



NAC Executive Insights

Organizational Leadership— It's About People, Not Process

Key Points

This insight will share employee developmental strategies, education and training, communications skills, management skills, and hiring. Key points include:

- Education and training is not an expense, it's an investment.
- Taking care of your people is the key to successful organizational leadership.
- People are the one sustainable competitive advantage every business has.
- People matter, it's all about people, unleash the power of your people.
- Organizations (leaders) must be good communicators to be successful. Communications is the "it" factor.

Introduction

For the first 20 percent of my career, I believed engineering and construction was a technical career. Then a revelation took place: I realized engineering and construction is all about people. This is the "Holy Shift" when you recognize it's not about technical skills, it's not about you. It's all about your people. Your people are the one sustainable competitive advantage your business has.

Employee Developmental Strategies

Creating an environment that supports professional development requires long-term organizational commitment to support the investment of staff time and financial resources. A comprehensive workforce education and training strategy is required in today's design and construction industry. This starts with recognizing that:

- a) an individual's capabilities development does not take place in a linear progression, and
- b) the balance among required skill sets changes over one's career.

Entry-level professionals often have a degree in a technical field such as construction, architecture, or engineering. To advance to higher-level positions, an individual must have more management and behavioral skills as opposed to enhanced technical skills. A professional with a honed set of behavioral and enterprise knowledge skills will continue to progress, whereas one who focuses only on technical skills may likely reach a point of career stagnation.

The graphic below shows this transition from technical skills as an individual contributor to leadership skills as a senior executive¹. The Farr graph has been modified to show four career progression levels for professionals in the construction industry. To meet the skills gap and to develop/sustain core competencies, organizations need to create and implement strategies in the following areas:

- Technical skills
- Business and people skills
- Leadership skills

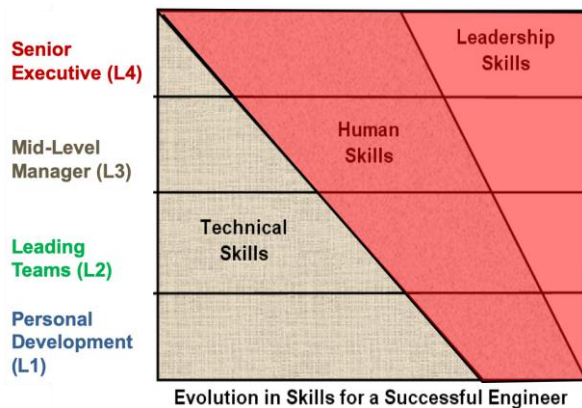


Figure 1. Evolving Technical, Human, and Leadership Skills

Education and Training

A company’s knowledge resides in its employees. Knowledge is continually changing and advancing. This is why successful organizations are constantly educating and training their employees. In today’s world the pace of change is so fast that learning *agility* is a new skill: the ability to learn, unlearn, and relearn is a key ability needed in employees.

For today’s employees, getting ahead has changed from “working hard” to “learning hard.” Effective education and training are necessary to maintain a competent workforce.

Defining employees’ education and training philosophy and programs should be a fundamental goal of all leaders. Engineering, construction, and facility businesses are truly people-oriented professions that require a blend of technical, management, and leadership skills. In developing a leadership and management style, people—not things—make the system work. Bottom-line organizational leadership must create a culture of learning, not a culture of training.

As construction industry professionals progress through the four career levels of individual professional, leading teams, mid-level managers, and senior executive, they must continue to learn new leadership

¹ Leadership Developments for Engineering Managers (Farr et. al. 1997)

skills for each new level. With today's knowledge worker (education, experience, and maturity), the senior executive leader must constantly reengineer themselves. Ways they may do this include:

- Select a thinking partner(s) to discuss ideas, think of solutions, and share knowledge.
- Invest in thinking time for 90 minutes per week. Professionals are so busy doing things they often don't take time to think about what needs to be done.
- Different levels of leadership wisdoms are required for different levels of followers.
- Do not be a reactive manager, be a strategic thinker and a problem solver; prevent problems.
- Actively participate in professional associations to surround yourself with talented people and new ideas. Leaders build bridges outside their organizational walls to stay connected to the market and gain fresh perspective.

Communication Skills

The top skill that organizations look for is effective communication. One of the biggest issues within the engineering and construction industry is how well and how often we communicate with the project teams. Breakdowns in communication lead to confusion and conflict, so it is best to err on the side of over-communicating. *How* we communicate is as important as *what* we communicate.

