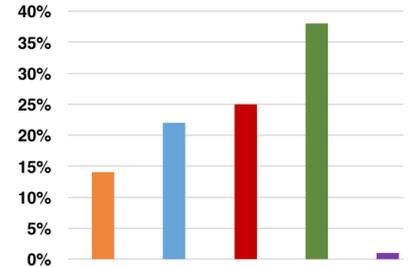


## TRENDLINES

### Financial statements



More than one third (38 percent) of respondents to Zweig Group's 2016 Valuation Survey of A/E/P & Environmental Consulting Firms said that the financial statements for their valuations were reviewed and one quarter (25 percent) said they were prepared internally only. Another 22 percent said that their financial statements were compiled and 14 percent said their statements were audited for their valuation. One percent did not specify. — Andrea Bennett, research and publications manager

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## 12 quick bits of advice from a war-torn veteran

“Focus on building your strengths versus trying to fix every weakness. It’s always good to figure out what you like to do and are best at.”



Mark Zweig

### EDITORIAL

Now in my 36th year of this business, I am still learning. Here are some quick bits of advice that have helped me over the years:

- 1) **Never lose your temper.** Being calm is always best. But if you do, say you’re sorry. And mean it!
- 2) **If something goes wrong on a project, eat it.** Don’t try to fight doing what you know you need to do and will do anyway. The sooner you get to fixing the problem, the better.
- 3) **Don’t ignore HR problems.** They will just get worse. Deal with them head-on, sooner rather than later.
- 4) **A productive team member is far better than a destructive “star.”** A destructive star may do the work of two or three people but run off 10 or 20. You can’t let that happen.
- 5) **The best time to sell is when you don’t need the work.** You’ll be more honest with the client and more confident. That will lead to a better fee and relationship.
- 6) **There’s always something to fix in every business.** But you can’t let that make you negative and cynical. Negative, cynical people are not ultimately successful.
- 7) **Focus on building your strengths versus trying to fix every weakness.** It’s always good to figure out what you like to do and are best at. Do more of that and less of what you aren’t so good at.
- 8) **Long-term relationships are worth investing in.** It’s easy to be seduced by a brighter

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## MORE COLUMNS

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## BUSINESS NEWS

**NEW CONSTRUCTION STARTS IN FEBRUARY CLIMB 10 PERCENT** At a seasonally adjusted annual rate of \$667.6 billion, new construction starts in February advanced 10 percent compared to the previous month, according to Dodge Data & Analytics. Much of the lift in February came from the nonbuilding construction sector, as its electric power and gas plant category included a \$3 billion segment of a liquefied natural gas export terminal in Texas as well as the start of six power plant projects valued each in excess of \$200 million.

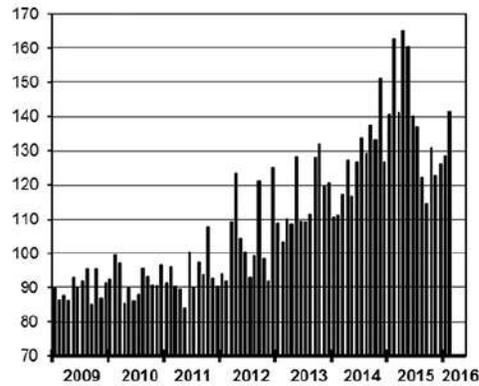
Nonresidential building also helped out in February with a moderate gain, resuming its hesitant upward track after the lackluster activity reported at the outset of 2016. However, residential building settled back in February following its improved January performance.

For the first two months of 2016, total construction starts on an unadjusted basis were \$87.1 billion, down 16 percent from the same period a year ago which featured the start of several massive LNG terminal projects. If the volatile electric power and gas plant category is excluded, total construction starts on a seasonally adjusted basis in February would be down 1 percent from January, while the year-to-date comparison on an unadjusted basis would show a 6 percent decline.

The February statistics produced a reading of 141 for the Dodge Index (2000=100), compared to 129 for January. For 2015 as a whole, the Dodge Index averaged 138.

"The month-to-month pattern of construction starts will often reflect the presence of unusually large projects, and this explains February's gain relative to January," stated Robert A. Murray, chief economist for Dodge Data & Analytics. "It also helps to explain the elevated and unsustainable pace of total construction starts during the early months of

**The Dodge Index  
of New Construction Starts  
(Year 2000 = 100)**



Source: Dodge Data & Analytics

2015, and by comparison the substantial year-to-date declines for nonbuilding construction and nonresidential building so far in 2016.

