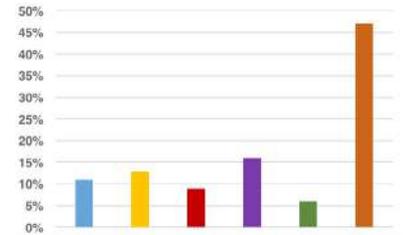


TRENDLINES

Voluntary turnover rates



According to respondents to Zweig Group's 2016 Recruitment & Retention Survey, firms in the A/E/P and environmental consulting industry have an average annual voluntary turnover rate of 12 percent. **Fast growth firms'** voluntary turnover rate (11 percent) is slightly below the industry average, and **moderate growth firms'** (13 percent) is slightly above average. **Slow growth firms** report an average annual voluntary turnover rate of 9 percent, **stable firms** report 16 percent, and **slow decline firms** report 6 percent. **Fast decline firms** have an average annual voluntary turnover rate of 47 percent, much higher than the industry average. — *Andrea Bennett, research and publications manager*

Some finer points on M&As

Don't just get a good lawyer. Get one who knows the M&A industry.

"Whether you are a buyer or seller, have the attorneys do the difficult stuff. The reason is simple – you will have to live together in one way, shape, or form post-transaction."



Mark Zweig

EDITORIAL

I've been in this industry for 36 years now. That's a long time. And I have to say that the amount of M&A activity in the A/E and environmental business has never been higher – at least that's how it appears from my perspective. Our phone is literally ringing off the hook, and email boxes are jammed from all of the projects and inquiries from buyers and sellers. It is beyond insane!

That said, not everyone – certainly not the sellers and a lot of the buyers – has a lot of experience in this stuff. Here's a few points that might be helpful to those of you who are currently involved in a merger, acquisition, or sale:

- 1) Hire a good attorney.** Time and time again we have the same issue. The buyer (or seller) gets their "usual" business attorney to work on papering up the deal they (think) they have negotiated with the other side. Big mistake. This is a very specialized area and you need to be dealing with someone who is very knowledgeable, not just in how to negotiate and write contracts for firm sale/merger transactions, but also someone who is familiar with the peculiarities of our particular industry.
- 2) Get your attorney talking to their attorney.** Whether you are a buyer or seller, have the attorneys do the difficult stuff. The reason is simple – you will have to live together in one way, shape, or form post-transaction. Don't mess up that relationship arguing personally with the other side over minor stuff!!

MARK ZWEIG is Zweig Group's founder and CEO. Contact him at mzweig@zweiggroup.com.

MORE COLUMNS

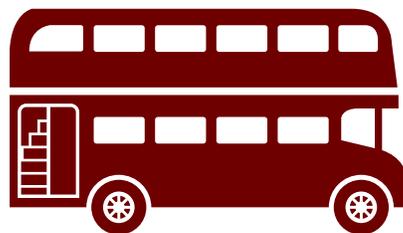
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BUSINESS NEWS

JACOBS CONFIRMED IN FRAMEWORK FOR DECOMMISSIONING WORK WITH SELLAFIELD LTD Jacobs Engineering Group Inc. announced it was awarded one of four positions on Lot 1 of the decommissioning delivery partnership to provide multi-disciplined site remediation and decommissioning services at Sellafield Ltd in the United Kingdom. The 10-year framework agreement for Lot 1 enables Jacobs to work collaboratively with Sellafield Ltd to provide a strategic approach to project and program planning and delivery.

Working as part of an integrated team with Sellafield Ltd, the joint venture is providing asset care, nuclear decommissioning, demolition, waste streaming, post operation close-out

support, and new build services to support decommissioning activities.

Jacobs Senior Vice President Mark Bello said, "The joint venture is responsible for a step change in the planning and delivery of nuclear decommissioning in some potentially high-hazard environments. Jacobs' deep knowledge of the Sellafield site stretches back more than 40 years, and we look forward to leveraging our integrated field services capability with the best from the supply chain to deliver innovation and best value."

The framework begins immediately and has a base period of five years and a further five-year option period.

ON THE MOVE

DJ GRIBBIN, EXPERT IN INNOVATIVE INFRASTRUCTURE PROCUREMENT AND FINANCING, JOINS HDR AS DIRECTOR OF STRATEGIC CONSULTING Former general counsel for the U.S. Department of Transportation DJ Gribbin has joined HDR as director of Strategic Consulting. In his new role, Gribbin will leverage HDR's comprehensive consulting and technical services to identify efficiencies and generate savings for the firm's clients.

"HDR's client focus, collaborative culture and commitment to excellence positions us to be the nation's leading advisor on alternative delivery," Gribbin said. "I am excited to be part of this incredible team."

HDR Vice Chairman Eric Keen stressed the importance of strategic consulting as the infrastructure industry continues to evolve in response to today's challenges. "Our strategic consulting practice is a key component of our ability to better serve our clients in the future and ensure we are fully adapting to the changing needs of the marketplace," Keen said.

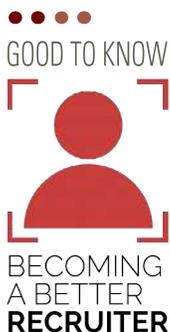
Prior to joining HDR, Gribbin led government advisory and affairs for Macquarie Capital, where he helped states and municipalities explore the benefits of public-private partnerships for infrastructure projects, and led the P3 procurement teams. During his career, Gribbin has worked on P3 projects in more than 18 states, representing

both governments and investors.

Prior to his time at Macquarie, Gribbin was nominated by the president and confirmed by the U.S. Senate to serve as general counsel for the USDOT, where he twice won the Secretary's gold medal. He also served as chief counsel for the Federal Highway Administration, where he helped the agency develop policies to accommodate benefits of alternative delivery. While at FHWA, he worked closely with local and state transportation officials, created a federal P3 task force and authored a report for Congress, underscoring the advantages of alternative delivery.

