THE ZWEIG LETTER

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HR | FINANCE SUPPLEMENTS
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February 16, 2015, Issue 1091

HR in 2015

Are you getting all you need from HR today? Three suggestions from Mark Zweig.

Show me a business that isn't having a hard time finding enough quality people to fill every opening and I will show you one that either isn't growing or has low standards. Recruiting has to be one of the top priorities for HR.

Mark Zweig

EDITORIAL

Human resources management often gets a bad rap.

That isn't without cause. In my experience, too many HR managers forget whose side they are on. They often are in the job because they "like people." They can often be easily seduced away from their role as a company manager and are instead tempted into filling the role of employee ombudsman and labor representative against "evil management." While I am not going to say there is no such thing as an "evil company" (Does Doctor Evil have an evil enterprise?), I can assure you I have never run into one in the A/E/P or environmental consulting business. Yours are good companies, by and large run by good people who are genuinely trying their best to give their people good jobs.

The other thing HR managers do that hurts their effectiveness is to focus too much on employment-related liability issues. Their fear of lawsuits surrounding discrimination or sexual harassment claims drives all of their input to management. Management then dislikes them and sees them (the HR people) as their problem – more so than the problem itself.

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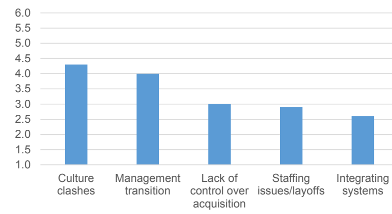
MORE COLUMNS

TRENDLINES

M&A concerns



Zweig Group's 2015 Mergers & Acquisitions Survey finds that culture clashes are A/E/P and environmental consulting firms' main concern regarding potential acquisitions. When asked to rank concerns on a scale of 1 to 6 (with 1 representing a minor concern and 6 representing a major concern), firm leaders gave "Culture clashes" the highest average ranking (4.3). "Management transition" is another significant concern among those considering a potential acquisition, given an average ranking of 4. Respondents ranked "Lack of control over acquisition" and "Staffing issues/layoffs" similarly at 3 and 2.9, respectively. Firms report "Integrating systems" as their least concern regarding a potential acquisition, with an average ranking of 2.6. This proves that most firms find it more of a challenge to integrate people than technology in a merger or acquisition. *– Leah Santos, Research Analyst Assistant*

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A/E BUSINESS NEWS

TRANSPORTATION PLAN U.S. Transportation Secretary Anthony Foxx highlighted $3.2 billion recommended in President Obama's Fiscal Year 2016 budget to advance the construction or completion of 25 rail, bus rapid transit (BRT), and streetcar projects in 13 states. These projects, competitively funded through the Federal Transit Administration's Capital Investment Grant Program, would create thousands of construction and operations-related jobs and help communities expand transportation choices that offer new ladders of opportunity for residents.

The President's budget includes funding recommendations for 11 new transit projects that will connect thousands of residents in cities and communities across the country with jobs and other opportunities. These include:

- The Cleveland Avenue BRT line in Columbus, Ohio, which will reduce overcrowding and shorten travel times on the Central Ohio Transit Authority's second-busiest bus route, and improve connections to downtown Columbus, employment, educational and health destinations for thousands of residents who live along the corridor.
- The Mid-Coast Corridor Project in San Diego, which will extend light rail service to the northern community of University City, significantly improving access to educational institutions and the Veteran's Administration Medical Center in north San Diego and connecting residents to existing light rail service in downtown San Diego.
- The Provo-Orem BRT line in Utah County, Utah, which will provide more frequent, reliable bus service connecting the Brigham Young and Utah Valley university campuses to Provo and Orem, as well as employment centers within the corridor.

WATER PLAN The U.S. Army Corps of Engineers released its "Sustainable Solutions to America's Water Resources Needs: Civil Works Strategic Plan 2014-2018" that articulates five goals that will guide USACE into the future.

"This strategic plan presents USACE's commitment to responsibly develop the Nation's water resources, while protecting, restoring and sustaining environmental quality. USACE is dedicated to learning from the past and adapting the organization to ensure the U.S. enjoys a prosperous and sustainable future," said Steven Stockton, USACE director of Civil Works.

USACE has been a leader in developing and managing water resources in the United States for more than 230 years and is committed to continuing the advancement of its Civil Works Program through the five strategic goals presented in the Strategic Plan. Those goals are to:

- Transform the Civil Works Program to deliver sustainable water resources solutions through Integrated Water Resources Management;
- Improve the safety and resilience of communities and water resources infrastructure;
- Facilitate the transportation of commerce goods on the Nation's coastal channels and inland waterways;
- Restore, protect, and manage aquatic ecosystems to benefit the Nation; and
- Manage the lifecycle of water resources infrastructure systems in order to consistently deliver sustainable services

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This reduces their opportunities to make meaningful contributions to firm strategy and management and relegates them to a second-class role. Then, even if they do have good ideas on how to do things, they have no audience to voice them to.

