

Point of Focus

However chaotic circumstances may become at the Gulf Coast, sound business practices must never change

Interview by Clayton DeKorne

Gil Boyles, C.G.R., C.A.P.S., is owner of GB General Contractors, a design/build remodeling firm situated southeast of Houston serving the metropolitan communities between Pearland and Galveston Bay. With a full-time staff of four — Gil, his wife, Patty Boyles, who handles much of the design work, an office manager, and a project manager — his company operates on a volume of \$1 million, specializing in room additions, kitchens, and baths. The week before this interview, Hurricane Rita, which had just intensified at an astounding rate from Category 2 to Category 5 in less than 24 hours, had reached peak wind speeds of 175 mph and was making a beeline for Galveston Island and on toward Houston. At the eleventh hour, Rita turned northwestward and made landfall near the Texas/Louisiana border — while Galveston, Texas City, and the greater Houston area breathed a collective sigh of relief. Having just witnessed the devastation caused by Katrina, and with the city of Houston taking in vast numbers of evacuees, contractors in the area were hypersensitive to the destructive possibility of a major storm. Gil Boyles, the incoming 2006 chair of the Remodelers Council of the Greater Houston Builders Association (GHBA), shares his experience of growing a business in the nation's fourth largest city. His story offers some important insights on how contractors can approach rebuilding in a densely populated area after a major storm. In short, success comes from focusing on sound business practices, not from operating in a position of crisis management.



In Friendswood, Texas, GB General Contractors added this 20- by 20-foot exercise room with a covered porch that provides a shaded view of the pool.

The “crew” at GB General Contractors (from left to right): President Gil Boyles, Vice President Patty Boyles, Production Manager Mark Gonzales, and Office Manager Janice Moseley.

HOUSTON IS A HUGE METROPOLIS. WHAT’S IT LIKE TO WORK IN THAT VAST MARKET?

We’ve been pushing a high-end product down here for about 26 years, and it’s a tougher sell in our area of greater Houston than it would be in other communities. I think we’re the only remodeling contractor that’s involved with the GHBA in Pearland. In a way that’s good, but in a way it’s not. The people here still have a small town approach to life. Of course, it’s not a small town anymore, but compared with the more affluent areas in Houston, like West University Place, River Oaks, or Tanglewood, the price structure remains much lower. We have to work a little harder to find clients who appreciate high-quality work.

HOW DO YOU FIND THEM?

We depend on a strong marketing plan. We have to put our name out there to generate more volume than referrals alone could do.

Our marketing plan focuses on three things: doing

home shows, involvement in the GHBA, and doing a lot of follow-ups with past clients. My philosophy is that if you’re *not* going to work for everybody but want to select better jobs, you’ve got to get the phone to ring enough so you can pick and choose. As long as we’ve been able to keep the phone ringing, we’ve have had a steady stream of good work.

The guys who are starving to death out in this market are the ones just living off the referrals. Don’t get me wrong: If you don’t have a good reputation, you might as well shut down. Our referral sheet is the basis for new clients learning about who we are. But if we’re not out there getting that sheet in front of people, there’s no way we’ll ever grow.



PHOTOS: GB GENERAL CONTRACTORS

HOW EFFECTIVE ARE HOME SHOWS?

In the city of Houston, there are probably eight or nine home shows a year. We do three or four of them — roughly one each quarter. I'll grant you, 98% of attendees are tire kickers. But we ask people who stop by if they're interested in us following up with them. We'll get anywhere from 30 to 40 phone numbers of potential clients, and the very next day, our office manager sends out a packet that includes a nice flyer, letters we've written in the paper and articles that our Remodelors Council has published, and the referral sheet. About a week or two after that, if I haven't heard from those potential clients, I personally call every one of them.



While remodeling remains the focus of GB General Contractors, the company continues to build the occasional new home. In a new 3,000-square-foot home (above), the curved stairway exemplifies the detail and intimate design appropriate to the family room — a central gathering space for friends as well as relations. One step up in the emerging high-end market of Pearland, Texas, an elegant entry with a self-supporting radius staircase sets the stage for a new 9,500-square-foot home (left).

