



**CQM Standard 180 User Guide Customer Communications Working Group  
Wednesday May 23, 2017 Meeting Notes**

**Call to Order**

The meeting was called to order at 10:04 am PDT by Jan Peterson, XCSpec and Chair.

**Roll Call**

For this working group, 4 of 7 voting members in attendance would constitute a quorum. 4 voting members, 3 non-voting members, 1 guests and 1 staff were present for a total of 9 attendees.

P = Present at meeting A = Absent from meeting; if proxy has been assigned it will be noted below. Although Voting Members have been designated by Staff, this group acts primarily by consensus.				
<b>CQM User Guide Working Group Voting Members</b>				
Aire Rite AC & Refrigeration	Don	Langston	Contractor (Nonresidential)	P
AMS (American Mechanical Services)	Marc	Pickett	Contractor (Nonresidential)	P
Charles Segerstrom, Energy Efficiency Consulting	Charles	Segerstrom	Energy Efficiency Program Consultant	A
Richard Danks Consulting	Richard	Danks	Other Stakeholder	A
SDG&E (San Diego Gas and Electric Company)	Paul	Thomas	California IOU	A
Tre' Laine Associates	Pepper	Hunziker	Energy Efficiency Program Consultant	P
XCSpec	Janet	Peterson	Controls (Manufacturer or Distributor)	P
<b>CQM User Guide Working Group Non-Voting Members</b>				
Aire Rite AC & Refrigeration	Bruce	Coleman	Contractor (Nonresidential)	P
Aire Rite AC & Refrigeration	Darren	Whetstone	Contractor (Nonresidential)	P
Aire Rite AC & Refrigeration	Joe	Zappa	Contractor (Nonresidential)	P
<b>CQM User Guide Working Group Non-Voting Guests</b>				
B2B Sales Excellence**	James	Graening+		P
<b>WHPA Staff (Non-Voting)</b>				
BBI (Better Buildings Inc.)	Mark	Lowry	WHPA Executive Advisor/BBI COO	
BNB Consulting/WHPA Staff	Bob	Sundberg	Energy Efficiency Program Consultant	P (scribe)

\*\* Organization is Not a Member of the WHPA; + Individual is NOT Registered with the WHPA; (P) after last name = Member/Registrant is Pending Approval from the WHPA Executive Committee

To avoid repetition, the name of the member organization will not be repeated in the body of the minutes past the first identification with the name of the representative participant.

**Welcoming and Member Introductions**

- Marc Pickett, AMS – volunteered to join this working group and provide a commercial contractor perspective.
- Don Langston, Aire Rite AC and Refrigeration – invited three staff to join this working group and attend with him or in his absence as their schedules permitted: Bruce Coleman; Darren Whetstone; Joe Zappa.
- James Graening, B2B Sales Excellence – offered commercial building maintenance sales classes and training to commercial contractors mostly in HVAC/R but also to plumbing and electrical contracting firms.
  - He'd started his career with Honeywell Commercial Building Services selling maintenance agreements as well as energy retrofit projects.
  - Moved to sales and service management at Brewer-Garrett, the 2nd LINK contractor, and other firms in the NE Ohio region.
  - Offered maintenance sales training for Excellence Alliance until about 2004/5.
  - Corporate VP for Commercial Service Sales, Comfort Systems USA for two years.



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- Previous ten or so years has offered commercial maintenance sales training independently. That included remote coaching as well as “ride-along” sales support in the field.

**Approve Previous Meeting Draft Notes**

May 2 meeting draft notes were distributed May 5 and reviewed by attendees. Revisions or corrections submitted were incorporated to produce final approved meeting notes which would be posted to the WHPA website.

**ACTION Items**

May 2 ACTION: Jan Peterson would develop a one sentence mission statement for this section of the customer communications working group work product. Completed.

