



LEADERSHIP MISSION

Tom Gillespie has long believed that a healthy bottom line is the by-product of excellence. Scores of home builders have benefited from his approach

By Amy Albert, Editor-in-Chief

The pivotal moment in Tom Gillespie's career was a stunner. Then a project superintendent for The Kennedy Group, he was asked to head a new company, a prospect as daunting as it was exciting. It was 1993, and Kennedy was about to divide itself into three independent entities. Gillespie would be president of Kennedy Community Development (KCD), building homes in the northwestern suburbs of Chicago. He'd pick his own team, an event he likens to the NFL draft. His plan was radical back then: a team approach to building homes. "If I failed, that would be it for my career in home building," he recalls.

Gillespie believes the offer was based on a field decision he made that exceeded his authority. "I approved a \$5,000 retaining wall when my spending limit was \$500," he says. "No one was making decisions. I made it my mission to fix it for our customer."

"Mission" is a key word for Gillespie because the achievement he's proudest of is being a Marine. "My relatives instilled values in me, but the Marines burned them into my soul," he says, listing courage, honor, commitment, integrity, and respect as easily as most of us provide our street address.

Gillespie saw combat in Vietnam, returning home uninjured. He began work as a contractor specializing in concrete, framing, and siding. His father-in-law, a Navy Seabee and master craftsman, got him into it. "There was nothing he couldn't make or build," Gillespie says.

Upon becoming president of KCD, Gillespie mapped out the entire building process. "It was 20 feet of paper," he recalls. He called everyone into the conference room. "What's that?" asked a team member. "That," Gillespie replied, "is your life." The intensive examination scrubbed 70,000 non-value-added steps. "All of a sudden, our lives got a lot better," Gillespie says. "We empowered people to make decisions."

In 1997, KCD was awarded an NHQ Gold award in a first-ever unanimous decision. Scott Sedam, a home building consultant



Tom Gillespie

and contributing editor for *Professional Builder*, was an examiner that year. "We were captivated by Tom's enthusiasm, depth of knowledge, and willingness to pursue improvement no matter what direction it took him," Sedam says.

In 1999 Kennedy merged three companies into one and Gillespie became a managing partner. He developed an even-flow production system, increasing starts and closings to three per day. He created a survey that measured and bridged the gap between leaders, employees, and customers, boosting customer satisfaction to 95 percent, building Kennedy into an NHQ Gold contender once again. They missed on the second try, a story Gillespie tells with unflinching candor. "We were solid gold but lost it in the boardroom," he says, describing hard lessons about leadership not being in sync. Kennedy was going gangbusters in the mid 2000s, but after triple bypass surgery in 2006, Gillespie's priorities changed. "I went in one person and came out another," he says. "What was important to me then isn't now."

Gillespie became an on-site examiner for NHQ in 1998 and has remained active ever since. "Tom has worked in the interest of excellence throughout his entire career," says building consultant Charlie Scott. "Even in so-called retirement, he has helped countless home building companies focus on quality."

Gillespie offers wisdom for builders of all stripes: "Look at leading indicators sooner and react more quickly. Make training and education a priority to foster the next generation of leaders and front-line people. Build a strong trade base because if the market comes back too quickly, we're going to see a replay of the 1970s, when we were building junk." And finally, "The bottom line is a by-product of excellence and everything an organization does."

Asked about induction into the NHQ Hall of Fame, Gillespie is visibly moved. "The award isn't about me, it's about the people along the way, the people who allowed me to lead them, and the trades who believed in us. Without them, I'm nothing." **PB**