"During the first two months of 2015, there were 13 projects valued at \$500 million or more that reached the construction start stage, compared to five such projects during the first two months of 2016," Murray stated. "On balance, the current economic environment is still favorable for the continued expansion of construction activity, which may not show up in the year-to-date statistics for total construction starts until the second half of this year. Interest rates continue to be low, more construction-related bond measures have been passed at the state and local government level, and the new multiyear federal transportation bill is in place. While there are signs that banks are beginning to tighten standards on commercial real estate loans, at the urging of federal bank regulators, market fundamentals such as occupancies and rents remain generally supportive of new construction."

MARK ZWEIG, from page 1

smile or lower price but it takes a long time to build a relationship with a subconsultant or supplier. Don't cast those aside quickly – especially for those you know have good intentions.

**9) Do as I do, not as I say, is always best if you're the boss.** Set a good example. Don't be above any job. Demonstrate your competence in the basic work to be done. Pitch in and help out.

**10) Don't create your own trap.** It's good to be good at doing stuff but not if you are so good that no one else can come close to meeting your standard. You'll never get away from anything if that's the way you operate. Trust the other guy to perform.

**11) There's some truth to every rumor.** Where there's smoke, there's fire. Investigate and find out what is really going on with your clients, subs, and employees, because it could affect you.

**12) Take care of your people.** They aren't easily replaced. Loyalty and care for the business should be rewarded. ▀

MARK ZWEIG is Zweig Group's founder and CEO. Contact him at [mzweig@zweiggroup.com](mailto:mzweig@zweiggroup.com).

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Mark Zweig to-go.**

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**THE ZWEIG LETTER**

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# PROFILE



Melody Lane Fishing Pier in Fort Pierce, FL. WGI's structural division completed the design of the 215-foot long pier in 2015. Construction was completed in January.

## Listen and learn

A firm is at its best when good people, rather than a bureaucracy, are in place and empowered to make important decisions.

By LIISA ANDREASSEN  
Correspondent



David  
Wantman,  
CEO,  
Wantman  
Group Inc.

**D**avid Wantman, CEO of South Florida-based **Wantman Group Inc.** (Best Firm-Multidiscipline #42 and Hot Firm #39 for 2015), a 310-person comprehensive engineering consulting firm, has long understood the intricacies of running the company his father founded. At 13, he was doing everything from delivering blueprints to cleaning bathrooms, and just a year later, joined one of the survey crews.

He continued to work for the firm until his father sold it. At that point, he went to work for a large national firm as an engineer. During this time, his father started another firm and asked Wantman to return. He was a bit reluctant. In fact, it took him 10 years to decide to work for his father again, but he did. That was in 2000. About seven years ago, he became CEO.

"My father is still active with the business on a part-time basis and likes to pop in and out to keep me in check," he jokes.

Wantman says the company strives to be smarter,

to work harder, and to make decisions quicker than its competitors.

"We achieve this by hiring really good people who want to win and be successful in their careers," he says. "That's the culture here."

"I am a firm believer in letting good people do what they do best, but that said, I need to know what they are doing. You have to stay in touch."

### A CONVERSATION WITH WANTMAN.

**The Zweig Letter: What are the key strengths for an effective leader? What are your key strengths?**

**David Wantman:** You have to be a good listener. It helps you to understand what is happening around you. I often like to be the last person to speak at a meeting because if I speak first, it tends to influence others' thoughts and I may not always get a

See Q&A, page 4



Q&A, from page 3

real accurate read of what they are thinking. I don't want everyone to agree with me. You also have to be dedicated. I mean, really ... if you're not dedicated then what are we doing here?

"I often like to be the last person to speak at a meeting because if I speak first, it tends to influence others' thoughts and I may not always get a real accurate read of what they are thinking. I don't want everyone to agree with me."

**TZL: How would you describe your leadership style?**

**DW:** Hands-on, but hands-off. Does that make sense? I am a firm believer in letting good people do what they do best, but that said, I need to know what they are doing. You have to stay in touch.

**TZL: What makes your company a great place to work?**

**DW:** It starts with desire. You have to want to be a great place to work. We work hard and spend a lot of time here. We are committed to making this a great place to work. For example, we're listening to people who want flex hours and collaborative work spaces. We have lounge areas with coffee and televisions so people can tune out and take a break – alone or together. You have to take breaks from what we do. It keeps your head straight.

**TZL: What's been your greatest challenge since becoming CEO?**

**DW:** Definitely growth. We put together a strategic plan a few years ago and have exceeded our goals. Right now we have achieved our five-year revenue goal in year three. So, putting systems and people in place to effectively support that growth has been our top priority. Of course, we want to continue to grow, but we want to maintain a small firm mindset. We don't want a lot of red tape and we don't want to become bureaucratic. We want to stay nimble enough to keep personalized client service. We are working to do this by hiring people we can trust to make the right decisions. We are about empowering people. Not every decision has to be a democracy. We don't need a committee for everything. We need good people.