So what should the role of HR management be, right now, today? Here are my thoughts on the three "big things" HR people should be working on today:

1) **Recruiting.** Show me a business that isn't having a hard time finding enough quality people to fill every opening and I will show you one that either isn't growing or has low standards. Recruiting has to be one of the top priorities for HR. Recruiters literally feed the business every bit as much as those who sell whatever the business creates. It's an important job, and HR needs to do it!

2) **Career development.** Providing meaningful training and growth opportunities for your staff is critical because you need your people to grow and adapt to a changing field. But beyond that, good people want to feel like they are learning and if not, will become disenchanted and leave. You cannot count on your technical and professional staff to do what they need to do to train their people. They are busy and usually have other priorities. In some cases, they will even resist training people because of fear they won't be needed if someone else knows what they know. HR needs to help here.

Good morale is essential to productivity, teamwork, and good client service. If you don't have it, people become demotivated, work less, care less about quality, and hurt your profitability.

3) **Morale/turnover.** Good morale is essential to productivity, teamwork, and good client service. If you don't have it, people become demotivated, work less, care less about quality, and hurt your profitability. HR has to provide input on the state of employee morale overall as well as specific strategies to make it better.

So the bottom line is that we need GOOD human resources management. In fact, it is essential today. Are you getting what you need from your HR people today?

MARK ZWEIG is the chairman and CEO of Zweig Group. Contact him with questions or comments at mzweig@zweiggroup.com.

THE ZWEIG LETTER

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Change is good, so get your fix

It can come from outside and from within, from the bottom or from the top, and it's always welcomed when it leads to better results.

By LIISA SULLIVAN
Correspondent

David Batts, Principal, EMPSi Environmental Management and Planning Solutions, Inc.

Merilee Meacock, Partner, KSS Architects.

There are typically two types of people – those who constantly seek change and those who prefer to remain with the status quo. But, what if the status quo is working and does not need "fixing?" What types of processes do leaders use to decide when something actually needs fixing or is better to let sleeping dogs lie?

Does the change yield marked improvements? David Batts, principal, **EMPSi Environmental Management and Planning Solutions, Inc.** (Boulder, CO), a 32-person firm, says that he appreciates the predictability of tried and true business practices, but also encourages a culture of innovative improvement for quality and efficiency.

> "Part of our hiring practice is to bring on talent with strong leadership skills. Therefore, it is only natural that they look at different ways of doing things, not only for our clients but also internally."

"Part of our hiring practice is to bring on talent with strong leadership skills. Therefore, it is only natural that they look at different ways of doing things, not only for our clients but also internally," Batts says.

So, what does this mean? It means that EMPSi managers' responsibility is to educate staff as to why they do things the way they do. Conversely, they ask that innovators come to the table with this knowledge and offer solutions, not complaints. This helps keep the discussions positive and proactive. To help guide these conversations, managers have a few tools.

First, they host periodic offsite staff retreats where they review policies, procedures, benefits, finances, and the marketing plan. Staff members are encouraged to ask questions and to offer solutions. Likewise, they use their weekly staff meetings to further these discussions.

"Our approach is to promote transparency and vest the staff in helping inform our operations," Batts says.

He explains that the first thing they consider is staff input. Using the tools discussed above, managers generally have a good idea of the level of support for change. From there, they look at how it will impact their core values.

> "Nothing is sacred from change if the result is thought to be improved productivity and opportunity."

"EMPSi is focused on providing high quality products with high quality customer service, including cost control and scheduling. This provides the foundation on which we can vet alternative ways of doing something," Batts says. "For example, will an alternative approach mean that we can provide a higher quality product or improve our customer service? If the answer is 'yes,' then we factor in tangible and intangible investment costs and other financial matrices."

Is a culture of change nurtured? Tom Warn, COO, **Nova Consulting Group, Inc.** (Minneapolis, MN), a 120-person environmental and engineering services firm, says that generally change is going to reduce your productivity initially, as staff come up the learning curve regarding the new process, structure or policy.

"This can be disruptive and will typically have some reluctance to overcome," he says. "The best way to overcome the reluctance from those resisting the change is through communication of the benefits and/or need for change. By articulating the reasons driving the change and sharing the vision of the expected result, a leader can build a stronger consensus for the change and reduce the negative impacts of the reluctance to change."

It is also important to foster a culture where new ideas for improvements from staff are encouraged. This helps develop a staff that is more receptive to new processes or structures thought to provide enhanced opportunity and efficiency.

Warn says that if you are a growing, vibrant organization you foster a culture of always looking for ways to improve.

"Nothing is sacred from change if the result is

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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.

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, June 14 in Seattle, and Oct. 22 in Parsippany, N.J.

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, June 11 in Madison, Wis., and Oct. 8 in Charlotte, N.C. Group discounts are available for teams of four or more attendees from the same firm.

Please call 800-466-6275 or log on to https://zweiggroup.com/seminars/better_seller/.

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thought to be improved productivity and opportunity," he says. "Our process is really a constant assessment of current processes, identification of bottlenecks in project flow and a search for possible improvements."

As ideas surface to improve performance they are vetted through consideration of senior management or a task group established for the purpose and a decision is made. This all happens very quickly within Nova because they have a dynamic management structure and a culture receptive to improvement.

