

Wanted: Good team players

Mark Zweig offers six examples of employees who refuse to play with others, resulting in a rotten environment.

Someone could be technically competent, a hard worker and honest but still not be defined as good IF they cannot work as part of a team.



Mark
Zweig

EDITORIAL

Good people are hard to find when it comes to employees – always have been and probably will always be.

I'll tender a very wide-ranging definition for "good." Good means you have the technical skills required to do your job. It also means you have the other attributes – such as a strong work ethic and honesty. But even then, someone could be technically competent, a hard worker and honest but still not be defined as good IF they cannot work as part of a team. Good must include being able to work with everyone else inside and outside the firm without alienating them.

Good team players don't:

1) Think everyone around them is stupid. Odds are they aren't all stupid. We have a pretty smart group of people working in this industry. If your attitude is that you are smarter than everyone else, it will come out and you'll alienate your co-workers.

2) Express negativity toward other teammates in front of co-workers. This is especially destructive when the person expressing negativity is an established leader or manager. It's poisonous and may prejudice certain employees toward other employees.

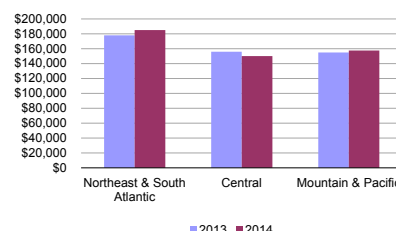
See MARK ZWIG, page 2

ALSO INSIDE

- AWARDS: The No. 1 Hot Firm: Cardno. Page 5
- BRAND BUILDING: Bigger is not always better. Page 7
- HR: Making employee surveys work. Page 9

TRENDLINES

Top salaries



Firm leaders at engineering firms in various U.S. regions continue to see fluctuations in base salary from year to year, according to ZweigWhite's 2014 Salary Survey of Engineering Firms.

In the Central region, for example, the median base salary for CEO/President decreased from \$156,000 last year to \$150,000 this year. Meanwhile, CEO/President in the Mountain & Pacific region saw only a slight increase, from \$155,000 to \$157,000.

And, in the Northeast and South Atlantic region, the CEO/President's median base salary increased from \$178,032 last year to \$185,000 this year.

– Margot Suydam, Survey Manager

FIRM INDEX

Cardno	5
EVstudio	3
Farnsworth Group, Inc.	11
HC Structural Engineering, Inc.	3
Integrated Design Group	12
Kimley-Horn and Associates, Inc.	12
KMD Architects	12
LJB, Inc.	9
Modative	4
Pennoni Associates	11
Southern Civil Engineers, Inc.	12

FOCUS ISSUE

ENTREPRENEURSHIP

The design entrepreneurs > Big dreams; tight budget

Pages 3, 11

A/E BUSINESS NEWS

CONSTRUCTION ADVANCES: The value of new construction starts increased 5 percent in October to a seasonally adjusted annual rate of \$585.6 billion, according to McGraw Hill Construction. The gain followed a 13 percent jump for total construction starts in September, and during both September and October much of the upward push came from groundbreaking for several very large projects.

By sector, nonresidential building surged in October, aided by the start of three massive manufacturing plants, and residential building resumed its upward track after a September pause. Although non-building construction in October settled back from its elevated September pace, the decline was cushioned by the start of structural work valued at \$2.8 billion on the Tappan Zee Bridge replacement project in New York. During the first 10 months of 2013, total construction starts on an unadjusted basis came in at \$433 billion, up 4 percent from the same period a year ago. If the electric utility category is excluded from the year-to-date statistics, total construction starts for the first 10 months of 2013 would be up 13 percent.

The October data lifted the Dodge Index to 124 (2000=100), compared to 118 in September and the highest reading for the Index so far in 2013. During the first eight months of 2013, the index had stayed within the fairly narrow range of 99 to 107, but the most recent two months have seen the Index climb substantially.

"The levels of activity in September and October reflected the impact of several large and unusual projects, so a slower pace can be expected going forward in the near term," said Robert Murray, chief economist for McGraw Hill Construction. "At the same time, October's data did include positive signs that the underlying upward trend for construction is likely to continue, even amidst the greater uncertainty caused by the 16-day government shutdown last month. For nonresidential building, more manufacturing-related projects are reaching groundbreaking, the commercial structure types are moving upward, albeit unevenly, and the educational building category is providing more evidence that it's stabilizing after a lengthy decline. Residential building in October showed its resilience with a modest

gain after losing momentum in September. And, while public works is vulnerable to federal spending cutbacks, it continues to benefit as major projects that have been in the planning pipeline are now reaching the construction start stage."

- Nonresidential building in October climbed 20 percent to \$216.9 billion (annual rate).
- Residential building, at \$209.5 billion (annual rate), increased 3 percent in October.
- Nonbuilding construction dropped 6 percent in October to \$159.2 billion (annual rate).

ABI SLOWS: Following three months of accelerating demand for design services, the Architecture Billings Index reflected a somewhat slower pace of growth in October. The American Institute of Architects reported the October ABI score was 51.6, down from a mark of 54.3 in September. This score reflects an increase in design services (any score above 50 indicates an increase in billings). The new projects inquiry index was 61.5, up from the reading of 58.6 the previous month.

"There continues to be a lot of uncertainty surrounding the overall U.S. economic outlook and therefore in the demand for nonresidential facilities, which often translates into slower progress on new building projects," said Kermit Baker, AIA chief economist. "That is particularly true when you factor in the federal government shutdown that delayed many projects that were in the planning or design phases."

As a leading economic indicator of construction activity, the ABI reflects the approximate nine- to 12-month lead time between architecture billings and construction spending.