Key communication skills include:

- Adapt communication style to your audience.
- Be aware of the importance of listening: listen actively and you will learn.
- Understand communication style and how to interact with your audience, ranging from one-on-one communication to group communication.
- Communication clarity is critical. The goal is to go from pretty clear to really clear.
- As the leader, you are in charge of communication and you set the direction. Be great at communicating.

Management Skills

The upward mobility of most employees is predicated on their ability to develop and refine their management skills. An embedded challenge in developing and maintaining such skills lies in the fact that professionals must move both laterally (i.e., *away* from their initial fields of education and disciplines) and vertically (i.e., *upward* into the management arena).

Behavioral skills such as leadership, team building, and interpersonal relationships enable individuals to make effective decisions and influence each other, which in turn leads to their own as well as the organization's success. Developing behavioral or leadership skills, however, is challenging. Although these attributes can be developed through training, in some cases they are innate to an individual. When hiring new employees, organizations and companies should always seek to recruit individuals whom they perceive to have innate abilities to work in collaborative, innovative, and dynamic environments. These skills can be further developed or refined through self-education, seminars, reading, observing, life experiences, and having active organizational mentors. Mentoring continues to be one of the most critical components in developing leaders.

Hiring

Good organizational leadership environments reduce employee turnover. The hiring process, new employee training, and development all contribute to turnover cost. It is imperative to hire, develop, and retain good employees. The most important organizational leadership function works like this: to hire the best talent, you need to “get the right people on the bus.” Hire motivated people and then inspire them to build the capability of the organization.

The Four Circle Hiring Model was developed to help leaders hire professionals. The model shows that the core values of potential employees are surrounded by three layers of credentials. It is anticipated that managers can create a better framework for hiring professionals if the managers are able to target candidates within the four circles. Hire talent from the core value circle outward and not just from Circle 4.

As shown in the figure below, the Four Circle Hiring Model²:

- Circle 1 shows the candidate’s core values.
- Circle 2 represents the candidate’s interpersonal skills.
- Circle 3 identifies the hidden, invisible, and unmentionable topics that come into play.
- Circle 4, includes the apparent credentials, degrees, and experience usually found in résumés.

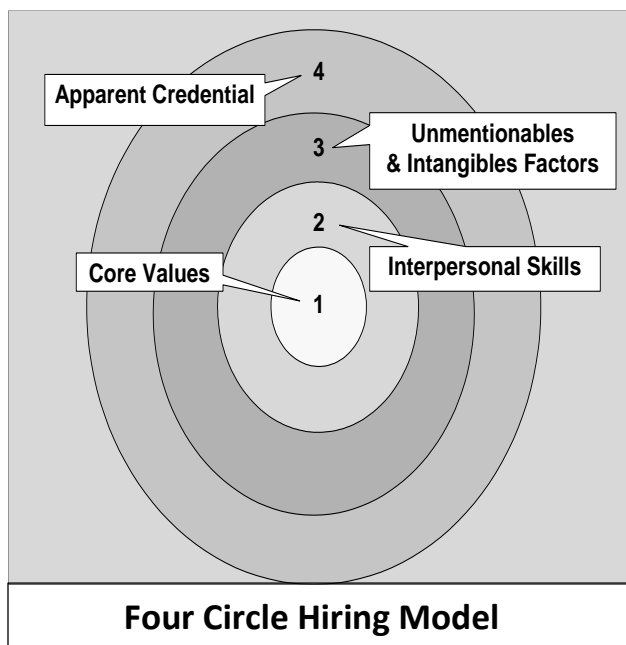


Figure 2. Four Circle Hiring Model

² Smith, James C. (NAC 2006) and Badger, William W. (NAC 2000) Profile Faculty Candidates “The Reality of Unofficial Rankings and Recruiting,” ASC Proceedings Paper (2006)

Closing Thoughts

Employee engagement is key to long-term success for both the employee and the organization. Factors that drive employee engagement include trust, integrity, career growth opportunities, employee development, personal relationships with managers/leaders, and a clear line-of-sight on how individual performance impacts company performance.

Professionals cultivate and maintain relationships with people (stakeholders) in their working environment. Therefore, any leadership philosophy must focus on people, trust, and relationships. You want employees to take ownership in the organization.

Create a “learning culture” of life-long learning, where ordinary people can do extraordinary things. From my organizational leadership experience, senior leaders should expect to spend one-third of executive time on talent development by investing in:

- recruiting talent
- mentoring talent
- developing talent
- promoting talent
- retaining talent

Reference

The DNA of Leadership, A Study of Techniques, Skills and Attributes, Second Edition, Dr. Bill Badger, September 4, 2018.

About the Authors

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