

Miami Herald

Posted on Sun, Apr. 06, 2014

Small Business makeover: Air Quality Control Environmental in Coral Springs

BY JULIE LANDRY LAVIOLETTE
Special to the Miami Herald



AL DIAZ / MIAMI HERALD STAFF

IN THE FAMILY: Al Dexter, at center, founded Air Quality Control Environmental Inc. nearly 25 years ago. Now he and two of his children, Mike Dexter and Kelly Dexter, are also co-owners of the business.

In 1991, two weeks after Al Dexter moved his wife and four kids to South Florida, he was laid off from his job. So Dexter, then 49, started working with a man cleaning air ducts — not for pay, but to learn the business. A couple of months later, Dexter saw an opportunity: The man was moving back to New York. Dexter took out a loan to buy equipment and a cargo van with 400,000 miles on it, and started an air-duct cleaning business out of his garage.

Today, Air Quality Control Environmental in Coral Springs has 12 core employees, four service vehicles and a crew of part-time workers. Dexter, 73, has grown Air Quality into a family business, with son, Mike, and

daughter, Kelly, as co-owners.

The addition of Mike and Kelly have re-energized the business: Sales climbed to \$800,000 in 2013, and sales calls grew from one or two a day to six or more a day. But while Air Quality has seen sales growth, Al Dexter feels the company doesn't have the operational infrastructure to accommodate it and enhance its growth potential. Air Quality asked the Miami Herald for a Small Business Makeover.

The Herald brought in Broward SCORE, a nonprofit with volunteer counselors from the business community that mentor small business owners. The SCORE tune-up team included David Harris, director of marketing, Greenway Golf Course Management, whose expertise is in operational management, fiscal controls and marketing; Michael Bauer, director of accounting, American Traveler, whose expertise is in strategic planning, budgeting and operations; and Chip Ellis, president of the International Association of U.S. Government Contractors, whose expertise is coaching small business owners how to succeed at selling products to the federal government.

When Al Dexter started Air Quality, he opened the Yellow Pages and called air-conditioning companies, which still refer the bulk of the business. Mike and Kelly increased

sales in the past year by following their father's lead, personally calling on customers and strengthening relationships.

About 70 percent of Air Quality's business is air-duct cleaning, with the remainder being the more lucrative dryer duct-cleaning. Most of their work is residential, although commercial work tends to be more profitable.

The Air Quality team said they need help with cash-flow management because overtime, slow collections and job cost overruns often make it difficult to keep cash on hand for daily operations. They need to streamline operations and create a training manual and procedures. They would like to implement a content management system to manage scheduling and customer relations.

Al Dexter said he would like to see a regular profit and loss spreadsheet, but it's impossible because information about job costs and hours are not kept in a standard fashion. Mike Dexter said they're so busy they don't know their exact margins. "I don't really know how much we're making per job," he said.

They would like to reduce business insurance costs and update their business plan. Al Dexter also said he would like to find a better way to recruit reliable workers.

Harris said the company needs to think about its vision for the future.

"When a company grows because they do good work, they need to step up operations so they can continue to do good work and keep their good name," he said.

Here are some suggestions from SCORE:

- Create an organizational chart. Because there are multiple positions filled by the same people, the SCORE team recommended creating a chart to detail each position and job description. Air Quality took the recommendation. "Filling it up with everyone's roles has helped us see who does what, and who should be doing what," Mike Dexter said.
- Create a training manual. Set up procedures to assure that employees are handling tasks consistently and maintaining integrity of the brand. "Once you set the standards in writing for your operations, they will become more defensible," Harris said. The Dexters hired a consultant with four decades of experience writing training manuals to help them with the task.
- Tweak the business plan. Designate who is going to take charge of projects, such as writing the operational manual, purchasing business software and executing marketing plans, Harris said. The Dexters scrutinized their plan with a fresh eye and gave it an overhaul. "Just from their feedback, our business plan went from eight to 15 pages, and we know we can add a hundred more," Mike Dexter said. "We have figured out what we need to do to become system-driven, instead of people-driven."
- Figure out costs per customer. Determine what it costs to bring in a new client and what the lifetime profit is from each type of customer, Ellis said. He suggested a 90-day experiment where every employee documented what they did in 15-minute increments. "This helps determine profitability, because it helps you see the time needed to do a job,"

Ellis said. "You'll also be able to take this information and write position descriptions with not only what to do, but how long it should take."

A deeper understanding of profitability will allow them to grow in the right direction and anticipate cash flow requirements, Ellis said. The Dexters tried the strategy by documenting their own time and riding along with employees to document theirs. "It helped me realize how much time I was wasting doing calls and things other people could do," Kelly Dexter said.

- Get a content-management system. "It's difficult to start up, but you have to give yourself time to get up to speed," Bauer said. Start by tracking calls and what is being sold, and stop relying on hand-written notes in calendars and filing cabinets, Bauer said. "It's hard not to keep one foot in the filing cabinet, but you have to move on."

