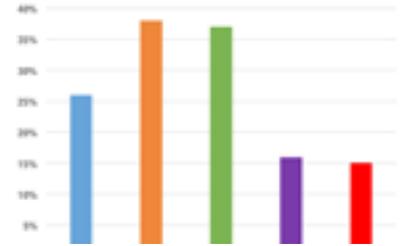


TRENDLINES

Firms' invoice reviews



Among respondents to Zweig Group's 2015 Fee & Billing Survey of Architectural, Engineering, Planning, & Environmental Consulting Firms, 38 percent said the **CFO** reviews invoices before they're issued. Another 37 percent said the **project manager** reviews invoices, followed by 26 percent who said invoices are reviewed by the **president/CEO/managing partner**. Sixteen percent said invoices are reviewed by the **principal in charge**, and 15 percent said review resides among **accounting personnel**. — Vivian Cummings, research analyst assistant.

Some things you shouldn't do

Even proponents of 'never say never' will likely agree that these gaffes should never be committed.

“Whether you're the boss or an underling, the owner or an employee, heed my advice!”



Mark Zweig

EDITORIAL

Though one of my favorite sayings is “never say never,” the fact is, if you work in an A/E or environmental firm, there are just some things you shouldn't ever do. Here are my thoughts:

- 1) Don't constantly check your phone during the first meeting with an important client.** It's rude and will lead to the client not liking you. I've been guilty of this one. Like many of you, I'm a phone addict.
- 2) Don't have your assistant place your outbound calls and then summon you once they get who they're calling on the line.** This is so rude. You are saying: “My time is more valuable than yours.” Whenever anyone does this to me, I hang up on them.
- 3) Don't forget to make sure your subcontractant gets paid after the client pays you.** You don't want to get a reputation for being a thief and using the other guy's money. You may need the cash, but so do they!
- 4) Don't talk trash about anyone you work with or for.** You never know when it is going to come back to bite you. Not to mention the fact that you may not know everything and not understand why someone/something is the way it is.
- 5) Don't tell the founder's wife she “looks good for her age.”** That's bad manners. Even if you know she is well into her years, never force anyone to face that fact.
- 6) Don't ask a woman “when's the baby due?”** Some tops or blouses make ladies who aren't

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ON THE MOVE

CARMINE BOREA JOINS FINLEY ENGINEERING GROUP AS BRIDGE ENGINEER

Bridge design firm, **Finley Engineering Group** (Tallahassee, FL) welcomes new staff member **Carmine Borea**, bridge engineer. Borea has five years of bridge design and construction engineering experience with an expertise in precast segmental bridge beams.

Borea is assigned to the Bayonne Bridge Navigational Clearance project, launching gantries kinematics and providing technical support to Skanska Koch Kiewit's erection of the segmental viaduct approach structures. This \$850 million project, located in New York/New Jersey includes raising the bridge deck by 64 feet to meet the navigational clearance needs of post-Panamex vessels.

"As a structural engineer I believe that joining Finley's team is a great opportunity for my career," Borea said. "I believe my previous experience and technical skills will help me transition well in the upcoming months. FINLEY is a world class bridge engineering company and I am highly motivated to be part of a great team working on complex projects."

"We are very excited about Carmine joining the Finley team," said Craig Finley, the firm's president. "He's well educated, has both precast concrete segmental design and construction experience, and has worked in the US and internationally. This combination is unique and will help FINLEY continue to 'bridge challenges with solutions'."

DANA MCGOWAN JOINS ESA AS CULTURAL RESOURCES PRACTICE LEADER

Environmental Science Associates (San Francisco, CA), an environmental consulting firm, announced that **Dana McGowan** has joined the firm as a cultural resources practice leader. McGowan will lead the firm's Cultural Resources Practice from its Sacramento office. The prac-

tice is comprised of 60 professionals, including prehistoric and historical archaeologists, architectural historians, preservation planners, maritime archaeologists, and curation specialists. McGowan replaces Mitch Marken, who remains a key member of ESA's cultural resources team with an expanded role in national marketing and business development.

"Under Dana's leadership, our cultural team will continue to grow on the successful trajectory of providing clients with expertise in an increasingly complex regulatory environment. Her thorough understanding of regulations and proven portfolio of complex projects will represent a broader foundation of knowledge for our clients to draw from," said Brian Ramos, ESA's COO.

McGowan is a registered professional archaeologist with more than 34 years of industry experience. She is an expert in NEPA, CEQA and Section 106 of the National Historic Preservation Act. She brings extensive experience conducting environmental work for all types of infrastructure, including transportation, water, and energy projects, as well as wide-ranging rail experience. She is skilled at bridging environmental compliance and construction, and spent more than a decade working on the San Francisco Transportation Authority's Doyle Drive Replacement Project.

Before joining ESA, McGowan was the environmental manager of Parsons-Brinckerhoff's Program Management Team for the California High Speed Rail project, overseeing the environmental work for the entire 520 mile long project. Before that, she was the branch leader for a publically held international firm's Sacramento office, where she led a multidisciplinary team of 150 full-time personnel.

More ON THE MOVE, page 4

MARK ZWEIG, from page 1

pregnant look pregnant. She might not be pregnant. If you ask that, and instead of being pregnant she is just a little plump, you now have someone who wants to see you dead.

7) Don't use "out of office assistant."

