A national champion ballroom dancer and dance school owner has since teamed up with his brother for a multi million dollar drywall construction business.
You’ve got to have a good reputation. To get the big jobs, you’ve got to have your customer’s confidence.

work only within the metropolitan Toronto market, and maintain a consistent profitability from their $7-million-a-year gross by staying close to the type of work they know and do: drywall, lath and plaster, light steel framing, and acoustics.

DIMENSIONS: From your comments, Sandy, you don’t seem to have much trouble with the union or the market situation. Has your company been a unionized commercial contractor from the start?

D’ANGELO: Oh, yes. Our first job was a commercial job and that’s exactly the market that Leo and I decided to pursue right at the outset. On occasion, of course, we’ll do a residential job but mostly that would be in a high rise or condominium type project.

As for the union situation, we started as a union contractor and we’ve just never encountered any kind of situation that would warrant a change there. The union hall is where you get mechanics and that translates into productivity: you can’t beat that combination.

DIMENSIONS: Last year you did very well. The Toronto market is described as “hot”. Do you see yourself growing again . . . is your reputation such that you can make a big jump?

D’ANGELO: We’re looking for an improvement next year so that answers that question. As for our reputation, it’s also where we want it. Through hard work and good service we’ve established ourselves as a premium subcontractor.

You’ve got to have a good reputation in this business. In order to get the big jobs you’ve got to have your customers’ confidence.

DIMENSIONS: Do you promote yourself with the usual PR and sales promotion . . . or mostly by going on the job and doing what you said you’d do at the bid price?

D’ANGELO: We’re like most other
You just don’t look for a fall guy . . . correct the situation and do your best to keep personalities out of it.

that neither you nor Leo can be every place all the time. That means delegation. Did you find that difficult, shifting from doing it yourself to relying on subordinates to get important tasks accomplished?

D’ANGELO: Truth is, I don’t have a problem with delegating. I never have had, even when I was running the grocery store or the dancing school. Of course, they were much smaller operations but the principle is the same.

Most contractors have come up from the tools. They’re specialists and they don’t know all that much about—or trust—this thing called delegation. It’s so much easier to do it yourself.

You know when you do it yourself you don’t have to explain what you want, you don’t have to take the time to make certain that you are giving instructions that are fully understood.

Often when you delegate and things go wrong you can go back over the way you gave your orders and much of the difficulty can be traced right back to yourself. You don’t have that problem when you do it yourself—

DIMENSIONS: —and you’re limited in how much work your company can take on or accomplish, right?

D’ANGELO: Right.

DIMENSIONS: In your experience, what’s the key to effective delegation? I mean, how did you learn to make the transition with so much confidence? You’re not an ex-tradesman or mechanic.

D’ANGELO: It seems to me that you just used the magic word, “confidence”.

The fact that I’m not a card carrying journeyman may be a benefit to me, not a negative. I think I have a jump on the competition and I can ask for things that perhaps an ex-journeyman would rule out, saying, “Oh, I know I can’t ask him to do that because I can’t do it.”

The major task for any manager is to earn his employees’ or subordinates’ respect. They know the boss can jump on them at any time, but when something goes wrong you keep the situation under control.

You just don’t look for a fall guy or someone to blame . . . not even yourself. You work to correct the situation and do your best to keep personalities out of it. It’s a matter of confidence in yourself and in your people. That earns their confidence in you that you’re fair, impartial and just want to get the job done.

Once you’ve got that kind of chemistry in your operation, you’re ready for big things.

DIMENSIONS: You obviously run a tight ship without a lot of extra people. What’s a typical day for Sandy D’ Angelo?

D’ANGELO: I don’t think I’m much different from most contractors. I usually start early in the morning and quit about 8pm. It’s a long day, I admit.

I like to get here ahead of everyone. That’s not just for appearance: there’s a practical reason.

Some of our foremen go on the job early, too, and if something’s wrong, if some situation just isn’t prepared for—and that can happen easily enough, can’t it?—then it’s good to
have someone in the office who can work on their problem.

That goes right back to the confidence issue I mentioned a moment ago. Our foremen have confidence that we’re right here, ready to back them up in every way. If I’m not here by brother, Leo, is. We have a driver ready to send on a call.

After all, despite your best planning there’s always a shortage or a small problem somewhere—just waiting to develop into a big, serious problem if it’s not taken care of immediately.

**DIMENSIONS:** Do you have your tracks equipped with radio telephones so you can make contact whenever the need arises?

**D’ANGELO:** No, we haven’t gone that route yet. We may in the future, who knows. But right now we try to watch that our field people aren’t left without tools or materials to get their work done. That can be unacceptably expensive to have a group of highly paid mechanics waiting around for things they need. It’s not good for morale either.

To achieve this, we have a driver—anybody who’s available and can drive, really—and when a delivery is necessary we put what’s needed in the truck and get the delivery there as fast as possible. Naturally, we try to keep this kind of thing to a minimum but this is a construction business and that sort of thing happens.

**DIMENSIONS:** How about job visits? Many contractors insist that nothing takes the place of first hand look, to check program and spot potential trouble spots.

