



NEXT LEVEL
LEADERSHIP

SOARING TO NEW HEIGHTS

SERVANT LEADERSHIP

A PATH TO HIGH PERFORMANCE

Background

- Quanta Services CEO from 2011 to 2016, retiring in May of 2016
- Architect behind Quanta's growth directly responsible for 185 private company acquisitions
- Quanta Services revenues increased from \$334M to \$7.65B from 1998 through 2016. 10% average annual organic revenue growth over that time period
- Named CEO of CUI Global on October 1st.
- The key to success! We are in the service business! The most important aspect of leading a service company is hiring, developing, and retaining key employees throughout the organization.
- Today, more than ever, your leadership style matters.

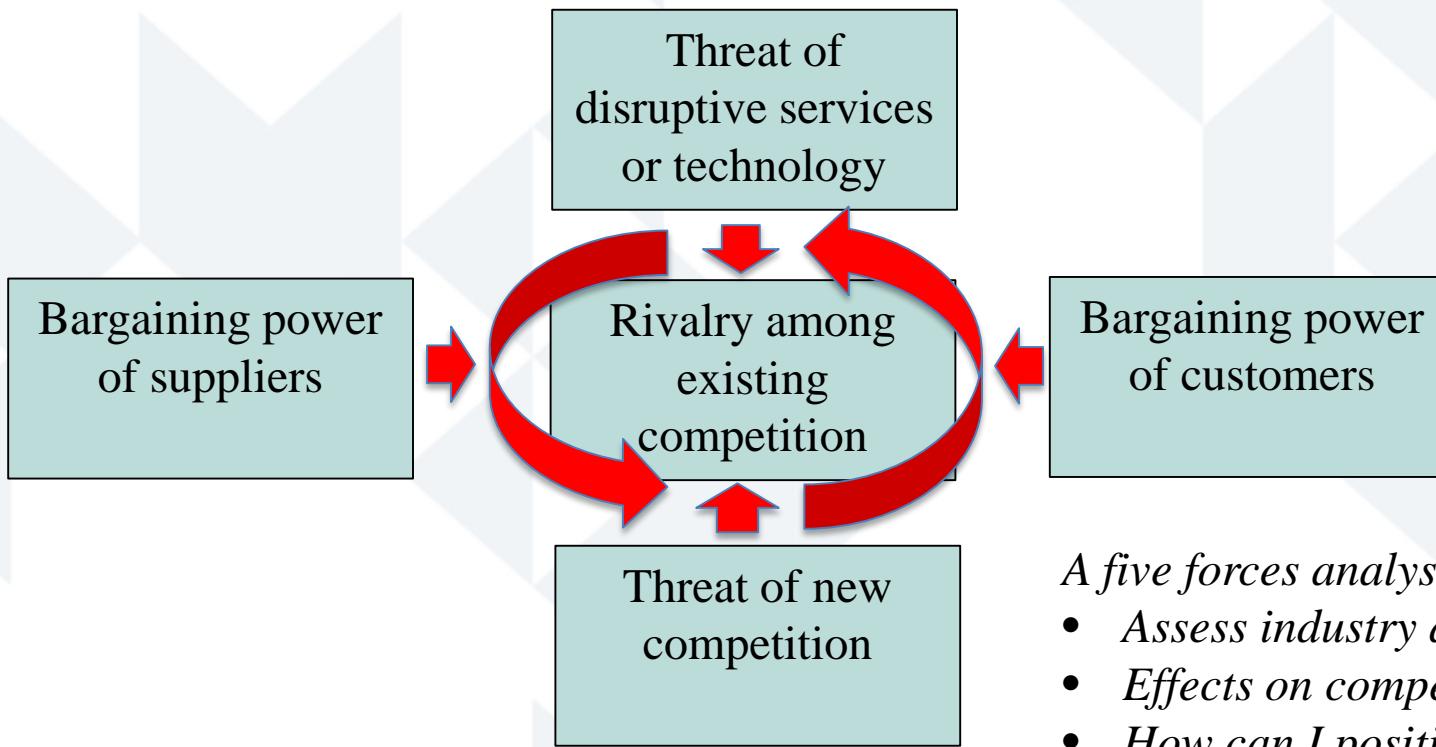
Our Industry Today.....

