

Infighting

Mark Zweig offers six pointers that will help resolve conflict inside the company.

Different people have different ideas about the direction of the firm, their priorities, what the other guys' priorities should be, and more. In some cases, there are even wildly different values and belief systems, which further complicates the situation.



Mark Zweig

EDITORIAL

Professional services firms such as architecture and engineering companies are owned and run by smart people. I've said it before – as someone who got his terminal psychology degree vicariously through his ex-wife – that the average IQ of principals and top managers in an A/E/P or environmental firm is probably in the top two percent, or higher, of the overall population.

The problem with that is that when you put a bunch of these people together in one place (i.e., the office), they don't always get along. Different people have different ideas about the direction of the firm, their priorities, what the other guys' priorities should be, and more. In some cases, there are even wildly different values and belief systems, which further complicates the situation. Fundamentalist Christians may be working alongside atheists, hardcore conservative Republicans next to diehard liberal Democrats, northerners next to southerners, "logical" men with "intuitive" women, "thinking" engineers with "feeling" architects. You get the idea.

These are smart people with different histories and in some cases radically different orientations. That's good and bad. It may make for a more creative, diverse workplace. But it can also lead to

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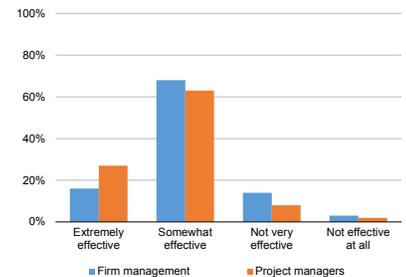
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TRENDLINES

Web show



Most firm leaders (68 percent) and project managers (63 percent) agree that project websites are somewhat effective, according to ZweigWhite's 2014 Project Management Study. Moreover, 16 percent of firm leaders and 27 percent of project managers believe that project websites are very effective, while 14 percent of firm leaders and 8 percent of project managers find them not very effective. Only 3 percent of firm leaders and 2 percent of project managers believe that project websites are not effective at all.

– Margot Suydam, Director, Research

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conflict and infighting. Lots of it.

So what can you – as the CEO or top manager of your unit – do to combat this? Here are some thoughts:

- 1) Get everyone's input.** People like to share their two cents. They want to be heard. Yes, it is a problem in our business culturally. All owners and managers want veto rights on all decisions. You cannot give them that or it will paralyze the company, but you can fully listen to their input.
- 2) Keep everyone focused on the overall company goals.** The business plan – with a worthwhile mission and inspirational vision – is really critical here. People have to see how achieving these things is going to be valuable to them. You need to be sure you have a plan, that everyone knows what it is, and then be the head cheerleader to sell the thing to everyone in the organization. If the real goals of the business are appealing to a broad range of people, you can minimize the negative effects of internal disagreements.
- 3) Respect the other person even if you disagree.** This is critical and it's not always easy. You may be a staunch Republican and just can't agree with your Democrat partner. So you point that out and try to sell or cajole your partner constantly. This isn't good. It contributes to the division in your company and really isn't relevant to doing what you have to do, which has to be directed outside the company to your clients and customers.
- 4) Be honest with people.** It's hard to do. When people fight with each other you need to bring them together. You need to let them each know you care, listen to their concerns, and fully air out their differences. But *if* you agree with one or the other on a course of action (and we're talking about the business here, not politics, religion, or child rearing!) you need to let it be known to all. If you are the "boss," it's your job to decide who/what is right and act accordingly.

A/E BUSINESS NEWS

GREEN GARAGES Responding to the growing desire for more livable communities and rising concern about our planet, the Green Parking Council, an affiliate of the International Parking Institute, launched the Green Garage Certification program. The program is the parking industry equivalent of the U.S. Green Building Council's Leadership in Energy & Environmental Design certification, and recognizes and inspires high standards in sustainable parking facility design, technology, operations, and management.

"Green Garage Certification provides both a roadmap and assessment tool for real estate owners, developers, planners, architects, tenants, parking operators, and others to strive toward a more environmentally and economically sustainable future," said GPC Executive Director Paul Wessel.

According to Wessel, Green Garage Certification is a consensus-driven program developed over several years and honed by external reviewers and a beta phase which included more than 40 facilities in the U.S. and Canada.

Independent, registered Green Garage Certification Assessors are being trained by the GPC and may be tapped to guide applicants through the process, providing varying levels of assistance based on individual needs.

Those interested in pursuing Green Garage Certification can view case studies and download Green Garage Certification at a Glance, along with a free Program Guide, which includes application procedures, program requirements, and a breakdown of criteria by certification level, at greenparkingcouncil.org/certification.

The 195-page, Green Garage Certification Standard, defining the program's performance measures and documentation requirements, can be purchased for \$49.95 at greenparkingcouncil.org/certification or in a forthcoming Kindle version on Amazon.

Green Garage Certification is the latest of the parking industry's ongoing sustainability initiatives, spurred by IPI's Framework on Sustainability, a statement of industry-wide goals and organization action items to promote sustainable parking solutions, and a new book, "Sustainable Parking Design and Management: A Practitioner's Handbook," available at www.parking.org/greenbook.