It looks bad to announce to the world, both inside and out, that you're disconnecting and won't care enough about them to return their emails for X days. It just connotes poor service.

8) Don't cheat on your expense report.

You may get caught. The whole company will think you're dishonest, and it could ruin your ability to lead or manage.

9) Don't say "it's not in my job description." There's nothing a manager – or a peer or an underling – who is doing a tough job wants to hear less from you.

10) Don't call in sick every Monday.

It looks suspicious, and everyone will think you are either hungover or just wanted to extend your weekend. They'll resent you for it, too!

11) Don't leave early every Friday after changing into golf attire. It looks bad to those who can't/won't/aren't going golfing.

12) Don't talk politics or religion if

you aren't 100 percent sure of the other guy's views. The country is divided. One thing I know is that you can upset about half the population with any political opinion. So why share them?

13) Don't post pictures of yourself intoxicated on Facebook. Again, this looks bad. Don't put anything on Facebook or Instagram or your personal website that you don't want the whole world to see!

14) Don't stand by the front door and smoke. Looks bad. And if you do smoke, try to take the least number of smoke breaks during the work day, as non-smokers will surely notice and resent you.

15) Don't look at things on the Internet you don't want anyone else in the firm to know you've looked at. Some firms are really snoopy. And some IT people are talkers. I remember one firm who found out from their IT guy that they had an employee who ran a "swingers" website. It looked pretty bad for him!

Whether you're the boss or an underling, the owner or an employee, heed my advice! ▀

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OPINION



You need an M&A marketing strategy

The close of the deal isn't the time to sit back and relax; smart firms will come together to create a strategy to make the transition easier.



Jamie
Claire
Kiser

M&A INSIGHTS

So, you've decided on a merger and acquisition growth strategy, identified your target, negotiated the key points, and are eager to close the deal. Instead of sitting back and taking a few much-earned days off to catch up on sleep, smart acquirers use the time before closing to develop post-acquisition integration strategies. A well-developed integration strategy is one that has an action plan to marry the firms operationally, with individual plans and strategies for each department or function within the firm, from human resources to project management to marketing. The focus of this article is on internal and external marketing and communications integration strategies.

An M&A marketing and communication strategy will prepare both firms for sharing the details of the transaction and any important changes with clients, employees, investors, and the outside world. The strategy is designed to emphasize consistency in the messages shared with these key groups, with the ultimate goal of minimizing interruptions in business as usual.

1) Focus on the assets inside of the firm: your staff.

Communication with your employees needs to be confident, open, and even-handed. As a leader, you have one – yes, one – opportunity to get this pitch right. Announcing an M&A internally is a make-or-break opportunity. If your staff starts posting resumes online, your deal is pretty well killed. Why is this a good opportunity for your employees? Who is this other company? Is this a good thing for us or

a bad thing? How will this impact the career development of the professionals at your firm? If you aren't armed with the information that your employees need, know that they will fill in the blanks themselves, with wild guesses and conjectures, and this misinformation will build upon itself like an awful game of telephone.

2) Discuss your core values with the target firm to develop a joint mission and vision statement, and share these statements widely. We recommend doing this at a joint strategic planning session. Firms can align their core values, develop an integration strategy, and decide how to communicate changes internally and externally through an intense but informal session focused on creating the blueprint for the future. In addition to making decisions

See M&A, page 4



ON THE MOVE

WIDSETH SMITH NOLTING WELCOMES CLASEMANN TO LAND SURVEYING Michael Clasemann has joined the land surveying department of **Widseth Smith Nolting's** Rochester office, where he is responsible for survey project management, construction staking, boundary surveys, topographic surveys, as-built/ALTA surveys, cell tower surveys, construction surveys, and CADD dracing. He is skilled in the preparation of detailed field reports, collecting data, and preparing field reports outlining daily activities.

JOHN VIISE JOINS THORNTON TOMASETTI'S CHICAGO OFFICE AS VICE PRESIDENT IN STRUCTURAL ENGINEERING PRACTICE

Thornton Tomasetti, an international engineering firm, announced that **John Viise** has joined its Chicago office as a vice president in the Structural Engineering practice. Viise has more than 20 years of experience in the structural design of tall and supertall buildings and a variety of complex, large-scale projects in the U.S. and internationally. He is a licensed structural engineer and professional engineer in Illinois.

MBP'S MINTZ PROMOTED TO SENIOR VICE PRESIDENT

MBP (Fairfax, VA), a multidiscipline construction consulting firm, announced the promotion of **Mairav Mintz** to senior vice president. Mintz's 22 years of geotechnical engineering, construction inspection, cost estimating, CPM scheduling, delay analysis, and claims analysis experience have added great value to her team, which includes both the Columbia, Maryland, and Fairfax, Virginia, branches. Mintz most recently served as vice president of the firm.

INDUSTRY NEWS

ACI FOUNDATION HONORS DANIEL W. FALCONER THROUGH MEMORIAL FELLOWSHIP The ACI Foundation (Farmington hills, MI), a non-profit subsidiary of the American Concrete Institute, has announced the formation of the Daniel W. Falconer Memorial Fellowship, created in honor of the late Dan Falconer, who passed away July 29, 2015 after a battle with cancer. Falconer served as ACI's Managing Director of Engineering for more than 17 years.

