Weekly production meetings are essential in the McGlone management approach as the New Jersey subcontractor reviews work progress with company superintendents, invited foremen, and (right) controller, Al Garces.

THOMAS J. McGLONE:
The issue is management

A former president of iaWCC, this subcontractor sees’ restoration of management rights as the key issue

The jungle does make its demands.

In the morning, he had been tied up with lawyers over a collection problem and had then spent the rest of the day successfully directing an abundance of other items that competed for his immediate attention.

Now, in the early evening hours, he was still at it in the second floor conference room at the headquarters complex of his own T. J. McGlone and Company, Inc., Rahway, N. J.

Around him were his vice president of production, Al Mills; the company controller, Al Garces; and superintendents, Walter Plunkett, George Cole, Paul Holderbaum and James Calabro. Normally, a foreman or two attends these weekly production meetings, but tonight, for some reason, there were none.

And as the session progressed, Thomas J. McGlone demonstrated what kind of man it takes to parlay a business whose first job was an $800 channel installation into a diversified wall and ceiling construction firm doing between $5,000,000 and $6,000,000 volume annually.

A big, rugged man at five-foot eleven inches, 210-pounds, Tom sat easily on the front edge of his chair, legs pulled back and under, his left arm held akimbo with the knuckles buried on his hip, while the ballpoint pen in his right hand checked off items on the break-out sheets.

Occasionally, following a sharp question his head dipped slightly and he peered over rimmed glasses, as dark as his hair. His head stayed that way until the answer came.

When the last job had been fully hashed out, he arose quickly, thanked everyone for contributing to a good meeting, and then was moving again with characteristic agility down the staircase to his first floor office for a last check. Moments later, he was steering his late model luxury car on the 30-mile drive to his sweeping two-story estate-like home in the exclusive residential shore community of Rumson, N. J.

Waiting for him there were his wife, the former Helen Williams, of New York City, and two of the McGlone’s eight children, Kathleen and Brian. The other children are Thomas, Jr., Anne, Eileen, Patricia, Daniel and Kevin.

It had been a typical day for Tom McGlone. And tomorrow morning’s estimating department meeting would begin another one.

They are the kind of days that have brought Tom from his native New York City, the son of an Irish immigrant father who died when Tom was six years old, to a mansion in New Jersey—an especially long trek when made through such a phenomenon as the New Jersey construction market, described aptly and fervently by Tom as “... a jungle, a real jungle.”

Long trek or not, the 53-year-old contractor has attracted a long list of accomplishments. The New Jersey Subcontractors Association last year named him the Subcontractor of the Year, and this was followed up by his being named “Construction Man of the Year” by Industrial Construction Magazine.

A longtime member of the iaWCC, Tom served as president of iaWCC in 1970 and is now chairman of iaWCC’s Labor Liaison Committee. He was vice chairman and then chairman of the Council of Construction Employers in 1974-75; president of the New Jersey Lathing and Plastering Contractors Association for 10 years; president of the NJISA for two years (he’s now chairman of the board); and serves as the American Subcontractors Association representative to the American Arbitration Association where he functions as vice chairman of the Construction Industry Group and as chairman of the subcommittee reviewing construction rules as they apply to arbitration.

Following graduation from
January, 1975

McGLONE: We hold an estimating meeting every Tuesday morning and review the whole competitive situation . . . what jobs to figure . . . what jobs we're pursuing . . . what jobs are closed . . . where our competitors stand in the market. This last one, I feel, is essential. It's like looking in a car's rear view mirror; you want to know where everyone is in relation to you.

For example, when I analyze my competition then I know I don't have to run a four-minute mile to beat my competitors. I can if I must, but by playing the competition, I bid only enough to win. If contractors pursue a job and know what they're doing prices shouldn't be that far apart.

Once we lock in on a job we want, we broadcast a number and then negotiate the job in a series of visits. If we get it, it's assigned to an estimator and he engineers the job. A complete breakdown by units—man hours and man days—is made and I personally do the purchasing.

The time allocations are given to the foreman and we get his commitment on them. We'll change mandates when they're proven wrong—but the foreman's reputation is at stake and our production meetings enable us to maintain a constant review of jobs.