May 2 ACTION: Jan Peterson, XCSpec, offered to draft an email to the full CQM Committee to solicit help in locating contractor and small building owner occupied participants to help the WG develop their questionnaire. The draft would be sent to Pepper Hunziker and Bob Sundberg for input, copying Don Langston, before being finalized and sent onto Bob Sundberg for distribution out to the full CQM Committee. Ongoing.

**New Business – Jan Peterson**

None.

**AGENDA**

<b>Topic</b>	<b>Discussion Leader</b>	<b>Desired Outcome</b>
Welcome, Roll Call, Member Introduction, Approve Past Meeting Notes, Review Action Items, New Business, Meeting Agenda	Chair, WHPA Staff	Record attendees, welcome any new members, approve previous meeting minutes, review status of any open Action items, planned agenda and bring up any new business items for the WG to consider addressing.
Commercial Contractor Sales Process, Stages and Key Interview Questions	James Graening	James would present key questions and effective commercial contractor process necessary to develop a superior commercial maintenance program. The group would discuss and work to identify how this information could be included in their development of a maintenance plan development narrative.
Confirm next meeting date/time, assign actions and proposed agenda and adjourn.	Don Langston, WHPA Staff	Clear understanding of member responsibilities for the next meeting. Next meeting date/time established.

**Working Group Goal Statement and Roadmap – Jan Peterson**

Jan Peterson, XCSpec and Working Group (WG) Chair – the purpose for this working group was to develop a customer communications questionnaire intended to become part of a user guide for Standard 180.

The meeting today was intended to find out whether they were asking all the right questions about qualifying the customer, were they talking to the right person, some basic financial and budget information and initial identification about the “pain points” and important objectives the customer currently has and to provide some evidence to the customer about their being a qualified service provider. That first meeting should be completed within 30 to 45 minutes. James Graening was going to provide a presentation and lead a discussion about this interview/qualifying exercise from a contractor perspective. Her intention was that the questions and process James taught and advocated for contractors would be compared to the types of questions and topics the WG had previously been developing to merge and evolve the part of their questionnaire devoted to this first stage of initial meetings.



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Most of the training James provided contractors revolved around prospecting and qualifying customers and related interviewing intended to lead to customized, value added contracts. Much of that “added value” was a result of promoting a preventive, predictive approach to commercial maintenance. A lot of the training class language is contractor oriented but could be modified for a Standard 180 user guide to reflect a more collaborative approach and reflect the end user’s perspective and involvement in developing goals and a maintenance programs. The purpose for this WG meeting was to focus on a first meeting between a customer and their prospective service provider. To develop the kinds of questions which would raise key points, gather some important initial information and to determine whether there should be follow-on meetings toward developing a maintenance program together.

### **Commercial HVAC/R Commercial Maintenance Sales Training – James Graening**

James Graening, B2B Sales Excellence – he clarified that much of the material he would present was developed through the lens and perspective of contractors selling preventive, value-added maintenance agreements. He intended to elaborate on the multiple levels of decision-making as well as the stages in the sales process. He hoped that the WG could then see that much of this could be modified to fit in with a user guide which would also reflect the perspective of an owner or facility manager. That the sales terminology could be converted to reflect the same key points from that other perspective.

James explained the foundation for his approach to sales training. It was based on a consultative, collaborative approach to sales. The sales process had distinct stages and there could be multiple meetings for each stage or sometimes a single meeting might cover more than one stage in the process. He thought it would be very beneficial if the user guide interview process could make clear for owners and facility managers that agreement decision-making was a multiple stages or steps process.

His training was applicable to existing as well as new customers. Most of the major decisions about maintenance agreements involved key finance managers and executives within the customer organization. So, the language of the questionnaire to be developed should include key financial terminology and focus.