**TZL: What is your vision for the future of WGI?**

"Growth is the heartbeat of any firm. You either grow or you shrink. I want to focus on smart and manageable growth – to grow slowly and carefully."

**DW:** Smart growth. Growth is the heartbeat of any firm. You either grow or you shrink. I want to focus on smart and manageable growth – to grow slowly and carefully.

**TZL: What do you feel sets your firm apart from others?**

**DW:** The personal touch. Also, at a lot of other firms, technical staff is not empowered to make project decisions. Here, we empower them to do so. We want our clients to receive quick decisions.

**TZL: Are you married? Do you have children or pets?**

**DW:** I've been married for more than 20 years. We have two girls – one in high school and one in college. We also have a couple of dogs.

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

**DW:** I used to be a body builder in the '80s.

**TZL: What's the last book that you read?**

**DW:** *Strangers on the Bridge*. The movie *Bridge of Spies* was based on this book. I'm reading it on my iPad – I finally made the conversion from print to digital. It just makes sense.

"We're listening to people who want flex hours and collaborative work spaces. We have lounge areas with coffee and televisions so people can tune out and take a break – alone or together. You have to take breaks from what we do. It keeps your head straight."

**TZL: What's the last movie you saw in the theater?**

**DW:** I don't go to the theater. I do watch Netflix sometimes. I'm a fan of *House of Cards*.

**TZL: What's the best piece of work-related advice you've been given?**

**DW:** You never know who you're talking to. I once met a future employee in a grocery store. Get to know as many people as you can. Also, never be afraid to ask for help.

**TZL: Who is a leader who you most admire?**

**DW:** Steve Jobs. He had a relentless drive for perfection.

**TZL: What other types of activities do you enjoy?**

**DW:** I'm very competitive. I lift weights, do CrossFit a few times a week and snow ski. ▀



#### 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 issue of *The Zweig Letter*. If interested, please email [rmassey@zweiggroup.com](mailto:rmassey@zweiggroup.com).

## OPINION



# Underperforming teams

There's a lot to evaluate, and measures can be severe, but if fiefdoms form, or if turnover is high, it's time to take action.



June  
Jewell

## GUEST SPEAKER

**A**re you frustrated because some of your teams, groups, or offices are not hitting their financial goals or performing at their highest level? If you have groups that struggle to be profitable, have high turnover, or don't embrace your firm's culture, it can be difficult to pinpoint what the issues are and get them on track. Very often an office is opened or a new team assembled in order to accomplish one of the firm's strategic goals such as entering a new market, geography, or client. Depending on how the group was created – from breaking off from another successful division, to an acquisition, to a key strategic hire – many things can cause a group or remote office to underachieve.

A recent survey of our clients found that the average A/E firm has between two and six teams that are underperforming, and there are many different reasons for this. Options to confronting this problem include replacing team leadership, closing a remote office, or other severe measures. So how do you figure out what the primary problems are?

In measuring the performance of our groups or teams, we often look at revenue or profit goals, but it is also important to understand the other key metrics behind the scenes that are causing the group to miss their primary targets. A variety of key metrics, such as win-rate, backlog, and utilization need to be evaluated, in addition to other intangible factors including:

- Poor leadership

- Ineffective operational and business processes
- Winning enough business to sustain backlog and utilization
- Skills and talents of the team
- Types of projects and clients being pursued
- Failure to embrace the firm's mission and culture
- Unsatisfactory client satisfaction
- Reporting and group compensation plans

It is important to analyze your organizational structure and compensation practices to determine if you are rewarding the type of behavior that will drive profitability. Remote offices or groups are often not incentivized to

