



NAHB Building Business Briefs

A Service of the Business Management & Information Technology Committee

Boost Your Business With Effective Communication and Leadership

Good communication is a vital business tool. It helps create a pleasant, productive working environment and puts everyone—employees, customers, trades, and suppliers—on the same page. That, in turn, creates a positive organizational climate and culture that strongly impacts financial results.

“Communication is about defining expectations,” says John Barrows, a custom home builder, remodeler, and business consultant headquartered in Wainscot, N.Y. “If you don’t define expectations, it’s anybody’s guess what they are.”

Don’t leave anyone guessing about what you want or how your company does things. Use the following tips—from an educational seminar Barrows presented with management and communications consultant Patricia Butler at the 2003 International Builders’ Show—to improve your communication and leadership styles.

Set a good example. “Whether you’re aware of it or not, your moods and communication patterns trickle down throughout your company,” says Butler. Your leadership style affects the way employees behave as they do their jobs, which influences the quality of homes you build or remodel and the way people perceive your company. Everybody has bad days, but if you’re perpetually grouchy, distant, bellowing at people, or sending mixed messages, your brand and business will suffer in the long run. No one can produce good results in an unhealthy environment.

Fine-tune your culture. The six elements below influence an organization’s working environment. See what you can do to make yours better:

- **Flexibility**—Are employees free to make decisions and innovate? Empowered employees are more productive, and are more apt to follow through on systems and procedures they help create.
- **Standards**—Write down your expectations for everything. Think job descriptions, operations manuals, detailed project scopes, etc.
- **Responsibility**—All employees should understand their responsibilities and their co-workers’. This goes a long way towards promoting accountability and loyalty.
- **Rewards**—Make sure yours are adequate for the results you expect. Do you provide accurate performance evaluations and competitive salaries and benefits?
- **Clarity**—Write down and use your mission statement. “Don’t just put it in a book and forget about it,” says Barrows. “Remember it as you conduct your day-to-day business.”

- Commitment—What level of purpose do you expect of your employees? Clarifying commitment (e.g., field employees may need to work overtime to meet production schedules; all employees must put customers’ needs first) goes hand in hand with promoting responsibility.

Assess your communication style and techniques. If you mostly talk to people on the phone or via e-mail, make it a point to spend some face time with employees, customers, and others. You can often say so much more in person. Facial expressions, gestures, and examining information together can help clarify nuances people might not understand if they weren’t standing next to you. Plus, face time helps establish a personal connection, which always improves communication.

Adapt your leadership style. You needn’t be the heavy—or the softie—all the time. Use the following leadership styles as needed to get your point across to employees:

- Coercive—This “do what I tell you” style demands immediate compliance. It’s best used in a crisis, to start a turnaround, or to deal with a difficult employee. “It should be used the least so that it has the most wallop behind it,” Barrows advises.
- Affiliative—You can create harmony and build emotional bonds with this “people come first” style. Use it to heal rifts in a team or to motivate employees during difficult times.
- Authoritative—This “come with me” style mobilizes people toward a vision. Use it when your systems, business, or product requires a new direction.
- Coaching—Develop people for the future with a “try this” approach. Use this style to help an employee improve performance or develop long-term strengths. “Introduce it by asking people if they want a mentor,” Butler suggests.
- Democratic—If you want to enhance buy-in or get input from valuable employees, ask them, “What do you think?” This leadership style forges consensus through participation.
- Pacesetter—Look out: Employees can burn out quickly if you expect them to constantly keep up with you. Use this “do as I do now” style only occasionally when you want quick results from a highly motivated and competent team.

John Barrows is president of J. Barrows Inc., and is a member of NAHB’s Business Management and Information Technology Committee. Patricia Butler is president of Communications Architects in Scottsdale, Ariz. She teaches business communication skills at Thunderbird Graduate School of Management in Phoenix.

Job Descriptions for the Home Building Industry, Third Edition, *contains a variety of tools to help you spell out your employee expectations right up front. It contains 40 sample job descriptions, plus information on job analysis, interviewing, and performance evaluation. The book includes a CD, too, so you can easily adapt forms and job descriptions for your company. Call 800-223-2665 or go to BuilderBooks.com to order it online. The book is \$26.96 for NAHB members and \$29.95 for non-members.*

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