Mike Shelton

Making the Decision

"If we make the wrong decision, will someone die?"

Mike Shelton has posed the question time and again to people under his command, both in the military and in the corporate world—people who come into his office distraught and anxiety-ridden. "The words hit them like cold water, putting everything in perspective," he remembers. "When you stop to realize that nobody's life is at stake in that decision, it suddenly becomes much more manageable. You weigh the facts, you make

a decision, and you live with the consequences. If nobody's going to die as a result of what you decide, you know the consequences are manageable."

Mike learned this lesson through living it. After experiencing combat situations of the highest stakes in Vietnam, he learned that there really are only two decisions—those that get people killed, and all the rest. Faced with the former as a 22-year-old when a recoilless rifle shell missed his head by six inches,

exploding and severely wounding the Seabee next to him and sending Mike flying through the air, guaranteeing he would never be the same.

"If you're going to send people into that kind of danger, you have to be prepared to share that burden," he explains. "You have to be willing to share that kind of danger yourself. You can't send people off to do something that you wouldn't do yourself. The old military principle says that you lead from the front, not from behind. It's easy to sit back in the base camp making orders, but it's much harder to be the guy out there saying 'WE are going to go do this.' The great officers are the ones who share the danger and the burden of those they lead." Now the Chairman of EMCOR Government Services (EGS), Mike takes the soundness of mind that he developed in leading people through life-and-death decisions and now applies it to leading his teams through business,

winning work for EGS with the same mindset that garnered success during his military days.

EGS is essentially the government arm of the EMCOR Group, which is the largest mechanical and electrical specialty contractor in the world. EMCOR focuses largely on the construction industry, specializing in very high-tech construction in data centers and other complex projects. The company grew over time, acquiring over seventy companies. One of those, acquired in 2004, had a number of government

contracts at the time that generated revenues of around \$50 million. It was a new opportunity for EMCOR, considering the enterprise had remained almost entirely commercial up to that point. The effort floundered somewhat in the beginning, but they soon won a contract in a joint venture to operate and maintain the facilities at the Navy Submarine Base at Bangor, Washington, the biggest submarine base in the Pacific.

This win created quite a stir, as the corporate leadership hadn't fully conceptualized the risk and challenge that the contract entailed. "When you have a base with armed guards authorized to shoot to kill, its serious business," Mike points out. "They realized they should have someone running the contracts that had a strong history in that line of work—someone who would be able to organize and build the business. That's why they called me."

Today, as he operates and expands EGS, Mike focuses on operations and maintenance for several bases, including Bangor and Guantanamo Bay. They also hold the base operations contract for all the Navy facilities in the Washington, D.C. area. In addition, EGS focuses on maintenance for large government facilities like the State Department complex. "These facilities are millions of square feet in area, but they aren't bases per se," Mike says. "We take care of their mechanical

systems like air conditioning, snow plowing, and the like."

Beyond building out that area of the business, Mike is also focused on expanding in the area of medical facilities, taking on the new Walter Reed Complex, the new Fort Belvoir Hospital, and several hospital complexes in the Army and Air Force. "We also do work for the classified agencies, which is an interesting ball game because of the clearances required," says Mike. "Those places pay highly for janitors with those clearances, which is something people don't usually think about."

EMCOR Group draws \$6 to \$7 billion in annual revenues today, and EGS has become a significant player in that success. With around 5,000 employees operating contracts that are spread across the U.S. and with mounting international growth, Mike keeps his team on the same page in terms of values and vision by making sure he brings the right people onboard. "No person can manage a vastly-spread enterprise alone," he points out. "You have to have the right people working for you. You have to trust them, and trust means accepting failure. Over time, you learn that you are going to put the wrong person in the wrong job at some point. You have to step up to the plate, take responsibility for it, and try harder the next time."