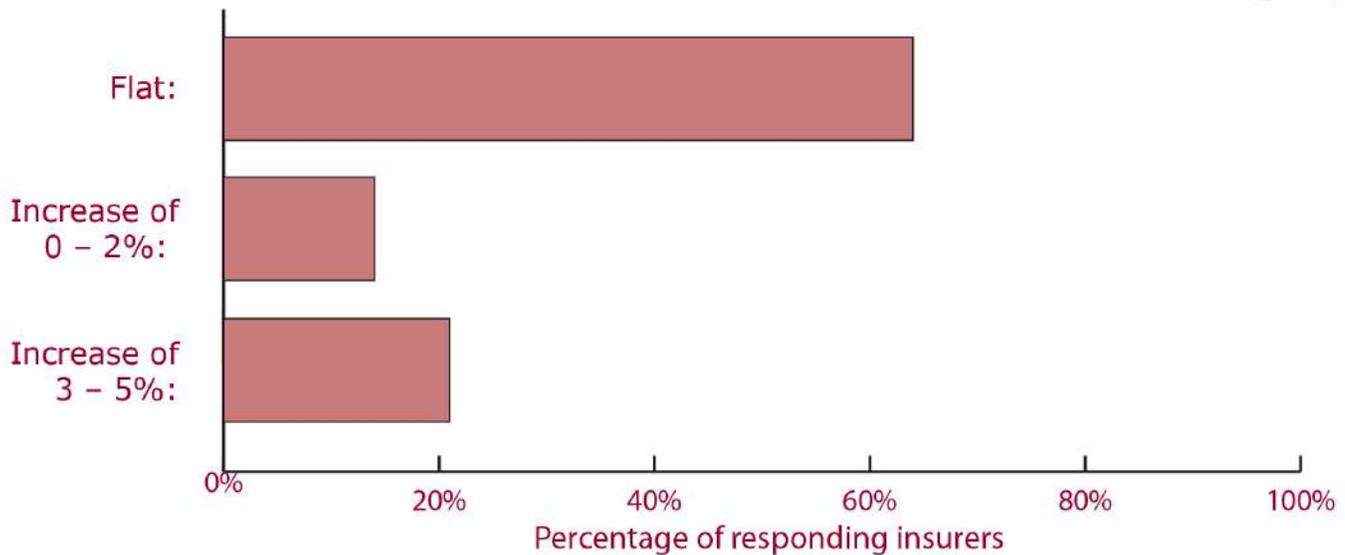
See JUNE JEWELL, page 8



# SPOTLIGHT ON: Insu

## PROFILE

### EXPECTED 2016 PREMIUM RATE INCREASES (%)



Nine of the 14 insurers participating in the Ames & Gough survey expect to maintain professional liability rates at 2015 levels. The remaining five plan increases of 5 percent or less.

## Stiff competition

Survey says a majority of insurance providers in the A/E/P market are keeping 2016 rates flat as newcomers crowd the field.

By RICHARD MASSEY  
Managing Editor

**U**p to 64 percent of insurers in the A/E/P professional liability market, faced with ever-growing competition from new entries into the field, expect to keep rates flat this year. And for the firms looking to raise rates, the increases will be slight, according to the **Ames & Gough 2016 Architects and Engineers Professional Liability Insurance Market Survey**.

The trend toward flat rates comes after three years of moderate increases, according to the survey, based on the responses of 14 leading insurance

“It’s a good time to be an architect or an engineer, so it’s a good time to be an insurer of architects and engineers.”

companies that represent more than 75 percent of the total professional liability market.

New insurance providers are entering the A/E/P field because revenues are up, losses are stable, and it’s relatively easy to hang a shingle and start writing policies, says Dan Knise, president and CEO of Ames & Gough. The end result is that A/E/P firms are getting nice deals.

“The good news for architectural and engineering firms is that the marketplace for professional liability insurance has seen competition both from existing insurers seeking to expand their business and insurance companies new to this coverage line that want to establish a foothold or gain market share,” Knise says. “In the past, competition has been keen among insurers vying for the business of smaller design firms, which many underwriters see as more desirable risks. Yet lately, competition has spread to all segments of the market.”

Knise says it’s difficult to pinpoint exactly how





many new firms have recently entered the market. However, he did say that Berkshire Hathaway, Arch, and AXIS, among others, are recent arrivals.

“These are all significant insurance companies that are seeing A/E professional liability as an add-on line of business,” Knise says. “It’s considered a good place to make money.”

“The good news for architectural and engineering firms is that the marketplace for professional liability insurance has seen competition both from existing insurers seeking to expand their business and insurance companies new to this coverage line that want to establish a foothold or gain market share.”

Professional liability covers economic loss claims and bodily injury claims that arise from providing professional services, and most claims are from the project owner. A big source of claims, Knise says, come out of multifamily projects, particularly condos, highways and roads, and institutional facilities like schools.

Based on the results of the survey, 57 percent of firms in 2015 reported a claim payment of \$1 million or higher, with one firm reporting a claim payment of between \$5 and \$9.9 million, and another reporting a claim payment of between \$10 and \$19 million. The complexity of claims, contract compliance, and the increase in legal fees, is pressuring firm clients to ask for higher coverage limits.

