

Temp franchise hung tough during recession

When she first started out as a female business owner in the male-dominated world of construction, Jolene Dressel quickly learned the value of toughness and professionalism.

Little did she know how much she'd rely on those same qualities to help Trojan Labor, her temporary staffing business, survive the worst economic downturn since the Great Depression.

After watching more than 80 percent of her business evaporate in a single month in the fall of 2008, Dressel was forced to shutter offices, lay off staff and dip into her own savings to keep her staffing franchise from going under.

Now, business is back on the upswing, thanks in part to the arrival of big-ticket construction projects such as the Music City Center and a unique networking group that Dressel formed among other women-owned or operated construction businesses in the area.

In an interview with *The Tennessean* and freelance business writer Keith Russell, Dressel recounts how the recession helped make her business stronger in the long run, explains why she's cautiously optimistic about the outlook for Nashville's construction industry, and shares what it takes for a woman to succeed in a male-dominated industry.

Tell me more about Trojan Labor. What is your core business?

Eighty percent of our work is construction staffing. That's general labor, composite crews, skilled labor, carpenters, electricians. We also have a new asbestos removal division and a traffic control division.

When do construction companies decide to come to you for staffing help?

When a firm needs help is when — let's say it's an electrical contractor — they might have 10 electricians on staff, but they take on this large project and so they might need an extra 10 electricians for two months. So, instead of hiring them on payroll and taking on all that burden, they'll just call us. Others might need a laborer for a day to clean up the job site.

Who are the people who come to you for help finding work?

Prior to the recession, we had a history of employing a lot of transient people who were coming through the city. That has changed with the unemployment rate at the high level it's been at. We now have the best workforce to offer that we've ever had because we have so many people who've been laid off. It's a completely different workforce than we had three or four years ago. Some superintendents we had in the past that would be calling us to order (workers) are now calling us to get a job.

National forecasts for the construction industry in 2012 appear mixed. How does business look from your point of view?

I've looked at those forecasts, but I think Nashville is in a unique position because we have so many big jobs going on, so we're not like some of these other cities. We've got the convention center, the Omni Hotel, the medical mart and everything that's going on with road construction and the schools. But if you were to take a lot of these big projects out, we'd be comparable to other cities that don't have a lot of construction. We used to do 20 percent or 30 percent of our work in residential, and we haven't done anything in residential in 3½ years. Without those big projects, I don't think the outlook would be as positive as it is now.

What about wages for construction workers?

We had the increase in minimum wage so that helped a little bit. But the one thing that is helping with the wages in Nashville now is there is a lot of state and federal work. With the state and federal work comes the Davis-Bacon wages, which is more than we typically pay. For example, if we have a general labor job that is a sweeping position, we might generally pay \$8 an hour, but in a Davis-Bacon project, it's more like \$12.50. So, they have an opportunity to make more money. If it wasn't for that, people are still trying to save money, and so they want their bill rates low, which means we have to keep our pay rates on the lower side. I think wages are slowly coming back, but people aren't as apt to pay more because they're trying to keep their costs down.

You've said that the recent recession was the most challenging experience you ever had as a business owner. Was there a moment when you realized the immensity of the crisis facing you?

Pretty much in November of 2008, it's like the lights just went out. In my seven offices, we had been sending out about 1,200 people a day. And it went to 200 a day over a month period.

When you look at the money that was coming in versus what was coming out to pay for my operating expenses, I was definitely in the red. Over a four-month period I was scrambling to shut locations down and lay people off as fast as I could. I had to go into my own pocket a lot just to keep the doors open. And we didn't come back into the green for a while. We were losing money for a year and a half.

What turned things around?

When it started to get good again was when the flood happened in May of 2010. We were still barely breaking even, and with that boost in (flood-related) construction, we went from sending out 80 people a day to 1,200 in a week. We were here from 4 o'clock in the morning until midnight seven days a week for two months. We were exhausted but we weren't complaining because, first of all, we were helping the city and we were happy to be a part of that. But the other thing was we were like, "Thank God for this business, because now we're finally able to get ahead."

What lessons did the recession teach you?

I downsized my business and

really learned how to manage expenses and operate on less. Now, as business is starting to come back, we're operating on a tighter ship. We don't spend money like we used to because I learned how to get by with less. Even though I don't want to go through that again, now I'm a stronger business going into the future because of what I've learned about managing money over those hard times. I am grateful for the business I have, and I'm not as frivolous with how I spend money.

In addition to being a woman who owns a business in a male-dominated industry, almost all of your employees are women. What is that like?

The dynamics have changed a lot. Twelve years ago when I'd go onto a job site, people stopped and said: "What's a woman doing on a job site?" You learn how to be tough and accept the environment and not pay attention to it and always present yourself in a professional way — wearing all the safety equipment, wearing the hard hats.

But once you do that, you'll get respect, and have respect in the area. When they see Trojan Labor on the job site, they know we're there for business and it is going to be a woman on your job site. Not to say we still don't get the comments, but we're there to do a job and people understand who we are.

What is Women in Networking and Construction (WINC) and what led you to start it?