5) Show your appreciation for all.

Everyone wants acknowledgment for their efforts and accomplishments. Give praise when it's due so people realize that you can see what they've done. This, too, isn't always easy. Everyone is busy and you aren't always with the people who are making it happen.

6) Bang heads together if you must.

Sometimes two people – in spite of your best efforts – will simply not be able to overcome their differences and can not/will not get along. I have even had cases of this with husbands and wives who worked together, side-by-side, in the same business. You may need to confront both at the same time, together, and point out how their behavior is damaging everyone else's morale. And if repeated attempts to do this fail, one of the two may need to go do something else and that may be OK.

The point is, you will have conflicts. It's OK if you stay calm and work to find a resolution. When you have strong people who deeply care about the company, I'm sure almost anything can be resolved. ▀▀

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EXPANSION

The new office influencers

Firms use several strategies and criteria sets to evaluate new offices, often enlisting the help of real estate professionals.

By LIISA SULLIVAN
Correspondent

The decision to open a new office is often not taken lightly. Of course there are costs to think about, but there are also other things to consider, such as proximity to skilled workforce and specific markets served.

With all that, some firms call upon professional real estate assistance, while others prefer to go it alone. The specific area in play tends to dictate the need.

ACCESS TO LABOR AND AMENITIES FIRST; COST FOLLOWS. David Batts, principal, **EMPSi Environmental Management and Planning Solutions, Inc.** (Boulder, CO), a 30-person firm with locations in seven states, says that it operates as a one business unit focusing on retaining the best people to successfully respond to client needs while maximizing employees' quality of life. To meet this end, selective hiring and accurate office siting reign supreme.

"When opening a new office, the primary guiding principle is proximity to a highly skilled labor force in communities that offer valued amenities and are near clients," Batts says. "Once that community is identified, cost becomes a factor in choosing specific office space."

Batts says that EMPSi will generally handle the research and negotiation of real estate internally. However, in some of the more complex markets, such as San Francisco, the firm will retain a real estate broker to help better understand tradeoffs in location, price and forecasts.

THREE LEAD THE WAY. HMC Architects (Ontario, CA), a 268-person firm with nine offices, has developed a strategy for new office openings or office relocations that takes several factors into careful consideration. Brian Staton, CEO, reviews a recommended process below:

1) Start with location first. You need to ask several important questions, such as how will this physical location add to your presence in the markets you serve? How abundant is the local talent pool? Are there mass transit options nearby to support the firm's sustainability goals?

2) Evaluate cost. Model out the overall cost of the office along with its ability to generate revenue

within your targeted markets.

3) Research amenities too. Finally, take additional considerations into play, such as local amenities and attractions that would help enhance the overall office experience for both employees and clients.

Staton says that HMC always uses a real estate broker to help them to maximize their options and to properly navigate the region.

"We find that once we have shared our strategy and goals for the new office or location, the broker applies his expertise, researches various options and presents us with much more focused results than we could obtain on our own," he says. "Basically, we challenge them to find new and interesting spaces, we review, short-list, tour, perform test fits and then select."

MEETING SUSTAINABILITY CRITERIA. Rebecca Rubin, president and CEO, **Marstel-Day** (Fredericksburg, VA), a 125-person sustainability consulting firm with nine offices across the country, agrees that cost is always an issue, but other influencers tend to be just as important.

"We are equally influenced by such things as proximity to rail or other public transit, sustainable office design and suitability of layout from a natural factors standpoint (natural lighting, nearby or surrounding green space, etc.)," she says. "We have prepared a sustainably checklist that guides our thinking for any potential new office move or acquisition. We are also, to date, the only service provider certified by the National Standards Foundation under P-391 (sustainability). As a result, NSF International's criteria also influences our thinking."

For example, the NSF's mission is to protect and improve global human health. Manufacturers, regulators and consumers look at them to develop public health standards and certifications that help protect food, water, consumer products and the environment. As a result, having an office in a community that places a high value on things such as public health and the environment are key for Marstel-Day.

Rubin says that real estate consultants will sometimes help them identify a full suite of available leased space opportunities, but that it is ultimately up to Marstel-Day to narrow down and select those that meet their sustainability criteria. ▀▀



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

"We challenge (brokers) to find new and interesting spaces, we review, short-list, tour, perform test fits and then select."



Brian Staton,
CEO, HMC
Architects.



Rebecca Rubin,
President
and CEO,
Marstel-Day.

NEWS

Climate change now part of city planning

Global survey of 350 cities found that many still can't tie such initiatives to economic development.

An increasing number of cities around the world now include preparations for climate change in their basic urban planning – but only a small portion of them have been able to make such plans part of their economic development priorities, according to a MIT global survey of cities.

The Urban Climate Change Governance Survey, based on responses from 350 cities worldwide, underscores the extent to which city leaders recognize climate change as a major challenge – even as they are trying to figure out how their responses can create jobs, growth, and cost savings in areas ranging from cities' transportation networks to their distribution of businesses.