- We are in the most prolific time in the history of infrastructure construction
- Customer demand for experienced resources is at record levels
- Securing an experienced, competent workforce is the number one challenge for service providers
- The companies that are able to attract and leadership and a skilled resources **can significantly change the existing market share dynamics** in our industry
- **YOUR LEADERSHIP STYLE IS CRITICAL TO YOUR FUTURE SUCCESS!**

The Current Workforce Dynamics.....

- The current age of our employees:
 - 25% are eligible for retirement in 3 years
 - 50% are eligible for retirement in 5-7 years
- The average age of the workforce is over 50 years of age
- Most of the supervision in these sectors are over 50 years of age
- The demand for services in these sectors are at unprecedented levels and increasing, coupled with a significant number of retirements on the horizon, will create a huge labor gap in the workforce
- Contractors will continue to fight fiercely to hire YOUR employees, particularly when they are highly experienced and/or can bring customer relationships

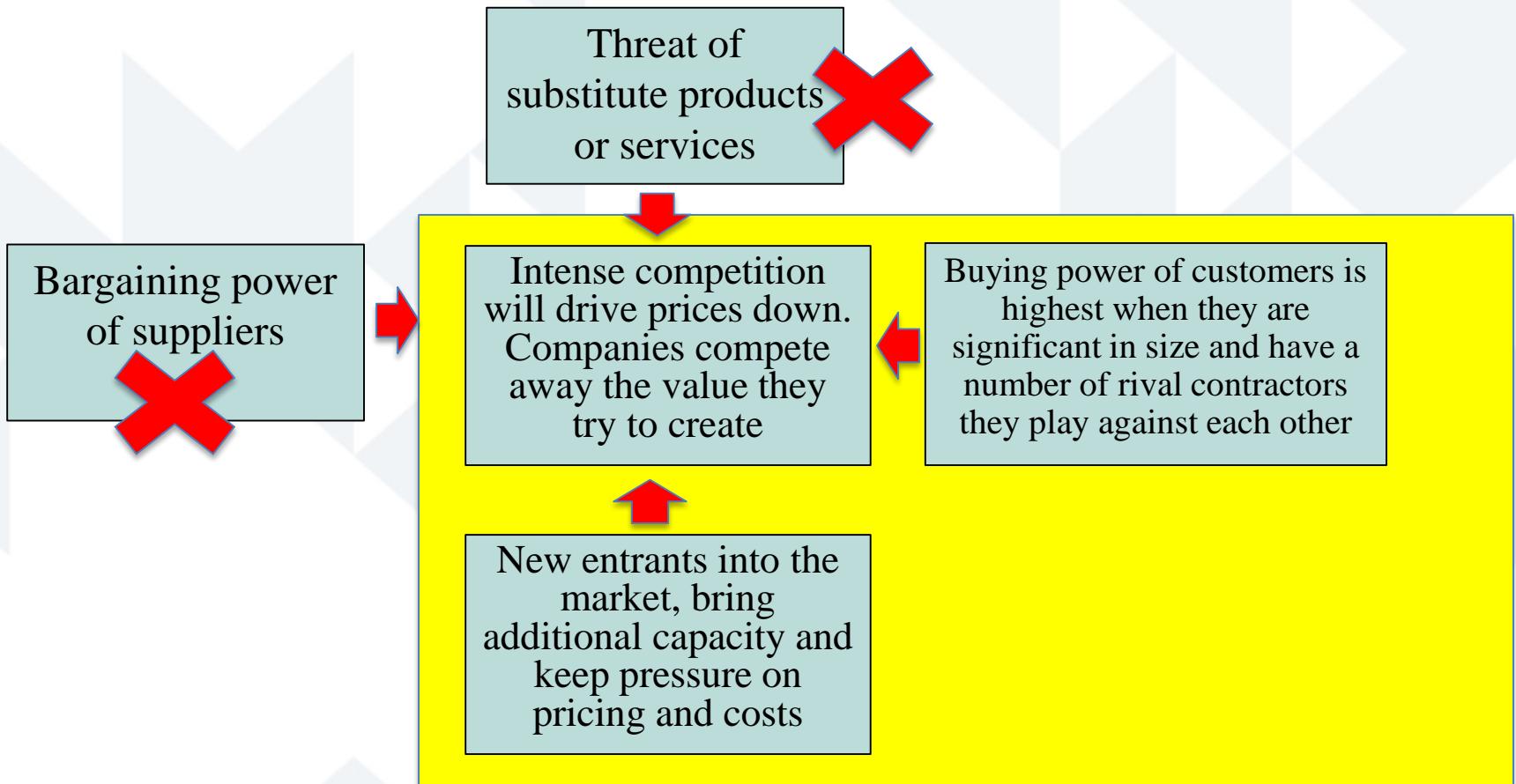
Five Force Analysis



A five forces analysis can:

- *Assess industry attractiveness*