DO YOU ATTRACT CHANGE? At **KSS Architects** (Princeton, NJ), a 65-person firm, Merilee Meacock, partner, says that they are in the business of creating change – meaningful change that affects people's lives by bettering the way they work, enriching the way they learn, and enhancing the way they build community – by nature and design.

"To some, change feels disruptive and uncertain," Meacock says, "but, at KSS, if change is in the air, we know we're on the right track. We greatly appreciate diversity in voice, and multiplicity in ideas. As such, we expect a degree of change, and hope that comes across right at our hiring process – we seem to attract people who are open to challenge and prepared to grow."

Meacock says that, most of the time, change is staff initiated – stemming from their practice groups, which are concentrated subject areas of exploration and learning, ranging from design and digital to sustainable and technical. Other times, change is partner-led, based on core values, exacted in an effort to support, alleviate or align.

"From setting standards in sustainability measures for distribution centers, to identifying universal design elements for autism, holistic change often leads to leadership. It is our culture that remains our constant: Change is good."

"Of wider significance may be our change that is outward-bound – that which proposes applicable change in an industry or market segment," Meacock says. "When we find change that works, we work to extend that change beyond its single-project remit. From setting standards in sustainability measures for distribution centers, to identifying universal design elements for autism, holistic change often leads to leadership. It is our culture that remains our constant: Change is good."

NEWS

Top 10 states for LEED green building

Illinois leads among all states for the second consecutive year; newcomers Georgia and Arizona show momentum.

THE TOP 10

Illinois
Colorado
Maryland
Virginia
Massachusetts
Hawaii
California
Georgia
Minnesota
Arizona and New York (tied for 10th)

Illinois retained its top national position for the second year in a row in the U.S. Green Building Council's ranking of green building states, with 174 LEED certifications representing 3.31 square feet of LEED-certified space per resident.

Now in its fifth year, the per-capita list is based on 2010 U.S. Census data and includes commercial and institutional green building projects that were certified throughout 2014. Two newcomers to the list, Georgia and Arizona, show that 2014 was a year of major growth for LEED in the South and Southwest regions of the country, while the continued strong performance of Washington, D.C., Maryland and Virginia have helped the mid-Atlantic region remain the epicenter of green building across the country. Washington, D.C., which is not included on the official list of top states due to its status as a federal territory, is notable as it continues to lead the nation with 29.44 square feet of space per resident certified in 2014. Maryland and Virginia finished third and fourth respectively, and both states increased their per capita totals to 2.70 and 2.33 square feet of LEED space per resident in 2014.

2014's list had the highest average (2.34) of per capita space certified per resident per state since 2010, and the second highest average to date. Six of the eight states (IL, CO, MD, VA, MA and HI), which were also on the list in 2013, increased the amount of square feet of space they certified per resident in 2014. Illinois and Colorado are the only two states to make the list every year since 2010.

USGBC calculates the list using per-capita figures as a measure of the human element of green building, allowing for a fair comparison of the level of green building taking place among states with significant differences in population and, accordingly, number of overall buildings.

In 2014, LEED for Building Operations and Maintenance was once again the most popular rating system within the top 10 states, representing 48 percent of the total square footage certified. LEED for Building Design and Construction was the second most popular rating system in the top 10, representing 46 percent of the square footage certified and LEED for Interior Design and Construction was the third most popular rating system, representing 6 percent of total square footage certified in these states in 2014.

A sample of notable projects that certified in these states in 2014 include:

- Illinois: The Aon Center, a 3.2 million-square-foot tower in Chicago owned by Jones Lang LaSalle, LEED Silver
- Colorado: Denver Museum of Nature & Science's Morgridge Family Exploration Center in Denver, LEED Platinum
- Maryland: NASA Goddard Space Flight Center Building 26 in Greenbelt, LEED Gold
- Virginia: University of Mary Washington's Technology Convergence Center in Fredericksburg, LEED Silver
- Massachusetts: Winchester Hospital Ambulatory Surgery Center in Winchester, LEED Gold
- Hawaii: City Financial Tower in Honolulu, LEED Gold
- California: Levi's Stadium in Santa Clara, LEED Gold
- Georgia: The Georgia World Congress Center in Atlanta, LEED Silver
- Minnesota: Wells Fargo Center in Minneapolis, LEED Gold
- Arizona: Arizona State University Health Services renovation in Tempe, LEED Platinum
- New York: Golisano Institute for Sustainability at the Rochester Institute of Technology in Rochester, LEED Platinum

Collectively, 1,662 commercial and institutional projects became LEED-certified within the top 10 states in 2014, representing 251.7 million square feet of real estate. Worldwide, 4,502 projects were certified in 2014, representing 675.7 million square feet. More than 26,600 projects representing 3.6 billion square feet of space have been LEED-certified to date, with another 42,000 projects representing 8.8 billion square feet in the pipeline for certification. USGBC launched LEED v4, the newest version of the rating system, in the fall of 2013. The latest version continues to raise the bar for the entire green building industry, which Forbes Magazine projects could be worth up to $960 billion globally by 2023. LEED v4 features increased technical rigor; new market sector adaptations for data centers, warehouses and distribution centers, hospitality, existing schools, existing retail and midrise residential projects.

OPINION

Information-age perils

Understanding e-discovery rules and risks in the virtual world of electronic documentation.

