# STRATEGIC PLAN

**NOVEMBER 2017**

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LETTER FROM THE CHAIR

In 2016, several changes happened nearly simultaneously around our industry: Two long-serving leaders, Jim Buchanan at the Pipefitters Local Union 597, and Steve Lamb at the Mechanical Contractors Association, retired after many years of service. In their places came Business Manager Kevin Morrissey and Executive Vice President Jill McCall. In June that year, I became President of the MCA of Chicago.

These changes in our industry both inspired and made necessary one of my primary goals as President: to assess what we as an industry and as an association do, how this follows our core values and how it can lead to a long-range strategy. Starting in August 2016, the Officers, Board of Directors and Piping Education Council Trustees met several times with a strategy planning expert to map out the future of our industry and association over the next five years. At these meetings, the Board was in the process of confirming these values and investigating how to reach our long-term goals. While it wasn’t an easy or quick process—the plan was finalized in late November 2016—you now hold in your hands the result of these labors: The Mechanical Contractors Association of Chicago Strategic Plan.

This Strategic Plan is a must-read for everyone who works at an MCA of Chicago member company and who values the role we all play in the future of our industry. The Strategic Plan’s ultimate value is that, by collecting, organizing and codifying those things we already know, it defines the starting point for our plan for the future. It’s a plan that both values stability and convention yet accommodates change that we all know is inevitable.

I would be remiss if I didn’t acknowledge all the people who put months of hard work into defining, creating and crafting the strategy for our future. Because—have no doubt—what they undertook and accomplished, under the guidance of consultant Glenn Tecker, is nothing short of monumental. For this, everyone associated with MCA of Chicago owes a debt of gratitude to the many people who contributed their time and expertise to turn vague notions and ideas into a detailed plan as practical and pragmatic as a construction document.

As MCA of Chicago President, I too have a debt of gratitude, so would like to personally thank Glenn, in addition to the MCA Officers, Board of Directors and MCA of Chicago staff: Brian Helm, Vice President; Charles Usher, Jr., Secretary/Treasurer; Marc Pittas, Immediate Past President; Heather Ancel, Director; Jim Jacobson, Jr., Director; Tom Kelleher, Director; Karen Riffee, Director; Daniel Sharpe, Director; Paul Szynzczak, Director; Kevin Condon, PEC Chair; Pete Baier, PEC Trustee; John Berzanski, PEC Trustee; Jim McCauley, Jr., PEC Trustee; John Stern, PEC Trustee; Jill Eckert McCall, Executive Vice President; Daniel Bulley, Senior Vice President; Daniel C. Day, Vice President of External Affairs; Katelyn Youngblood, Director of Marketing and Communications; Susan Rocque, Director of Finance; and Kay Gray, Staff assistant.

So, now what? Now the real work begins. But with the MCA Strategic Plan as our road map, we can together chart the future of not just MCA of Chicago but—to a large extent—also our industry. I hope you’re as excited as I am to get to work on that future.

Michael McCombie
OVERVIEW OF Strategic Thinking

The Mechanical Contractors Association of Chicago (MCA) embarked on a strategic planning initiative in 2016 to guide the development of: (a) an updated strategic plan and (b) an ongoing process for thinking and planning strategically to be integrated throughout the enterprise. In designing an optimum process for building the strategic plan, MCA of Chicago worked with Glenn Tecker, Chairman and Co-CEO, Tecker International LLC. Tecker consultants believe that every organization must carefully define a planning approach specifically responsive to its particular objectives and realities.

MCA of Chicago planning process was grounded on an approach, which guided decisions about strategy in a framework that involved crafting a comprehensive strategic direction based on the balance between what must not change—the timeless principles of the organization—and what future vision must stimulate change—what the organization seeks to become within a 5–10 year horizon.
THE STRATEGIC PLAN

CORE IDEOLOGY
Describes an organization’s consistent identity that transcends all changes related to its relevant environment.

ELEVATOR SPEECH:
The MCA of Chicago is a membership organization that represents more than 400 union contractors who service and install technologically advanced and energy-efficient heating, air conditioning, refrigeration and process piping systems across the region.

Our members perform the mechanical construction and service for everything from commercial and residential buildings, to food-processing facilities, refineries, green energy systems, power plants, manufacturing plants, hospitals, airports, hotels and data centers.

Membership in MCA of Chicago provides labor relations, high-quality learning opportunities, innovative safety and technology programs, legislative representation, mentoring opportunities and professional networking.