- *Effects on competition*
- *How can I position for success?*

When you can't differentiate, it can get UGLY!



The Differentiator in providing services: PEOPLE!

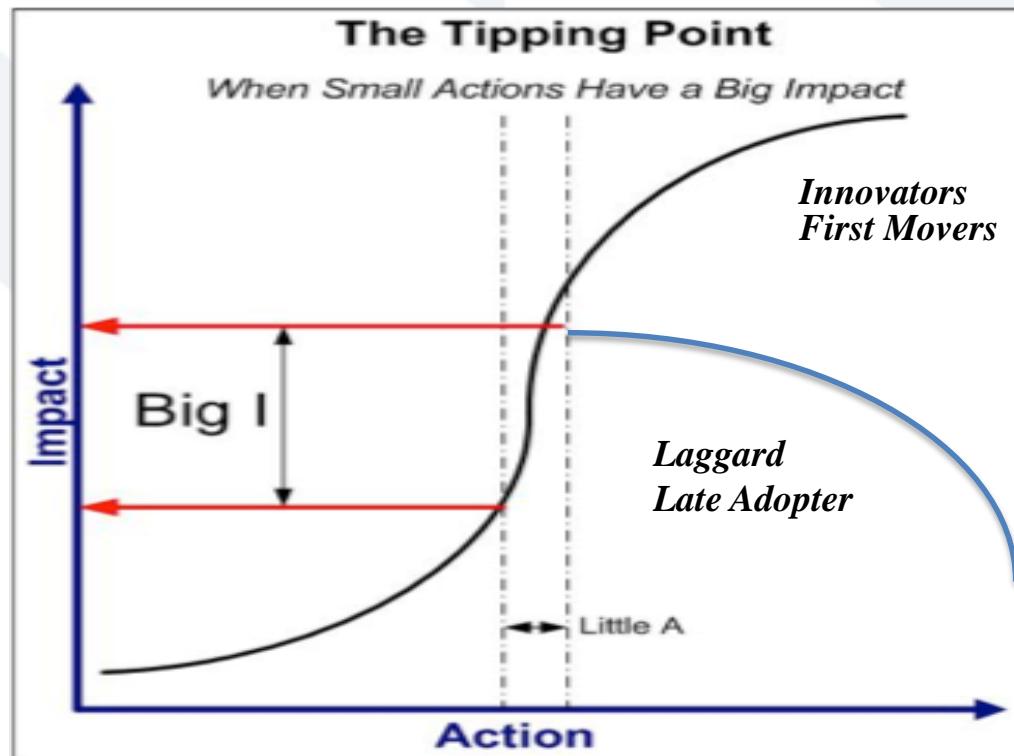
Our industry is at a ‘TIPPING POINT’ as it relates to the increasing demand for qualified human capital in the industries we serve AND the lack of experienced resources to perform the work at all levels of an organization

tip·ping point

noun

1.the point at which a series of small changes or incidents becomes significant enough to cause a larger, more important change.

The Tipping Point: Small Actions = Big Impact



Impact = Market Share

Action = Leadership Style

Workforce Dynamics are Changing

Want a Career Path

Despise structure

Want Personal Development

Want Constructive feedback

Want responsibility and challenges

Have Entrepreneurial skills

Don't like micro management

Work/life balance

Don't like normal workhours

*Generation Xers
1964-1981*

Better educated than 'baby boomers'

Came into the era of two income families

Self-sufficient

Show off their accomplishments

Independent and resourceful

Casual disdain for authority

Eager to learn on own terms

Workforce Dynamics are changing!