Mike Herlihy

An important element of risk management for all design firms involves managing the large volume of information that pertains to client work. The widespread use of email for internal and external communication, as well as the proliferation of smartphones, tablets, and other portable computing and communication devices has made document retention an increasingly significant challenge for design firms of all sizes.

GUEST SPEAKER

In 2006, the Federal Rules of Civil Procedure (FRCP) placed more emphasis on e-discovery – production of electronic documentation as part of defending your firm in a lawsuit. Because anything you write could be held against you in a court of law, design and construction firms should understand the proper creation – and prudent handling – of their electronic documents.

One significant change to the FRCP is that the courts and the parties to a lawsuit, both defendants and plaintiffs, are required to give early attention to information stored electronically. The parties must meet within 99 days of a civil action to determine what information will be produced and in what format.

Even so, legal obligations can begin prior to litigation if the parties know – or could reasonably be expected to have known – that a lawsuit is forthcoming. Once you become aware of a claim or potential claim, obtain legal representation from your professional liability insurer. Request that the services be provided as "free pre-claims assistance," if possible.

You should also gather and inventory your data *before* you receive a request for documents. That way, you will know what you have, and it will be easier to find. You may have to provide the opposing party with a description of the data you have by category and by location of documents.

If a firm is in litigation, it must preserve all documentation pertaining to the case; failure to do so can expose your firm to court sanctions and penalties. You'll need to alert all employees not to destroy any information that may pertain to the project or matter subject to litigation.

Today, the tremendous volume of electronic information together with legal requirements with respect to e-discovery have complicated the process of identifying, managing and storing critical information for design firms to defend themselves in litigation.

Don't overlook all places electronic documents may be stored, including hard drives, desktops, laptops, smartphones, tablets, data recorders, audio and video recordings, employee home/personal computers, flash drives, and your servers and backup storage.

Firms involved in litigation shouldn't just hand over all of their records to opposing counsel. First, meet with your attorney to review the relevance of the information before disclosing it.

The court may require opposing counsel to pay part or even all of the cost of your search if it determines the expense of obtaining the information outweighs the benefits of having it. The court also determines the appropriate allocation of costs, which can run into the millions of dollars.

Electronic document retention plans. The legal requirements in discovery all point to the need for a formal document retention plan. Accordingly, here are some considerations for creating effective plans:

See MIKE HERLIHY, page 8

OPINION

Finish strong from the start

Three ideas to help you implement a successful HR recruiting program.

Randy Wilburn

RECRUITING NOTES

I sit here writing this article the day after Super Bowl 49. I'm neither a Patriots nor Seahawks fan but it was an exciting game to say the least – and one that reminds me that, "It isn't over until the final whistle!" This reminds me of the importance in recruiting of seeing something through to completion and not leaving things to chance, especially when dealing with human beings. The beauty of engineering and architecture are the several absolutes tied to the technical aspects of a job. However, when you are dealing with trying to hire the best and brightest people for your office you cannot afford to make too many mistakes and still have a successful recruiting program.

If you are running your recruiting program on a whim and things happen on a reactive rather than proactive basis, you may be in trouble if you are hoping to grow your firm.

Here are three ideas that, if systematically implemented, can help you and your HR department always operate from a position of strength.

First off, you need to have a strategic hiring plan in place for how you will systematically source, recruit, and hire the best people for your company. You cannot leave this to chance or hope that LinkedIn will provide for you as your projects increase. The most successful firms in our industry don't drop the ball in this area. Recently, I've witnessed more HR departments hire in-house recruiters or outsource some or all of their recruiting needs to an executive search firm. You have to be intentional about this and you also need to understand your current capacity for getting things done from an HR perspective. Many firms have great HR managers but they don't have great HR recruiters. You have to identify the strongest sellers of the company ethos and brand and utilize them throughout the recruitment process. A good outside recruiter can handle some of this for you but you will still need someone internally who can meet with candidates, articulate the features and benefits of working with your firm and ultimately help candidates understand why they should be working there. It's not rocket science but I see many firms with good names still making mistakes in this area and missing out on the next superstar PM. Every phase of the recruitment process needs to have a caretaker who can "own it!" This may not be just one person and if it's a committee of people everyone has to be in agreement about the process of recruiting in your firm. Who will candidates speak with, meet with, dine with, etc.?

You need to have a strategic hiring plan in place for how you will systematically source, recruit, and hire the best people for your company. You cannot leave this to chance or hope that LinkedIn will provide for you as your projects increase. The most successful firms in our industry don't drop the ball in this area.