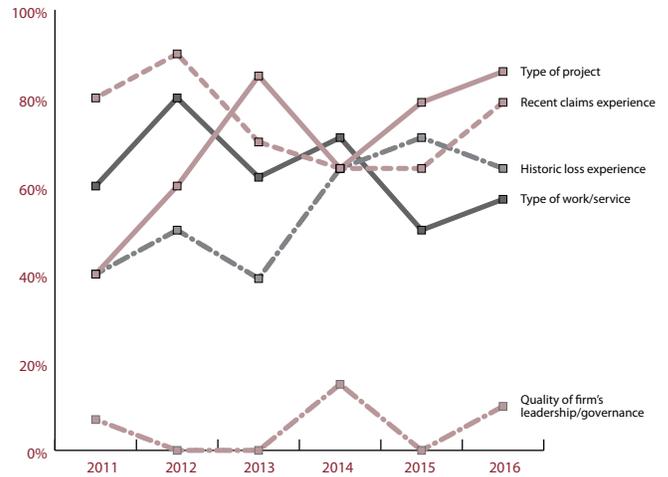
The pitfalls of development, design, engineering, and construction are beyond count, and claims against firms can come from just about anywhere and for any reason. And there is no shortage of examples of how projects can spiral into lawsuits, with A/E/P firms and their insurance providers at the center of the complaints.

On a small scale, but notable nonetheless, is a 2015 case out of New Orleans. Rob Ryan, the former New Orleans Saints defensive coordinator – now with the Buffalo Bills – sued a developer, builder, and two engineering firms, claiming his \$2 million Uptown home was sinking due to flawed construction. As of March 24, the case was still open, according to the case file at Orleans Parish District Court.

On a much larger, and even epic scale, is the case unfolding in Seattle. There, the Washington State Department of Transportation is at odds with Seattle Tunnel Partners, the company digging the Alaskan Way Viaduct Replacement Project, a two-mile tunnel underneath downtown Seattle.

The world’s largest boring drill, named Bertha, was damaged early on during the process, in 2013, bringing the

### TOP FIVE UNDERWRITING CONSIDERATIONS (2016 vs. five prior years)



Note: Insurers provided multiple answers, so the responses for each year sum to over 100%.

In 2016, the insurance companies surveyed cited type of projects (86 percent), recent claims experience (79 percent), historic claims experience (64 percent), and type of work/service (57 percent).

project to a halt. Though the drill has since been repaired, the question of who was responsible for the breakdown is still unresolved. The state of Washington says Seattle Tunnel Partners had a defective drill, while STP claims that the drill was damaged by piping leftover from the state’s groundwater studies.

The cost to repair Bertha? According to a lawsuit pending in the Supreme Court of the State of New York, County of New York, about \$143 million. But STP’s insurer, a consortium led by Great Lakes Reinsurance (UK) SE, says it is not responsible for the repair bill because the drill was defective, and thus not covered under the policy.

“In the past, competition has been keen among insurers vying for the business of smaller design firms, which many underwriters see as more desirable risks. Yet lately, competition has spread to all segments of the market.”

Neither the Ryan case nor the Washington case were reflected in the Ames & Gough survey, and Knise did not speak to either of them.

The insurers that participated in the Ames & Gough survey were: ACE (now Chubb), AIG, Arch, Aspen, AXIS, Beazley USA, Berkley Design Professional, CNA, Liberty, Markel, Navigators, One Beacon, RLI, and Travelers. Emerging

See INSURANCE, page 8

JUNE JEWELL, from page 5

share staff, cross-sell, or provide work to other offices or groups when measured primarily on their own performance. It is also common for bonus plans to be given on a discretionary basis which promotes individual performance over the best interests of the firm.

Another problem is failure of individual teams to follow company processes and use systems. These groups develop their own processes, use spreadsheets to manage projects, and don't embrace the company strategy and vision. Silos form and remote offices are often referred to as "fiefdoms." This is usually the opposite of the desired culture, and stems from a lack of training and oversight, as well as failure to hold staff accountable for performance and not adhering to company policies. This can have a substantial impact on profitability and limit the ability for your company to grow and thrive.

"If you have groups that struggle to be profitable, have high turnover, or don't embrace your firm's culture, it can be difficult to pinpoint what the issues are and get them on track."

These issues are especially evident when another firm has been acquired, and has completely different systems, processes and values from the corporate office. It can take a lot of time and effort to integrate a completely new company into your mainstream business practices. And when resources are tight to begin with, this is an area that is often not given enough attention.

If possible, moving a key executive to a new office can have the best results. Bringing the discipline, values, and knowledge of company practices to a new office or group is challenging, and having someone there from the beginning

INSURANCE, from page 8

issues for the surveyed firms include evolving project delivery methods like design-build and public-private partnerships; innovation; and international exposures.

In a competitive market, insurers tout their claims service, and among surveyed firms, 79 percent said claims service

"These are all significant insurance companies that are seeing A/E professional liability as an add-on line of business. It's considered a good place to make money."

