BUILT

TO GROW

HOW THE BEST CONTRACTORS PREPARE FOR WHAT'S NEXT

15+ CONSTRUCTION COMPANIES

45+ EXECUTIVE INTERVIEWS

5 KEY THEMES

WALLY ADAMCHIK / FIRESTARTER SPEAKING & CONSULTING

BLUF

BOTTOM-LINE UP FRONT

Growth is not the hard part. Complexity is.

After more than 45 interviews with senior executives from 15 of North America's leading contractors, the conclusion was clear: The companies that sustained growth prepared for it long before they needed to.

They invested in leadership capacity, culture, and systems before complexity exposed the gaps. This report explains what they did, why it worked, and how you can apply those lessons to your own organization.

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INTRODUCTION

For most businesses, growth is the aspiration. Bigger creates opportunity and, when managed well, greater profit. It is one thing to want to grow. It is another to be prepared for it.

For the past fifty years, construction has helped build the modern American economy; roads, bridges, airports, manufacturing plants, schools, hospitals, data centers, housing, distribution centers, and the utility systems beneath them all. Today, U.S. construction spending exceeds **$2 trillion** annually. More than eight million people work in the industry, yet the nation still faces an infrastructure investment gap measured in trillions of dollars.

The next fifty years will demand even more from construction: more infrastructure, more energy, more innovation, more resilience, more speed, and more complexity.
The question is not whether the work will be there. It will be. The deeper question is whether construction companies can build the leadership capacity, culture, and organizational capability to handle the growth they seek.

That question became the foundation of this research:

How do serious contractors prepare for the next stage of growth before complexity outpaces leadership capacity?

The greatest threat to a growing construction company isn't losing work. It's losing itself.
My goal is simple: to help you prepare for your next stage of growth so that, one day, you will know how you got there…and you can be proud of what your company became along the way. To answer that question, I interviewed senior leaders from fifteen North American contractors representing infrastructure, general contracting, concrete, and electrical construction. More than forty-five interviews, most conducted in person, revealed recurring patterns among companies that successfully navigated significant growth.

The companies that reached a billion started preparing long before they got there.

Those preparations had surprisingly little to do with chasing revenue. They had everything to do with building the leadership capacity, culture, systems, and organizational discipline required to sustain growth as complexity increased.

GROWTH CREATES COMPLEXITY

When most business people think about growth, they think numbers: revenue, backlog, equipment, employees, and profit. What receives far less attention is what growth does to the organization itself.

Growth creates complexity.

A company with fifty employees is fundamentally different from one with five hundred or five thousand. More locations, customers, projects, and business lines create exponentially more communication, coordination, and decisions.

Leaders who once could transmit their vision and culture to every employee now rely on others to communicate the direction and reinforce the company's values. Decisions that once happened naturally in a single conversation now require more time. None of this suggests that growth is a problem. Quite the opposite. Complexity is the natural consequence of success.

"I used to know everyone. Everything seemed so much simpler. What happened?"

Many companies invest heavily in the visible aspects of growth; equipment, facilities, technology, and market expansion. They underinvest in leadership development, succession planning, and the organizational systems needed to support that growth.

When executives described their most difficult periods of growth, they rarely talked about revenue or backlog. They talked about communication becoming harder, decisions slowing, overreliance on long-tenured leaders, and systems barely holding to keep growth moving.

They were not describing the challenges of growth. They were describing the challenges of complexity. The question is not whether a company can grow. The question is whether capacity can grow at least as fast as complexity.

Although each company had a unique history, market, and organizational structure, five themes emerged with remarkable consistency across the interviews.

Five Themes

- **Capacity must grow before the business**
- **Culture becomes increasingly important**
- **Systems scale culture**
- **Professionalization is not bureaucracy**
- **Leadership is not a person. It is a process**

Theme 1 - Capacity Must Grow Before the Business

Invest in leadership capacity before complexity exposes the need

Increasing capacity cannot wait until growth creates problems. Nearly every executive described investing in leaders, systems, and organizational capability **before** the organization desperately needed them. Succession planning, fleet optimization, technology, and leadership development were viewed as strategic investments - not overhead.

