

Good morning, everybody. Dennis Engelbrecht, Digging Deeper.

Today, I want to talk about teamwork. Many of you probably don't follow this, but for those of you who do, the United States just participated in the World Cup Basketball Championships, which were over in the Philippines, and we did our typical thing. We fielded a team of people who had never played together, put them together for a very short period of time, chose them based on their skills, and put them together. And lo and behold, the United States again did not medal in World Cup basketball.

So why not? Well, one of the articles I read talked about, well, these other teams, and this comes from another NBA player, he said for these other teams, these people live and die to be on these teams. It's important to them, it's meaningful for them. There's competition to get on the roster. Everybody wants to be it, and they're there for their nation and they're playing for their nation. For the US not so much. Our best players are not there, and certainly the folks who were there wanted to be there, but probably not with the years long commitment that these other teams were, and the ability to have those people together year over year so that they develop a teamwork to be able to play together and get the best out of everybody. The players are certainly talented and certainly trying hard, but what they're lacking is the teamwork that these other teams had, which simply performed better with less skilled players.

So, in construction, let's come back to construction. Why teamwork in construction? Well, the very nature of construction, and we've talked about this before, when we do a construction project, we're creating a unique team for this project. The designer's coming together with the owner and with the general contractor, with all of the trades, and we're having to deal in a specific location with the people that are going to do the permitting and inspections and all of those people, and we're putting this team together uniquely for each project. So, the nature of construction really requires great ability to very quickly put together a team and try to become high functioning.

I think also internally, both the nature of business is such that it requires teamwork, and certainly construction itself requires teamwork. But if you just think about the teamwork required between the back office and the front office, if you will, or between the project managers and the accounting department. The project managers need good data with which to see their job costs and assess how they're doing on the project, but the back office can't get good data unless they get the project managers reviewing and approving their invoices, and doing that on a timely manner, and communicating back and forth and things like that. It requires teamwork for that to work. Look at the superintendent and the project manager. They're coming together on each project, forming a team, and they have to function well. They have to know who's got this, who's got that, who's on first, so to speak, and they have to work very well together to have a successful project. So, teamwork is just a requirement in construction and in the very nature of business and construction themselves.

So, the other aspects that make teamwork positive and important, hopefully synergy. We're always looking for the situation where one plus one equals more than two, more than the sum of the parts, if you will. And how does that occur? Well, decision-making is one area where that occurs, and the old saying, two heads are better than one simply can be true as long as those two heads are working together as a team, and they're not butting heads with each other.

Think about planning. One person may have the best ideas, but when you get several people together, you get better ideas, and those best ideas get improved from the original concept by the comments of the others. So, you end up with better ideas and better plans. If you have teamwork in your planning, you end up with broad support for the direction and initiatives that that planning comes out with. If you have teamwork, those initiatives don't all land on one person's shoulders and never get done or take years and years. We divide and conquer, and so people go off due to the duties, come back in together to move those initiatives along, and that's how planning turns into action.

Teamwork is also important in that you get more fulfillment I think when you accomplish something with a team. I played in a mixed doubles team tournament this weekend, and the cheering that everybody has when one group wins, and as

the points are going along and then getting together, you see people hugging and all of that. Well, if you're just out there playing tennis and I beat somebody, I have nobody to hug. There's no cheering, there's none of that's happening. You just don't get the fulfillment when you do something individually all alone that you do when you participate with a team.

Interestingly, we've studied ownership groups, and we found that team ownership actually has a higher success rate, better growth and profitability performance than individually owned or even two partner teams. So why does that happen? Well, it happens because you end up with complementary skills. This person's better at this, this person's better at that, and you don't have to do the things you don't do as well, at least as often. You get better coverage of key jobs or key relationships or key responsibilities within the business if you have more than one or two people handling it. I think you're more able to retain top end and attract top end talent because there are more roles that can sustain more talented people, and I think you get more support when you need it. When you're overwhelmed or you want to go on vacation and you need somebody to step in for you, there's partners there to do it with. So, all of those are good reasons again, for teamwork in construction.

One of the very successful companies we've had in our peer groups in the past, I first visited them probably about 17 years ago, and what they wanted is they sort of wanted an analysis of, how are we doing? It seems to be working. Why is it working? Well, how can we let it keep working? Well, one of the interesting parts of this company was everybody in the company reported to an owner. They had a large ownership group of eight owners, and everybody had a fairly direct link. So, if they had ideas or they wanted to know what's going on or feel a part of what's going on, they really had a direct link to what's going on. So, my admonition to each of you today is teamwork. Work on being a better teammate. Work on working together with your fellow team members. The companies with best teamwork are going to have better culture, better results.

Dennis Engelbrecht, Digging Deeper.