Second, you need to develop a relocation plan that speaks very clearly to the benefits and challenges of moving to your neck of the woods. I recently wrote an article about this subject that gives some very clear instructions on what you can do to ensure a successful relocation (THE ZWEIG LETTER, Jan. 19, 2015, issue #1087). *Every* office location has pluses and minuses about it and you just have to figure out what those are and learn what to accentuate and what to acknowledge as a deficiency. Trust me! Candidates will appreciate you pointing these things out and if nothing else you will at least attract a person who knows full well what they are getting themselves into, instead of being surprised about how hot the summers

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MIKE HERLIHY, from page 6

- Have one overall policy that addresses both electronic information and hard copies, and enforce it to maintain consistency.
- Know what is being stored, including where and how long it needs to be stored to comply with statutes and court rulings.
- Be sure your IT department is involved in creating your plan and understands when certain electronic information should be destroyed.
- Designate a key executive as "keeper of records." That person will be responsible for testifying about the firm's document retention/destruction policy and must be fully informed.
- Be certain everyone in the firm understands that email is subject to discovery.
- Be sure employees understand how to manage their email, including protocols for retaining relevant information once the company is informed of a lawsuit, claim, or potential claim.
- Include a schedule for document destruction.
- Consider segregating personal from professional email and having different policies for each.
- Suspend regular retention and destruction policies when the firm faces litigation or a legal document request – or the likelihood of that happening. Notify everyone in the firm as quickly as possible.
- Notify IT of any pending litigation and involve them in the document retrieval process.
- Audit the server and employees' hard drives periodically to be certain the plan is being followed.
- Check how your IT department handles laptops of departing employees. Be sure they backup any relevant information before scrubbing the laptop for use by another employee.
- Work with IT to address any compatibility issues related to system upgrades. You may have to print documents from the outdated system or retain a laptop or server with the old software so critical files can be accessed if needed.
- Recognize that management buy in is critical to the success of any document retention plan.

> Once you become aware of a claim or potential claim, obtain legal representation from your professional liability insurer. Request that the services be provided as 'free pre-claims assistance,' if possible.

The length of time documents – both electronic and hard copy – should be retained varies by state. Every state has a statute of repose that defines the time period *after* which a design or construction firm *cannot* be sued for the damage or failure.

In many states this timeframe is 10 years, but this is not universal. For firms operating in only one state, the document retention policy should reflect the statute of repose plus some additional period, such as one year, to allow for documents that have been sent, but not received.

Firms operating in more than one state can either determine the statute of repose for each state where they operate and establish state-specific document retention policies or use the longest statute of repose for any state in which they operate and establish a company-wide document-retention policy based on that length, plus one year.

Today, the tremendous volume of electronic information together with legal requirements with respect to e-discovery have complicated the process of identifying, managing and storing critical information for design firms to defend themselves in litigation. A carefully constructed and well-managed document retention plan is an increasingly important element of a firm's overall risk management strategy.

MIKE HERLIHY is executive vice president and partner, Ames & Gough. He can be reached at mherlihy@amesgough.com.

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can be because they visited your firm in the middle of winter. This is a very simplistic example but you want your new hires to be "all in!" and not griping about a situation that could have been avoided.

Lastly, you need to develop a metric for keeping track of your recruitment process. If you don't know how many people you are sourcing, calling, interviewing, making offers to, etc., you will find it difficult to track your success. If you are a smaller firm and you don't have an HR department to do this, you need to have someone in your office who's good at keeping track of things. We keep track of this information for our clients in our executive search group for everything we do. These metrics tell us where we run into problems in the recruiting process and where we have success.

> You need to develop a relocation plan that speaks very clearly to the benefits and challenges of moving to your neck of the woods.

This sounds like a lot but in order to hire the best people you need to have a strong HR recruiting system in place. I would be more than happy to speak with you further about some of the challenges you are having from a recruiting perspective. Sometimes an outside perspective makes all of the difference in the world.

RANDY WILBURN is director of Executive Search with Zweig Group. Contact him at rwilburn@zweiggroup.com or find him on Twitter at @RandyWilburn and @ZGRecruiting.

RECRUITING

CRM: Not just for marketing anymore

Recruiting efforts would benefit greatly from a centralized and always updated system.

By LIISA SULLIVAN
Correspondent

COMPARE AND CONTRAST

Software Advice is a trusted resource for software buyers. It provides detailed reviews and research on thousands of software applications. To compare and contrast the top 10 most reviewed recruiting management software systems, visit: www.softwareadvice.com/hr/recruiting-software-comparison/

CRM (Customer Relationship Management) is a term that has evolved over the years. What originally started out as a system designed to focus on customer relationships has grown into more than that. For example, in recruiting, CRM has come to mean working with people who are not necessarily applicants, and with entities that are not likely to be customers.

The contacts may be prospects, candidates, or referrers, and the entities may be targets/sources of talent, internal departments of one's own organization, or any grouping of people applicable to a recruiting effort, such as a trade association or online community.

For example, companies such as PCRecruiter offer a multi-purpose record grouping system called Rollup Lists that enables highly-effective recruitment CRM. Users can place names, organizations/departments, or jobs on one or many Rollup Lists for serious control of large amounts of data, and for managing tasks such as:

- Storing search results
- Sending bulk emails
- Mass-moving or deleting records
- Sorting records into subgroups
- Routing multiple résumés to managers
- Creating calling lists or planning activities
- Process automation

Bullhorn, another company that provides CRM for staffing and recruiting, reports that entire organizations can accurately forecast pipeline and revenue growth. They can close the loop between sales and recruiting, increase adoption of their front office systems, and gain visibility into their clients' changing business needs. Every customer touch point becomes an opportunity to connect and strengthen existing and future relationships.