When the recession hit and I started looking at what I needed to do to keep our business afloat. I took a three-month construction management course

through Turner Universal, and during that course they taught us how to get certified (as a women-owned and small business) with all of the different state and federal agencies.

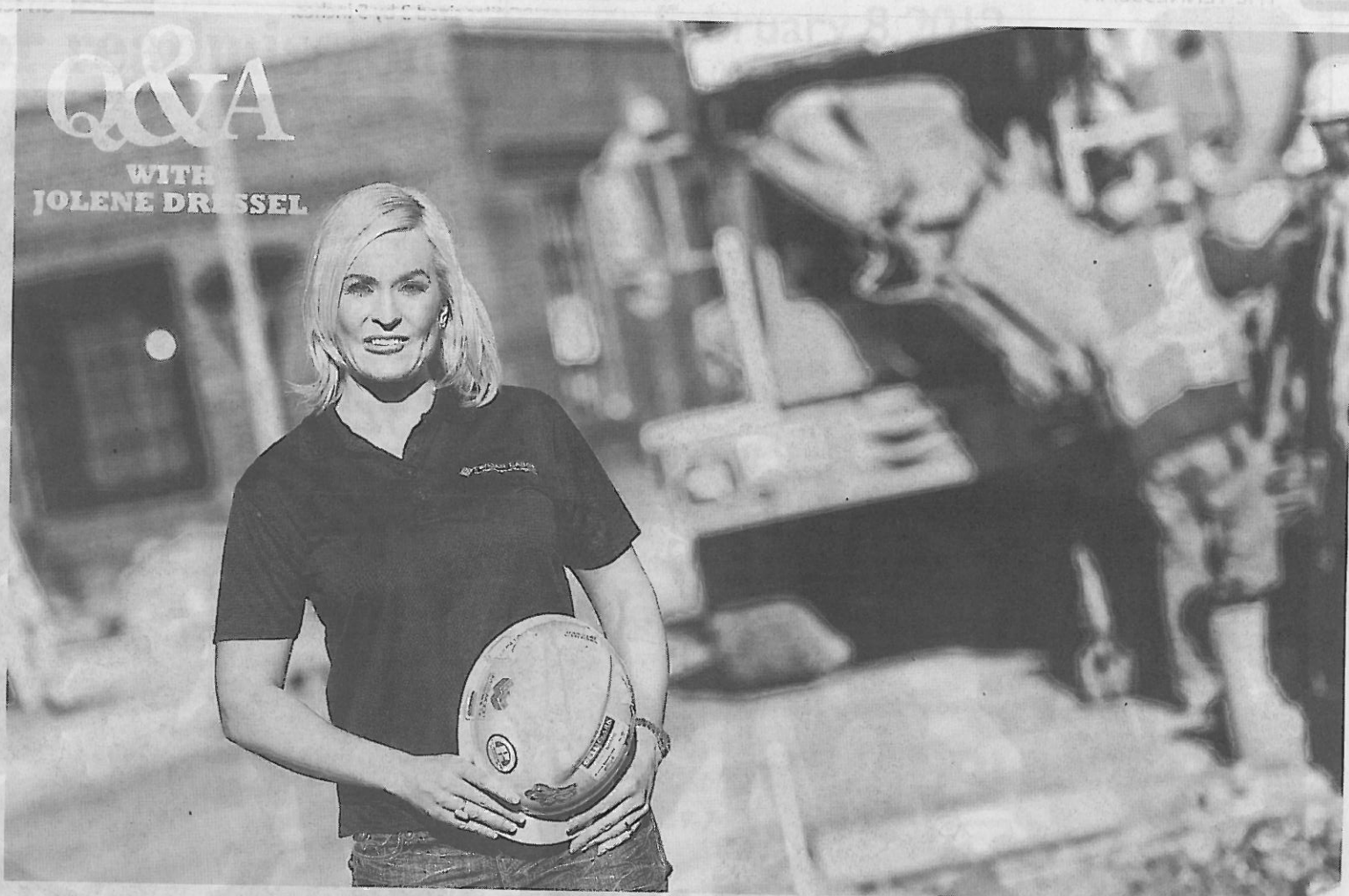
When I took that class, there were a lot of other women in there. At the same time, I had reduced my sales staff from five people to two people, so I didn't have as many people out selling anymore. I realized all these different women I was meeting, we had a lot of the same shared customers. So I said, "Let's get together and have a meeting and figure out a way to help each other."

How do WINC members help each other?

What we are is a networking group. We have one member for each supplier and sub-contractor category. We don't allow more than one supplier or sub-contractor in each area because we don't want competition within the group. There's actually a waiting list of people who want to join the group for different areas.

We made a master business card that has all the members listed. Once a quarter we'll go out as our group of 20, and we'll match up in groups of two and have a list of general contractors and job sites. In four hours, we'll get our names in front of 200 job sites, and we've had amazing results. We also do a quarterly networking event where we invite all of our customers and have something like 100 customers come.

We get so much business from each other, and really care about helping each other out. We want everyone in the group to be successful.



Trojan Labor franchise owner Jolene Dressel says Nashville's construction industry is stronger than other cities' because of large projects like the Music City Center as well as some federal and state government projects. SAMUEL M. SIMPKINS / THE TENNESSEAN

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