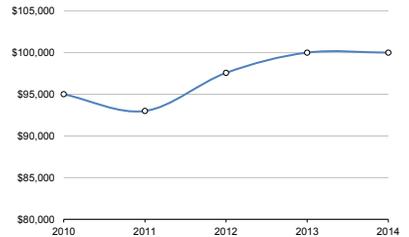


## No marketing: Doubtful future

Are you investing in consistent, brand-building marketing activities, Mark Zweig asks.

### TRENDLINES

#### IT's value



IT directors' median base salary has remained at a five-year high of \$100,000, according to ZweigWhite's 2014 Information Technology Survey. The study finds that IT directors' median base salary increased to \$100,000 in 2013 from \$97,569 in 2012. The median base salary for IT directors dropped to \$93,000 in 2011 from \$95,000 in 2010.

— Margot Suydam, Director, Research

#### 2014 MARKETING SURVEY

**Participate and save!** The deadline is Friday, June 20. Take the survey at [www.zweigwhite.com/survey-participation.php](http://www.zweigwhite.com/survey-participation.php)

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A/E firms need to allocate a reasonable budget to brand-building marketing activities and then look for ways to spend it. It is easier than ever to quantify the benefits of doing so.



Mark Zweig

#### EDITORIAL

Let's face it. Living too well can be a problem. I'm talking about eating your seed corn, spending too much, and not reinvesting in your future. "Overharvesting" is like a drug. It's hard to wean off the excess profitability. Everyone in the company (substitute "family" if you like) is used to living too well. They don't want to make any sacrifices for the future.

Marketing is one of those "off balance sheet" investments that masquerades as an expense. When it comes to the A/E or environmental consulting business, brand-building marketing activities are most conspicuous by their absence in firms that are living too well. Money just isn't spent on marketing (it's viewed as a waste) unless it is directed at winning a specific project.

The difference between a small business and an entrepreneurial venture is that a small business exists solely for the immediate benefits of its owners (profits paid out), whereas an entrepreneurial venture builds value that is primarily extracted not along the way, but rather mostly upon exit. Operating like a small business and not investing in brand building marketing activities when you have so many people depending on you is just plain irresponsible.

See MARK ZWEIG, page 2

### MORE COLUMNS

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## A/E BUSINESS NEWS

**CONSTRUCTION DISPUTES RISE** In its fourth annual Global Construction Disputes Report, **ARCADIS** (Highland Ranch, CO) reported that in 2013, the average claimed value of construction disputes in the U.S. tripled over 2012, to an average of \$34.3 million. However, the U.S. was still well below average construction dispute values globally, behind Asia and the Middle East. At the same time, construction disputes in the U.S. took 1.8 months longer to resolve than in 2012, averaging 13.7 months.

This year's ARCADIS report on the top trends driving the value, duration, causes and resolutions of construction disputes worldwide, "Global Construction Disputes: Getting the Basics Right," also points to the No. 1 cause for disputes in the U.S. in 2013: alleged errors and omissions in the contract document.

"Today's major construction projects are fast paced, complex and involve a multitude of parties, so there are numerous points at which a dispute can occur," said Joe Seibold, executive vice president, ARCADIS U.S. "Our research confirms the scale of these problems and highlights the need for better contract administration, more robust documentation and a proactive approach to risk management to help avoid and mitigate the most common causes of disputes."

The Panama Canal Expansion was one of the highest profile disputes in 2013, with the Panama Canal Authority in dispute with the GUCP contractor consortium about cost overruns, said to be worth \$1.6 billion, and delays to the project. It was reported a deal was secured that freed up some funds earlier this year and this has allowed work to continue.

Joint ventures in the U.S. tended to result in disputes in just over a third of cases (36 percent), in line with the global average, which increased from 2012, where instances of JV disputes were less commonplace at 19 percent. The increased use of alternative project delivery approaches such as design-build, combined with the frequent involvement of joint ventures as the delivery entity, means that there is a high probability of a dispute either with the owner or within the joint venture team itself. This emphasizes the importance of proactive measures that will enable projects to mitigate or avoid altogether the potential impact of disputes.

**ALL ABOARD** Miami Mayor Tomás Pedro Regalado and Miami-Dade County Mayor Carlos Gimenez joined All Aboard Florida executives to unveil designs for All Aboard Florida's new multimodal hub in Miami, which was planned and designed by **Skidmore, Owings & Merrill LLP** (Chicago, IL). The transit-oriented development encompassing nearly 3 million square feet will span two sites; a nine-acre transportation hub in downtown Miami just east of Miami-Dade County Hall, and a two-acre site in Historic Overtown.

All Aboard Florida, a wholly owned subsidiary of Florida East Coast Industries, is the only privately owned, operated and financed express intercity passenger rail project of its kind

being developed in the United States. All Aboard Florida's 235-mile network of rail lines will connect South Florida to Central Florida, with intercity stops and stations in Fort Lauderdale and West Palm Beach, providing a vital new service for Florida residents, business people and visitors. The project is estimated to eliminate more than three million cars from the region's roadways each year.

The transportation hub will include mixed-use development with residential, office, commercial, and a retail concourse, while serving as a connector between All Aboard Florida's passengers and Miami's existing public transport systems. The Overtown site will also be a mixed-use development with retail, commercial and parking to support and enhance the transportation hub.