Take five. There are many reasons to invest in recruitment software and according to Arithon, also a recruitment technology provider, some of the benefits include:

1) **Increased revenues.** Recruitment CRM allows recruiters to find high quality candidates faster and easier. Once you have built up a database of candidates who can be accessed and searched using your recruitment software you can find suitable candidates for positions much faster. And obviously, when you are finding better candidates and filling more jobs, you will earn more revenue and business. The low cost of cloud-based recruitment software is quickly offset by the increased revenue you will earn when using the system as it leads to more placements, more candidates and more clients.

Every customer touch point becomes an opportunity to connect and strengthen existing and future relationships.

2) **Faster placements.** With a readymade candidate pool to tap into, finding great candidates for positions can be much faster. With recruitment CRM systems you can search through candidates based on their skills, experience and other factors. While you will still find other new candidates through advertising, social media, etc., they can also be added to your database and searched much more easily than sifting through all applications manually. Once you have created a shortlist of candidates, each one can be given more consideration, allowing your clients to fill their open positions much faster.

3) **Better candidate quality.** With recruitment CRM in place, recruiters have access to more candidates, both passive and active. When trying to fill an open position they can also look at candidates who have not actually applied for the job, as well as all the applicants. This is a huge benefit, as getting passive candidates is a challenge for many recruiters. Great candidates may not be actively looking for a job, but may still be interested if an opportunity is presented to them. With a recruitment CRM system,

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ON THE MOVE

BUCKLAND & TAYLOR PROMOTES Buckland & Taylor (North Vancouver, BC), a firm specialized in the design, evaluation, rehabilitation, seismic retrofit and construction engineering of bridges and special structures, and a **COWI North America** company, announced the appointment of **Joe Viola** to vice president and project director and **Murray Johnson** to vice president and project director. **Genero Velez** has also been promoted to New York practice lead to oversee Buckland & Taylor's operations in the New York area.

In addition to leading major projects, Viola will manage operational matters in the U.S. and Johnson will focus on business development both regionally and across the U.S. Both are seasoned engineers with many years of international experience.

Viola, previously New York Practice Lead for Buckland & Taylor, has over 30 years of diversified experience with long-span and short-span bridges and tunnels, including inspection, analysis, new design and rehabilitation for both domestic and overseas agencies, and seismic analysis and retrofit design of bridges. Johnson also has over 30 years of experience in the design, construction, inspection and repair of bridges of many types, with particular emphasis on construction engineering, such as erection procedures, bridge lifting and sliding, lifting equipment and other temporary works.

Prior to his new role, Velez was chief project manager and worked in bridge design, rehabilitation, and management assignments for MTA, NYCDOT, and NYSDOT. He has provided management, technical direction, and quality assurance and control on numerous bridge projects.

Viola, Murray and Velez assumed their new roles as of Feb. 1, 2015.

FINLEY HIRES Finley Engineering Group (Tallahassee, FL), a bridge design and construction engineering firm, has hired **Gene Stanger** as CADD manager. Stanger will provide support to the team of drafters by assisting in the development, implementation and execution of CADD standards.

Stanger has 27 years of experience in transportation and bridge projects. Some notable projects include McCollister River Bridge over the Iowa River in Iowa City and Clark Street Bridge over Black Hawk Creek in Davenport. Gene's career has been progressive and he has previous experience managing a group of drafting technicians. His responsibilities as a manager included establishing drafting standards, developing a CADD Manual, quality control of production drawings, as well as managing personnel, projects, and product.

Stanger will be assigned to the Bayonne Bridge Navigational Clearance Program Approach project in New York/New Jersey, where FINLEY is providing construction engineering for the precast concrete segmental approach structures that are being built using a launching gantry.

"I'm looking forward to becoming part of the FINLEY team. A team effort brings amazing results when you combine an entire groups' experiences. Having the unique ability to grasp many software platforms and many engineering disciplines should be of benefit to a more specialized role as CADD manager. It will be exciting to start working on the large-scale and more challenging bridge projects FINLEY is working on throughout the world" Stanger said.

"Gene brings a unique background that combines technological knowledge, as well as superior management skills. Gene's military background, prior management experience and his development and implementation of a CADD Manual and quality control will be an asset to our team. We work on some of the most challenging bridge projects and quality is our highest priority," said Craig Finley, president, FINLEY.

PSI APPOINTS Professional Service Industries, Inc. (Oakbrook Terrace, IL), announced the appointment of **Martin Hovland** as principal consultant for Construction Services, **Behzad Faryar** to principal consultant for its Geotechnical Engineering Service Line, and the hiring of **David Orr** as senior vice president within the National Sales Group.

Hoyland will serve as the primary principal consultant for the Charlotte office. He has over 18 years of experience in the engineering industry.

Faryar serves a dual role as senior geotechnical engineer based out of PSI's Fairfax office and has been a member of the PSI team since 2010.

Orr has over 17 years of experience in the environmental and utility industries, most recently as the director of corporate business development for the largest investor-owned water and wastewater utility company in the United States. In this role, he developed large-scale project opportunities for both private and municipal clients in the eastern U.S. Orr will be based in Orlando, Fla.