The organizations that navigated rapid growth invested ahead of demand rather than waiting for the load to be too much to handle. That investment extended beyond dollars. Executives were deeply involved in selecting, coaching, and developing people. They didn't think, *"I don't have time."* They believed they had to make time.

> *"The companies that struggle are the ones that won't over hire. They keep waiting until they're busy enough. By then it's already too late."*

One company demonstrated this by developing 120 Change Champions who helped new ideas spread through trusted peers rather than executive mandate. Innovation was encouraged and it was nurtured. Forty-two employee ideas generated more than $6 million in value. Change leadership became an investment in future growth.

As the authors of *The Founders Mentality* observe, overload occurs when leaders are working harder than ever yet lack the capacity to keep up with the demands of growth. The answer is not simply working harder. It is building greater leadership capacity.

Leadership capacity can be built internally, borrowed externally, or both. Early in my consulting career, I helped a rapidly growing contractor build its leadership capability while its one-person HR team focused on acquisitions and daily demands. As the company matured, it created its own learning and development function. Today, our role is no longer to build the capability, but to strengthen what the organization now owns.

Growth does not create leaders. It reveals whether leadership capacity has kept pace with organizational complexity.

Theme 2 - Culture Becomes Increasingly Important as Organizations Grow

Culture by Design, Not by Default

Many assume systems become more important than culture as organizations grow. The interviews suggested the opposite. The larger the organization became, the less culture could depend on proximity to the founder or senior leaders.

In smaller companies, culture is reinforced through daily interaction. Employees learn *"how we do things around here"* by watching those around them. Growth changes that. As organizations expand across offices, business units, and geographies, culture must become intentional.

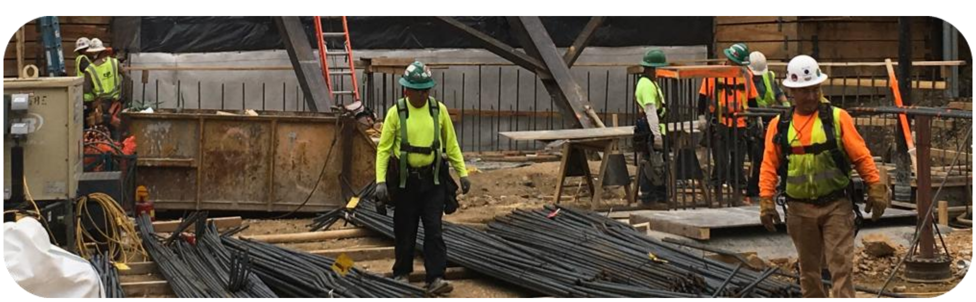
"I was the new guy at the Officers table. The next junior member had seven years with the firm. Yet at our monthly meetings the CEO would remind us, and me, that every voice matters."

My experience in the Marine Corps reinforced the same lesson. Culture wasn't something we talked about. It was embedded in selection, training, rituals, recognition, and daily behaviors. It shaped decisions long before leaders ever needed to make them.

The strongest organizations approach culture the same way. They do not rely on slogans, posters, or catchy mission statements. They reinforce culture through hiring, promotion, communication, recognition, and consistent daily action. Trust is not viewed as soft. It is an operational advantage.

Nor is culture the responsibility of a few senior leaders. Like the Marines, everyone is a steward of the organization's values. When frontline employees understand the mission, are trusted to make decisions, and act consistently with the culture, the organization's capacity grows.

As complexity increases, culture becomes less accidental and more intentional.



Theme 3 - Systems Scale Culture. They Do Not Replace It

Systems Reinforce Culture

I expected conversations about growth to focus primarily on systems. They did but not in the way I expected. What surprised me was how often executives described systems as protecting culture rather than replacing it.

As organizations grow, leaders can no longer rely on informal communication or personal relationships to ensure consistency. What once happened through daily interaction must happen through intentional processes. Systems preserve an organization's values, expectations, and ways of working across hundreds, or thousands, of employees.

Whether discussing KPIs, governance, communication channels, or technology, executives rarely focused on the tools themselves. They focused on what those tools made possible.

