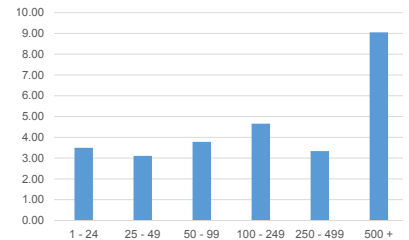


## Success secrets of high achievers

Ten characteristics Mark Zweig has seen in high-flying AEC leaders.

## TRENDLINES

### Values by firm size



Zweig Group's 2015 Valuation Survey finds that larger A/E/P and environmental consulting firms are generally valued higher than smaller firms. For example, firms with 500 or more employees reported the highest median equity value/profit ratio, at 9.05. The median equity value/profit ratio for firms with 250 to 499 employees (3.34) and 25 to 49 employees (3.11) is the lowest among firms that performed a valuation in the last three years. One possible explanation for firms with 25 to 49 employees being valued lower than firms with fewer than 24 employees (3.50) is that the relatively small number of potential buyers for larger firms makes them less marketable and ultimately less valuable than smaller firms. In addition to being more marketable, smaller firms tend to be younger, with higher levels of ownership optimism and more potential for rapid growth. – Leah Santos, Research Analyst Assistant

High achievers go over mountains or around mountains or through mountains but don't let anything deter them from their course. This is such a crucial trait that distinguishes these people from the masses.



Mark Zweig

### EDITORIAL

Thirty five years as a student of human behavior – all concentrated in one industry (the AEC world) – coupled with an incredible amount of research on people, firms, the industry, and markets served by firms in this business have taught me a lot. In particular, I have seen how the high achievers in this business do it. Here are 10 observations on these people:

- 1) They are big-picture.** They see how everything works together (or doesn't) and don't get mired in the details at the expense of what's really most critical.
- 2) They are good communicators.** It isn't good enough to know what to do. You have to be able to sell those ideas and that vision to others.
- 3) They are intelligent.** As Larry the Cable Guy says, "You can't fix stupid." He's right. Intelligent people are reasonable. You can discuss things with intelligent people.
- 4) They stay 'up.'** They know how their optimism affects everyone around them. And even if not up all of the time, they are at least even-keeled.
- 5) They stay 'on.'** They don't shut down at night or all weekend long, or for weeks while on vacation. The most successful people I know are the most accessible and responsive. They are the least likely

See MARK ZWEIG, page 2

## MORE COLUMNS

■ BEST PRACTICES: Select and guide staff to be leaders. Page 7

## FIRM INDEX

AECOM.....	4
Choice One Engineering Corporation.....	9
Clifford Power Systems, Inc.....	5
Crafton Tull.....	5
Gale.....	5
Haskell.....	9
HDR.....	12
HOK.....	12
IIW, P.C.....	5
JBA Consulting Engineers.....	12
JLG Architects.....	5
McDonough Bolyard Peck, Inc.....	12
Process Plus.....	10
Sanderson Stewart.....	3
THE COLLABORATIVE.....	9
Wantman Group, Inc.....	12
WOODARD & CURRAN.....	3



The experts share advice

Page 6

## Don't fear the mega firm

Page 3

## A/E BUSINESS NEWS

**ABI ENDS YEAR ON HIGH** There were 10 out of 12 months of increasing demand for design services in 2014, and the Architecture Billings Index points to a healthy outlook for the nonresidential construction industry.

The American Institute of Architects reported the December ABI score was 52.2, up from a mark of 50.9 in November. This score reflects an increase in design activity (any score above 50 indicates an increase in billings). The new projects inquiry index was 58.2, following a mark of 58.8 the previous month. Design contracts posted a mark of 49.9, after a 54.9 score in November.

"Business conditions continue to be the strongest at architecture firms in the South and the Western regions," said Kermit Baker, AIA chief economist. "Particularly encouraging is the continued solid upturn in design activity at institutional firms, since public sector facilities were the last nonresidential building project type to recover from the downturn."

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 December ABI highlights:

- Regional averages: South (56.8), West (52.9), Midwest (50.8), Northeast (45.5)
- Sector index breakdown: multifamily residential (55.7), institutional (52.5), commercial/industrial (51.2), mixed practice (45.8)
- Project inquiries index: 58.2
- Design contracts index: 49.9

**HOUSING STARTS ON THE UP** Residential housing starts will be on the increase in 2015, according to the Portland Cement Association.

In his annual residential housing forecast during the 2015 International Builders Show, Edward Sullivan, PCA chief economist and group vice-president, announced that housing starts will increase 20 percent to 1.2 million units in 2015. This is up from roughly 950,000 units in 2014,

and strong gains are also expected for 2016.

Multifamily units in particular should see a significant increase in starts compared to previous years, with a 12 percent jump from 2014 levels. Nearly 400,000 multifamily starts are expected in 2015, in addition to 800,000 new units in the single-family market. The trend in multifamily construction is expected to persist throughout the forecast horizon as high student debt keeps the Millennials out of the new home market and Baby Boomers leave the market.

"The forecast is based on sustained strength in the labor markets with more than three million net new jobs created in both 2015 and 2016," Sullivan said. "In addition, wage gains in the context of sub-6 percent unemployment are expected to reinforce labor market fundamentals."

Sustained strength in job creation, coupled with a gradual shift in the mix of jobs toward higher skill and more significant wage pressures suggest added strength to consumer spending. Debt to household income now lies at an 18 year low.

Consumer balance sheets have endured a healing period, and with improvement in the labor markets will be more able to spend than they have been in quite some time.

MARK ZWEIG, from page 1

people to go "offline" at 5 o'clock and for long periods of time on other occasions.

**6) They work hard.** There isn't any substitute for it. They'll get up early, stay up late, and do what they have to do to keep their commitments without many excuses. This, in turn, sets the "pace" for everyone else who works with/for/around them.

