

[HIRING]

# THIS IS US

SO MUCH MORE THAN A POSTER ON A WALL OR A BINDER ON A SHELF, COMPANY CULTURE NEEDS TO DRIVE EVERY DECISION A BUILDER MAKES

By Pat Curry

In any organization, and particularly in home building, culture is the ultimate foundation upon which everything is built, says Tom Gillespie, a National Housing Quality Hall of Famer and NHQ Award judge. “It touches everything a business does,” he says. “Whatever the culture is, is painted everywhere and felt everywhere. I think it’s one of the most important aspects of a company.”

Culture provides a framework for how the company functions—how employees are supported and motivated, how interaction with trade partners and vendors is handled, and how customers are treated. Is a customer referred to by name or lot or plan number? A builder’s culture guides that action.

At really great companies, employees don’t have to remind themselves to work on the culture because they see it modeled by the senior managers, says Scott Sedam, president of TrueNorth Development, a consultant to the home building



industry, and a contributor to *Professional Builder*. Accordingly, he says, “There’s never been a company that had a culture problem that didn’t start at the top.”

In hiring, company culture will attract those who share and practice similar values. “If you don’t hire for cultural fit first, you could be bringing problems into the organization,” Gillespie notes. “We can teach [employees] the business if we have to. If

PHOTO: COURTESY CBH HOMES

# CBH HOMES SIGN STUDIO



CBH Homes' slogan is "Love Wins." VP Ronda Conger (front row, center) says that when employees love their buyers and the homes they're building, they're "going to win and have a really good time doing it." The company is 63 percent female.

they have the same outlook and live the same values, it will make life a lot easier. Leadership can provide the mission and put the vision out there, but the actual values have to come from the employees. They have to live it." When it's time to make decisions with customers and trade partners, Gillespie

adds, "bringing the culture to the top of everyone's mind encourages holding themselves and one another accountable, as in, 'That's not how we do things around here.'"

Following are explorations of how four award-winning builders have invested heavily in their culture.

## [HIRING]

### ENERGY-INFUSED

#### CBH HOMES, Meridian, Idaho

In a business that's historically and famously male-dominated, CBH Homes is 63 percent female. VP Ronda Conger says it's not intentional. Yet when you're at an industry event with people from CBH Homes, you know who they are. There's a togetherness that's almost palpable. People who work at CBH Homes seem to love hanging out together, and that part is definitely intentional.

CBH Homes' cultural foundation, Conger says, is "Love Wins." So, what does love have to do with home building? For Conger, the connection is obvious. "When we love what we do—when you love your buyers and love your homes—you're going to win and have a really good time doing it.

"We have a pretty robust hiring process that takes 30 to 45 days. We call it the CBH Gauntlet. It involves writing, multiple interviews, and, depending on the department, you may need to send us a video. We want to make sure your personality fits with us. If you can make it through, we know you're the right one. We don't care if you're male or female."

But how many home builders do you know that have a company DJ? CBH Homes does. "It automatically comes on at 6 a.m.," Conger says. "It's upbeat, it's positive, and it's cranked." Conger has a team of five people in sales and marketing who are in charge of infusing fun into the work environment. Photo booths? Check. Dance-offs? Check. Red Bull deliveries? Check. Though the builder has just 86 employees, the 2017 NHQ Award Bronze winner is on target to build 1,300 homes in 2017.

"You definitely better think we are lean and mean," Conger says. "We hire achievers, people who like to make things happen. We have big goals, but we always have to have fun while we do it. That is most important to me. If you're going to spend your days working hard, what can you do to make sure you're having fun?"

But with "Love Wins" as your company slogan, you'd best pay attention to what's going on with the team, too. CBH superintendents are famous for going from 6 a.m. to 6 p.m. and forgetting to eat, Conger says. So the company puts together snack baskets filled with protein bars, trail mix, and beef jerky for them to keep in their trucks. During the last week of the month when everyone is laser-focused on reaching their monthly goals, headquarters delivers food to the sales centers. "Your culture needs to be sincere," Conger stresses. "I thoroughly love my team and want to take good care of them."

Passionate commitment serves an employer well in a tight labor market. "It's the best of times with the economy, house sales, and the market," Conger says, well aware of people being a precious resource—CBH staff often get email trying to poach them. "That's where you hope your culture is strong and sincere enough to keep them here," she says.