#### Cyber insurance

Cybercrime is not a huge issue at this point for A/Es. It seems to be a bigger issue for retailers, banks, online businesses, and law firms. Having said that, all businesses are targets and we have had A/E clients who have been victims of cyber extortion, (send us bitcoin and we'll give you your files back), and computer fraud (where someone copied their keystrokes and used their PIN to withdraw money from their bank account). Also, we are seeing clients of A/E firms wanting their A/Es to purchase and maintain so-called cyber/network security insurance. This will eventually drive demand for the coverage. — Dan Knise

"The key is to make improvements quickly rather than let problems fester and deteriorate."

that already believes in your firm's mission, follows established processes and embraces use of systems may get the best results. In addition I recommend that you:

- Conduct a business assessment to determine primary issues
- Get one-on-one feedback from staff
- Schedule regular meetings by firm leaders to all remote offices
- Include group leaders in regular corporate leadership meetings
- Evaluate whether organizational structure and compensation practices are encouraging desired behaviors

In some cases, you may try everything possible and discover that a group, team, or office is just not working out. So how do you know when to cut the cord? Obviously you want to try everything possible to turn things around, especially if you have made a large investment in them, and have a lot of talented staff that you could lose. The final decision must be based on whether management believes that the team's results will improve, as well as whether the team is contributing to or detracting from the overall company strategy.

If after all of these steps have been taken over a reasonable period of time, and results have not improved, then there may be no other option than to replace key staff or close an office altogether. The key is to make improvements quickly rather than let problems fester and deteriorate. Real improvement can be made with clear communication, determination to instill accountability at every level of the organization, and swift action to stop the bleeding. ▀

JUNE JEWELL is the president of **AEC Business Solutions**. Learn more about how to improve your firm's financial performance at [AECBusiness.com](http://AECBusiness.com).

was an element that could differentiate them from the others. Also cited as key values were longevity, at 57 percent, breadth of coverage, at 50 percent, and risk management support, at 36 percent.

Some surveyed firms voiced concerns that lack of underwriting expertise, market overcapacity, and unsustainable pricing levels might ultimately lead to a "shakeout," with some insurers leaving the market altogether. While that might happen down the road, it's not in the forecast for the near future.

"It's a good time to be an architect or an engineer, so it's a good time to be an insurer of architects and engineers," Knise says. ▀

## OPINION



# RSVP in the A/E/P

If you are planning an event, pay attention to the details so that your firm can reap the full benefits of publicity, business development, and old-fashioned fun.



**Christina  
Zweig**

### MARKETING MATTERS

**H**olding an event is not something just for the big mega firms. It is a great opportunity for smaller companies to gain exposure, especially to local potential clients, and to sell itself without the pressure of an interview. Here are a few ways to make it a sure success.

Planning an event takes time. Zweig Group holds a yearly event, the Hot Firm and A/E Industry Awards Conference. Planning for this event starts more than a year in advance (prior to the previous year's conference even happening). Your firm's event doesn't need to be elaborate and overly time consuming, but be sure to give yourself enough time.

We know that every marketing dollar counts. Make your firm's event pay off – it should

“Make your firm's event pay off – it should eventually translate into new clients and better jobs. Open houses with bad Sam's Club appetizers and cheap wine/beer do not usually do that.”

eventually translate into new clients and better jobs. Open houses with bad Sam's Club appetizers and cheap wine/beer do not usually do that.

Get specific with a targeted audience. Decide who you want to come and why they should come. Hosting a new product demo, holding a seminar or educational event, or bringing in some kind of entertainment can get people together. Friendly competition such as a chili cook-off, sports teams, or a 5K run is also a powerful incentive.

A local firm we work with hosts an event called Catfish, Corndogs, & Cornhole. In addition to the event's catchy name, it has plenty of good food and attending businesses form teams to compete in Cornhole, which is similar to horseshoes except players throw corn bags into wooden boxes. The event benefits the Boys and Girls Club, giving it

See CHRISTINA ZWEIG, page 10



## ON THE MOVE

**THREE MANAGERS PROMOTED AT RPS KLOTZ ASSOCIATES** Texas-based civil engineering firm **RPS Klotz Associates** has announced the promotion of three of its professionals into practice and departmental management roles.

**Don Durgin**, PE, has been promoted to transportation practice manager. Durgin has 15 years of experience in a variety of transportation-related fields, including municipal roadways, complex highways and interchanges, rail design, and bicycle and pedestrian facilities. He holds master's and bachelor's degrees from the University of Nevada.

**Alex Kuzovkov**, PE, has been promoted to deputy practice manager in the Public Works Department. Kuzovkov has more than 25 years of experience in planning, design, operation and construction administration of water and wastewater treatment facilities, water and wastewater conveyance systems, and pumping and storage facilities. He holds a bachelor's degree from St. Petersburg State University in Russia.

**Lynn Pipkin**, PE, has been promoted to mobility department manager. Pipkin has nearly 30 years of transportation planning, design and construction expertise, with

significant experience with the Texas Department of Transportation and Harris County Toll Road Authority. He holds a bachelor's degree from Texas A&M University.