Each of All Aboard Florida's three planned stations in South Florida (Miami, Fort Lauderdale and West Palm Beach) will serve as both gateways to their respective cities, and as key portals and iconic destinations with terminals featuring spaces to shop, eat and connect. As part of the urban infrastructure, the stations are expected to generate significant economic impact to the state. Economists estimate that All Aboard Florida will add more than \$6 billion to Florida's economy over the next eight years, including \$1.3 billion in economic impact for Miami-Dade County through 2021.

MARK ZWEIG, from page 1

The problem in many of these companies is that the owner(s) actually like the fact that they have created a cult of personality around themselves. They want to be indispensable and essential to the business. But this means there's a limited lifespan because these owners will only live so long or be engaged in the business so long. So, fat and happy, they become unmotivated.

But it's hard to get people who are successful to change. They don't see any reason to change their behavior. It's human nature. We don't do anything we don't have to (for the most part).

A/E firms need to allocate a reasonable budget to brand-building marketing activities and then look for ways to spend it. It is easier than ever to

quantify the benefits of doing so. Web hits – how long visitors stay on your site – and the number and value of incoming leads are just some of the metrics you can easily track and report on these days that should be going up the more you spend on this stuff. Revenue growth should follow. Higher growth firms are more profitable and more valuable. You get the picture. The seeds are planted through the marketing budget and resulting activities.

So how does your firm look? Are you investing in your future and that of your employees through consistent, brand-building marketing activities? Or are you sitting on the sidelines, overharvesting, and praying the gravy train continues?

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

**THE ZWEIG LETTER**

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## GROWTH

# Strategic alliances growing strong

Firms are joining co-ops, partnering up and even merging to enhance their offerings.

By LIISA SULLIVAN  
Correspondent

Being able to successfully stand on your own two feet is always an accomplishment, but think about the potential strength you'd have with more hands (or feet) on deck? More and more firms are creating strategic alliances for just this reason. They find that when coupled with organic expansion, alliances can be quite effective.

**STRENGTH IN NUMBERS.** The Global Design Alliance (GDA), which joins architecture, engineering and construction firms on project pursuits, is one such example. GDA members build on a foundation of shared values, pursue business opportunities, share project and process expertise, and act as a source of management best practices to keep pace with the clients they all serve. GDA's tagline is "Better together."

Leevi Kiil, GDA executive director, says that you'll find most firms are happy with their size, but they don't want to turn down leads or projects because of lack of manpower or skills. They want to maintain their independence while having the sense of being part of something larger.

"Joining a group such as the GDA provides an alternative to becoming a mega firm," he says. "We have an international network of design, planning and construction firms that are committed to growth and change. It's akin to a laboratory for experimentation and we strongly promote thought leadership."

And as a living experiment in trust-based teaming for almost 20 years, the organization now represents nearly 3,000 employees; more than \$425 million in design fees each year; and approximately 50 offices in eight countries.

"Our membership is by invitation only, but we are not exclusive in any of our working relationships," Kiil says. "We avoid direct head-to-head competition and look for firms that will complement each other."

**Hughes Associates** (Baltimore, MD), a fire protection and life safety engineering and consulting firm, is new to GDA. Kiil says that feedback from Hughes has been very positive.

"They've been amazed by all of the information sharing and the breadth of experience in the group and said that it's been a wonderful addition to the firm's

scheme of things," Kiil says.

**EXPANDING GLOBAL FOOTPRINT.** International luxury design firm **Wilson Associates** (Dallas, TX) recently joined forces with East China Architectural Design & Research Institute Co., Ltd. (ECADI), a company affiliated to **Shanghai Xian Dai Architectural Design (Group) Co., Ltd.** The partnership will combine the expertise of two leading global companies to create a dominant new force in the architectural design industry.

"We have an international network of design, planning and construction firms that are committed to growth and change. It's akin to a laboratory for experimentation and we strongly promote thought leadership."

"As one of the world's most renowned architecture firms, we wanted to align our company with a strategic partner that will strengthen our international footprint," said QIN Yun, chairman of Xian Dai. "In Wilson Associates, we have found a like-minded company that shares our passion for excellent design and desire to secure high-end market share."

Olivier Chavy, president and CEO of the 400-person Wilson Associates, shares a similar sentiment.

"Partnering with another design powerhouse will present our eight global offices with exciting new design opportunities. Together, we will offer our clients a fully integrated design service," he says.

Wilson Associates offers ECADI a 43-year design legacy with a portfolio comprised of more than 3,000 iconic hotels, resorts, restaurants, casinos and high-end commercial and residential properties. ECADI offers Wilson Associates the same rich legacy, with a curated portfolio of cultural and convention centers, transportation hubs, theaters and ultra-high-rise of-fice buildings.

Moving forward, Wilson Associates will maintain their name and brand identity.

**GHOST ARCHITECTS.** Sometimes it's necessary to bring in outside help due to labor shortage or necessary skills. This is another way firms form strategic alliances. For example, **Alan Ford Architects**



Leevi Kiil,  
Executive  
Director, Global  
Design Alliance.



Alan Ambuske,  
HFP/Ambuske's  
Founding Partner.

## GOOD TO KNOW

The vast majority of firms (81percent) are not subsidiaries. Sixteen percent are wholly-owned subsidiaries.

