

Taking Care of People, Spaces and Places

An Interview with Scott Salmirs, Chief Executive Officer, ABM

EDITORS' NOTE Scott Salmirs is guiding one of the largest facility services providers listed on the New York Stock Exchange. After more than 10 years with ABM, he was selected to become CEO, distinguishing him as only the 7th person to hold that position in the company's 110-year history. Before joining ABM, Salmirs held leadership positions managing building portfolios at Goldman Sachs, Lehman Brothers, and CBRE. He is on the Board of Directors for ICF, a global consulting and digital services provider, as well as the business advisory council of the State University of New York College at Oneonta. He is also on the Board of the Outreach Project, an organization dedicated to rehabilitating high school age drug users, and is a founding Board Member of Donate Eight, a group focused on increasing the number of organ donors in New York State. Salmirs received an MBA in finance from the State University of New York at Binghamton, and a BS in business-economics from the State University of New York College at Oneonta.



Scott Salmirs

How do you define the ABM advantage and what differentiates ABM in the industry?

Our competitive set is much smaller than ABM and they do not have the resources and capabilities that ABM brings to the market. For example, during the pandemic we created an advisory panel of experts to guide us on health and safety issues which is something smaller companies would not have the ability to do. We have data analytics, sensor technology, customer facing platforms to interact with our clients and, at

the end of the day, this is a relationship business and clients know that if you are working with ABM, we are a large company that has the feel of a small, intimate business that is committed to building relationships.

You mentioned that ABM is a company that many people have never heard of. Is brand awareness important for ABM?

We just started running commercials on CNBC and Bloomberg to create more awareness with C-suite executives and investors, but our focus is very targeted to those that are making the decisions

on whether to work with ABM and to those investors looking at ABM as an investment opportunity. We are not trying to reach a mass audience with our messaging since this would not impact our business.

What have been the keys to maintaining ABM's strong culture as the company has grown in size and scale?

We are committed to our people in the field who are interacting with customers and as we have grown, we have maintained this commitment. I tell our people that I have a vision of one of our competitors calling one of our clients and telling them that "ABM is so big that they don't have time for you" and the client responding by saying that they "must be mistaken since Scott is sitting across the table having a cup of coffee and catching up." This is what our team knows is critical to how we serve clients and no matter how large we may be, we will never lose our culture of being client focused and relationship driven.

Where do you see the greatest opportunities for growth for ABM as you look to the future?

We are certainly the biggest by far in the U.S., but it is such a fragmented industry that there is still a major opportunity for growth for ABM in

COMPANY BRIEF ABM (abm.com) is a leading provider of facility solutions. ABM's comprehensive capabilities include janitorial, electrical and lighting, energy solutions, facilities engineering, HVAC and mechanical, landscape and turf, mission critical solutions and parking, provided through stand-alone or integrated solutions. ABM provides custom facility solutions in urban, suburban and rural areas to properties of all sizes—from schools and commercial buildings to hospitals, data centers, manufacturing plants and airports. ABM Industries Incorporated, which operates through its subsidiaries, was founded in 1909.

Will you highlight the history and heritage of ABM and how the company has evolved?

ABM began its business in 1909 and we just celebrated our 50th anniversary as a public company listed on the New York Stock Exchange. We have a long and rich history which is built around our purpose which is to take care of people, spaces and places that are important to you. We are a Fortune 500 company with over 140,000 people, so while we may be the company that many people have never heard of, our consistent results and industry leadership have been possible because of our strong culture and purpose.



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the United States. We have a nice presence in the U.K. but have room for growth there as well. Our philosophy is that before we go out and try to enter other markets and conquer the world, we need to focus on growing where we are currently operating since we have a great group of clients that are big and growing and our business can grow with them. I feel very positive about our footprint between the U.S. and the U.K. and, for now, we will continue to focus on being the industry leader in these markets.

How did ABM adapt its business to address the challenges caused by the pandemic and how proud are you to see the resilience of your team during this unprecedented time?

