

Good morning, everybody. Dennis Engelbrecht with The Family Business Institute where *We Build Better Contractors*.

This is number four of perhaps my final series of Digging Deeper. What we're trying to do is identify the 10 most important traits of successful construction companies and successful construction leadership. So, number four today, I want to talk about the strength of a clear and compelling vision for the company. There are many aspects of this, but that clear and compelling vision for the company of course keeps everybody understanding where the company's going. They have a clear perspective when they make decisions and do their work of how that's contributing hopefully to the company's vision.

The other aspect of a clear and compelling vision, I think, is the ability to differentiate yourself. I think in construction, we are a bit of a commodity industry, there's somebody else that can probably build it just as well, but what can we do to differentiate ourselves? Where can we be better than the rest, different from the rest? That's all part of, I think, that clear and compelling vision. It's not very compelling if you're not differentiating yourself. Compelling is important to keep your people inspired and to make people want to work on your team for your company.

The other aspect about a clear and compelling vision, I think, was very well described in the book *Good to Great* by Collins, and they called it the Hedgehog concept, whereas by answering three key questions, we make sure we sort of stay in our lane as to what we're trying to do as a company, where we're trying to go, what we're good at, what we can be good at. Those three questions that in *Good to Great*, their study of the best corporations sort of kept those folks on the right railroad tracks, where at what can we be the very best, and what can we be better than anybody else? Not necessarily are but can be. If you already are, that's terrific too.

About what are we the most passionate? Think about that. What's your passionate about, that's where a lot of energy tends to go and that's the things that get done. If you're trying to do work that you're not passionate about, that may be hard for everybody in the organization to get up, show up and do their best every day. So that first question, what can we be the very best? The second one, similar but slightly different, about what are we the most passionate? The third one, what's single equation defines success?

That one keeps us focused on the important things. In construction, very much I look at that in a general sense is the equation that defines success for me in construction is gross profit produced minus your overhead and being able to do that over time, because success in construction doesn't happen in one year. It happens over your lifetime in construction.

The other things in terms of the strength of a clear and compelling vision, it keeps you and your team outwardly focused, hopefully goal focused and hopefully those goals are stretch goals. You're trying to get somewhere a little bit better than you are and maybe somewhere that's not all that easy to get to. You're stretching to get there. When you use stretch goals, you keep people motivated and inspired. You're always looking toward the long term, not necessarily the short term. It's also much easier when you're outwardly focused on those goals to not get down on yourself and not let short term failure keep you from the long-term success that you're seeking. I think that's important for the long run of creating a successful construction company.

I think it's also important with a clear and compelling vision to be able to tie each individual's role and job and performance to the success of the company, to that company's vision. How does the data entry clerk, how are they tied to the success of the company? Well, there is a tie. Whatever they're doing, whether that allows somebody to get paid on time so that you'll have better partnerships, if that allows your employees to get paid, if they're in human resources and that allows employees to get connected so that they can get the healthcare they need or get the right retirement plan for themselves.

All of those things support the company and support the culture. But you should be able to look down at every person in your organization and tie them directly to that clear and compelling vision that you set for the company. Some may see that immediately. In other cases, you may have to coach them to understand how their daily work contributes to that.

Generally speaking, construction happens out there onsite with that construction team, but really everybody else in the organization is supporting that construction team so they can be effective. So, everybody is tied in, but it's your job as a leader to make sure that those connections are being made.

Finally, I think your clear and compelling vision allows you to manage less and lead more, all right? By managing less, what I mean is people know where they're going. They know what it takes to get there. You don't have to manage over that every day. They're inspired to get there. They understand that how they do in their job is going to affect the whole, how it's going to affect everybody else.

In that case, you can stay on the leadership side, stay inspiring, stay connecting, get at relationships, all of those things, and you don't have to be worrying about the little details because people know where you're going. They know the connection and they can connect the dots themselves and get there. So, the strength of a clear and compelling vision, definitely one of the building blocks to construction success.

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