**7) They know how to treat people.** ALL people. This is such a valuable skill. Why alienate people by being a jerk or acting like you think you are better than them? Treating people well makes others like you and increases their willingness to work for you/with you, or do business with you. It says a lot about the person's character.

**8) They keep learning.** High achievers know someone is always nipping at your heels. They want to stay up with their knowledge of what's going on in their business, their discipline, and with the world as a whole. Learning is a way of life for them.

**9) They don't let obstacles shut them down.** They go over mountains or around mountains or through mountains but don't let anything deter them

It isn't good enough to know what to do. You have to be able to sell those ideas and that vision to others.

from their course. This is such a crucial trait that distinguishes these people from the masses.

**10) They are good recruiters and team-builders.** High achievers understand that all things they want to do takes a team. They are always looking for the next teammate and constantly working to refine their teams such that they have the best quality people working with them. Once again, this is essential if you are going to be a high achiever in this business.

**So take a good look at yourself in the mirror? Are you acting like a high achiever or acting like someone else who clearly isn't? ▀**

MARK ZWEIG is the chairman and CEO of Zweig Group. Contact him with questions or comments at [mzweig@zweiggroup.com](mailto:mzweig@zweiggroup.com).

**THE ZWEIG LETTER**

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

Mark Zweig | Publisher  
[mzweig@zweiggroup.com](mailto:mzweig@zweiggroup.com)

João Ferreira | Managing Editor  
[jferreira@zweiggroup.com](mailto:jferreira@zweiggroup.com)

Christina Zweig | Contributing Editor  
[christinaz@zweiggroup.com](mailto:christinaz@zweiggroup.com)

Liisa Sullivan | Correspondent  
[lsullivan@zweiggroup.com](mailto:lsullivan@zweiggroup.com)

Tel: 800-466-6275  
Fax: 508-653-6522

E-mail: [info@zweiggroup.com](mailto:info@zweiggroup.com)  
Online: [www.thezweigletter.com](http://www.thezweigletter.com)  
Twitter: [twitter.com/zweigletter](https://twitter.com/zweigletter)  
Blog: [zweigwhite.blogspot.com](http://zweigwhite.blogspot.com)

Published continuously since 1992 by Zweig Group, 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 NXPprints, please contact The YGS Group at 717-399-1900, ext. 139, or e-mail [TheZweigLetter@TheYGSGroup.com](mailto:TheZweigLetter@TheYGSGroup.com).

© Copyright 2015, Zweig Group. All rights reserved.

# Don't fear the mega firm

As the giant firms gobble up and become bigger, smaller firms see more opportunities in work and in recruiting.

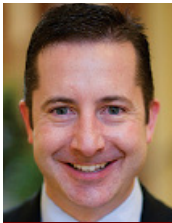
By LIISA SULLIVAN  
Correspondent



Douglas  
McKeown, CEO,  
WOODARD  
& CURRAN.

With some very significant recent M&As, are mega firms becoming more prevalent in the A/E industry? How are smaller firm leaders feeling about this climate? And how about larger firms? Are they feeling the heat? Overall, firm leaders remain confident about their prospects and say that all the activity can create talent opportunities.

“There are clearly programs where that size is important to deliver. But so much of the business we, and many firms thrive on, doesn't require that size factor.”



Michael  
Sanderson,  
President and  
CEO, Sanderson  
Stewart.

**LESSENING THE COMPETITION.** Douglas McKeown, CEO, **WOODARD & CURRAN** (Portland, ME), an 850-person integrated engineering, science and operations company, says that he finds his firm to be competing with many of these large firms, depending on the opportunity. But overall, he does not see the outcomes of these mergers – as “mega firms becoming more prevalent” – as negative. He sees one less competitor in many ways.

“Whether a firm is \$6 billion, \$9 billion or \$15 billion combined, they are all mega with ability to manage large complex assignments of global proportions,” McKeown says. “There are clearly programs where that size is important to deliver. But so much of the business we, and many firms thrive on, doesn't require that size factor. It still comes down to building trust with your clients and exceeding their expectations.”

On another level, McKeown says that these mergers tend to create more opportunity for **WOODARD & CURRAN** in attracting the talent it needs to thrive.

“Yes, many people are attracted to the project opportunities those firms can generate, but we find a lot of folks want to be more connected to a firm, its leadership and its mission: something that is often a bit muted in mega firms,” he says.

In many ways, McKeown believes that **WOODARD & CURRAN** has a more unique offering for employ-

ees and clients: A large, privately owned firm with a commitment to sustain that.

“I believe a lot of people care about who they are working for and whether that firm can or will provide for their career development over time,” he says. “Those are the people we look for, who can help really make a difference in the firm's success. That's not as easy to feel as a firm crosses certain size thresholds.”

**DON'T SWEAT THE SMALL STUFF.** Michael Sanderson, president and CEO, **Sanderson Stewart** (Billings, MT), a 65-person collaborative community development services firm, says that while mega firms have geographic reach, capacity and certain economies of scale that small and medium firms like Sanderson Stewart can't touch, those advantages are only good for certain clients and projects.

“What we lack in scale, we more than make up for in personal service, attention to detail and a great corporate culture,” he says. “In fact, in many respects, the huge mergers are good for us. The more firms that get rolled up by the mega firms, the better for those of us running small and medium-sized firms that are still focused on serving our local markets and clients with great service. And post-merger, we've seen the exodus of great talent from some of these firms as a terrific recruiting source.”

“What we lack in scale, we more than make up for in personal service, attention to detail and a great corporate culture.”

**WHAT CAN WE LEARN?** The AIA Foresight Report: The Changing Context, Business and Practice of Architecture 2014 states that, “More than half of the respondents of the AIA Work-on-the-Boards survey felt that merger and acquisition activity among architecture firms would increase.”