### YOU HAVE TO LOVE IT

#### VERIDIAN HOMES, Madison, Wis.

Not everyone is going to fit in at Veridian Homes, even with the best skill set, right education, or the best intentions, says April Dichraff, director of human resources. "Our culture is such that you have to love it," she says. "You can't just like it a little."

To find the right people, Veridian uses an internal referral program called the 500 Club. After a new employee has completed 30 days on the job, the employee who referred them gets \$500. In addition, Dichraff is looking for new blood, hiring from all fields, generations, and walks of life. She stresses that last bit as vital. "You have to shake it up," she says. "You can only do that if your culture can adapt to that change. If it can't, and can't do it well, you'll fail every time. The culture has to be open to flowing and shifting to accommodate changes."

Green building was a central part of David Simon's approach to building even before the merger of Don Simon Homes and Midland Builders created Veridian Homes in 2003, and it has continued to be an essential element of the company's building



**Veridian Homes invited members of the Wounded Warrior Project living within a 100-mile radius of Madison, Wis., to make an Adirondack chair to take home and to learn a new skill.**

practices. As president of Veridian Homes, Simon ensures that the company continually investigates new green products and processes and makes changes as better alternatives become available. He calls building green “simply the right thing to do.” All homes are inspected by third parties and are built using low- or no-VOC products. Regularly recognized for its leadership as a green builder, Veridian offers buyers the option to go “super green,” with offerings such as solar panels, geothermal energy, Velux Sun Tunnel skylights, electric-car charging stations, and home automation. The builder practices what it preaches, especially as it relates to recycling. Instead of building a new headquarters, Veridian renovated an abandoned furniture store.

To ensure it’s hiring those who can honor their commitments to core company values, Veridian uses the Caliper pre-employment assessment to help get a sense of a candidate’s personality with regard to structure, level of urgency, ego strengths, ability to bounce back from rejection, and ability to

## CULTURE AS AN EVOLUTION

If a company’s culture is its foundation, does that mean it never changes? Charlie Scott’s experience would say otherwise. The director of Woodland, O’Brien & Scott for Constellation HomeBuilder Systems, a consulting firm that focuses on home builder customer service, Scott first worked for an NHQ Gold Award-winning builder based in the Midwest in 1987. At that time, he says, team members considered themselves builders and their culture was transactional.

After weathering the housing downturn in the 1990s and seeing other builders go out of business, Scott says his team crossed a threshold, realizing that they didn’t build homes, they sold homes. As a result, their culture became sales-oriented. It was a focus that worked for awhile, and the company grew to building about 150 homes per year.

As the company continued to grow and established a layer of management, the leadership realized that it was indeed a builder—not building and selling homes, per se, but building a company and a brand. With more success and maturity, it transformed into a culture of servant leaders.

“When we started our home building company, we didn’t know these things; we were Wild West gun-slingers,” Scott says. “As we matured, we realized how much impact home building has on people. We did create a mission, a vision, and values, and then personality-matching became the blueprint by which we built our company.” —P.C.

receive critical feedback. During the interviewing process, applicants can expect to be asked about the last time they had a great customer experience and what happened. “I don’t want you to say, ‘I went to McDonald’s and the drive-through person paid for my coffee,’” Dichraff says. “I want something you can dig into and share because that’s the experience you’re going to be providing to our customers.”

But that doesn’t mean Veridian is solely focused on intangibles. The builder’s guiding principle is “One customer at a time, one home at a time.” This two-time National Housing Quality Award Gold winner is data- and process-driven; every decision and system is based on solid research. If an employee voices an opinion, “You best be able to back it up,” Dichraff says. “It’s not just your opinion that I value. [Sure] you can offer a quality product, [but] can you prove it’s a quality product? That’s how we add value for our homeowners.”

## CONTINUOUS IMPROVEMENT

**FRENCH BROTHERS, Alamogordo, N.M.**

Seidman and Gillespie note that creating a culture is the easy part; maintaining it is far more difficult. The key is keeping culture up front for employees, talking about it, and discussing how to put it into action—daily. For NHQ Award Bronze and Silver winner French Brothers, this means that five core values, which the company describes as kind, happy, humble, tenacious, and team, are prominently displayed.

Like many companies, French Brothers employees worked together to create its list of core values. The original set of values numbered 11, but as time passed, 11 items proved too many for employees to easily internalize, so the list was whittled down to the five that are at the heart of what French Brothers is and wants to be.