His training included gaining an understanding of the psychology of selling. He’d drawn on the teachings of several professionals like Brian Tracy. He’d also drawn on the works of Todd Duncan (High Trust Selling) and Zig Zigglar as well as other top sales professionals and educators. The basis for this ethical, credible approach to selling was in trying to determine whether someone was interested in purchasing something of value, a comprehensive approach to maintenance that would address and solve their problems. These stages or steps in the sales process were really the psychological stages these owners and managers went through in their decision-making process. They had to be willing to set aside time for this process. Each party had to be introduced. There needed to be a questioning period. They would need to gather and confirm/verify information and present and discuss recommendations. Finally, if a decision was to be made, there needed to be an agreement signed to provided authorization to proceed and implement whatever had been agreed.

You needed to meet with at least two critical types of decision makers. One with financial responsibility and the other with implementational/technical responsibility. The user guide should also provide some instruction for how owners and facility managers could evaluate prospective service providers.

[https://www.briantracy.com/sales\\_training/](https://www.briantracy.com/sales_training/)

<http://toddduncan.com/>

#### Overall Sales Plan

1. Prospect, set appointment, prepare – meet with the right decision-makers with authority, technical and financial
2. Facilitate first structured meeting – how to collaborate, guide each other, relationship and trust building
3. Discuss current situation and building related issues

4. Building/HVAC systems surveying and assessment (including pictures and sample measurements), qualifying, financials, estimating
5. Collecting information, verifying financial data, present a cost analysis
6. Explore options, review and make recommendations, unique proposals
7. Proposal presentation, close the sale, get a signed agreement
8. Implement program, operational review/assessment, revise as needed

This process could not be about price. The industry had trained customers to have bad decision-making habits for years. To only expect they only needed to meet, list tasks or a provide a system survey and choose a firm based solely, then, on price. Following this process toward more comprehensive maintenance could help a customer qualify who would provide them with HVAC services. Jim advocated the need for contractors to re-educate their customers that there was a better way to conduct business.

Steps 1 through 4 were considered the core steps of the process, the building analysis. Cost analysis for this facility could be compared to several sources of like building cost ranges and averages including building ownership and operating costs. He believed that step 4 was the most overlooked one in the industry and felt that relating this information to building owners needed to be mandatory. Financial executives confirmed and verified costs and benefits against budgets routinely. It was the way most of them approached making business decisions. It only made sense for contractors to introduce this confirmation stage as part of their process. This also was the stage where a contractor could learn what the customer really wanted – what problems or pain did they want to manage. It was also the stage where a contractor negotiated prepared to settle their sale.

### **The First Structured Introductory Meetings**

During that introductory meeting, a contractor needed to ask about financial as well as technical oriented questions. These might be the same person or separate people within that organization. The questions and discussion will change depending on which of those areas is focused on.

The introductory meeting will also include gathering information about and assessing current maintenance practices. There could well be several introductory meetings before the decision is made to go onto step D to begin the building and financial information gathering and evaluation. That could be a result of there being a larger number of HVAC systems, a mixture of packaged and built up systems or multiple buildings.

### **First Structured Meeting Scripting - Levels of Questioning & coaching points**

1. State the Agenda – offer thanks for scheduling time to meet; you'd like to learn more about their business/operation and responsibilities to see if there is a fit with their firm's services; share information about the service firm and briefly how they'd helped other clients; if there's a fit, set up a plan to move forward.
2. Describe Your Contracting Business (capabilities)
3. Question --- Listen --- Qualify – follow each question with “describe that....”
4. See further down in the notes.....

He suggestion this WG address at least three key financial topics.

- A. Major component replacement and major repairs over several years
- B. Their outsourced services including their current maintenance agreement costs and labor rates
- C. Utilities – what was their energy spend

### **First Structured Meeting – as taught**

- Have and introduce your customer to the “agenda” and what you expect both will need to cover in “customer” oriented terms to lay out what you believe is a sound decision-making process to meet their needs, not a sales pitch

- Need to gain customer agreement to the agenda – the need to learn more about that customer’s needs, breadth of this decision-maker responsibilities, their business/organizational function, facility and about the HVAC systems
- Share information about how that service provider/contractor approaches their services, why they utilize a comprehensive approach – customer learns key facts and values of this contractor
- Set up and gain agreement to a plan or schedule for how they might move forward - establish expectation for how they will decide what actions to take next, when to set the next meeting, a building survey etc.