MISSION STATEMENT:
(Who we are, what we do and how we do it)
MCA of Chicago leads the union mechanical construction and service industry by promoting professionalism, productivity and competitiveness. We serve our members through:

• Labor relations
• Education and information and
• Government and public affairs.

CORE PURPOSE:
(A concise statement of the organization’s reason for being)
To advance the mechanical construction and service industry.

CORE VALUES:
(Essential, enduring tenets of the organization; a set of guiding principles)

Leadership: Demonstrated by visionary judgment, hard work in the earnest pursuit of excellence and a continuous commitment to expertise and quality.

Innovation: Demonstrated by forward thinking services and resources developed and provided in a dynamic, creative and invigorated environment.

Partnership: Demonstrated by an earned reputation for fairness, good faith collaboration, and respect for members and their industry.
The vivid description describes how the world could be different for key stakeholders as a result of the organization achieving its vision.

**VIVID DESCRIPTION:**
Segment and Description

**Industry:**
The industry develops sustainable solutions that secure the future of union labor. Industry establishes a highly qualified pool of mechanical contractors. Union members have the best knowledge, experience and skill set. The general public has clean air, clean water and a reduced carbon footprint.

**Contractors/Members:**
Members, union and industry benefit from close collaboration with technology training and education. Members, union and industry benefit by partnership on marketplace responsiveness issues (wages, work rules, labor force size issues). Members and industry experience a significant increase in high-quality candidate recruitment through innovative outreach and better communication. Contractors and craftsmen share in labor harmony. Contractors are profitable and growing. Contractors stabilize labor rates. Union mechanical construction is widely considered the most effective choice.

**Owners/End Users:**
Owners/end users benefit from consolidated labor jurisdictional lines. Owners/end users benefit from a streamlined construction process promoted by the association.

**Association:**
MCA of Chicago is the established leader in continuing education for the industry. MCA of Chicago develops educational programming that enables members to outperform their competitors. MCA of Chicago is acknowledged as the premiere organization in the industry.
KEY DRIVERS OF CHANGE

Segment and Description

**Unions**
- Productivity and efficiency
- Ability to price jobs competitively
- Increasing wage/compensation
- Sustained profitability
- Reasonable work rules
- Union training

**Contractors/Members**
- Competitive labor costs
- Training
- Safety
- Market share

**Customers/Clients**
- Competitive pricing
- Quality work product
- Safety

**MCA of Chicago**
- Information
- Continuity of association
- Predictable economic and financial stability and viability

**Vendors**
- Education
Describe the outcomes the organization will achieve for its stakeholders

Goal A: Industry
The industry will develop a sustainable solution to secure the future of union labor.

Goal B: Members/Contractors
Members will enjoy sustainable profits.

Goal C: Owners/End Users
Owners/End Users will benefit from predictable financial outcomes and streamlined innovative construction and service processes.

Goal D: The Association
MCA of Chicago will be acknowledged as the premier organization in the industry.
GOALS, OBJECTIVES & STRATEGIES

Goal A: Industry
The industry will develop a sustainable solution to secure the future of union labor.

Objectives

<table>
<thead>
<tr>
<th>CRITICAL/HIGH</th>
<th>Increase the effectiveness of negotiations</th>
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<tbody>
<tr>
<td>HIGH</td>
<td>Increase understanding of union funds</td>
</tr>
<tr>
<td>HIGH/MEDIUM</td>
<td>Increase exposure for the industry to attract new talent</td>
</tr>
<tr>
<td>MEDIUM</td>
<td>Increase the quality and quantity of market share data</td>
</tr>
<tr>
<td>MEDIUM/LOW</td>
<td>Increase communication and shared responsibility for training field forces</td>
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Strategies

<table>
<thead>
<tr>
<th>CRITICAL</th>
<th>Develop a data-based, politically-sensitive negotiation strategy to be employed when contracts open</th>
</tr>
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<tbody>
<tr>
<td>HIGH</td>
<td>Develop a training program/skill burst explaining the cost of labor, including fringe benefits</td>
</tr>
<tr>
<td>MEDIUM</td>
<td>Addressing non-union work in a practical way</td>
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GOALS, OBJECTIVES & STRATEGIES

Goal B: Members/Contractors
Members will experience sustainable profits.