Key October ABI highlights:

- Regional averages: West (55.9), South (54.4), Midwest (51.6), Northeast (49.7)
- Sector index breakdown: multi-family residential (57), commercial/industrial (53.7), mixed practice (53.2), institutional (50.2)

MARK ZWEIG, from page 1

3) Refuse to communicate with other people because they don't like them. This creates inefficiency in communications and causes many problems when other people don't get the information they need, either in its original form or quickly enough.

4) Exhibit passive-aggressive behavior toward their managers or other co-workers. For example, an employee makes a mistake on some task that is gently brought to their attention. The response is not to try harder or do better the next time but rather to refuse to ever do the task again and instead make someone else do it. Completely unacceptable behavior.

5) Have an immediate negative reaction toward any change. Change is essential today in business. The

rapid ability to morph and modify your offerings quickly in a changing market may mark the difference between surviving and thriving or falling by the wayside. Not to say all change is good, but change initiatives from credible people inside the organization should be fully considered, versus summarily rejected.

6) Hog all the credit and quickly pin the blame on subordinates. If someone who works for someone else screws up – guess what? It's the boss' problem! The supervisor is responsible. Glory-hounding and the blame game turn everyone else off – people who need to be worked with.

Good team players – you cannot ever have enough of them. ▲▲

MARK ZWEIG is the chairman and CEO of ZweigWhite. Contact him with questions or comments at mzweig@zweigwhite.com.

THE ZWEIG LETTER

**38 West Trenton Blvd., Suite 101
Fayetteville, AR 72701**

Mark Zweig | Publisher
mzweig@zweigwhite.com

João Ferreira | Managing Editor
jferreira@zweigwhite.com

Christina Zweig | Contributing Editor
christinaz@zweigwhite.com

Liisa Sullivan | Correspondent
LiisaS66@gmail.com

Tel: 800-466-6275
Fax: 508-653-6522
E-mail: info@zweigwhite.com
Online: www.thezweigletter.com
Twitter: twitter.com/zweigwhite
Blog: zweigwhite.blogspot.com

Published continuously since 1992 by ZweigWhite, Fayetteville, Arkansas, USA. ISSN 1068-1310.

Issued weekly (48 issues/yr.). \$475 for one-year subscription, \$775 for two-year subscription.

Article reprints: For high-quality reprints, including Eprints and NXTprints, please contact The YGS Group at 717-399-1900, ext. 139, or e-mail TheZweigLetter@TheYGSGroup.com.

© Copyright 2013, ZweigWhite. All rights reserved.

PRACTICE

The design entrepreneurs

Architects and engineers are business starters by nature, but what leads them to set out their own shingle?

By LIISA SULLIVAN
Correspondent

What drives people to risk professional security and start their own firms?



Dean Dalvit,
Principal,
EVstudio.

In the case of Dean Dalvit, principal, **EVstudio** (Evergreen, CO), a 40-person firm that provides architecture, engineering, planning and other design services, it was the urge to create a more collaborative design process. Dalvit, who is an architect and an engineer, felt that he could create

better architecture and make a greater impact on the built environment if he could build a multidisciplinary team that would work together on projects.

IMPACTING THE ENVIRONMENT THROUGH COLLABORATION. “The team we’ve assembled functions like a well-coordinated orchestra,” Dalvit says. “We collaborate in all disciplines concurrently as opposed to how the traditional model works, where the architect hands off his work to the next consultant in a linear fashion – like a symphony, where each instrument plays its part separately. The challenges of the traditional model were aggravating when working in other firms and I knew there was a better way to do it.”

Dalvit started EVstudio in his basement as a sole proprietorship. He began

to build his portfolio from small projects, offering architecture and engineering services.

“Being dual licensed, the synthesis of A/E has always been in my wiring and it’s difficult for me to separate disciplines the way that is commonplace in our industry,” Dalvit says.

Today, only seven years later, after adding partners and staff, EVstudio has a team of nearly 40 professionals in all disciplines – architecture, structural, mechanical, electrical, civil engineering, landscape, planning and even surveying.



Humza Chowdhry,
principal,
HC Structural
Engineering, Inc.

“Our company values stress the importance of team and collaboration in our work and our projects run smoother, are better coordinated and the overall result is better architecture,” Dalvit says. “We’re making the greater impact that I had originally envisioned.”

MAKING LEMONADE FROM LEMONS. For Humza Chowdhry, principal, **HC Structural Engineering, Inc.** (Daly City, CA), a six-person firm, the reason for starting his firm sprung from necessity, but the road there was an interesting one.

First, when he was 25, the president of the firm he was working for at the time



Derek Leavitt, Christian Navar and Michael Scott, founders of Modative.

TIPS ON FORMING A FIRM

Wanna set out on your own? The Modative team offers the following seven tips on how to start an architecture firm:

- Be cheap
- DIY
- Get advice
- Learn from the bad
- Start and stay small
- Stay flexible
- Plan it out

To read the tips in detail, visit their architecture blog at: www.modative.com/modern-architects-blog/bid/28464/How-to-Start-an-Architecture-Firm-Introduction.

was about to lay him off at the end of a Friday work day. Layoffs had been common in the firm for the previous four months, and now it was his turn.

“It started off as a disappointing conversation, but fortunately, two hours later, when I laid out my ideas for ways to improve the business and get more work, my sudden layoff turned into another job position. He asked, ‘How would you like to run the structural department?’ I thought he was joking. There was no way a guy like me could manage my mid-40-year-old boss and have the tables switched. He told me to get rid of that mindset and said that I

See ENTREPRENEURS, page 4

NEWS

LEED v4 launched at Greenbuild

Encourages and accelerates global adoption of sustainable green building.

L EED v4, the newest version of the LEED green building program, launched Nov. 20 at the annual Greenbuild International Conference and Expo in Philadelphia, the U.S. Green Building Council announced.

LEED has revolutionized the marketplace since 1998 as the benchmark for the design, construction and operation of high-performance green buildings. LEED v4 builds on the fundamentals of previous versions while offering a new system that prepares all LEED projects in a portfolio to perform at a higher level.

