

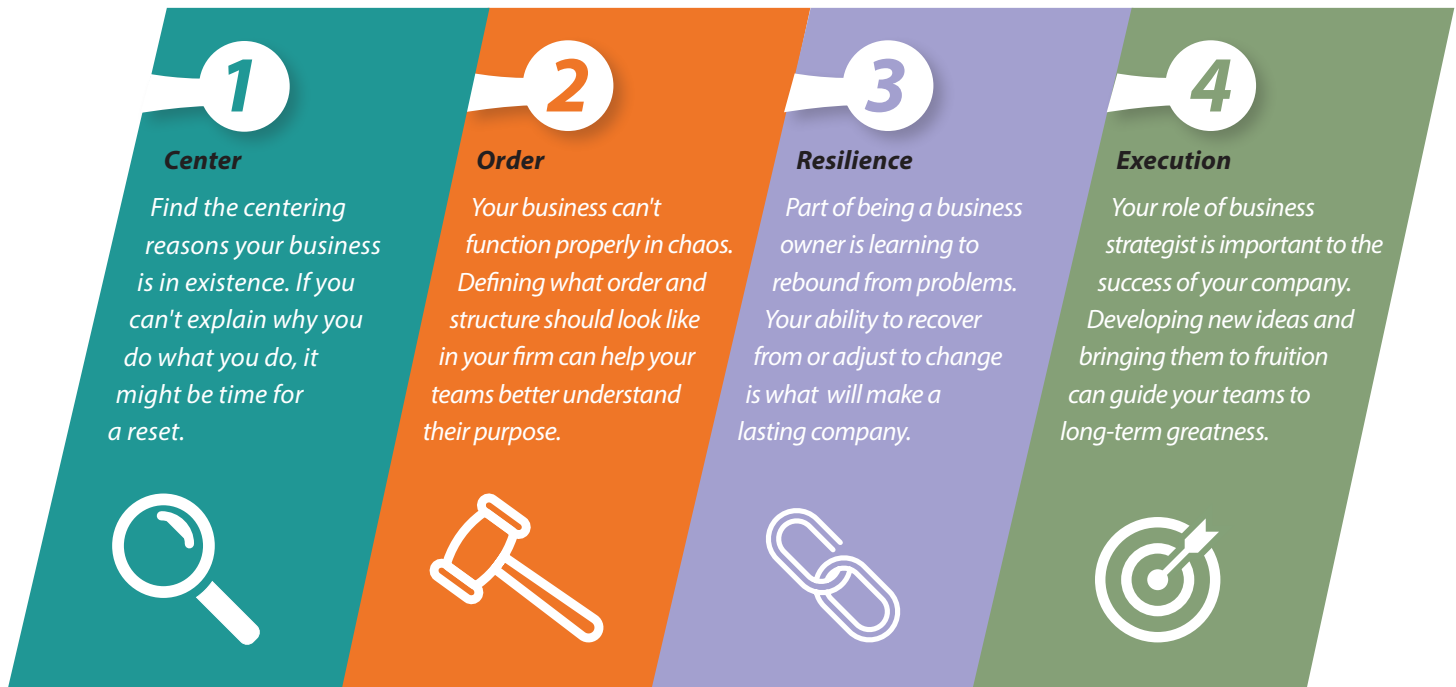


4 Words to Help Reset Your Company's Core Business Basics

Focus on Fundamentals During Tumultuous Times

by Gregg M. Schoppman

Construction organizations continue to navigate challenging waters, seeking a delicate balance between an aggressive offense to stave off the lingering effects of COVID-19 and a long-term defense that must be defined today. Just like the great sports teams, you may be having a challenging third quarter, only to realize this is the fourth game in a season with an infinite number of games.



On the other hand, some firms have taken a “wait and see” approach, choosing a more defensive course. The challenge in hunkering down is that the talent development cycle does not recognize pandemics, succession planning does not acknowledge COVID-19, and balance sheets and income statements do not care about the plague, elections, civil unrest, etc. We can apply all the asterisks we like to 2020, but the sand continues to pour through the hourglass.