So, what can we learn from the growth of the world's largest firms?

The practice of mergers and acquisitions has helped countless firms achieve growth and establish themselves in new markets. It also helps them diversi-

See DON'T FEAR, page 4

## 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 [LSullivan@zweigwhite.com](mailto:LSullivan@zweigwhite.com).



# More cranes, more construction

Boston, Chicago, Denver, Honolulu, Los Angeles, New York and Seattle responsible for majority of cranes.

Rider Levett Bucknall – international property and construction consultants and a construction cost research firm – announced the launch of its inaugural edition of the North American RLB Crane Index. The new report measures construction activity in major cities across North America and predicts the health of the U.S. construction industry.

Unlike other industry barometers that track cost and other financial data, the Crane Index tracks the number of fixed cranes on construction sites in major cities across North America. The biannual report surveys activity in Boston, Chicago, Denver, Honolulu, Los Angeles, New York, Phoenix, San Francisco and Seattle. Additional cities, including Washington, D.C., will be added in future editions.

According to the first issue of the Index, the residential market – specifically condominium and apartment developments – continues to lead the U.S. construction recovery. The commercial, healthcare, hospitality, and education sectors have also started to see increases in crane activity.

“Unlike other forms of data, cranes are observable and recognizable icons of major construction activity. Therefore, they are an extremely useful measure of the changing pace of the construction industry,” said Julian Anderson, president of Rider Levett Bucknall North America. “We’ve always seen them rising in major cities. Now, with the RLB Crane Index, we have an interesting new way to quantify this information and turn it into a metric that is useful to our clients and industry leaders across the continent.”

Rider Levett Bucknall’s local offices gather data and information for the Index via surveys and other proprietary collection methods, including physically counting all fixed

cranes appearing on each city’s skyline. This count is performed twice yearly and provides the baseline data for the Index. For the inaugural North American edition, crane counts were taken in each city on Aug. 1, 2014 (baseline count) and again on Nov. 1, 2014.

The North American RLB Crane Index also indicates that residential projects in Boston, Chicago, Denver, Honolulu, Los Angeles, New York and Seattle are responsible for the majority of cranes populating the city skylines, with the majority of the projects being condominium and apartment developments. The Index further indicates that:

- Denver’s market shows approximately 92 percent of cranes are active on residential and mixed-use residential projects
- Honolulu’s residential cranes are leading the count at nearly 53 percent
- New York’s construction market is gaining strength and is being driven by increased demand for higher quality, multi-family residential developments
- Seattle is experiencing a large increase of activity, with 50 percent of cranes on residential projects
- In Phoenix and San Francisco, commercial and mixed-use projects have the most cranes active

Other market sectors across the U.S. exhibiting growth in crane counts include hospitality and health care.

“Our findings indicate that residential developments are driving growth across the U.S.,” Anderson said. “We expect that this growth – which includes redevelopment, renovation, and expansion projects – will continue to increase throughout 2015.” ▀

## DON’T FEAR, from page 3

fy their practice and to survive economic downturns. On the flip side, it can test a firm’s commitment to culture and identity.

**AECOM** (Los Angeles, CA) is an example of a firm that initiated and sustained its growth predominantly through acquisitions of other firms. Up to 2009, the firm operated as a collection of design, engineering, and project management firms all working under their own names and without a unified identity. The new brand made its official debut in 2009 and has since operated in the planning and design development, transportation, energy, environmental, and water sectors.

An article in Arch Daily, “Is Bigger Better,” reports that “Ar-

chitecture will always be a collaborative effort between design architects, interior designers, engineers, and numerous other consultants. When it comes to major urban development projects, the number of parties involved is even greater. In order to take on larger projects, global firms are increasingly expanding their reach through mergers and acquisitions. Rather than relying on the ‘brand name’ appeal of a specific architect, larger firms may choose to market themselves based on their ability to take on any type of project.”

This capability is made possible by acquiring firms with a range of specialties and operating under a single corporate identity. Whether or not we will see a greater number of mergers and acquisitions in the future, there will always be a need for large corporate firms to take on today’s most demanding urban projects. ▀



# Doing things better in 2015

Five firm leaders share the resolutions that will lead to positive business changes this year.

By LIISA SULLIVAN  
Correspondent



Matt Crafton,  
President and  
CEO, Crafton Tull.

**F**irm leaders often need to stand on their toes. And, one way to stand tall is to always be thinking of ways to do things better. So, what are some resolutions leaders are making that may positively impact the way their firm does business in 2015?

**A FOCUS ON EFFICIENCY.** Jon Lindberg, president, **Gale** (Weymouth, MA), a 100-person consulting firm of building envelope experts, engineers, and architects specializing in the repair, renovation and adaptive reuse of existing buildings, sites and infrastructures, says that their New Year's resolution is to improve project management efficiency.



Dana Birkes,  
Chief Marketing  
Officer, Clifford  
Power Systems,  
Inc.

"As a professional services firm, utilization of technical staff is the single most important economic indication for performance."

"To implement this, we are purchasing financial software to assist our PMs with staff allocation, planning and scheduling to improve utilization," he says. "As a professional services firm, utilization of technical staff is the single most important economic indication for performance. The new software will be introduced to our Connecticut and New Hampshire operations first, as these are relatively small, focused disciplines/operations. This will allow us to gauge and monitor improvements."

Following this rollout, Gale will then implement the software to the rest of its New England operations by midyear, and its regional offices before year's end.

"I anticipate that the introduction of project management enhancements could improve Gale's utilization by three to five percent, which will drive our overhead down and profits up," Lindberg says.

**REDISCOVER VISION.** Michael Jansen, CEO, **IIW, P.C.** (Dubuque, IA), a 78-person consulting engineering, surveying and architectural engineering firm, says that for 2015, IIW intends to embark on a significant process to reinforce its purpose, coupled with refining and building IIW's vision to "provide the framework for our strategic direction, op-

erational goals, and business planning."

