

How an Investment in Leadership Training Can Grow Careers and the Bottom Line with Kevin Fitzpatrick

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Narrator: Why do some companies stand out while others seem to merely show up? That's what we'll explore with leaders across multiple industries to hear how they're creating better experiences by design. And now your host, Susan Quinn.

Susan Quinn: I'm always impressed with companies that are achieving success, yet they keep looking for new ways to grow, and that's certainly true with today's guest. Kevin Fitzpatrick, the president and CEO at Benesch, is going to share how they expanded their leadership and development program, and it's certainly creating a whole new level of employee engagement. And if you're looking to do the same, this episode is for you. Kevin, it's such a pleasure to welcome you to the podcast and I can't wait to hear your insights and experiences on the incredible leadership and training program that your firm has built. But before we go there, tell us a little bit about your company.

Kevin Fitzpatrick: I sure will, but first I wanna thank you for having me here, and I'm excited to have a conversation with you this afternoon. So, I'm the President and CEO of Alfred Benesch and Company — we just go by Benesch now — and we were founded back in 1946. Mostly at that time just a transportation engineering firm, but we've really evolved over the years, especially, I'd say, in the last 12 to 15 years with a few mergers and acquisitions, pretty strong organic growth. So, just recently, we are over a thousand employees now, and not just engineers: we're engineers, we're planners, we're landscape architects, we have geo-technical scientists, surveyors, so many different services we provide now that we didn't many years ago, and we felt that diversification, not just by service line, but geographically, really helped us continue our growth. We started just in Chicago in a small office, grew to Pennsylvania back in the eighties, and then since then, we've grown across the country. We have 47 offices in 22 states across the country.

Susan Quinn: That is impressive. Well, just the length of time since 1946, and continuing to diversify. I think one of the things that we talk about on Better Experiences by Design is this whole notion, yeah, you've got your services, but you've got to find the employees [laughter], you've got to find the staff. And oh, yeah, once you find them, how do you actually keep them? The sense of loyalty is maybe a little different today, but maybe not for your firm. So, what has that looked like for Benesch over the years? Have you been impacted by the attraction and retention of talent?

Kevin Fitzpatrick: Yes, definitely we have. We had, rather, I'd say conservative growth for many of those years. I think if there's anyone listening from the engineering, from the transportation industry, certainly in the last few years it's a market like we've never seen before. We used to have probably half of a person that was dedicated towards recruiting. It was part of an HR person's

role to try to onboard and bring people in. We just hired our seventh internal recruiter, that's how that's how busy it's been. And this isn't just Benesch, this is a lot of the companies in our industry. You know, you have job openings for another 15% of your company. That's been a big challenge lately. We've done our fair share of recruiting, gone to 80 university career fairs this year, establishing quite an internship program. It's really interesting these days, it's like the students or the graduates are interviewing us as much as we're interviewing them, right? So, we need to be there, we need to be ready to talk about the strong programs that we have. They ask about professional development, and how are we gonna make them better. They really have turned the tables on us recently, so you have to take that to heart and create a program that you're really proud of and that will help bring in this top, not just engineers and planners, but top, you want the top, everyone wants the top folks. And it's really challenging; there's a lot of great companies out there. There's a lot of great choices for these for these new graduates, so we just keep trying to make ourselves better. It certainly helps with retention; you can't just only focus on recruiting. If you're if you're doing a great job recruiting, but everyone's walking out the door in a few years, you're not doing very good. We look at those retention and turnover rates monthly to make sure we're going in the right direction.

Susan Quinn: I thought you had an interesting comment of, they're interviewing us as much as we're interviewing them, and I've certainly seen that over my career where it has changed. I think it's maybe a good thing. You know, everyone is preparing for that interview a little bit more intently, and you mentioned the retention effort and following that, did you create anything new and different? And I know we're gonna talk about your training program that has caught my eye, but did you not like the numbers and you wanted to do more? Or you just knew to be able to compete in today's big-time war for talent that you had to do something different?

