

Building strategic skills for senior managers at HBG Construction

Program helps employees to make the transition from project management

A UK construction-services company is giving its director-level managers a broader understanding of the business through a development program that helps them to make the transition from project management to strategic management.

Delivered by Roffey Park, the ten-day program has not only achieved its objectives but it has also fostered informal knowledge sharing and networking throughout the company. It is now established as an annual event.

HBG Construction has a £650 million turnover and 1,800 employees. Formed in 1997, when Dutch group Hollandsche Beton Groep (HBG) acquired Higgs and Hill and merged it with GA Construction and Kyle Stewart, the company offers design, construction, property development, private-finance-initiative project work and facilities-management services.

HBG's parent company, HBG NV, was acquired in 2002 by Royal BAM Group, one of Europe's top construction companies, which is also based in the Netherlands. Before this, it ran a series of European management-development programs in Holland for senior managers. HBG Construction was invited to send delegates for the English-speaking versions of these programs.

"The opportunities for UK managers to attend these programs were limited and the travel costs made things very expensive", said Chris Jones, HBG Construction's head of training. "We decided to develop our own program that would help senior managers with the transition from project management to strategic management. The construction industry is very project-based, but as our managers move up the organization into more strategic positions, we want them to relinquish their project-management skills and develop a broader business outlook."

Roffey Park, an executive-education and research specialist, based at Horsham, UK, has been working with HBG Construction (through Kyle Stewart) since 1990, on a management-development program for young managers, run in conjunction with civil engineers and a sister company, Edmund Nuttall.

"The young-manager program has been very successful and we have developed an excellent relationship with Roffey Park", said Chris Jones. "They have a very good understanding of the

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construction industry and a genuine appreciation of the pressures under which our managers work. We discussed with them the idea of a residential program for senior managers and they worked with us to design and develop the content.”

Format of the program

The resultant program has now run twice, each time with 12 participants. Called the strategic-management program, it is split into two five-day residential modules, which run eight weeks apart.

The participants include construction directors, commercial directors and others who have been nominated through a succession-planning process as having the potential to succeed to director level in the foreseeable future. They come from all parts of the business and from all regions of the UK.

“The mixture of people brings out different views and experiences, which adds to the learning”, said Chris Jones. “People view it as a privilege to go to Roffey Park and they really appreciate it because it’s a dedicated learning environment, with excellent facilities and very high standards.”

The first module of the program features an overview of the external influences – sociological, technological, economic and political – on the construction industry. It then covers strategic planning and strategic leadership. The participants undertake 360-degree feedback and a range of personal style profiles.

Three other elements occur in the first week, which mark out the program as distinctive. First, the HBG Construction chief executive has dinner with the participants and runs a session for them on the company’s business strategy and objectives. Second, one of HBG’s clients attends the program to highlight their business issues and give a client-side view of the company. For example, on the last program, representatives from Asda came to discuss issues around culture, the supply chain and staff development. The third distinctive element is that the participants begin work on a project.

“When we were designing the program, we wanted to ensure a tangible return for the business, so we deliberately built in the project work”, said Chris Jones. “These are not token projects thrown in for good measure. They are serious pieces of work, endorsed by the board, which address real issues that concern the business. For example, on the last program, the participants looked at business integration and how to make staff more commercially aware.”

Over the eight-week gap between the two modules, the participants work in small groups, undertaking research for their projects and developing their recommendations. They also put their personal development into practice.

When they reconvene for the second week, they cover a range of subjects, including financial management, managing change and stress management.

“The construction industry has a reputation for being very macho, with a focus on technical skills and projects”, said Chris Jones. “This program highlights some of the softer skills and these have not only been well received but they have also stimulated much debate.”

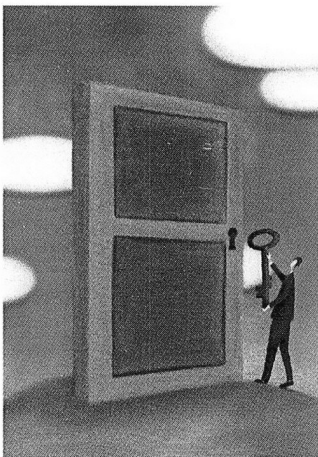
Towards the end of the second week, the participants complete their projects and they present their conclusions to members of the UK board.

“It can be a daunting experience to present your opinions to the board, even for senior managers”, said Chris Jones. “But all projects so far have been very successful and the board has certainly been very impressed and highly receptive to the ideas presented.”

Benefits of the program

Chris Jones says the program succeeds in equipping the participants with strategic skills and a broader understanding of the business.

“Clearly they gain an immense personal benefit from attending the sessions and they also raise their profiles with the chief executive and members of the board”, he said. “For the



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organization, a key benefit is that the program brings together people from different parts of the business who have never met before. They spend ten days and evenings together, exchanging experiences, and that has a huge knock-on benefit in terms of informal knowledge-sharing and networking, which continues long after the program.”

The strategic-management program is now firmly established as an annual event in HBG Construction’s calendar.

Keywords:

**Construction industry,
Project management,
Strategy,
Management development**

“Providing our senior managers with the opportunity to develop is part of a wider picture that shows we value them and we want them to stay with us”, said Chris Jones. “We have a very high rate of staff retention, which is unusual in our industry, and that generates a sense of stability within the organization. We firmly believe that investing in our staff will help us achieve our aim of becoming the UK’s best construction company.”

Comment

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