

Hello everyone. This is Wayne Rivers at FBI, and *We Build Better Contractors*.

This week I want to talk about 13 keys to powerful executive succession. This comes up in our Boot Camp classes all the time. It comes up in our peer group all the time. And by the way, our fall Boot Camp is full. 105% full to be precise. Our next Boot Camp is scheduled for January 27 and 28, 2022. So, contact Charlotte and get on the list now, because obviously we filled up the fall bootcamp really, really quickly. Same as likely to happen for the upcoming January Boot Camp.

Okay. There are three stages to powerful executive selection. There is pre-selection, there's the selection process itself, and then finally there's implementing. Nothing occurs without implementation, so you've got to consider that.

All right, so let's begin with pre-selection.

First: Begin with the end in mind, as Stephen Covey says. We've talked about the book, I think it's Marshall Goldsmith that wrote, *What Got You Here Won't Get You There*. If your construction company is 50 million now, the skills that helped you build that company to 50 million are not the skills that will take you to a different place or a different level. If you're 500 million, the same thing. The same skills may not get you to that next level. We can't just keep doing it like we've always done it. Things are going to have to change to get to a different level. Even if we're not talking about volume. What if we're talking about morale or customer engagement or employee engagement or margins or anything else?

The second thing: Determine what the perfect candidate looks like. You need a template. You need a mirror to which you can hold up to the candidates because if the perfect candidate presents him or herself, how will you know otherwise? What skills, experiences, orientations, physical presence will these people need to have to lead your people into a new future?

The third thing: Develop a job scorecard. We used to call these job descriptions. We talk about the book, *Who*, all the time by Geoff Smart. Geoff says, "Keep it simple; a one-page scorecard." That's what we've implemented here at FBI. I recommend it. It just makes life a lot simpler. If it's important for your estimator or your project manager or your project executive to have a job scorecard, why isn't it triply important for your new senior VP of this or CEO even, for them to have a job scorecard?

The fourth thing: Think through your entire hiring process, all the way through implementation, and document it. This doesn't need to be shoot from the hip. We've hired people before. We know what to do. Get your best brains together and think through the entire process from stem to stern and document every single piece of it. It should be probably a page to a page and a half. There should probably be 30 to 40 different action items on that list because hiring people is complicated. Remember; people decisions are the most important decisions you'll ever make, especially if you're talking about senior leadership.

Okay. Fifth thing: Get help. Get help with hiring. If you've got a board of directors, that's great. If you don't have a board of directors, go to your peer group. Most of you, if not all of you have a peer group. Go to your peer group. Ask them what they've done. What has been successful for them? What has been unsuccessful? What would they do more of? What would they do less of? What magic solutions have they been able to find over time?

Finally, with the pre-selection process, focus on executive development for all of your leaders. There again, if it's important for your project manager or your project executive to go to bootcamp and get training, why isn't it more important for your senior leaders to try to improve themselves as well? There's bunch of executive development stuff out there. By all means we suggest that you subscribe to it and buy into it. It sends the right message up and down and throughout the organization.

Okay. Second part: The selection process itself.

Form an internal team or committee. This decision, senior leadership hiring is too important for one senior leader alone to bear the entire burden. Form an internal team. Get your best people. Get your most progressive and innovative thinkers together and form this committee to help. If you're searching for a president or a CEO, the current CEO should not lead the team. Being on the team is fine, but it wouldn't be appropriate for that senior leader to dominate the selection process for the next senior leader, if that makes sense.

The second thing: This is so simple I can't believe everybody doesn't do it, but they don't. Utilize psychometric and personality evaluation tools. The more, the better. They're all good. Some people like this, some people like Myers-Briggs. They all tell you something a little different. Use two or three or four, and if necessary, get some professional help to help you drill down and evaluate what the evaluations tell you.

The next thing: Don't take anybody's word for it. When they say, "I am an expert on strategic planning. I've done strategic plans at my last three construction companies." "Great. I don't believe you necessarily. I'm a little bit skeptical. Show me. I'm from Missouri. Show me what you've done. Give me examples of what you've done." Okay, great. If you say I've done a strategic plan and you bring in this limp, one sheet ... a one sheet plan is fine, don't get me wrong, but if you bring in something that's nothing more than our upcoming goals for next year, that is not a strategic plan. That does not demonstrate the competence to develop a comprehensive strategic plan that's going to drive my organization into the future. Show me samples of your work. I trust you, but I kind of don't trust you either. "Trust but verify," that's what Reagan said.

Okay. Finally: Use team interviewing. We just brought on a new peer group coordinator, and everybody that we interviewed had multiple opportunities to go to work at multiple places. I mean, everybody in the world is hiring right now. It was shocking how few employers use team interviewing. One omniscient executive makes all the decisions. Give me a break. We've always used team interviewing, maybe because I don't trust myself to make these important decisions. It makes sense if you're concerned about your culture and your chemistry, why wouldn't you get the value of the thinking of the other people on your team who are going to have to live with the new employees that you hire? It just makes sense. So, use team interviewing by all means.

Okay. The third piece: Implementation.

Make sure all your key players, that include your customers, know that you're bringing in town. This is a true story. One of our members hired an HR director for a remote office and didn't tell anybody at that office. So, the HR person shows up one day and walks in the door and she says, "Hi, I'm Mary," or, "I'm Joe. I'm your new HR person." The local GM had no idea this person was coming. Can you believe that? That is a true story. Let your people know. Be transparent. Get them into the process. Holy moly. Don't surprise people with big personnel decisions. Golly, that just sends all the wrong messages.

The next thing: Have your announcement ready to rock and roll. If you're hiring a senior VP of something or president or CEO or COO, have your announcement drafted and ready to go. Let your trade partners know. Let your engineers, and your architects, your entire construction team know that this is happening, and this has happened. You might even let them know a little bit before you announce it to the general public, because these are your partners, they've earned the opportunity to know these things about you and your business.

Finally: Onboard, what we talked about in 1d. You've documented this process. Part of this documentation should be, how are you going to onboard these people? I mean, bringing them in and saying, "Okay, the copy machine is over here and the bathroom's over there, now get to work," that just seems a little inadequate.

So, you go back to the experience economy. How would you like to experience your first day on the job? Wouldn't you like to have a person assigned to you to hold your hand and mentor you at least through the first week or two? Wouldn't

you like to meet with the senior leaders? Wouldn't you like to know what the business plan is? Wouldn't you like to know what the company values are? Of course, there's all the HR stuff you have to do too. Onboard your person in a way that sends a message about your company, that you care, that you value this person. You've gone to a lot of trouble and expense to hire them correctly. When they come in the door on the first day, the first week, let them know you care. For gosh sake, get them onboard in the proper way.

All right. People decisions are the most important decisions you make. I'd like to hear what you guys are doing. What innovations have you brought into your company to get the right talent and to get them onboard in the correct way, and then have them produce for you in the long run?

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