

What Type of Manager Are You?

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Over the past 25 years I have been able to observe and work with hundreds of different oil company owners and managers. Like any industry, there are good managers and bad managers running oilheat companies. See if you recognize your own management style in any of these examples.

“Larry Faire” – Larry’s company has plodded along for years with the same set of customers, losing a few here and adding a few there. Same thing with his employees. Most of them have been with the company since Larry’s father was running the show, and Larry has not bothered looking for anyone younger or more energetic. He spends most of his time surfing the internet in his office, usually arriving mid-morning and often sneaking out by mid-afternoon, especially during golf season. Larry lets “his people” do most of the work, handling customer calls and solving any problems. His vision for his company does not extend beyond getting through another heating season.

“Bud Guts” – Bud’s been running his oilheat company since 1964 and has every intention of continuing for many more years. In Bud’s opinion, there has not been one advance in heating technology or management that has improved on the way things were done when he was a young pup with one truck. He runs a lean shop, with just a few employees doing the work of many. Still goes on late night service calls himself to avoid paying overtime. Bud instinctively knows what is best for his customers, and does not need other opinions clouding his vision.

“Amy Retentive” – Amy holds an MBA from a prestigious Ivy League university, and only grudgingly came to work in the family oil company after graduation. She knows that numbers never lie, and spends hours every day analyzing the minute details of her company and the market. Every time the NYMEX quote changes on her desktop computer screen, Amy rushes to change her retail prices to keep up. Amy’s goal is to build up enough value in the company to sell out to a larger competitor so that she can take an early retirement in Mexico, where the exchange rate is favorable.

“Tom Trend” – Tom badgered his father and mother into early retirement so that he could take over the family oilheat business. He has tried – and rejected – a dozen management software programs over the past twelve years, and an equal number of routing programs. Employees are not sure “which Tom” will show up for work on any given day, so have taken to hiding customer complaints and negative reports from him. He lays off his delivery drivers the first day temperatures reach 60 degrees, and does not bring them back until the first frost. Tom has the business invested in eight different hedging programs, and is thinking about converting his bulk plant into a day care center.

“Sam Straight” – Sam came up through the family business the hard way, starting off driving a delivery truck and making midnight service calls. He majored in management in college, but always worked part time in the business. When his father retired, Sam took over the company in an orderly succession. He upgraded the company computer system, implemented new routing software, and modernized his fleet of delivery trucks and service vans. Although he monitors the market to see what his competitors are doing, Sam sticks to his guns when it comes to pricing oil and service at a fair profit margin. His plan is to retire with the company financially sound so that his children and long time employees will be able to continue running the business.

Did you recognize any of these characters? Do you recognize any of these characteristics in your own management style? Our industry has always been one that welcomes variety, and sometimes even quirkiness. But a steady hand on the helm – with a little help in navigation – is the way to build and maintain a solid, profitable business.

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