> *"We're very transparent. Everything is documented. KPIs. We track everything. That's how we're going to be better at what we do and trust each other."*

The lesson was consistent across nearly every interview. Systems did not replace leadership; they extended it. They helped preserve culture, reinforce expectations, and align decisions as complexity increased.

Without systems, culture becomes inconsistent. Without culture, systems become mechanical. Sustainable growth requires both.

Theme 4 - Professionalization vs. Bureaucracy

Professionalization enables growth. Bureaucracy prevents it.

Professionalization and bureaucracy are often confused. They are fundamentally different. **One enables growth. The other limits it.**

Growth requires organizations to become more professional. Governance becomes more formal. Decision-making becomes more disciplined. Outside expertise is added. Boards become more active. Informal practices are replaced with intentional ones. The key is ensuring these changes serve the organization, not individuals or siloed functions.

One company learned this quickly. A new CFO introduced a five-dollar fee for employees receiving paper paychecks. When the CEO found out, he immediately reminded the CFO of where the money was made in a construction company. Professionalization should support the field, not burden it.

Many leaders worry this is where companies lose what made them successful. The interviews suggested the opposite.

The strongest organizations viewed professionalization as a way to protect their culture, not replace it. They became more disciplined, consistent, and capable while remaining true to the values that fueled their success.

One executive inherited an organization where years of siloed management had created multiple ways of doing business. The challenge wasn't simply standardizing processes, it was doing so while respecting the people who had built the company.

The objective was not to criticize the past. It was to preserve what worked, improve what didn't, and build an organization capable of sustaining future growth. Done well, professionalization doesn't change who you are. It helps you remain who you are as you grow.

"How do we move forward without throwing anybody under the bus?"

Theme 5 - Leadership Is Not a Person; It is a Process

Leadership becomes embedded in the organization

Several years ago, I developed a simple model: superior people and superior processes are the only path to superior results. I used it to explain the relationship between leadership and management. Great leaders can overcome weak systems. Great systems can support average leaders. Sustained superior performance requires both.

These interviews expanded that thinking. **Leadership itself is a process.** Leadership development, culture, systems, governance, succession planning, communication, and professionalization are not separate initiatives. Together, they form the process through which organizations create leadership at scale.
The biggest shift is how leaders think. Early on, founders solve problems personally.

As organizations grow, they focus less on individual problems and more on the systems producing those results. The question changes from **Who fixes this?** to **What in our system created this, and how do we improve it?**

Ultimately, growth does not have to break organizations. It invites leaders to evolve with it.

Small companies often depend on exceptional individuals. Companies that sustain growth build organizations that no longer do. Leadership becomes embedded in the organization's DNA reinforced through culture, sustained through systems, strengthened through professionalization, and reflected in thousands of daily decisions.

The goal is not to make the founder or CEO less important. It is to build an organization that becomes progressively less dependent on any one person, freeing senior leaders to focus on the decisions only they can make.

Leadership becomes part of the organization's operating system.

Pace Matters

A common stereotype is that larger organizations become slower. The executives I interviewed described something different. While decision-making often became more disciplined, the best organizations maintained a strong sense of urgency. They invested before they had to, hired before capacity became constrained, and addressed leadership gaps before they became crises.

> *"I always wanted to go faster. We were missing opportunities and losing ground. But I risked being alone and knew we could go faster and further together."*

Culture and systems did not slow them down. Done well, they enabled urgency.

This finding aligns with our **People in Construction Report** we issue every other year. Consistently, we find 50% of respondents agree that short-term thinking compromises long-term results. Organizations consumed by today's work often sacrifice tomorrow's capability. The companies that sustained growth balanced the urgency of today's projects with the discipline required to efficiently prepare for tomorrow's organization.

