

Hi, this is Wayne Rivers at FBI where *We Build Better Contractors*. Don't forget about Boot Camp. We've got Boot Camp coming up in Dallas soon. Its seats are filling up. So go ahead and get your folks enrolled for that Boot Camp.

This week. I want to talk about firefighting. What does it mean if you're always firefighting? So, we have a client, no names, obviously, and one of our consultants circulated an email among the group and said, "This company's doing X, Y, and Z." And he used the term firefighting, which is a common term in construction. We've all heard it. We've all felt the pressure of having to put out fires in our businesses, right? So, I said, "Obviously, it's a poorly run company if, as the senior leader, the CEO is constantly firefighting." And then I started thinking, "Well, wait a minute. Why is that a sign of a poorly run company?"

So, I crowdsourced it among our guys and we're blessed with brilliant consultants here and they gave me some really good feedback on nine things that are signs of a poorly run construction company. Now what about this is important to you. "Well, Golly Moses, none of us want to run a poorly managed company. Golly, who does?" So, let's talk about these nine things and then five things that you can utilize to help turn things around a bit. All right. So why is this a sign of a poorly managed company? First thing is the leader has misaligned priorities and is not focused on his highest and best use. Second, micromanagement. Looking over people's shoulders, taking long vacations, storming back into the company, tearing things up. "Why is this? Who did that?" And just plunging up to the elbows in every project, not knowing context in some cases.

The third thing, bad habits. We talked about this in a previous vlog. Habits are 40 to 50% of what we do every day. And this company, this leader in particular, have developed poor habits over time that cause these fires to break out repeatedly. Part and parcel of that. The fourth thing, lack of repeatable processes. It's like project manager A does one thing, project manager B does another, project manager C is doing things differently even. And the lack of repeatable processes across the organization, the lack of systems is hurting them. Number five, they fail to learn from their mistakes. And the only way to learn from mistakes is to find the teachable moments in the mistakes so they don't get repeated over and over again. So, they end up making the same mistakes over and over. They don't learn from them.

And I worked with a guy once. He's a bright guy. He'd been in the business 20 years. So, you would think he was really experienced and I would always defer to him. And then it dawned on me one day, he didn't have 20 years of experience. He had one year of experience 20 times. He kept making the same mistakes all the time. How could a veteran of 20 years in an industry make these foolish mistakes? Well, he wasn't learning from the mistakes. He was repeating the mistakes. He was just going through the motions and not learning from them. Number six, this company doesn't have clearly defined mission, vision, and values. That's something that goes across the entire organization from top to bottom and bottom to top again. Permeates the organization. And companies that believe in a certain set of values and make decisions based on their mission, vision, and values tend not to have these firefighting mentalities.

This company, they're too busy for that. They don't have time to focus on that consultant mess. "We got to manage projects, we got to get estimates out the door, et cetera, et cetera." Number seven, they have outdated technology. They've been talking about this for years, but they're, they've not done anything about it. So, the technology is dated, and obviously, in today's world, you can only move as fast as your technology will allow you to. The 8th thing, they're reactive. The owner, again, takes on vacations and things. Only leaps into action when there's a crisis from a customer, a phone call. "Explain this to me. What's happening here?" And at that point, plunges elbow-deep into the jobs and always reacting to things instead of getting ahead of them. It's got to be maddening for the people that work there.

And the ninth thing is poor accountability. The leader doesn't hold himself accountable. The leader doesn't hold other people, the organization accountable. If they had mutual accountability throughout the organization, they wouldn't be repeating these mistakes continually, would they? Okay. So, what do you do? You find... I know this. Construction is an

unforgiving world. What do you do if you find yourself fighting fires all the time? What actions can you take? The first thing is you've got to recognize reality. If you're fighting fires all the time and you've been doing it for 15 years, or maybe even a previous generation of leaders, were fighting fires before you. You've got to recognize reality. It doesn't have to be that way. That's a choice. Ultimately, that's a choice, okay? The second thing is you've got to commit to change. Nobody likes change. Nobody likes having to learn new software. Nobody likes someone being promoted to a new position that didn't exist before and now the lines of authority change.

We've talked about the change model so many times. Human beings naturally react poorly to change, but you've got to commit to it. You've got to develop a plan for how the change is going to work. And then the senior leader has to advocate for the changes to the tune of about 50% of his time at work. The third thing, you've got to set a tone and a culture of constant and never-ending improvement. We are going to learn from our mistakes. We are going to have project reviews at the conclusion to figure out, "What could have gone better? Maybe we didn't make a mistake, but something could have gone a lot better, and we could integrate that into a new system or process."

The fourth thing, set a strategic direction. It sounds all consultancy, I know. But mission, vision, and values is the beginning. And then you sit down over a period of time with your key leaders, your smartest people, and you put together a strategic, written, very important, written strategic direction for the company that's going to govern the next five years or more. And then seek accountability, especially for the CEO. Obviously, I think peer groups are the best place for accountability but somehow seek accountability. Maybe it's a business coach, who knows? But somebody's got to grab this CEO by the shoulders and say, "This isn't working. This isn't working for you. We're hearing it's not working for your people. We're hearing all this grumbling coming up. You got to do something about it."

So, let's hear from you in the comments. What have you been able to do to make that transition from firefighter to business leader? Share with us in the comments. This is Wayne Rivers at FBI, where *We Build Better Contractors*.