For the past two decades, Gribbin has been active with the American Road & Transportation Builders Association. He has served as its P3 Division president and as a board member. He is the only person to have won ARTBA's Entrepreneur of the Year Award for both public and private sectors.

"DJ's focus on efficient project delivery and seamless partnerships brings incomparable value to our transportation program," said Charles O'Reilly, PE, HDR transportation director. "DJ strengthens our ability to collaborate with clients to deliver smart strategies that consider long-term financial viability."



A NEW SEMINAR FOR PEOPLE WHO HIRE

Becoming a Better Recruiter is a one-day seminar that was developed to help firm principals, managers, HR people, and design and technical professionals in A/E/P and environmental firms become better recruiters. We will help you and your team be more comfortable approaching great talent and learn how to promote the firm, its culture, and career opportunities and advancement.

Attendees Will Learn:

- How to set up a proper full cycle recruitment program or fine tune the one that you have
- Dispelling the myths about recruiting
- Interview "Do's" and "Don'ts"
- And plenty more

For more information visit zweiggroup.com/seminars or call 800.466.6275.

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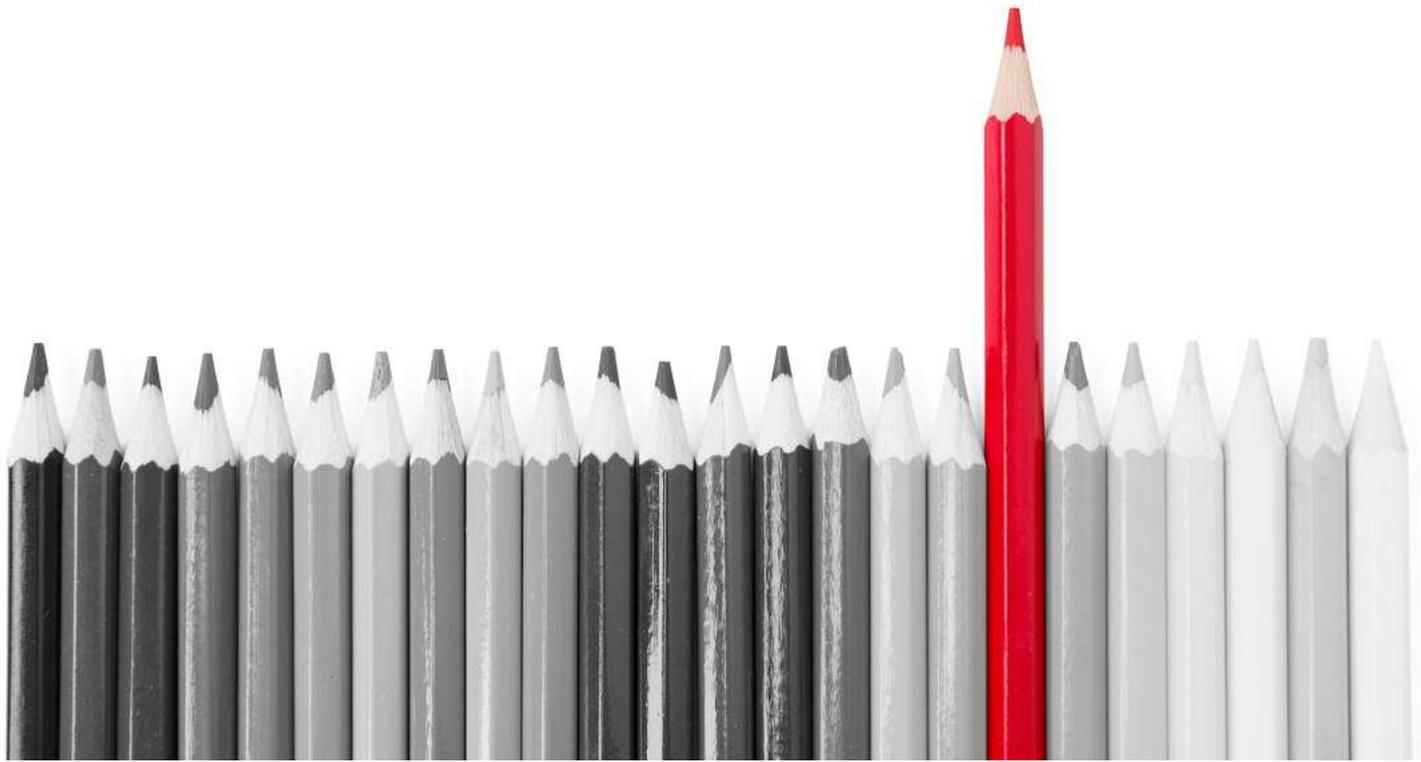
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PROFILE



Super Surprenant

Can-do leader of Minnesota A/E/P firm embraces growth and change, and leans on optimism when faced with trying times.

By LIISA ANDREASSEN
Correspondent



Chad Surprenant,
CEO and
President,
ISG

After earning his civil engineering degree from Iowa State University, Chad Surprenant, CEO and president of ISG (Mankato, MN) – a 200-person architecture, engineering, and environmental planning firm – returned to his roots to join his parents’ 10-person engineering practice. Over the next several years, he assumed more management responsibilities, helping the firm grow. Today, there are 10 in-house disciplines of expertise and six office locations in Minnesota, Iowa, and Wisconsin. Since 2007, ISG has been named three times to Zweig Group’s Hot Firm List, and in 2015 landed at No. 17.

A CONVERSATION WITH CHAD.

The Zweig Letter: What was your first job at ISG?

Chad Surprenant: Performing structural engineering and project management for building projects. The local area started a bit of a housing uptick, and I began designing and managing land development projects, too.

“I am not a micro-manager. I enjoy creating strategy, helping others identify a plan, and letting them execute it.”

TZL: To what do you most attribute your firm’s growth?