“LEED v4 is a quantum leap for LEED,” said Rick Fedrizzi, president, CEO and founding chair, USGBC. “Over the past 15 years, LEED has fundamentally revolutionized how we design, construct, operate and maintain our buildings and communities. LEED has created a completely new industry of business enterprise committed to energy savings and efficiency. LEED v4 is as much a testament to the achievements of LEED project teams around the world as it is to the green building community’s ambition to create significant global and local change through resource-efficient, cost-effective green buildings.”

LEED v4 encourages and accelerates global adoption of sustainable green building and development practices through the creation and implementation of universally understood and accepted tools and performance criteria. Already, 122

beta projects from around the world are using LEED v4. Highlights of LEED v4 include:

- **New market sectors.** New market sector adaptations for LEED include data centers, warehouses and distribution centers, hospitality, existing schools, existing retail and mid-rise residential projects.
- **Time saving support tools and resources.** Simplified LEED credit submittal requirements, descriptive step-by-step reference guide materials with videos and tutorials, and a more intuitive technology platform.
- **Building performance management.** LEED v4 is focused on outcomes so that building owners have a better understanding of how to manage their buildings to meet full performance potential.
- **New impact categories.** Climate change, human health, water resources, biodiversity, green economy, community and natural resources.

“LEED v4, at its core, provides insight into the synergies within the building system, providing solutions for optimizing performance, and ultimately achieving better environmental, economic and social outcomes in our buildings,” said Scot Horst, senior vice president of LEED, USGBC.

The first LEED v4 project certifications were recognized at Greenbuild: the Haworth Beijing Organic Showroom achieved LEED v4 Gold. Located in Beijing, China, this project certified its commercial interior space. 1800 K St. in Washington, D.C., was awarded LEED v4 Silver. This project was certified as an existing building. ■■

ENTREPRENEURS, from page 3

could do it. It was then that I realized that somebody saw more in me than I saw in myself,” Chowdhry says.

That was Chowdhry’s pivotal moment in life. He realized that the things he wanted to do in business would not be possible working for someone else. Climbing up the corporate ladder while having everyone above you stomp you down was not the way he wanted his life to be.

“I needed a Plan B considering that I had been laid off twice in three years after I graduated college,” he says.

It was then that Chowdhry decided that with his ideas, work ethic, ability to communicate, and well-honed customer service skills, he could do better than the competition.

“I branded myself much differently than a ‘normal’ 25-year-old starting an engineering company might do,” he says. “I spent money where I knew the face of my company would look professional and age would not matter. That’s how I created HC Structural Engineering Inc. – with the belief that the younger generations have the power and energy to cre-

ate exceptional results, and to give opportunities to others who want to excel without having the politics of a typical work environment. I wanted to be my company’s best friend, not enemy. That’s why I recruited people who I felt aligned with this goal.”

THREE’S COMPANY. What began as a low-budget operation in one of the founder’s basements has now become a successful young architecture firm that is known as much for its founders’ unique styles of management and marketing as for their modern urban design savvy. **Modative** (Los Angeles, CA), a 10-person firm, was founded by three friends – Christian Navar, Derek Leavitt and Michael Scott.

“I realized that as many architects were struggling to find employment, others were deciding that the only way to get back into the game was to start their own firms. And so, in 2006, Modative was born,” Leavitt says.

All three men had worked in the industry prior to their collaboration and each brought different skills to the table. Scott is the technical guru, Leavitt is a collaboration expert and Navar is a design visionary. ■■

AWARDS

The No. 1 Hot Firm: Cardno

Growth stems from aggressive acquisitions strategy, but that isn't the whole story.

By CHRISTINA ZWEIG
Contributing editor

How does **Cardno**, an Australian-based professional infrastructure and environmental services company and the number one firm on **THE ZWEIG LETTER** Hot Firm List for the third year in a row, achieve so much sustained growth?

As general manager of Cardno Americas Region, headquartered in Portland, Ore., Paul Gardiner leads over 4,800 staff across 220 offices in North and South America. During his tenure, Gardiner has overseen the growth of operations in Latin America from 150 to 600 staff members and has diversified service offerings to include infrastructure design in the areas of hydropower, transportation and water/wastewater. In the U.S., he strengthened Cardno's capabilities in the oil and gas, mining and natural resource management sectors.

Cardno's American operations have grown primarily through acquisitions and the company specifically targets potentially successful markets.

"Some people think that growth is quite scary and that you must become a big bureaucratic beast. We've proven that growth can be quite positive. There's fear associated with growth, and we spend time helping people see that it doesn't have to be that way," Gardiner says.

CAREFULLY VETTED TARGETS. Cardno's growth strategy employs a good deal of M&A activity, presenting some unique challenges. The firm's success in this area depends upon careful vetting of potential partners to ensure they will be compatible, then later providing "responsible autonomy." Cardno also has a "no wanker rule," which basically means they don't want to deal with people they feel will not be reasonable.

"We learn things from each deal," Gardiner says. "Things have gone well financially, sometimes not so much financially but brought other things to the firm... I could count on one hand the deals out of 50 that I wish we hadn't done."

Specific factors play into each of the acquisitions that haven't gone well.

"We broke the 'no wanker rule' with one of them, one



Paul Gardiner,
General
Manager, Cardno
Americas Region.

"Some people think that growth is quite scary and that you must become a big bureaucratic beast. We've proven that growth can be quite positive."

of them I inherited," Gardiner says. "Sometimes you misjudge how much goodwill is with the leader. There's been few failures but each time we have learned a valuable lesson. As we get larger we are doing larger and larger acquisitions – that will get more difficult but so far we have gotten pretty lucky."

COMMUNICATION, EDUCATION. Other keys to success include a system infrastructure that optimizes the flow of information among staff and also between staff and clients. Additional opportunities for staff are available through the firm's education program, Cardno University, and the firm also has special groups, including Women in Cardno.