Questioning and listening should constitute about 2/3s or 3/4s of the first meeting time.

- 20 minutes of a 30-minute meeting
- 30 minutes of a 45-minute meeting
- 45 minutes of a 60 minute

### **Other Customer Oriented Terminology – why collaborate with customers to establish a maintenance agreement?**

He recommended they explore how to bundle other needed solutions with maintenance: building automation or monitoring; demand control ventilation or other technology upgrades like VFDs; load control and other EE measures; equipment capital expense planning. They might be using capital expense resources for maintenance and not be positioned to address major capital expense needs when they hit.

1. They are dedicated to resolving issues and problems related to HVAC/R
2. They believe that true, proactively planned preventive maintenance was the most cost-effective approach
3. They are convinced that recommendations for further energy savings, operational efficiencies and other energy services work was valuable
4. Capital expense planning, an equipment retirement/replacement plan, would greatly improve asset management, budget planning and lower overall costs

This was the sort of language and these were topics financial managers wanted to address – so a contractor should plan to address them.

### **Interviewing Your Customer – Levels of Questioning and Questions to Ask**

Make the customer aware that there will probably need to be several people involved on both sides. The contractor will have a sales person and likely a technician for the survey and service manager for tasking clarification. On the customer side there will probably be someone primarily responsible for facility management but also those responsible for various budget segments like contracts, energy/utility costs and capital replacements.

#### **Levels of Qualifying Questions**

1. Rapport and Responsibilities
2. Building and HVAC/R Systems and Operation
3. Building Ownership and Operating Expenses
4. Meeting Summary – pain/problems, issues
5. Introduce Your Benefits

#### **Level 1 – Rapport and Responsibilities:**

Describe your role here in the business, role with regard to the building operations?

Tell me more about your responsibilities here, your daily activities?

How long have you worked with this business and do you have multiple locations?

Tell me about how the building and HVAC have an impact on your responsibilities?

What would you change about the building or HVAC operations related to your job?

Who have you been working with related to the MEP (mechanical, electrical, plumbing)?

How is that going, are you under contract or currently working on any projects?



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Anything else you would like to share about your responsibilities or business? Thanks!

**Level 2 – The Building & HVAC:**

- What impact does the MEP, especially HVAC, have on your business?
- How does the HVAC have an impact on your daily routine? Setpoint and comfort concerns?
- Are there comfort or set-point concerns, any tenant/occupant complaints?
- Are there any concerns you have about productivity or maintaining your facility?
- What impact does the HVAC have on your activities or operations here?
- How does your heating and cooling have an effect on conducting business?
- What HVAC, energy or environmental problems exist here?
- Are there issues you constantly are dealing with related to energy or HVAC?
- What would you change about how you maintain or operate your HVAC?

**Level 3 – Building Ownership & Operating Costs – once contractor has “earned the right” to ask these types of business/organizationally sensitive questions**

- You mentioned some issues and concerns; what expenses relate to those problems?
- What impact have any issues or problems had on your bottom line over the years?
- What affect have any HVAC issues had on your ability to generate or protect income?
- Do you have a budget for HVAC operations and HVAC maintenance?
- What had they been spending for those out-sourced maintenance and repair services previously?
- Have any HVAC or MEP problems had a direct impact on your budget? How?
- Tell me about some large repair costs over the last few years? How did you pay for that?
- Do you see major repair or major component costs hitting your budget often? Describe.
- What was being spent on HVAC related utilities? (energy for HVAC systems)
- What would you consider is the main issue you would want to address based on costs?

**First Structured Meeting Scripting - Levels of Questioning & coaching points – CONTINUED**

**4. SUMMARIZE...by restating the prospects needs, pain and objectives:**

**Level 4 – Closing Questions – Agreement to move forward...**

What I heard you say is that these areas seem to be a problem:

- 1.
- 2.
- 3.
- 4.