Kevin Fitzpatrick: We never ran into a problem. We've had a pretty strong, meaning low, turnover ratio at our company. And it really varies, it varies from, you know, publicly traded companies to some companies that are tied to some private equity employee-owned firm. So, it's really, there's a blend, probably from six percent up to 17 percent turnover ratio in our industry. We've always been on the low end of that. We are running at eight, nine percent, currently, we're just a little over seven, so we have seen, and I'm not sure it's all related to the things that we're doing that you mentioned, like our learning and development program, but things that we're trying to continually improve on, we have seen our turnover ratio go down in the last few years, so that's been encouraging that at least it looks like we're doing some of the right things.

Susan Quinn: Well, absolutely. So, if you are single digit, I will tell you of the research we do, you are in a unique class of businesses. Most of them are double digits, so that in and of itself is best in class. So, tell us what you are doing. How have you looked at your team of developing their careers? What's new at Benesch?

Kevin Fitzpatrick: Well, we listened a lot, I'd say, first of all. We started out, as you well know, we wanted to know more about how others felt about us: our clients, some of our partners in engineering and planning, and also our employees. So, when we first engaged with circle S several years ago, we thought that was a great way, instead of just doing engagement surveys — and we were doing engagement surveys, many companies do. We did them every two years, got some results and said, yeah, we're doing pretty good there, we need to get a little better there, but we didn't really take it to heart as much as we should have. So, when we engaged with you at Circle S and your team, and you were able to do these anonymous meetings with all of our employees, and they really felt like they could talk to you about what they were seeing, and our

clients spilled their guts and told all about Benesch, and how they felt, and what it was like to work with Benesch. That really helped us; it was eye opening. I think a lot of firms do engagement surveys, and you make some tweaks here and there, but we decided that we were gonna really put a lot of effort into the action items based on the results of those surveys. We changed it to doing engagement surveys every year instead of every two years. It just didn't feel right to say we wanna get feedback, and we care about what you say, and by the way, we'll check back with you in a couple of years to see how we're doing [laughter]. So, that's not exactly the way the workforce rolls anymore, right? Everyone wants feedback now, and hey, I just did that survey couple of weeks ago, what are you doing about the things I said?

Susan Quinn: [Laughs]

Kevin Fitzpatrick: So, that's been really helpful. Hearing from your employees, they've become I think even more willing to come forward with their thoughts. I make office visits to all of our offices every year, which is a big pull on time, but I feel that there's nothing that I could be doing better than talking with employees — whether they're new grads, or whether they've been with us for 30 years — and get their take on how we are. It's almost like an ongoing pulse survey. So, that's been really helpful to create a plan that we know our employees care about, and I can talk a little more about our learning and development plan that I think has been has gone a long way to help not only our recruiting but our retention.

Susan Quinn: Before we go there, you mentioned taking the pulse, and we did help you all with that a few years ago. I recall some of the takeaways, but what were the top things that you said that it was eye opening, and that we needed to take action on? What was a little different from the survey that you got back from the employees?

Kevin Fitzpatrick: You know, I think, specifically, they've wanted — we had a training program, so it's not like, we just ignored training and professional development, we always had it. We budgeted for it, but it wasn't much of a budget. So, I just felt we weren't truly committed to it, we weren't passionate about it. If we looked and said, hey, ten of your employees in your division didn't get any training last year, or they only got a few hours of training, and they said well, as you know, we were really busy last year, and we did great work for our clients, and we were busy and chargeable, and all these great things. We say, okay, well, yeah, that was a good year. And then when you're on the management team, you're thinking, okay, you look at the chargeability and say, that's not the worst thing in the world that everyone's really chargeable, but it actually is the worst thing [laughter]. It's like if you're say you're too busy to get out and do business development. We all know how that ends up in another 8 to 12 months, when all of a sudden you don't have any work, and I feel it's the same way with when we heard our employees clamoring for more training, for more mentoring from the older, more experienced folks in the office. We knew we had to find a way to get that done, and that was something that we heard, and they didn't want, just, oh, send us to LinkedIn learning, although, that you know that's a great tool for many folks, but a lot of our management team wanted, you know, in person, in class training, possibly at an outside conference every now and then, to really get the value of that development that they're looking for. So, we heard that loud and clear.

Susan Quinn: Step through now, you get that information, they want more of a commitment, and I like your own ownership, if that's the right word, that you had always done it, but not committed. I think you used the words truly committed. So, take us from the information you got from your team to what is a truly committed leadership training development program like now.