The new fellowship will be awarded to graduate students studying structural engineering with an emphasis in reinforced concrete design. Preference will be given to applicants conducting research pertaining to ACI codes or specifications. The fellowship includes an optional summer internship in the ACI Engineering Department.

The Daniel W. Falconer Fellowship will be funded through the generosity of friends and colleagues. The American Concrete Institute has agreed to contribute a dollar-for-dollar match for donations made by individuals and companies. To learn more or to donate online, visit wACIFoundation.org.

Fellowship recipients receive a \$7,000 education stipend and the opportunity to attend three ACI Conventions, with airfare, hotel and registration covered through the fellowship. Each recipient also receives a \$250 stipend for each convention for travel expenses, a guide for the convention at which they interview, and an industry mentor. The winner is recognized during the Opening Session at the Fall Concrete Convention & Exposition, named in *Concrete International* magazine, and listed on the ACI Foundation's website.

Currently, the ACI Foundation offers 11 fellowships, eight graduate scholarships and one undergraduate scholarship.

More INDUSTRY NEWS, pages 8, 10, and 12

M&A, from page 3

about integration strategies, the rapport developed across the firms will be perceived by lower-level employees at both firms upon their return in a sort of "trickle down" morale boost.

3) Assess your external firm message and evaluate whether a rebranding session is in order. Simply, each firm should be able to explain their brand and use the brand statement as the basis to develop a co-branded positioning strategy. What will this combination bring to the market to improve the capabilities of both firms? Creating a joint branding statement that speaks to the value of the M&A will be helpful for press releases, client communication, and many other aspects of the firm beyond marketing. Use the branding strategy to answer questions like: Do you want a new logo that incorporates both firms? Are you becoming a new firm? How do you use social media? Develop a logo, get a website launched, and give a gift bag to every employee with a T-shirt with the new logo and an explanation (and don't forget to ask them to ditch their old logo merchandise).

4) Bring your clients into the fold. How will client service change through this acquisition? Each firm's ideal client may also have changed through the M&A. Assess CRM databases and cull new contacts and leads based on an articulation of who your services should appeal to through the new transaction. Existing clients will also need to be evaluated. Clients may be used to a very high level of service – especially with a smaller firm – such as calling a partner with day-to-day project questions. When a small firm is acquired by a much larger firm and client service is going to be handled by a project manager instead of a partner, how will this be perceived by your clients? What is going to change for your client? Is there a new technology platform that will enhance their experience? What about changes in fees and billing practices? Make sure your client understands the "value" of the M&A if your

fees are increasing. Clearly explain what your client will get as a client of this new firm. Discussing client service should also prompt a discussion about business development. Compare how each firm works with clients and decide if training is in order.

Aligning marketing operations is important in the onboarding process and will create efficiencies, even if there are costs associated with the process (a joint marketing budget will also need to be created for the transaction). The marketing strategy will also have timeframes for specific events, such as announcing the M&A internally, to clients, and to the public, phasing out a brand, or transitioning to a new CRM database.

Firm leadership would be wise to turn over the marketing and branding strategy to the experts – which may include their own marketing directors and external marketing and branding strategists – as leadership may want to talk more about synergies (i.e. cost cutting), and less about marketing best practices. The window of opportunity to craft a joint dialogue about the M&A that energizes staff at both firms, gives clients confidence, and generates buzz about the transaction is extremely short. It is critical to capitalize on the opportunity by engaging and empowering the right stakeholders to make decisions in their respective areas of expertise.

Sleep is important, don't get me wrong, but you will sleep soundly after the deal is closed knowing that you've got a strategy in place, instead of tossing and turning over the "what ifs" that less-savvy acquirers will now be facing. ▀

JAMIE CLAIRE KISER is director of M&A at Zweig Group. Contact her at jkiser@zweiggroup.com.

Preparing for the competition

Competition can be a good thing, especially if it stimulates others to make themselves better; survey data shows that now is the time to think about your competitive edge.



**BILL
MURPHEY**

CONTINUING EDUCATION

I've spent most of my career analyzing strategies and developing new ones to counter the anticipated actions of competitors. Working at the Pentagon, I analyzed other countries' motives, decisions, and actions, and built plans to ensure we were ready to respond to a wide range of events. In the geopolitical world, being caught off-guard can be disastrous for a nation, as we unfortunately learned in 1941 and 2001.

In the architecture, engineering, and environmental consulting world, being caught off-guard most often leads to lost market share, lost revenue, and sometimes, loss of ownership.

The healthiest firms prepare themselves for what could happen. They understand their local and regional markets and can identify their competitors within those markets. They understand the value of their company and how they compare with their hungry competitors. They have a formal process for assessing the market; one that addresses much more than the uninspiring strengths, weaknesses, opportunities, and threats analysis taught in every business school.

Successfully competitive companies have also built plans to infuse their firms with talented people capable of accelerating the firm's growth. They've built plans for ensuring their people are educated in the latest techniques and industry trends to maximize their value to their clients. They've built plans for a potential ownership transition and the eventual succession. It's interesting to note that more than 83 percent of large AEC firms are looking to buy another firm, but only 39 percent of firms are prepared for such a transition.

Successfully competitive companies understand their weaknesses and are actively working to overcome those deficiencies. In many cases, they're successful because they've assembled a proactive strategy team chartered to look for competitive gaps in their business model.

