Personalities of Pittsburgh: Jack Mascaro with Mascaro Construction

SUBSCRIBER CONTENT: May 29, 2018, 7:50am EDT



Joe Wojcik

Jack Mascaro is chairman of Mascaro Construction Co.

Both amiable and outspoken, <u>Jack Mascaro</u> continues to be a major presence in Pittsburgh's construction industry as the company he founded celebrates its 30th year in business. His name extends beyond his company to the Mascaro Center for Sustainable Innovation in the Swanson School of Engineering at the <u>University of Pittsburgh</u>, and the company has built such key local structures in the region as <u>Heinz Field</u> and the Biomedical Science Tower in Oakland.

What were your expectations when you started this company?

I thought I would have been happy to do \$30 million a year in revenue. And keep the general and administrative expenses around \$1 million. That was my goal. And we exceeded that in the second year.

Is that right?

Yeah. And quite frankly I didn't have this magic plan. We just had great people, and we had to fulfill their higher level of needs. By fulfilling their higher level of need with more challenging work, we grew.

How did you do it?

We were true to our beliefs of doing things right the first time. We were humble, hungry and smart. Humble is what it is. Hungry is the ability to work hard to be the best. An insatiable desire for continuous process improvement. And smart is not so much intelligence smart, but it is emotional intelligence smart.

Why the emphasis on emotional intelligence?

Because it's a better indicator of performance. If you're interfacing with so many people and you have no social skills, then I don't care how smart you are.

It works for you.

We have a 98.5 percent retention rate. It works too good.

Too good?

Our retention rate is too high. I think there should be some turnover because people get complacent. They don't have the eye of the tiger. There's some of that. We consider everyone part of the family, so it's difficult.

How important a role do you continue to play with the company, given an environment where there is so much demand and you're really busy?

I will say this unequivocally — right now is the busiest I've seen the western Pennsylvania region in my entire life time. And that's without any population growth.

Does that make it harder to be semiretired given the demands on your firm?

I have a great loving relationship with my children. And they come back and they still check and say, 'what about this, what do you think about this?' I'm sort of a sounding board. And then we have an advisory board. Nonfiduciary. They hold us to a higher level. They hold me to a higher standard. They hold my children to a higher standard. It's one thing for Dad to be saying something. 'Oh, Dad, you're being dad.' But when an outsider comes in, that helps.

How challenging do you think it will be to keep the people you need given the labor demands that you and your industry are facing?

It's going to be challenging. We anticipated this [labor shortage] probably a year-and-a-half ago. Once the cracker started. Because we were doing the site work at the cracker with Trumbull and Jacobs. We went back through and made sure that all of our salaried key people were happy. We do feedback. We sit down and talk to them.

Have you just experienced some raiding going on?

Sure. Five or six of our people were approached by one of our major competitors, and they tried to steal them. At the end of the day, they said no. All of our people feel like they own a part of the company. If they work hard, we have a bonus program that's quite attractive. We have some people who can double their salaries.

Should construction companies expect to have to pay their best people double their current salaries given the current environment?

They should. But that's Mascaro's culture. We don't want to lose you. We have that money. And what are we going to do with it? We're going to give it away. And we'd rather give it to our employees. That's why they stay.

What does it feel like participating in the development of many key buildings in the region?

It's a legacy. I had some health problems. I thought I was going to die.

Understanding that you recovered nicely since then, how did you respond at the time?

I felt sorry for myself for two days and I sort of did a plus-minus (assessment) on me. I said well, basically, if God is going to call me, then I'm ready to go. Because I'm OK with who I am. My biggest legacy is my family, and they're great. I'm able to provide jobs for 700 families. We've given back to society. So I'm OK. As soon as I reached that point, it was cathartic. And that was it. So I'm proud of what I've accomplished.

Biobox:

Title: Chairman of Mascaro Construction Co. LP

Age: 73

Education: Bachelors and masters, civil engineering, University of Pittsburgh

First job: Structural design engineer for Dravos Corp.

Family: After founding the company 30 years ago, Jack now serves as chairman while his three sons, John C., Jeffrey and Michael, have taken over the day-to-day operations

Hobbies: Golf, working in the yard; working out, aerobics and weightlifting, both in the company's fitness center and at home; enjoys wine