

Good morning, everybody, Dennis Engelbrecht with The Family Business Institute, Digging Deeper. Today, I want to talk about integrity, or doing the right thing.

As I go out and do strategic planning with companies, virtually everybody has integrity as one of their core values and sometimes encompassed in their mission. And that's a good thing, because we certainly want to operate both in an industry with integrity and in a company with integrity. But oftentimes it can be confusing in construction as to what is the right thing to do in a particular situation.

Really when we look at the money part of it, and I'm reminded how the money part of it can drive people in the wrong direction. I read an article this morning about executives of a certain large construction company who are perhaps going to prison and suffering from some large fines for not doing the right thing. And of course, this is an extreme case, but still in construction, there are many decisions that go on during the course of any job. And that decision could benefit the customer, could benefit the architectural team or hurt them, or it could benefit or hurt the general contractor, or it could benefit or hurt the subcontractor or supplier. And we're charged with supposedly making the right decision in each of those cases and that can be confusing.

So, I came across something in my readings a couple of weeks ago, and it came from the Japanese manufacturer Komatsu. And they had a decision-making priority around integrity and what it meant to their company, and it really was a five-step priority for them. And I think if you think about achieving integrity in your own company, it might be helpful to establish your own five-step priority.

So, Komatsu put first safety. All right. Nothing exceeds safety in terms of any decision-making they make. If it's not going to be safe for their workers or for people that are associating with, you're not doing it, period.

Number two was legal and compliance, which reminds me of the story I was just telling you, but make sure what you're doing is legal, ethical, and compliant with all the various bodies that over overlook it. So, they don't want any of their employees doing anything that goes outside of that. So, you have safety, legal compliant.

Number three was quality. Don't make any decision that sacrifices quality. Quality should exceed all the financial concerns or everything else that's in front of you and helping you to make that decision.

Number four was delivery or being on time. Of course, very important in construction. And again, more important than the financial considerations.

So, one was safety, two legal, three quality, four delivery. And finally, number five, or last on Komatsu's list, was cost. And what Komatsu has found and the reason for this article is that they found that this really helped them in the COVID environment in making the right decisions and doing the right things. But I think if you think of integrity and what that may mean in your company and how employees understand integrity and how they actually make those day-to-day decisions, having a decision tree such as Komatsu could really come in handy for you.

Again, Dennis Engelbrecht, Digging Deeper, thanks for tuning in.