From this strategist's position, here's a sampling of what I see ahead:

- According to Zweig Group's *2015 Mergers & Acquisitions Survey*, if yours is a civil engineering firm doing commercial development in the South region with fewer than 25 employees and earning less than \$5 million in annual revenue, you might want to have an acquisition plan in place, because that's the most sought after demographic.
- Alternately, based on the same survey, if yours is an

“Successfully competitive companies understand their weaknesses and are actively working to overcome those deficiencies. In many cases, they're successful because they've assembled a proactive strategy team chartered to look for competitive gaps in their business model.”

architectural firm, I recommend developing both an expansion plan and a long-term succession plan, because only 21 percent of the companies surveyed are looking to acquire architecture firms. For your architectural firm, acquiring a design/build firm might be just the spark needed to enhance your competitiveness.

What if your company isn't prime to be acquired? According to another Zweig Group survey, more than 82 percent of the companies that attended the 2015 Hot Firm and A/E Industry Awards Conference stated they expect to grow by more than 10 percent next year. Ten percent doesn't just grow out of thin air: These firms are likely coming after your market share. Are you prepared to compete with them?

Here are some tips for becoming successfully competitive:

- **Know the value of your company.** You can start by looking at your books. Make sure your financial statements are in order and that you know the status of all of your accounts. Consider having an outside assessment of the total value of your organization. You'll quickly discover if you're a target for an acquisition or healthy enough to expand your business.

See BILL MURPHEY, page 8



SPOTLIGHT ON: Going

Expert advice for leading across cultures

Demographics, cultures, and local laws and regulations are among the challenges that firms can expect to face when navigating an expansion abroad.



By LIISA ANDREASSEN
Correspondent

As the AEC industry becomes more global, firms are expanding their presence domestically and internationally. Sizable building projects now require collaboration among experts located around the globe working in offices, from home, or on the road. So, how do you keep it all together?

REPORT SAYS 'BLEND AND DIVERSIFY.' If you wish to engage and integrate a global workforce in your company, be sure to blend corporate and local cultures and enhance your diversity and risk-management practices. That was a key takeaway from new research released in "Engaging and Integrating a Global Workforce," by The Economist Intelligence Unit, sponsored by the Society for Human Resource Management Foundation on how to successfully manage global employees. Here are a few other takeaways:

- 1) **Deal with changing demographics.** HR leaders need to look at overcoming the skill shortages presented by a decreasing youth population in developed countries and identify the right roles, incentives, and retraining opportunities for older workers. In order to do that, it is crucial that HR professionals make full use of HR analytics, further expanding them to incorporate gender and other diversity metrics to better understand their candidate pool and provide relevant incentives. In addition, the HR department also must incorporate the use of social media into its recruitment strategies and be able to accurately assess employees' skills and create programs to fill skill gaps.
- 2) **Understand local cultures.** HR leaders must be able to guide corporate strategic decisions by understanding the local environment and business practices in each region in which the firm operates. With that, the HR department must customize the various company protocols in each region and communicate it effectively to those employees. While doing so, leaders should keep in mind that, while there are policies that can be modified to fit local cultures, there are also those that cannot be compromised, such as human rights policies. Additionally, the HR department has to develop programs to assist employees to adapt to the cultural norms when moving between different regions.
- 3) **Build global leaders.** The HR department should prepare for the future by building a pipeline of globally prepared leaders. In order to do so, it is essential that HR leaders develop workplace practices that promote collaboration among diverse workers and communicate

values and policies across the different regions. HR staff members must educate employees from a managerial level to leverage those cultural differences while solving disagreements. They also have to be able to identify desired skills on a local level from within a pool of candidates.

- 4) **Maintain local laws and regulations.** Last but not least, it's important to keep up-to-date with various labor laws in the different regions and ensure that, while doing all of the above, employees are treated legally.

"If you wish to engage and integrate a global workforce in your company, be sure to blend corporate and local cultures and enhance your diversity and risk-management practices."

TAKE THE GLOBAL MANAGEMENT CHALLENGE. Heather Zynczak, chief marketing officer at Domo Inc., a company that provides a business intelligence platform to companies, says that she has been faced with major challenges when managing global or virtual teams. Here, she provides some challenges and solutions.

- **Challenge #1: Lack of clarity.** When working with team members who have different native tongues, it's common for key messages to get lost in translation. Add poor phone connections and multitasking team members (i.e. checking email) while on conference calls, and you start to realize why communication doesn't always sink in the first time around.

Solution: Put action items and key decisions in writing. Follow up conference calls with clear, written communication of the outcomes of the meeting. This ensures everyone walks away from the meeting with the same key takeaways.

- **Challenge #2: Slow decision making.** When there are only a few hours a day of common "awake" time, it can take weeks to get a meeting scheduled that works for everyone's calendar. Add the lack of clarity mentioned above, and decision-making can happen at a snail's pace.

Solution: Communicate strategy and direction face-to-face whenever possible. Video conferencing is a great tool for helping teams feel more "present" in meetings, giving participants the ability to sense each other's





body language and tone. A regular in-person meeting is also a must to boost team morale and increase collaboration. When clarity is provided through “face-to-face” meetings, the speed of business and execution is much faster.