"Climate change isn't an isolated issue," said Alexander Aylett, a postdoc in MIT's Department of Urban Studies and Planning, and the lead author of the report. "It has large implications for all other aspects of urban life. What we are seeing is cities starting to build it into the DNA of how they approach urban planning."

According to the findings, 75 percent of cities worldwide now tackle climate change issues as a mainstream part of their planning, and 73 percent of cities are attempting both climate mitigation and climate adaptation – that is, they are trying both to reduce emissions of greenhouse gases and to adapt to long-term changes that are already in motion. But only 21 percent of cities report tangible connections between the response to climate change and achieving other local development goals.

Aylett calls it a "cliché" that environmental and economic progress cannot coexist, citing a number of cities where jobs and growth have derived from cli-

mate change efforts. Portland, Ore., he said, developed incentives, training, and regulations to help sustainable construction firms grow, while a pilot program called Clean Energy Works Portland employed 400 workers to reduce home energy use, reducing carbon emissions by 1,400 metric tons annually.

Urban planners in Alberta, as Aylett said, have studied the cost savings associated with limiting metropolitan sprawl and concluded that denser development could save \$11 billion in capital costs over the next 60 years, and \$130 million in annual maintenance. But most cities, he said, have simply not yet identified ways to link climate planning and economic development in the first place.

"It isn't so much that it's hard to reconcile economic and environmental priorities," Aylett says. "It's that we're not trying."

REGIONAL DIFFERENCES REMAIN.

The new report is a companion to a survey conducted in 2012. This year's results revealed continuing regional disparities in urban climate planning. Compared with the global average of 75 percent, U.S. cities lag in planning for both mitigation and adaptation, with just 58 percent of cities addressing both. This echoes the 2012 survey, which revealed that a smaller portion of U.S. cities were doing basic climate change planning, compared with those in other regions – 59 percent in the U.S., for instance, compared with 95 percent in Latin America.

Globally, 63 percent of cities say they have between one and five employees dedicated to climate change planning; North American cities are most likely to have just one staff member focused on the topic. As the report's executive summary notes, "A lack of funding to hire sufficient staff to work on climate change is a significant challenge for 67 percent of cities." ▀▀

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 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.

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 for details.

Building strategic thinkers

Strategic thinking is critical in leadership and much of it can be taught. Follow the five tips below.

According to a 2013 Harvard Business Review article, a strategic approach to leadership was, on average, 10 times more important to the perception of effectiveness than other behaviors studied. In an international study by the Management Research Group, the ability to think strategically is twice as important as communication (the second most important behavior) and almost 50 times more important than hands-on tactical behaviors. How can you ensure that the next line of leaders are strategic thinkers?

1) Know your people. Just as some people are naturally inclined to be good communicators, some people are more strategic by nature. Strategic thinking can be learned, but some people more easily push back on ideas and ask the bigger questions on how a particular action will affect the future outcome of the business. It requires mentally shifting between today, six months and three years from now and seeing the consequences of how things may change. Engineers and designers may be able to manage projects and people successfully, but are your leadership candidates curious about the future of the business? Do they express interest in trends by reading books and wanting to attend symposiums? There's much to be said about picking people who naturally gravitate to imagining the future, rather than only managing the present.

2) Invite them to participate. It's never too early to bring emerging leaders into discussions about the future, whether it's sitting down over coffee one-on-one or participating in a planning retreat. Let them experience firsthand how strategic thinkers interact with each other. Ask their opinion on areas they have experience in. Strategic thinking isn't something we generally get much formal training for, so help them learn on the job.

3) Provide a model. When I coach leaders, I'll often share my approach to a strategic plan and go over my thinking with them. I don't care if they use it as a template. That's what I did at some point anyway. You find a model and tweak it to be your own. I sent a current client a business development plan and what he came back with was much more detailed and comprehensive than mine. When he saw the thinking behind the plan, he was able to bring his own thoughts by creating his own version. I simply provided the inspiration and roadmap. Show emerging leaders what you've done before and talk candidly about what worked and what didn't. Strategic thinking is as much about improvisation and adaptation as it is about creating and sticking with a specific course of action. Give emerging leaders short assignments that have shorter timeframes. It's not reasonable to expect someone to look creatively five years down the road, if



Leo
MacLeod

GUEST
SPEAKER

they've never had to. Have them develop their own plans – a six-month business development plan, for instance – and present them to management so they can practice making the case.

4) Anchor it in data. Good strategic plans are not just someone's creative scenario. They are rooted in what's happened historically and data to support trends. Where has most of your firm's revenue come from in the last three years? How can you break it out to provide better direction on planning for the future? Has profitability declined over time? What are the factors that we can identify? Involve junior staff in research (both internal fact gathering and external data research) to teach them the value of supporting their assertions with facts. This last year was my best year ever, and I've concluded that focusing on the best opportunities, keeping a positive attitude, and making the time for business development are the three key factors that drive success.

See LEO MACLEOD, page 8

Strategic thinking is critical in leadership, and much of it can be taught. Introduce staff to your strategic process, provide models so they can see what plans look like, give them small assignments, and push them for facts and to ask good questions.