In 2013, Cardno achieved an improvement in their lost time injury frequency rate and total recordable injury frequency rate as a part of the Zero Harm program. The program responds to the changing needs of the business and clients, and provides managers and staff with resources to fulfill their roles and responsibilities with regard to safety.

DOING GOOD. The commitment to be socially responsible extends beyond Cardno's growth and internal strategy. A major cultural trait underpinning Cardno's success is the firm's unwavering commitment to improve both the physical and social environment. Be it by sporting moustaches for the month of November, or a design project in Maputo, Mozambique, the firm puts forth a good deal of effort to support outside causes that benefit society.

In Maputo, Cardno is establishing a new city development vision to leverage rich historic and historical assets, and raise the livability and economic vitality of a city of 2.5 million. Cardno is also responding to violence against women in the Porgera Valley (Olgeta Meri Igat Raits) of Papua New Guinea. The firm deployed a team of project officers and legal expertise experienced in dealing with gender-based violence and human rights to the area.

Despite its large size, 8,000 people, 290 offices in 85 countries, Cardno has a remarkably close-knit culture, emphasizing that everyone "owns" the outcomes of the whole company. Gardiner says the company always tries to include, not alienate, people, provide a great work environment, and create excitement through growth opportunities. Above all else, Gardiner says that people at Cardno understand that "the whole is greater than the sum of its parts." ■▲

The technology X factor

How to gain a competitive advantage through technology.

With technology changing so fast these days, it is both challenging and expensive to try and keep up. Unless we want to replace our phones, servers, laptops, software and office equipment every year, we have to do the best with what we have for a few years at a time. The challenge comes with annual updates, faster processing speeds and new operating systems.

How do we ensure we are keeping up and helping our employees to be efficient without breaking the bank and spending our entire lives in training? And how about the many challenges that we didn't even have to consider a few years ago when trying to manage and control IT practices within our firms?

Some of these new challenges include:

- Bring your own device (BYOD) – many employees have their own tablets and phones
- Social media – how do we use and monitor it?
- Inbound marketing – managing your firm's online presence and brand image has changed dramatically in the last few years
- Site engine optimization (SEO) – getting found on the web
- Cyber security – fighting viruses, hackers and employee sabotage
- Cloud computing – replaces in-house servers with applications and data accessed over the Web
- Software as a Services (SaaS) – a licensing model where you lease, rather than buy, software and the IT is provided and managed outside of your company
- Managed/outsourced IT services – many firms are outsourcing all of their IT services, rather than managing internally
- Remote employees – many firms allow employees to work at home, creating connectivity challenges

The following are some best practices related to purchasing, managing and implementing technology in your firm. Knowing where and when to spend money and how to get the most from your investments is the key to having a competitive advantage, and getting the biggest return on investment from your asset purchases.

DEVELOP AN IT STRATEGY. Many IT guys spend their days fixing problems, reacting to emergencies and configuring servers and software. They don't have the time or resources to become a strategic asset to their firm's annual



June Jewell

GUEST SPEAKER

strategic planning. Just as you must decide what markets and services your firm will offer, you should also plan how your firm will achieve its strategic growth initiatives by utilizing technology to improve employee performance, marketing processes, project management, and decision making.

This will involve looking at your AutoCAD investment, whether you will upgrade servers or move your systems to the cloud, and how your firm will stay on top of projects to avoid budget overruns. Every area of your business can be improved using technology and to determine what assets to invest in and what to wait for, you must do research and strategically plan ahead for substantial acquisitions. While buying new software and systems can make your firm more efficient and easier to manage, it requires careful thought, and implementation and training investments to make it successful.

UNDERSTAND THE TRUE COST AND ROI.

Many firms base their decisions to buy technology on the visible upfront cost without consideration of the true cost of buying

See JUNE JEWELL, page 8

Looking at your system and related processes every year, and having a clear plan for continuous improvement is what gives the most productive and fastest growing firms the true X-factor and competitive edge.

Bigger is not always better

Proving you are the right firm for the job takes more than a long résumé.

Many readers of this newsletter find themselves in an almost daily struggle for relevance in the A/E/P marketplace. We are constantly fighting commoditization of our services and trying to set ourselves apart in selection processes that shortlist firms that are strikingly similar. Our industry constantly battles an identity crisis. How do we set ourselves apart and truly bring merit to the “most qualified firm” selection processes?

Interestingly, the firms that struggle the most with this are often those that have been in business the longest and have the longest résumé. Sometimes, the newer, less-established firms are more entrepreneurial and more creative in finding unique ways to prove they are the most qualified for a certain project. They do this with a résumé a fraction the length that of other competing firms, not a long track record of success and a brand name that may not be well recognized. Sometimes small firms are better at creating unique value propositions because they cannot rely on a lengthy résumé. They know that if they are going to win, they have to come up with compelling benefits to the client that compensate for a lack of experience and a shorter résumé than the competition.

I recently visited a client I was helping improve win rates on interviews. They recounted a recent loss that they had that started with being ranked highest in the first round, only to lose the shortlist round to another similarly sized local firm. I quizzed them as to why they thought they lost and their response was, “It was their project to lose. They have a bigger résumé of that type of work than we do.” As the words were coming out, I found myself tuning out and instead pondering how many times I have heard firms use that phrase. I told them the story I recently heard about a firm in a city where that firm was considered the local architecture firm. This firm has worked for a local, but large and prominent university for many years. When this university was soliciting architects to design their new student union, this local architecture firm found itself competing against the largest architecture firms with the biggest résumés of institutional projects in the country.

