

Hello, everybody. Dennis Engelbrecht with The Family Business Institute and our podcast, Digging Deeper.

I had one of my members respond to one of my recent blogs talking about the untapped human potential in their business. And how do you untap the human potential in your business? Get more out of your people. I read an article recently in Harvard Business Review, and it talked about transactional employment. And it was kind of enlightening to look at, but basically the concept of transactional employment is we pay a certain wage for an expected amount of work or an expected level of performance. And when we want to try to get more performance out of an individual, sometimes we can't because we really have transacted, in a sense, for what we get and what we've got. And, unfortunately, transactional employment doesn't come with the kind of creativity, motivation, even attitude that I think we all hope to have in our business.

What's sort of the opposite of transactional employment? Also, in this article, they talked a lot about purpose and having a purpose-driven organization versus a transactional employment organization. Think about purpose-driven now. If I'm purpose-driven, my activities in the course of my job, whatever my job, should be benefiting the overall purpose of what we're doing. And in construction, that may be your client's satisfaction, building a quality structure, taking care of all the work team or whatever. And I'm not sure how often you've thought about this, but there is a way to tie every individual in your organization to the purpose of your organization.

And I'm just going to give an example. Even the ... And I shouldn't even say even, but even the person who greets people at your front door, whether you call them your receptionist or whether they have multiple duties or whatever, they answer to the phone and greet people. One of my clients calls that person. Their job title is director of ... What is it? Director of initial contact or something like that or first impressions. That's what it is, Director of First Impressions. If you think about it, her tie to her role as director of first impressions is to make that client feel welcome, or it could be a trade contractor, could be an architect or whatever, make that person feel welcome as they come to the business. Make them feel important. Make them feel like they're part of the team. By doing that, you've already probably tied them into the purpose of your business.

Now, you could think of an accounts payable person in a general contracting company, and you could think that accounts payable person's role is manifold. First of all, part of her role is to make sure that suppliers and subcontractors get paid. Part of their role is to keep the company safe by making sure people have their insurance certificates in and have filed their lien waivers and things like that before they get paid. But ultimately, if you want to tie them to the purpose of the company, they're serving certain members of that job team.

Now, think about a job team overall is the whole team of trade contractors, general contractor, architects, engineers, even field workers. Everybody who's got direct contact with that job or with that owner, they have a role with several of those people. Right? Getting people paid and getting them paid timely, getting them paid the right amount, make sure that their invoices are approved and are the right amount, and all of those things. All of those things promote that team being able to better perform on that job. Of course, you're also protecting the company's success on the other line, so it's not just getting a lien waiver in, it's protecting the company's capital position and ability to keep doing its work. There's a higher purpose in each of those roles in each of those tasks that everybody does in your organization.

What I want you to think about coming out of this in a purpose-driven organization is think about what your company's purpose is. It may be encompassed in your mission and your vision, but think about what that is and think about how each activity in the company leads towards success in delivering on that mission and vision, and then make sure that every employee that you have in your company, every team member, understands their role in achieving the company's overall purpose. Now, a lot of these are what you sometimes would think of as an internal customer. All right? An IT person may not be dealing with that job at all or dealing with those clients at all, although they will see the results of their work, but they're interacting with the project managers, the project assistants, the project teams, and they're giving them the tools so that they can do a good job with the end customer.

And again, there's a connection there. And by each person understanding their connection to the purpose of the company, again, you'll get people thinking of more creatively thinking of ways they can improve their processes, thinking of a different approach to their job to make sure that everything they're doing is directed to those purposes that are the end purposes of the company.

Again, think about that. Do I have a transactional employment, or do I have a purpose-driven employment? What you'll find and what the studies have shown is those purpose-driven companies are the ones that are clearly the more successful over time, have better morale, attract better team members, have better engagement, and overall just more success.

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