Driving value across the enterprise

A 'no-nonsense,' disciplined approach to finance builds an engaged and motivated organization.

Editor's note: Second of a two-part article.

A high-performance finance department that maintains a no-nonsense, disciplined approach to its accounting practices, reporting, and communication style is key to drive value through the enterprise. This is as important as a factor as tracking key performance indicators – a topic examined in the first part of this article, published in the March 3, 2014, issue of **THE ZWEIG LETTER** (#1045).

The high performance finance department will fully engage management and employees at all levels in a more meaningful way by directly linking them to the larger picture of company profit, margins, and growth.

Below are a few “no-nonsense” tips to follow to instill financial discipline at all organizational levels.

ACCOUNTING, REPORTING, AND TAXES

■ Reconcile cash accounts every month – to the penny.

Reconcile the cash account(s) twice a month if you process volumes of transactions. If the cash account(s) do not reconcile, how can you trust your financial statements and ultimately prepare the company tax returns?

■ Create an ‘audit-proof’ set of financials each month.

Always strive for accuracy and completeness. Are the balance sheet accounts reconciled each month? Are revenue and expenses allocated to the proper general ledger accounts? Is management receiving a complete financial picture of the organization that further includes utilization rate (by consultant), revenue break-out, and comparisons to prior years?

■ **Prepare an Executive Summary to summarize the monthly financials.** The executive summary amplifies the most revealing financial data in a concise, one-page format. Include the most pressing statistics, high-level P&L data, and pertinent utilization data. In addition, include a brief write-up to tell the story of what occurred during the month from a finance perspective.

■ **Provide valuable reporting throughout the month.** Reporting should not occur just once per month. Other valuable reports should be distributed throughout the month for management to review and analyze, such as: a detailed monthly and year-to-date utilization report (by consultant), accounts receivable and accounts payable reports, and a monthly and YTD revenue report that details client and service line figures.

■ **The tax-man cometh!** Taxes can take up to 40 percent of your company’s profits! Ensure that management and partners fully understand the crucial impact taxes play on



William Egan



Megan Criss

GUEST SPEAKER

company finances. Create and continue to update a spreadsheet that details all tax payments made on behalf of each partner. Be sure to reconcile all payments back to the equity section of your balance sheet for corporate and partner tax purposes.

EMPLOYEE MANAGEMENT

■ **Timesheets and expense reports must be systematically turned in on time by staff, no exceptions or excuses.** There will always be stragglers. However, any delays must be dealt with in a timely manner. If an employee is late, explain to them the importance of being timely and what happens “behind the scenes” when they are late. Educate them on how their actions directly link to the bottom line. Like one falling domino, a delay in timesheet and expense report submittals can set off a chain of events far beyond simply being tardy. Within a smaller, emerging company, timing is critical and should be managed.

See WILLIAM EGAN, page 8

The high performance finance department will fully engage management and employees at all levels in a more meaningful way by directly linking them to the larger picture of company profit, margins, and growth.

WILLIAM EGAN, from page 7

■ **Review and provide feedback for the time consultants are not billing, aka ‘the invisibles.’** What is the cost of unbilled time by billable personnel? *If billable personnel are not billing their time it’s overhead, which can be a profit killer!*

Of course, there are many non-billable activities that add tremendous value and are essential to company growth, including writing proposals, meeting with clients, and technical research. Identify any unnecessary administrative efforts by staff and provide that information to the management team.

■ **Don’t waste the consultant’s time on nonessential activities.** Consultants are not accountants, so provide them with the necessary tools to effectively track the progress of their projects. Recognize that a consultant’s time is valuable; therefore finance should pitch in with project-related accounting details. Allow the consultants to be consultants and minimize their project-related accounting work when possible.

CLIENT RELATIONS

■ **Prepare professional, easy-to-read, detailed invoices.**

Clients appreciate a detailed invoice because it clearly shows the valuable work provided to them. Ensure the invoice is reviewed “from the clients shoes” before sending to minimize questions that could delay payment. Take a closer look at the invoice. Would you understand, and more importantly, pay it with no issues?

■ **Get invoices out the door and into the client’s hands!**

Send all invoices electronically to clients within three to 4 days (or sooner!). Clients truly appreciate the effort in receiving an invoice in a timely fashion. Providing an invoice a month or so late sends the wrong signal and may create questions, as the client may have difficulty remembering the hard work you did for them. Remember, cash is the lifeblood of an organization and it starts with getting the invoice into the client’s hands! Nothing could be more important for a small- to medium-sized business.

■ **Collect payment in a timely manner.** Don’t be ashamed to engage others within your organization better positioned to help collect payment for overdue invoices. Distribute Accounts Receivable (or AR) reports to partners and appropriate managers in the organization. Again, the client may not tell you, but they truly don’t mind being asked about overdue invoices. It’s simply part of doing business.

