, let's start looking for different providers. Let's start interviewing. Okay, now we select one. And now I got to get my head into imports and exports, data. And you got to be moving your head all the time, as a business owner. Okay, that's done. Now I want to go redo my

website. Totally different thought process of what we're doing day to day when I'm doing my website versus an accounting software change. But that for me is the excitement of being a small business owner.

I'm not good at the let's do the same thing day for 25 years. So for me, freedom, having the ability to... Even the freedom of time of, I have the ability if need be I can work from 10:00 to midnight. If I need to be out of the office from 1:00 to 3:00. If I have a deadline, I know I got to get this done, but I got to commitment that I have to be at at 1:00. If I'm working for the corporation, I can't tell them, "Hey, I'll come back in at 10:00 tonight and catch up and still meet my deadline." When you work for yourself and your self-employed, you can't do that. So freedom, change of day to day pace, change of focus, being well rounded, being able to do a lot of different things. Those are definitely my favorite things about being a small business owner.

#### **Mike Merrill:**

So among those things, another, what do you think Tyler is your superpower?

#### **Tyler Hoppe:**

If I had one, I would say that's it. I have a whole wood shop upstairs. I can go from working in the shop to coding, I know HTML. I did some C++ in college. I'm our IT admin. I'm our bookkeeper. I run payroll. I file the payroll taxes. I do receivables, payables. I wear a lot of hats. I would say, that's it. I have a little sign on my desk that says a Jack of all trades, master of none. So I would say, that's it. That's kind of at this point, being a small business owner in state of California, you better have that skillset or it's going to be an uphill battle for you.

#### **Mike Merrill:**

I was going to say, when do you sleep, man?

#### **Tyler Hoppe:**

Yeah, it's a lot. I'll be honest. But again, that's what attracts me to it. That's what attracts me to it, that's the fun part of it. Perspective, if you let it tear you down and feel like, "God I'm doing everything." Then it can feel that way. But if you're appreciative of it, then you don't feel that way.

#### **Mike Merrill:**

Well, that's great. Well, that's a great note to end on. Man, I sure enjoyed this conversation. Had a great time getting to know you better personally, and really looking forward to continuing to work with you through the years coming up.

#### **Tyler Hoppe:**

Absolutely man, likewise, it goes both ways. Everything I feel like I said, I want to say that I've... We didn't talk a lot of WorkMax. We talked more general stuff today, but you guys are that too. From my experience I have with you guys, you have the small business vibe with the big business delivery. The product is there, but I know who Mike is. I know who our reps are.

My trainer. I could put a face to his name. If I call him and say, "Hey man, it's Tyler. Here's what's going on." That for me is refreshing. I think all things are a bit of a pendulum. Felt like maybe in the late 2000s, it was feeling like everything in the world was going to go corporation. That mom and pop was just going to be gone. And it was all going to be Amazon based. I think some segments of the economy are going to be that way, but there's always going to a need for service providers. And that personal touch that the small business brings that corporations just can't is still valued in some aspects. And so appreciate it. Thank you so much. And yeah, I look forward to long relationship as well.

#### **Mike Merrill:**

All right, man. Well, thanks again. And we'll do this again down the road. Appreciate you be well.

#### **Tyler Hoppe:**

All right. Thanks. Take care.