■ **Challenge #3: Disjointed conflict resolution.** Working predominantly through email makes it difficult to deal with tough issues and get everyone on the same page. Tone and body-language play a large role in communication, and without these nuances, delicate situations can be hard to manage correctly.

Solution: Pick up the phone. Never communicate “tough messages” via email, because written messages can easily be misunderstood. By speaking live to the individual in a one-on-one conversation, you are much more likely to understand one another and communicate effectively.

■ **Challenge #4: Conflicting corporate culture.** Great company culture depends on constant interaction and team bonding among employees. Such camaraderie can be more difficult for global teams to define, implement, and ultimately achieve.

Solution: Invest in cultural training. I once hired a consultant to spend a day with my management team for cultural training. The consultant split our group into teams based on nationality. Each team had to answer the question, “What values would you want to instill in your children?” The Americans said things like self-confidence, ambition, and intellectual curiosity; whereas the Germans emphasized respect for authority and work ethic. The exercise gave each of us a better understanding of how different cultures approach situations. We started to function better as a team. We had a unifying culture that still held respect for the individual perspective. ▀

HANDSHAKE HOW-TO

A GUIDE TO GLOBAL GREETINGS

AUSTRALIA

A woman shaking a man's hand offers her hand first; women do not shake hands with other women.

RUSSIA

Women and men don't shake hands unless it's a business situation. Socially, men should kiss women's hands.

MEXICO

Men's handshakes are long-lasting and sometimes followed by a hug.

SOUTH KOREA

The handshake is begun by the most senior person and the grip is soft.

UAE

The hand of the oldest person is shaken first, and a lingering shake is expected.

BRAZIL

Handshakes are firm, long-lasting, and strong eye contact should be mixed in. This is repeated upon departure.

CHINA

The hand of the oldest person is shaken first with a light grip and a slight bow; no direct eye contact.

THAILAND

No handshakes; people place their palms together at chest level and bow.

Source: MentalFloss.com

INDUSTRY NEWS

2015 AUTODESK EXCELLENCE IN INFRASTRUCTURE GLOBAL WINNERS ANNOUNCED Autodesk, Inc. and *CGArchitect*, a leading online magazine and end-user community for visualization and design professionals, announced this year's winners of the 2015 Autodesk Excellence in Infrastructure Competition to spotlight some of the world's best applications of building information modeling for civil infrastructure projects.

In its fourth year, the competition honors **Arup, Ramboll - Parsons Brinckerhoff** joint venture, and **HNTB** as the first, second and third place winners for their transit and bridge projects. The competition also recognizes **CivilE LLC** as Small Project award winner, and **Dawn Digital Pvt. Ltd.** as the Visualization Award winner.

"Each of the winning projects offers a model for the application of forward-thinking building information modeling workflows and technologies for challenging infrastructure projects," said Amar Hanspal, senior vice president of Autodesk. "First place Arup, for

example, created a large-scale model for a section of a 17 km-long railway line that integrates GIS data from multiple sources and formats and consolidated this information with the proposed station, tunnels, public facilities and as-built records of the adjacent buildings. This remarkable effort demonstrated how the application of BIM process-based technologies and practices can help manage project scope and foster cross-disciplinary design to support design reviews, improve constructability, manage traffic and communicate more effectively with all stakeholders."

Managed by *CGArchitect* and cosponsored by Autodesk and HP, the competition's panel of industry expert judges selected the winners from a total of 40 submissions. The judges evaluated entries based on complexity, innovative use of technology, sustainability and the execution of a BIM process to anticipate, assess and act more confidently from project start to finish and continue to add value to operations and maintenance.

BILL MURPHEY, from page 5

■ **Build a strategy team.** Designate a strategy team with your best and brightest minds. That's obviously easier to do when you have a larger organization, but a strategy group of three or four people in a firm of 25 employees is very doable. Task them with becoming experts on the industry and the market. Make them your prognosticators of things to come.

This should not be just your principals!

■ **Leadership is important.** Your strategy team must be fully supported by the firm's senior executives and have constant, direct access to all of your company's executives. Remind the team its efforts must always be connected to the company's vision and mission. Most importantly, leaders must be willing to act on the advice of this team of experts.

■ **Training is vital.** Do you know how to develop a strategy – not a strategic plan, but a true strategy? Very few people have the experience and formal education required to do it effectively. To have an effective team, appoint a leader who's been formally trained or send that person through a training program. Anything less, and you're just wasting time. There are a few good programs out there, but the best ones are very pricy. Look at the course overview and if it peddles "SWOT Analysis" as the main selling point, keep looking. There's more to a solid strategic plan than a SWOT analysis.

■ **Commit.** Too often, companies spend precious time at some nice off-site location, discussing in which direction the company should head, only to return to the office to place this shiny new strategy on some shelf, where it gathers dust until next year's off-site at some even nicer location. If you're going to spend the time, commit to the results, or it's all for naught.

"Always prepared" is a great mantra for any company in any industry. The ones that prepare for the competition are healthier and will likely fare well. Those that fail to plan will have plenty of time to reminisce about how great things were before the competition took their market share, or worse, their company.

By understanding your company's position relative to others, actively scouting the horizon, and having actionable plans in place, your company can be successful in the highly competitive and dynamic AEC marketplace. ▀

BILL MURPHEY is Zweig Group's director of education. Contact him at bmurphey@zweiggroup.com

MEET BILL MURPHEY ...