Kevin Fitzpatrick: Yeah, well, it does have to come from the top. If middle managers and division managers don't feel that it's important to, whether it's me as the CEO or the COO or the entire management team, if that's not something that they feel is important to us, it's not gonna be as important to them. So, that had to come through very clearly that this was important. We increased budgets on hours. We told them, it's okay if you're not as chargeable, and some of them said, like what? We have never heard that before. It's like, no, we want this to happen. We're developing a program. We actually dedicated one person to just be our director of learning and development, which was a big step for us when we were probably five or six hundred people. And like, I said, we're over a thousand now, but at that point to just dedicate someone to learning and development, and now she has an assistant also because that the program keeps growing, but we had to show our employees that we were serious about their careers. Whether it was soft skills, whether it was taking Harrison assessments or emotional intelligence testing, all these different things that we wanted to identify, ways that we could make them better — not only at work, but personally with some of these things. Some of it's technical training, but some of it are soft skills that just help it, whether it's in client meetings or whether it's in, you know, a Euchre party in their neighborhood, it helps. I think when the employees see that you truly care about their development, and you're not just, you know, a talking head on a video every now and then saying that you're gonna create this learning development it really mattered to them, and they saw that it mattered to us.

Susan Quinn: Well, you mentioned LinkedIn learning, and in some ways, I feel like we can all navigate and pick up something almost for free, if you will, but to have a dedicated learning and development director and then now an assistant where that is their 100%, they are devoted to it. Are you training everyone in your company at the same level, or how do you fit it in, so you no longer have to be chargeable all the time? How are you fitting it into your already busy day?

Kevin Fitzpatrick: Right, no, that's a good question. Another thing we heard you asked me earlier what we heard from them, they wanted to hear from external experts. I think, after a while it gets old, just listening to the same people at work all the time, even though they're, you know, we have obviously technical experts and leaders in our industry, but they see that it's a bigger commitment from you if you're bringing in outside educators and experts in their field to come talk to them. So, what we ended up doing was, we broke it down into 4 groups. We created what we call Benesch university, you know, not real unique there, but that's what we called it. So, Benesch university, and we have a Grow Exec program, which is for upper management folks that we identify that may end up, maybe not in the C-suite, but in major leadership roles in our company. And then we have a curriculum for Grow Exec, we told them it was a 10 to 12 hour a month commitment for a year-long program, and we talked about business strategies and planning, change management, we had a session on mergers and acquisitions, so they just understand that whole process. Leading as a multiplier, we did some job shadowing in the C-suite, and then they ended with a capstone project. But it was quite an elaborate program. We brought in professors from wonderful schools across the country, including the Fuqua School of Business at Duke. We had a couple of professors from Indiana's Kelly School of Business, as well as others. And when they saw that what we were doing to bring these folks in, bring them into Chicago, fly everybody in, including all the participants, I think it really hits them that boy, we're serious about this. And so that was the Grow Exec, that's the top program. There were 24 folks in that. But then we also did a Grow Level Two, we called it. And it's for technical managers, corporate managers, project managers, people that are already leading people, but that we think we could teach them how to be better leaders. So that was a 6-month program. It was a little shorter than

the Grow Exec, but also, you know, 7 to 10 hours a month that we're asking them to commit to these programs, even though we're, like I said, we're budgeting for it. They're going into training time, so this isn't volunteer time for anyone. And many of the same curriculum as the Grow Exec, but just not quite as deep as that. That was another 50 folks or so. Grow Level One was for people with a little more than 5 years' experience, and that was a little bit different. It was more time management, some innovation, leading people. It was more of a developing leader's group. And then, ultimately, what you have to have is something for everyone in your staff. You just heard it was probably 80 or 100 people that I've just talked about in those three programs, but we also have what we call Level Up, and that's for everyone in the entire company. It's for the receptionist, it's for techs, it's for admins, new engineers, new planners, new surveyors. This is a curriculum that can help everyone across the company, and that's been going really. I actually feel we need to dedicate a little more time to that one, because I feel like I talk a lot about the Grow Exec and the Grow One, and that's all exciting and we have graduations and things like that, but that's probably for 15% of your company, you really need to continue to focus on everybody else.