FRAMEWORK FOR GROWTH

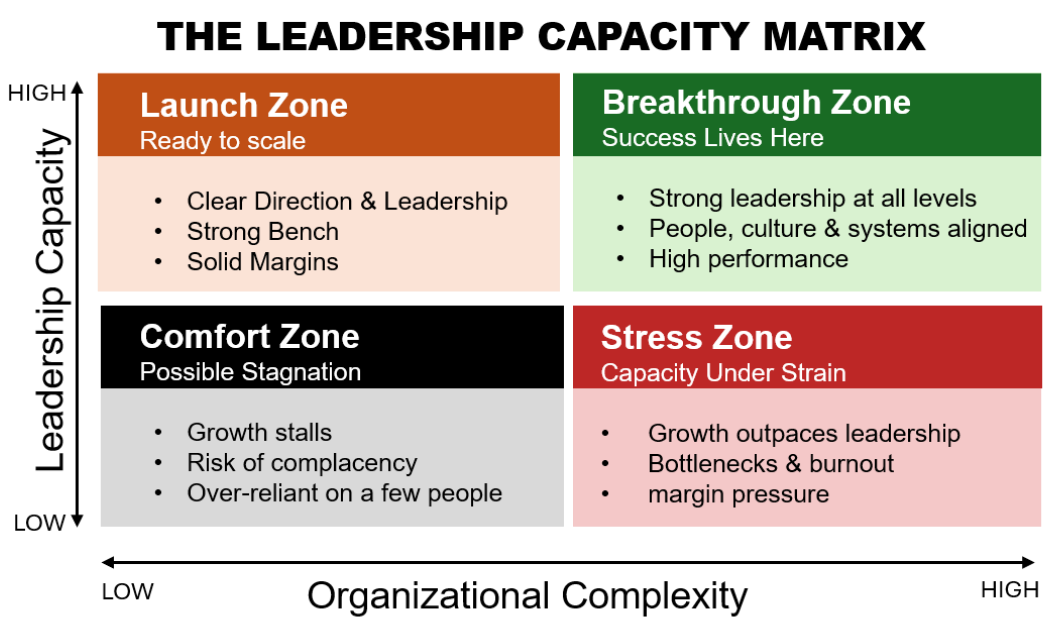
At this point you may be thinking, "This is great, Wally. Now what? How do I apply this?"

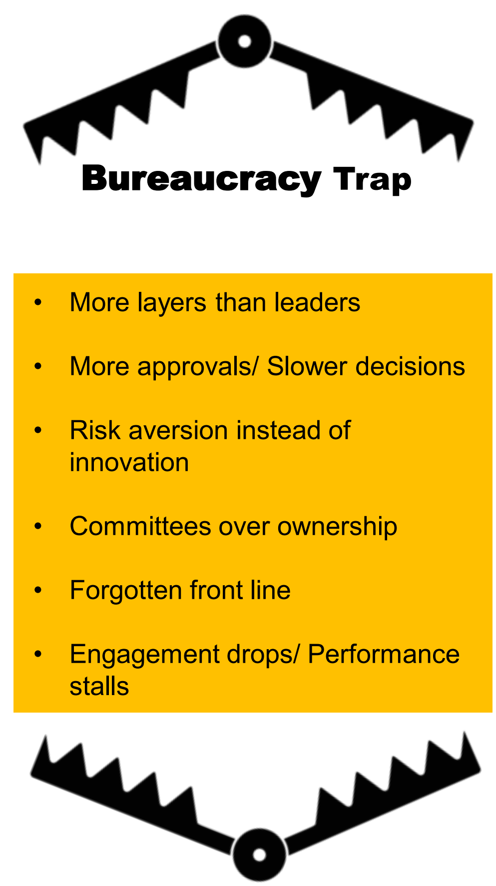
That question led to the Leadership Capacity Matrix. The interviews revealed recurring patterns, but I needed a way to organize those patterns into something you could use.

The horizontal axis is **Organizational Complexity**. As companies grow, they do not simply become larger. They become more complex. More people, projects, locations, customers, and decisions increase the demands placed on the organization. Growth often creates complexity and complexity is what leaders must manage.

The vertical axis is **Leadership Capacity**. This is the organization's ability to meet those growing demands. It reflects the strength of its leaders, its culture, and the systems that enable people to make good decisions and execute consistently

Growth creates complexity. Complexity is what leaders manage





Understanding the Leadership Capacity Matrix

Comfort Zone — Low Complexity / Low Leadership Capacity
Organizations in this quadrant may perform well because the business is still relatively simple, not because leadership is particularly strong. Decisions are centralized, a few key people solve most problems, and informal communication is enough to keep the company moving. Performance can be solid, but as complexity increases, cracks begin to appear. The next major project or loss of a key employee can expose the gap.