**Source:** 2014 Financial Performance Survey, ZweigWhite: [www.zweigwhite.com/p-2195-financial-performance-survey-2014](http://www.zweigwhite.com/p-2195-financial-performance-survey-2014)

## IN BRIEF

**RESILIENT PLANNING** Leaders of America's design and construction industry, which generates more than \$1 trillion in GDP, have agreed for the first time to promote resilience in contemporary planning, building materials, design, construction and operational techniques as the solution to making the nation's aging infrastructure more safe and secure.

CEOs of almost two-dozen leading associations representing a half-million members of the design and construction sector used the occasion of "Building Safety Month" to issue a joint statement on resilience. The CEOs committed the design and construction sector to significantly improve the resilience of the nation's entire built environment through research into new materials, construction procedures and other methods to improve the standard of practice.

Among other things, they also committed the industry to educating itself through continuous learning; to advocating for effective land use policies; to responding to disasters alongside first responders and to planning for future ones with a strategy for fast recovery.

"We want architects to take the lead in encouraging resilience, particularly in the non-government and private sectors," said Robert Ivy, American Institute of Architects CEO. "I would like to congratulate my fellow leaders in the design and construction sector for joining together to make sure resiliency is not viewed as just a fad but remains front and center in our efforts moving forward."

### ALLIANCES, from page 3

(Denver, CO) collaborates with other firms by "outsourcing" various parts of the design process to other specialized architects. Occasionally known as "ghost architects" because they are invisible to the client, outsourcing is a way to bring help and extra labor on board without hiring more full-time staff. Ford often works with **Aakar Architects**, another small Denver firm that contracts out for CAD, BIM, rendering work, and other architectural support services.

**SUCCESSFUL ALLIANCE LEADS TO MERGER.** In Cleveland, Ohio, two established architectural firms – **Perspectus Architecture** and **HFP/Ambuske Architects** – formed a strategic partnership in 2013. With deep roots in healthcare design, the principals of each firm have been friendly competitors enjoying long-term relationships with shared clients. They also share a mutual respect. The idea to form a strategic partnership made sense.

"Our clients benefit because we bring the best talent to each project," says Alan Ambuske, HFP/Ambuske's founding partner. "We now have the opportunity to provide more extensive capabilities to our existing clients and to be more responsive to the clients whom we share with Perspectus. We have an expanded portfolio of work in a variety of healthcare specialty areas."

"We now have the opportunity to provide more extensive capabilities to our existing clients and to be more responsive to the clients whom we share with Perspectus."

The strategic partnership was so successful that the two firms decided to merge in early 2014. Headquartered at Shaker Square in Cleveland, the combined practice has assumed the name Perspectus Architecture and is now one of the largest architectural firms in Northeast Ohio.

"A natural outgrowth of our respective histories, this merger will be transformative for both firms, creating a national presence and enhancing services and value," says Bill Ayars, managing principal of Perspectus Architecture.

The "strategic partner" relationship gave both firms the opportunity to test the waters to make sure that the two firms had the right blend of capabilities, personalities and culture.

"We personally met with each client to explain the new relationship, and it was very well received," Ayars says.



## CALENDAR

**PRINCIPALS ACADEMY** The Principals Academy, a crash course in all aspects of managing a professional services firm, is coming to several cities.

The program is presented by a team of speakers – including ZweigWhite 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 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 program also includes a case study workshop session that will provide an opportunity to practice implementing these management strategies in a supervised test-case scenario.

Upcoming events include June 12 and 13 in Pittsburgh, Pa., Oct. 16 and 17 in Los Angeles and Nov. 13 and 14 in Miami.

For more information or to register, call 800-466-6275 or log on to [www.zweigwhite.com/seminars/tpa](http://www.zweigwhite.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 ZweigWhite 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, ZweigWhite CEO and chairman, or Chad Clinehens, executive vice president, ZweigWhite.

Seminar dates scheduled for 2014 include June 26 in Chicago.

Group discounts are available for teams of four or more attendees from the same firm. Please call 800-466-6275 or log on to [www.zweigwhite.com/seminars/better\\_seller](http://www.zweigwhite.com/seminars/better_seller) for details.



# Upside-down organization chart

Changing the way you organize your staff and present your firm to your clients may be the best and most enduring way to deliver your promise.

Clients often request a copy of your firm's organization chart. But what exactly does it say about you and your firm? Traditional ego-driven diagrams generally include the names of only some of the firm's employees – most likely those with the most seniority and experience. But if your people are your most valuable resource, which is what we are prone to say, why aren't all of them included on the chart, and why is the CEO found at the top? Is it space limitation, ego gratification, or just short sightedness? Let's explore the question.

The traditional chart style communicates clearly to clients and staff just who is important and, more importantly, who may not be. I would argue that in a creative industry like design, we should be empowering everyone in the organization – an unbroken chain of excellence that is most likely to produce more error-free and exciting solutions. But error-free is a concept embraced by manufacturing and often minimized or overlooked by the design professions. In truth, design professionals often point out just how different service delivery is from a traditional manufacturing process. After all, most creative work is focused on delivering “one-off” unique design solutions – rather than making repetitive products that can be tweaked and perfected.