PSI provides a wide range of environmental, engineering and testing services, including environmental consulting, geotechnical engineering, construction materials testing and engineering, industrial hygiene services, facilities and roof consulting, nondestructive evaluation and specialty engineering and testing services. PSI operates from about 100 U.S.-based offices with 2,300 employees and about $260 million in annual revenues.

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recruiters can find higher quality candidates who are already employed, increasing the quality of hires made by clients.

4) **Reduced administrative work.** With recruitment CRM there is less time spent recording applicants' details, sharing information with other departments, filing paperwork and other time-consuming administrative duties. All of the information is recorded on the CRM system. Once a candidate is added to the system, their résumé and contact details are saved, the contact can be completed and recorded through the system and everyone has access to all the data. There is no worry that the information isn't up to date as all actions are automatically recorded. This allows for more time spent finding and managing great talent.

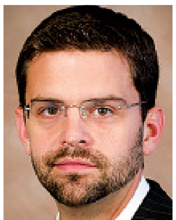
5) **Stronger client relationships.** Recruitment lives and dies based on relationships, so why wouldn't you use a system that will help strengthen your relationships with clients? Having all the most up-to-date information about clients and candidates ensures that you can build meaningful relationships with them based on you being knowledgeable about their needs.

STRATEGY

Long-term financial smarts

Operational accountants play a major role in fostering an environment focused on long-term improvement by asking pointed questions.

By LIISA SULLIVAN
Correspondent



James Grotjohn, Accountant, Garver USA.

Kevin Nisson, CFO, KCCT.

How do you help management to think long-term when it comes to financial goals? James Grotjohn, an accountant with **Garver USA** (North Little Rock, AR), a 365-person multi-disciplined engineering, planning, and environmental services firm, says that managing a company toward long-term goals seems to be one of the largest obstacles in today's business environment.

"Talking about poor executive decisions caused by pressure to meet quarterly earnings' expectations has begun to sound like a skipping record," he says.

Consider how numbers affect people. Grotjohn explains that operational accountants must be careful not to let that type of thinking permeate the corporate culture where they work. While the CEO and board of directors play the largest part in setting company direction, accountants play a major role in determining which metrics executive management should track. They should think hard about how the numbers they report will affect how people behave.

"Budgets are a good example," Grotjohn says. "Reasonable overhead spending is important; tracking costs and creating accountability for spending are vital to any well run business. But budgets can have an adverse effect on behavior."

He says that instead of encouraging decisions based on long-term benefits, budgets result in two behaviors:

1) Good investments are not made because the budget has already been used; and/or

2) money is wasted because the budget needs to be used up.

Both these results are based on short-term thinking ("Have I met/used my budget?") instead of long-term thinking ("Does this expense help meet long-term operational goals?")

Rather than using budgets to create accountability, use transparency.

"Business groups should know how their spending compares to prior years and other groups within the company," Grotjohn says. "This allows managers to make their own decisions about what costs are worthwhile investments. Executive management should be hands-on enough to know where money is being spent and ask questions as appropriate. This requires more hands-on effort than setting budgets, but encourages the right mindset for managers: 'Is this expense worthwhile?' instead of, 'Is this expense under budget?'."

"Business groups should know how their spending compares to prior years and other groups within the company. This allows managers to make their own decisions about what costs are worthwhile investments."

Performance metrics are no different. It is human nature to try to take each year's accomplishments and improve upon them. But pushing too hard on managers to improve performance can create short-term decisions that harm long-term performance.

"Using an exceptional year to 'raise the bar' for performance expectations can push managers to sacrifice quality on a project to increase profit margins or pressure employees to work longer hours to meet performance goals. While this may improve current profits, the long-term costs in declining repeat work and employee retention will wipe out any short-term gains," Grotjohn says.

Is your golden goose alive and well? Set reasonable goals based on the current business environment. Those goals will be exceeded occasionally, but pushing every year to be the best year yet won't fill the goose with golden eggs.

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ZG15

ENERGY SLUMP **Ecology and Environment** (Lancaster, NY) is the hottest firm on the ZG index this month. It may be only a $1.33 increase in stock price, but 15 percent is nothing to be ashamed when half of the firms are down from their 50-day moving average. As confirmation of Ecology and Environment's growth, the company has announced five new vice presidents and it 56th consecutive dividend. Others may have taken a step back for the month, but **Englobal** (Houston, TX) is up 17.75 percent, **Willdan** (Anaheim, CA) is up 10.4 percent – each from their 50-day average. Six firms, including **AECOM** and **CBI**, are down double-digit percentage points for the month. **TRC Companies** (Lowell, MA) saw a 9 percent stock increase over the last month after announcing the second quarter financial results, with a 10 percent increase in net income over the same period last year.

