



## “Lead Men” Can Solve Management Problems

by Stephen King

When I started my design and build remodeling company, Common Vision, I had two enthusiastic partners who could each shoulder one-third of the management burden. We often had three or four jobs going simultaneously, and as long as one of us was on the job site, we didn't need to hire crew leaders. But after a period of time one partner dropped out, and then another. This forced me into a different management role, and meant I could no longer supervise at the job.

To ensure continued smooth operations, I had to change the company's management approach. The key to the new system has been using experienced carpenters as “lead men” to supervise job sites.

With this management strategy, a good computer system, and a few tricks to keep jobs organized, I've been able to do all the sales and estimating and keep six year-round employees busy. Our company has done about \$860,000 worth of business each of the past three years, and even now, in the lean times of the New England building recession, we're getting jobs from repeat customers and referrals.

### The Lead Man Concept

Contractors who start small generally work on the job along with another carpenter or two. After a full day at the job, they do the paperwork on their kitchen tables at night.

A real transition occurs when you turn over the job to a lead man or woman — an employee you can trust to run the job the same way you would if you were on site.

To maintain the company's business volume, I needed more than mere employees, I needed “owners” — that is, job leaders who felt a real stake in the success of the company.

**Bonuses.** I'm still the sole owner of the company. But on top of my lead carpenters' salaries, I add year-end bonuses based on how the company does. This gives them an extra incentive to keep the operation running smoothly and efficiently.

**Training and education.** I also invest considerable money in education. Employees who know more about their jobs contribute to company productivity. I budget roughly \$300 to \$500 per employee per year; employees can use this money for anything they enjoy learning — it doesn't even have to be directly related to construction, though it usually is.

This money pays for magazine subscriptions, books, day or weekend courses, seminars or conferences, or semester evening courses in anything

from framing to management to non-construction topics. If a lead man can make an argument that a course would be especially valuable, we'll go beyond the \$500. This money adds up, but it encourages our lead men to expand their professional and personal horizons.

**Mini-companies.** Perhaps even more important, job leaders are given a certain degree of autonomy. They handle every job from start to finish, essentially acting as the contractor. I'm involved mainly in the preliminaries of sales and estimating, leaving the building and customer relations to the lead men. They make the work schedules, deal with the subs and owners, coordinate the different stages of construction among themselves, and generally take responsibility for the actual construction. In a way, they run their jobs as mini-companies.

Sometimes our lead men pass the baton of job leadership from one to another within a given project. This lets each of them bring his strongest skills to bear on every job. On a large job, for instance, our framing lead man will handle the early stages, then pass the job on to the cabinet and finish leads. A third lead man might come in to do the siding and exterior work. This can mean overlaps of a day or two as transitions take place, but it ensures that the work is always of the highest quality. And it keeps everyone working on what interests them most.

Of course, on smaller jobs, such as a kitchen renovation light on framing, one person can usually take it all the way through.

When we developed this system, my big worry was that the lack of continuity would bother the clients. But we haven't had any complaints. The day or two of overlap between lead people helps. We make it a point at that time to have both lead people talk to the client and answer any questions. In addition, I drop by all jobs at least once a week to make sure everyone is happy.

Finally, to keep communication sharp among the seven of us, we have monthly meetings where we share anything new, fine-tune procedures, and resolve mistakes, gripes, or other problems.

**Defining my role.** To leave the lead men the independence they are promised, it's important that my role be well-defined. I do all the sales — making sure the six lead men stay busy. I also do design.

In addition, I do the estimating, and I'll usually place the first large materials order on a big job. I track costs, checking the expenditures on larger jobs every two weeks. But I don't pressure anyone to work faster

just to keep up with my estimate. There is generally nothing I can do to make a job move faster anyway, and haranguing usually just discourages people and forces mistakes. So I don't make a big deal about it when we're behind schedule. Of course, I want to find out why it took longer, so I can take it into account in the next estimate.

### Getting the Right People

The crucial element of this system is good people. When I hire, I look for people who know how to schedule jobs and read specs and plans — that is one reason I've hired three former independent contractors. But I also consider personal qualities heavily. I look for experienced people who can act independently.

Of course, company policy has to foster this independent thinking, or it won't happen. No one is punished for taking a risk or trying something. We chalk up mistakes as learning experiences. Knowing they can make occasional mistakes encourages people to solve problems on their own.

### Staying Organized

Another key to making this system work is organization. We keep things organized by keeping them as simple as possible, and by documenting every job well.

**Job folders and diaries.** We keep all the job information on each job in a single folder, which gets passed from lead man to lead man at any transition. The job folders have material

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suppliers' phone numbers, the cost of materials, change orders, and any other information the job leaders will need on the job site.

In addition, we keep either at the job site or with the job folder a sort of “job diary.” Each day's work is recorded in the diary, along with anything of note that comes up: problems that resulted in changes of plans, questions from the owner, and anything else out of the ordinary. Having this type of information on record helps later when the next lead man is asked, “What about that bay window we talked about adding on?”

The diaries also keep me in touch with what is going on, since I collect and review them at the end of each week.

**Standard construction techniques.** We also stay organized by using standard construction procedures whenever possible. We've put in book form about half of this information — I'm working toward having it all on paper.

One example of this is our standard details for foundations, framing, and interior finish work. We don't have ten ways of doing things. If a person learns a better way of doing a job, he or she passes it on, and it becomes standard procedure. This not only makes for consistent work, but helps prevent conflicts when two project managers are working on the same job.

**The job bucket.** Trips to the hardware store or the lumberyard for miscellaneous supplies are standard fare in most remodeling companies. To reduce these runs, we have several six-gallon plastic trash cans with snap-on lids that contain miscellaneous supplies such as a first-aid kit, light bulbs, staples, and caulk. A list is taped on top, and one of these trash cans goes to every job. Anyone taking stuff out has to replace it on the next lumber run.

I look on the list of activities on the time card to see how much time people spend on material pick up. If I see people spending two hours on miscellaneous runs to the hardware store, I find out why. Sometimes you run short on shingles, which is a legitimate reason. But the job bucket eliminates most of the miscellaneous runs and makes the work day more productive.

**Low overhead.** Finally, we reduce overhead by foregoing an office. We use a 14 x 14-foot space in my home, and it's packed with three work stations and all the filing cabinets we need. We now have two computers in this space, and a lot of our job information is on disk. A separate phone line and good stationery provide a professional image.

Running our “lean and mean” company has brought us plenty of work, satisfaction, and satisfied clients. I'm happy with the efficiency with which we run an \$800,000 a year company. But most of all I'm impressed by how much the lead men in our company care about their jobs. It shows in their work, and the clients see it — often a client or referral will ask for a particular lead man. ■

Stephen King's company, Common Vision, has been remodeling residences in the New Haven, Conn., area for the past five years.