

Entrepreneurship and reaction time

Five things that differentiate entrepreneurs from the rest of the people in the world.

Although I am only days away from turning 57 and no longer interested in riding motorcycles 150 mph on a track, my reaction time in business today is probably faster than it ever has been.



Mark Zweig

EDITORIAL

I was watching a show on Netflix the other night with my eight-year-old daughter. It was all about humans with superhuman powers or capabilities.

One old fellow they featured on that particular episode was the “fastest gun alive.” He could draw his gun, cock it, aim it and fire so fast that he could actually shoot twice at two completely different targets – and to the human ear, it sounded like one shot. It truly was amazing how fast he could react.

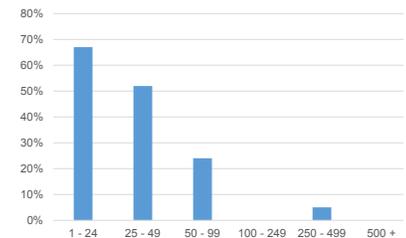
With the speed of business today, your ability to react to things quickly is going to be critical to your success. But this is not something engineers and many architects are wired to do. They tend to be more deliberate and studied in their responses to things. When I see those leaders who can react (and act quickly), they tend to do really well. Reaction time is especially critical when it comes to principals who aspire to be entrepreneurs (not everyone who is in business is an entrepreneur). Here are some places where speed can really make a difference:

1) Acquiring other firms. I always like to tell the story of what it was like to work with Jerry Allen back when he was alive and growing **Carter & Burgess**, and buying lots of companies. I could call him

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TRENDLINES

M&A size consideration



Zweig Group's 2015 Mergers & Acquisitions Survey finds that most A/E/P and environmental consulting firms are interested in acquiring firms with fewer than 100 employees. When asked what firm size they would consider, 67 percent of respondents said they would consider acquiring a firm with a staff size of 1-24 employees. Fifty two percent of respondents said they would consider acquiring a firm with 25-49 employees. Less than a quarter of firms report they would consider acquiring a firm with 50-99 employees (24 percent). While a small minority would consider a staff size of 250-499 employees (5 percent), no respondents said they would consider acquiring a firm with a staff size of 100-249 employees or more than 500 employees.

– Leah Santos, Research Analyst Assistant

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with a firm I thought he'd be interested in on Tuesday. He would call the sellers the same day, get on a plane to go see them the next day, and have a deal struck a day or two after that – calling to tell me all about it during his trip home. He didn't fool around with endless board meetings and due diligence. He was all about his gut feeling, the financial risk he perceived was part of the deal versus potential return, and the agreements themselves that would protect him. His ability to act quickly allowed him to grow the firm by about 1,400 percent in 10 years and make the C&B stockholders lots of money, all while most of C&B's competitors were asleep.

2) Hiring. This is another area where you can either fool around endlessly, procrastinate and not get positions filled, or act quickly and get someone working on the particular problem or opportunity you need them working on quickly. Our executive search group has had annual recruiting engagements with several firms in this business. The differences in how these individual firms can react to and make a decision on job candidates is really interesting. Firm "A" may be able to respond quickly to any candidate presented – either saying "yay" or "nay" – and then call them the same day, quickly getting them in to see them, and making offers that get accepted, all within a week or two. Firm "B" takes days or even weeks to respond to a candidate, weeks to set up a phone discussion, and then months, in some cases, to set up a committee and arrange a time for a face-to-face session. Extending an actual offer, too, could be super difficult with the layers of approvals required or just a habit of acting slowly. Time marches on... and the candidates pull themselves out of contention or turn down the offer that may eventually result from this process.

3) Selling/business development and client service. If there was ever a place where rapid decision-making and the ability to think on your feet pays off it is in selling and business development. You may need to switch your approach mid-presentation and come up with a new idea to make the sale. Can you make that call or do you blindly stick to script like a mindless robot? And clients who have questions need answers. The person who can give the answer quickly often is the winner. Deal negotiation, dealing with scope creep, processing questions and requests – all of these are enhanced by those who can react quickly and hampered by those who can't.

4) Dealing with personnel problems. This is yet another area where acting swiftly and immediately can head off problems. Whether it is a sexual harassment claim or someone who isn't giving a good client the attention they really deserve, speed of reaction is of the essence! You have to investigate and confront before these problems grow. Ignore them and your inability to act could cost your firm big bucks or, worse.

5) Keeping the people who work for you motivated and engaged. When your people come up with an idea and bring it to you, how long does it take for you to react? Or how long does it take for you to implement whatever it is that needs doing? My experience is that no matter how busy you are, your people want a

A/E BUSINESS NEWS

SUSTAINABILITY INDEX The largest U.S. cities – New York, Los Angeles and Chicago – score best in economic factors but are hindered by poor transportation infrastructure, lack of green spaces and diminishing affordable housing, according to the inaugural Sustainable Cities Index by ARCADIS.