Many of these companies have strong ties to engineering and design in the energy sector and are struggling after the drop in oil prices caused a delay or shut down many projects. Now that the price per barrel is starting to rise again and we are seeing increases at the pump, this may translate into projects restarting and stock price increases. – *Ryan Renard, consultant.*

			Share Pricing								Valuation			
Ticker	Name	Market	Market Cap	Close Dec 31, 2014	Close Jan 30, 2015	Begining of Month Change	% Month Change	Change from 50 -day MA	% Change from 50 -day MA	EPS	EV/ Revenue	EV/ EBITDA	Price/ Sales	Price/ Book Value
ACM	AECOM Technology Corp	NYSE	4.17B	30.37	25.42	(4.95)	-16%	(0.98)	-3.48%	2.33	0.56	11.41	0.51	1.22
AMFW	Amec Foster Wheeler	NYSE	4.87B	12.94	11.89	(1.05)	-8%	0.02	0.19%	0.66	0.86	10.89	0.86	3.22
CBI	Chicago Bridge and Iron Co.	NYSE	3.82B	41.98	34.51	(7.47)	-18%	(4.46)	-11.21%	5.41	0.48	5.39	0.32	1.51
EEI	Ecology and Environment	Nasdaq	42.54M	9.13	10.46	1.33	15%	0.50	5.31%	(0.21)	0.30	20.35	0.33	1.11
EME	EMCOR Group Inc	NYSE	2.72B	44.49	40.36	(4.13)	-9%	(0.32)	-0.76%	2.54	0.41	7.46	0.43	1.84
ENG	ENGlobal	Nasdaq	58.51M	1.90	1.80	(0.10)	-5%	0.32	17.75%	0.07	0.45	5.63	0.50	1.90
EXPO	Exponent Inc.	Nasdaq	1.07B	82.50	80.14	(2.36)	-3%	1.30	1.59%	2.89	3.21	13.83	3.70	4.46
FLR	Fluor Corp	NYSE	8.49B	60.63	53.59	(7.04)	-12%	(2.71)	-4.74%	2.86	0.33	5.35	0.40	2.49
HIL	Hill International Inc	NYSE	197.46M	3.84	3.82	(0.02)	-1%	0.02	0.52%	(0.21)	0.53	7.42	0.35	1.17
JEC	Jacobs Engineering Group Inc	NYSE	5.2B	44.69	38.10	(6.59)	-15%	(1.63)	-3.93%	2.54	0.42	6.84	0.42	1.21
KBR	KBR Inc.	NYSE	2.51B	16.95	16.53	(0.42)	-2%	0.76	4.56%	(0.53)	0.25	(24.55)	0.39	1.12
STN	Stantec Inc	NYSE	2.39B	27.42	24.56	(2.86)	-10%	(0.47)	-1.82%	1.36	1.64	12.11	1.55	3.01
TRR	TRC Companies	NYSE	216.15M	6.34	6.91	0.57	9%	(0.50)	7.58%	0.43	0.50	6.26	0.56	1.66
TTEK	Tetra Tech Inc.	Nasdaq	1.49B	26.70	23.03	(3.67)	-14%	(1.23)	-4.88%	1.65	0.89	11.01	0.83	1.51
VSR	Versar Inc.	NYSE MKT	30.89M	3.16	3.05	(0.11)	-3%	0.11	3.65%	(0.11)	0.37	61.67	0.29	0.84
WLDN	Willdan Group Inc	Nasdaq	108.3M	13.49	13.99	0.50	4%	1.34	10.38%	1.05	0.96	13.82	1.08	3.82
DJIA	DOW Jones Industrial Avg.	NYSE		17823.07	17164.95	(658.12)	-4%							
			*information at close of day Feb. 4, 2015							Average	0.76x	10.93x		
										Median	0.49x	9.18x		

LONG-TERM, from page 11

Grotjohn says that operational accountants play a huge role in helping foster an environment focused on long-term improvement.

"There is always a temptation to take the easy way out. High-level metrics like budgets and profit margins are simple to track and report, but are of little use when trying to address the core issues behind poor performance," he says. "Accountants must be like little kids, always asking 'Why? Why? Why?' until the core behavior that needs to be addressed is identified."

For example: When a project goes over budget, poor project management is usually seen as the cause. It's possible; poor management and sloppy QA/QC can result in unnecessary plan revisions and costs. But diligence may discover a different root cause. For example: The company's hiring process doesn't incorporate a rigorous analysis of long-term workload and an engineer gets hired during a busy few months. Work slows and staff finds themselves looking for a place to keep busy and charge their time. The extra labor causes a project to go over budget.

It isn't intuitive that poor project performance comes from a poor hiring practice. Accountants must constantly strive to find core behaviors that can be changed to improve performance and encourage decisions that will lead to long-term growth and profitability.

"Identifying those core behaviors can take exceptional effort, but reporting expectations of improved performance with no guidance on how to accomplish those goals will leave the golden goose dead every time," Grotjohn says.

BENCHMARKING HELPS. At **KARN CHARUHAS CHAPMAN & TWOHEY** (Washington, DC), a 52-person, full-service architectural, planning, and interior design firm, each year the office's strategic planning process includes setting quantifiable and measurable long-term financial goals and initiatives.

Kevin Nisson, CFO, says that setting those goals obliges him to convey to leadership on a regular basis, feedback on progress toward those financial goals and to assess and evaluate how well the firm is doing at achieving them.

"I have found that keeping leadership well-informed on financial metrics on overall performance and by providing relevant data from groups like Zweig Group or Deltek to report how we compare with other firms in our industry and within our size group or region is meaningful and valuable, and helps keep leadership focused on the future," he says.