Harris suggested Constant Contact or options at www.softwareadvice.com. The Dexters signed on for free 30-day trials for four different systems, and input some of their customer data to see what service best meets their needs. "Now, from the organizational chart, we know we need someone to manage the system," Mike Dexter said.

- Look for federal contract work. Federal contract work is often more accessible than city, county or state government jobs because the laws are kind to small businesses, Ellis said. With federal government work there is a firm budget, so there is typically not a bidding process, he said. But the Dexters need to pound the pavement to create relationships with possible customers, Ellis said. "You have to go face to face and make contacts," he said. Al Dexter said he sees that as a long-term goal, once operations have been streamlined. "We're interested, just not ready yet," he said.

- Lower auto insurance costs. Air Quality should not only do background checks on drivers, but create a safety procedure protocol for drivers, Bauer said. "Insurance companies generally look more favorably on companies with these types of programs in place," he said. They should also look to an independent insurance agent to get multiple quotes on auto insurance. Al Dexter took on the task of identifying three agents to give them multiple quotes.

- Streamline recruiting. Use a service company to check a prospective employee's background and driving record, Bauer said. "There is a fee, but you have to look at the time you were spending doing it yourself," he said. Ellis said they should explore hiring software programs like www.peoplematter.com. "You want to be able to track who is applying, send them automatic emails and automate the process," Ellis said. Mike Dexter said they would keep the idea on the back burner, until operations and training procedures are up to speed. "We need a system to mold new employees to our way. If not, we are setting them up for failure," he said.

- Fine-tune the marketing strategy. Determine the return on investment for each marketing expense and what segment of the target market it will reach, Harris said. He suggested adding a blog to the website to establish themselves as experts, answer questions for the public and educate the community. The Dexters are redesigning the company's website to optimize it for keyword searches and make it more mobile friendly. They plan on adding a blog to engage and inform customers, and using social media tools to increase

awareness. "It will get us out there more on the Internet, which we've never really done before," Kelly Dexter said.

- Evaluate your competition. Outline the strengths, weaknesses, opportunities and threats affecting your business, Harris said. Define the strengths and weaknesses of your competitors. "You are being too optimistic that your company's high standards will force your competitors to raise their standards and prices. The threat of underbidding will always be a factor that you must recognize," Harris said. Al Dexter said they have looked at competitors offering services at lower price points, and have decided to focus efforts on raising industry standards for everyone.

Mike Dexter said the makeover process left them energized for the future.

"SCORE not only showed us what to do, but the steps we need to take," he said. "The rules of success have been written a thousand ways, but you have to implement them to meet your goals."

The makeover

- **Client:** Air Quality Control Environmental, Inc., 3640 NW 118th Ave., No. 3, Coral Springs, an air duct and dryer vent cleaning service. The family business has 12 core employees, four service vehicles and a crew of part-time workers, and has residential and commercial customers.
- **Experts:** David Harris, director of marketing, Greenway Golf Course Management; Michael Bauer, director of accounting, American Traveler; and Chip Ellis, president of the International Association of U.S. Government Contractors. All are Broward SCORE counselors.
- **Challenge:** To strategically organize and streamline operations, and to maximize marketing opportunities.
- **Advice:** Create an organizational chart and training procedures. Fine tune the business plan. Use a content management system. Determine costs per customer and find ways to lower operational costs. Look for cross-selling and marketing opportunities.

About SCORE

- Based in Washington, D.C., SCORE is a nonprofit with more than 12,000 volunteers working out of about 400 chapters around the country offering free counseling to small businesses. There are seven chapters on Florida's east coast, including the Broward chapter of SCORE, with dozens of volunteer counselors.
- Counselors from the Broward Chapter of SCORE meet with small-business owners and offer free one-on-one counseling as well as low-cost workshops.
- To volunteer or learn more about SCORE, go to www.score.org or www.broward.score.org.

How to apply for a small-business makeover

Business Monday's Small Business Makeovers focus on a particular aspect of a business that needs help. Experts in the community will be providing the advice. If you would like a makeover, concentrate on one aspect of your business that needs help — corporate organization, marketing, financing, for example — and tell us what your problems are.

The makeover is open to full-time businesses in Miami-Dade or Broward counties open at least two years. Email your request to ndahlberg@MiamiHerald.com and put "Makeover" in the subject line.

The makeover

- **Client:** Air Quality Control Environmental, Inc., 3640 NW 118th Ave., No. 3, Coral Springs, an air duct and dryer vent cleaning service. The family business has 12 core employees, four service vehicles and a crew of part-time workers, and has residential and commercial customers.
- **Experts:** David Harris, director of marketing, Greenway Golf Course Management; Michael Bauer, director of accounting, American Traveler; and Chip Ellis, president of the International Association of U.S. Government Contractors. All are Broward SCORE counselors.
- **Challenge:** To strategically organize and streamline operations, and to maximize marketing opportunities.
- **Advice:** Create an organizational chart and training procedures. Fine tune the business plan. Use a content management system. Determine costs per customer and find ways to lower operational costs. Look for cross-selling and marketing opportunities.

© 2014 Miami Herald Media Company. All Rights Reserved.
<http://www.miamiherald.com>