



NAC Executive Insights

“Get the kNACk” Podcast Series: Summary

Learn From NAC Masters — Leadership in Construction

Key Points

- A successful leader’s most valuable trait is integrity.
- In the construction industry, leaders must have a “safety first” focus to create a strong safety culture.
- Young professionals need to immerse themselves in the industry as quickly as possible and not be afraid to learn from failure.
- Collaboration results in a positive win-win for the industry.
- The growing size, scale, and complexity of projects are the major trends in project delivery.
- Safety will always be the top challenge for the industry. Workforce development and the need to attract more talent to the industry represent additional top challenges.
- Artificial intelligence (AI) is the most significant technology opportunity for the construction industry but also represents a major challenge with implementation of AI across the industry.
- Industry adoption of proven, useful tools is not as slow as the perception of the industry believes it is.

Introduction

This Executive Insight summarizes the major points from the NAC “Get The kNACK” podcast series on “Leadership in Construction — Learn From NAC Masters.” This podcast series discusses leadership with some of the recipients of NAC’s Ted C. Kennedy and Richard L. Tucker awards. The Kennedy Award honors outstanding career achievement that immeasurably improves the design and construction industry. The Richard L. Tucker Outstanding Service Award honors dedicated, continuous service and support to NAC over a sustained period. The insights offered here come from podcast interviews with NAC members:

- Tom Gilbane (2023 Ted C. Kennedy Award)
- Dave Nash (2016 Ted C. Kennedy Award)

- Jim Porter (2014 Ted C. Kennedy Award and 2023 Richard L. Tucker Award)
- Dominick Servedio (2023 Ted C. Kennedy Award and 2021 Richard L. Tucker Award)
- Chuck Thomsen (2019 Ted C. Kennedy Award Award)
- Jan Tuchman (2020 Ted C. Kennedy Award)

Links to the podcasts with each of these outstanding leaders, which were hosted by the authors of this Executive Insight, are listed in the For Further Information section. Readers are encouraged to listen to the complete podcasts.

Essential Leadership Qualities in the Construction Industry

Leadership is a mindset where caring about people is the highest priority. Integrity is the most important trait of a successful leader. Caring about people and having integrity facilitates building trust and relationships. It is critical to build these trusting relationships at all levels, both inside and outside the organization.

Trust is relationship-based. Leaders must create a trusting environment. They also must have the ability to recognize talent. They then must help that talent succeed. Leaders also must determine the strengths of each member of the project. To accomplish that, both interpersonal and intrapersonal skills are needed to influence, persuade, inspire, and be visionary. The key to being an effective leader is to be able to engage and empower the members of their organizations. Leaders must be effective communicators and have the ability to be good listeners. Leaders must first try to understand, and then be understood.

Remember – Integrity takes years to build, but only seconds to lose.

In summary, key leadership qualities include:

- Caring about people.
- Having high integrity.
- Creating a trusting environment.
- Having the ability to build relationships.
- Possessing strong communication skills.
- Being a good listener.
- Recognizing talent—recruit, retain, and develop.
- Seeking first to understand and then to be understood.
- Leaders drive change.
- Leaders have perseverance.
- Leaders adjust their leadership style to fit the situation.

- Leaders display dedication, hard work, curiosity, flexibility, and the willingness to be wrong.

- Leaders set the vision and strategy and how to achieve the goals successfully.

Safety and Mental Health Awareness in the Construction Industry

In the construction industry, leaders must have a “safety first” focus. Both safety and mental health are critical issues. This is truer today than ever before.

Safety starts at the top. It is the top priority for leaders in the industry. A focus on both safety and mental health must be ingrained in the culture and in the mindset of every leader, manager, and worker. The industry must become early adopters of mental health initiatives. A focus on safety is the right thing to do, period. Good safety is good business.

No job is more important than safety. Safety in the construction industry continues to improve, but it must get better. To do that, leaders must ensure there is a more open attitude about mental health issues. They must remove the stigma that is associated in a negative way regarding mental health and wellness. These important social issues need to be made acceptable to talk about so that everyone is healthier, both mentally and physically.

Strong Safety Engagement = Strong Safety Culture

Advice for Young Professionals Entering the Construction Industry

The construction industry is complex and full of challenges. It is important that young professionals understand those challenges and keep a positive perspective. Young professionals must learn to trust their instincts, believe in themselves, and have a vision of what they want to achieve.

Look for opportunity in everything you do.

Learning comes from failing. Young professionals must realize that failures are opportunities to learn. You have a choice, choose who and where you want to start. Work for an organization where you can be your authentic self. Work for and with the best people you can find. Surround yourself with successful people. Learn from others, listen, observe, and study the leadership in an organization.