CS: There are several factors. From 1993-2003, the growth was more organic, increasing a geographic-centric market share model. From 2004-2006, the growth was still organic, but we recognized that we were getting too large for our geography so we expanded our reach. From 2007-2009, feeling strongly that a bust was coming, we looked strategically at how we would function if the marketplace changed. We felt that we needed to shift from a geographic-centric/market share model to a client-centric model where we would identify clients and not necessarily chase projects. From 2010-2012, we were forced to implement our post-recession plan. We roared out with business development and it

See SURPRENANT, page 4



SURPRENANT, from page 3

worked. Many of our clients provided us with opportunities in multiple states and thanks to technology and strong project managers, we were up to the task. Over the past three years, we've had two strategic acquisitions, one to bring on significant geography in Iowa, and a second to improve our architectural offerings by adding our greatest architectural competitor in Mankato. We are still concerned with being competitive, but more of our time is focused on positioning ourselves in the markets we serve.

TZL: What are your key strengths? What are the key strengths for an effective leader?

CS: I am a good judge of character and talent. A good leader should have:

- **Vision.** If you can identify where the firm should go, establishing the strategy to accomplish it is comparatively easy.
- **Optimism.** There are dark days and people need to know that it will get better. They look to you to provide that outlook.
- **Can-do spirit.** We are constantly asked to do things we haven't done before. It is tough to grow if you don't, and without the spirit to take on new challenges you are stifling your firm's potential.
- **Objective view of yourself.** Without this, you will fall into the trap of thinking that you are the best at everything in the firm. Recognize your strengths and have others do what they do best.

Certainly, intelligence and charisma are fantastic, but I think the others are more important.

“If you're doing the right things, being strategic and executing well, you don't have to manage the metrics. The metrics will follow.”

TZL: How would you describe your leadership style?

CS: I am not a micro-manager. I enjoy creating strategy, helping others identify a plan, and letting them execute it. I think I lead by example, and I believe our people know that I care about them and their career paths.

TZL: What has been your greatest professional challenge to date? How did you handle it?

CS: Hands down, our recession hit its low point on July 14, 2009. It will always be with me. We had an emergency board meeting on the evening of July 12. Our board members displayed their humanity. My father came out of retirement for one last meeting and displayed his optimism, and I had to make the team cut deeper than any of us wanted to. It was a true team effort with strong colleagues. A lot of respect was earned by all that night.

TZL: What is your vision for the future of ISG?



TALK TO US

Do you have an interesting story to tell? Is your company doing things differently and getting results? Let us know. We'd love to contact you and feature you in an upcoming case study. If interested, please email rmassey@zweiggroup.com.

“We have so many talented people who believe in our culture and will expect opportunities to lead things – an office, a market, a service, a small group, etc. We are committed to making those opportunities happen.”

CS: We completely buy into Mark Zweig's belief that if you aren't growing, you are dying. We have so many talented people who believe in our culture and will expect opportunities to lead things – an office, a market, a service, a small group, etc. We are committed to making those opportunities happen.

TZL: Any words of wisdom for other A/E entrepreneurs?

CS: Take many small bets based on good ideas.

TZL: Are you married? Children?

CS: I am married to my steady influence, Tara. We have Noah, Ellie, and Caleb, ages 15, 12, and 10, respectively. Also, we just built a dream addition to our house – a four-season gym with basketball, baseball, soccer, and a future golf simulator.

TZL: What's one thing most people at the firm don't know about you?

CS: I've always wanted to be a travel writer. We love to travel and I have a pretty good nose for finding good places to visit, stay, and eat. Some of our friends call it the “ChadApp.” Maybe someday. I'm also a huge Bob Dylan fan. I own more than 50 albums.

TZL: Best piece of work-related advice you've ever gotten?

CS: Good behavior begets good results. If you're doing the right things, being strategic and executing well, you don't have to manage the metrics. The metrics will follow. Culture beats metrics every time.

“We completely buy into Mark Zweig's belief that if you aren't growing, you are dying.”

TZL: Is there a leader whom you most admire?

CS: My father. He was one of a kind. He didn't care about business, he just did his things, and he was living proof that good engineers are creative. I also admire Ulysses S. Grant. He reinvented himself multiple times, going from failure to the top, again and again, and when it came time to leave something for his family because their finances were in ruins, he extended his life to get his memoirs published, leaving a significant savings for his family. ▀

OPINION



Negative energy and your brand

In the A/E/P and environmental consulting industry, troublemakers can do a lot of damage, especially if they are tolerated.



**Chad
Clinehens**

BRAND BUILDING

Every firm has these people to some degree. The naysayers, the skeptics, and the gossips. These people are holding back firms, inhibiting performance, and are a toxin to the firms they work for just like a poison running through the veins of your body. The negative energy these people create can have a profound impact on any organization. No matter how big or how small their role is, they can be a very destructive force. Professional service organizations must be extra vigilant in the crusade against negative energy as it has a deeper impact on them than other industries. The reason is we are a people business. We sell people and client service. When we poison a team or an entire company, it dramatically affects the product we are selling – our people. A few defeatists on your staff can do more damage to your brand than the positive effect of all of your other staff combined.

This is a big problem in the AEC industry. When you get behind the closed doors of firm leaders, you realize how much time is spent dealing with people problems. They take valuable time away from executing strategies to grow and develop the firm. I am continuously impressed with how many high-level strategy sessions get derailed by conversations about bad apples. All that valuable time that could be used to discuss growth and new ideas is instead used to talk about one or a few troublemakers.

“When you get behind the closed doors of firm leaders, you realize how much time is spent dealing with people problems.”

When you want to remediate a toxic environment, you need to understand that people have three basic psychosocial needs: the need for control, the need for security, and the need for recognition. The reality is that many employees do not feel like they have control in the workplace and that combines with the feeling of not receiving adequate attention, acknowledgment, and recognition. As a leader, you have the ability to create an environment that fosters all of those needs. You must first recognize that the company on the outside reflects what’s on the inside. Get serious today about fixing your people problems with these critical actions:

- **Get rid of negative people.** Assuming you have had the appropriate discussions with them and tried

See BRAND BUILDING, page 8



SPOTLIGHT ON: New

PROFILE

Landfall in London

Langan, a powerhouse geotechnical engineering firm, opens UK office as anchor point for work in Europe, the Middle East, and beyond.

