

Turbo Leadership Systems™

The **TURBO** **Charger**

Phone: (503) 625-1867 • Fax: (503) 625-2699 • email: admin@turbols.com

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To our clients and friends

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Success Through Succession



Larry W. Dennis, Sr.
President,
Turbo Leadership
Systems®

*Growing your
business
requires
growing your
people*

A couple of weeks ago I had lunch overlooking the Columbia River in the finest restaurant in Hood River, a gorgeous view, a world-class setting, with Keith, a client and friend since 2004. Keith, whose General Contracting firm in central Washington is approaching \$200 million in sales with over 200 direct employees, is the Vice President. Keith is possibly the youngest man in America with his level of authority and responsibility. His organization has grown at a rate of 18% annually in 2004, 26% in 2005, 26% in 2006, and are on pace to exceed this rate of growth in 2007. This growth in volume, as impressive as it is, is only made more impressive by the fact that margins on this volume of business are higher today than in 2003 or have ever been.

We hadn't seen each other for over 4 months and had a lot of catching up to do. After we visited for about an hour, I had consumed several glasses of ice tea. I left our table to go to the men's room. When I came back, Keith had a puzzled look on his face. He was just finishing an exchange with one of the waitresses. Clearly she wasn't able to help out with a simple special order for lunch. Later we asked one of the other waitresses to do something a little out of the ordinary for us. We talked about it before I asked, speculating about what kind of response we would get. We got the response we were anticipating, which was, "Sorry, we can't help you."

I told Keith about a restaurant I've heard of in Quebec, the oil patch of Canada, where in some cases, in order to get a meal, you go back into the kitchen, cook it yourself, serve it to yourself, and then pay for it when you leave.

What does our experience with the waitress in Hood River's finest restaurant and the zero service restaurant in North Quebec have in common? Shortage of qualified human resources.

Keith told me that the #1 limiting factor for growth he has identified for his company is having the qualified talent to perform the work they are winning – estimators, project managers, operators, foremen, superintendents and tradesmen. He has asked each of his key reports to accept the responsibility of developing their replacement, what I call succession acting. This is more than typical succession planning that starts and stops at the top. This is more than mentoring. This is believing that a key result area of my job is developing someone who can do my job so I can advance, so the business can advance, so we can all make progress.

What are you doing? What is your company doing to ensure that you have the qualified, prepared, ready workforce you need to sustain your growth and success? If you plan to stand out from your competitors, you will either create from within or pay over market rates to recruit from outside.

Action steps: Convince your team of the need for succession action - put the workforce facts on the table;

- Establish succession execution targets for your company
- Include successful succession results in annual reviews.
- Recognize and reward team members who help associates achieve advancement.

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