“We want to achieve the greatness we had over the last few years” is a common refrain from construction leaders, as if they were the all-star quarterback from high school, seeking to relive their glory days some 20 years after their last snap. Capturing lightning in a bottle twice is no easy task and, in some cases, it’s impossible. The impossibility is tied to several key themes:

- *An unwillingness or lack of desire to change:* Put another way, complacency.
- *A failure to recognize that markets and the competition evolve:* The world is in constant motion and it is easy to discount — albeit errantly — the way customers buy and how the competition reacts.

- *A feeling that the market will come to them:* Call it entitlement; call it blind faith. Successful businesses make things happen rather than wait for their number to be called.
- *The reality that the firm’s greatness was less about business genius and more correlated to market conditions:* Rising tides raise all ships, and sometimes a strong economy can tend to exaggerate a firm’s success.

There is no silver bullet for success. Sure, all businesses love to see a strong economy with few distractions, but the reality for most businesses is there will always be something that creates angst or throws a rock in the road. The recipe card for success is about creating and/or reverting to the company’s center, order, resilience and execution (CORE). This CORE is a focus or refocus on the blocking and tackling of business fundamentals. If a firm wants to reclaim its glory before pandemics or any other impasse, it should focus on its CORE.

Center

Consider the great words of Simon Sinek: “Start with why.” Why does your business exist? There are thousands of electricians,

masons, technicians, earthwork contractors, etc. Why should a customer or a candidate for employment choose you? If you cannot answer the question yourself, you might also wonder how your managers, supervisors, foremen and other leadership might reply. Consider these reflection questions:

- Where is your business going?
- What are you trying to be long term?
- Why should a customer choose you?
- What do your customers think of you?
- What do potential customers think of you?
- Where does your company provide value in the market?
- What niche do you fill that your competition cannot?
- Why should a candidate for employment choose you?
- How much time do you spend on your plan for the future?

Order

Structure is not about some fancy organization chart. True organizational design is about developing positions that support the current core, but also create the right depth to achieve strategic growth. Consider this: How many firms simply play defense, backfilling outdated

positions with candidates that they hope will fill an immediate void? Examine the following questions to evaluate the order in an organization:

- Do you have an effective organizational structure for today's business?
- Do you have an effective organizational plan for tomorrow's business?
- Do your roles and responsibilities make sense, or have you simply checked boxes?
- How do you define success?
- Do things fall in the cracks of your organizational plan?
- How does your team view its role in the long view — does it see upward mobility that aligns with where the firm is going long term?

Resilience

Everyone likes to think of themselves as being able to weather any storm. And this year has certainly culled the chaff from the grain. In a matter of months, the world saw cataclysmic changes to all sectors — some positive, some devastating.

Many firms do not like change. It is uncomfortable and requires action. However, the resilient firms are pivoting proactively and embarking on new market, customer and strategic endeavors when others are holding tight. Questions to ask yourself include the following:

- How quickly does your firm make well-informed decisions?
- Does your organization rely simply on gut instinct, or does it examine multiple data points to support decision-making?
- Does the phrase "This is just the way we do it at this firm" sound familiar?

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- How much time does your team spend innovating its business?
- How much time and energy does your team spend examining the markets to find the next big thing?

Execution

For some leaders, it is exciting to reflect on new strategies and tactics. Thinking about what the business could be is fresh and inviting. However, most strategic planning for firms falls flat because there is no executable plan.

Put another way, it is easy to talk about getting healthy in the new year, but the devil is in the details — or simply putting in the sweat equity on the treadmill. Additionally, execution is not limited to strategic planning but involves the thorough execution of projects, from inception to true closeout. Successful execution should involve the following:

- How consistent is the application of the firm's operational model?
- How do you measure compliance to the operational model?
- For the senior leadership team, how much time is spent on tactical day-to-day items versus strategic long-term thinking and planning?
- Does your firm have a strategic action plan that is utilized to support the initiatives it wishes to achieve?

- How does your firm measure success year over year, other than in terms of profit and loss and life safety?

It would be a strong understatement to say that 2020 was a challenging year. While we all hope for brighter times and increased prosperity going forward, success will not come by sitting idly by, relying on the things that possibly created success in prior years. Reflecting and acting on the CORE is paramount to every firm's success in the short and, more importantly, long term.

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