Susan Quinn: Really appreciate that you step through, including everyone takes a huge commitment. I mean, you've mentioned multiple. You've got a director and assistant. You are allowing them the time to do it. You've got 15% of your company in the Grow One, Two, and Three, which sounds amazing, each one of those, but your Level Up for everyone is that provided through webinars? Or how are people leveling up? How do they have access to that curriculum?

Kevin Fitzpatrick: Okay, well, every Friday morning at 10 o'clock Central, we have Level Up Fridays, so we will have someone that will come on, and it could be, Susan, at some point we had, it was on mental health, right. We would have a doctor on talking to people about, you know, the importance of understanding mental health. Sometimes it was a technical training. Sometimes it was looking at some of the things we're doing with visualization or 3D, just so people understand how our industry is advancing. We had some project manager training there, so training that even if you're not a project manager, you understand what you may be doing in a year or two, or a few years. So, those types of things we found that got really good feedback. It was called Benesch Learn, something on our website that you can go, and you can sign up for any of these online. They were mostly virtual, it's just hard to get 800 people together to do something like that. So, this was readily accessible for everyone, and everyone knew every Friday there was something coming, and again, we paid for that. We got feedback in an engagement survey a few years ago, they said, oh, here we go, another hostage lunch. And what they meant was, we used to have lunch and learns, and we'd say, basically, bring your lunch in, and we'll teach you something. And it turns out that folks wanna go for a walk on their lunch, or they wanna go see their friends, and if you want us to listen to this, if you want us to train, then why aren't you committed to paying us an hour of training to do that? That message came through loud and clear, so it's funny how the attendance has gone up by 100% since we told everyone we'd be glad to pay you for it, and we're glad to teach you. They're really well attended now.

Susan Quinn: That is awesome. And it's live each Friday, and then does it get recorded, so you have access to it if you happen to not be available at that time?

Kevin Fitzpatrick: Absolutely. Yeah. We record all of our training sessions because we have many folks that are out in the field. They might be on construction sites or so, and they just they can't stop at 10 in the morning, or you might have a client meeting. Whatever the case may be, we record everything we do as far as any of our training, and then they can go to that Benesch Learn site and watch it, and it tracks, and it gives them credit for all the sessions that they watch.

Susan Quinn: And I hear you talking about it's not just project management, time management, developing your leaders, but you said mental health. I mean, that is truly leveling up in all aspects of life, and you said it benefits us, not only benefits you professionally, but, you know, it's kind of hard to delineate between your personal who shows up and professional. I actually think this balances your one person, and if that one person is leveled up, then they're gonna be better in all aspects of it, so that's impressive. I would love to, if we can, the selection process of the 80 to 100 people that are part of Grow One, Two, and Three, at the one, you're developing those leaders, at the second level, you know, basically the same thing but they've got a 6 month curriculum, and then the Executive program, well, it's a smaller group, but it's a longer one year commitment. How do I get selected to be part of Grow One, Two, or Three?

Kevin Fitzpatrick: We push those decisions down to the local level. As a management team, we wouldn't know who should be in that Grow One program in Omaha, Nebraska, for, you know, most of the time spent in Chicago or in Nashville, Tennessee. So, we push it down to those local division managers, and they come up with a plan. And we know it's a limited amount for Grow One, Grow Two so they have to come and basically make their presentation to us to say why this person should be admitted into the program. And we balance it, we don't want — you know, we have different regions, we have the north region southeast and west, and we don't want 20 from the west, and only 5 from the north, so we look at it across the company to make it to make it equitable across the entire company, including looking at minorities being involved and making sure women — part of the whole program, DNI is part of the Grow Exec program, and understanding that and building an inclusive work environment. So, that's important, even in our selection.

Susan Quinn: Yeah. Kevin, you mentioned the faculty of your university that you've got people who are external experts. You mentioned some pretty prestigious schools, Duke and Indiana, and if you've got professors from those schools, you know, I think of MBAs or mini-MBAs, or the types of continuing education that we can get in in our day to day. But is it structured like an MBA or a master's program? I think you said a capstone project in there, too.