**CARDNO APPOINTS AMERICAS SAFETY CHIEF** Professional infrastructure and environmental services firm **Cardno** is pleased to announce a key leadership appointment that will strengthen safety performance in the Americas Region.

**Marla Toma** has been promoted to the position of vice president of Health, Safety, Environment & Quality where she will oversee a range of safety initiatives across Cardno's operations. She has also been appointed to the Regional Leadership Group for the Americas.

With more than 25 years' experience as a certified safety professional, Toma most recently served as HSE director for the company's Natural Resources Management and Health Sciences Division. She has extensive safety expertise in oil spill response and has worked as a chemist/quality control officer on multiple hazardous waste, oil spill assessment and remediation projects.

In her new role, Toma will direct programs, procedures and management systems to reduce accidents, occupational illnesses and

exposure to long-term health hazards. She will ensure the technical guidance of HSEQ officers, lead safety training development, supervise incident investigations for injuries and significant near misses. She will also oversee the substance abuse prevention program and workers' compensation administration for the region's 150 offices.

"Marla has an exemplary record across health and safety, environmental chemistry and quality assurance," said Americas President and

General Manager Mark Swatek. "She has contributed significantly to developing and managing Cardno's Zero Harm safety program and we look forward to her providing leadership to our HSEQ staff and improving the effectiveness of our safety programs."

Marla has a Bachelor of Science degree in chemistry and a Certificate in Hazardous Materials Management from the University of California at Davis. She has also earned Certified Safety Professional designation and completed the Executive Program in Safety Management from the American Society of Safety Engineers.

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a charitable aspect that further encourages attendance and publicity. This event brings a bunch of potential and current clients together and everyone gets to interact with the dynamic leader of the company.

Get help, partner up with another firm, or even bring in something/someone outside your industry. **Hickok Cole Architects** (Georgetown, DC), took home first place in Zweig Group's 2015 Marketing Excellence Awards in the Special Event category for its social marketing event – Art Night. Every October, HCA transforms its four-floor offices into a huge art gallery and the proceeds from the sale of artwork are split between the nonprofit organization, Washington Project for the Arts, and local participating artists. Even though Hickok Cole foots the bill, the event brings in more than 700 people and the firm estimates the press/media coverage is equal to at least \$10,000 worth of advertising and exposure.

"Follow these tips, get a little creative, have some fun, and you'll be well on your way to hosting a successful event!"

**Other things to keep in mind:**

- Timing is everything. Consider other area events, industry events, holidays, location, and weather.
- Alert the media (and not just through social media).

"Get specific with a targeted audience. Decide who you want to come and why they should come. Hosting a new product demo, holding a seminar or educational event, or bringing in some kind of entertainment can get people together."

- Charge if necessary (even if the money is going to charity or a speaker/presenter). Guests who are willing to pay the price to attend an event often anticipate that their experience will be valuable or, at the very least, they are interested and curious about what you have to offer.
- Don't overlook the details. Whether you are holding this event at your firm's office or somewhere else, have appropriate lighting, music, sound, food/drink, restrooms, and whatever else will keep people comfortable and having a good time.
- Capture the event with photo/video so it can continue to work as marketing.
- Make sure every attendee is walking away with something of value (can just be information).
- Keep a guest list and follow up with every attendee.

**Follow these tips, get a little creative, have some fun, and you'll be well on your way to hosting a successful event! ▀**

CHRISTINA ZWEIG is Zweig Group's director of research and marketing. Contact her at christinaz@zweiggroup.com.



## Honestly, let's do business

If a firm is to stand the test of time, two building blocks have to be in place – honesty and integrity.



Will  
Swearingen

### M&A INSIGHTS

**M**y entire life I have looked up to my dad and uncle as pillars of the community. City council. Church. Membership on various bank and hospital boards. They got involved. They served. They were also architects who helped grow a small firm that started in the early 1970s to one that now employs more than 250 people. It has become a cornerstone of our community. When I asked them what made the firm successful, they said the recipe was simple – honesty and integrity when conducting business.

When I think about what that means, it makes complete sense. From our own internal compass, to our many daily dealings, to the execution of a project on-site, honesty is crucial to success. Too often we are stretched thin on time and resources. If we could just buy a little more time, have a few extra hands here or cut a corner there, we could accomplish the task in time and under budget. But let's be honest, everyone knows no A/E/P project has ever been completed with an efficiency rate of 100 percent. So you must be careful not to sacrifice your firm's capacity for the sake of the sale.

