



The EMS Group

David Bego tells how this business lets its customers in on a secret: cleaning is not a commodity.

Cleanliness Counts



The cleaning industry is often misunderstood as a commodity service. After all, aren't all mops the same and cleaning a job anyone can do?

Not only would Dave Bego beg to differ, but the President and CEO of The EMS Group can empirically demonstrate the difference between a shoddy cleaning job and a quality one using sophisticated technology.

Based in Indianapolis, the lion's share of The EMS Group is composed of Executive Management Services, the cleaning company Bego founded in 1989. Through internal growth and acquisitions, the company cleans corporate and multi-tenant office, medical, institutional, government, and production facilities in 36 states. Most of its customers are building owners/operators and management companies who understand the importance of a quality cleaning job to protect a valuable asset while ensuring employee health, safety, and comfort.

"We can design programs that work for clients at the quality level they desire," said Bego, who started his career in feed research development before realizing he enjoyed being a manager better. "Cleaning is not a commodity and has to be set up the right way."

A sister company, Barrett Supplies & Equipment, which Bego acquired in 1994 to give his company access to cleaning

product manufacturers, the latest in equipment and cleaning supplies, deeper product discounts, and valuable training opportunities for managers and employees. Besides supplying EMS, Barrett distributes to other cleaning companies in Indiana and South and Central Ohio.

Delta Services of Indiana, Inc., a security company, completes The EMS Group. Security was added to the mix in response to customer requests, but Bego said it remains a small portion of the overall business. "Although security seems close to cleaning, there's a big differential between them, and the synergies are not as great as many imagine," Bego said.

EMS uses sophisticated software developed for commercial cleaning and security companies to track the costs of supplies, equipment, labor, and other expenses on the cleaning side. It is fully integrated to provide workloads and specifications used to bid jobs and consult with clients on customized cleaning solutions. By inputting the tasks required, frequency of cleaning, building size, floor surface types, number of bathroom fixtures, population density, and other criteria, the company can pinpoint how much time it takes to do the job right. "Cleaning can be pretty subjective, but we can eliminate a lot of that and get to the levels the client wants," said Bego.

EMS is one of the few companies that has earned the Green Seal Environmental Standard for Cleaning Services, referred to

as GS42. In addition, the company has both quality control and safety directors, especially important for maintaining cleanliness in all types of facilities. In fact, Bego said his safety and quality departments often conduct training for clients' employees.

Although Bego's companies employ nearly 5,000, The EMS Group promotes a family kind of atmosphere, highlighted by his open-door policy to everyone. "I'm the type of manager who believes in giving employees opportunities to grow. I give them the leeway to do that and hold them accountable for the results," Bego said. "I hire good, hardworking, ethical people who exude character."

Wake-up call

The EMS Group was content to grow organically until the mid-1990s, when a large banking client urged the company to bid on cleaning 40 buildings in the Midwest. The company was cleaning three processing centers for the bank, which the client had ranked in the top five for cleanliness. Bego told the client his company didn't have the capacity for the project and would be happy to continue the three buildings. However, the bank wanted a single vendor for all its buildings, so EMS was dropped from the bidding process.

"That was a real wake-up call," Bego said, "That's when we started looking at acquisitions to grow our footprint."

Managers, especially, are carefully scrutinized when the company makes an acquisition. Those who remain won't be sitting behind desks. Instead, they'll be out in front of customers and employees, leading by example and responding to the daily challenges with a sense of urgency, Bego said. Managers can expect few meetings (Bego doesn't believe in them) and incentives for improving productivity.

"We like to tell stories: the good, the not-so-good, and stories about victories and losses," Bego said. "That's how people understand the history of the company and its culture."

Smear campaign

Bego takes care of his people, and in the late '90s, he enhanced the benefits program to include paid vacations and health insurance for full-time hourly employees. So he was shocked when the Service Employee International Union (SEIU) targeted his company during a union campaign that began in 2005 in Indianapolis, Columbus, and Cincinnati.

The SEIU demanded that Bego enter into a neutrality agreement that would have required him to furnish the union with his employees' personal contact information and waive their rights to have an election to decide if the union would

represent his employees. Refusal to do so would result in a smear campaign against both he and the company.

Despite the threats, Bego refused, and the 18-month campaign began against EMS, its employees, and its customers. Despite tactics that included using trick-or-treating children to pass out inflammatory fliers in the neighborhood where Bego and a major EMS client lived, Bego persevered. "I'm not a union hater, but I am opposed to the organizational tactics they use and their objectives, which are more for their own well-being than the employees they wish to represent," Bego said.

Bego details his million-dollar fight against the SEIU in his book, *The Devil at My Doorstep*, published in September. He credits Greg Guevara, partner at Bose McKinney & Evans, for helping EMS through a trying time.

Now that union efforts have subsided, Bego can again focus his attentions on growing the company and creating opportunities for employees. Sales were up 10% in 2009 after a smaller increase in 2008, and Bego predicts another gain this year.

"The industry is not recession-proof, but we handle the downturns better than most of the cleaning industry," he said. "For companies looking to become more efficient and reduce costs, we can bring that to the table."

Larger corporations have recognized that maintaining buildings is not a core competency and have turned to outsourcing. But Bego believes the time may be ripe for government agencies, public schools, and colleges to earnestly begin looking at outsourcing.

"Funds are down across the board, and everyone's looking for alternatives," Bego said. "When companies recognize the value of outsourcing their cleaning, EMS will be there to serve them." ■

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