**D’ANGELO:** We try to visit jobs but Leo has a good handle on that. Here in the office I have an assistant, Gill Kedilerli, an engineer, who goes around and visits jobs, too. Gill knows what he’s looking at and looking for.

**DIMENSIONS:** I would suspect that you back up these site visits with a good jib costs report plan, right?

**D’ANGELO:** Absolutely. We have our own time sheet setup and these come into the office here where they’re entered and then reviewed constantly. The only way to make a profit on a job is to keep a watch on it and react immediately.

**DIMENSIONS:** How your paper systems handled, manually or with the aid of a computer?

**D’ANGELO:** We handle things manually but we are looking at a computer installation. Within a year or so I’m certain we’ll bring in some computer assistance. We’re reviewing different programs right now but it’s tough to get a good handle on a piece of software before you buy it.
DIMENSIONS: Does your manual approach include estimating, too?

D’ANGELO: Yes, our estimator does a traditional takeoff and I do the pricing. The estimator also does the material list but as far as the estimating is concerned we feel better taking it off manually because we get a good understanding of the plans and specs. I’m not at all certain that a computer will give you this sense of familiarity with the project.

Once we’ve broken out every function we apply our own productivity figures and then do the pricing. By that time, the estimator, Leo, our field people and I have a firm understanding of what needs to be done on any job.

DIMENSIONS: Like most subcontractors, I’m sure you prefer to work on bids in your own facilities, but occasionally you are asked to go to a general contractor’s office for a takeoff. How do you handle that situation?

D’ANGELO: We handle it like any other sub: if we want the job we go to the GC’s office and take off there. The usual difficulty in taking office under those conditions is the fact that the GC sometimes invites all the subs in and you have only a couple sets of plans. Everything’s on those plans and it’s not convenient . . . there are delays . . . wait your turn . . . take another delay . . . then hurry up . . . it’s really not conducive to accurate work.

Plus, you have this problem with not being able to see other bidding documents. Sometimes you can’t really get a good idea of what’s required without taking a look at some other section.

When you can do it in your own office you can work on a bid early in the morning, late at night, in between other things . . . you can set your own timing and pace. And especially when some element of those plans really hits you . . . a flash of insight . . . some kind of realization whether it’s a better way of doing something or, worse, if you left something out . . . you like to go right to the plans and work on it.

DIMENSIONS: What procedures do you take to make certain the takeoff is accurate . . . that it contains no serious errors or miscalculations? Do you and Leo go over very item?

D’ANGELO: I check each takeoff very carefully, making certain it’s accurate. Leo and I talk over just about every job so he has his input and recommendations. Only after we’re convinced that everything is all right will I price it.

DIMENSIONS: OK, you have a bid price. What’s the sequence at this point?

D’ANGELO: From my desk the job goes to our engineer, Gill. He then communicates the work to the field personnel.

Once that’s done the accounting department sets up the appropriate accounts and procedures. That would be Julian Almire, who sets up the job costs controls. From there, it’s strictly Leo’s responsibility.

DIMENSIONS: Who does the negotiating on a job?

D’ANGELO: I do that.

DIMENSIONS: I would assume that you don’t have a great deal of fear about the form or substance of the contracts you sign insasmuch as you are mostly doing business with general contractors you know. Is that correct?

D’ANGELO: That’s right. We know these people and wouldn’t work
with them if we felt we couldn’t deal with or trust them.

Anyway, most of the contracts we see are pretty much standard. There just isn’t all that much fear about signing it unless the customer has taken something out or altered it.

**DIMENSIONS:** Then you do read every contract before signing it?

**D’ANGELO:** Oh, of course. I’ve heard about some contractors who will sign a contract without reading it: I’ve heard other equally interesting things about these same contractors. It’s certainly not something I’d do, no matter how well I knew the customer.

If you see something you don’t like, naturally you’d negotiate it right out of there—

**DIMENSIONS:** —and how would you attack a problem such as back charges? How do you keep from getting hit with charges you know are inflated?

**D’ANGELO:** Back charges are a matter of honesty. If the GC is really bad, we try not to work for him again. But the construction system works: if some contractor is going to steal from you it’ll come back and bite him. The work gets around quickly.

**DIMENSIONS:** Let’s turn to another area: punch lists? Do they give you problems ever?

**D’ANGELO:** Again, you try to take care of things right at the beginning. We try to walk the job and clean things up as we see them, before they get on a punch list. I say do it when it should be done and you don’t have a punch list.

**DIMENSIONS:** Retentions?

**D’ANGELO:** Again, there’s not much you can do about that. If it’s really bad then you don’t take the job or work for them again. That’s often a glorified way of working with the subs’ money, but there are occasions when it prompts some subs to get their work done.

**DIMENSIONS:** One final line of questions: change orders? Will you do work without authorization?

**D’ANGELO:** We won’t do work without authorization except under rare circumstances. Memories are just too hazy. Now change orders are like accounts receivable: they require a lot of common sense.

Each change order incident must be evaluated on its own for usually we try to stick to our procedure . . . get it in writing. If a change order is small, we weigh it out and probably do it.

If it’s a substantial change, though, the answer is: no, we won’t do it without approval. You can just about bet the house rent that there’ll be a problem if you do it when you try to collect: it never fails.