Immerse in all aspects of the business early in career

Work/Life Balance

Don't challenge authority but want to know 'why'

Social work environment

Fast career progression

Make positive impacts early

Wants company to make a positive impact on society

Build community, collaboration, and transparency with employees

Flexible work environment

Empowered to speak up and manage up

Want skills, abilities and potential recognized

Want boss who is invested in their personal and professional development

Volunteerism is part of company mission to support community

Embrace opportunities and take risks, learn from failures

Challenge norms

Drive innovation

*Millennials
1981-1996*

Employee desires of a workplace: Changing Fast!

Baby Boomer
1946-1964

Gen Xers
1964-1981

Millennials
1981-1996

Trust

Excellent employer/employee relationships – Set clear expectations and provide feedback

Enrichment

Accountability & Recognition

Development and Career Growth

Development and well being

Responsibility

Treat employees fairly, ethically, & proactive in employee practices

Community

Seek to work with other employees

Desire friendships with employees

Enriching environment Virtual or real

Contribution

Contribute to the communities and society needs the employees care about

I Love My Job!

- Top 5 intangible reasons employees love their jobs:
 - Trust – Management - Set clear expectations for job, regular feedback, supportive management
 - Enrichment – Recognize individual strengths/skills, focus on personal development and career path, care for overall well-being of employee
 - Responsible Leaders – behave ethically, fairly, and proactively in business practices with employees and all stakeholders. All employees treated equally. No politics
 - Community - a sense of belonging and purpose – Contributing to the greater good of the company
 - Contribution – Contribution to society's needs and an advocate for these causes on behalf of the company

I Hate My Job!

- Top 5 intangible reasons employees hate their jobs:
 - Out of the loop – Excluded from decision making opportunities
 - Playing favorites – Politics, employees not treated equally
 - No sense of purpose – No understanding how their job contributes to a greater purpose
 - A bad boss – Not setting clear expectations, little or no performance feedback, taking credit for the work of others
 - Co-workers that drive you crazy – Never seem to be happy

Ten Characteristics of Servant Leadership

- Listening
- Empathy
- Healing
- Awareness
- Persuasion
- Conceptualization
- Foresight
- Stewardship
- Commitment to the growth of People
- Building Community

Servant Leadership: A Path to High Performance

Athletes are some of the best examples of servant leadership.....

JJ Watt – Houston Texans DE

- JJ Watt LISTENED to the Houston residents during the 2017 flooding
- He was AWARE of their struggles and EMPATHIZED with them during this unfortunate time
- Established a leadership role to raise funds to begin HEALING others and GROWING those who needed help the most
- He had the FORESIGHT and ability to CONCEPTUALIZE what he needed to do to help his community
- His STEWARDSHIP BUILT COMMUNITY to levels never seen before in Houston

Developing Entrepreneurial Skills is Critical

11 Entrepreneurial Skills Differences between ‘Founders’ and ‘Non-Founders’

Founders are
Significantly HIGHER

Identification of Opportunities
Vision & Influence
Comfort with Uncertainty
Building Networks
Financial Management

No significant difference

Assembling/Motivating Team
Effective Decision Making
Collaboration/Team Orientation
Operations Management
Sales

Founders are
Significantly LOWER

Prefers Established Structure

Harvard Business Review = October 2016

An Entrepreneur in the Service Business

= Competitive Differentiation

- Entrepreneurs exist at all levels of an organization; tactical, operational, and strategic levels
- Three characteristics all entrepreneurs have that are critical to a business' success:
 - Commitment to service
 - A desire to add value
 - A love of teaching
- My biggest challenge at Quanta was replacing a former owner or entrepreneurs throughout the organization when they retire? How do you keep the competitive edge?
- The Servant Leadership Model is the ONLY MODEL to allow transfer of knowledge and the development of future ENTREPRENEURS (Key Decision Makers) in your company