Projects come in way over budget. Resources get stretched, and time and money are wasted. But what if everyone was completely honest about their expectations? Would it impact the way one bids and manages a project? Would it compromise one's leverage in closing a deal? Should you be so honest that you flat-out deny a budget and timeline can be met? No, but the conversation needs to be open and transparent from the beginning to the end. The project lead has to have complete confidence his team and client are working together to achieve the same goal. This all starts with candid communication.

Projects get messy. Change orders become routine.

See WILL SWEARINGEN, page 12



## BUSINESS NEWS

**ZAHA HADID, 1950-2016, DIES FROM HEART ATTACK** It is with great sadness that **Zaha Hadid Architects** announce that Dame Zaha Hadid died suddenly in Miami in the early hours of April 31. She contracted bronchitis earlier in the week and suffered a sudden heart attack while being treated in the hospital.

Zaha Hadid was widely regarded as the greatest female architect in the world. Born in Baghdad in 1950, she studied mathematics at the American University of Beirut before starting her architectural journey in 1972 at the Architectural Association in London.

By 1979 she had established her own practice in London – Zaha Hadid Architects – garnering a reputation across the world for her groundbreaking theoretical works including *The Peak* in Hong Kong, the *Kurfürstendamm* in Berlin, and the *Cardiff Bay Opera House* in Wales.

Working with office partner Patrik Schumacher, her interest was in the interface between architecture, landscape, and geology, which her practice integrates with the use of innovative technologies often resulting in unexpected and dynamic architectural forms.

In 2004, Zaha Hadid became the first woman to be awarded the Pritzker Architecture Prize. She twice won the UK's most prestigious architecture award, the Royal Institute of

British Architects

Stirling Prize. Zaha Hadid was recently awarded RIBA's 2016 Royal Gold Medal, the first woman to be awarded the prestigious honor in her own right.

Zaha Hadid's first major built commission, one that affirmed her international recognition, was the *Vitra Fire Station* in Weil Am Rhein, Germany; subsequent notable projects including the *MAXXI: Italian National Museum of 21st Century Arts* in Rome, the *London Aquatics Centre* for the 2012 Olympic Games and the *Heydar Aliyev Centre* in Baku. Buildings such as the *Rosenthal Center for Contemporary Art* in Cincinnati and the *Guangzhou Opera House* in China have also been hailed as architecture that transforms our ideas of the future with visionary spatial concepts defined by advanced design, material and construction processes.

Zaha Hadid's other awards included the Republic of France's *Commandeur de l'Ordre des Arts et des Lettres*, Japan's *Praemium Imperiale* and in 2012, Zaha Hadid was made a *Dame Commander of the Order of the British Empire*. She was made *Honorary Member of the American Academy of Arts and Letters* and *Fellow of the American Institute of Architecture*.



Courtesy: Brigitte Lacombe

She held various academic roles including the *Kenzo Tange Chair* at the Graduate School of Design, Harvard University; the *Sullivan Chair* at the University of Illinois, School of Architecture. Hadid also taught studios at Columbia University, Yale University and the University of Applied Arts in Vienna. — *Zaha Hadid Architects*

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**A firm's top executives are the cornerstone of its success. Their commitment to honesty should be a critical component of the entire company's culture, and should inspire growth and development in the entire staff, from interns to middle managers to project leads. Keeping those lines of communication open, from the C-Suite down, can drive staff to become more involved in the process, while continuing to gain confidence and accountability. In fact, this is what we hear time and time again in our strategic planning engagements. People want to be involved. They want to know what is happening with the firm. They want to be an asset. Maintaining honest communication from the top to the bottom can open so many doors for a firm and its people.**

“A firm's top executives are the cornerstone of its success. Their commitment to honesty should be a critical component of the entire company's culture, and should inspire growth and development in the entire staff, from interns to middle managers to project leads.”

Now this is not to say that you have to open the entire playbook and invite everyone to see the dirty laundry! But it does mean that you have to get people comfortable talking. Employees need to know the expectations. They

“When I asked them what made the firm successful, they said the recipe was simple – honesty and integrity when conducting business.”

also need to know the mission and goals of the firm so they can represent the brand that has been so carefully maintained over the years. Your clients need to feel the same way. They need to know you, know your commitment to their project, and be able to have open conversations about your business relationship.

Like my dad and my uncle always said – it all starts with honesty. So be truthful with yourself, because your internal compass directs every effort and result in life. Be honest with your clients and be honest with your employees. There are only a few leaders in each organization and each leader carries the responsibility of guiding their company through the good and bad times. For decades many firms have survived and thrived in the A/E/P space. So what is their secret? What is it that creates a culture that can endure the ups and downs and pains of growth and contraction? I believe it is building honesty and integrity into every deal and every relationship. Over the years a firm will evolve, and new leadership will arise, but the founding principles should remain intact. It is that reliability and accountability that will keep the brand complete and able to compete for years to come. ▀

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