**DIMENSIONS:** Why? What’s the problem?

**D’ANGELO:** I’m not certain, but I think it could be due to the fact that different people have a different viewpoint about extras. The architect usually believes he got taken on previous extras so he sees it as an opportunity to get back at you. And then, like I said, memories are just plain bad.

Often, we just don’t have a choice but to do the work while paperwork is being processed. The change goes to the estimator who figures the work, and then I price it and it’s sent out back to the GC. That takes time and in the meantime the work must proceed, right?

**DIMENSIONS:** With a market as red hot as Toronto, you must get a lot of new, visiting contractors. What’s your company’s tactic for handling contractors with whom you have no history?

**D’ANGELO:** Most of the time we reject offers to bid with GCs we don’t know. Of course, if we want the job, we’ll check him out.

This really isn’t all that much of a problem with us because we know most of them. And if it is someone new we won’t do a thing until we’ve checked him out thoroughly.

**DIMENSIONS:** How do you go about running a check?

**D’ANGELO:** You talk to people. Someone will always have a line on any GC, even if they’re out of town, too. The banks can also run a quick check—and a fine source is other general contractors. They know their competitors pretty well.

**DIMENSIONS:** Your company isn’t all that old yet you obviously have a pretty good work force here. How have you managed to build a company with this much strength in such a short time? Your history was groceries and ballroom dancing, not the construction trades.

**D’ANGELO:** Well, Leo knew a lot of people, but the whole thing still didn’t come together easily. It took five years for us to build this business with good people.

We deliberately stayed small for the first three to four years because we knew we couldn’t exceed our capabilities. The element most responsible for the delay was the lack of good people, including myself. I had to get me prepared, too.

Then, too, even if we wanted the big jobs—which we did—it took time for
the GCs to get to know us. Remember, they don’t hand out multi-million dollar jobs to everyone.

We had another advantage. From the town of Italy where I came from there’s a lot of good mechanics and these were already in Toronto. It was strictly a matter of finding and hiring them.

D’ANGELO: We took the best people and made them foremen and then worked and trained them. It paid off: we’ve got some of the best foremen in the construction industry here.

D’ANGELO: We haven’t had that much trouble. The supers we encounter are usually pretty good, but occasionally we run into a bad one.

D’ANGELO: From that standpoint, it’s a well known fact that different prices from subs reflect the GC’s reputation. A good, reputable GC always gets the good price because he’ll produce a well coordinated job with a good super.

If you do get a bad super there’s really not that much you can do about it. Sometimes, you try to get to the owner and, that failing, you try to work from there, lay low, get through the job and don’t work for them again.

While you’re on the job they’ve got the upper hand.

My own past experience is: if you try to fight with the super on the job it makes the situation worse. Make an effort to get to the top and resolve the issue.

D’ANGELO: Certain, it’s my money these people are wasting. When problems go up the ladder and come to someone’s attention they get solved. The only alternative is to do the best you can-and that’s expensive.

On the other hand, if you get a super who pushes the job you make money. I prefer a pusher . . . a super who’s tough . . . that’s when you make money and get a better job, too. The complete job moves at a faster pace which is good for everyone.

D’ANGELO: Yes, that happens quite often. Right now, I think a little panic is hitting Toronto. There’s a shortage of labor as well as materials. A month ago we were short of T bars and couldn’t get them shipped: actually spent three weeks waiting for delivery. Last fall we had a shortage of drywall, very bad, but we managed it.

The GC’s attitude towards this is to get as many people on the job as possible and get it down right away. They don’t want to hear that materials aren’t coming in.

D’ANGELO: In the case of the T bars, for instance, we didn’t need the material right away so we worked around it. The gypsum board presented a more serious problem but we still managed.

D’ANGELO: But if you have a shortage of manpower in the Toronto market that’s a bit more serious, right? I mean you don’t solve those problems by trying to work around them.

D’ANGELO: That’s correct. Even today I don’t think we have the manpower that is required. I’ve been advertising across Canada for men. We got some but not enough, and a few weren’t top replacements but we put them to work anyway then watched carefully.

D’ANGELO: Oh, yes, they’ve got the same problem. It’s industry wide.

D’ANGELO: Is there any other answer? Look, Toronto is a union market, Yet there’s no apprentice program in place although we are trying to set one up. By “we” I mean Interior Systems Contractors’ Association.

I realize that Toronto is unique with its low unemployment. Everyone is working so hopefully we can go right into the schools, or drain people from low paying jobs and encourage them to make a change.

D’ANGELO: Toronto is hot right now. I think it’ll stay that way for at least the next 18 months . . . plenty of work . . . new jobs breaking out . . . all you can handle.

But that’s providing we solve the manpower issue: it’s getting a little better. We brought in some new people from the West and East and that’s helped. But there’s more to be done.

As a company, our challenge is that we’re trying to grow as fast as we can to catch this market so we’re being real aggressive. At the same time we want to keep our reputation intact.

That after all is the principle asset. We want to grow in a growing market, but we want that growth solid. That’s what the future holds and that’s what Leo and I want from it.