This strength of character draws from a long line of principle-based, work-minded ancestors that date to the Scots-Irish, whose independence and bravery helped to win the Revolutionary War. Years later, his father and mother both grew up on farms in central Illinois during the Great Depression. Anxious to escape a destiny of working 18-hour days on his family's farm, Mike's father enlisted in the Navy as the Germans invaded Poland at the outset of World War II. "He experienced almost all of the landmark Pacific battles through 1943, and it was a tremendous learning experience for me to see how he dealt with that," Mike remembers.

The elder Shelton spent 31 years in the Navy, and in peacetime, he served as a bandmaster. As a result, Mike spent his childhood moving from place to place to such an extent that his grandmother would say, "This child is drug from one side of the world to another; he has no roots." Born in Maine, he moved back and forth across the country and spent time living all over the world, including Europe, Alaska, and Cuba.

"How do you get to be who you are? A lot of it is the environment you grow up in and the cultures you're exposed to," he affirms today. "Many of the things that were important to me later in life in the military came from having that exposure as I was growing up, hearing the enlisted view of the world and the stories World War II veterans told. Most important to me was who those veterans thought were good leaders, and who were not. The biggest takeaway was that you can't leave your buddy behind and save your own skin. You stick with your troops. I fixed on that early—that if you're going to be a leader, you never look out for yourself at the expense of your team."

Tragically, Mike's younger brother died at the age of five. Mike was seven at the time, and his parents decided to send him to the farms of his two sets of grandparents for the summer so he could experience work in a new, characterdefining way. He was too young to help much, but he engaged in a practice that would become a lifelong virtue for him—deep observation. "I took lessons on how hard they worked," he recalls. "Both my grandfathers were men of very few words who ruled with iron hands, but with tremendous compassion as well. My loving grandmothers were the bulwarks of the families, true partners in every sense in the work and home."

Mike's mother had earned excellent grades in school but couldn't attend college because the money had to be set aside for her brother's education, simply because he was male. Because she herself had not gotten to experience it, she was adamant that her son would. Mike's father also knew he wanted his son to pursue higher education, and in the age of the draft, wanted his son to attend the Naval Academy, as it would be "free". After a vision test rendered that route impossible, however, Mike learned that he could instead apply to West Point. "That was the first of many instances in which my life has been rerouted by bureaucrats who make rules that don't necessarily have any merit," he laughs.

Graduating in the top ten percent of his class, Mike did well on his college boards and also happened to be an Eagle Scout—a qualification with substantial weight in his service academy applications. He was admitted to West Point, but when he reported for duty on July 1, 1963, he knew nothing about the institution and had never seen its campus. "Needless to say, I had a pretty

shocking experience," he says. "The first two months was a deep hazing process, transforming High-School-Harrys into cadets. Many people dropped out in the first year, but those of us who were truly committed, stayed."

West Point boasts an extensive hierarchy, Mike went into observation formulating a unique approach to leadership. Amidst that observation, the Vietnam War erupted. The Army ruled he could not go into the Corps of Engineers despite his high engineering standing because of quota restrictions, but he could go into the Navy because his father had served a career in it. With that in mind, his father sent him a brochure about the Construction Battalions (Seabees) of the Navy Civil Engineer Corps, and Mike knew it was exactly what he wanted to do. "Combat notwithstanding, I loved my tours with the Seabees," he remarks. "It was the only time I was given a mission and the resources to accomplish it, and it was up to me how I would do it. It was very black and whitewhether you succeed or don't is totally up to you."

After his first tour, Mike attended the University of Illinois, the top civil engineering school in the country. He was then sent back to Vietnam as an advisor in the Special Operations Forces. From there,, he was sent to England as the public works officer of the Navy 4-star headquarters in London, where he managed the facility. "It was a great observation opportunity for a young guy, interfacing with the admirals and captains and learning what they do," he reflects. He was anxious to get back to a Seabee Battalion as an operations officer, however, and was relieved when he received orders to join one of them in Guam, where it was deployed.

Mike arrived on Saturday, and on Sunday, he received orders to halt all activity, relocate to an old Japanese airfield, and build a camp for 50,000 Vietnamese refugees. "Vietnam had just fallen, and they were evacuating people," he remembers. "It was up to me, as my commanding officer reminded me. I was capable of doing it, so I did it."