"This visioning process will help us to discover our core ideology with enduring guiding principles, and to create an envisioned future providing a detailed, descriptive picture with bold, long-term goals. Our wish is to provide a purpose and vision that will create a lifelong dedication and inspiration for our employee-owners to apply to each other, to every day and to every client," Jansen says. "This is a unique milestone in the history of IIW, as a visioning process is a rare occasion, which makes this an exciting time for IIW as we continue to leverage our success and remain committed to a culture of continuous improvement in everything that we do."

**FOSTERING TALENT.** Matt Crafton, president and CEO, **Crafton Tull** (Rogers, AR), a 275-person architecture and engineering firm, says that he recently read a statistic that 85 percent of people ditch their New Year's resolutions by Jan. 15. With that in mind, Crafton Tull is sticking to its tried and true resolution of growing its business by attracting and retaining the best staff possible in an environment that fosters talent, welcomes innovation, and rewards hard work.

**SIMPLIFY PROCESSES.** Dana Birkes, chief marketing officer, **Clifford Power Systems, Inc.** (Tulsa, OK), a 200-person power generation systems firm, says that she is focusing on keeping it simple.

"We have had a lot of changes at Clifford Power this past year in order to position our company for growth," she says. "These changes, while necessary, have included major system upgrades and a re-branding program among other significant changes to how we operate. Not surprisingly, these many changes have added some stress to the organization which is why this year we are going to focus on simplifying our processes and work overall on company morale."

**MORE MINGLING.** James Galloway, partner at **JLG Architects** (Grand Forks, ND), a 101-person firm, says that he is going to work toward the following goals:

- Have lunch, at least once a week, with a former, current, or future client.
- Have lunch, at least once a week, with a former, current, or future employee.

How will you do things better in 2015? ▀





The consultants and experts at Zweig Group dish almost daily advice on Twitter. It's hard to capture everything, so every so often we'll do a recap of some of the most relevant posts in this space. Enjoy!

#### ZWEIG GROUP TWITTER HANDLES

Zweig Group @ZweigGroup  
The Zweig Letter @ZweigLetter  
Zweig Group Recruiting @ZGRecruit

#### CONSULTANT TWITTER HANDLES

Mark Zweig @markzweig  
Chad Clinehens @clinehens  
Randy Wilburn @randywilburn  
Ryan Renard @ryancrenard

TWEETS	FOLLOWING	FOLLOWERS	FAVORITES
9,510	1,986	2,655	267

Mark C. Zweig @MarkZweig · Jan 18  
Tomorrow—bad things you don't deserve could happen to you. But conversely, good things you don't deserve can happen to you, too!

Mark C. Zweig @MarkZweig · Jan 18  
Business owners who don't strip out all their capital every year stand a chance of building something enduring.

Mark C. Zweig @MarkZweig · Jan 18  
Entrepreneurs @EntrepreneurQ · Jan 18  
If you cannot do great things, do small things in a great way. — Napoleon Hill

Mark C. Zweig @MarkZweig · Jan 18  
Focus on top line revenue growth and don't waste any money and you'll be profitable.

Mark C. Zweig @MarkZweig · Jan 18  
Change is the only real constant. Seems ironic, doesn't it?

Mark C. Zweig @MarkZweig · Jan 18  
Your dreams can't come true if you don't have dreams.

Mark C. Zweig @MarkZweig · Jan 18  
Enduring passion and real interest have to be there for a founder to overcome the obstacles they'll likely encounter! #entrepreneurship

Mark C. Zweig @MarkZweig · Jan 18  
Aspiring entrepreneurs, consider the quality of your advisers. Mom and Dad, and Grandma, may not know what they are talking about!

TWEETS	FOLLOWING	FOLLOWERS	FAVORITES
7,704	1,758	4,332	47

Tweets Tweets & replies Photos & videos

Zweig Group retweeted  
June R. Jewell, CPA @JuneR\_Jewell · Jan 22  
What No One Will Tell You About the Biggest Marketing Trend for 2015 | @Substance151 substance151.com/news-insights/...

Zweig Group retweeted  
Zweig Group Recruit @ZGRecruiting · 23h  
Zweig Group is hiring! @precrater.com/jobs/zweig-gr... #jobs #Bentonville #SMP5

Zweig Group retweeted  
The Zweig Letter @ZweigLetter · 23h  
In 2015 "we will need to become more disciplined in how we evaluate the various things that come in the door" -- John Olsson @olsson\_assoc

Zweig Group @ZweigGroup · Jan 21  
It's time to get excited about #HoFirm 2015. The awards are now open for registration! zweiggroup.com/awards/the-zwi...

Zweig Group retweeted  
The Zweig Letter @ZweigLetter · Jan 21  
"Our strategy for 2015 will be to selectively invest the firm's resources on large infrastructure projects" - Alvaro Piedrahita @TYU\_Group

Zweig Group @ZweigGroup · Jan 19  
The Best Firms to Work For Awards are open! Sign up now to get the early bid price: zweiggroup.com/awards/best-f... #BFTWF

Zweig Group retweeted  
Mark C. Zweig @MarkZweig · Jan 11  
Sense of purpose—no surprise! @Inc: What Millennials Say Is Your Single Most Important Leadership Trait @zoelachery bit.ly/1IRNLc?

TWEETS	FOLLOWING	FOLLOWERS	FAVORITES
620	332	342	12

The Zweig Letter @ZweigLetter · 23h  
In 2015 "we will need to become more disciplined in how we evaluate the various things that come in the door" -- John Olsson @olsson\_assoc

The Zweig Letter retweeted  
June R. Jewell, CPA @JuneR\_Jewell · Jan 22  
What No One Will Tell You About the Biggest Marketing Trend for 2015 | @Substance151 substance151.com/news-insights/...

