

Episode: 106

Keith Post and Steve Little



THE
**MOBILE
WORKFORCE**
PODCAST

Mike Merrill:

Hello and welcome to the Mobile Workforce Podcast. I'm your host, Mike Merrill and today we are sitting down again with the team at K Post. We have the CEO, Keith Post, and the head coach, and also the president, Steve Little. Thanks again for sitting down with me, gentlemen.

Steve Little:

Mike, it's nice to see you.

Keith Post:

Thank you, Mike.

Steve Little:

Welcome to Dallas.

Mike Merrill:

Thanks again. Love coming down here. This is part two of a couple of different episodes that we're recording. And we talked a little bit on the last episode about you all being open even with competition, even with competitors being in peer groups where you share things. Are there things that you keep more private in those discussions or are you pretty open generally?

Keith Post:

The peer group is, there's no walls.

Steve Little:

In our peer group where we have people that are not competitors in our marketplace, we're 100% open. But if we have competitors in our building, of course we always follow antitrust. Let's make sure we get that on the table that we don't share in any of the pricing or any methods that we do business, et cetera.

Mike Merrill:

Sure.

Steve Little:

But we learned this from Ronnie McLaughlin at Empire Roofing. When we started our company, Ronnie called us up and said, "Hey guys, come on over." And Ronnie and Matt and Sandra bought us into their business. And you and I and Jane went over and they just showed us their business and they said, "This is what's made us successful, and if there's anything we can do to help you. At that point, do you need to kettle? Do you need a [inaudible 00:01:21] leister? Do you need anything? Be glad to be part of that."

And we learned that giving aspect from them from the first week that we were in business. And it was humbling that they would be so open with us and they're just great people, and so we emulated them. We followed them, and now we invite ... Our campus is an open campus. Our methodologies are completely open. And if we can help raise the industry because of the way we do something, so be it.

Keith Post:

Competition's better. I mean, competition's good. You need it. It makes you better. We have an open door policy. People need to know something, they need to borrow something. Even our local compadre we share. But when we go to market, we're a bulldog. We want to win. We don't like second. Second, you lost. And that's how we go as a team. We go and present ourselves on projects. We bring in our offense, our defense. We have six to seven, maybe 10 people in a room. And everybody has a role. And we role play before we get there. We know what that customer's needs are and their wants and hopefully we check all those boxes before the end of that meeting. And we're pretty successful there.

Steve Little:

Most of our general contractors or construction management companies are looking to avoid risk. And so we'll take them through mobilization to demobilization. And then because we're built with an offense, defense special team so our offense, our sales team and our estimating team are working with the owner because when we're finished with the general contractor, we have to own that building for 20 years. The manufacturer's warranty say you only have for two years. Well, that's not how we work.

Keith Post:

No.

Steve Little:

We're looking at buildings now that we started 19 years ago. And fortunately for us, in many cases they don't need work because we're servicing those on a regular basis and then we're extending the life.

Mike Merrill:

Maintaining those to go. That's interesting. I don't think that's common. Is it? Is it common and I just don't know it?

Steve Little:

I think it's more common today.

Keith Post:

It was 30 years ago. Oh yeah. Technology, the world has changed so much. COVID. COVID racked the world as everybody knows. And one of the things that we saw, and we had a little foresight, was we saw what it was doing to us. We saw how the supply chain started to evolve and we put together a pretty strong PowerPoint presentation. And I took multiple people and we went to developers, the largest general contractors in town and some of our largest customers. And we went-

Steve Little:

And architects.

Keith Post:

And architects. And went in and said, "This what's going on in our industry. You're seeing it across the board. This is what's happening and this is the effect it's going to have on what you're doing today." And so we brought options of what to do, how to do it. That it wasn't always price anymore, it was availability. What can I get for you and when can I get it? Because construction didn't stop. Construction continued to go, prices started going through the ceiling. What are your options? We have a cellular division. That was an option for insulation. That was a great win for us. But we opened those doors and you cannot imagine the feedback we got from developers, from general contractors, some of the largest architects around HKS here locally they said, "Nobody, nobody in any industry has done what y'all have done."

Steve Little:

We educated folks.

Keith Post:

And we still have people calling us today from this year and a half, two years ago when we started this program that said, "Hey, remember that meeting? I need you to get in here because I've got a project and I'm in trouble." And so it was a great move. It was something that we thought about, and said, "We got to get this out in the street. Let's go educate our customer." And it worked.

Steve Little:

And in the previous segment we talked about educating our people. Yeah. Well it transcends to the customer also. It transcends to the manufacturer. We are educating manufacturers on how we do business that is making them better for the other roofers that are in the marketplace. And we're not doing this singularly in that process, but we just feel that the more knowledgeable a buyer is, the more knowledgeable a supplier is, the better it's going to be for us and our industry.