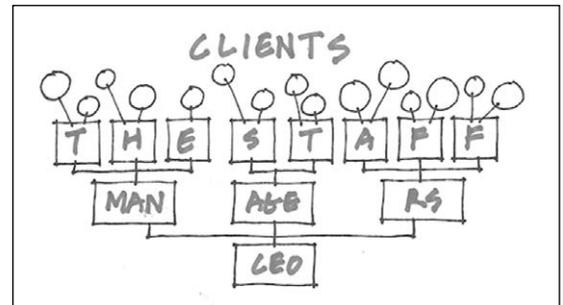
However, as I have written in the past, there are many parts of the creative process that can benefit from repetitive actions and the pursuit of perfection, reducing time wasted on those areas and capturing it for the more time-consuming creative thought and exploration aspects of what you do. The relentless march of technology will help the industry improve quality and reduce errors in this way over time, but that is the subject for a different essay. Nonetheless, the final quality of your “design product,” as well as the service delivery processes followed, will benefit from a pursuit of perfection. But how do you get there?

One very valuable way is to think about how you lead and manage your people. Most service improvement experts agree that everyone in a firm should take responsibility for delivering both top quality and great service to clients – at least to the extent that they are capable. Even those employees not in direct contact with your clients are certainly supporting someone in the firm who is. Communicating this important concept to your entire staff, and to your clients, can be greatly simplified by developing an upside-down organization chart.



Dennis King

**GUEST  
SPEAKER**



Organize in a way that follows your clients. Many design firms think this way, but fail to structure clearly.

The popular, although not new, term for this management approach is “servant leadership.” The main premise is focused on a model where the top of your organization chart is represented by your clients, followed next by your front-line staff, and then management. The bottom of the organization chart is where the senior leaders and firm principals live. Simply put, the “executives” work for the “people” in the servant leadership model.

See DENNIS KING, page 8

One of the few criticisms of this approach is that it based on a long-term commitment to how you are leading and managing your firm. I'm not sure that is a bad thing. Developing a sound leadership style should be a long-term journey.

# Importance of cultural immersion

Take the time to share with new hires your wisdom about why things are the way they are and how they got that way.

**W**hat happens when someone joins your firm? Do you merely sit them down in front of a computer terminal and tell them to “get to work” or do you spend a little more time with them to give them a sense of the purpose of the work they’re doing?

The sink-or-swim version of “on-boarding,” which I have written about before, is akin to “water-boarding.” It’s painful, not particularly effective, and it certainly doesn’t set the kind of attitude and behavior you want the new person to carry into their work and interactions with others. There are far more efficient and effective ways to assimilate new employees. The little extra time invested in immersing new people into the firm’s values and culture pays big dividends almost immediately.

At **Gensler**, we figured out pretty early on that you can’t “control” people’s behavior or performance through rules and hierarchical oversight. In the design professions, particularly because fees have always been lean, it is simply too costly to have people scrupulously checking every new person’s actions. Most of us are acting unilaterally on behalf of the firm with clients, contractors, consultants, building officials and others. There simply isn’t time to have someone going back to review and check on every person’s work. We have to be able to rely on our staff members to act professionally, accept responsibility for the quality and accuracy of their work, to know what they don’t know and ask for help when needed, rather than “faking it.” They need to constantly make judgment calls in a manner consistent with the values, ethics, policies, goals and objectives of the firm.

So, how can we make that happen? I believe it comes about when each member of the firm feels truly responsible for their actions – no excuses and no blame ladled onto someone else. It happens when each individual embraces the reasons the firm is in business. This requires you to have a very clearly defined and documented summary of your values and culture. Here are some examples of what I’m talking about:

- To serve our clients and the communities in which we build well.
- To collaborate with each other, taking advantage of the larger talent and knowledge base within the firm and its stakeholders in order to deliver the highest value to our clients.
- To help each other to continually grow as professionals.
- To treat each other, our clients and our stakeholders



Ed  
Friedrichs

FROM THE  
CHAIRMAN

with respect at all times.

- To act as a business, taking the discipline of adhering to schedules and budgets seriously, treating our clients’ money as if it were our own.

These are all the things you want to be known for. More importantly, you become known for your values when everyone behaves in accordance with those values at all times. And, if they do, you don’t have to spend much time checking up on them.

Each firm has its own unique set of values and culture. Is yours known? Documented? Consistently understood? Does everyone in the firm have the authority to challenge anyone else, including the president or partners, if that person is not acting in accordance with those values and your culture?

See ED FRIEDRICHS, page 8

Immersing everyone in your culture requires time and commitment from the minute a person sets foot in the door. It can’t wait until next week, or be satisfied by handing out a little wallet-sized card with your Mission, Vision and Values printed on it.

## RESOURCES

**INFORMATION TECHNOLOGY SURVEY** Is your firm state-of-the art in computer, mobile device, networking, Internet, telephone and email technology?

How much did your firm spend on computers last year? How much on networks, hardware, software, training, consultants, and everything else? Was it too much or not enough?

On one hand, you can't afford to under-invest in information technology to run your business. On the other hand, you can't afford to over-invest, driving up overhead and making it impossible for you to compete. So how do you determine what's normal for IT spending in a firm of your type, size, or region?

If you're looking for answers to information technology dilemmas, you need the 2014 Information Technology Survey of Architecture, Engineering, Planning & Environmental Consulting Firms. Updated

this year with input from IT directors at leading A/E/P firms, this report contains all the latest data on IT systems, spending, staff, and more.

Whether you need to find out how your firm's spending stacks up among other firms in the design and environmental consulting industry; you're looking to justify new hardware or software purchases; or you want to find out how other firms use project web sites, firm web sites, and other IT tools, this is the book for you.