By RICHARD MASSEY
Managing Editor

All roads lead to London. At least that's the case if your firm is building out a business in the United Arab Emirates, Greece, Turkey, or in the former Soviet republics of central Asia.

Langan Engineering and Environmental Services (New York), a 1,000-person firm that specializes in geotechnical and land development services, recently reached the end of that road by opening an office in Covent Garden in the heart of the British capital.

Langan, No. 18 on Zweig Group's 2015 Hot Firm List, and No. 6 on the 2015 list of Best Firms to Work For, Multidiscipline, will helm its London office with civil engineering heavyweight Can Karayel.

While the area is known for its retail, dining, and nightlife, Covent Garden is also in the epicenter of global architecture and design. If an engineering firm wants to be a top player in the Middle East and beyond, as Langan does, it has to have an address somewhere along the River Thames.

"London is a major worldwide hub for some of our key existing clients as well as a base for many new clients, all of whom use London as a springboard for development in Europe, the Middle East, and parts of Asia."

"London is a major worldwide hub for some of our key existing clients as well as a base for many new clients, all of whom use London as a springboard for development in Europe, the Middle East, and parts of Asia," says George E. Leventis, managing director of Langan International. "Therefore, it makes perfect sense for us to also have a footprint here to service these clients on both domestic and worldwide projects."

While Langan's home base of New York is an established international hub for the A/E/P industry, London, among many other things, has a banking and legal infrastructure suited for doing business in places like Abu Dhabi, Istanbul, and Almaty, Kazakhstan. London is also ground zero for the developers, construction companies, and consultancies working in



Langan provided geotechnical engineering services for the Jeddah Tower in Saudi Arabia / Courtesy, Image Jeddah Economic Company/Adrian Smith + Gordon Gill Architecture

Office:

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the east.

London begins as an international hub, but within five years, it should be positioned as a headquarters of its own, one that can flourish in the ultracompetitive, talent-rich environment of the United Kingdom.

“Eventually when we are more comfortable and more known, we will do work in London itself,” says Leventis. “That’s the general idea of London.”

At an astounding 3,281 feet – nearly twice as high as the Freedom Tower in New York – Jeddah will easily be the tallest skyscraper in the world when completed in 2018.

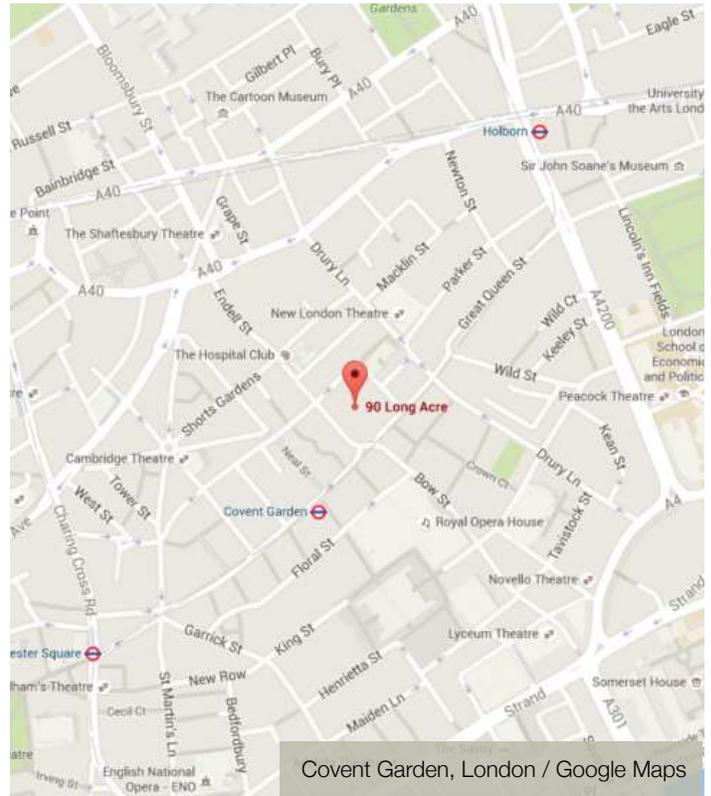
Leventis, 56, says the global development market is driven in part by upcoming events like the 2020 World Expo in Dubai, expected to attract as many as 25 million visitors, and the 2022 soccer World Cup, the world’s most popular sporting event, in Qatar. Deeper into the market are places like Turkey and the Commonwealth of Independent States, where, despite sagging oil prices, activity is driven by social projects like schools, hospitals, and infrastructure.

IbisWorld, a global business intelligence firm, sees good days ahead for the worldwide architectural industry, which reflects development and engineering, and expects it to grow from \$204 billion in 2015 to \$240 billion by 2020. The market, according to IbisWorld, will be largely powered by development in the U.S. and in emerging economies.

With established offices in the UAE, Qatar, and Turkey, Langan is involved across a wide array of projects, including the Grand Airport City, and the Ikitelli Hospital, both in Istanbul and both expected to be the largest in the world upon completion. The true eye catcher, however, is the Jeddah Tower, currently in progress in Saudi Arabia. At an astounding 3,281 feet – nearly twice as high as the Freedom Tower in New York – Jeddah will easily be the tallest skyscraper in the world when completed in 2018. Langan performed civil, geotechnical, and transportation services for the project.

Word of Langan’s London venture flew through the A/E/P industry on the wings of a press release. But the effort leading up to the London move was sustained, deliberate, and informed by years of experience. And in large part, it was led by Leventis, the firm’s globe-trotting workhorse and a 31-year member of the Langan team.

Born in Greece, Leventis graduated from the National Technical University in Athens before earning his master’s in geotechnical engineering from the University of Illinois. From 1998 to 2001, Leventis served as director general of the organizing committee for the 2004 Olympic Games in Athens. He also played a big part in the firm’s role as the



Covent Garden, London / Google Maps

lender’s technical advisor for the Rion-Antirion Bridge across the Corinthian Straights.