Mike Merrill:

That's beautiful.

Keith Post:

We have this disease, we can't sit still. We're always trying to do better. And we live by it. We wake up in the morning and we love to come to work because what can we do today to make something a little bit better? And that's what we do.

Mike Merrill:

It's amazing to feel ... I use the word feel, not see. I mean, I see it too. But to feel the momentum that you continue to build. I mean, you guys aren't 30 anymore.

Keith Post:

No.

Mike Merrill:

You're still bringing it every day.

Keith Post:

We wish we were 30.

Steve Little:

That's the saddest part. But we have people, the Warren Buffets of the world that are just still going every day. They may not be at the same speed they're going, but they haven't given up. They haven't said that age is going to be a barrier for them. We know because of our workforce that we have to let go of some things or we're going to lose people. You reach an evolution in the business that somebody gets to a certain part and they can't grow anymore inside your company because we're still here.

Mike Merrill:

You're in the way.

Keith Post:

We're blocking.

Steve Little:

We're blocking the way because there's just no way to go up that ladder, to go up that staircase anymore. And

so we're spending more and more time over the last couple of years backing out of the day to day operation and spending more into educating and mentoring our people.

Mike Merrill:

Larger vision stuff.

Keith Post:

How can we make it better?

Steve Little:

Yeah. And then maybe some of the nuggets that we've learned in building K Post company, we can help other people with our peer groups [inaudible 00:07:03] the industry.

Mike Merrill:

That's amazing. We've worked with Empire Roofing as well in the past and a great company and now they're part of Tecta and [inaudible 00:07:12] whole other thing. But I'd never heard that story before so that's really, really cool to hear how they helped you guys and kind of took you under their wing a little bit early on to mentor you.

Keith Post:

They did.

Steve Little:

They did.

Keith Post:

And we had known them for a long time and we became close in our early years.

Steve Little:

And I think you'll find that there are some great people in roofing. I've talked to a number of people outside of our industry that have come into our industry and said, "Wow, the quality, they're genuine." Sure every industry has jerks. There's going to be a bad apple

in a bunch, but there's some great people in our industry. You wouldn't have somebody like a [inaudible 00:07:50] who was a contractor. He went off to be a congressman and then came back and led our industry in the transition of what he did and started a whole education program. And he really took the NRCA and made it a business. Really, he did a great job. And there's a lot of people like that in our industry.

Mike Merrill:

And it's a term I use often too, but I love that you've really adopted the mantra of, I think you said you learned it at Sales Transformation Group, or discussed it, you're a businessman and roofing is, what? How did you [inaudible 00:08:27]?

Steve Little:

Is our byproduct.

Mike Merrill:

Your byproduct. That's just a fantastic way to [inaudible 00:08:30].

Steve Little:

In our particular company and just like what they had at Empire, we have a transportation group. We have inventory control, we have cash management. When we interview these folks that come in, the kids from college or they come in as interns and things like that and then again, inside our own KPU, we're teaching them that this is what's in our business. This is what makes things work. We have a captive that we worked that is an insurance enterprise captive. It's not part of PNC captive. And so we're dealing with all the ancillary things that happen out in the marketplace and things you wouldn't think of.

Business interruption. We're a roofing company. Who thinks about business interruption in a roofing company? Well, I think there's something called COVID and a pandemic that hit us that was business interruption for our deal. Installation clauses that say that if somebody does a poor installation. There's all sorts of things inside this roofing company that are tied to business.

Mike Merrill:

Well, you talked in the last segment about National Roofing Partners and I know what that is. But for just for the audience, can you share what that organization is and why did you guys get that going? [inaudible 00:09:41] behind it?

Steve Little:

Years ago, many years ago. Over 20 plus years ago.

Keith Post:

20 plus years.

Steve Little:

I had come to work with Keith's company and we had some situations that there were leaks on buildings that the company had done outside the Dallas Metroplex. And so I was the vice president of business.

I went into Keith's office one morning and said, "Hey, I got something going on in Kansas City. Who do we get to fix that?" And he said, "Oh, I met Joe and Sam at the Firestone Bar party, such and such [inaudible 00:10:10]." And I went, "Well, are they certified for John's Manville? Do they have insurance?" The business [inaudible 00:10:18]. He goes, "I don't know, just call them." We call them, right?

Keith Post:

Yep.

Steve Little:

And they went and fixed it, right?

Keith Post:

Yep.

Steve Little:

But it spun an idea that, wait a second, there needs to be a network across the country that all of us could share that if we went off to Pittsburgh and did a job that somebody in Pittsburgh could help us with the leak and the service and that kind of stuff.