The information is broken out by firm type, staff size, region of the firm's headquarters office, firm growth rate, and client base so you can make comparisons between your firm and others just like it.

For more information or to buy a copy, call 800-466-6275 or log on to [www.zweigwhite.com/p-2197-information-technology-survey-2014](http://www.zweigwhite.com/p-2197-information-technology-survey-2014).

**ED FRIEDRICHS**, from page 7

Now, how do you achieve "Immersive Acculturation?"

That means taking each person who joins your firm into a program that conveys what your values and culture are, why they're that way and, most importantly, what are the benefits to employees, clients and stakeholders of behaving consistently, at all times, in accordance with your values and culture. This is particularly important for senior staff who will have others answering to them or when a firm is acquired or merges with another firm.

Immersing everyone in your culture requires time and commitment from the minute a person sets foot in the door. It can't wait until next week, or be satisfied by handing out a little wallet-sized card with your Mission, Vision and Values printed on it. In my article on "on-boarding," published April 14, 2013 (issue #1003), I described the first minute, first hour, first day, first week

and first month as each new person becomes part of your enterprise. It involves formal roles for a buddy, a coach and a mentor augmented by some brilliant sages who take the time to, as Desi Arnaz on "I Love Lucy" used to say, do "some 'splanen'." For those of you too young to remember, that means "explaining" – taking the time to share their wisdom about why things are the way they are and how they got that way.

That's how you achieve strong, consistent, behavior in your firm; how you achieve excellence; how you obviate the need for constantly monitoring every action; and how you build a cadre of people who are deeply engaged in the work they're doing, with each other and with your clients. ▲▲

EDWARD FRIEDRICHS, FAIA, FIIDA, is a consultant with ZweigWhite and the former CEO and president of **Gensler**. Contact him at [efriedrichs@zweigwhite.com](mailto:efriedrichs@zweigwhite.com).

**DENNIS KING**, from page 6

The upside-down or servant leadership model is a valuable organizational concept. However, executives who are unwilling to do the more difficult and time-consuming implementation work can diminish it. One of the few criticisms of this approach is that it based on a long-term commitment to how you are leading and managing your firm. I'm not sure that is a bad thing. Developing a sound leadership style should be a long-term journey.

So what should firms be doing to bring this sensible approach to fruition? In traditional hierarchal top-down organizations, staff is likely to focus only on serving their bosses. Even those that are also trying to solve client needs will often find themselves torn between multiple masters – their direct boss and the client or teams they serve. Conversely, in service and quality focused firms that embrace the upside-down structure, everyone is focused on the only entity paying the bills – the client. Their performance is ultimately a direct reflection of the firm's overall culture and environment.

Principals in upside-down firms learn to share power, authority and responsibility widely, place the needs of their staff in front of their own, and do what they can to help

their people perform well and develop over time. Their leadership characteristics are founded most often in active listening, foresight, awareness, and empathy. Egos are in check. As you might expect, for a design firm to structure their organization this way requires some humility from leadership. It requires accepting that senior positions must be evaluated based on the support given to the front line people on the team, rather than the support given to the CEO or principals.

In summary, if you want creative minds to work as slowly and uninspired as possible, place them in a traditional structure where all the power is top-down and tell them what to do. Conversely, if you want staff to produce amazing results, then place them in a team of like-minded people with all the resources of a supporting manager, an empathetic leadership team, and the freedom to do their creative work in the way they best see fit. You need only communicate and reinforce the needs of the client and end-user clearly and then creativity will flourish. Think about it. ▲▲

DENNIS KING is a principal at DMKING Consulting LLC, [www.DMKINGconsulting.com](http://www.DMKINGconsulting.com).

## MOTIVATION

# Do incentives really work?

Study reveals only partial success.  
Three HR professionals speak their minds.

By LIISA SULLIVAN  
Correspondent

A recent article from Business Insider reports that workplace incentives don't necessarily create harder working employees. Sounds odd, doesn't it? It seems that while incentives may be good for getting people to complete short-term tasks, it's not a great solution over the long-term.

**THE FACTS.** Here are a few article highlights:

- Psychology research shows that rewards such as money and vacations only yield temporary compliance.
- Motivators such as personal growth, recognition, responsibility, and challenging work are better in the long term.
- Rather than structuring workdays around rewards, they should be structured around continual, meaningful progress.
- Companies should work to create "the catalyst factor," which includes events that directly enable progress in the work. Catalysts include things like providing clear goals for the work and providing people with sufficient resources to accomplish those goals.
- Companies should also develop "nourishers." These directly support people's inner work lives and include actions like showing respect and providing emotional support.

**WHAT DO A/E FIRMS THINK ABOUT THIS NEWS?** We asked three A/E firm HR experts to weigh in on the article's findings. While most agree, they do feel there are some missing pieces to the puzzle.

Carla Erickson, director of human resources at **Withers & Ravenel** (Cary, NC), a 144-person full-service civil and environmental consulting engineering firm, says that while the article touches on some good areas, there is no mention of trust or communication.

"To me, those are two very important motivators for employees," she says. "Having trust and openness creates a solid foundation to build on within a company. Once you have the trust and openness of management and that communication flow to the employees, these other areas mentioned in the article



Carla Erickson,  
Director of HR,  
Withers &  
Ravenel.



Laurie Iulig,  
HR Manager,  
LJB, Inc.