Through projects like the Olympics and Rion-Antirion, Leventis and the firm developed a big appetite for international work, and as a consequence, Langan International was formed in 2001. But then came the 9/11 terrorist attacks in New York, which destroyed Langan’s headquarters at 90 West St. in Manhattan. The firm suddenly had to think about survival, not international projects.

“It makes perfect sense for us to also have a footprint here to service these clients on both domestic and worldwide projects.”

“All the attention went to New York,” Leventis says. “It took us a year to recover.”

Indeed, the firm persevered, and by 2008, had licenses to work in Dubai and Abu Dhabi. Shortly thereafter, Lehman Brothers, a global financial services firm, collapsed. The Great Recession was underway.

During the downturn in the United States, Langan prospered internationally. For Leventis, key reasons why the firm succeeded were that it took its time in sizing up the market, weighing challenges, and finding opportunities.

See LANGAN, page 8

to remedy the situation, it is time to part ways if no improvements have been made. Too many firms tolerate those who ruin the team and its brand. You cannot sell a fun environment to new recruits or high quality services to clients if you retain people that exude negativity.

- **Give your people more control.** If you have appropriately dealt with the people that are negative and cannot be trusted, you should have no problem eliminating some of your policies that create bureaucracy and slow down decision-making. Dependable people thrive on freedom, yet so many firms have too many processes that are designed to control people and results. This is especially a problem as firms grow larger. When you have the right people on the team, you should be able to trust them and therefore offer them more control.
- **Give people security.** I don't mean unconditional job security. I mean security in the sense of feeling good about the company, its direction, and their role in that direction. Have a clear vision for growth with a strong commitment to opportunity everywhere. Share more information with all employees using an open book management philosophy. Demand that all leaders have an ongoing, open dialogue with their people about how they are doing as a team and as individuals. Try to break free from the "once-a-year career development discussion" that is often aided by forms and meetings that accomplish little. True security is gained by reasonable transparency and confidence in the future.

"Negativity is one of the greatest enemies of your brand, both internally and externally."

- **Recognize your people.** Getting rid of negative people tells everyone else we like what you are doing and we do not like what they were doing. Taking that a step further is recognizing performance and excellence as it happens. Again, resist the standard approach of talking to employees once a year

Not all firms were as studious in their approach.

"There are horror stories about firms that went to the Middle East, opened offices with hundreds of employees, and then the bottom fell out," says Leventis, referencing profound events like the Arab Spring of 2010-2012.

"There are horror stories about firms that went to the Middle East, opened offices with hundreds of employees, and then the bottom fell out."

Langan had boots on the ground for networking and business development, but was bringing a lot of the work back to the home office in New York. The model worked well while things were slow in the United States. But the domestic market began to recover, and Langan had to change its method. For projects originating in the Mediterranean, the Persian Gulf, and in central Asia, Langan increasingly found itself in London. The decision became obvious, it just took a while to execute.

"A lot of our architects and friends do work out of their London offices," Leventis says. "Why not have our own people there." ▀

about performance and offering raises and promotions at that same time. Offer raises throughout the year when deserved. Positive reinforcement is more effective when offered in response to the desired actions as opposed to a schedule. At the end of the day, paying at the top of the market and offering promotions are the recognition that employees need. If you have built your company like a sports team and only have the right people on the team, this should be easy.

"You must decide if you are going to focus on building a company around needs or around ideals. A company built on needs grows and shrinks based on the market. They tolerate poor performance and negativity because they employ people to fulfill a need."

Negativity is one of the greatest enemies of your brand, both internally and externally. Tolerating it is a big problem in the AEC industry, especially right now as the market for talent is tight. You must decide if you are going to focus on building a company around needs or around ideals. A company built on needs grows and shrinks based on the market. They tolerate poor performance and negativity because they employ people to fulfill a need. They lose high performers to other companies that have strong ideals and better fulfill their basic needs of control, security and recognition. A company based on ideals and focused on positivity flourishes in all markets and does a great job of providing for the psycho-social needs of staff. If this article resonates with you, you have some hard decisions to make. It's these hard things, though, that create prosperity. Good luck! ▀

CHAD CLINEHENS is Zweig Group's executive vice president. Contact him at cclinehens@zweiggroup.com.

DESTINATION DUBAI

Globetrotting geotechnical engineer George E. Leventis spends a lot of time overseas for business. Here are his tips on how to enjoy yourself and get a little work done while traveling in the United Arab Emirates.

- **Best hotel:** Park Hyatt, Dubai
- **Best breakfast:** The Palace, Dubai
- **Best lunch:** Roberto's, Dubai
- **Best dinner:** Zuma, Dubai
- **Best cup of coffee:** Costa Coffee, International
- **Best airline for international travel:** Virgin Atlantic and Emirates
- **Best tech for keeping in touch with family and friends:** Skype and FaceTime
- **Best tech for travel:** Virtual private network – which extends a private network across a public network
- **Best phone numbers:** One mobile each for U.S., Europe, and UAE

Your management questions, answered

This month, a reader seeks advice on how to integrate his son into the engineering firm, with plans to eventually have him take over and run the business.



Christina
Zweig

DEAR
CHRISTY

SON AS SUCCESSOR

Dear Christy

"I have a son who is in engineering school. I'd really like to have him join our firm and eventually succeed me in running this business. How do you suggest I make that happen?" — Getting Old in Omaha.

Dear Omaha,

I know from personal experience that working with family members can be very tough, but it happens relatively frequently in the A/E industry and many firms are able to do it successfully.

I'd start with your son. Is this something he is interested in? Firms can grow and change, but if your son really wants to go into earthquake mitigation work and your firm has done mostly local street design and residential plans, it may not be a good match. Additionally, if you want your son to take over the business he also has to have the personality to effectively manage people and the desire and ability to market and sell your firm's services. Basic business skills like accounting, organization, and an eye for detail don't hurt either. If your dreams do align, I'd recommend the following:

"When your son does come to work at your firm, don't immediately give him the nicest office, extra privileges, and a company car. Make sure he is held to the exact same standard as everyone else."