THE INTANGIBLES

■ **If consultant time (or invoices) needs to be written-off, then write it off.** Remove all doubt from company financials and work-in-progress (or WIP). There is no need to inflate numbers. Work with the management team and if anything needs to be written off, then write it off.

LEO MACLEOD, from page 6

5) **Coach from the sidelines.** Once you’ve engaged emerging leaders in the strategic process by giving them an assignment, give them rope to make mistakes and give them a hand. Pose questions to their ideas. How might this affect the business in terms of revenue in the next two years? Why does it make sense for us to pursue this strategy? What are some trends you’re seeing in the industry that will support that strategy? What kind of resources will you need? What are the biggest challenges and how will you tackle them? Tell me your think-

Raising financial discipline and awareness up and down the organization creates a path toward a fully engaged and financially educated organization that helps drive company growth.

■ **Business development and branding.** Although not the traditional role of finance, if the finance department can assist with BD efforts, then get them involved! Their participation can add value to the organization outside their domain and helps “feed the funnel” for additional sales prospects, partners, and branding efforts. Moreover, ensure that finance is reporting monthly on key business development metrics (marketing budget and spend, revenue by client and service line, profitability by service line) to keep the BD efforts focused and successful.

■ **Growth and profits.** Profits trump growth – so grow responsibly. Profits pay employee salaries and bonuses, provide investment opportunities inside and outside the organization and, most importantly, help the organization manage or stay out of debt.

■ **‘Play ball’ all 12 months!** Don’t ‘give away’ December due to holidays and slow business. Continue to bill time and make a strong effort to collect receivables by year’s end. Encourage and reward employees to bill their time each quarter, particularly in Q4 to avoid any year-end slumps.

■ **Always deliver the ‘Three Ts’ – truthful, transparent, and timely data.** Effective executives and managers can work through good or bad news, but no news can be a killer. Mounting evidence suggests that transparency pays! In the book “The Value Reporting Revolution,” author Robert Eccles demonstrates that relevant and reliable financials result in more trust and can translate into a higher company valuation.

The CFO and finance department should strive to be interactive throughout the organization by having a hands-on approach when communicating with management and staff. Raising financial discipline and awareness up and down the organization creates a path toward a fully engaged and financially educated organization that helps drive company growth. ▽▲

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ing on what you’re proposing. Strategic thinking is essentially inquiry. Teach people to ask good, forward-thinking questions.

Strategic thinking is critical in leadership, and much of it can be taught. Introduce staff to your strategic process, provide models so they can see what plans look like, give them small assignments, and push them for facts and to ask good questions. ▽▲

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STAFF

Time has come to do the shuffle

Employees let go during lean times are resurfacing and employers are taking notice.

By LIISA SULLIVAN
Correspondent

Some firms had to let people go during the recession, while others were lucky enough to keep everyone on board. So, what's the climate like now? Are people who were let go 'coming back home' or are firms seeking them out?

THE COMEBACK 'KIDS.' HR leaders at **Dade Moeller** (Richland, WA), a 180-person firm that specializes in occupational and environmental health sciences, say that they are, in fact, receiving inquiries from former employees who were let go during the recession and subsequent downturns, such as the most recent federal government sequestration.

"Some contact the company on a regular basis – monthly for some," Roshelle Pavlin, HR director, says. "These inquiries often come from former employees who are now working for a new employer, but who wish to return to Dade Moeller."

Pavlin adds that, whenever possible, the company tries to bring back employees who were laid off.

"These employees are proven performers who already understand Dade Moeller's way of doing business and commitment to client satisfaction," she says.

To date, Dade Moeller has brought back four employees who were laid off during the recession and it has also rehired 26 employees who were laid off due to a reduction in services required on a project that has since then ramped back up.

OUTSOURCING AND PURSUING. Geoffrey Butler, president, **Butler, Rosenbury & Partners** (Springfield, MO), a 22-person design firm comprised of architecture, structural engineering, planning and development professionals, says that it has not experienced too many employees returning, but there are several who work with them.

"We have many former employees who went out on their own and set up offices and now work for us as consultants," he says. "During the downturn, as the workload gradually increased, we were able to outsource some production work to former architects

when our current staff was busy."

These former employees have set up companies primarily in disciplines complementary to Butler, Rosenbury and Partners' work – notably structural engineering, interior design and landscape architecture.

"This seems to make more sense to us at this time since these former consultants know how we work and can seamlessly provide the services we need, when we need them," he says. "For the last eight months, most of my own projects have been done profitably using this outsourced support while our staff here are busy with other projects managed by other principals."

Butler explains that layoffs took place in three tiers, as follows:

"Some contact the company on a regular basis – monthly for some. These inquiries often come from former employees who are now working for a new employer, but who wish to return to Dade Moeller."

The first group of layoffs happened when the markets collapsed. "We laid off people who were not productive. They had initially been hired with the promise of potential, but nothing ever panned out so those layoffs were fairly easy. These would not be people we would pursue again and we have not heard from them," Butler says.

The second group of layoffs were people who were talented and Butler, Rosenbury and Partners wanted to keep, but had no work for them. "This group had people that we would rehire, if available, but most were not," he says.