To read the complete Business Insider article: "Why Incentives Don't Actually Motivate People to Do Better Work," log on to: [www.inc.com/drake-baer/why-incentives-dont-actually-motivate-people-to-do-better-work.html](http://www.inc.com/drake-baer/why-incentives-dont-actually-motivate-people-to-do-better-work.html)

will fall into place."

Erickson says that it's key for employees to hear about what's happening – from the top down.

"This flow of communication engages employees and creates an environment that you want to have in a company," she says. "Happiness is a big motivator that can result from this action. We all take our jobs very seriously – which is a good thing – but we also need to enjoy the journey as we go and make a great work/life balance for ourselves too."

"What really motivates employees is more innate and is fueled by challenging and rewarding work, not to mention the opportunity for advancement."

Laurie Iulig, human resources manager, **LJB, Inc.** (Cleveland, OH), an 85-person innovative facility and infrastructure design firm, agrees that while money is not a primary motivator, it is an important part of the equation.

"If employees are not paid a 'fair' salary compared to benchmarks and peers, then it can be a 'demotivator,'" she says.

Iulig fully agrees that an "awards-only" environment will yield only temporary results.

"In my opinion, what really motivates employees is more innate and is fueled by challenging and rewarding work, not to mention the opportunity for advancement – however that's perceived by the employee," she says.

At LJB, the best motivators seem to stem from making employees feel valued and recognized for their contributions. This sentiment was recently validated by employee comments received from the recent "2014 Best Places to Work" award survey.

At **Fusco Engineering, Inc.** (Irvine, CA), a 97-person firm that provides civil engineering for land development and public infrastructure, Pam Fleming, HR manager, says that the article is pretty spot-on in regards to higher motivation being derived from

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## ON THE MOVE

**LEHMAN ENGINEERS HIRES P. JOSEPH LEHMAN, Inc., Consulting Engineers** (Hollidaysburg, PA), a full-service civil engineering and environmental firm, announced that **Thomas Dougan** has joined the firm to manage and grow their recently opened office in Pittsburgh.

Dougan will bring close to 40 years of relevant experience as a manager and professional engineer to this position as he forges new and expanded markets in Western Pennsylvania, Ohio and West Virginia. Dougan brings a reputation for providing outstanding project management to the Pennsylvania Department of Transportation, the Pennsylvania Turnpike Commission, as well as clients throughout Allegheny, Washington, Westmoreland, Greene, Butler and Lawrence Counties.

Dougan's distinguished career as a project manager includes providing design solutions in Transportation Engineering/Inspection and Land Development. He has been involved with projects in seven Pennsylvania Department of Transportation Engineering Districts, the Pennsylvania Turnpike system, and various municipalities across the Commonwealth.

Throughout his career, Dougan has completed many high-profile projects such as the rehabilitation of the Marshall Avenue Interchange in the City of Pittsburgh. The construction cost for this important urban project was approximately \$80 million. Dougan's mission is to establish a stronger presence for Lehman Engineers in Western Pennsylvania, allowing for growth through market penetration and development. At the Pittsburgh office, Dougan will develop an office staff, manage day-to-day operations, provide guidance and project management for existing and new projects, and lead business development efforts in Western Pennsylvania, Ohio and West Virginia. The Pittsburgh team at Lehman Engineers will be comprised of new strategic hires and established support personnel.

**HILLIS-CARNES HIRES Hillis-Carnes Engineering Associates, Inc.** (Annapolis Junction, MD) has hired **Marcus Gursky**, who has joined the structural/forensic division in the headquarters office as senior engineer.

Gursky has more than six years of experience in structural engineering. Major areas of responsibility have included the management of junior engineers and the technical review and preparation of engineering designs, reports and proposals. He was the structural engineer for construction-phase services related to the rehabilitation of the Prettyboy Dam in Baltimore County. The project was completed under budget and ahead of schedule and won three engineering awards including the ASDSO national award for remedial project of the year.

Additionally, Gursky has designed numerous bridges and related

structures and has performed load rating analysis and in-service inspection for more than 100 bridges throughout Maryland and Virginia.

HCEA is a based multi-disciplined engineering firm specializing in geotechnical, environmental, structural/forensic, construction materials testing and inspections, field exploration, and specialty geotechnical construction services.

**CARNEY HIRES Carney Engineering Group** (York, PA), a multi-discipline structural engineering firm serving the Mid-Atlantic region, announced **Britney Hayes**, as the newest addition to their growing team.

As a structural designer, Hayes will assist Carney Engineering's existing team of engineers with structural drawings, BIM modeling and structural calculations for existing and new clients.

"We are constantly looking to recruit the best and brightest structural engineers to join our growing company," said Josh Carney, president of Carney Engineering Group. "Britney is a welcome addition to our team, and has a very bright future as a structural engineer. Her attention to detail and dedication to being a continuous learner is what keeps Carney Engineering ahead of the competition and what makes Britney a critical member of our team."

**STEINBERG PICKS PRESIDENT Steinberg** (Los Angeles, CA), a 130-person international design firm, announced partner **David Hart** its new president, assuming the leadership from current president Rob Steinberg, whose father Goodwin Steinberg, founded the company in 1953. To accompany the management transition, Steinberg, formerly Steinberg Architects, will introduce a new logo, brand identity and creative campaign.

"David is the ideal executive to lead Steinberg into the future, having played a strong role in the firm's evolution and expansion over the last 12 years, building the firm's overall strength in key verticals such as higher education, civic and urban mixed-use development," said Rob Steinberg.