When the shortlist was announced, this small architecture firm was shortlisted with a national architect known as the expert in student unions for higher education institutions. After being told by an insider they could not realistically compete with this large national firm, the small firm owner got creative. He instructed several of his junior staff members to go on campus and interview students for two days, asking questions about what they wanted in



Chad
Clinehens

BRAND BUILDING

a student union; ranking the importance of features of a student union; and gathering intelligence on what makes a student union valuable to a college student. At the interview, the “theirs to lose” prominent firm presented their typical but extensive credentials. The small, local firm presented their approach, which included their ability to design all the features that were favored by their extensive research with students at the university. Well, that small local firm won the project. They won by proving they were the experts on student’s preferences and that they could use those preferences to design a great student union.

It is an inspiring story, but even more, it is a testament that creative and unique approaches to proving knowledge and expertise can win any project. Even a project that is “someone else’s to lose” can be won by creative thinking and action. A large and impressive résumé does not always mean “most qualified.” For all of small or mid-sized firms out there getting lost in the sea of competition, be inspired and create a brand for yourself that makes you the best choice for the projects you want the most.

See CHAD CLINEHENS, page 8

Even a project that is ‘someone else’s to lose’ can be won by creative thinking and action.

CALENDAR

BECOMING A BETTER SELLER: Could every person in your firm describe your services in a succinct and persuasive way that demonstrates what sets you apart from the competition? It's not enough to have the technical expertise to complete projects, you need seller-doers who can convey excitement and tailor the message for the audience. Everyone is not a born seller, but everyone can learn how to be more effective at capitalizing on opportunities, creating business, marketing, and promotion.

That's why ZweigWhite developed a one-day program that will help anyone who could possibly be involved in selling and who wants to be more successful and increase their value to their employers – design and technical professionals as well as marketing and business development professionals, principals, managers, architects, engineers, planners, scientists, surveyors, designers; anyone who wants to know more about selling.

Becoming a Better Seller was specifically developed to help design and technical professionals in architecture, engineering, planning, and environmental firms become more comfortable dealing with clients and promoting the firm and your services. Seminars will be led by Mark Zweig, ZweigWhite CEO and chairman, or Chad Clinehens, executive vice president, ZweigWhite.

Here's what attendees will learn:

- What's different about business development, marketing, and selling
- Dispelling the myths about selling
- How to overcome "sales reluctance"
- A practical system of targeting and specialization
- Techniques for dealing with obstructions
- Proposals that get noticed
- Presentations that get the job
- The client-centric approach
- Building a personal brand

Seminar dates scheduled for 2014 include Feb. 6 in Orlando, Fla., Feb. 7 in Atlanta, March 6 in San Diego, March 7 in Dallas, April 10 in Cincinnati, Ohio, and April 11 in Washington, D.C.

Group discounts are available for teams of four or more attendees from the same firm. Please call 800-466-6275 or log on to www.zweigwhite.com/seminars/better_seller for details.

JUNE JEWELL, from page 6

software and hardware, and the annual ongoing costs to maintain, service, upgrade, and improve these assets.

Every minute that your staff wastes trying to make technology work is costing your firm money. A great example of this waste is having multiple redundant databases and Excel spreadsheets that have the same data in them. Every time your employees have to look for information, enter data in more than once place, or export data to a separate spreadsheet for reporting, they are wasting precious time, and your money.

Your employees are your most expensive assets – software is cheap compared to your payroll. Software can make all of your staff more efficient at their jobs, and help provide them with timely information to manage projects and make better decisions. If you analyze and calculate the annual cost of a good software system versus hiring a person to do the same work, you will see that your people are costing you much more – especially if their time is not productive.

TECHNOLOGY ALONE WILL NOT SOLVE YOUR PROBLEMS. The reason most firms fail at implementing systems is a lack of a structured plan and strategy for how the system will be implemented and used. Regardless of whether you are implementing a new phone system, AutoCAD upgrade or enterprise resource planning (ERP) system, many factors go into making a system implementation successful, including the following crucial components:

- Clear, concise and measurable goals for the system in six-, 12- and 18 months
- Detailed project plan for implementation
- Executive buy-in and commitment to change
- Assistance from technology experts/consultants
- Training and roll-out plan for the staff

- Well-thought-out processes as to how the system will be used and integrated across all the groups and stakeholders in the company, including clear documentation
- Accountability plan and structure for measurement of goals and ROI

While technology can give your firm the tools you need to grow and take your profitability to the next level, it can fail if not planned and implemented carefully. And keep in mind that the implementation does not stop when you "go live." Looking at your system and related processes every year, and having a clear plan for continuous improvement is what gives the most productive and fastest growing firms the true X-factor and competitive edge. ▀▀

JUNE JEWELL is the author of the book "Find the Lost Dollars: 6 Steps to Increase Profits in Architecture, Engineering and Environmental Firms." She is the president and CEO of Acuity Business Solutions, an award winning Deltek Premier Partner focused on helping A/E firms and government contractors find opportunities, win business, deliver projects, and increase their profitability. Read more tips for A/E firms at her blog at www.AcuityBusiness.com/blog.

CHAD CLINEHENS, from page 7

My challenge to all A/E/P firms is to break the tendency to focus so much on experience and start focusing on what makes you most valuable to your clients. Stop comparing yourself to your peers on the basic qualifications of experience, expertise, size, and history. Instead, define the issues that are most important to your clients and then spend time coming up with unique ways to prove your worth. Stop spending valuable time during the proposal and interview process tweaking résumés and re-writing content that is often overlooked by your clients. Stop trying to look like the oldest and biggest and instead start looking like the smartest. ▀▀

CHAD CLINEHENS is ZweigWhite's executive vice president. Contact him at cclinehens@zweigwhite.com.

RESOURCES

Making employee surveys work

No matter the format or the method, they need to be taken seriously to be a valuable resource.

By LIISA SULLIVAN
Correspondent

Some firms do them; others don't. So, just what is the value of conducting an internal employee survey? Why should you do one? How can you make the most of the findings?

We looked to one firm and two HR consultants to get answers.