The last group of layoffs were all "muscle." "These were people that we could not keep, but desperately wanted to. Most of those people went right out and set up their own offices. We could not get them back if we tried... and we have tried," Butler says.

Butler says that overall the firm has what he considers to be "normal attrition."



Roshelle Pavlin,
HR Director, Dade
Moeller.



Geoffrey Butler,
President,
Butler, Rosenbury
& Partners.



Sherry Hennes,
Global Director
of HR, Moffatt &
Nichol.

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ON THE MOVE

NEW CEO FOR MERGED FIRMS The soon-to-be merged companies of **Hughes Associates** and **RJA Group** announced that **Phil Rogers** has been appointed to the position of CEO. Rogers previously led Sodexo's NorAm Solution Center in identifying and developing solutions and offers that enhanced Sodexo's credibility and competitiveness in the global facility management marketplace.

"The merger of Hughes Associates and RJA Group will create a true powerhouse in the lifecycle building consultancy services industry," Rogers said, "and I couldn't be more honored to have been selected to lead the company."

Rogers has four decades of experience in facilities management, engineering, energy, construction and real estate. He was previously with Linc Facility Services as president and CEO where he managed integrated facility management services, technology and high value facility services to a diverse range of corporate, institutional and government clients. The company expanded internationally in 10 Middle East locations. Under his leadership, the company more than quadrupled its revenues to \$460 million with 3,000 employees and improved its financial performance ten-fold through organic growth and acquisition activity. Prior to Linc, Rogers led **Consolidated Engineering Services**, Washington, D.C.'s largest engineering company and oversaw similar growth in revenue as with Linc.

Hughes Associates and RJA Group share more than 79 years of experience in risk analysis, system design, commissioning, research, testing and project management solutions that encompass fire protection, security and related disciplines. Rogers will oversee 500 employees, offices throughout the world and more than \$100 million in revenue. He will also navigate the transition and integration of the companies, which will include a new name and branding, and is scheduled to be completed by year's end.

PENNONI PROMOTES Pennoni Associates (Philadelphia, PA), an engineering, design, and consulting firm, is pleased to announce that **Elizabeth Norton** has been promoted to senior engineer. Norton works in the Land Development Division of the firm's Philadelphia headquarters.

"Elizabeth is an accomplished professional with a proven track record of success with complex, multidiscipline projects in the greater Philadelphia area," said Thomas Friese, Philadelphia Land Development Division manager. "Site design and project management of the Philadelphia Regional Produce Market, the Ambulatory Care Center for Children's Hospital and several completed and current design developments in the Philadelphia Navy Yard, in addition to the Museum of the American Revolution are among her many accomplishments."

Norton has been responsible for the technical aspects as well as management of land development and multidiscipline projects.

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"For example, we just lost a very talented architect who is getting married and moving to Austin. Drats!" he says. "And there are always staff who just don't measure up and we typically send them off hoping they can find a fit somewhere else."

While at one point they had more than 90 employees, Butler says that it is much more manageable now.

"We will probably stay between 20 and 25 staff level for the foreseeable future," he says.

IT'S NOT ALWAYS GREENER. Sherry Hennes, global direc-

tor of human resources at **Moffatt & Nichol** (Long Beach, CA), a 600-person global infrastructure advisor, says that it actually did not have layoffs. However, people have left and returned again.

"We always have great luck in recruiting past employees back into the fold," Hennes says. "So, when we rehire staff it was usually because they left for 'greener pastures' and now realize it may not actually be that lush. These are employees who were successful wherever they landed, but now wish to return for reasons such as more flexibility, more recognition, more ability to do more and not get compartmentalized, and the ever popular 'my new firm just cannot keep me busy.'"

She has more than 12 years of experience that includes stormwater design and permitting; site feasibility studies; zoning subdivision and land development projects for institutional and commercial clients; structural analysis and design; and grading and earthwork. Norton has represented clients before agencies, boards, and commissions.

LJA HIRES LJA Engineering, Inc. (Houston, TX), a 400-person employee-owned, full-service consulting engineering firm, announced that **Bob Devillier** has joined the firm as senior project manager in our Land Development Division.

Devillier joins LJA with over 27 years of experience in design engineering, project management, and client relationship development. Devillier's expertise with the private sector includes single-family, condominium, commercial, and industrial developments. His public project experience includes consulting with various utility districts and authorities, design of water transmission and distribution systems, wastewater and storm water collection systems, and roadway projects.

Devillier will be responsible for the design of water distribution, wastewater collection, storm water collection and storm water detention systems, as well as paving and grading design. He will also work closely with clients and project teams throughout project progress from inception through construction.

WINTER NAMED David Winter of Hart Crowser, Inc. (Seattle, WA), an employee-owned environmental and engineering consulting firm, was named chairman of the Washington State chapter of the American Council of Engineering Companies at the organization's Spring Conference.