None of the North American cities studied makes it into the Index's top 10, with Toronto ranking the highest overall at 12th place. Boston and Chicago (ranked No. 15 and 19 respectively) are the most sustainable of all U.S. cities included in the ranking. This is compared to Frankfurt, London and Copenhagen ranking in the top three, respectively. This first-of-its-kind sustainability index, which was conducted

by the UK-based Centre for Economics and Business Research, explores three key demands – social (People), environmental (Planet) and economic (Profit) – to develop a ranking of 50 of the world's leading cities based on 20 key indicators.

Experts agree a sustainable city should meet the needs of the present without sacrificing the ability of future generations to meet their own needs. The 2015 index finds that while no utopian city exists, city leaders are managing a complex balancing act of generating strong financial returns and maintaining an attractive place for people to live and work while limiting damage to the environment.

The full rankings can be viewed at www.sustainablecitiesindex.com.

With the speed of business today, your ability to react to things quickly is going to be critical to your success. But this is not something engineers and many architects are wired to do.

reaction. Not reacting almost immediately will destroy their motivation and morale and convince them you don't care about fixing something or cashing in on an opportunity. This is devastating to their morale!

One thing I know. Although I am only days away from turning 57 and no longer interested in riding motorcycles 150 mph on a track, my reaction time in business today is probably faster than it ever has been. Of course I don't bat 1,000 in all my decisions but if I make a really bad one I can act quickly and make a new decision. I really think this is a big part of what differentiates entrepreneurs from the rest of the people in the world. ▀

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SUCCESSION

Find the shoes that fit for leaders

Leadership succession assures a future for firms. Here are two examples of firms putting such plans in place.

By LIISA SULLIVAN
Correspondent



Steve Kathol,
President,
Schemmer
Associates Inc.

A firm without a transition plan will likely end up on the auction block – or worse – out of business when the founders decide to cash out. Firms with charismatic leaders or those with owners who run them as lifestyle businesses will likely face leadership succession problems. These two firms seem to have what it takes to get the job done.

“Schemmer has begun transitioning to its fourth generation of leadership and ownership, as the remaining baby boomer generation of owners and leaders exit over the next 10 years.”

BOD TAKES THE REINS. Steve Kathol was recently tapped to serve as the fifth president of **Schemmer Associates Inc.** (Omaha, NE), a 100-person architecture and engineering firm. He replaces Frank Comisar, who was with Schemmer since 1986 and at the helm for nearly a decade. Before Kathol’s appointment by Schemmer’s BOD, he served as manager of the firm’s transportation engineering group.

Kathol says that leadership and ownership transition planning are a continuous process at Schemmer.

“Both financial and leadership aptitude aspects are evaluated on an annual basis,” he says. “Schemmer has begun transitioning to its fourth generation of leadership and ownership, as the remaining baby boomer generation of owners and leaders exit over the next 10 years.”

Ideally, Kathol says that they begin transitioning leaders from 18 to 24 months ahead of a planned departure. However, this isn’t always possible given individual circumstances.

“Our recent president/CEO transition occurred over a period of six months, which was much sooner than planned because of individual circumstances,” he says. “However, the general grooming over a period of many years by the board of directors made it possible to have a new president/CEO seat-

ed within this limited timeframe.”

These were the transition steps involved:

- The BOD identified current and future issues facing the firm.
- Once issues were identified, the BOD articulated the preferred qualities of the next president/CEO.
- The BOD discussed if any internal candidates met the criteria and if any of them were interested in the position. The answer to both questions was “yes,” so they began a process of selecting a qualified candidate.

This process generally consisted of three steps: 1) Each candidate addressed the BOD regarding critical issues for the firm now and in the future, personal specific observations about the firm, and personal qualifications; 2) The candidate responded to specific written questions from the BOD; and 3) the BOD voted for the next president/CEO.

Kathol says that it’s a very diplomatic process and that the long-term health and prosperity of the firm is always put ahead of personal ambitions.

STAGE IT. Mark Brengman, principal and president, **Steen Engineering** (Crystal, MN), a 25-person mechanical and electrical engineering firm, joined Steen just a couple of years after founding partners, Steve Youngs and Gene Striefel, launched the company in a basement office with a pool table doubling as a drafting table. While they are still active with the firm, they are preparing for their exits.

As a result, Brengman is working to develop leaders among the current staff. With electrical engineers difficult to find, Brengman may consider merging with another firm to replace Youngs’ expertise when he departs in five or six years.

Steen just recently completed its first stage of succession planning – a five-year plan of buying out Striefel by the two remaining partners. Phase two will identify and groom internal staff as potential equity partners.