I have been CEO of ABM for about seven years and the past 18 months have been the most challenging and rewarding. When I look back to the early days of the pandemic, our focus was on the health and safety of our people and how we would continue to serve our clients during this uncertain time. We created task forces from all parts of the company and we addressed every aspect of our business which resulted in ABM having record cash flow during the pandemic. We developed our enhanced cleaning product to protect our clients which was critical as it filled a need of our clients to secure the safety of their people that were still coming to the office. We created products that were essential for our clients to continue to do their work in a safe way which has resulted in tremendous client satisfaction and reinforced what sets ABM apart in the industry.

When I think of culture, I think of three things. First is collaboration – we feel that our solutions are better with multiple inputs and perspectives. Second is accountability – our people feel accountable to their teammates. Third is customer focus – we are laser focused on serving customers and solving their needs.

How do you feel that the pandemic will impact the future of work and the role of the office?

I believe that it will be a hybrid model. Some of this has to do with the labor situation which is so tight that you need to offer this type of flexibility in order to attract and retain talent. At the same time, there needs to be interaction and collaboration which impacts the culture of any organization. I think that the layout of the office will change with more flexible workspaces for collaboration and meetings. While I do believe that there will be a change in the number of people going to the office for the foreseeable future, I do not feel that this will impact the need for and the importance of the office as a place for employees to come together, interact and build culture.

How do you balance the need to make long-term investments in ABM's business with the pressures around short-term, quarterly results?

It is a balancing act and I am sure that you have heard the phrase, "you are only as good as your last quarter." The key is to clearly communicate your plans and strategy with investors and to be aligned with your board. When I started in this role, we put together a five-year plan and we executed on that plan which builds credibility as we develop our next five-year plan. If you execute on what you say you are going to do, you earn the right to have a long-term plan.

Will you discuss ABM's commitment to building a diverse and inclusive workforce?

It is easy for me to say that ABM is roughly 90 percent diverse and is probably the most diverse company on the New York Stock Exchange, but I need to dig deeper and see how much of that diversity is in the field and how much is in staff and management. Our goal

is for the diversity of our staff and management to mirror the diversity we have in the field. We are making great strides in this area, but it is a constant effort and I want this to be an area that defines my legacy as a CEO.

What do you see as ABM's responsibility to the communities it serves and to being a purpose-driven company?

This is extremely important for ABM since we are in the service business and people are our greatest asset. Our people work and live in the communities we serve and we need to support those communities. We formed ABM Cares which is one of the things I am most proud of doing during my time as CEO so far. ABM Cares supports our employees by matching their contributions to causes that are important to them. It is not about what is important to me or to our management team, but rather about letting our employees decide what is important to them. We want our employees to know that if there is a cause that is important to them, it is also important to ABM.

We also provide our employees with a free day off to volunteer in the community and we are hoping to expand on this effort. It is our way of letting our people know how important it is for them to spend time in their communities and to support their communities.

ABM is headquartered in New York and has a long and deep commitment to New York. What is your outlook for New York's recovery and rebuilding from the pandemic?

I am such an advocate for New York. The diversity and opportunity that New York offers makes it such a special place and I am confident about its future. I am engaged in the Partnership for New York City which brings business leaders together to discuss and address the needs of New York City and I am amazed at the engagement and commitment of these business leaders who give their time and energy and work together in the best interest of the city.

What do you tell young people about the opportunities that the industry offers as a career?

We tell people who we interview that if they join us, they will get a level of responsibility and autonomy that they will not find at other organizations. We provide them with the resources they need and they are given the opportunity to make a real impact and to interact with clients and make decisions very early in their careers.

What do you see as the keys to effective leadership?

Effective leadership is about hiring great people and surrounding yourself with the best talent. It is also about collaboration and bringing different perspectives and experiences to the table when making business decisions.

Do you take moments to celebrate the wins and appreciate the many successes ABM has achieved during your time as CEO?

We do not spend a lot of time thinking about the wins, but every single day when I wake up, I feel so fortunate to be a part of this company and to work with such great people. I am privileged to be in this role and am so appreciative for the opportunity. ●