Hart, currently heading Steinberg's largest office in Los Angeles, will continue to be headquartered there. President since 1994, Steinberg will now assume a strategic oversight role, spending more time in each office providing counsel and guidance, as well as design perspective.

"Through Rob Steinberg's vision and leadership, this firm grew from 13 employees in a single office to more than 130 employees across four offices in San Jose, San Francisco, Los Angeles and Shanghai," Hart said. "I'm honored to be able to work with Rob and the next generation of leaders at Steinberg to create memorable places that have a lasting, positive impact on the communities we serve."

## INCENTIVES, from page 9



Pam Fleming, HR Manager, Fuscoe Engineering, Inc.

connection to one's work and goal achievement.

"In an environment where fostering these areas are part of the culture, there is bound to be a higher level of job satisfaction and engagement," she says.

However, Fleming also believes that spot bonuses and other types of perks and recognition help to motivate and build loyalty.

"While these incentives may have a 'short-term' result, as part of the overall incentive package, I do think it's worthwhile to include," she says.

So, what's working at Fuscoe? It seems that a positive work environment that is built on a combination of factors is the key. They include:

- Strong relationships built on trust and respect
- Recognition and appreciation
- Shared information and strong communication
- Competitive pay
- Opportunity for growth and development within their role at the firm

"When employees know that what they do is part of something important and they can see the end result, that's a very strong motivator," she says. ▀

## PROFILE

# New CFO takes helm at Garver

Big picture kind of guy getting used to ins-and-outs of A/E industry, while already implementing changes.

By LIISA SULLIVAN  
Correspondent

**G**arver (North Little Rock, AR), a 375-person multi-disciplined engineering, planning and environmental firm with 17 office locations, turns 95 this year. In its wisdom, management decided it was time to hire the firm's first CFO. So, in September 2013, Dathan Gaskill came on board to steer the firm's financial future. It was a strategic move on Garver's part and one that Gaskill is looking forward to being a part of.

Gaskill brings more than 20 years of corporate financial experience to Garver. He has developed an extensive working knowledge of financial systems, governance, compliance, capital structure, treasury, capital markets, mergers and acquisitions and investor relations. He has international transactions expertise, along with seasoned negotiating, analytical and business diagnostic skills.

He is putting all of those skills and more to the test. As Garver's CFO, Gaskill and his team are responsible for accounting, finance, forecasting, financial planning, commercial banking, funding, performance metrics, cash, analytics, system optimization, business process optimization, budgeting, staff development and special projects. It's a long list and one that he welcomes.

"I'm very pleased to have joined this firm and to have the opportunity to serve a great and growing Arkansas company like Garver," Gaskill says. "The integrity and culture of the place are without peer."

Gaskill has a master's in business administration with a concentration in finance from the University of Arkansas at Little Rock. ▲▲



Dathan Gaskill,  
CFO, Garver.

"Effective CFOs should have strong strategic orientation to the overall finance function – proper balance between accounting (today and yesterday) and finance (today and tomorrow)."

### A CONVERSATION WITH DATHAN GASKILL

**THE ZWEIG LETTER:** Since you have been with Garver, of what major accomplishment are you most proud?

**Dathan Gaskill:** First and foremost, my successful integration into a new position. Secondly, the early implementation of analytic mindset, budgeting processes, business process optimization (paperless systems improvement), improvement in capital markets' relationships, special project and improvements in valuation mechanism reflecting liquid assets.

**TZL:** What are your key strengths? What do you feel the key strengths are for an effective CFO?

**DG:** I am analytical by nature. I'm a communicator and encourager, and development-oriented of people and business. My corporate finance mentality and experience provide me with the ability to have long-term perspective on finance and financial infrastructure. I also have a keen interest in understanding risk in all forms – capital markets, revenue and expense concentration, operating risk, financial risk, control risk and anything that affects cash. Effective CFOs should have strong strategic orientation to the overall finance function – proper balance between accounting (today and yesterday) and finance (today and tomorrow). They should also possess the ability to measure and communicate results regardless of complexity or the type of constituent. And, they need to be intelligent about risk.

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

**DG:** I am analytical and like to look at the big picture. I take the job and my commitment to it very seriously. Myself? Less so. The glass is neither half full nor half empty – it's simply half a glass.

**TZL:** What are your top priorities for 2014?

**DG:** There are a few:

- To implement an analytical approach to metrics and performance top-to-bottom in the organization
- To improve cost allocation and measure business line profitability
- To provide better information with less administrative time
- To enhance project management systems and visual management tools
- To work on business process optimization
- To enhance a ROI mentality across the entire organization – business line and support organizations
- To create an early warning system – implementing a project planning/resource management system to give team leaders, project managers and business line directors warning signs when projects perform differently than expected.

**TZL:** To date, what has been your greatest on-the-job challenge? How did you deal with it?

**DG:** Orienting to a fascinating and very important industry. I have relied on some existing and terrific systems as well as some great people.

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## TRANSACTIONS

**CDI MERGES WITH MAZZETTI** Seattle-based **CDi Engineers** merged with **Mazzetti** (San Francisco, CA) to form a strengthened firm delivering innovative engineering in healthcare, higher education, mission critical, science and technology, aviation, and other sectors.