“Creating a staged and interdepartmental business plan has had an amazing effect by allowing individuals with a high level of initiative to rise to the occasion,” Brengman says. “Skill sets in areas such as leadership, positive persuasion, mentoring and

See LEADERS, page 4



IN BRIEF

IMPROVING LANDSCAPE Many landscape architectural firms viewed 2014 as an improvement from the previous year, but they still reported quarterly dips in billable hours and inquiries for new work in the fourth quarter, according to the American Society of Landscape Architect's latest Business Quarterly survey. Plans to hire rose from the previous quarter.

The survey found that 74.67 percent reported stable to significantly higher billable hours, a notable decrease from 84.17 percent the previous quarter. Some 76.75 percent said inquiries for new work were stable to significantly higher, another decline from 83.89 in the third quarter.

Year to year, 80.17 percent of firms indicated stable to significantly higher fourth-quarter billable hours, a slight dip from the fourth quarter of 2013 (81.5 percent). Additionally, 84.64 percent said inquiries for new work were stable to significantly higher, a jump from the fourth quarter of 2013 (81.5 percent).

Across the board, most firms (87.51 percent) described business conditions for 2014 as stable to significantly better than the previous year. Fully 71.88 percent said that 2014 was slightly to significantly better.

Of all firms with two or more employees, 50.63 percent said they planned to hire in the first quarter of 2015, a rise from the third quarter (48.06 percent). Some 57.90 percent of firms with 10-49 employees will be hiring landscape architects, both experienced and entry-level.

The survey included questions related to international work. Fully 10.96 of all respondents said that international billings are an important segment of their firms' business. Additionally, 19.30 percent said that their firm worked on international projects in the last three years, and 16.67 percent said their firm had international work in 2014.

Types of projects in 2014 included commercial (71.79 percent), public (51.28 percent) and residential (35.90 percent). The top regions included Asia (51.28 percent), Latin America (38.46 percent), Middle East (33.33 percent) and North America (33.33 percent).

The majority of firms (73.33 percent) that did not pursue international projects in 2014 said they were not interested in pursuing this work. Others said they are actively pursuing international projects (5.13 percent) or considering international work (21.54 percent).

RESOURCES

MERGER & ACQUISITION SURVEY Is your firm considering a merger, an acquisition, or a sale? Or have you recently completed a merger or acquisition transaction? If so, then you'll want to see the survey results in Zweig Group's 2015 Merger & Acquisition Survey of Architecture, Engineering, Planning & Environmental Consulting Firms. If you're considering selling your firm, use the Merger & Acquisition Survey to:

- Find out what today's buyers are looking for – who, where, and what
- See what kind of price you can expect for your firm
- Learn what's motivating other sellers like yourself, and what buyers are hoping to achieve through an acquisition

If you're considering buying another firm, use the Merger & Acquisition Survey to:

- Learn how long it takes to buy or sell a firm, from start to finish
- Find out how many firms are satisfied with the acquisitions they've made

If you've recently completed a merger or acquisition deal, use the Merger & Acquisition Survey to:

- Learn how the price you paid or the amount you received compares with other similar deals
- Find out if your peers or competitors also recently completed any transactions
- Compare the success of your firm's transactions with other firms' successful (or not successful) transactions

For more information or to order, call 800-466-6275 or log on to https://zweiggroup.com/p-2220-Merger_Acquisition_Survey_2015.

LEADERS, from page 3

business development have emerged in some individuals, which has allowed management to identify the firm's future leaders. In the interim we have created a new management 'associate' position and promoted four individuals to this position."

Due to Steen's smaller size, Brengman says that they recognize that while they have focused skills, they also have limitations.

"Collecting the right team of experts has been the key to our success, and recognizing that we cannot possibly be experts in all areas," he says. Similar to how a firm might hire an attorney or a tax accountant, Steen has worked with several outside experts in the areas of strategic business planning, valuation, organizational design, and succession planning. The firm has implemented an ongoing dynamic planning process and executed for the last two years. The plan identifies long- and short-term objectives, creating an annual set of key performance indicators and standards for each department and operating discipline that can be ob-

jectively judged with a clear means of measuring success or failure. The firm developed a program to reward staff for meeting specific goals and milestones.

"Certainly getting buy-in from all levels of staff, ranging from support level to project managers, is critical and change is never easy," Brengman says. "It was important to first clearly articulate our vision to allow the entire company the opportunity to know what was important and to identify the firm's priorities."

The next step for Steen was to not only invite, but to require participation by everyone in crafting department plans. This allowed everyone to "buy-in" to the performance goals they each had a hand in creating. These plans are updated each year.