McGLONE: Your mentioned that you personally do the material purchasing. Just how important is that function?

McGLONE: It's critical. When this crunch came, it doubled my workload. I now do all the purchasing. We buy some $1.5 million worth of material a year and a 5 percent saving is $75,000. If you have the desire, you can save.

Many of us get into a habit of buying from a single source and you never know where the bottom is without testing it. We now send out 4-5 requests routinely.

McGLONE: As a union contractor and chairman of the WCC's Labor Liaison Committee where do you see labor relations heading?
McGLONE: I am pro-management and I’m concerned about management prerogatives. This includes the right to assignment, the right of foremen, the right of 50 percent of working crews in another area, the right of production and quality control, and the right of competency should be challenged.

I’d also like to see uniform rates for the trades throughout a state or region as well as common expiration dates on contracts with all trades.

DIMENSIONS: Some construction management people see wide-area bargaining and common expiration dates as an invitation to bigger and better strikes. Do you?

McGLONE: Well, wide-area bargaining would probably set the tone for the highest paid trade because it’s never come down, but if that’s the price for uniformity, for ending this eternal leap-frogging, then perhaps that’s the price that will have to be paid.

DIMENSIONS: There is much criticism about the high cost of union labor now compared to the open shop. Do you see this-and common situs legislation-promoting the open shop movement?

McGLONE: Simple economics is promoting the open shop movement. An open shop contractor can provide full utilization of manpower, no jurisdictional problems and no strikes or delays.

Even assuming less skills he can provide a $1-$3 million building for some 20-30 percent less. And he can and does hire union subcontractors for the skills he needs. Is it any wonder the open shop is improving tremendously?

With common situs, there’ll almost certainly be two years of purgatory that could mean the end of unionism as we know it. Only the strongest, most efficient, and financially stable contractors will survive.

“As contractors, our responsibilities are to make profits and grow. And if we don’t, we should climb back up on the scaffold.”
go to court. If he has an arbitration clause as an elective, he has the machinery available to him on a contractual dispute to have his hearing within 30 days and to present his case before technically knowledgeable people that he has had a hand in selecting.

And within another 30 days, the problem is settled. The AIA’s A-401 and the AGC’s standard subcontract both provide for it—and the subcontractor should insist upon it. Furthermore, he should be concerned if the general contractor won’t offer it to him.

Why should anyone object to the fair application of justice? You argue your case and the decision is based on the merits. It’s swift, inexpensive and there is no appeal, because both sides have agreed to abide by the decision.

**DIMENSIONS: Do you see the next two years as critical for contractors?**

McGLONE: Yes. The tax situation now is such that if you lose serious money two years in a row, you’re out of business.

Any contractor should plan on a 5-year basis to improve his position and fulfill his obligations to earn a return for his shareholders even if that shareholder is only himself. You must spend a lot of time on details. You must plan, analyze, review, and determine short and long range company policies.

Maybe you need to cut back—do less work—but always make a profit. But big or small, the successful contractor has to make the decisions.

**DIMENSIONS: You have always been active in association affairs. How do you see the iaWCC helping contractors achieve their goals?**

McGLONE: Association membership is invaluable. In labor relations, you have a higher level of entry and, if there is a problem, you have the ability to reach the international level. A committee chairman is a conduit and within a couple of hours an association member can get an answer.

On a technical basis, the association cooperates with manufacturers and the informational flow and communications accrue to the benefit of any contractor who wants to take advantage of it.

As a group we can be more effective on legislative matters. And, of course, there is the personal element . . . the development of friends and it’s nice to see them every year because we all talk a common language.

**DIMENSIONS: You run a large, complex business and still find time to devote to industry affairs. Do you intend to continue this pace?**

McGLONE: I’m cut out for it or I wouldn’t be doing it. I enjoy the business and the people and my involvement keeps growing. I like the challenge . . . and the chance to be of some help. If I can assist in achieving contractor unity, I will continue to do what I can.

As contractors, our responsibilities are to make profits and grow. And if we don’t, then we should climb back up on the scaffold.