And then one thing led to another, we said, "Wait a second, if we all got together, we could share stuff." And then once we got together the first time somebody said, "Hey look, we've got 36 people here. Have you thought about if we put all of our buying power together, what that would do?" And then first it was the roofing products. We said, "No, no, no. I use this in my marketplace. You have wooden deck. Somebody else is in this [inaudible 00:10:59]. That's not going to work." But what about buying trucks or office equipment or American Express cards or that kind of stuff? And so it had a natural growth in that scenario.

We started National Roofing Partners in 2007. There's 230 plus contractors now. They share best business practices. They leverage their buying power on non roofing items, and they service regional and national accounts for roofing, waterproofing and mainly remedial. We don't do any new construction side of the business. But we're there when there's an event, a weather event. There's a weather event in Florida, and we have seven contractors in Florida and there were nine contractors in St. Cruz to Florida to help those guys. Again, it's elevating the industry.

Mike Merrill:

And locking arms with frenemies even maybe, or competitors in some situations where you work together for the greater good.

Steve Little:

Well, in each marketplace there's a contractor. There's very rare is there multiple contractors there. There are frenemies. There are people that we can share, "Hey, well how they're marketing in St. Louis." That was a hell of an idea and all of a sudden 200 contractors have that idea and it makes everybody's business better.

Keith Post:

It's kind of like a large peer group.

Mike Merrill:

It's gotten really big too. I remember when you have 20, 30 members. I mean, it was a great idea then, but wow, I have no idea it was going to [inaudible 00:12:18] what it is.

Steve Little:

The market has driven it. We have some folks in Canada. We do Alaska, Hawaii, Puerto Rico, the Virgin Islands, and then the continental United States. But it necessitates it because when you're in Los Angeles, getting from one part of Los Angeles to the other part, you need to have a couple contractors and have one of the freeways divide that scenario for service.

Mike Merrill:

What in closing is a takeaway from that experience working nationally with other roofers, and then mentoring as you have, being mentored as you have. I mean, what's the one thing that you could tell business owners out maybe that are in electrical or concrete or some other trade, what can they learn from K Post example and your history and wisdom gained that they can implement in their business?

Keith Post:

Don't spread yourself too thin. I think that's one of the things that that's what Natural Roofing Partners has done for us because like you said, we did have customers that were around the country that needed our services and they wanted a K Post experience in Kansas City or Miami. And we said, "We can't stretch like that. There's not enough of us."

And so we went around and went on a road show and actually went to location, said, "Hey, do you have a service company? Show me your truck. Show me to your manager and really made sure we had the right people in those cities. And that was the core of it. That was the crux of it that allowed us to come back here. We don't travel, we stay here. We have enough going on here in the market that this is one of the best markets in America. And so our goal is just to stay home and keep building the model, making it bigger and better, and share that with these people around the country. When we have these peer group meetings, when we have National Roofing Partners teams all come to town, or we go to a certain location, share what we do and what works.

Steve Little:

You had said it earlier, you said, "Frenemies."

Mike Merrill:

Yeah.

Steve Little:

I find somebody locally in your marketplace that can be your foxhole buddy because we all don't have all the right tools.

Mike Merrill:

I love that term.

Steve Little:

All don't have all the right things that we need to run our business. But find somebody that can be that frenemie, that foxhole buddy locally.

Second, I would get involved in your associations and then find other peer groups, find contractors that are out there that you folks can start sharing things with each other in that scenario. I would say don't get over your skis. Find your niche. Find out what that niche is and work your niche and be the best at what you do at that niche. We don't do all buildings of roofing. We know that there are certain buildings that fit better for somebody else. It might be a new construction school, doesn't kind of fit our realm. Unless it's a lightweight concrete and goes with metal, then it really fits our realm. Find your niche and stay in your lane in that scenario.

Lastly, I would say, and this is Jane Williams words, our CFO and our person. The three of us started the company. Bigger's not better. Don't just get big to get big. It's not about top line, it's about retaining cash and being able to have the funds to be able to grow your company. That'd be the advice I would give.

Mike Merrill:

Love it. Bigger isn't better. Better is better.

Steve Little:

Better is better.

Keith Post:

Better is better.

Steve Little:

Take care of your people. Your people will take you where you need to go. They will take you to the promise land.

Mike Merrill:

Cool. Well, thank you my friends. This has been a treat again and I appreciate the opportunity to come and sit down with you all.

Steve Little:

Thanks, Mike.

Keith Post:

Thanks, Mike.

Steve Little:

Good to be with you.

Keith Post:

Good to see you buddy.

Mike Merrill:

Thanks brothers.

Keith Post:

Appreciate you.

Mike Merrill:

See you.