- **Make sure your son does an internship or works elsewhere for some amount of time. Coming straight out of school and into the workplace can be an eye-opening transition for many people. If your son works elsewhere he inevitably will learn things from management approaches to technology that will improve your firm. If you're lucky he will appreciate the work you've put into creating a good environment and be thankful. An outside perspective will be**

HAVE MANAGEMENT QUESTIONS YOU NEED ANSWERED?

Dear Christy is **THE ZWEIG LETTER**'s newest column, a place for industry leaders to anonymously submit their most pressing leadership, management, finance, marketing, or human relations questions. Each month, submissions will be answered in print, so that the entire A/E/P and environmental consulting industry can benefit from the shared experiences and information highlights.

Have a question you need answered? Email Christy Zweig at christinaz@zweiggroup.com or send your letter to Zweig Group, P.O. Box 1528, Fayetteville, AR 72702. Even if letters are signed or if emails contain the writer's name, all entries will be kept confidential and published anonymously.

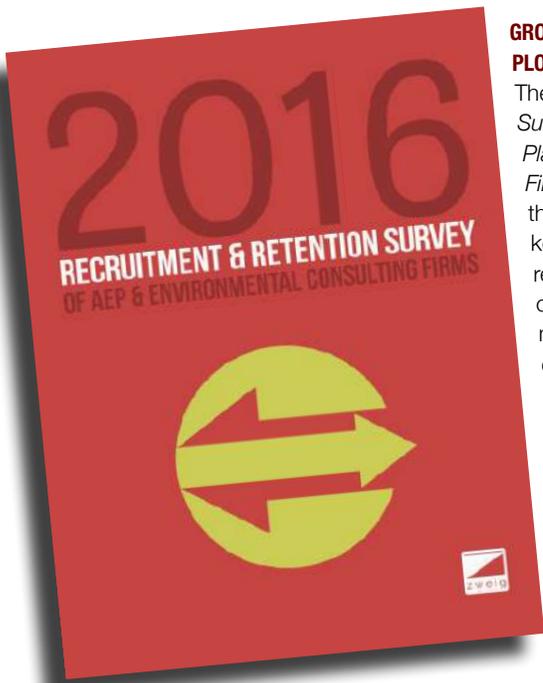
invaluable in the future.

- **When your son does come to work at your firm, don't immediately give him the nicest office, extra privileges, and a company car. Make sure he is held to the exact same standard as everyone else, particularly other people who have had similar tenures at the firm and experience in the industry. When I started working for my father here at Zweig Group, he counseled me early on that I had more to prove than other employees and should be the first person to arrive and the last one to leave.**
- **Make sure your family members don't outnumber other people in the rest of the organization. If you want to have a successful firm that grows and thrives, don't hire every family member who wants a job. It will become impossible to manage in an unbiased way and may create an environment that is awkward and un-inclusive for other employees.**
- **Make sure your son has full support from the leadership and management team of your firm. Trust takes time to build. You will destroy your organization from the inside out if you place your son at the top of the organization chart and immediately have senior people reporting to him.**
- **Keep the work at work and the family stuff at home. It's harder than it seems, but your workplace and family will thank you for it.**
- **Don't immediately publicize your desire to**

See DEAR CHRISTY, page 10



MARCH RELEASE



GROWING FIRMS RECRUIT AND RETAIN EMPLOYEES DIFFERENTLY

The *2016 Recruitment & Retention Survey of Architecture, Engineering, Planning & Environmental Consulting Firms* has statistics relating to all the latest methods used to hire and keep your firm's most important resource it's people. This survey contains data about recruiting methods and policies, training, HR departments experiences, attitudes, and challenges regarding the hiring and firing process, turnover rates, and compensation and benefits. Here's a sample of data from the *Recruitment & Retention Survey*:

■ Zweig Group's inaugural *Recruitment & Retention Survey* shows that industry-wide about 64 percent of firms have an in-house hiring/recruitment staff. For

fast- and moderate-growth firms, that number jumps to 76 percent and 77 percent, respectively.

- More than three-quarters (78 percent) of survey respondents said it takes their firm, on average, more than 30 days to hire a candidate for a vacant position. Only 62 percent of fast-growth firms said they required more than 30 days to fill an employee vacancy; 38 percent said they filled open positions in less than 30 days.
- Overall, 53 percent of firms said that they will consider counter-offers when attempting to hire a candidate. Fast-growth firms are only slightly more likely (55 percent) to consider counter-offers, but moderate-growth firms are much more likely, with 66 percent of respondents saying that they do so.
- The overall average voluntary turnover rate for firms responding to the *Recruitment & Retention Survey* was 12 percent. Fast- and slow-growth firms report a slightly lower rate (11 percent and 9 percent), moderate growth report a slightly higher rate (13 percent), but among fast-decline firms, the rate skyrockets to 47 percent.
- The overall average involuntary turnover rate for firms is 6 percent, and both fast- and moderate-growth firms report slightly lower numbers (5 percent and 3 percent).

The *2016 Recruitment & Retention Survey* also features relevant data from Zweig Group's most recent *Policies, Procedures & Benefits Survey of A/E/P & Environmental Consulting Firms*, giving this product the added value of two surveys in one!

DEAR CHRISTY, from page 9

eventually hand the reins over to your son, especially at a finite date.

- **Have a backup plan. Make sure you have other leaders in the firm that are interested in ownership opportunities in case your son decides it's not in his or the firm's best interest for him to take over. Even if he does take over, he will need good support and leadership.**

My final piece of advice: Thinking about ownership transition is something that many firm owners don't do until far too late. Passing ownership to a family member can be a viable and successful option, but it requires as much planning and cooperation (if not more) than other options. Don't consider letting your son take over lightly or use it as a last resort. ▀

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SHOP SMARTER!