Kevin Fitzpatrick: Yeah, right, it really is, and so many of us, including me and my COO and CFO, we'd sit through some of these sessions and we're like, wow, we could have really used this. No one really prepares you to get to this level as much as we are trying to do now. But listening to some of these professors, it is really an abbreviated MBA, how to run a professional services firm, and the results and the feedback we got back from our leaders was just amazing. These educators, they know how to do it. It's not just us in there talking about business acumen. You know, this is a finance leader from Indiana, and it was hard, as a Purdue grad, it was hard for me to bring in anyone from Indiana to do this, but I gave in, and I'm so glad I did, because they were. They were really fantastic.

Susan Quinn: So, talk to me about the feedback. You've graduated your first class of leaders, and what were the big Aha moments for you. Well, I just heard one that you and other leaders listening to the curriculum and saying I wish I had this back in the day. So, you do have it today, and you are developing your leaders, but were there some major Aha's that came from the feedback that you weren't expecting?

Kevin Fitzpatrick: I think the biggest one was it did end in a capstone project, and they were supposed to take basically everything they've learned throughout the entire year and all these

different sessions, and we gave them a project that was real. You know, sometimes when you're training someone on value engineering or something else, you create a project and you say, hey, here's your challenge and come up with the solutions. In our case we actually presented them with organic growth versus merger and acquisition. Right? It's a real issue for probably many of the folks listening, you know, what's the best way to go? Because we would hear from some of these leaders, hey, there's a small firm here in Denver that we'd like to buy, or, you know, let's think about it. We're not a serial acquirer. We might do, you know, one a year or so, but they didn't really understand the impact, and how the money works, how with organic growth, how costly that is, if we just wanted to start up an office somewhere, so we challenge them to come back to us to say, hey where are the strategies more sound if you want to do an organic growth, and you plan on not winning a job for two or three years in a new locale where you're just starting out, or if you go in and you spend several millions of dollars and go into an area with some risk associated with it. So, this was something that they just love this. It was real, too. I think that's the main part is that they felt like they were truly helping us decide on how we're gonna continue to grow over the years, and they were. They worked on this project for months, and then they presented to the entire management team. We recorded it for board of directors, and they just did phenomenal jobs, but they had to use everything that they had learned throughout the year when presenting this to us. And I we heard from both of the teams, both capstone teams, that that really meant a lot to them. They felt like they were more engaged in the training because it was something that was ultimately going to be valuable to help the company.

Susan Quinn: Well, that's fascinating. I mean, a lot of MBA programs are based on case studies, so you can read about it and come together and get some Aha's , but if you are actually doing a project that is real for your company, yeah, I mean, growth happens, you can either increase your pricing or add products and services or organic growth, or yeah, M&A, but what do you have to think about in order to make that decision. So, your curriculum guides them through all of it, they have a capstone project that thinks through it, they feel a part of it. Did you have takeaways? Have they helped you solve anything, new ideas that come from these emerging leaders, or in the Grow Exec program?

Kevin Fitzpatrick: Throughout the programs, they gave us a lot of great feedback, not just necessarily on organic growth versus mergers and acquisitions, but great feedback even on things like onboarding, and how we needed to, onboarding doesn't end like the day or two after someone's hired. It's a process. It's check-ins, continual check, ins and all. And when they brought in things like that they had heard from folks in their divisions, it's just like the light bulb went off that while we really need to improve here, we need to turn around and create a whole onboarding process, again through HR. But it's things like that was just an example, but I think five or six items like that they came back with, and we created action items very similar to what we do when we get our engagement surveys back. We call them Ben Talks, but I would come back and have a Ben talk at lunch and tell everyone what the results of the surveys, you know, go through the whole survey, what items were taken action on, and when they can expect changes to be made. So, we think as long as you keep those communications going and let everyone know that they're actually contributing to the success of the company through their feedback, I think it makes everyone feel a lot better about what they're doing.