"We also knew that creating a generous incentive program that puts 'our money where our mouth is' sends the message that management is serious about sharing in the firm's success and in identifying future leaders," he says. "We hope we are able to continue this trend." ▀

10
years
ago

HEADLINES Editorial: Up or down? You make the choice | Client relationships still key when working with owner reps | Guest Speaker: Working with internal competitions | Focus on Strategic Planning: Trust is an interesting thing | Online meeting tools increase efficiency

More owners are using third parties to manage projects for them because they don't want to manage their vendors as much these days. The previous is the first paragraph from an article titled "Client relationships still key when working with owner reps," published in the Feb. 23, 2004 issue of THE ZWEIG LETTER (#550). Just as important then as it is now, firms are best served by establishing long-term relationships with these representatives.

With that in mind, the article provided the following advice:

- Don't forget the project owners. Throwing a third party into the picture does not make developing client relationships less important. Although you may update a client's representative more frequently, be sure to keep the client in the loop.
- Technical scrutiny of work is greater. Your technical work has to be up to par when dealing with third parties.
- Treat the owners' reps as clients. It is important to form relationships with the clients and their representatives. Using a third party may make it harder to communicate directly with the owners at times, but it doesn't take away from the importance of establishing relationships with all parties.
- Owners' reps have different objectives and constraints. Owners' representatives are driven by different objectives than the owners and have different constraints, so you need to understand the differences.

In his editorial, Mark Zweig wrote about how firm fates are inherently tied to owner choices. He offered eight things he saw firms wrestling with that were fairly good predictors of would be today, in 2015:

1. Integrated management information systems.
2. Open book management.

3. Ownership transition.
4. Recruiting process.
5. Brand-building marketing activities.
6. Client surveys.
7. Employee gatherings.
8. Office facilities.



20
years
ago

HEADLINES Editorial: A typical architect? (we hope not) | Outside board members | Going out of business

When ownership transition and leadership succession fail at first generation firms, what's the option? According to an article published in the Feb. 21 issue of THE ZWEIG LETTER (#48), the best option may be closing doors.

"Owners who want to retire or move on usually try to find a buyer or sell out to employees. But those who wait until too late may have even fewer options. In some cases, principals may be better off dissolving the firm and taking whatever money they can out of it. Going out of business may be the best option of all," the article said.

However, several owners interviewed for the article agreed that closing should only be used as last resort solution.

In his editorial, Mark Zweig wrote about not being a typical architect. He described an episode involving the renovation of a new Zweig White & Associates, Inc. (as Zweig Group was then known) office space in which the architect couldn't provide straight answer on costs issues relating to pending work options.

"Hopefully, our experience wasn't typical of what most clients of design firms are going through. If this level of communication ability is the norm for an associate level staffer in one of our reader's firms, we've got some big problems in this industry. It makes it easier to understand why so many A/E firms feel threatened by design-build," Zweig concluded.





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!

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CONSULTANT TWITTER HANDLES

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

Zweig Group @ZweigGroup · 23h
Three ideas from @ZGRecruiting @randywilburn to help you implement a successful #HR #recruiting program. [blog.zweiggroup.com/recruiting-not ...](http://blog.zweiggroup.com/recruiting-not...)

Zweig Group retweeted
Zweig Group Recruit @ZGRecruiting · Feb 11
Word on the Street is that AECWorkForce.com is coming back soon. Stay tuned for more information. #TollAFriend

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The Zweig Letter @ZweigLetter · Feb 11
"Nothing is sacred from change if the result is improved productivity and opportunity" – Tom Wam @novaconsulting2 bit.ly/171KwJ

Zweig Group @ZweigGroup · Feb 11
2 surveys are OPEN: Policies, Procedures & Benefits zweiggroup.qualtrics.com/jfe/form/SV_5d... AND Principals, Partners & Owners research.net/5/93XZV4F

Mark C. Zweig @MarkZweig · Feb 3
Everyone needs to understand what the company does, how it makes its money, and how they can contribute to the process!

Mark C. Zweig @MarkZweig · Feb 3
Marketing is a matter of probabilities. If your direct mail gets 1/4 % response rate you have to send out 400 pieces to get one response.

Mark C. Zweig @MarkZweig · Feb 3
Marketing madness is when you keep doing the same thing and expect to get a different result.

Mark C. Zweig @MarkZweig · Feb 3
Great class tonight @ the Walton College with Dale Carlton of Carlton Realty as our guest speaker!

Mark C. Zweig @MarkZweig · Feb 3
U can't expect to sell more unless you out-market your competitors. Doing the same things now you did 3 yrs ago will get similar results.

Mark C. Zweig @MarkZweig · Feb 3
My experience is the higher you go up in the organizational hierarchy, the more responsive people are. #leadership

Mark C. Zweig @MarkZweig · Feb 3
"You want to be in business for yourself? Return your phone calls w/phone calls, emails w/emails, and texts w/texts." Dale Carlton

Mark C. Zweig @MarkZweig · Feb 3
Dale Carlton says #entrepreneurship often comes down to doing things nobody else wants to do.