If you're considering purchasing a survey from Zweig Group, why not share your data, too? The more firms that submit information, the more comprehensive each survey document is, and the more useful it is to other firms. Plus, survey participants receive a coupon code for 65 percent off the survey of their choosing or 50 percent off a mini-survey (that's a savings of \$321.75 and \$125, respectively). So, shop smarter: Participate in a survey before you purchase; save money and help your industry be the best it can be!

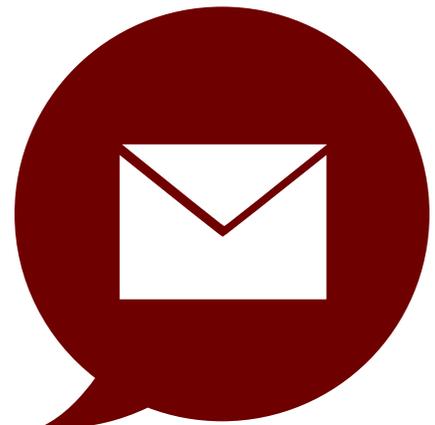
These surveys are closing soon:

- **Company Car Survey** – open until March 15
- **Social Media Mini-Survey** – open until March 20
- **Policies, Procedures, & Benefits Survey** – open until March 27
- **Utilization Mini-Survey** – open until April 10
- **Website Mini-Survey** – open until April 24

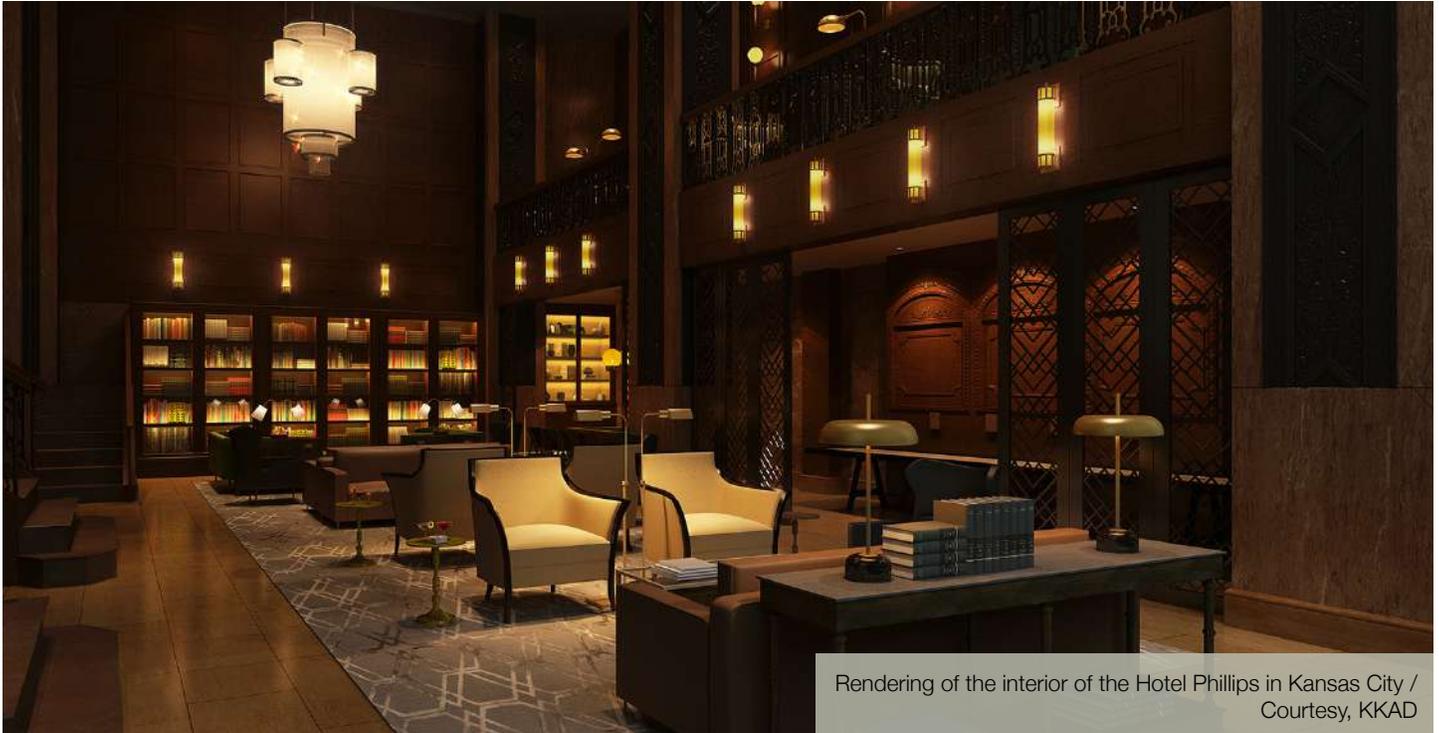
The more you participate, the more opportunities you have to save! Visit info.zweiggroup.com/survey-participation today or email research@zweiggroup.com for more information.

COMING SOON!

- **Merger & Acquisition Survey** – March 11
- **Travel Reimbursement Mini-Survey** – April 1
- **Cell Phone & Mobile Devices Survey** – April 15
- **Company Car Survey** – April 20
- **Social Media Survey** – April 29



PROFILE



Rendering of the interior of the Hotel Phillips in Kansas City /
Courtesy, KKAD

Building the brand

Arbor Lodging Partners, a Chicago-based hotel owner-operator, decides on ‘comfortable luxury’ for largescale architectural renovation of Kansas City landmark.

By RICHARD MASSEY
Managing Editor



Kraig
Kalashian,
Founder,
KKAD

When the request for proposals went out for the interior renovation of the Hotel Phillips, an art deco colossus in the heart of downtown Kansas City, the new owner thought about the brand. Three diamonds, maybe four, but definitely not five. History and ambience, but price point and functionality, too.