The Zweig Letter @ZweigLetter · Jan 21  
"Our strategy for 2015 will be to selectively invest the firm's resources on large infrastructure projects" - Alvaro Piedrahita @TYU\_Group

# Select and guide staff to be leaders

Grooming your team to assume leadership roles requires diligent preparation and important attributes for success.



STEPHEN  
LUCY

## BEST PRACTICES

**D**ue to the extended nature of the last economic downturn, many firms lost mid-career professionals through downsizing and attrition. The net effect: a management gap between newly minted engineering graduates and tenured principals and partners. Now that the economy has improved, filling those important management positions has become critical, especially in determining whom to select and guide to become future firm leaders. Preparing younger staff to lead requires diligent preparation and important attributes for success. These are some of the key issues to consider.

- **Charisma: a deciding factor?** Charisma has always been and will remain a great quality. Individuals with charisma attract followers and seem to make natural-born leaders. At the same time, having a charismatic personality shouldn't be the primary basis for how you select future leaders. If you don't understand the substance of an individual's magnanimous behavior, then you may have a "false read" on that natural leader. However, charisma accompanied by follow-through with clients, peers and subordinates is a winning combination every time.
- **Demonstrating humility.** The old proverb "pride goeth before a fall" are words to live by as humility is an important trait in any leader. Constant self-promoters aren't humble people and can often be a "turn off" to the team. Sharing credit where it is due, and understanding the value of collaborating and completing projects together are credentials that good future leaders should possess.
- **Taking initiative.** Every firm benefits from those who aren't afraid of taking risks, provided they are calculated rational risks. If you are selecting leaders who are unwilling to undertake any risk, your firm will stagnate and wither away as you will never change to address new market challenges or opportunities. When I am asked how I've built our firm's regional practice, I respond that it was because I did not ask permission for every decision that needed to be made. I was also willing to take responsibility for those decisions, both good and bad.
- **Time and workload management.** Future leaders should be comfortable with managing the intensity that comes with an increased workload. Their professional conduct, such as meeting deadlines, being well-organized, and managing client expectations, is equally important. Another essential attribute is the willingness to take on any task that you might assign to someone else. Demonstrating your

With the aging of firm leadership today, succession planning should move to the top of your priority list. Large firms understand the importance of succession planning and most have transition plans in place. Mid-sized to smaller firms may claim not to have time, but this is avoiding the inevitable.

willingness to work side-by-side with your team wins over their loyalty.

- **Willingness to be involved.** We, as do some of our other peer firms, evaluate the performance and leadership potential of our staff partially based on their participation in extracurricular firm and community activities. Community organizations are often not cohesive, with poor procedures and guidelines. Leadership in such an environment teaches skills in negotiation, compromise and collaboration.

By observing how your staff performs in these volunteer roles, you may be able to determine their leadership potential. If an individual can organize and lead such diverse groups, they will usually be very successful in leading a more cohesive team at your firm.

- **Addressing business skills.** Given that most leaders come from technical backgrounds, evaluating and selecting staff for technical positions is usually not an issue. However, at the end of the day, we are

See STEPHEN LUCY, page 8



## CALENDAR

**THE PRINCIPALS ACADEMY 2.0** The Principals Academy 2.0 is an updated version of the Zweig Group's crash course in all aspects of managing a professional services firm.

The program is presented by a team of speakers – including Zweig Group founder and CEO Mark Zweig – with extensive experience working with and for A/E firms. They have a clear understanding of what it takes to survive, and even thrive, in any economy.

The Principals Academy 2.0 is updated with the latest approaches to leading a successful firm in this new economy, including an expanded focus on business development, strategic planning, and financial management. The Principals Academy 2.0 is like a two-day MBA for technical professionals and is the most impactful two days you can spend learning to build your career and your firm.

The two-day agenda covers six critical areas of business management from the unique perspectives of architecture, engineering and environmental consulting firms, and is presented in tutorial and case study workshop sessions.

The Principals Academy 2.0 program includes an extended Q&A session with industry leader Mark Zweig and the panel of speakers. This provides the attendees an opportunity to discuss in-depth the issues facing them at their firms with advice offered from industry leading experts.

Upcoming events include March 12 in Houston and June and 14 in Seattle.

For more information or to register, call 800-466-6275 or log on to <https://zweiggroup.com/seminars/tpa/>.

**BECOMING A BEST 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.

That's why Zweig Group 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 become more comfortable dealing with clients and promoting the firm and your services.

Seminars will be led by Mark Zweig, Zweig Group CEO and founder, or Chad Clinehens, executive vice president, Zweig Group.

Seminar dates scheduled for 2015 include April 9 in San Francisco. Group discounts are available for teams of four or more attendees from the same firm.

Please call 800-466-6275 or log on to [https://zweiggroup.com/seminars/better\\_seller/](https://zweiggroup.com/seminars/better_seller/).

---

## STEPHEN LUCY, from page 7

businesses that have to operate and be led from a business point of view if we are to succeed. Future leaders have to possess better business skills from operations to finance to sales to ensure growth. The next generation of leaders must be able to address the needs of the firm and find the best ways to evolve as technology and engineering processes evolve. Obtaining or developing these skills may well require investments by your firm in external training.

■ **Hire the right people.** Technical capabilities have rarely been a problem in developing leaders as those skills are basic to enter the industry. The bigger issue has been finding professionals who fit your company culture. For new graduates, internships are an excellent way to screen candidates prior to permanent hiring. Both you and the candidate can have extended interaction, allowing the intern to grasp and understand your culture and you to evaluate all those traits that cannot be conveyed by a résumé.

For professionals already in the workforce, the same due diligence is required as these individuals are about to be inserted at some level within your existing organization. If you have not vetted their leadership skills, not only will you suffer by having the wrong person in the wrong place, but your existing staff may question your leadership. Ask questions both of the candidate and their peers to get the complete intelligence regarding their leadership skills and style.