If we could help you with

- 1.
- 2.
- 3.
- 4.

(Confirm and verify the “pain”, issues, problems with more “Describe that...” “Tell me more about that” and “Explain that to me” if you had not in the Levels of Questioning)

Tell me about your interest in a very proactive approach to true, planned maintenance, as well as, energy saving initiatives and even capital expense planning? Please prioritize?

Tell me about your interest in a very proactive approach to true, planned maintenance, as well as energy saving initiatives and even capital expense planning? Please prioritize?

- Would you be willing to set up a schedule in order for me to survey, provide a building performance assessment, present some recommendations so that we could sit down and discuss the best options for you?

- How would that recommendation get approved for implementation?
- How would your company review a proposal in order to move forward?
- What time frame works for you and your company?
- Who else might have some feedback or opinions related to us helping out?

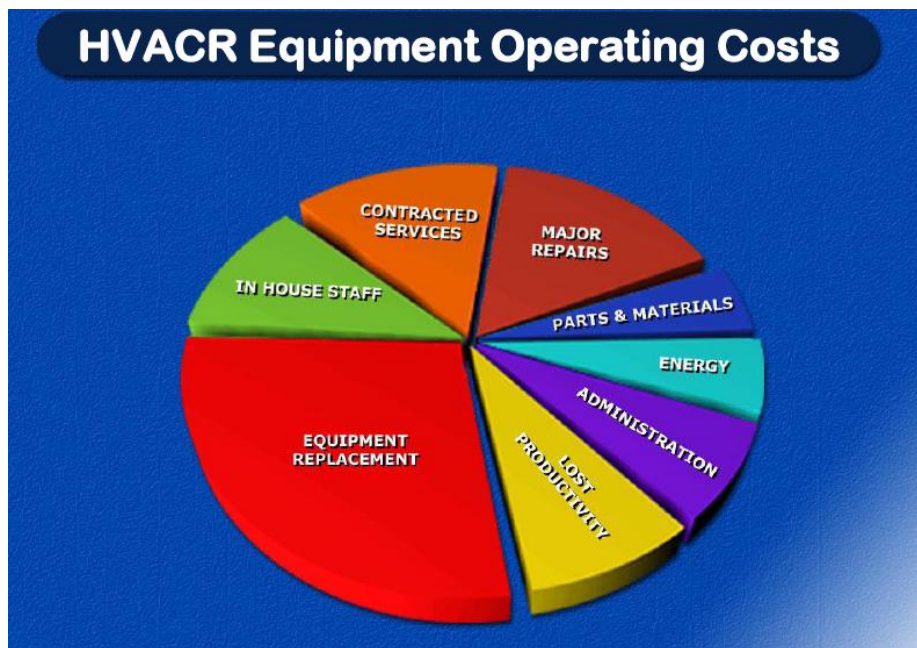
The contractor will need to learn how proposed work needed to be presented and the full process and timeframe involved in approval. For a board? Committee? Chief executive? Supply management department? Approval might be budget cycle linked and locked in for a fixed time with some clients.

#### 5. Introduce Your Benefits (our goals to help you):

“Maintained, optimized comfort, less complaints”  
 “Reduced overall operating costs, budget control”  
 “Reduction in energy consumption”  
 “Improved equipment efficiencies”  
 “Extended useful life of systems”  
 “Investment protection”  
 “Improved productivity”  
 “Reduction in breakdowns”  
 “Less downtime or emergencies”  
 “Reduced liability, healthier environment”

#### 6. Set up the follow-up Confirmation-Verification Meeting (after the survey)

I would like to get your feedback and explore options and review our recommendations with you and your team, can we meet next Thursday or Friday or in two weeks? What may be a convenient date and time to meet? Thank you! I will email you the list of a few items that we may want to look at related to your building ownership and operating costs. (share the Pie Chart Flip chart)



This was the only PowerPoint slide he recommended contractors use. This didn't describe their specific building but just indicated the categories into which the money got spent. A financial approach to address the need to implement preventive maintenance.



