Managing Matters

St. Louis Business Journal April 4-10, 2008

BY ANDY KANEFIELD AND MARK POWERS

hen Greg
Kozicz, president and CEO of
Alberici Corp.,
thinks about
organizational change, he
doesn't think
about the latest management guru's advice. He remembers what he learned while studying counterinsurgency warfare as

a student of international politics.

Prior to his career in the construction industry, Kozicz served as a Canadian diplomat with assignments in Sweden and Vienna, Austria, and with the United Nations and NATO. He also served as chief of staff to Canada's minister of science. Kozicz earned a doctorate in international relations from The Fletcher School, which is jointly administered by Tufts and Harvard University.

Kozicz was named president of Alberici in 2005 after serving for three years as president of Alberici Constructors Ltd., in Canada.

"In school, I had to study revolutionary movements. They always started with a manifesto or a vision. And it didn't have to come from a visionary. It just had to be a simple set of enunciated principles that people could relate to. And then you had a cadre of people, the acolytes or disciples, whatever you want to call them, who did the heavy lifting to carry the movement forward.

"I didn't walk into Alberici thinking of insurgency warfare. I knew that historically we were a top decile performer for decades. By 2002-03, we lost track of what made us successful. We had lost our way a little bit. Over decades, we had built a reputation of safety, quality and profitability. I needed everyone to recommit to those standards to get us back as a top performer. I didn't think we needed a revolution, but we certainly needed a fundamental recommitment of every employee in the company to our own standards.

"The recommitment started with me listening to every employee at all levels of the company who had something to say about how we could be great again. What I learned was that we had started to pursue work that wasn't the right work. It wasn't right in our sweet spot. We seemed to think that because we had never failed, we could do anything. We stopped evaluating business risk, and that set us up for some unpleasant surprises.

Continued on NEXT PAGE



Continued from PRECEDING PAGE

"When I looked at the changes that I thought would get us to the top 1 percent of industry performance, I knew that I would have to start a movement. That movement started with a return to three business fundamentals:

- 1. Get the right work.
- 2. Do the work right.
- 3. Get paid for all the work you've done.

"Once we had buy-in on the new fundamentals, we reached out to our top performers. Top performers were those who did three things consistently: they made money, they were safe all the time, and they got high marks from customers. We found people who were passionate about making things better. This group has led Alberici back to the top."

"When I was chief of staff for a Canadian cabinet minister, I learned three things about leadership. Be committed to principles, find great people who share that commitment — they become the real leaders — and make sure I model the leadership behavior I wanted in others."

While there is continuity with Alberici's past, this generation of Alberici

is different. "I'm the first CEO who didn't serve under Gabe Alberici, the patriarchal leader of Alberici for 60 years. One of the differences is that people realize they are leading themselves. My predecessor, Bob McCoole, did a lot of heavy lifting in this area to get people primed for this approach to work. As leaders, we set the direction, but everyone plays a role in providing the solutions. We gave people permission to go look for answers and ask questions anywhere they wanted to."

What would you advise people who want to lead their companies to be top performers?

"First, set priorities based on simple principles. If you don't set priorities, you can run your organization into the ground by changing with every new management fad that comes out."

"Secondly, check where you are with key benchmarks as measured against your industry peers. If you aren't where you want to be, check process first. Make the changes you see as necessary and check progress. If the early results aren't there, it is not a process problem; it is a people problem."

"If it is a people issue, it usually comes down to knowledge or dis-

A new leadership paradigm for new challenges

When talking about enabling employees to lead, Kozicz likes the metaphor used by James Belasco and Ralph Stayer in their book, Flight of the Buffalo: Soaring to Excellence, Learning to Let Employees Lead. Belasco refers to the old leadership paradigm as one in which people "stand around and wait for the leader to show them what to do. When the leader isn't around, they wait for him to show up. That's why the early settlers could decimate the buffalo herds so easily by killing the lead buffalo. The rest of the herd stood around, waiting for their leader to lead them, and were slaughtered."

By contrast, Belasco suggests a new leadership paradigm of a group of "responsible, interdependent workers, similar to a flock of geese." Geese fly in a "V" formation with "leadership changing frequently, with different geese taking the lead." When tasks change, geese change the structure of the group with roles shifting so that they alternate as leader, follower or scout.

Belasco recommends the following leadership principles for developing this different paradium:

- Leaders transfer ownership for work to those who execute the work
- Leaders create the environment for ownership where each person wants to be responsible.
- Leaders coach the development of personal capabilities.
- Leaders learn quickly and encourage others also to learn quickly.

cipline. If they don't have knowledge, it's the easiest thing in the world to fix. Train them."

"If it's discipline, then it gets back to the basics of creating a movement. People who live the movement prosper and grow; those who don't, go to work at other places."

"Traditionally, revolutionary movements over the last century have been about personal well-being.

In applying that to a company, it's similar. At the end of the day, it's about the well-being of the people who belong here and want to be part of this community."

Andy Kanefield is president of Dialect, which helps leaders promote sync — that elusive state when departments and people are working in concert toward big picture goals. He can be reached at 314-863-4400 or andy@dialect.com.