

VISTAGE

Member *Stories*

Sam Claassen, President & CEO
Short Elliot Hendrickson Inc. (SEH)
St. Paul, Minn.

At a glance

Role: President & CEO

Industry: Construction

Employees: 600

Vistage chair: Brian Davis

Company background

[Short Elliot Hendrickson Inc.](#) (SEH®) is an employee-owned engineering, architectural, environmental, and planning company. SEH serves government, industrial, and commercial clients with a wide range of capabilities: Airports, architecture, bridges, highway design, transportation planning and more. The company has 600 employees in seven states and 27 offices.

Within a few months of joining Vistage, SEH® president and CEO Sam Claassen, P.E. had already discovered the value in his membership. He wanted to integrate several key ideas gleaned from Vistage speakers into the operations of his company.

Jim Alampi—author of *Great to Excellent*—was the first speaker Sam heard as a new Vistage member, and it was the author’s central idea of a one-page execution roadmap that he brought to SEH. The company also co-opted elements of another strategic plan methodology made popular



by the book *Traction*, by Gino Wickham. SEH’s strategic planning process is a hybrid of both systems. Said Sam, “We’ve used it for two years; the leadership team understands it and is comfortable with it.”

Hearing the speakers is high on Sam’s list of what he likes most about Vistage, but it’s not his top reason. “The best part of Vistage for me is my one-on-one meetings with my Chair Brian Davis,” he said. What Brian provides for me, is that monthly coaching meeting with somebody I can talk to,” Sam explained. “We have similar values, both within business and outside of business. He’s somebody I can trust.”

Brian was recommended to Sam by Cindy Marsh, a former CEO of Personnel Decisions, Inc. (The company where Brian had also held several high-level posts). Sam liked the idea of meeting with a group of like-minded CEOs—in his personal life he had been meeting with a group of people for

more than 30 years, and Vistage seemed a lot like that.

As a CEO Sam said he has to have his guard up. He simply can't talk with employees the same he can with an external coach. "Brian and I have gotten to know each other over two years," Sam yielded.

With 600 employees, SEH is one of the larger companies in Brian's CEO group of 16 to 18 leaders. Regardless of company size many of the issues raised in the group ring true for Sam, and what he's dealing with at SEH.

Strong growth

SEH's biggest challenge is growth—and that's the one thing he and his team members are focused on. "We turned the financial corner three years ago, and the last two years we've performed very well," Sam said. "The first half of this year looks like we'll perform very well, also," he added.

Growth for the engineering firm could receive a turbo boost from the country's aging infrastructure that will have to be replaced—bridges, roads and sewage systems eventually breakdown. Report cards that keep tabs on the nation's infrastructure continually give it a failing grade, and SEH could be a benefactor of the coming building boom predicted by economists.

SEH specializes in building airports, structural design—bridges and buildings, transportation projects, and water treatment and waste water treatment projects. "We design streets and sewers; and we do subdivisions and city planning," shared Sam. Civil engineers make up the largest discipline of engineers the company hires.

Employee engagement improves performance

Another challenge for the firm is a shortage of good engineers. "We are experiencing that now," Sam said. "We have a hard time finding people with five-to-10- years' experience. It's like the economy took them out," he offered.

Additionally, Sam said people with 20-years' experience are even harder to recruit. "And our engineers are being poached by competing firms," he shared. For this reason, employee engagement is a top priority for SEH. Sam hired Vistage speaker and employee engagement expert Don Rheem to meet with his team. "We took up employee engagement in a big way," said Sam. "Don's message was engaged employees are more productive. They perform significantly better," said Sam.

SEH had Rheem's consulting firm perform an employee engagement survey, analyze the results and train his team to address deficiencies. "The survey revealed we needed to do a better job with the employee-manager relationship. That's where the heart of employee engagement comes from," Sam explained. As a result of the survey, SEH sent its managers through training and coaching to build the skills that would help improve the employee-manager dynamic.

The engineering industry, like other industries, is under pressure to consolidate in a race to grow. "Our competitors are getting bigger and bigger and bigger," Sam said. Not to be outplayed in the expansion trend, SEH just announced its own merger with Yaggy Colby, an engineering firm with eight offices in Iowa, Wisconsin and Minnesota. Combined, the merged firms will have 30 offices (the merger will be finalized June 2014).

Change is one of the reasons Sam will keep his Vistage membership. The opportunity to hear predictions from economist Brian Beaulieu at the Vistage All-City event, for instance, provide him with the market intelligence to better guide his company. Sam said it was the overall Vistage experience he thrives on. “It’s caused me to do things differently. I’ve found new sources of information that I just wouldn’t have had,” he said.

Sure, Vistage takes an investment in time. “It’s hard to carve out eight hours,” said Sam. “But I think I’ve gotten several good ideas from Vistage in the course of a year. One good idea takes that investment of time and money and you get a huge return,” he explained.

“There's a big value there. In effect, it changed my life.” **V**