Knowledge is power. Young professionals should seek out a mentor and develop a relationship, for this could be invaluable. It is possible to have more than one mentor. Immerse yourself in the industry and join and participate in professional organizations and groups. Get to the field to understand what goes on in a project. The reality is that work is done and money is made in the field. Learn to work with others, promote teamwork, and find opportunities to collaborate. This is extremely important in the construction industry, which is a technical industry yet it is still about people working together as a team.

Key advice for young professionals includes:

- Trust your instincts and believe in yourself.
- Believe in the company where you work.
- Have a vision of what you want to achieve.
- Learn how to work together — it’s about the people you work with.
- Act with integrity — always do the right thing. Live by your own high standards.
- Keep a positive perspective.
- You will not always be the smartest person in the room.
- Nothing beats experience and common sense.
- Learn to listen.
- Go to the field — understand what goes on in a project.
- Work hard and smart.
- Learn to follow, to work together, and to lead. You do not have to be “the leader” to lead.
- Get involved in professional organizations and professional groups.
- Be resilient
- Begin to build your professional network early.

The Three C’s

The three “C’s” in business are:

1. **Compete** where there is a winner and a loser.
2. **Compromise**, which is often a lose-lose outcome.
3. **Collaborate** with a win-win result, which is a positive approach for a sustainable organization.

Competition is a constant in the construction industry. That is one reason it is important to learn how to collaborate on important industry issues. Collaboration is the model for effective business results. The ability to collaborate successfully is one of the top skills of a strong leader. A strong collaborative culture in an organization promotes trust and relationships and reduces risk.

Collaboration is the key to success!

In addition to collaboration, the ability to compromise is another important leadership skill. Successful outcomes are built with consensus and consensus comes through collaboration. Collaboration also is a key to building a strong team. “The project” is the boss. The project team works for the project. That takes collaboration—the sharing and exchanging of different points of view and of options and solutions. A collaborative culture is based on strong communication skills and team building, with a focus on listening and understanding.

Collaboration in the construction industry has led to changes in many industry-wide issues, such as creating the National Safety Week to promote safety and the national movement known as “A Time for Change” that promotes diversity and inclusion.

Trends in the Construction Industry

One major trend in the industry today is that projects continue to grow in size, scale, and complexity. This growth brings challenges in project execution and delivery. Project teams and supply chains, for example, now are borderless when it comes to the way projects are delivered.

Another major trend is the application of technology and the change in technology. The industry cannot shy away from these technological changes, which offer significant advancements. For example, technology provides huge improvements in project management capabilities. *Project management*, as a science, can take advantage of these advancements, while *program management* is still an art.

The industry needs to be early adopters of proven and useful trends.

Robotics is another trend that offers huge improvements in execution, such as hanging drywall and completing punch list work. The efficiency in these technology applications will continue to improve.

An unfortunate trend is owner engineering competency and capability continues to decline. Owners are losing their in-house engineering technical talent and buying it from other contractors and construction management firms as a project deliverable.

One promising trend is young professionals’ understanding of technology, which is allowing them to make an immediate impact in their organizations. This creates the opportunity for “reverse mentoring,” where young professionals are mentoring experienced, veteran industry members.

Another trend is responding to changes in the way work is done today. The virtual world and remote working has proven that not all aspects of the job are required to be performed in the office or at the project site. The industry has proven that work can be effectively accomplished across a global supply chain.

The use of artificial intelligence (AI) is the most pressing trend in the industry. This is covered later in the Technology and Innovation section (page 7).

In summary, major trends in construction industry include:

- The use of artificial intelligence (AI) is increasing.
- Projects are larger and more complex.
- Project delivery has changed.
- The application of new technology is extraordinary.
- Project teams are borderless.
- Renewable energy sources are used more today.
- Owners continue to reduce their in-house engineering capability and competence.
- Clients are not novices; many have extensive building experience and knowledge.
- Young professionals are making immediate impacts through their understanding of technology and how to apply it.

Challenges in the Construction Industry

The two greatest challenges to the industry are safety and workforce development. Safety will always be challenge number one until zero injuries have been reached. Industry leadership must continue to emphasize the expectation of zero injuries.

The challenge of workforce development is surfacing at all levels: craft workers, engineers, designers, technical experts, experienced project managers, and everyone involved in the supply chain. More people and more diversity is a daily challenge.

This challenge also involves introducing the construction industry to young people at a much earlier stage than in the past—industry representatives need to interface with students at the middle school and grade school levels. Programs such as STEM and mentorships are helping tremendously to improve the image of the industry with K-12 students, but more work to project a diverse and inclusive image is required. The long-term challenge is how to build with less people in the future.

Other challenges include the need to restructure and improve the project delivery process and to improve the qualification-based selection process for project delivery organizations. Both should drive better value for project delivery. The industry has advanced significantly with the effective sharing of project-related risks. The ability to properly share risk results in improved problem solving and greater overall project success and value.

A positive thinker sees an opportunity in every challenge!