After that tour, Mike was assigned as an aide to a 3-Star Admiral in the Pentagon. "I might as well have gone to the moon," he marvels. "I didn't know anything about Washington, or what it's like to be in the senior world. I learned volumes about leadership, how to do things, how not to do things, and most importantly, how

decisions are made in Washington."

Mike then went on to the Naval War College, later serving as the Resident Officer in Charge of Construction in the San Francisco Bay He was promoted to the rank of Commander, and then assigned to Commanding Officer of an amphibious construction battalion that was part of the landing force for the Marines. "It was a very different and dangerous world," he remarks. He then ran the Civil Engineer Corps (CEC) officer assignment branch, assigning CEC officers after a previous tour assigning all enlisted Seabees-two great learning experiences in Washington, in addition to the experience of running a battalion. "I learned even more about people through those experiences," he affirms. "I learned that good troops do what is asked of them. They have the same problems as everyone else, but they do their duty anyway."

Mike then went on to run procurement and acquisitions for the largest field engineering command in the Navy, doing billions of dollars' worth of work in Europe, Africa, and the Middle East. He was then assigned to Japan to command the Public Works Center Yokosuka, supporting the fleet during Desert Shield and Desert Storm. Following that, he ran four battalions as a regimental commander and later four regiments as a brigade commander while simultaneously leading the largest field engineering command. His final tour was as the engineer advisor to the CNO on his staff. When he retired from that in 2001, having achieved the highest possible rank in the Civil Engineer Corps and commanding every Seabee unit he could command, Mike had led as full and fruitful a military career as one possibly can. But his work wasn't over yet.

"I didn't know what I wanted to do next, but a mentor sent my resume around," he remembers. Opting for something completely new, he accepted a position with a privately-held, family-owned company, where he continued his lifelong commitment to learning and expanding. After five years, EMCOR called and made him "an offer he couldn't refuse," granting him a leadership position that paralleled his tremendous achievements, and the rest is history.

In advising young entrepreneurs entering the business world today, Mike emphasizes character. "You can be a good guy and still be successful," he points out. "You can do hard things with compassion. Also, be open-minded. The biggest lessons you're going to learn are when you get kicked in the teeth, and that happens when you assume that people who work for you have the same value system you do. If your parents gave you a strong moral compass, that's great, but a lot of people were not given that. These people are not immoral; they're amoral. They've learned that what's good for them is good, and what's bad for them is bad. They're going to do whatever it is that they perceive is good for them. If we all don't agree on the way life is, there has to be a benchmark, and your challenge as a leader is to establish that benchmark."

Beyond that, Mike's story is one of perspective—not only of the perspective lent through a close brush with death, but also that lent by recognizing and valuing the softer side of life as well. "In the end, you measure your life by your family." Mike met his wife in Spain on a tour with the Seabees, while she was serving as a nurse at the Navy hospital, and Mike is the proud father of three. "My wife is really 'the wind beneath my wings'," he affirms. "She levels me—a companion and a reservoir of strength."

Whether sharing the burden of those he leads, taking the time to observe the people around him, making key decisions that change the fates of lives, lands, and companies, or spending time with the family that makes it all worthwhile, Mike is

nothing if not the sum of all his parts. "Life is a mosaic—there are many little tiles and pieces that, when you put them together, create a complete picture," he says. "Each little piece is integral to the grand picture of who you are." By valuing each piece and the role it plays in the context of one's character, one's company, and one's world, we can strive toward reaching our best leadership potential by helping others to value those pieces in themselves along the way.

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President and founder of Bernhardt Wealth Management and author of Profiles in Success: Inspiration from Executive Leaders in the Washington D.C. Area, Gordon provides financial planning and wealth management services to affluent individuals, families and business-owners throughout the Washington, DC area. Since establishing his firm in 1994, he and his team have been focused on providing high-quality service and independent financial advice to help clients make informed decisions about their money. For more information, visit www.BernhardtWealth.com and Gordon's Blog.