We do get a fair number of projects because we make this effort. Clients tell us it's what set us apart as professionals, and it gave them something they could hang onto while they got ready. But patience is required. We just signed a design contract yesterday on a job from a home show in early June. So sometimes it takes time, but it does work.

HOW DOES INVOLVEMENT IN THE GHBA WORK INTO A MARKETING PLAN?

We actually get leads from it. Members do a lot of referring to other members. The greater Houston area is very large, and most of us have to focus our work in one general area. We're on the south side, so if somebody on the north side gets a lead on the south side, they'll refer us, and we do the same for them. Also, when people move into town for the first time, they often call the HBA or pull up the Web site where there's a member directory. Being the only member in Pearland helps us. We don't get all of the leads, but we have opportunities that we can follow up on.

WHY FOLLOW UP WITH PAST CLIENTS?

People appreciate this effort, and they remember who you are. This gives us a chance to visit and to get their feedback. That, in turn, generates some referrals and sometimes generates more work from these clients. We have a number of past clients who we take care of on a regular basis.

DID THESE PEOPLE CALL YOU WHEN RITA WAS BEARING DOWN?

Actually, we reached out to them. Prior to the storm, we focused on boarding up our own business and securing our job sites. But we also made sure that we called as many past clients as we could, went out to help them board up, and made sure they had all the stuff out of their yards.

HAD YOU EVER BEEN THROUGH A HURRICANE BEFORE?

Tropical storm Allison was a big storm we didn't dodge. It caused a lot of flooding. [Ed. note: According to the National Weather Service, nearly 37 inches of rain was recorded at the Port of Houston during Allison's five-day rampage in 2001.] After a storm of this magnitude, you have to know what to expect. In a few days, we had more than 400 phone calls from all over. People were grabbing the phone, just to try to get free quotes, so they could take three to their insurance company. It's a tough situation, but it's one we're going to have to do a little differently next time.

I don't have a problem giving a quote, but I have a problem giving a free quote if we're not going to be involved with the project. So I have to make it clear at the beginning that we actually charge for this. If we do the project, we'll rebate the fee. If it's a client who we've done work with before, I don't always charge for this. But I do for a stranger off the street

A gut rehab of a bathroom in Pasadena, Texas, required GB General Contractors to design and build a fully accessible tile shower with no threshold (right) for a wheelchair-bound young boy. A complete remodel of a master bathroom in Pearland, Texas, included this frameless shower enclosure and a cultured-marble whirlpool tub (far right).



who hasn't been referred, which is what you get inundated with after a storm. If people are serious, they'll pay us a nominal fee to have us put meaningful numbers together.

A REAL QUOTE IS A PIECE OF WORK. I'M SURPRISED THE INSURANCE COMPANIES DON'T ALLOW FOR THAT.

If a quote is going to be meaningful to the insurance company, you're right, it needs to be based on real numbers. To do a quote, we look at every piece of the puzzle. It's no different than I'd quote a regular job, and it takes a lot of time; I don't just grab a number. The more extensive the damage to a building, the more important hard numbers are.

BASED ON THIS EXPERIENCE, WHAT ADVICE CAN YOU GIVE FOR REMODELERS WORKING IN DEVASTATED AREAS OF THE GULF?

Right now, to the east of us, people's lives are upended and will be for a long while. People have just got to be patient; it will take time to get something rolling. But there's no question — it is a psychological drain on the people affected by those storms. If you've ever been through a flood, you know how terrible it can be. We did six or seven flood repairs after Allison, and it's not much fun for anyone. It ruins people.

I IMAGINE YOUR CUSTOMER SERVICE HAS TO STEP INTO HIGH GEAR AFTER A SEVERE STORM.

It's a babysitting job. Not just babysitting the clients, but also the trades that are scrambling to get back on their feet. You've got to go in with tender hands and just listen to see

what everyone's needs are, then try to fulfill them the best you can. But I think it's important not to let go of certain business practices. Certain things we do to alleviate the headaches have got to remain in place, regardless of the circumstances.