Bill Murphy recently joined Zweig Group as the director of education. In this role, he will be overseeing the firm's continuing education offerings. Some additional information on Bill:

- **Background:** "I spent the first part of my career in the U.S. Air Force and retired as a colonel after 24 years of active duty service. I was privileged to have a wide range of opportunities over the years: I flew around the world as a C-130 aircraft navigator (reaching all seven continents), commanded a 900-person logistics group, and conducted national-level strategic planning at the Pentagon. Before joining Zweig Group, I was the associate director of executive education in the Sam M. Walton College of Business at the University of Arkansas.
- **Education:** M.S. in national resource strategy, National Defense University; M.A. in organizational management, George Washington University; M.A. in military operational art and science, Air University; B.S. in marketing, University of Arkansas
- **Professional Motto:** "Don't criticize, condemn, or complain. Be honest, humble, and hardworking."
- **Personal Motto:** "Don't judge a person by their appearance; you don't know the struggles they're facing."
- **Hobbies:** running, golf, genealogy, and military history
- **Family:** "Angie and I celebrated our 25th wedding anniversary this summer. We have three grown children: Taylor, Emily, and Sam.
- **Plans for Continuing Ed. at Zweig Group:** "I'm excited about the future of the Zweig Group education program, as we look to double the size of our program next year. For 2016, we're expanding our in-person seminar programs, adding a webinar series and online courses, and partnering with several educational organizations. When you add in our annual awards conference in September 2016, we have a calendar full of events and activities. Our customers will appreciate the interconnectedness of our programs and how one program builds upon another."
- **Final words:** "I believe education fosters success. The more you understand the world around you and how things are connected, the better the decisions you'll make. My focus at Zweig Group is on helping leaders and organizations become better than they think they can be. When leaders at all levels are working towards a common purpose and are armed with the right tools, amazing things happen!"

BEST PRACTICES



To merge cultures, build community

Zweig Group experts give advice on how to ensure a smooth transition after an M&A deal, because merging cultures doesn't just happen.

By Liisa Andreassen
Correspondent

Cultural integration is the greatest challenge in merger and acquisition deals, but it's not something that people want to talk about when they start to get excited about the business potential. It's widely acknowledged that most deals fall apart due to cultural integration issues, yet it remains an aspect of the transaction that deal makers continue to set aside for later.

So, to find out the best way to get started, we turned to two of our in-house experts to see what words of wisdom they had to share.

TRUST YOUR GUT. Jamie Claire Kiser, director of M&A services at Zweig Group, says that leaders who put deals together sometimes mistakenly believe that cultural integration will just happen. But, it's as strategic a component of evaluating a firm as any other.

"I've heard of other M&A consultants who develop objective standards or, in one case, a '10-point test' to evaluate cultural fit without even visiting the firm," she says. "If it was that simple, then failure to integrate cultures wouldn't be cited as the

"Presenting the advantages that an acquisition offers to the target firm's employees is a great way to get people to buy into your culture."

top reason that deals crumble by the largest companies in the world. It's hard for executives acclimated to fact-based analysis to hear this, but the truth is that the only advice worth hearing is that you've got to listen to your instincts. I have never spoken to someone a few years after a merger who says, 'You know, I'm so glad I ignored my gut feeling about that deal.' It's unscientific, I know, but you have to trust your judgment and your team's judgment when you're meeting a potential M&A candidate."

FOCUS ON OPEN COMMUNICATION. Zweig Group's 2015 *M&A Survey of A/E/P and Environmental Firms* asked firm leaders who have recently gone through an acquisition to identify the most difficult part of integrating acquired firms. Although answers vary, the most common challenge when merging cultures is communication.

See MERGING, page 10



INDUSTRY NEWS

SMPS ANNOUNCES RECIPIENTS OF 2015 NATIONAL MARKETING COMMUNICATIONS AWARDS The Society for Marketing Professional Services (Alexandria, VA), an A/E/C marketing and business development association, announced the recipients of its 2015 National Marketing Communications Awards.

The Best of Show Award was awarded to **Harris & Associates** (Concord, CA) for its Internal Communications entry, Ownership Campaign + The Game of ESOP. Industry editors selected this entry as Best of Show because it was unique, memorable, and made a dry topic relatable to employees.

First-place winners by category:

- Advertising: **DES Architects + Engineers**
- Annual Report: **JE Dunn Construction**
- Book/Monograph: **Lake|Flato Architects**
- Brochure: **JE Dunn Construction**
- Corporate Identity: **Somerville Architects & Engineers**
- Direct-Mail Campaign: **Harris & Associates**
- Feature Writing: **DES Architects + Engineers**
- Holiday Piece: **orcutt | winslow**
- Holiday Piece Digital: **Bain Medina Bain Inc.**
- Internal Communications: **Harris & Associates**
- Magazine: **Skanska**
- Magazine Digital: **Urban Engineers Inc.**
- Media Relations Campaign: **Reilly Communications**
- Newsletter-External: **Sellen Construction**
- Newsletter-Internal: **Psomas**
- Promotional Campaign: **HNTB Corporation**
- Recruitment and Retention Communications: **Garver**
- Social Media: **Stellar and Reputation Ink**
- Special Event: **Hickok Cole Architects**
- Special Event Digital: **Perkins+Will**
- Specific Project Marketing: **Perkins+Will**
- Tradeshow Marketing: **Hinedak Bobo Group**
- Video: **Perkins+Will**
- Web Site: **DesignGroup**

A full list of award winners is available at smps.org/MCA.