Zweig Group @ZweigGroup · Feb 9
The 2015 Marketing Excellence Awards are now open! [zweiggroup.com/awards/marketi ...](http://zweiggroup.com/awards/marketi...) #Marketing

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Construction employment at highest level since 2009 | civil + structural ENGINEER [cenews.com/post/6851/cons ...](http://cenews.com/post/6851/cons...)

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Randy Wilburn @randywilburn · Feb 5
Why Shark Tank is Terrible for Your Business [copyblogger.com/hate-shark-tank ...](http://copyblogger.com/hate-shark-tank...) via @copyblogger A different perspective for sure. Thoughts??

RIGHT NOW

BD metrics tracking essential tool

Firms are leaving the spreadsheets behind and investing in systems that allow for very detailed tracking of metrics.

By LIISA SULLIVAN
Correspondent



Mark Forster,
Marketing
Director, Dudek.

Tracking business development metrics is imperative to a firm's growth and success. So, how are they doing it? Many firms are moving to a more automated process that allows for individual customization and modifications, but there are still some basics that have a stronghold.

START WITH STRING THEORY. **Dudek** (Encinitas, CA), a 300-person environmental consulting firm, practices throughout California. As such, Dudek needs the ability to evaluate business development opportunities that require a mix of local, regional and/or statewide knowledge.



Karen Wiesneski,
Marketing
Manager, R.A.
Smith National,
Inc.

"The win-rate percentage is our 'finger in the wind' to track that we're making overall good go-no-go decisions. We want to be within a certain percentage range for wins."

"We use inclusive email conversations for go-no-go conversations rather than completing and approving a go-no-go form," says Mark Forster, marketing director. "This is a fast, responsive way for us to engage the right people within our 10 offices who may have knowledge of the client or expertise in the project type. Email strings also work for us because the final go-no-go decision is up to the senior project manager with larger opportunities that also involve division managers."

Forster explains that Dudek does not have a formal process for reviewing a go-no-go form, but it does have a go-no-go form on its Intranet. They find this to be useful primarily as a guide for newer project managers to understand what elements go into evaluating an opportunity.

WINNING COMBINATIONS. At Dudek, win-loss reporting is done at least quarterly at a firm-wide and division-level basis.

Reports track proposal win-rate percentages, linking that information with revenue won by proposal in Deltek Vision.

Forster says that tracking is essential, particularly as Dudek has added more project managers stemming from state-wide growth. The database immediately provides project and proposal history with a client. Combining database figures with PMs' on-the-ground knowledge is a very effective approach when it comes to evaluating opportunities.

"The win-rate percentage is our 'finger in the wind' to track that we're making overall good go-no-go decisions," Forster says. "We want to be within a certain percentage range for wins. Revenue won is the business metric that lets us know we are winning the right proposals to achieve business plan performance. We are also able to track by geography, market sector, client type, and individual project manager so we can cut data in a variety of ways and include year-over-year performance."

R.A. Smith National, Inc. (Brookfield, WI), a 180-person, multidisciplinary civil engineering firm, also uses Deltek Vision for tracking purposes, says Karen Wiesneski, marketing manager. The software is specifically designed for project-based businesses including architects, engineers, federal contractors, accounting firms and others.

"We make use of the software's 'opportunities information center' to track all project leads from the go-no-go decision stage through final disposition as a win or loss," she says. "Division heads, project managers and other key staff in business development roles are responsible for entering the opportunities into Vision. The results are then tracked by the marketing department, and specifically the director of marketing and business development manager."

ON THE RIGHT TRACK. Wiesneski says that there are a couple of reasons why tracking is important. First, it enables them to identify trends in terms of the types of projects and clients they are pursuing and how that impacts their success rate. It's those

See METRICS, page 10



Branding lessons from the Battle of Iwo Jima

What do A/E branding and the Battle of Iwo Jima have in common?
More than you might think.



Brian
Fraley

GUEST SPEAKER

HISTORICAL PERSPECTIVE. Here's some historical perspective to illustrate the point. On the fateful day in 1945 during World War II, 70,000 U.S. Marines stormed the beaches of this eight-square-mile volcanic Japanese island in the Pacific Ocean. The enemy was entrenched. Nearly 20,000 Japanese soldiers had taken up positions in underground bunkers, caves and tunnels, leaving U.S. troops vulnerable to an invisible enemy. The Marines swarmed onto this small island, taking fire from an invisible enemy as bombers swarmed overhead. Approximately 7,000 Marines were killed in action and more than 17,000 were wounded. These six surviving soldiers had been through hell, yet they managed to drag themselves to the peak of Mount Suribachi to signal victory by raising the symbol of their brand.

