How to Drive Productivity Through Lasting Field Leadership Development

By Tom Alafat, Rob Pulley and Ed Rowell

Success in business today comes down to field leaders' ability to stimulate performance not only through hard skills like quality and process improvements, but also through soft skills like motivating and influencing others.

Every year FMI engages in the development of hundreds of leaders through various events and contexts. One of our favorite kickoff exercises is to ask participants to remember their best boss, then share the characteristics that make that person so memorable. Every list we've compiled of the characteristics of great bosses has this in common: It's the soft skills that inevitably impact people the most. When leaders engage with people in a personal and respectful manner, people respond by giving their best efforts. When skilled people give their best efforts, all the good numbers go up (productivity, retention, project gains, customer satisfaction) and the bad numbers go down (product fades, turnover, rework, wasted time and materials, etc.). The result? Hard, tangible and positive bottom-line results.

Take the story of Justin, a new foreman who was failing miserably at his new company under the leadership of a superintendent who was very old-school. The company was on the verge of letting Justin go but decided to transfer him instead to a new project, under a different superintendent. Justin recalls how his new boss took him under his wing, coached and encouraged him, and even took the time to understand some of the things in his past that were interfering with his confidence and performance. Five years later, Justin is now a top-performing superintendent in that organization and gives all the credit to a boss who believed in him and invested in his development.

Justin is one example of how effective leadership can save an organization thousands of dollars by improving employee performance and reducing the costs of replacing and developing people in key roles. More importantly, Justin's company organically "grew" a leader who will propagate a positive culture of leader development in the future.

That's why we like to say that "soft skills get hard results."

Critical Leadership Skills

While leadership skills are critical at every level, we see particularly powerful results when field leaders up their leadership games. This happens because, organizationally, these field leaders stand at the fulcrum of planning and action, preparation and execution. They also play a pivotal role in creating an environment that will attract, retain and motivate employees. That means that field leaders have perhaps the greatest opportunity to influence the profitability of their companies, primarily through increased productivity.

We see some of that productivity increase come from improving practices, such as maintaining a streamlined and efficient workflow. According to "Learning Practices as a Tool for Quality Costs Reductions in Construction Projects," published in the journal "Quality - Access to Success," rework alone can often be as high as 5% of the contract value of a given project. That's $250,000 in rework for every $5 million spent on a job.

Although process and quality improvements are critically important to operational excellence, we see irrefutable evidence that productivity rises as a result of high employee engagement. And effective leadership is the best way to develop people to achieve their fullest potential. Jack Zenger (Zenger/Folkman)[1] has conducted research on the three primary forces that drive improved productivity. Here they are:

1. **The Internal Motivation and Drive of Individuals**
   There are many factors that can impact individual or group productivity. Sometimes they are as basic as getting a good night's sleep or personal issues such as conflict at home or health concerns. Good leaders know that people aren't machines and take these factors into account. Justin's boss understood this and took the time to understand some of the factors that were impacting his performance. Sensing that his new boss genuinely cared about him and wanted to see him succeed, Justin was able to take risks, grow and ultimately succeed. Justin contributed at a higher level, not because he was told to, but because he wanted to. As a result, he became a role model for others.
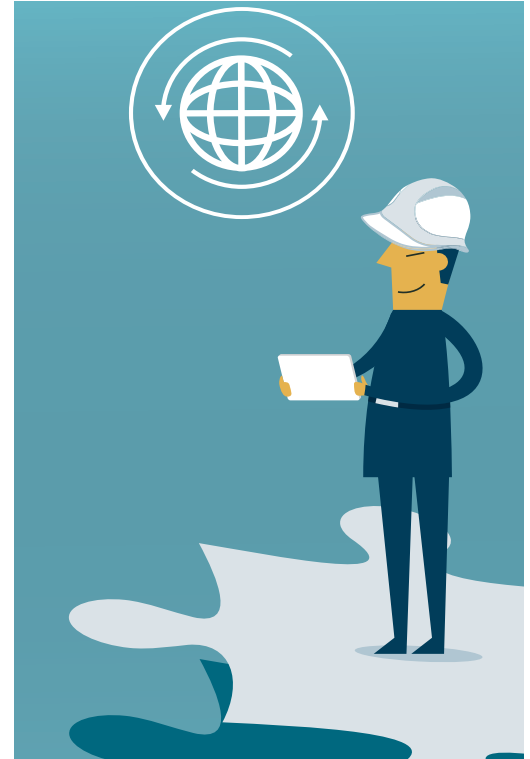
[1] Jack Zenger. "The 3 Forces That Drive Improved Productivity." Forbes. 2013. https://www.forbes.com/sites/jackzenger/2013/01/17/the-3-forces-that-drive-improved-productivity/#69fd7b0739a8

There are also other project-related factors. For example, do people have a sense of purpose for the work that they do? Do people have clarity about their roles and the expectations of others? Do they have all the resources they need for success? Leaders can leverage the internal motivation and drive of team members through the following behaviors:

- **Setting Direction**—Lay out the big picture and the "why" for the project. The "why" can be as big as making a difference in the world or community or as personal as developing the skills on this project to move to the next level of responsibility. When people understand the "why," it can have a huge impact on motivation and productivity. Leaders also need to clarify the project needs, demands and expectations. At a recent Field Leader Institute, one superintendent told the story of how sharing the "why" made a huge difference in job productivity and profitability. The project had experienced a lot of rework because one of the children's hospital buildings was still leaking after multiple waterproofing attempts. Finally, the contractor called the crew together and shared the significance of having a dry building, free of mold and mildew. In a children's hospital, it could literally mean the difference between life and death for these children. On the next attempt, the building was sealed and never leaked again.