Susan Quinn: That is well said, and I think one of the operative things for our listeners—if your team is giving you feedback, and then you go silent, and they wonder why did you ask if you're not going to do anything with that information? You're listening, you're responding, you're communicating, you are investing in them, and that has got to be a retention strategy. That

certainly is, I'm guessing, worth the investment. I have no idea. There are man-hours, woman-hours, all of those hours, but there's got to be a financial side to this, too. Do you think it is worth the investment that you are making? [Laughs]

Kevin Fitzpatrick: [Laughter] I'm quite sure it is, and it is a big investment. I mean, everyone listening should know this it's not cheap. We're actually bringing in 400 people in late April with similar professors and educators. We're bringing them all into Chicago. It's a big number, it's a big investment. But for us, there's no better reward than seeing all the networking that's going on, the learning that's going on. Some folks say, there's always this saying like, well, what if we spend all this money and train all these people and spend all this money, and then they leave us. And the other way to look at it is what if you don't spend any of this money on training and development, and they stay with you. That always stuck with me, and I think that's the way I continue to look at the investment, but I think we see it in the turnover ratio. We see it in the culture, in the spirit of the company. It was something that, actually, you had written in a publication at Circle S that really hit me several years ago, and it may be why we're even still talking today was because it said that in our industry, you know, we all use the same computers the same software, you know, we're all doing the same thing. There's many companies that can do the same thing that we're doing. What the article said was the only thing that truly differentiates you from your competition is something that can't be easily copied, and for us the only thing that really couldn't be copied by our competitors is us, is our employees, and our employees responsiveness to their clients, and their pride in working for the company, and all those other things that we can change with training and building our culture and our brand. Those are the things that we could control, and we felt like, if we take care of our employees, our clients are gonna be taken care of very well. It really goes back to that, and that everything revolves around that. Make sure your employees know that you truly care about them and their development and their careers, and if they know that, they'll do just fine for you.

Susan Quinn: Yeah, well, it's our greatest asset. If we don't have a great team, then you can't have clients that are enjoying the journey, either. It starts if you will, at home, in guiding and directing those expectations. I have really enjoyed hearing about the success of this program. It sounds like you're gonna continue to make the investment in it and continue to grow your leaders. Let me ask you this as a final question. I know that we follow traits of high performing companies, and the one that is near and dear to me is this notion of bettering our best, you know, sharpening the pencil. Even if you think you're there, you just continue to do it better. What's on your list for bettering what you are doing? What are the things that you think about for the next experience or chapter for Benesch?

Kevin Fitzpatrick: Well, I, that's a good question. And I think if someone's even listening here, they're trying to be better. We're all trying to get better, and that's the way we're gonna be able to retain our employees and be able to recruit top talent. I think, in this industry, that you know, they say that there's gonna be more things changing in the next 5 years than in the last 30 with respect to artificial intelligence, and machine learning, and digital twins, and all these things that are really gonna be disruptive in our industry, and we just need to prepare people for change. You have to embrace it, and everyone was a little fearful of artificial intelligence when we all started going on ChatGPT and asking questions and seeing these amazing answers that were coming back, but ultimately our clients are still gonna need all of us to talk to, and we'll be more efficient with our work. Course we'll be able to get a lot more done for--we need to be able to figure out ways to be reimbursed for the value we're bringing, because it might not be as many hours as it was in the past, right? But our clients are still gonna value that. They're gonna value

our relationships and the work that we do for them. So, what we're really trying to do now is to prepare for the change and be ready to adapt. You know, a company of our size, we can't be cutting edge. We can't have a hundred people on research and development for these types of things, but you need to be ready to adapt as soon as some new technology comes in, and that's really what we're doing, we're trying to get this next level of our leaders ready to adapt and react and be responsive to changes and disruptors in our industry.

Susan Quinn: And they're everywhere. I say all the time we have to be comfortable being uncomfortable because change is a little bit like drinking from a fire hose, and if I read too many articles, then the whole branding, marketing, the world that I've known for almost 40 years is, what some say we're gonna be going away. I agree with you. It's a tool that will enable us to do some things a little more quickly, efficiently, but hopefully, nothing will replace the human connection, what we're doing here today, sharing best practices, and when that goes away, I guess it all goes away for professional services cause we're all in the same boat [laughter].

Kevin Fitzpatrick: [Laughter], yes, right. I'm quite sure it won't.

Susan Quinn: Yeah. Well, Kevin, thank you for your time. It's been a delight to have you.

Kevin Fitzpatrick: Alright. Thanks for having me, Susan. Good seeing you again.

Susan Quinn: Thank you.

Narrator: Thank you for being part of our best in class community, and until next time, keep bettering your best.

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