This type of passion from the entire team is what branding is all about. Yet it's exactly where many A/E firms are lacking.

The things these heroic Marines fought for during the Battle of Iwo Jima went beyond their commitment to the American brand. They tapped into deep-seated emotions, love of country, survival, etc. It would be unrealistic to get your team committed to living your firm's brand to that extent, but you can certainly set the bar that high.

WHAT BRANDING IS NOT. One of my favorite definitions of "brand" is by renowned marketer and bestselling author Seth Godin: "A brand is the set of expectations, memories, stories, and relationships that, taken together, account for a consumer's decision to choose one product or service over another." What is the commonality among these elements? They are all produced by the entire team. Not the business development director.

The famous photograph of six United States Marines hoisting a 100-pound American flag symbolized a team gung ho about their brand, represented by Old Glory. Twenty seven Medals of Honor were awarded to those who survived this fierce battle, which was more than any war in American history. What better representation of brand loyalty? It is this type of all-in passion that builds epic brands.

Some A/E firms think they can just hire an agency or a consultant to brand the firm. They create a logo and possibly a slogan, update the firm's digital and print materials, and commit to using it consistently to preserve the integrity of the brand. Then the A/E firm returns to its core business of design never to speak of the brand again.

Not the logo. Not the slogan. The entire team.

Some A/E firms think they can just hire an agency or a consultant to brand the firm. They create a logo and possibly a slogan, update the firm's digital and print materials, and commit to using it consistently to preserve the integrity of the brand. Then the A/E firm returns to its core business of design never to speak of the brand again.

But branding is much more than that. The brand is largely about the experience your customers have when dealing with your firm and employees. Are your troops gung ho about your brand?

WHAT IS BRAND LEADERSHIP? Brand leadership must be supported from the top. Despite all of the talk about the flattening of the organizational structure, leadership still trickles down. That doesn't mean brand leadership can't come from the project management level. It just means that ultimately, leadership originates in the C Suite. A/E executives must show commitment to branding. Your team needs to know that the firm's leaders are proudly hoisting the firm's brand.

See BRIAN FRALEY, page 12

Who's minding the ship?

The manager-producer dilemma and how it can affect your course.



Chad
Clinehens

BRAND BUILDING

Depending on the size and make-up of your organization, it may be necessary for senior leaders to have to play both roles. Then the question of what the right balance is comes to the surface. That's tough to answer but for most firms, having adequate resources focused on the organization is critical regardless of other factors. One of the biggest problems we observe in firms is inadequate focus on the organization and the long-term objectives. Playing the producer role has many benefits; most short term, nevertheless. The immediate gratification of money earned for effort expended is addicting. Furthermore, leaders spent most of their careers being judged on how billable they were, so it's a hard habit to break for many. The manager-producer dilemma can be a big problem because the tradeoffs are bigger as you climb the organizational chart. Not focusing properly on the company and your managerial responsibilities allows all kinds of organizational liabilities to pile up. When you are not minding the ship, it can easily start going off course. Your people get frustrated when leadership is absent and they are not getting adequate direction or feedback. There may be market conditions coming that you are not properly preparing the organization for. You are not focused on the resources the company needs to grow and thrive. The list goes on and on. If you find yourself battling the manager producer dilemma, consider these important points:

■ **The producer role is not a scalable activity.**

There is only so much time in the day so you can only bill so much in a month. As I hit my limit in January I realized all of the important marketing items I had not accomplished back home. Business development and billable work is important, but marketing is critical if you are in a top leadership

I am reflecting on the month of January as I write this. I was in the office for one business day and on the road for the rest of the month. A conversation about my hectic month with a friend led to a debate about the manager-producer dilemma; that struggle for senior leaders who vacillate between producing revenue and managing people and the organization. The manager-producer dilemma is common in service-related roles but tends to be enhanced in professional service firms. The manager-producer dilemma neatly illustrates a bigger problem for professional service firms: balancing short- and long-term focus.

The manager-producer dilemma can be a big problem because the tradeoffs are bigger as you climb the organizational chart. Not focusing properly on the company and your managerial responsibilities allows all kinds of organizational liabilities to pile up. When you are not minding the ship, it can easily start going off course.

role. Building a brand and focusing the company on profitable markets allows you to scale up your company and make more money than spending all of your time as a producer.

■ **Clients are important, so is everybody else.**

This dilemma represents a struggle between clients and your own people. Both need attention. Spending too much time in the producer role means you may not be available to address those critical needs internally. This can really cause big problems, such as demotivation and retention issues. Being at the top of the org chart is a huge responsibility and requires your attention on everyone who depends on you. That includes your staff, your family, and yes, definitely your clients.

■ **Strategic plans require execution and that is your job.** Actually it is everybody's job, but it starts with you. Assuming you have a plan, delegation and intense focus on accomplishing the plan is required.