- **Aligning Resources**—Set people up for success by leveraging their strengths and preferences, making sure they are confident and ready to take on the challenge, and prepare the job site so that people have ready access to the tools, materials and instructions they need to work efficiently and effectively. When it's appropriate, keep from letting your team become too comfortable by establishing stretch goals that challenge and energize based on what they like and what they want to learn.

- **Motivating and Inspiring People**—Bring out the best efforts of others. This happens when each person feels valued and empowered to act in the best interests of the organization. Recognize and reward all team members for their efforts, contributions and roles. Take a genuine interest in them by understanding and valuing what's important to them. Find alignment with their personal interests and the organization.

2. **The Performance Norms of the Team**
   "An individual contributor works in the system. A leader works on the system," says Zenger. That means the leader leads the team to create a system of norms (standards and expectations) for that team. Those performance norms are received and understood. They then become the basis by which success is measured.

   Sometimes norms are as simple as setting expectations about units of work over time. Leaders also recognize that performance is affected by team dynamics; so establishing agreements about how the team will solve conflict, build trust, communicate effectively, as well as giving and receiving feedback, will translate into greater productivity.

   We recently worked with a team of superintendents who realized that the interpersonal banter with each other could often be categorized as passive-aggressive behavior. It had moved from the good-natured kidding, so common on job sites, to outright ridicule of one another. When someone

was called out on his or her behavior, the inevitable response was, "What's the matter? Can't take a joke?" It was rooted in an unwillingness to address conflict directly. Because they had never discussed it, people ended up taking cheap shots at one another.

The general superintendent had finally had enough and pulled everyone together to address the issue. It took some time to get to the root of the problem, but they eventually agreed to address conflict while it was manageable and not wait until it became toxic.

Another way smart leaders establish performance norms is by building robust performance management systems. American College football coach Mick Delany said, "Any business or industry that pays equal rewards to its goof-offs and eager beavers sooner or later will find itself with more goof-offs than eager beavers."[2] It's not unusual for the president of a construction firm to allocate bonuses in some discretionary manner, for example, and often based on personal interactions with people. The field leader who lobbies for a performance-based incentive plan will have direct input based on firsthand knowledge of him or her team—its commitment, capabilities and contributions.

Motivation is highly subjective, affected by stage of life, circumstances and individual temperament. The wise field leader knows his direct reports well enough to understand how each individual is motivated and how to encourage them to put forth discretionary effort.

Through these actions, field leaders create a climate in which people willingly go the extra mile and do far more than the minimum required to avoid getting fired.

3. **The Impact of Organizational Culture**
   Max Dupree famously said, "The first responsibility of a leader is to define reality. The last is to say thank you. In between, the leader is a servant."[3] In other words, leaders create meaning.

   Culture has been famously described as "the ways things get done around here…and why." Culture is not just about behaviors; it is also created by perceptions, attitudes, beliefs and values, both spoken and unspoken.

   We worked with one heavy civil contractor who wondered why field leaders were so reluctant to come into the office. We had already noticed a cultural attribute in those offices—everyone spoke in low voices—almost a whisper. It was like being in a library or a church. When field leaders came in for meetings, accustomed to yelling over equipment to be heard, they were given disapproving looks for talking in what was, to them, a normal voice.

   This had been going on for years, and the president was completely unaware of the problem. As we did a little digging, we discovered it all led back to an administrative person who had long since retired. She had effectively trained the current office management—when they were all younger—to "keep it quiet." Intimidated by her stern, schoolteacher-like persona, they complied and then perpetuated that personal preference that became a value 20 years into their careers. The president

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[2] John Maxwell. "The 360 Degree Leader." Thomas Nelson. 2005.

[3] Max DePree. "Leadership is an Art." 2004.

was shocked at first but realized she had treated him the same way! This is an example of how cultures are informally and unintentionally formed.

When leaders take on the role of cultural architect and enabler, they can then address and understand what needs to change and what is worth keeping at all costs, thus institutionalizing a culture of excellence.

Good Leadership Matters

Success in business today comes down to field leaders' ability to stimulate performance, not only through hard skills like quality and process improvements, but also through soft skills like motivating and influencing others. If done well, the results will come in the form of productivity gains, stronger leaders and teams, and greater profitability.

If not done well, projects will lose money, people will become disengaged, turnover will increase, complacency and mediocrity will creep in across the organization, and, ultimately, the organization will fail.

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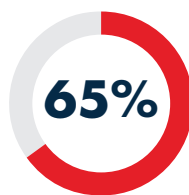
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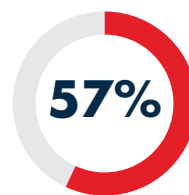- Private Equity
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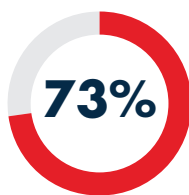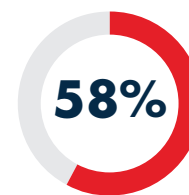
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