



The High-Performing Contractor Assessment Program Update

September 2004

This Update provides information regarding the SMACNA High-Performing Contractor Assessment Model and its categories.

***** SMACNA Sponsored Overviews

The following SMACNA sponsored event includes an overview of the High-Performing Contractor Assessment Model:

SMACNA - Kansas City Chapter September 30, 2004

Depending on the chapter needs, Dennis Sowards is available for one-to-four hour consulting sessions. If you are interested with having your chapter sponsor an overview of the High-Performing Contractor Assessment Model, contact Tom Soles at SMACNA National or your local SMACNA chapter executive.

***** High-Performance Leadership

To have an effective vision statement, the three most important elements are

- How it is created;
- How it is communicated; and
- How it is lived.

One can talk about the company vision and hang posters showing the vision until it drives everyone crazy; but unless the vision is lived, it will never accomplish its usefulness. We live the vision by making all decisions based on it. When facing a decision, big or small, we should ask ourselves if the results of that decision will move the company closer to reaching the vision. If no – don't do it! When managers actively use this litmus test for decisions, the vision becomes part of the fiber of the company.

We live the vision when we recognize and reinforce employees for decisions and actions that support the vision. We also reinforce the vision when we give employees feedback about decisions and actions that are counter to the vision. We demonstrate the vision best through actions that everyone knows are necessary but are not the popular or the easy way out. Employees always watch these situations and learn by how things are handled. Ignoring the behaviors of employees that are counter to the vision sends the wrong message to employees. If counterproductive behaviors are allowed to continue, employees will lose faith in the vision and with their leaders. The commitment will go the way of most good intentions. In living the vision, we have to hold each other accountable. Tough decisions become "tribal stories." Sharing tribal stories does much good in reinforcing our commitment to and the importance of our vision. To live the vision fully, Ken Blanchard, Chairman of The Ken Blanchard Companies (management consulting and training

company), says we must also be in the present. This means we must be honest about the current situation so that we can assess how we are actually doing in living the vision. Staying focused on the future, while having an honest view of the present, helps us move forward in a powerful way. "Vision without being present is like having your head in the clouds. Holding the present without vision is like being stuck in the mud." (*Full Steam Ahead*, Ken Blanchard & Jesse Stoner, page 99.)

Company leaders live the vision by putting support structures into place so the vision will grow. These structures include having over-all goals for the company for each year. These goals are the company strategy. Then each department or work function sets goals for how it will help achieve the vision and strategy. Establishing structure includes dealing with policies that support or block living the vision and aligning the budget to the vision. Each work area should set an accountability system to assess how it is doing in meeting its goals. This can take the form of regular team meetings where the vision and goals are discussed and actions set. One company designed its monthly senior management team meeting with the strategic goals on the agenda each week. The company had five goals but discussed only one or two each week. This way, the meetings didn't become overwhelmed with strategic discussions, yet still maintained a focus on its vision and strategy. The same company held quarterly all-hands meetings to keep employees informed of progress. When we live something, we make it part of our daily/weekly/monthly routine.

The support structure for living the vision includes making it part of meetings and policies and procedures. These company rules and regulations may need to be challenged and changed if they conflict or do not support the vision. The same goes for the budget. We won't accomplish much without funding to support the actions needed.

Most of us can remember a few years ago when a presidential candidate was criticized for not getting the 'vision thing.' We, as leaders within our own companies, can fall victim to the same problem if we don't consciously focus our efforts and thoughts on living the vision. We need to "get it" first so others will. If we see ourselves as a servant to the vision, it will move forward. If we see the vision (and employees) as servants to us, we will have limited success.

***** Strategic Planning

Did you know that SMACNA offers a chapter workshop to teach leaders how to do strategic planning? It's called, *Leading Your Company by Design*. Upon completing this workshop, you will recognize the 'what,' 'why,' and 'how' of defining the vision, mission, values, and critical success factors for your company and how to conduct a strategic



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planning session. Contact your chapter for details. The next session scheduled is with the

Bay Area SMACNA Chapter

October 4, 2004

***** Process Management

How do we manage projects effectively? A quick test for any project manager is if he/she can answer all of the following questions at any time about the project:

- What work *should* we be doing today/this week?
- What work *can* we do today/this week?
- What work *will* we actually do today/this week?
- What work have we *done* so far this week?

Often PMs can only answer the ‘should’ and ‘have done’ questions. Knowing what we can do and will commit to allows us to make more effective crew assignments and thus better manage the project.

Getting material delivered on time and in the right quantities and types is always an issue with contractors, especially if they are small compared to their suppliers. High-performing contractors, large and small, use some of the following best approaches to partner with their suppliers to improve material delivery:

- Ask for help. Meet with the manager of the supplier company and discuss the issues and how to resolve them - most importantly - how they and you will continue to communicate and address problems that happen. This sounds so simple but often contractors just complain about the poor service they receive and don’t try to work it out. If you are on the same team, then you work things out.
- Form a problem solving team made up of key players from both companies. Do a material ordering and delivery process analysis together and address root causes.

- Share plans of upcoming jobs. Many suppliers say they are left in the dark until the order becomes a fire drill. With better communication, the supplier can help meet schedule deadlines.
- Use a ‘we get you get’ approach so that vendors have confidence in the prices they bid. When you get the job, let the supplier know so they can work with you to prepare to meet the job demands.
- Teach each other how to do a better job. Share your training with them. Also, they may have some great training that would be useful for your employees. Any time that you can do a mixed training class, do it. Often the rapport that comes out of training together does more good than the training itself.

All of these approaches take time but consider the alternative – late material and lots of whining. Nothing improves unless we change something. How can we change our way of working with suppliers? They are on the same team as us, do we act that way?

***** Thought for the Day

“Project Managers do not see that their job is to improve the process and create consistent work. PMs are masters at work-arounds and can always tear it out and do it over. But the future will be different from the past – will the PMs learn?” (Jim Womack, Web broadcast, May 20, 2004.) Jim is the author of *Lean Thinking*.

For more information about the High-Performing Contractor assessment process, contact Dennis Sowards (telephone: 480 835 1185; e-mail: dennis@YourQSS.com) or Tom Soles (telephone: 703 803 2988; e-mail: tsoles@smacna.org).