■ **Ensuring diversity for success.** Respecting diversity of ethnicity, age and gender are hallmarks of organizational growth and success. The differences between young professionals and principals and partners means that bridges must

be built to transition the leadership roles among generations. Without embracing diversity issues and the needs of a younger workforce, a firm is destined to stagnate.

A mentor-protégé program provides one of those important bridges by enabling seasoned leaders to share their insights and vision working side-by-side with younger, future firm leaders and to train them accordingly.

■ **Listening to peers.** How do you choose honest leaders? Listen to the peer group. They will acknowledge whom they do or do not trust. Sometimes lack of honesty can be hidden within a business group, but it is very difficult to hide in one-on-one personal interaction. If you have established an open culture by listening to peers, they will tend to discuss those they won't follow. *Peers probably know better from innate leadership styles and skills who their leaders are.*

**ONE LAST WORD FOR CURRENT LEADERS.** With the aging of firm leadership today, succession planning should move to the top of your priority list. Large firms understand the importance of succession planning and most have transition plans in place. Mid-sized to smaller firms may claim not to have time, but this is avoiding the inevitable.

A well-defined and articulated path to the top is vital to those working on your behalf. Your firm's performance and growth depend upon taking the time to develop capable future leaders. ▀

STEPHEN LUCY is managing principal at JQ in Dallas, TX. Contact him at [slucy@jqeng.com](mailto:slucy@jqeng.com).



## HIRING

# Tell your story to prospects

Firms share the ways in which they mold their message to impress potential employees.

By LIISA SULLIVAN  
Correspondent



Brook Jones,  
Director of  
Marketing, THE  
COLLABORATIVE.

**H**ow do you make people want to work for you? Do you communicate your story in a way that will captivate them? Do tell.

**SHARING STORIES.** Melissa Kelly, corporate marketing manager, **Haskell** (Jacksonville, FL), a 900-plus-person design-build firm, explains that they focus on the experiences of their team and how that team defines Haskell.

“We have enjoyed a long history of being an industry leader – not just in terms of project delivery, but in terms of thought leadership. Our founder and chairman, Preston Haskell, is still actively involved in driving the company forward and reminds the team every day of the importance of innovation, commitment, community and entrepreneurial spirit,” Kelly says.

“Many of our team members across the ranks serve as leaders in industry organizations and in the community – their experiences with Haskell are often highlighted and the message is shared with many different audiences.”

The story of the company and the entrepreneurial culture that thrives at Haskell is something employees embrace and they are passionate about sharing the company’s story along with their own Haskell experiences during their interactions with potential employees.

“Many of our team members across the ranks serve as leaders in industry organizations and in the community – their experiences with Haskell are often highlighted and the message is shared with many different audiences, and attracts a lot of interest. Our college recruiting program also highlights the company and opportunities to ‘build a

career’ with Haskell and many of our recent college hires are very happy to share their stories of success,” Kelly says.

In addition, Haskell’s website was recently overhauled and the resulting product is engaging with fresh content constantly added, including InMotion, The Haskell Blog site; videos – including the latest highlighting the recent acquisition of FreemanWhite; and Market Intelligence, with case studies, papers and articles. The website reflects the firm’s brand, is easy to navigate and offers a wealth of information. “Many of the videos, linked to Haskell’s YouTube site, highlight team members talking about their experience working at Haskell and our values of team, excellence, service and trust,” Kelly says.

**SELLING CULTURE.** Brook Jones, director of marketing, **THE COLLABORATIVE** (Toledo, OH), a 47-person architectural and design firm, says that their culture is its biggest selling point to new and potential employees.

“Of course, culture is a company benefit better observed than described,” she says. “We invite potential employees to view our website for videos on company happenings, check out our latest ‘on-the-boards’ section to understand what our designers are currently working on and, more importantly, visit our office to chat with our knowledge groups and get a feel for what being a collaborator is all about.”

**Choice One Engineering Corporation** (Sidney, OH), a 32-person civil engineering firm, does not have a stereotypical HR department. There’s a part-time employee who takes care of the nuts and bolts of HR (i.e., health insurance paperwork, tax forms, tracking vacation hours, etc.). Advertising and interviewing is a joint process performed by the president, chief production officer, and the employees who will work directly with the new hire.

Most advertising is done on Choice One’s website, Facebook, and a couple of local websites, such as <http://hometownopportunity.com>.

See STORY, page 10



## ON THE MOVE

**CVL APPOINTS PRESIDENT** Design and engineering firm **CVL Consultants** (Phoenix, AZ), announced **Ryan Weed**, as its new president. Weed succeeds retiring leader **Les Olson**. Weed was named president of Arizona while Olson will serve as president emeritus until his complete retirement, which is expected in May.

Weed, previously executive vice president, has been with CVL since 1997 and worked closely with Olson. His engineering experience includes planning and zoning, preliminary layout, final construction documents, and coordination for residential, commercial, solar, energy, parks and master-planned communities. His leadership expertise includes navigating government relationships, regulatory matters, and helping comprehensive teams think creatively to solve problems in ways that benefit communities and clients. He will continue to be actively involved in project management and client relations.

CVL's history in the Southwest spans nearly six decades of design and engineering in the areas of transportation and rail, fuel transmission, solar arrays, utilities, single-family and multifamily residential, commercial shopping, industrial centers, churches, universities and more. Integrated design services include civil engineering, land surveying, land planning, landscape architecture, water resources, storm water engineering, construction services and permitting. Notable past projects in Arizona include Trilogy West, Arizona Mills, Arizona Public Service substations, Aloravita, Layton Lakes, Arizona State University, Tegavah, and Kierland Commons shopping and residential.