MERGING, from page 9

“Lack of clear, consistent communication is a death sentence for cultural integration,” Kiser says. “Acquirers need to realize that this process is absolutely terrifying for firm employees. Nothing is a given and no one feels secure – whispers and rumors will be rampant until you’ve addressed concerns directly and honestly.”

Presenting the advantages that an acquisition offers to the target firm’s employees is a great way to get people to buy into your culture.

“You don’t have to walk into the room and be a hero, but in this industry, so much of what you’re buying is the people within the firm. Make sure these people know that they are the most valuable piece of the firm,” she advises.

Kiser adds that she has seen many effective approaches to breaking the “us” versus “them” communication barrier when integrating an acquired firm. Some firms have a “buddy system,” where members from each firm are paired together. This makes asking questions about everything from administrative tasks (i.e., How do we submit expense reports?) to big picture questions (i.e., What is the firm’s five-year plan?) less intimidating. It also builds rapport among new teammates.

WHEN DOES CULTURAL INTEGRATION BEGIN? You can’t truly start integrating a firm until the deal closes, but what you can do

is step back from your daily role and talk about your firm’s culture. Who are you as a company? What makes you great? What do you need to work on?

“We encourage firms to do a joint strategic planning session with leaders of both firms as soon as they can after a transaction closes,” Kiser says. “The message it sends to everyone within the firm is that the union is strong and the leaders are committed to making it succeed. Culture is a top-down creature. If the leadership gets along and respects each other, by talking through challenges that each firm faces, the leaders will have a better sense of what specifics are needed to make the ‘sum of parts’ better than each firm was before the transaction.”

HOW CAN HR HELP? Mallory Bryant-Harris, a project manager in Zweig Group’s executive search department, says that the greatest challenge, post M&A, is to avoid culture-clash.

“This can be extremely difficult because both companies bring their own ideologies,” she says. “And, companies are at risk of not retaining top talent because they are unsure where they fit into the newly-merged company or they are not open to embracing change.”

Don’t fear. There are ways to make the process go smoothly. Here are a few to consider:

- Appoint a task force or an outside consultant to manage culture and ensure positive growth and develop strategies to help translate culture to employees.
- Work hard to develop a sense of inclusion among the employees and incorporate leadership from both companies.
- Trickle the new culture from the top COO level to the entry-level employees, which helps employees get on board after the merger and fully understand the process of the merger.
- Survey employees to determine what they liked and disliked about each firm and incorporate some of the best of both worlds.
- Communicate during the merger. Employees want to feel like they are a part of the team and they are your best asset. ▀

CALENDAR: OCTOBER 2015



conference/seminar



webinar



award



deadline



10.13 MNSPE ETHICS SEMINAR

This seminar will meet the new Minnesota PE ethics requirement.

COST: Current members: free, non-members: \$150

Company-hosted group webinars also available.

LOCATION: WSB & Assoc. Inc., Golden Valley, MN

Space at the live site is limited to 70 participants.

TIME: 9 a.m. - 3 p.m.

MORE INFO: nspe.org/resources/pe-institute/live-educational-events/mnspe-ethics-seminar

10.14 RESIDENTIAL & COMMERCIAL BUILDING INSPECTIONS

Provided by NY State Society of Professional Engineers Inc. Applicable for 8 PDHs.

COST: Members: \$295, sustaining members: \$345, non-members: \$395

LOCATION: Club Quarters, 52 William St., New York

TIME: 8 a.m. - 5 p.m.

MORE INFO: nspe.org/resources/pe-institute/live-educational-events/residential-and-commercial-building-inspections-0

10.14 BECOMING A BETTER PROJECT MANAGER

This is the first PM seminar specifically tailored to new and aspiring PMs. Led by Howard Birnberg, one of the foremost experts on project management and the author of several project management books, Project Management. Applicable for 6 CEUs/PDHs.

COST: First attendee: \$975, additional attendees: \$825

LOCATION: Seattle

MORE INFO: zweiggroup.com/seminars/better_pm/



10.14-17 ACEC FALL CONFERENCE

Panel discussions and keynote addresses from industry leaders plus more than 30 business management seminars; emerging leaders, sales and marketing, and legal forums; and CEO, CIO, CFO and architect sessions.

COST: \$550-\$1,195

LOCATION: Westin Copley Place, Boston

MORE INFO: acec.org/conferences/fall-conference-2015

10.15 BECOMING A BETTER PROJECT MANAGER

LOCATION: San Jose, CA

MORE INFO: zweiggroup.com/seminars/better_pm/

10.17 & 24 STRUCTURAL MASONRY SPECIAL INSPECTION

Provided by NY State Society of Professional Engineers Inc.

Applicable for 8 PDHs.

COST: Members: \$595, sustaining members: \$645, non-members: \$795

LOCATION: Club Quarters, 52 William St., New York

TIME: 8 a.m. - 4:30 p.m.

MORE INFO: nspe.org/resources/pe-institute/live-educational-events/structural-masonry-special-inspection

10.20 SOUTHERN TIER PROFESSIONAL DEVELOPMENT SYMPOSIUM

Provided by NY State Society of Professional Engineers Inc. Applicable for 6 PDHs.