Terri Swain of the HR Consultant, LLC in Fort Worth, Texas, says that internal employee surveys should be used when an organization wants to get the opinion of its employees – typically for employee satisfaction on various aspects of working for the organization: culture, compensation, benefits, upward mobility, onboarding, etc. If there is a particular problem that the organization is facing, such as high turnover or diversity issues, the survey can help the organization understand the problem better. Some employers even include exited employees in their surveys.

Swain says that these surveys can be extremely valuable, especially when they are done on a regular basis (i.e., annual) so that when changes are implemented, they can be measured.

TAKE RESULTS SERIOUSLY; GOOD IDEAS WILL FOLLOW. Laurie Iulig, human resources manager, **LJB, Inc.** (Cleveland, OH), an 85-person innovative facility and infrastructure design firm, says that internal employee surveys should be used to solicit current feedback regarding leadership, strategy, organization and communications. This information should then be used to improve the firm.

"We've found the information that we collect from internal surveys to be in-



Laurie Iulig,
HR Manager,
LJB, Inc.

valuable," she says. "Lots of good business ideas have come from these surveys, as well as suggestions for improvement. Sometimes employees (especially engineers) are introverts, and not always comfortable speaking up. Surveys can help give these types of employees a 'voice' in raising their concerns or suggestions."

"We've found the information that we collect from internal surveys to be invaluable."

Anytime you conduct a survey, it's important to do it with the full intention of addressing concerns, be willing to make changes, and when appropriate – implement new ideas.

"I think when our employees see that LJB takes the results of the surveys seriously, and then sees us make changes based on the feedback, they are more than willing to keep the new ideas coming," Iulig says. "Surveys also provide a good measurement of how we're doing as an organization in meeting our goal of making sure LJB is a wonderful place for employees to work and build their careers."

FEEDBACK DICTATES FORMAT. Iulig believes that the distribution method used for employee surveys should match the type of feedback being solicited. For instance, when it solicits feedback regarding organizational issues such as leadership and communication, she recommends using a third party to do the survey. This way the responses can be kept anonymous; this is important if you want the truth.

Swain agrees. She says that surveys must be taken confidentially.

"I've worked with companies where someone in higher management wanted to know, 'WHO SAID THAT?' There should never be a way for them to find out," she says.

On the other hand, if you're looking for suggestions on ways to improve a process, or amenities provided in an office, Iulig says that something a little less formal may be the way to go, especially when you want to recognize those who make suggestions.

Andrea Herran, owner and HR consultant, HR Focus in Barrington, Ill. adds that surveys should be distributed in a way that will ensure the greatest amount of participation – paper, email, electronic (web-based survey programs), a kiosk, etc.

"It depends on where your employees are and their access to different means of responding. For example: if only 20 percent of your staff has access to a computer at work, you may want to consider another way to distribute or provide the means," she says.

COMMUNICATE AND IMPLEMENT CHANGE. Swain says that the best employee surveys should have some kind of follow-up, such as communication back to the employees that includes what the organization heard and what plans for changes might be coming. She cautions, however, that companies should not overpromise and under-deliver.

She adds that a firm should also not conduct a survey if it does not plan to listen to its employees and actually implement changes.

"The best companies follow-up employee surveys with focus group feedback if they need to deep dive into a particular issue," Swain says.

See SURVEYS, page 10

ON THE MOVE

HLW APPOINTS: **Edward Shim**, principal and newly appointed director of architectural design for **HLW International's** New York headquarters office, will lead team efforts to broaden the architecture and interior design firm's award-winning mixed-use efforts.

Shim brings to the position more than 15 years of experience in architectural practice in the United States, Europe, the Middle East and Asia. Through Shim's leadership, HLW has transformed locations throughout the New York metropolitan area with dynamic mixed-use spaces, such as the expansion of Hofstra University's medical school, automotive showrooms for BMW, and a 45-story tower in the Liberty Harbor North section of Jersey City.

"Architecture often becomes a balancing act, between design and technology, between evolving requirements for the building and for the spaces contained within it. I'm constantly working on being a 'complete' designer," Shim said.

Shim sees the HLW architectural design group as capable of multi-faceted, multi-dimensional responses to design challenges. "What we do goes beyond taking on a profession. It is an evolving role of managing people, time and finances, all while fulfilling not just our desire or vision as designers, but also that of our clients. All of these varied objectives are understood through one overarching goal – to positively impact the cityscape with quality architecture."

CTLGROUP HIRES: **Timothy Martin** has joined **CTLGroup** (Chicago, IL), a 115-person consulting engineering and materials science firm, as a principal engineer in the firm's Materials Consulting Practice. Martin is a recognized pavement expert specializing in the analysis and problem solving of pavement performance. Based in the Austin office, Martin will lead the project management, marketing and quality assurance of pavement consulting services across the globe.

"Tim brings industry leading expertise in pavement design and performance to enhance the capabilities of our Materials Consulting Practice," said Timothy Tonyan, president and CEO of CTLGroup. "We are confident his project management and thought leadership skills in these areas will lead to the growth of our client base within the transportation industry."

With 20 years of experience in pavement design and evaluation, Martin's background has focused on the analysis and development of pavement design guidelines incorporating the latest techniques using concrete, asphalt, and roadway materials. He has led forensic investigations and served as an expert witness for pavement failures. He has utilized and is experienced in many pavement evaluation specifications and has been accredited in the Federal Highway Administration's Pavement Distress Identification System.

Over the past 18 years, he has been responsible for the project management, business development, and resourcing of the pavement design practice of a national geotechnical engineering consulting firm in Austin.

WAGGONER HIRES: **Waggoner Engineering** (Jackson, MS), a

full-service engineering firm, announced the addition of three new employees to the firm, as the firm continues to position itself for future success in the marketplace.

David Williams, the former city engineer for Ridgeland, Miss., has been named project manager, and will be a key resource for Waggoner's Ridgeland projects. **Sarah Smith** and **Ross Horton** join Waggoner as engineer interns, both as graduates of Mississippi State University's civil engineering program.

