

Good morning, everybody. Dennis Engelbrecht with The Family Business Institute. Digging Deeper.

We've been talking about the 10 keys to construction success. Those things that I've tried to distill into just 10 things over my career of helping construction companies.

One of the keys is definitely great people. Talent. You can't do great work without good talent and great people. And we see that in sports all the time. The most talent doesn't always win, but every winner has abundant talent. Interestingly, sometimes they didn't start with great talent. They may have trained that talent, developed that talent. So, it's not all home run hitters brought from outside.

And in the end, you still have to have great talent. So, you have to find it and hire it, or you have to build and develop it, right? That's how you get the great talent. So again, having the most talented, having the best people, is certainly one of the keys to construction success.

And by the way, it's not just skills and knowledge. There's the leadership, the personal side, all of that.

So, what makes these people great, and how do you develop a team of great people that work together? First thing is great people want to work with other great people. If any of you follow NBA basketball, they've had these super teams of late. You get one or two superstars, all of a sudden, guys are willing to sign. All veterans are willing to sign nothing contracts to go win a championship with those folks.

Good people want to be with other great people. So as a leader, what do you do about that? Well, first of all, get rid of any toxic people, or any toxicity you have in your organization. And that might not be people. That could be a ridiculous, redundant process. Something we have to do every week. Fill out this form every week that doesn't make any sense or doesn't have any value.

So great people don't want to put up with a bunch of bull. And again, getting rid of that toxicity, and certainly any people in your organization that bring other people down. If you want to keep great people and attract great people, get rid of the ones that are bringing them down.

Number two. Give them autonomy. Lay out the objectives. Lay out the vision. Provide the resources. Make sure they have what they need to succeed and get out of their way and let them succeed. All right. Lead more than manage.

Great people don't want to have somebody talking to them all day long, checking them every second on what they're doing. Give them that vision. Let them go off and do their jobs and succeed.

Number three. Recognition, appreciation, opportunity, rewards. Great people generally, a lot of them have egos. They need the recognition, they need the appreciation, just because they're great people. Don't just ignore them and assume, "Well, they're supposed to do great work. Why should I tell them thanks?"

They need that, those kind of people. Hopefully I was one of them. We need as much appreciation. The high performers need as much appreciation and recognition as anyone else, so give it to them.

They also need opportunities. They're not going to be satisfied, if they're a top performer, to sit in the same job with the same challenges for the next 10 or 15 years. You've got to find that opportunity. Help them achieve that opportunity within your company, or they're going to find it somewhere else. That's very simple.

And part of that opportunity is the rewards, whether that's pay, deferred comp, some other types of rewards. That's ultimately important. If you don't pay your great talent, they're going to go off and find it somewhere else. You can get those guys into the NBA to go work for a couple of years to be on this superstar team, but then they're expecting the big contract themselves, and they're going to go out and find it.

And part of that is an ownership system. We found over the years that multi owner systems tend to outperform the other companies. Not that the other companies are performing badly, but the multi owner systems tend to perform even better. And part of the reason for that is, that allows lots of great people to have a pathway to the ultimate dream. And like it or not, I'm going to guess that 60 to 75% of the best people in construction have ownership on their mind from the day they first came into the business.

And you can solve that sometimes with money, and titles, and other things. But more often than not, you see people that agree that "Yes, I'll agree to this, and that." Somebody gives them an ownership opportunity and they're gone.

So having that kind of ownership system, look at what you have. If there's an opportunity to create broader ownership, that'll definitely help you keep a group of talented and great people in your organization.

Number four. There are leaders and cogs, and there's great talent in both of those. Not everyone wants to lead. Not everybody wants to be out front. Not everyone is extroverted. So not all leaders look alike.

There's great value in those who quietly get the job done. So, you got to support those. Honor, appreciate them. Reward them. You have to pay them well. Again, they might not be your ultimate leaders, but you can't neglect them just because they sit quietly in the corner and do a great job every day for you. All right? You can't take them for granted.

But every team of great people has that combination of leaders and cogs. I hate to call them cogs. Even that sounds derogatory. But people that have perfected their job. They may be your senior estimator, or they may be a project manager, or they may be a foreman out in the field. They're great at what they do. Or they may be a craftsman. They're great at what they do, that's what they want to do, and they want to do it for the rest of their lives. And they want to do it well with other great people.

So, you got to find ways to honor that, and appreciate that, and keep that group, because so many of the other leaders aren't that great getting their hands dirty and doing the work, or don't want to do it anymore.

Lesson five in the great people. Always be on the lookout for great talent. All right? Never stop recruiting. Never stop networking to find your next great talent. And when you find it, hire it, regardless of whether it's redundant, whether you have a need for that person, the need for that position. When you find great talent, hire it.

And I know that was the model of one of the leaders of one of our very successful construction companies. I asked him once the keys to his success in building his company. He just said, "Whenever I found talent, I hired it. And then I figured out how it was going to fit, or how are we going to get business that fed into that or whatever."

But you're a lot better off getting the talent first and then finding the role and fit later than going out and selling work, and then trying to find people to fill that need. So better to sell into capabilities than to sell first then try to find the capabilities to deliver.

So great people and talent. Lesson number eight. That's what you need to have a successful construction company. Dennis Engelbrecht, Digging Deeper.