"Ryan will lead us forward because, like Les, he embraces the value of innovation through technology and the importance of doing right for the client, which has been CVL's calling card from the beginning," says Michael Geddes, chairman of the board at privately held CVL. "Les successfully led us through widespread economic challenges and Ryan worked alongside him through that. I know this will be a seamless transition for clients and employees, and Ryan will keep a heavy emphasis on exemplary client service."

**OLSSON ANNOUNCES TEAM** **Olsson Associates** (Lincoln, NE),

a 900-person national engineering design firm, is expanding its services in the federal market. Olsson has hired three people to strengthen its Federal Services team to focus on bringing in federal government projects.

"We've been interested in growing our federal market for some time," said Brad Strittmatter, Olsson president. "These new employees bring outstanding experience and will help elevate and expand our current efforts."

The new team is made up of individuals with extensive practice in the federal sectors. They are:

**Joe Harrison** will lead the team as the director of federal programs. He previously worked in a similar role, and he also has a long military career working closely with design firms. He will work from Olsson's Oklahoma City office.

**Joanna Longsdon** has worked alongside Harrison in her role as a deputy director of federal programs after previously holding the title of marketing manager of federal programs. Now, as a business development leader at Olsson, Longsdon will work from St. Louis.

**Stan Rankin** brings more than 40 years of experience in architectural/engineering design and design-build to the team. A key focus of his career has been providing professional services to both defense and non-defense agencies of the federal government. Rankin previously worked with Harrison and Longsdon in a similar federally focused capacity. He will work from Oklahoma City.

"We were attracted to working with Olsson for the way employees at the firm bring really innovative ideas to clients," Harrison said. "The company believes in collaboration and client service in a way that's unseen in much of our industry."

Olsson's past federal experience spans multiple agencies to include the Department of Agriculture, Department of Defense, Department of Homeland Security, Department of the Interior, Department of Transportation, Department of Veterans Affairs, and General Services Administration.

---

## STORY, from page 9

Tony Schroeder, president, says that they are currently soliciting for applications/résumés and have historically relied on word-of-mouth to tell their story.

"Many of the people we interview and hire at Choice One are local to the area and have heard about us from friends, family, or fellow engineering students at their universities," he says. "We try to show our culture through Facebook and our website, but we know we need to do a better job as we grow beyond the west-central Ohio area, where our company is less well-known."

Once candidates are selected to interview, Schroeder says that they communicate their story in person. Specifically, they stress their vision and mission: "To provide a fulfilling life for a lifetime by making lives better with an enjoyable experience."

"People also learn from our interview process what Choice One's culture is like; they are asked repeatedly about what kinds of people they work best with, what makes them feel fulfilled, what kinds of rewards are valuable to them, how they deal with drama/gossip, etc. We feel these questions

uncover red flags in the potential employee, and also show the potential employee what we value," he says.

James Eller, engineering director at **Process Plus** (Cincinnati, OH), a 110-person architecture and engineering firm, says that they also rely a great deal word-of-mouth interactions.

"Our employees help tell our story," he says. "They are our best advocates."

Employee benefits, community involvement activities and other firm news are also listed on the firm's website ('What's Hot' updates), on social media pages, through career fairs, and in the local newspaper.

"We try to convey our close-knit company culture in all that we do and hope this comes across in our website and social media posts," Eller says. "In talking with candidates, we gauge how they will fit within our culture and core values as a company. We look for new hires who are dependable, maintain high personal standards, and take the initiative to grow within their profession. We look for perspective employees that have a positive attitude; attitude is everything!" ▀

## EXPERTISE

# What does your profile look like?

There are four types of CFOs out there and most can be found at design firms.

By LIISA SULLIVAN  
Correspondent



Carl von Hake,  
CFO, JBA  
Consulting  
Engineers.

The role of the CFO has broadened over the past decade. To get a more detailed picture of how the role continues to evolve, McKinsey & Company, a global management consulting firm, analyzed the experience, credentials, and backgrounds of CFOs of the top 100 global companies by market capitalization. The review suggests that companies are shaping the role to meet current needs.

As a result of the review, McKinsey developed four distinct profiles that define the breadth of the current CFO's experience in finance or in non-finance functions. They are:



Tim Nicoulin,  
CFO, Wantman  
Group, Inc.

**THE FINANCE EXPERT.** Typically internal hires, these CFOs have years of experience rotating through multiple roles within the finance function – controlling, treasury, audit, financial planning and analysis, or business unit finance. They tend to have intricate working knowledge of the company and are often experts in relevant finance and accounting issues, such as financial regulation, international accounting, or capital structure. Many have advanced accounting degrees or experience at an auditing firm.



Roy Mitchell,  
CFO, McDonough  
Bolyard Peck, Inc.

This type of CFO is particularly well suited to highly decentralized companies with stand-alone businesses or early-stage ones scaling up and professionalizing the finance function. Their strong finance-function knowledge across a broad spectrum of activities is critical to effective compliance and standardization of processes. The finance-expert profile may also be best for any company where the top team otherwise lacks strong finance leadership – or where the finance department is inefficient or in disarray.

**THE GENERALIST.** Companies in highly capital-intensive industries, such as basic materials, oil and gas, and telecommunications, put a high premium on operational capabilities. So they naturally look for executives with broad experience, including CFOs who have spent time outside the finance organization, in operations, strategy, marketing, or general management.

CFOs that fit this description tend to engage heavily in business operations and strategy and often bring strong industry and competitive insights. They are often found in companies in mature sectors, such as financial institutions, where operational similarities across business units provide a good platform to rotate managers among businesses and eventually into functional leadership roles; most are internally hired and already fill an executive function, often being groomed for a CEO role. These rotations give managers insights about different businesses that they need to support tightly run operations, allocate resources, and influence peers – which, regardless of industry or strategy, make them ideal for companies where personal influence is needed to get things done.

“In our role, not only has a ‘performance leader,’ we must develop into a trusted advisor who can support the principals and top professional executives.”