See CHAD CLINEHENS, page 12



AWARD WINNERS

BECKER MORGAN GROUP RECEIVES AIA AWARD The American Institute of Architects Delaware recently presented **Becker Morgan Group** with a 2014 Citation Award in the unbuilt category for William F. Cooke, Jr. Elementary School in Hockessin, Del. and the 2014 Honor Award with a special citation in sustainable design for Dover Public Library. The awards recognize significant achievements by AIA members in the planning, design, and execution of architectural projects. The awards were presented at the 2014 AIA DDesign Ball at The Queen Theater in Wilmington, Del.

The new 600-student capacity William F. Cooke, Jr. Elementary School is the Red Clay Consolidated School District's first new school in over 10 years. The design was developed through a collaborative process with teachers, staff, students and public participants to provide an exciting

learning environment. Construction is currently underway, and is slated to be complete in 2015.

Located in historic downtown Dover, the new Dover Public Library reflects a balance of respecting the past and reflecting the future of the vibrant capital city. The 46,000-square-foot library provides a state-of-the-art facility for learning, children and teen development, and community socialization. Sustainable efforts developed at the start of the commission earned the project LEED Gold certification. Holzman Moss Bottino Architecture was the prime Architect and Becker Morgan Group was the Associate Architect, Civil Engineer and Surveyor.

Becker Morgan Group, headquartered in Salisbury, M.D., provides architecture and engineering services with offices in Delaware, Maryland, and North Carolina.

METRICS, from page 7

results that allows them to make informed decisions about where to concentrate their resources and shows how they can improve their approach to pursuing the opportunities that best match the firm's capabilities and staff expertise. Second, tracking also serves as an important method of developing a sales pipeline to ensure that the company will meet its existing and projected revenue goals.

Wiesneski says that there are several pieces of information that R.A. Smith National tracks for each opportunity. They include:

- Project name
- Description
- Location
- Referral source
- Client
- Market sector
- Business development representative
- Proposed project manager
- Estimate of potential revenue (and if awarded, the actual revenue figure)
- Probability of award
- Weighted revenue
- Date proposal or statement of qualifications is due

Estimated start and completion dates for the project, and (depending on the outcome) the date they were awarded the project or the competitor they lost to and the reason why.

Tim Klabunde, director of marketing, **The Timmons Group** (Richmond, VA), a 330-person multi-disciplined engineering and technology firm, also uses Deltek Vision to track all business development metrics and reporting. For starters, they track:

- Client manager
- Key contacts
- Leads
- Qualifications-based proposals
- Fee proposals
- Win rates
- Client win rates (when they are a subconsultant)
- Revenue by business developer
- Repeat clientele versus new clients

"We use metrics to grow our top line revenues by leveraging the information to make better decisions about teaming, pursuing work, and improving relationships with our clients and peers," Klabunde says. "For a firm of our size, tracking is required for us to become more effective and to grow. There was a time when most of this information was handled at the individual level, but in today's competitive environment, measurement is a requirement for growth."

Sam Reed, senior director, **BSA LifeStructures** (Indianapolis, IN), a 230-person architectural and engineering firm, agrees with Klabunde that tracking needs to evolve with the times.

"We used to track our metrics manually with spreadsheets," he says. "We are now looking into moving into a more automated process with Salesforce.com that will allow us to modify, customize and track stages during the overall process."

Reed says that since BSA has multiple offices it will be great to have all the information in one place and to keep it "live" as they go through the process.

"The goal is to help us to be more disciplined in determining not only when we should pursue a client, but when we should not too," he says. ■

WHAT'S WORKING

MEMBERS ONLY TRADESHOW



WHAT'S WORKING FOR YOU?

Want to show off your outstanding marketing campaign? Contact Christina Zweig, contributing editor, at christinaz@zweiggroup.com and we will consider featuring you in this space.

O'Brien & Gere (Syracuse, NY) a 900-person engineering firm won fourth place in the internal marketing category of Zweig Group's 2014 Marketing Excellence Awards for their impressive internal showcase.

The O'Brien & Gere internal showcase encompassed a full-scale tradeshow held in a conference center, presented to an internal audience of approximately 200 managers and officers at the company's annual planning session. Tradeshow booths were staffed by representative subject matter experts and marketing professionals. The internal showcase's primary goal was to reinforce branding and strategic sales messages.

O'Brien & Gere intended to reinforce branding and strategic sales messages for brands (advanced manufacturing, energy, environment, and water), services, markets and key differentiators. The program including educational sessions and networking events

with multiple interactive elements (video, live robot demo, social media).

Although the entire experience catered to an internal audience, it was exactly like a tradeshow – with stations, banner stands, individual looped video, collateral, and giveaways. Coordination among 20 marketing professionals with 41 subject matter experts provided for an immersive experience.