Objectives

CRITICAL/HIGH
- Maintain steady, predictable labor costs
CRITICAL/HIGH
- Increase availability of qualified workers
HIGH/MEDIUM
- Reduce impact of government regulations
HIGH
- Eliminate jurisdictional disputes
HIGH
- Increase the competitive position of work rules

Strategies

HIGH
- Monitor proposed regulations and laws that could impact the contractor’s bottom line
HIGH
- Create fab shop rate
HIGH
- Recruit and train office workers (Project Managers, Estimators, etc.)
MEDIUM
- Do a better job explaining what we do to attract quality talent
MEDIUM
- Identify existing regulations that could impact the contractor’s bottom line
MEDIUM
- Continue doing market survey research
LOW
- Negotiate more favorable work rules
GOALS, OBJECTIVES & STRATEGIES

Goal C: Owners/End Users
Owners/end users will benefit from predictable financial outcomes and streamlined innovative construction and service processes.

Objectives

<table>
<thead>
<tr>
<th>CRITICAL</th>
<th>Stabilize the costs of labor and become market competitive</th>
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<tbody>
<tr>
<td>HIGH</td>
<td>Increase exposure to the industry to attract talent</td>
</tr>
<tr>
<td>HIGH</td>
<td>Increase the available talent pool</td>
</tr>
<tr>
<td>HIGH</td>
<td>Increase access to affordable, quality training</td>
</tr>
<tr>
<td>HIGH</td>
<td>Expand workforce flexibility</td>
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Strategies

| HIGH     | Identify new avenues for recruitment                    |
| HIGH     | Create better opportunities for training through MCA    |
| HIGH     | Enhance methods of educational delivery; offer different|
|          | types of programs                                       |
| HIGH     | Study the impact of zone wages and work rule modifications; analyze how this is working in other markets; look at creative wage packages—i.e., wages based on specific market sectors |
| MEDIUM   | Assess current CEI offerings                             |
| MEDIUM   | Enhance mutual understanding of field and office personnel by improved communication |
GOALS, OBJECTIVES & STRATEGIES

**Goal D: The Association**

MCA of Chicago will be acknowledged as the premier organization in the industry.

**Objectives**

- **HIGH** Increase the number of involved individuals within member companies
- **HIGH/MEDIUM** Increase member engagement and involvement
- **HIGH/MEDIUM** Increase the number of market share contractor members
- **HIGH/MEDIUM** Consolidate communication with members
- **HIGH/MEDIUM** Increase the number, variety and accessibility of MCA educational training programs
- **MEDIUM** Increase the number and frequency of touch points we have with our partners
- **LOW** Increase the number of industry associations that emulate MCA of Chicago initiatives

**Strategies**

- **CRITICAL** Expand the interaction with appropriate and relevant union leadership
- **HIGH/MEDIUM** Redesign marketing/communications plan
- **MEDIUM** Target non-member companies based on hours worked for membership
- **MEDIUM** Refine communications with owners
- **MEDIUM** Identify newly involved individuals
- **MEDIUM** Expand outreach to individuals of member companies
Long-Range Strategic Plan Format

Core Ideology

Envisioned Future

IDENTITY

Conditions, Trends and Assumptions about the Future

DIRECTION

Core Competencies, Capacity and Strategic Position

Goal 1

Goal 2

Goal 3

Objectives

Objectives

Objectives

MEASUREMENT

ACTIVITY

WORK

Strategy

Strategy

Strategy

Strategy

Strategy

Strategy

Etc.

Etc.

Etc.

Etc.

Etc.

Etc.

Courtesy of Tecker International, LLC
PLANNING TERMINOLOGY

Although always open to adapting the definitions commonly in use in a particular organization, Tecker Consultants generally utilizes the following terminology in describing the components of a strategic plan:

**Assumptions about the future** describe critical factors affecting the relevant world throughout the life cycle of the plan, often categorized as strengths, weaknesses, opportunities or threats.

**Vision statements** describe how the relevant world will be positively impacted by the work of the organization.

**Statements of strategic direction** provide a high-level summary of the choices made relative to mega issues. Mega issues are issues of overriding strategic importance, which reflect fundamental questions the organization must answer and the major challenges the organization will have to address in achieving its vision. They are usually related to industry or professional trends.

**Goal statements** describe the specific outcomes to members, the public and other key stakeholders of the organization that the organization intends to achieve through its work.

**Strategic objectives** define the desired directions in which the organization needs to move in order to accomplish its goals. They describe what we want to have happen with an issue—what would constitute success in observable or measurable terms?

**Key Measures** are the changes in conditions we will monitor to observe progress.

**Strategies** describe how the organization commits its limited resources to make its vision a reality, and are expressed as activities. The articulation of strategies will bring focus to annual operational allocation of discretionary resources. Action plans, checkpoints and milestones will also be developed indicating progress towards each goal as it works through the strategies.