Chicago-based Arbor Lodging Partners, which bought the building for \$12.5 million in October, poured over as many as eight submittals before selecting **Kraig Kalashian Architecture & Design** (Chester, NJ), to spearhead the marquee project. The deciding factor in Kalashian’s favor? The firm’s brand of “comfortable luxury,” just the right fit for what Arbor Lodging wants for the 20-story hotel.

“More than simply presenting us with a strong track record of relevant experience, Kraig Kalashian and his team’s vision for the project also mirrors our own.”

“More than simply presenting us with a strong track record of relevant experience, Kraig Kalashian and his team’s vision for the project also mirrors our own,” says Vamsi Bonthala, CEO of Arbor Lodging. “Together, we are committed to honoring the design elements that have made Hotel Phillips an iconic place, while marrying them with modern amenities that discerning guests have come to appreciate in a landmark hotel.”

Renovation will be top to bottom, and includes the restaurant, a new coffee shop, a lower level cocktail lounge, all 217 guest rooms, and a concerted effort to make the hotel not just a destination for visitors, but for those living in Kansas City. What will not change are the lobby’s features that visitors have come to love – intricate bronze and nickel metal works, and decadent walnut paneling.

The 1931 hotel, listed on the National Register of Historic Places, will remain open during remodeling. The renovation is expected to be complete by November. Upon completion, the hotel will become part of the Curio Collection by Hilton. Hotel Phillips is managed by NVN Hotels, an Arbor Lodging affiliate.

See KKAD, page 12



BUSINESS NEWS

PPG DONATES \$25,000 TO SAE FOUNDATION CANADA FOR A WORLD IN MOTION EDUCATIONAL PROGRAM

PPG recently donated \$25,000 to the SAE Foundation Canada in support of the A World In Motion program, which provides science, technology, engineering and math curriculum to K-8 students in Canada. The grant was made on behalf of PPG's architectural coatings business, which operates more than 250 DULUX and BETONEL paint stores, and eight manufacturing, distribution, and administrative sites across Canada.

"We're thankful for PPG's support of vital educational programs in Canada," said Lori Gattaitan, the executive director of SAE Foundation Canada. "Through this program, young students learn how to apply science and technology concepts by solving real-world problems in a team setting, communicate clearly, raise questions, assimilate information and work cooperatively towards common goals.

This structure helps to engage and inspire students at the earliest age possible to pursue careers in sought-after science fields."

AWIM activities incorporate curriculum built around the "Engineering Design Experience." These programs require students to work in teams to solve a design challenge by analyzing who a product is for and what must be accomplished; gathering and synthesizing data; designing, developing and testing a prototype; and presenting their findings and ideas. By integrating science and technology with other subject areas, students can make connections across disciplines that are personally relevant to them. In addition, professionals that work in the science and technology industry volunteer in the AWIM program to serve as a role model, community liaison and professional resource to participants.

"PPG supports the importance of

demonstrating the significance of science, technology, engineering and math to students at a young age," said Sue Sloan, executive director of global social responsibility at PPG Corporate. "We are pleased to provide support for the SAE A World In Motion program, which has helped educate more than 4 million students to date."

PPG aims to create brighter, more colorful communities where the company has a presence around the world. By investing in educational opportunities, we help grow today's skilled workforce and develop tomorrow's innovators in industries related to coatings and specialty materials. Plus, PPG empowers employees to make an impact for causes that are important to them by supporting their volunteer efforts and charitable giving. Learn more at ppgcommunities.com.

KKAD, from page 11

Kalashian founded his firm, known as KKAD, in 2009, the height of the Great Recession. In 2010, he won the job renovating the Brasada Ranch resort in Oregon, a facility that had already gone belly up and had been sold, pennies on the dollar, before Kalashian got involved.

At Brasada, Kalashian honed the brand of comfortable luxury that earned him the contract for Hotel Phillips and other projects. His goal at Brasada, as it is for other jobs, is to create something beyond the daily experience, but still at an affordable price point. Much of his design revolves around custom lighting he and his team created, and everyday comforts delivered in an elevated way.

"The style is forward thinking, but it's not unapproachable. It's inclusive and that's where we've created our niche. Let's put things in our design that people want in their homes."

"The style is forward thinking, but it's not unapproachable," Kalashian says. "It's inclusive and that's where we've created our niche. Let's put things in our design that people want in their homes."

As with urban areas across the country, Kansas City's downtown core endured a long, painful decline, as work and living shifted to the suburbs. But the renaissance is well under way as millennials are flocking to downtown, a fact recently underscored by the \$63-million conversion of the Kansas City Power & Light Building, probably the city's most famous skyscraper, into apartments.

The Hotel Phillips, near the Kauffman Center for the Performing Arts, the Sprint Center, and the Power & Light District, is also part of a larger hotel boom across all of

"My goal is not to grow the company into a massive firm. Instead of growing the size of the firm, we've grown the quality of the project."

downtown as the city looks to compete with other metros for conventions, business travel, and tourism.

Renovation of Hotel Phillips is sure to bring attention to KKAD's brand, but that doesn't mean anything will fundamentally change for the firm. In fact, things probably won't. Part of the service that KKAD gives to all clients is that Kalashian, in some shape, form or fashion, works on every project. And clients are given a long hearing before the project begins, in the scoping and budgeting phases.

If the firm gets too big, the personal touch goes away, and that's something Kalashian is not willing to do.

"My goal is not to grow the company into a massive firm," he says. "Instead of growing the size of the firm, we've grown the quality of the project."

While the firm is Kalashian's most pronounced line of business, it is not the only one. Kalashian, who considers himself entrepreneurial, is also active in lighting design and fixtures, residential development, development of custom wallpaper, and restaurant ownership.

"I don't think you can own a business today and not be entrepreneurial. When we're not working on our client's stuff, we're working on our stuff."

"I don't think you can own a business today and not be entrepreneurial," Kalashian says. "When we're not working on our client's stuff, we're working on our stuff." ▀