Owner and VP Corrine Bachman notes that living up to French Brothers' company mantra—"We are better today

than we were yesterday, but not as good as we will be tomorrow"—involves offering continual training, promoting individual accountability and self-improvement, and providing tons of encouragement. She describes the company's emphasis on collaboration—even in sales, a part of the business known more for internal competition than for working together. "Each of our sales consultants frequently reaches out to other sales team members in other cities asking for help with such skills as creating better relationships with real estate agents. They help each other to be great," Bachman says.

"We have these huge canvases in our training room with the core values on them, and we talk about those values all the time," Bachman says. "Everything we do has to pass the values test—who we are, and interactions with trade partners, laborers, employees, and customers, of course. We constantly refer to our values. It's not just in a book or on our website. It's how we operate our business and live our lives."

Care and respect are the starting point, Bachman says: "When we work with someone, we look at how warranty personnel talk to trade partners about warranty work. When we have a ditch digger, how does the construction supervisor talk to that person?" In hiring, French Brothers is looking for the right fit, which Bachman says is far more important than experience or qualifications. "Fit can't be trained," she observes. "You're either the right fit or you're not." Interviewers go over company values at least four times during interviews to make sure prospective employees are aligned with them. In every team meeting, time is devoted to discussing who has seen the company's values in action and giving kudos to those who have.

The value of tenacity is "super important," according to Bachman, who notes that builders face



From left to right, French Brothers president Tom French consults with accounts manager Louann Satathite and purchasing assistant/starts coordinator Jessica Vollmer. The builder sees an understanding of and appreciation for its five core values as more important than experience when vetting potential hires.

## [HIRING]



A jobsite photo op on Take Our Daughters and Sons to Work Day at Indigo, a Neal community. The builder spent the last year reassessing its values in order to define the company's DNA.

challenges “a bazillion times” a day and must be prepared. “What are we going to do to solve that issue? How tenacious will you be?” she asks. French Brothers sets its closing date when ground is broken on a house. If the closing date is threatened, Bachman says, “we look to our sales team to use tenacity to get this done. Who can you call? In what ways can you think outside the box to make it happen? When products are late in the field, we ask field people, ‘What will you do to get it done?’”

## DNA-DRIVEN

### NEAL COMMUNITIES, Lakewood Ranch, Fla.

As Neal Communities grew, founders Pat and Charlene Neal found they could no longer meet with every employee. From 2006 to 2016, the number of employees almost doubled from 124 to 243, and closings grew almost fivefold, from 226 to 1,129. Named *Professional Builder's* 2015 Builder of the Year, last year Neal Communities' executive team was tasked with defining and articulating the company's guiding principles in a statement that would reflect the company's DNA—which shouldn't change—says Neal Communities president Michael Storey.

Development of the concepts started from breakout sessions during strategic planning. From there, Neal Communities worked with an outside agency, which met with select team members and then came back with the results. The outcome: a set of two books, *The Blue Book for Neal Communities* and *The Gold Standard for Neal Signature Homes*, and a video series featuring company executives sharing the company's guiding principles, underscoring the fact that all at Neal are brand ambassadors for Neal's values and its mission. The company's

core values ultimately boil down to four words: Do the right thing. Pat Neal, chairman of the company's executive committee, says that among other things, that means everyone who calls Neal Communities gets a call back. “If we teach our people to make the right decisions up front,” he says, “they don't need executive management to get involved. A lot of companies say ‘no’ by not returning phone calls. No answer is an answer.”

With the ideas crystallized, VP of marketing and creative director Leisa Weintraub created documents and visuals to be shared with all employees. Tashara Cronshaw, VP of human resources, uses the materials to help introduce new employees to the company.

As organizational experts emphasize, hiring for cultural fit is crucial. At Neal, the hiring process begins with a phone screening, then a Wonderlic cognitive assessment, an Omnia Profile behavioral assessment, and several face-to-face interviews, which include meeting with Storey and Pat Neal. The process is designed to give candidates the chance to “interview us as well,” Cronshaw says, “to make sure we're the right fit for them.”

While Neal Communities places a high value on challenging the status quo, the guiding principles are sacrosanct, in large part because they've served the company well for nearly half a century. “We want to always be willing to ask the hard questions: Are we fulfilling the guiding principles? Are we being good stewards?” Storey says. “We should be committed to continuing the 47 years of success. We have never failed to repay a loan, finish a home, or finish a community. We finish what we start by ultimately getting it right.” **PB**

*Pat Curry specializes in writing about the housing industry.*