The Pace of Business Today is Challenging

21st Century Dynamics impacting business

Technology disruption

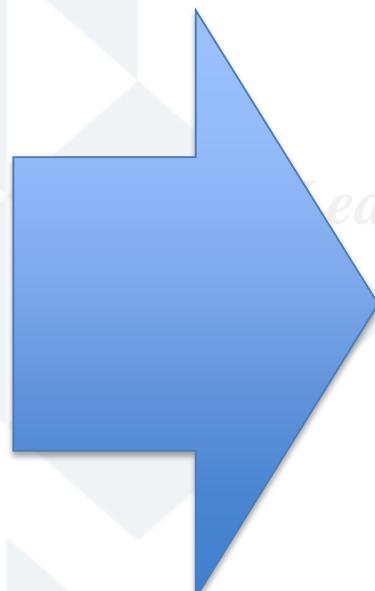
Increased customer demands

Changing workforce dynamics

Rapid dissemination of information

Social media

Rapidly shifting market dynamics



Servant Leadership Approach

Establish teams at all levels of the organization; self-organized, autonomous, empowered

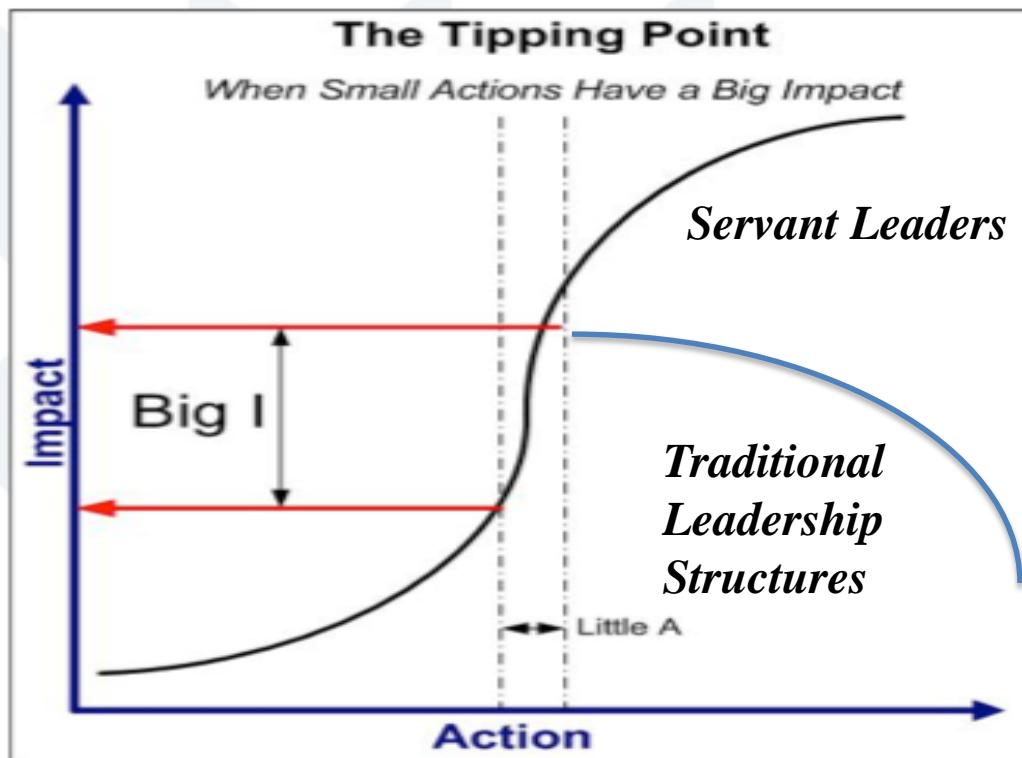
Leaders must flip the power equation to the teams or individual within team as decision making resides within the team

Leaders must listen more than direct

Leaders must encourage the organization to speak up and offer new ideas and solutions

Desire flatter organization structure, removing layers of management that inhibit clear, concise communications

Servant Leadership: A Path to High Performance



Impact = Market Share

Action = **Servant Leadership**

The **RIGHT** work environment

- Attract, Retain, & Develop Talent
- Successfully manage Gen X and Millennial workforce dynamics
- Develop entrepreneurial skills
- Win the workforce war



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SOARING TO NEW HEIGHTS

Questions?

Thank you for your attention!

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