"Smart, steady growth is our goal as we expand to meet the evolving needs of our current and future clients," said Joe Waggoner, founder of Waggoner Engineering. "That means continuing to build a strong team of diverse, talented individuals."

Williams has more than 24 years experience in planning, design, construction and maintenance, including work with city and federally funded projects, large and small roadway construction, and multi-use recreational trails. He has also been involved in the planning, funding and construction of intelligent traffic signal management systems and many LPA projects. Williams served 16 years as the city engineer for Ridgeland, Miss.

LEO A DALY HIRES: The Washington, D.C., office of international architecture/engineering firm **LEO A DALY** (Omaha, NE), welcomed **Melinda Lyle** as director of business development.

In this role, Lyle will be responsible for identifying new clients, strengthening existing client relationships, developing and implementing marketing plans, managing business development and marketing staff, gathering market intelligence and leading project pursuits.

Lyle brings more than 20 years of business development and marketing experience. Prior to this role, she served as a vice president of client development for Haley and Aldrich, Inc. Previously, she served as the principal of Connections Marketing Associates, LLC, a business development and marketing consulting firm.

ARUP HIRES: **Arup** (New York, NY), a 1,000-person multidisciplinary engineering and consulting firm, announced that **Leni Schwendinger** has joined the company as an associate principal to lead the firm's urban lighting design network.

Schwendinger is a lighting designer with expertise illuminating architectural and public spaces around the world. Balancing artistic talent and firm project management, Schwendinger aims to expand the use and application of light to incorporate economic vitality, social interaction, and public health and safety into the fabric of city and urban environments, with a specific focus on nightscapes.

During her 20-year career, Schwendinger has focused on the artistic application of light as a medium in the urban environment. She has worked on significant projects throughout the world for clients from Glasgow, Scotland to Seattle, Washington, winning numerous awards for her work, including a 2010 Lumen citation for the Triple Bridge Gateway project at the Port Authority Bus Terminal in Manhattan.

SURVEYS, from page 9

The worst thing an organization can do is to survey employees and then stuff the results away in a drawer.

"Believe it or not, I've seen organizations spend thousands of dollars on a survey and not do a thing with it or not want to believe what the survey says," Swain says. "While it's always great news to share that everyone loves working at your firm and you can use your employee survey results to turn into the '100 Best Companies to Work for in America,'

there's always something that can be improved in an organization. Study the survey results and see what might be feasible to change to make your organization stronger."

Herran agrees. It's like the boy who cried wolf.

"If you do nothing, the next time you conduct an employee survey you will not get participation, or even worse, you'll get unreliable results because employees will think no one is looking at them," she says. ▀▀

EXPANSION

Big dreams; tight budget

CFOs are often seen as the ones blocking the way to expenditures, but shouldn't you listen to them?

By LIISA SULLIVAN
Correspondent

CFOs are charged with directing a firm's financial solvency. So, what's a financial leader to do when management expansion dreams exceed realistic budgets?

David Wexler, a CPA and owner of Wexler & Associates PC in Woburn, Mass., a firm that provides tax and business consulting services to closely held companies with a specialty in the field of architecture, engineering and professional service firms, says that CFOs are in a unique situation within a company. Clearly, the title implies a high-level position and part of "upper management." It also implies a very direct role of input to the owner(s) and partners/shareholders.

THE CFO DILEMMA. "CFOs want to be seen, and are expected to act, as part of the team, so they are clearly not independent with respect to their duties," Wexler says. "Management always will say they want the unvarnished truth and want to hear opinions, even if it is not what they really want to hear. However, the reality is that, in many cases, CFOs are quickly seen as being overly negative or conservative and it's assumed that they do not understand how entrepreneurs think."

CFOs are expected to review and report (R&R) a project that has significant interest to the company and that could have significant risk to its financial stability. This may include things like opening a new branch office, merg-

ing or acquisition activities, expansion of office space or procurement of new computer hardware/software.

"The dilemma is in the expectation," Wexler says. "The owner or proponent of the project, in asking for the R&R will outline the plan and will impose a set of expectations on what they believe the outcome to be. The CFO is then asked to validate the expectation. In many cases, the potential benefits and income, expense and timing of the project are biased and overly optimistic."

The CFO needs to look at the project and prepare a prognostication of future events (Proforma/Projection) based on the information given and the expectation as laid out. And, while management may be overly optimistic and unrealistic as to the "ramp-up time" needed to accomplish what they want, they generally have great vision.

"The role of the CFO is to first prepare what they want and then outline the pitfalls," Wexler says. "Next, prepare a version with modifications to tell the proponent what it is more likely to look like. Stay away from the words 'worst-case scenario' since no one knows really knows what that is."

In these situations, Wexler says that the major goals of the CFO are:

- 1) Appear positive and be seen as a "client advocate."
- 2) Provide alternatives (no one wants to hear "NO").
- 3) Clearly outline the roadblocks and issues.
- 4) Try to get the proponent to think the changes are his/her idea.
- 5) Do not be seen as overly negative; show some support while outlining concerns.

6) Understand that "Murphy's Law" does seem to always apply.

"In the rare case that the CFO truly believes, and has the ammunition to prove, that the idea is poorly conceived or inappropriate due to timing, he/she needs to say this in as positive a way as possible," Wexler says.



Stacey McPeak,
CFO, Pennoni
Associates.

Stacey McPeak, CFO at **Pennoni Associates** (Philadelphia, PA), a 950-person engineering and consulting firm, agrees with Wexler that CFOs need to convey a positive attitude.

"Management's dreams are never too big," she says. "Finance

people are generally conservative. They provide a good yang for the dreamer's yin. Finance professionals should try to find a way to accomplish the entrepreneur's goals, explain the road blocks, and work together to overcome them."



Stephen Baner,
CFO and
Treasurer,
Farnsworth
Group, Inc.