ACEC-WA is recognized as the voice of the engineering industry in Olympia and nationally in Washington, D.C., and represents more than 150 firms with nearly 8,000 employees in the state. The non-partisan organization traditionally advocates for public infrastructure, energy, and tax issues that affect the engineering community. ACEC-WA has liaison committees with such agencies as WSDOT, Sound Transit, and King County. They have been instrumental in implementing legislation and policies that protect engineering firms and their business. They also provide educational programs for engineers, covering a wide variety of business, marketing, financial, and human resource topics. The organization's Engineering Excellence Awards are called the Academy Awards of the Engineering Industry. In the recent national competition in Washington, D.C., a crowd of more than 1,300 gathered to honor six Washington firms with national awards for their project work.

Winter noted that in the coming year ACEC-WA will increase its programs for firms with more private sector clients, recognizing the renewed growth of the private sector as the economy improves.

LIQUIDITY

Expenses – front and center

One thing firm leaders are not willing to skimp on: their employees.

By LIISA SULLIVAN
Correspondent

Expenses. There's no getting around them. But, are you spending too much in one area and not enough in another? And what are you doing to reign costs in?

PUTTING PEOPLE FIRST. Merilee Meacock, partner at **KSS Architects** (Princeton, NJ), says that the 62-person firm's greatest outlay is in direct proportion to its greatest asset: their staff.

"More than an expense, we regard the team of people we work with as the most vital investment we can make in our firm," she says. "Collectively, they set the tenor of today, and our trajectory for tomorrow. They shape our culture of camaraderie, collaboration and creativity, and employ imagination and expertise to create meaningful change through architecture – the crux of our profession and the driving force of our firm."

Meacock says that they like smart, but also like agile.

"We appreciate the ability to learn as you go, because you might wind up going somewhere that you've never been in order to respond to economic and market change. This strategy allows us to work lean and learn a lot," she says. "The initial investment in the right human resources pays dividends in low staff turnover and reduces the expensive churn of 'hire and release' skill sets as needed."

Once onboard, KSS continues to invest in its team members. In addition to KSS University, their professional development program, and 20/20, their series of employee-presented informative luncheons, the firm has also established practice groups to further stimulate conversation, debate, and the cross-market pollination of ideas – all of which leads to the intuitive formulation of best practices, the informative setting of research precedents and to exciting innovation in project approach, technique, and execution.

"At KSS, thinking outside-the-box is not only permitted, but strongly encouraged," Meacock says. "Of course, we also have the overhead expenditures of space and main-

"More than an expense, we regard the team of people we work with as the most vital investment we can make in our firm."



Merilee Meacock,
Partner,
KSS Architects.



Brian Bowers,
President,
Bowers + Kubota.

FIVE ENTREPRENEURS CHIME IN

Considering money-saving measures to rejuvenate your bottom line is never a bad thing. An article in YFS Magazine titled, "3 Money-Saving Tips for Small Business Owners" offers some good insight. Here are five measures to think about:

- **Outsource tedious daily tasks.** Richard Savoie, founder and owner, Engineers Looking For Stuff, a social network specifically designed for... you guessed it... engineers who are looking for stuff, says that most entrepreneurs think everything is done faster and better with their own two hands. But in the long run, most will expend far more resources and money doing lower-level tasks themselves, instead of freeing up that time for high-level tasks by outsourcing the more tedious ones.
- **Ask yourself three questions.** Joshua Weiss is CEO of TeliApp Corporation, a mobile app development company. He says that you should first ask, "Do I need it, or do I want it? If it's merely a want, then stop. Next, can I afford it? If yes, then proceed. Finally, is it worth the cost?"
- **Ask for pricing incentives.** Brandt Page, founder and CEO of Launch Leads, a company that helps emerging businesses grow faster and increase efficiency, says that most people never actually ask for a discount or ask the person they are buying from if they could do better on the price. Asking for discounts allows the seller to come up with the price, which usually is lower than you would have asked. If they do come back with a less than stellar offer, then you can ask for a specific price.
- **Create business systems.** Courtney Smith, vice president of Lakeside Group Associates, a global executive recruitment firm, says that the best way to save money is to systematize. Not only will this save your business money, but it will also make every process of your business easier. Everything can be systematized, from your company's hiring process to how each customer call is handled.
- **Automate business processes.** Benjamin Sann, founder and CEO of BestParking.com, a parking search engine, says that businesses should find ways to automate as many repeated manual processes as possible. In finance, it's common to value a product based on the net present value of future profits. In the case of costs, you can calculate the net present value of time-consuming tasks. If the upfront cost of automating a process is less than the costs of maintaining the status quo, then invest the resources to automate it.

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FIRMS ON THE MOVE

SHEERLINE STRUCTURAL ENGINEERING OPENS DOORS Sheerline Structural Engineering (San Francisco, CA), a full-service structural engineering firm, opened its doors for business April 1, 2014.

The principal of the firm, Michael Hicks, who has been in the structural engineering field for over 30 years, prides himself for being a collaborative partner and developing innovative, cost-effective, easy to construct, and environmentally conscious engineering solutions.

With experience that is extensive and far ranging, Hicks has been involved in the design and project management of a wide variety of structures: historic, commercial, retail, mixed use, multi-unit residential, custom single-family residences, community buildings, and civic and transportation structures.