Mazzetti and CDi Engineers are both seasoned firms known for their industry leadership in research and policy, planning, finance, and project delivery. Both firms have worked to drive the future of the built environment in their work with the Facilities Guidelines Institute, American Society for Healthcare Engineering, and American Society of Heating, Refrigerating, and Air-Conditioning Engineers, among other organizations.

“We are incredibly excited to be joining forces with such a like-minded firm. Together we can provide more value to our clients through increased services, expertise, and geographic reach,” said Dick Moeller, president of CDi Engineers. “At the same time, given our closely aligned operations and culture, our current clients can continue to enjoy the same high-quality service with the same great staff.”

CDi was founded in 1988 and has served clients, such as the University of Washington, the Port of Seattle, the Washington Trade and Convention Center, as well as a significant number of healthcare providers, including Swedish and Providence, Legacy Health, and Catholic Health Services.

The 35-person firm has become an industry expert and leader in LEAN and sustainability engineering, and is known for their award-winning work in healthcare, higher education, aviation, performing arts, and institutional design.

“I have worked for many years with Dick Moeller from CDi on the FGI Guidelines, ASHRAE committees, and with ASHE. Through this, I developed a strong admiration for Dick and, indirectly, for his firm and its work,” said Walt Vernon, president and CEO of Mazzetti.

“Now that I have gotten to know the people at CDi, I am even more impressed by who they are, and with what Dick and his partners have created. I am so happy to put together our two firms because we share the vision of making the world a better place by creating better environments, and because I know that we can do it better together than either of us could do it apart.”

The combined firm will have \$32 million in gross revenues, with 170 employees, which will place it among the largest MEPT engineering firms in the country.

Mazzetti’s new Seattle office will expand from mechanical only to a complete MEPT firm, offering services in mechanical, electrical, plumbing, technology, equipment planning, sustainability, and commissioning. The office will take on the brand CDi + Mazzetti until May 1, 2015, when it will be branded Mazzetti.

### GASKILL, from page 11

They have tolerated my incessant questions and due diligence approach to gathering information.

**TZL: What do you like most about the job?**

**DG:** The people of Garver and my finance team – especially the controller, Beverly Roberson. I am blessed to have a great leadership and executive team with whom to work.

**TZL: What do you enjoy in your spare time?**

**DG:** Riding anything with two wheels (motorcycles and bicycles) and spending time with my wife of 28 years. We are more happily married than can be imagined. ▀▄

**HATCH MOTT MACDONALD BUYS Hatch Mott MacDonald** (Milburn, NJ), a full-service consulting engineering firm, announced the further expansion of its growing Coastal Engineering and Ports practice with the acquisition of **Coast & Harbor Engineering**, a professional engineering firm founded in 2003 with offices in New Orleans; San Francisco; Austin, Texas; Delray Beach, Fla.; and Edmonds, Wash.

Coast & Harbor Engineering focuses on the protection and restoration of coastlines, the development of port and harbor infrastructure, and navigation-related projects. Some notable projects include the Cameron Parish Shoreline Restoration Project, the Village of Surfside Shoreline Stabilization Project, and the Port Canaveral Harbor-Wide Surge Analysis Project.

Nick DeNichilo, president and CEO of Hatch Mott MacDonald, said, “The impact of Hurricane Sandy, as well as other natural events, has underscored the importance of coastal restoration and enhancing the resiliency of infrastructure at a time when the impact of weather is more and more severe and unpredictable. We are delighted to welcome Coast & Harbor to the HMM family as part of our rapidly growing Coastal Engineering and Ports practice.”

Hugo Bermudez, principal coastal engineer of Coast & Harbor Engineering, said, “We are excited by the opportunity to join one of the fastest-growing and most innovative engineering companies in North America.

“At a time when ports and coastal infrastructure are increasingly multimodal, access to the broad-based resources of HMM will make it possible for us to compete for larger and more complex projects than ever before. Our current clients should also be pleased with the greater range of expertise we can bring to bear on their challenges.”

**STANTEC ACQUIRES** North American design firm **Stantec** (Edmonton, AB), has signed a letter of intent to acquire **SHW Group** (Austin, Texas).

SHW’s education planning, design, and engineering capabilities will reinforce Stantec’s existing education expertise in their pursuit of top-tier positioning in this sector.

“Having SHW join Stantec bolsters our emerging presence in Texas and Michigan,” said Bob Gomes, Stantec president and CEO, “and will also help diversify Stantec’s buildings practice by growing our education sector in an expanding US market.”

Founded in 1945, SHW is a nearly 300-person firm providing architectural, interior design, planning, and engineering services to higher education and K-12 clients. In addition to four offices in Texas, SHW has four offices in the Midwest and Mid-Atlantic states.

The firm’s clients include premier U.S. colleges and universities like Texas A&M, University of Texas, Michigan State, and The University of Michigan, as well as The University of Virginia and Villanova University. SHW also has an expansive K-12 portfolio, having completed major building programs for numerous school districts in Texas, Michigan, Virginia and Maryland. SHW is consistently ranked as one of the nation’s top 10 education design firms.

“Joining Stantec gives us a greater opportunity to bring additional resources, expertise and services to our clients,” said Marjorie Simmons, chief executive officer at SHW. “Joining the Stantec team will accelerate our ability to be a globally-recognized education facility planning and design expert, while offering our staff tremendous growth opportunities.”

With these new additions, Stantec’s team will total more than 180 in Texas, and the firm will have over 1,000 buildings consulting professionals across the U.S.