In summary, pressing industry challenges include:

- Safety – to achieve zero injuries.
- Restructure the project delivery process.
- Embrace a qualification-based selection process for project delivery.
- Improved risk sharing is better for successful problem solving.
- Diverse organizations have proven to be more effective and successful.
- Workforce development:
 - Attract and retain top talent.
 - Attract more people.
 - Attract more diverse people.
 - Support mentorship and STEM programs.
 - Provide clearer career paths.

Technology and Innovation in the Construction Industry

Artificial Intelligence (AI) is grabbing headlines on the front page of every industry publication. Social media presents AI as an everyday mainstay online. It is important for the industry to embrace new technology, especially AI, but embrace it in an effective and responsible way. A major challenge is how to best implement AI across the industry.

AI and machine development will bring a step-change improvement in many areas. The effective use of AI-driven data has resulted in significant advancement in many areas: reducing safety risks, enabling schedule optimization, greater integration of drawing sets, and proactive responses for many project management issues and information systems. The industry must look forward to the positive impact of AI applications. New technologies and innovation focused on resilience, sustainability, and those that will help attain net-zero goals will be key.

The cost of innovation is cheap...being mediocre is expensive. Without innovation, we become irrelevant.

As an industry, construction remains somewhat resistant to the introduction and implementation of innovation. Technology must be embraced by all industry participants. It is paramount to partner with clients to drive incremental innovation. In addition, material innovation is an area that needs a greater industry priority.

In summary, major technology and innovation issues include:

- AI and machine learning are bringing a step change in the industry.
- AI is the opportunity to develop better tools, such as collaboration tools.
- New management information systems are extremely valuable today.
- Technology is amazing – the industry must embrace it.
- Partner with clients to drive innovation.

Conclusion

Leadership is critical. It is one of the greatest challenges and yet one of the greatest opportunities in the construction industry today.

Leadership is a mindset, where leaders create the environment (culture) where ordinary people can do extraordinary things. Leaders must engage, inspire, and empower their organizations. They need to focus on observing and rewarding people doing the right thing (positive mindset) rather than doing the wrong thing (negative mindset).

For overall industry success, human interaction is as important as technical excellence. It is important to put the right people in the right place so they can work together effectively to deliver project success.

Leaders are the “chief culture officers” and must create a “culture of caring.” Building a healthy, positive, and thriving culture is extremely hard work. The result is worth it. Organizational outcomes improve dramatically when culture and strategy are effectively aligned and linked.

Leadership is not a title; it is about making a difference. Leading for execution is not about micromanaging, it is about active involvement. Leaders set the example and are ambassadors of the industry. Leaders create a culture where everyone can do their best work. Leadership is the ultimate differentiator for every organization.

For Further Information

Readers are encouraged to listen to the complete podcasts listed below.

“Get The kNACK” Podcasts: Leadership in Construction Series

- Leadership in Construction – Learn From the Masters (1) with Jim Porter
<https://www.naocon.org/knack-episode/s4e2-leadership-in-construction-wisdoms-from-nac-masters/>
- Leadership in Construction – Learn From the Masters (2) with Tom Gilbane
<https://www.naocon.org/knack-episode/s4e6-leadership-in-construction-wisdoms-from-nac-masters/>
- Leadership in Construction – Learn From the Masters (3) with Chuck Thomsen
<https://www.naocon.org/knack-episode/s4e8-leadership-in-construction-wisdoms-from-nac-masters-with-chuck-thomsen/>
- Leadership in Construction – Learn From the Masters (4) with Dave Nash
<https://www.naocon.org/knack-episode/s4e13-leadership-in-construction-wisdoms-from-nac-masters-with-dave-nash/>
- Leadership in Construction – Learn From the Masters (5) with Dominick Servedio
<https://www.naocon.org/knack-episode/s4e16-leadership-in-construction-wisdoms-from-nac-masters-with-dominick-servedio/>
- Leadership in Construction – Learn From the Masters (6) with Jan Tuchman
<https://www.naocon.org/knack-episode/s4e18-leadership-in-construction-wisdoms-from-nac-masters-with-jan-tuchman/>

About the Authors

Jerry Eyink was elected to NAC in 2011. He spent his working career with Anheuser-Busch Inc., retiring as the Group Director—Project Management and Planning for the Engineering Group. He received his engineering degree from Purdue University and his MBA from Saint Louis University. The Academy honored him with its Richard L. Tucker Outstanding Service Award in 2022 for his continuous support to NAC.

Sue Steele was elected to NAC in 2021. She is the founder of Steele & Partners, focused on executive coaching and cultural transformation. Sue previously served as CEO of JMJ Associates, a world class safety and human performance consultancy. She also served at Jacobs as senior vice president of global supply chain management and as VP Industrial Services for BE&K. Sue currently serves on the board of directors for the Wood Group, which is based in Aberdeen, Scotland. She holds a bachelor’s degree from Auburn University and an MBA from the University of Miami.

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