NEW HQ Full-service architecture firm **Newman Garrison + Partners** (Costa Mesa, CA), announced the firm's expansion to new headquarters to accommodate its growth throughout the southern California market over the past two years and to facilitate collaboration with its burgeoning interior design division.

The new office, located in Costa Mesa, accommodates the growing staffing needs required to service its urban infill multifamily, hospitality and single-family residential clientele. With a full complement of leading architects and interior designers occupying the space, the new office offers clients a "one stop shop" for planning, design, inspiration and collaboration.

Located at 3100 Bristol St., the new space was a collaboration between Lori Michelle, creative director of NG+P's interior design studio, and the architecture studio, and reflects a clean-lined contemporary feel with a nod to mid-century.

The space includes conference areas, which also serve as showrooms to one-of-a-kind pieces including a unique designer conference table. NG+P also hosts industry speakers in the new space to talk about trends and new products and to provide opportunities for employees to gain CE credits as well.

The open, interactive and collaborative work areas house the architecture and interior design capabilities side-by-side for a more seamless partnership.

NG+P's recent designs of several urban infill multifamily developments in Southern California include The Huxley and The Dylan in West Hollywood, named respectively after "Brave New World" author, Aldous Huxley, and "Do Not Go Gentle Into That Good Night" poet, Dylan Thomas. The Huxley had its grand opening April 12, 2014 and The Dylan is scheduled for completion this summer.

NAME CHANGE **Bernardin Lochmueller & Associates** (Evansville, ID), a 160-person infrastructure planning, environmental services, and engineering design services firm, changed its name and as of May 19 is called **Lochmueller Group**.

The change is in response to confusion that stemmed from Lochmueller's strong growth in Illinois and Missouri. In company documentation, the former name was often abbreviated, and that abbreviated form overlapped with another regional provider of similar services.

With the new name, Lochmueller's leaders hope to both retain the link with the company's deep roots in the Midwest and strong reputation for service, while shortening the name and creating a new, unique logo that will aid in the firm's expansion.

"We as a company are who we are today because of Keith Lochmueller, and we wanted to continue to honor that heritage," said Michael Hinton, Lochmueller's president. "At the same time, the new name adds a punch that we feel will give us a leg up as we continue to push into new geographic markets."

Founded in 1980, Lochmueller has offices in Evansville, Indianapolis, and Jeffersonville, Ind.; Chicago and Troy, Ill.; and St. Louis, Mo.

NEW OFFICE **Hanson Professional Services Inc.** (Springfield, IL), an employee-owned consulting firm providing engineering, planning and allied services, recently opened an office in the Twin Cities metropolitan area. This office will help serve clients and expand the firm's presence in the upper Midwest.

With an initial focus on the railway market, the firm also will offer services for water resources, military facilities, power/industry and roadway projects. Shawn Goetz, a senior associate and project manager at Hanson's Kansas City metropolitan office, will relocate to the Twin Cities area and provide engineering and oversight for work in the region, helping with project management, business development, broadening the firm's client base and growing the office into one that serves multiple disciplines and markets.

Goetz intends to continue his involvement with the American Railway Engineering and Maintenance-of-Way Association, where he serves as the secretary of Committee 8: Concrete Structures and Foundations, and the American Council of Engineering Companies.

William Meyer recently returned to Hanson to be the firm's first employee at the Twin Cities metropolitan office. As a project manager, he will be responsible for client development, project management and design.

Meyer previously worked for Hanson from 1982 to 1998 at the firm's Rockford, Ill., office, starting as a civil engineer and advancing to the role of project manager. Since then, he has worked for several engineering firms in Wisconsin and started his company, **Evergreen Civil Engineering LLC**, in 2010.

"This is a great opportunity for Hanson to grow strategically along with our clients because so many of our clients have growing needs in the upper Midwest. Opening our Minneapolis office will help Hanson to better address our clients' growth expectations," said Sergio Pecori, Hanson's President and CEO.

Hanson intends to add to its Twin Cities workforce as services grow. The firm is actively seeking potential employees. Job seekers can find openings posted on www.hanson-inc.com/supplement/careers/applytohanson.htm or can follow Hanson's Facebook, LinkedIn and Twitter pages for posts linking to the latest openings.

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tenance, but that said, we'd rather invest in a great person than a fancy vestibule (we don't, however, skimp on the coffee machine)."

CASHING IN ON HEALTH. Brian Bowers, president of **Bowers + Kubota** (Waipahu, HI), a 118-person employee-owned architectural/engineering firm, also says that staff and everything that surrounds their wellbeing comes in at number one. Salary; profit sharing/ESOP/401(k) contributions; and health insurance for employees and their families follow.

While Bowers does not believe that spending is out of control in any of those areas, he says that there are some things they are doing to keep health insurance costs in check.

"We have a robust wellness program that has won numerous awards," he says. "By partnering with our insurance carrier, our health insurance premiums dropped last year by about five percent. This was in spite of the extra costs associated with the implementation of Obamacare." ■■