**THE PERFORMANCE LEADER.** CFOs with strong track records in transformations both within the finance function and throughout the organization are dubbed performance leaders. They tend to focus on cost management, to promote the use of metrics and scorecards, and to work to standardize data and systems. They are often hired externally, and many have previous experience as CFOs. Most have worked internationally.

Companies employing these types of CFOs are often highly diversified companies requiring rigorous analytics to compare performance across businesses, companies with aggressive growth or cost targets that must be met in the near term, or companies with scarce resources that must be carefully allocated.

**THE GROWTH CHAMPION.** Externally hired professionals are the least common type of CFOs, but they have risen to account for nearly 25 percent

See PROFILE, page 12



## TRANSACTIONS

**HOK FINALIZES DEAL** HOK (New York, NY), a global design, architecture, engineering and planning firm, announced that it has completed the acquisition of Kansas City-based **360 Architecture**, a 200-person firm that specializes in the design of sports, recreation, wellness, entertainment and mixed-use facilities.

The completion of this transaction provides immediate benefits to both firms' clients through the creation of HOK's new global Sports + Recreation + Entertainment practice and expanded capabilities in Kansas City, Columbus and San Francisco.

"We acquired 360 because we consider them the world's most innovative designers of stadiums, ballparks, arenas, recreation and wellness centers, and mixed-use entertainment districts," said Patrick MacLeamy, HOK's chairman and CEO. "This partnership also enables us to provide design services to all types of clients through new HOK offices in Kansas City and Columbus. It's a transformative acquisition that will bring significant benefits to our clients and people."

HOK's new Sports + Recreation + Entertainment practice will draw on the firm's expertise in other markets including Aviation + Transportation, Civic + Cultural, Commercial, Corporate, Education, Government, Healthcare, Hospitality, Justice, Residential, Retail, Science + Technology and Tall Buildings to provide clients with highly integrated solutions.

Teams from both firms have been working on integration plans since announcing the agreement on Aug. 19, 2014.

**HDR ACQUIRES HDR** (Omaha, NE), an architecture, engineering, consulting, construction and related services firm, continues to expand its service capabilities with the acquisition of Brentwood, Tenn.-based **Infrastructure Corporation of America** (ICA), a 400-person transportation engineering, asset maintenance and management firm, and the asset purchase of **MEI, LLC**, a liquid natural gas consulting firm based in Pooler, Ga.

ICA will do business as HDR | ICA, and MEI will operate as HDR | MEI. Financial terms were not disclosed.

"We've set a goal of cutting 10 percent of the owner's cost over the lifecycle of HDR-designed and constructed facilities by improving the delivery process," said George Little, HDR, Inc. chairman and CEO. "Both MEI and ICA offer unique capabilities that will help our clients stretch their capital dollars and maximize operational efficiency."

With the addition of ICA and MEI, HDR now employs more than 9,200 staff worldwide.

The ICA acquisition includes its engineering division, ICA Engineering, Inc., which complements ICA's asset management portfolio with high-value civil engineering services. With 300 employees in 13 regional offices, ICA Engineering significantly bolsters HDR's presence in the southeastern U.S. Mark Acuff, division president, will join HDR as chief operating officer for ICA's engineering division, which will operate as HDR | ICA Engineering.

---

### PROFILE, from page 11

of new CFO hires. They are most common in industries with frequent disruptions that require dramatic changes in resource allocation and in companies that plan to grow considerably or reshape their portfolio of businesses through aggressive M&A or divestiture programs.

**WHAT'S YOUR STYLE?** Carl von Hake, CFO at **JBA Consulting Engineers** (Las Vegas, NV), an engineering consulting firm, says that most of the time he's a generalist because he spends a great deal of time on operations and strategy; his background is in more generalized business functions and his personal influence is greatly needed to get things done.

"Rather than being a 'technical CPA,' my management and communication skills are what I use the most," he says.

At **Wantman Group, Inc.** (West Palm Beach, FL), a 196-person multidisciplinary consulting firm that specializes in engineering, surveying and mapping, planning and environmental services, Tim Nicoulin, CFO, says that he best fits into the "performance leader" category.

"I've had the opportunity to work in the manufacturing, construction, financial and insurance services and professional services arenas," he says. "My career evolved from a fixed asset accountant to accounting manager to internal auditor doing operational audits to operational management at an executive level to CFO. As a result, I have developed a strong understanding that my performance, credibility and ability to effectively contribute improved as I learned about the products, services my firm made or delivered (overall operations)."

Nicoulin explains that it is this understating of operations

that is crucial if you are going to develop meaningful reports and metrics that are relevant to the business of the firm and useful to its managers and executives.

"Financial information and comparative data historical performance have to be in context of the firm if it is to be useful," he says. "I do not believe in comparison to industry averages as a standard as it is a benchmark of mediocrity and not something a quality firm should subscribe to achieve. Sights should be set to your own goals."

Nicoulin adds that many A/E principals are architects and engineers who have taken the entrepreneurial step to form their own firm which, to have a CFO, has grown significantly. On far too many occasions those principals have indicated they spend their day doing what they were not trained or educated to do.

"In our role, not only has a 'performance leader,' we must develop into a trusted advisor who can support the principals and top professional executives in understanding their operations on their terms with data, metrics, and performance indicators that allow them to manage, plan and comfortably make strategic decisions about the direction of the firm," he says.

Roy Mitchell, CFO, **McDonough Bolyard Peck, Inc.** (Fairfax, VA), a 284-person multi-disciplined construction management firm, fancies himself a finance expert.

"While I am hesitant to use the term 'expert,' I started as a junior accountant more than 22 years ago and have worked my way up through the ranks to where I am today. Along this journey, I have rebuilt accounting teams and implemented many different accounting systems, in addition to managing the day-to-day activities," he says. ▀