Stress Zone — High Complexity / Low Leadership Capacity
Complexity has outpaced leadership capacity. The organization experiences decision bottlenecks, communication breakdowns, inconsistent execution, and leadership fatigue. Good people work hard, feel overwhelmed, and often leave. Growth itself is not the problem. The company has not developed the leadership, culture, and systems needed to support its increasing complexity.

Launch Zone — Low Complexity / High Leadership Capacity
These companies have invested before growth demands it. Overhead is rocket fuel, not added weight. They have a strong bench, clear expectations, and leaders developing other leaders. The organization may not yet be highly complex, but it has built the capacity to scale. Many companies in this research described this phase as critical to later success.

Breakthrough Zone — High Complexity / High Leadership Capacity
These organizations have matched leadership and systems capacity with organizational complexity. Leadership is distributed, decisions are made at the appropriate level, and systems reinforce culture and values. The organization can continue growing while maintaining performance, developing people, and adapting to future challenges. This is where many growth firms want to live. But it is not permanent. At the next level, everything is challenged again.

The Bureaucracy Trap
Some firms continue growing revenue but drift to the right into the Bureaucracy Trap. From the outside, these organizations may still appear successful. Revenue grows and rankings improve. Yet inside, decisions slow, layers multiply, and people are constrained by systems and silos. Leadership gives way to administration. Initiative is replaced by compliance. Average is the standard

The challenge is not avoiding complexity. The challenge is preventing complexity from becoming bureaucracy.

CONCLUSION

Growth does not break organizations. Complexity does when leadership capacity fails to keep pace with it.

Every executive interviewed for this research had navigated that tension. The pattern was consistent: the companies that sustained growth did not simply hire more people or buy more equipment. They built organizations where culture and systems reinforced each other deliberately before it was too late.

At every new level of complexity, the question returns:

Are we building the organization that tomorrow's growth will require, or are we managing the organization that yesterday's growth produced?

The Leadership Capacity Matrix is a useful diagnostic. The Breakthrough Zone is not a place you arrive at and remain forever. To stay requires discipline, investing in leaders, refining systems, and projecting a culture that can scale. On the back page of this report you can access a leadership capacity assessment to get insights on your company.

The five themes in this report are an integrated process, not sequential steps. They are also habits of the strongest growing contractors in North America.

For the action-oriented leader, the message is direct:

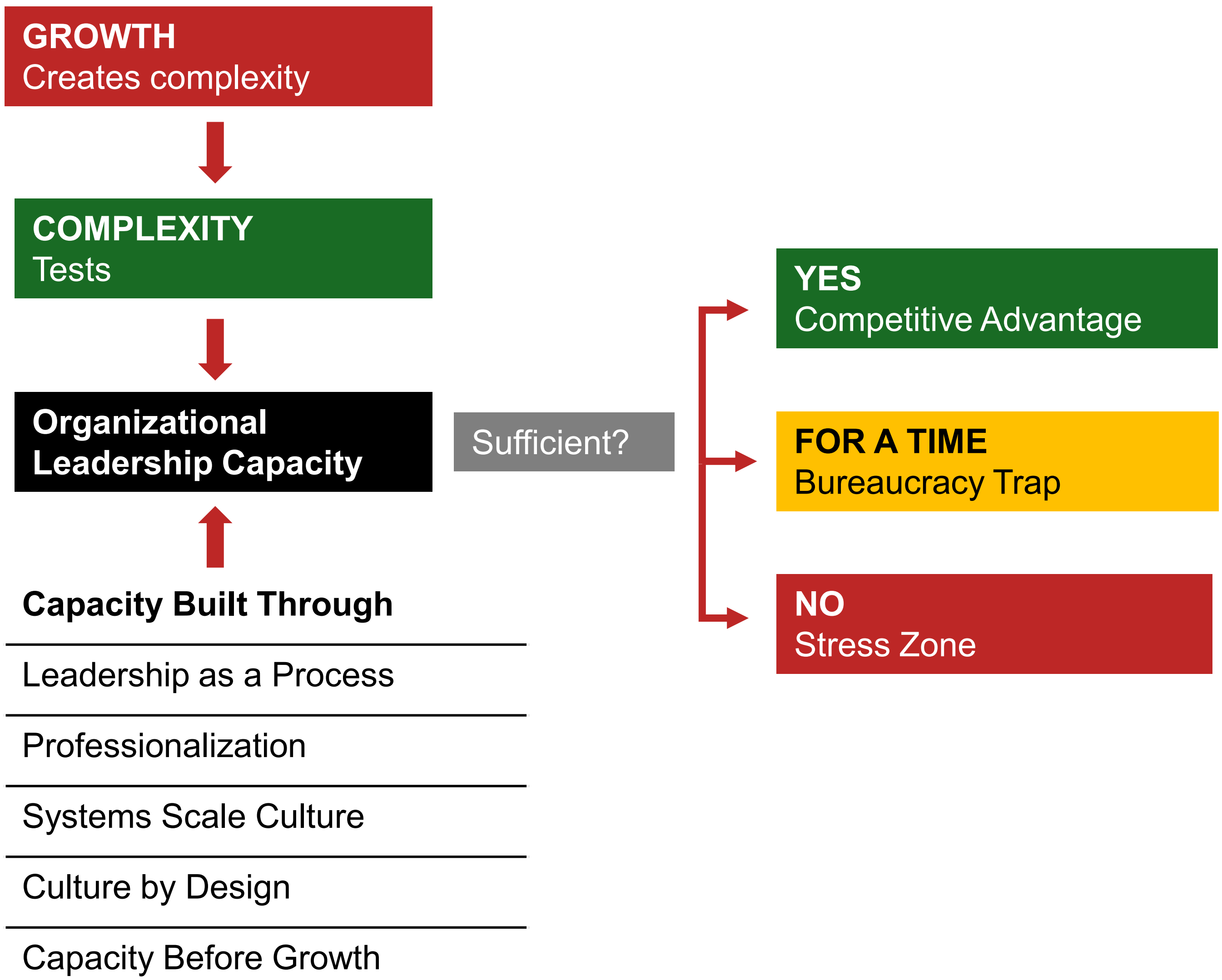
- **Build leadership capacity before complexity demands it** – otherwise, you lose later.
- **Professionalize deliberately** - discipline and identity are not in conflict
- **Design your culture** - don't leave it to chance
- **Build systems that reinforce behavior** - not systems that substitute for leadership
- **Treat succession and development as strategic infrastructure** - not overhead

The next time you say you want to grow, ask the harder question: *Are we building the organization that growth will require?*

If you are not sure, that is exactly where the work begins. Will complexity become a competitive advantage or the constraint that limits future growth?

ANATOMY OF SUSTAINABLE GROWTH

Growth creates complexity.
Sustainable growth depends on building the leadership capacity to handle it.



ABOUT THE AUTHOR

Wally Adamchik, CSP, CMC, is President of FireStarter and a recognized authority on leadership in construction. For more than two decades, he has helped contractors build the leadership capacity required for sustainable growth.

Learn more at www.wallyadamchik.com.

WHERE DOES YOUR ORGANIZATION STAND?

Throughout this report, one idea surfaced again and again:

Growth creates complexity. Leadership capacity determines if that complexity becomes a competitive advantage or a constraint.

The **Construction Leadership Capacity Index** is a free assessment designed specifically for construction leaders. In about five minutes, you get a snapshot of your organization's readiness for growth and highlights opportunities to strengthen leadership before complexity exposes it

The Assessment Includes:

✓ 25 Questions

Measure leadership capacity across the five dimensions that matter most.

✓ Five Minutes

A practical assessment designed for busy construction leaders.

✓ Personalized Leadership Capacity Score

See where your organization stands today.

✓ Practical Recommendations

Receive targeted suggestions to help prepare for your next stage of growth.

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This report explores what growing organizations do differently.
The Capacity Index helps you understand where your own organization stands today

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