Feedback from the previous year's annual planning session, leadership office tours, and an employee satisfaction survey, indicated a desire for more education and engagement opportunities for branding topics, which were incorporated into the event.

"We view this showcase event as an effective marketing tool to disseminate information, build brand awareness, and develop relationships among company leadership and staff," says Michael Kirmse, marketing manager.

All members of the marketing and communications departments participated and leadership provided plans, strategy, and direction.



"We view this showcase event as an effective marketing tool to disseminate information, build brand awareness, and develop relationships among company leadership and staff."

What's working

- Hashtags were used by event organizers and attendees to organize social media posts and increase searchability
- Punch cards were used to record booth attendance and an iPad prize drawing
- Getting people from different offices together at a single large event helped promote company culture

Results

The influence of the showcase endured long after the event. In addition to a successful planning session, materials generated to communicate marketing and branding messages at the event continued to be used frequently in proposals, client meetings and presentations, and at other industry events.



CHAD CLINEHENS, from page 9

When you are in the producer role, these longer-term and seemingly non-urgent initiatives go to the bottom of the stack of to-do items. It's a big problem in this industry. There are too many firms that call us asking for assistance with a plan that is sometimes five or 10 years old. A firm without a yearly business plan being executed daily is a rudderless ship. The producer role is demanding and creates a short-term focus, which is the enemy of the strategic plan.

Whether you are the directional leader of your company, the leader of a business unit or an up-and-coming future leader, the manager producer dilemma likely to is or will affect you. Proper attention toward the higher order long-term needs of your team and company is essential for long-term success. You must also, however, have happy clients to stay in business. It's all about striking the right balance. I may have spent the entire month out of the office but I have been working on some really exciting projects with some great clients. I have enjoyed it! And the rewards my clients will reap from our work together will also surely pay off in the future for our business and brand. Being a producer is rewarding and provides our company with much needed revenue. But again, one must always

Both the manager and producer roles are critical for a healthy company. You need people rowing and steering. Consider where you spend you time today. Do you need to be spending more time in the captain's quarters looking ahead and steering your ship?

recognize the importance of the manager role and minding the ship back home. For those of you that have stints of intense client work, make sure you have good people back home with clear accountability for steering the company. Both the manager and producer roles are critical for a healthy company. You need people rowing and steering. Consider where you spend you time today. Do you need to be spending more time in the captain's quarters looking ahead and steering your ship? ▀

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

BRIAN FRALEY, from page 8

Major General Fred Haynes led the U.S. Marines to a hard-fought victory during the Battle of Iwo Jima. Had he not demonstrated hands-on leadership, would the battle have been victorious? Teamwork is critical in branding as it is in war, although the stakes aren't as high.

WHY DO A/E FIRMS DOUBT THE BRAND? Too many A/E firms have not bought into the concept of branding. They dismiss the concept as fluff or marketing speak. Their pragmatism is a blinder that paralyzes their branding efforts, and therefore, inhibits the growth of their firms. They need numbers to measure the investment in branding. How does branding hit the bottom line? The problem is that branding is a gray area. While there are aspects of marketing that allow us to measure return on investment (ROI), branding is not always measurable.

MANY BRAND LEADERSHIP STYLES. Many engineering executives are reluctant or unable to show passion when it comes to the firm's brand. They're not "cheerleaders." They half-jokingly describe themselves as "dour" or "dry" and incapable of expressing passion. How can A/E executives expect their staff to show passion about the brand when they don't?

Brand leadership requires no pom poms and chants. Leadership styles are as diverse as brands themselves. General George S. Patton Jr. and Winston Churchill were passionate leaders. But branding is not war. While passion is the wind that fans the flames of leadership, it is but one element. The way that A/E executives show brand leadership is not important. That they do is what counts.

100 PERCENT BUY IN. Branding is a lot like company culture. One bad apple can spread like cancer and compromise the brand. I've known A/E firms where the contrast

The brand has to be contagious within the organization before it can exude power externally. Imagine if the troops at Iwo Jima had lacked commitment. Would the battle have been won? Is your team gung ho about your firm's brand? It's a critical question to ponder if you hope to achieve a branding victory.

between the gung ho brand loyalists and the non-believers who showed up to collect a paycheck was stark.

The brand has to be contagious within the organization before it can exude power externally. Imagine if the troops at Iwo Jima had lacked commitment. Would the battle have been won? Is your team gung ho about your firm's brand? It's a critical question to ponder if you hope to achieve a branding victory. ▀

Note: Some information in this article about the Iwo Jima Battle was gleaned from www.military.com/NewContent/0,13190,NI_Iwo_Jima2,00.html and www.nationalww2museum.org/see-hear/collections/focus-on/iwo-jima.html.

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