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How would your company review a proposal in order to move forward?

What time frame works for you and your company?

Who else might have some feedback or opinions related to us helping out?

### **Additional Discussion**

James always recommended a proposed, negotiated maintenance agreement which was built, developed from an understanding of the customer's needs. Even a "dual proposal" which would compare their request for proposal RFP simple list of tasks with bid price vs. an agreement developed from a discussion of needs and priorities to compare and differentiate the benefits of the custom proposal. The customer proposal would be intended to go far beyond the minimal accountability of the RFP and address needs and goals in more detail. This was how he recommended converting, educating customers to move from a bid approach to a more thorough negotiated one.

Jan Peterson, XCSpec and Chair – loved his idea of sharing stories and providing examples of how this approach would actually save time and money. She asked James to address execution of a preventive maintenance program.

James Graening – some of his materials came from North Boundary developed cost analysis software. He also recommended against providing any detailed guarantees and savings. Without a cost-prohibitive full audit and system performance evaluation, it would not be possible to detail their current circumstances. He had charts which illustrated the difference between proactive and reactive approaches to maintenance. There were also resources available, ASHRAE as well as BOMA, which indicated median and average facility HVAC related expenses per square foot.

Jan Peterson – thought that it would be useful in that first meeting to already be stating that there were metrics available, means to quantify the types of financial savings that could be delivered. They would establish a paper trail for what had been accomplished. In the CA IOU programs, many owners were not re-upping the QM approach because nothing seemed to ever go wrong and there was no other evidence provide for the value delivered by QM.

James Graening – at the end of the proposal there should be a listing of their specific problems and pain points which could be tracked as the program was being implemented. Items like extending useful life, improving productivity and reduced breakdowns could be tracked.

Jan Peterson, Chair – she suggested they try to produce a first draft from the materials James had developed. The next step would be to compare that draft to earlier work products of the committee and its working groups.

**ACTION:** James Graening agreed to help produce a customer friendly first draft version of an initial meeting interview, a customer questionnaire, a narrative from the end user's view point which could be distributed to the group for discussion. It could then be compared to previous WHPA/CQM Committee work products. Jan Peterson agreed to work directly with James to provide guidance for that first draft. They would shoot for a draft by June 7.

James Graening - He also had contact with a number of building owners and facility managers who could be invited to provide input to this process, role-play the owners perspective in the conversation. James wasn't very familiar with any of the work products produced by the CQM Committee or its working groups. Pepper Hunziker, Tre' Laine Associates, suggested he review the 2016 work products recently produced. Bob Sundberg, WHPA staff, committed to email those to James and to providing him to a link to all WHPA work products.

Jan Peterson – the ASHRAE/ACCA Standard 180 Committee was scheduled to meet June 23. They would be an excellent sounding board for testing the narrative draft. She proposed they complete this draft with WG feedback for that deadline.





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Pepper Hunziker – she asked Don Langston whether there were goals established for the other WG and if they overlapped with those for this WG.

Don Langston, CQM Committee Chair – no, the other WG didn't have firm goals established yet.

**Closing Comments/Adjournment**

Jan Peterson Chair – she proposed the group meet next Thursday June 15 to allow time for James to work on an initial draft. James could follow-up with Jan on or after June 9 when he returned from out of town travel.

The meeting was adjourned at 11:30 am PDT.

\* \* \* \* \*

**Action Items and Key Decisions**

**ACTION:** James Graening agreed to help produce a customer friendly first draft version of an initial meeting interview, a customer questionnaire, a narrative from the end user's view point which could be distributed to the group for discussion. It could then be compared to previous WHPA/CQM Committee work products. Jan Peterson agreed to work directly with James to provide guidance for that first draft. They would shoot for a draft by June 7.