CREATE A 'BUCKET LIST'. Stephen Baner, CFO and treasurer, **Farnsworth Group, Inc.** (Denver, CO), a 325-person architecture and engineering firm, says that a CFO's responsibility is to provide oversight and analysis of the firm's financial condition. In this role, the assessment of financial capacity is an integral exercise.

"As with any other investment, the investment in growth (organic or through acquisition) must be evaluated against financial capacity," he says. "Capacity is the measurement of the firm's ability to generate resources sufficient to meet investment return requirements within the available resources – internally

See DREAMS, page 12

"CFOs are quickly seen as being overly negative or conservative and it's assumed that they do not understand how entrepreneurs think."

TRANSACTIONS

KIMLEY-HORN BUYS: Effective Nov. 1, **Southern Civil Engineers, Inc.** (Alpharetta, GA), joined forces with national design engineering firm **Kimley-Horn and Associates, Inc.** (Cary, N.C.), a 2,000-person planning and design consulting services firm.

SCE was founded in 1983 by current president Jim Hamilton. The firm has a high profile in the Atlanta land development market. Hamilton, with partner Greg Maxey, senior leaders Bob Vance and Brian Martin, and nine staff members, will transition to Kimley-Horn. SCE's Alpharetta office will become a third Atlanta metro area location for Kimley-Horn. Other offices are located in Midtown and Norcross.

Asked why he's making the move to Kimley-Horn, Hamilton said, "It's a great match – our cultures are both highly focused on providing our clients with an exceptional service experience, and the combination of our resources will give the clients of both firms even greater service."

Kimley-Horn Vice President Emmy Montanye said, "We have great respect for Jim and his partners; our collective strength will give us an increased ability to serve our clients in this growing market."

For Kimley-Horn, the move marks the next phase in a continuing expansion of their presence in the Atlanta metro area. In September, the firm brought on a team of local water experts, led by Jeff House, and Todd Cochran.

FIRMS PARTNER: **Integrated Design Group** (Dallas, TX), an architectural, engineering and planning firm focused on the design of data centers, together with **KMD Architects** (San Francisco), a 50-year-old architecture firm operating in many sectors, including healthcare, announced that the two firms have formed a strategic partnership to address the growing need for the design of data centers south of the U.S. border in Mexico. This fortified relationship enables the firms to collaborate on projects with current clients in new and innovative ways, while providing holistic and comprehensive data center and architectural services to new clients in emerging markets.

Recognizing the growing need for data centers throughout Central and South America, the ID/KMD partnership offers specifically focused collaborative architectural design and engineering services. The partnership fills a void by providing new and existing clients with deep critical facility knowledge and experienced architects familiar

with local regulatory and permitting restrictions, as well as familiarity with local cultural design preferences.

Clients of the ID/KMD partnership will benefit from the unique expertise of each firm, delivered as a cohesive team. ID, one of the only firms in the U.S. to focus exclusively on the design of data centers and associated spaces, offers clients cutting-edge data center design, such as off-site constructed design and new cooling methodologies that take advantage of natural climates. KMD has a rich history of designing academic, commercial and corporate spaces as well as healthcare in 15 countries around the world, including many projects in Mexico, a focus of this partnership. Together, the firms will address building challenges from all angles.

FIRMS ON THE MOVE

SYSKA HENNESSY EXPANDS: **Syska Hennessy Group, Inc.** (New York, NY), a global consulting, engineering and commissioning firm, continues to expand its San Francisco office to meet the growing demands of clients and increased project activity in the region.

Over the last several years, the office has significantly grown its technical staff and branched out into new practice areas.

Syska Hennessy's San Francisco office opened in the mid-1970s and built a strong presence based on its performance, typically involving vertical transportation projects. Over the last 10 years, the staff has grown in size and specialization from several MEP engineers initially focused on mission critical facilities to a staff of more than 20 engineers that focus on diverse practice areas, including mission critical, commercial, institutional, laboratory, retail, hospitality, and healthcare facilities.

Design of medical and research lab facilities have become a strong practice area for the San Francisco office, mainly through its work with the Department of Veterans Affairs, UCSF, and Genentech.

To address this overall growth, the office space has been redesigned to accommodate the expanded staff and foster collaboration between the professionals throughout the office.

The Syska San Francisco office boasts a number of key market practice leaders, including Jose Herrera and Victor Steffen.

DREAMS, from page 11

or externally (e.g., financial institution). Often, the financial institution becomes an ally for the CFO where a board's eyes are bigger than what their stomach can digest."

Bank borrowing covenants and ratio coverage, if properly designed, can often be guiding factors in the firm's decision-making model.

"Fundamentally, a business is a cash-flow pump that creates funding streams that can be divided into various 'buckets' for investment," Baner says.

These "buckets" may include: capital equipment investments for business operation maintenance (e.g., equipment, vehicles, computers); debt retirement (a strategic path to flexibility in decision-making); employee bonuses; return to shareholders; and investment in expansion.

When thought of in terms of "buckets," the firm's management then has a systematic method of approaching the allocation of cash generated – keeping in mind the mantra:

"CASH IS KING."

"A competent CFO should be able to graphically illustrate by modeling and forecasting that a firm can 'grow itself out of business' by expanding beyond its capacity to support operations with cash requirements to meet return requirements or debt service," Baner says.

TOUGH LOVE. Baner adds that if a CFO should find himself in an awkward circumstance where a management team is running amuck, he may need to point to outside voices (e.g., bankers, attorneys, etc.) for another voice of reason.

Alternatively, strategic one-on-one educational sessions with board members or senior management may also work to deliver some sense to the decision-making process.

"Tough love is just that – tough to offer, but given in the best interest of the other party," Baner says. "However, that said, we still need to remain steadfast not to let our normally conservative nature overwhelm a more venture-driven spirit that is making sound growth decisions." ▴▴