First, we've got to prequalify clients. When we're interviewing someone, they're also interviewing us. If we don't feel good about them, or if they don't feel good about us, I tell them, "Let's don't start this, because this is a short-term marriage." After a storm it can be even more intense, because people's lives have been turned upside down.

Second, we make sure our contracts are very specific about exactly what we're going to do, and we constantly communicate progress. Perhaps the most important part of this is providing a detailed schedule. The clients get a copy of our schedule, and all of our trades get a copy, so everybody knows what and when everything's going on. Of course, in remodeling, things have a tendency to change. Clients have to know that and keeping them up-to-date is critical to smoothing relations.

In any situation, but especially after a traumatic situation like a flood, you've got to pay attention. Your customer's been through a traumatic time, and everyone's hearing a lot of horror stories about contractors, and they're not all wrong. The problems usually occur when people who don't know what they're doing bid too low and then run out of money. That's nothing new, but it becomes an especially tricky situation after a flood if some defect in the building is discovered once the work begins. I avoid these jobs, because

it presents too great a liability. Once I touch a job, I become responsible for it, but I won't take that responsibility if I don't know what's inside the wall.

Don't get me wrong — there are some good guys out here doing excellent work, but I meet a lot of the remodelers who are working for nothing; they don't even know it and don't particularly want to, because they don't want to change the way they've always done things. I was in that same boat for a long time myself, until I broke out of my little shell.

HOW EXACTLY DID YOU BREAK OUT OF THAT?

One of the best things we did was to get involved with the Remodelers Council. I get an opportunity to see what other companies are doing all over the country. Now our company is trying to stay up there with the best in the industry. In order to make a profit, we have to charge accordingly, and we have to increase our production. This has been a big shift in growing our company. I came up on the technical side. I was trained by a remodeler who had been in the fam-



Known for designing masterful kitchens, GB General Contractors took this kitchen right down to the studs, then brought it back with custom maple cabinets, granite countertops, and hardwood floors.

ily business for two generations. I learned all the technical stuff, but now I've had to turn to the management side, and it's been quite a transition; it's kind of hard when you're used to doing all of it yourself and then you're having to turn into a full-time manager in order to increase volume.

WHO DOES PRODUCTION NOW?

We used to have full-time employees, but we gradually shifted over to subs in order to increase our volume. We now sub everything out, right down to the broom sweeping.

If you sit down and figure out what it actually costs to have employees — set them up with tools, put them in a truck, and insure them — we feel that we're money ahead with subcontractors. Not only that, but if things slow down, I don't have to feel like I have to keep someone busy 40 hours a week.

DO YOU SACRIFICE ANY CONTROL WORKING EXCLUSIVELY WITH SUBS?

Not in terms of quality. We use some of the same trade contractors who we've been using for 15 to 20 years. These guys can turn out a better product because they're so specialized. I know when I was coming up, I did framing, I did trim, I built cabinets. I can do all of it, but I'm not as efficient as someone who does it every day.

We get real defined on our specifications, making sure the guys on our jobs have clear drawings with all the details spelled out. We don't do any projects without a set of complete plans. This is key to maintaining a high level of workmanship.

We also try new approaches to working with our guys. For example, all of our cabinets are fabricated out of our shop, but we sub the production out to an independent contractor who rents the space. We run our entire operation out of a 3,200-square-foot metal building. More than half of it's shop space and the other part's office. We're just a lot more flexible when we can custom-build cabinets and control their production.

The only issue that I have had with subs is that you're at the mercy of their schedule. But if we schedule our jobs properly, we don't usually have a problem. That means I need to forecast out far enough so I can tell these guys, "Hey, I need you in three weeks" or whenever. Some contractors will call them on Monday and expect someone on Tuesday. That's just not fair.

More important, I don't mess around with their money. I pay them fair; I pay them what I tell them I'm going to pay them. Because of that, I've earned their trust, and when I pick up the phone now, I don't usually have a problem getting them when I want them. ~