LOCATION: Binghamton Holiday Inn Arena, 2-8 Hawley St., Binghamton, NY

TIME: 8 a.m. - 4 p.m.

MORE INFO: nspe.org/resources/pe-institute/live-educational-events/2015-southern-tier-professional-development-symposium

10.20 LEADING EMPLOYEES OF ALL GENERATIONS

From Baby-Boomers to Millennials and Generation X, every generation is motivated and frustrated by different things. Figuring out how to lead the four distinct generations in today's workforce is extremely challenging and overwhelming, but also doable.

COST: Free

TIME: 2 - 3 p.m.

MORE INFO: agc.org/learn/education-training/events/webinar-leading-employees-all-generations



10.20-21 BIM FORUM

The use of virtual design and construction techniques is becoming more widespread. This conference will explore how the utilization of VDC techniques in the design and planning phase are impacting project outcomes.

COST: \$695

LOCATION: Orlando

MORE INFO: meetings.bimforum.org/annual/

10.22-23 PRINCIPALS ACADEMY 2.0

An updated version of Zweig Group's crash course in all aspects of managing a professional service firm, including an expanded focus on business development, strategic planning, and financial management.

COST: First attendee: \$1,575, additional attendees: \$1,475

LOCATION: Chicago

MORE INFO: zweiggroup.com/seminars/tpa

10.27 & 29 ENR BEST PROJECTS: MT STATES

The ENR Regional Best Projects Awards are a series of special events to celebrate and honor the building teams that created the best projects of 2015 nationwide.

COST: \$125 - \$1,300

LOCATION: Oct. 27: Salt Lake City, Oct. 29: Denver

MORE INFO: enrbestprojectsawards.com/



10.28 BECOMING A BETTER PROJECT MANAGER

LOCATION: Austin, TX

MORE INFO: zweiggroup.com/seminars/better_pm/



ZG15 INDEX

Ticker	Name	Market	Market Cap	Share Pricing						Valuation				
				Close Jul. 31, 2015	Close Aug. 30, 2015	Beginning of Month Change	% Month Change	Change from 50-day MA	% Change from 50-day MA	EPS	EV/Rev.	EV/EBITDA	Price/Sales	Price/Book Value
ACM	AECOM Technology Corp.	NYSE	4.09B	30.83	27.50	(3.33)	-11%	(1.51)	-5.30%	(0.68)	0.52	9.69	0.26	1.18
AMFW	Amec Foster Wheeler	NYSE	4.5B	12.71	12.51	(0.20)	-2%	(0.66)	-5.34%	0.36	0.81	11.80	0.61	1.69
CBI	Chicago Bridge and Iron Co.	NYSE	4.46B	52.18	44.28	(7.90)	-15%	(5.53)	-11.66%	5.62	0.49	5.03	0.35	1.53
EEL	Ecology and Environment	Nasdaq	47.97M	11.31	11.25	(0.06)	-1%	(0.15)	-1.29%	0.43	0.37	7.33	0.40	1.33
EME	EMCOR Group Inc.	NYSE	2.85B	47.83	46.09	(1.74)	-4%	(1.11)	-2.38%	2.59	0.43	8.16	0.44	1.94
ENG	ENGlobal	Nasdaq	30.08M	1.22	1.03	(0.19)	-16%	(0.02)	-1.71%	0.15	0.20	3.06	0.29	0.93
EXPO	Exponent Inc.	Nasdaq	1.13B	44.49	42.75	(1.74)	-4%	0.16	0.36%	1.54	3.33	13.53	3.83	4.36
FLR	Fluor Corp.	NYSE	6.54B	46.75	45.62	(1.13)	-2%	(1.37)	-2.95%	3.76	0.28	4.20	0.32	2.11
HIL	Hill International Inc.	NYSE	180.65M	4.78	3.92	(0.86)	-18%	(0.80)	-18.23%	(0.14)	0.50	7.13	0.30	1.19
JEC	Jacobs Engineering Group	NYSE	4.86B	42.12	40.41	(1.71)	-4%	(2.12)	-5.14%	2.80	0.42	6.08	0.41	1.15
KBR	KBR Inc.	NYSE	2.46B	17.47	17.44	(0.03)	0%	(0.55)	-3.12%	(7.64)	0.31	(13.50)	0.42	2.61
STN	Stantec Inc.	NYSE		27.87	23.43	(4.44)	-16%	(2.06)	-8.26%	1.34				
TRR	TRC Companies	NYSE	365.7M	9.60	8.92	(0.68)	-7%	2.47	26.01%	0.63	0.80	8.27	0.89	2.48
TTEK	Tetra Tech Inc.	Nasdaq	1.51B	26.64	25.98	(0.66)	-2%	(0.86)	-3.31%	1.49	0.89	9.87	0.85	1.56
VSR	Versar Inc.	NYSE MKT	32.27M	3.41	3.15	(0.26)	-8%	0.10	3.11%	(0.05)	0.25	6.35	0.21	0.87
WLDN	Willdan Group Inc.	Nasdaq	83.19M	10.32	9.04	(1.28)	-12%	0.75	7.61%	1.16	0.61	6.70	0.64	2.32
DJIA	DOW Jones Industrial Avg.	NYSE		17689.86	16528.03	(1161.83)	-7%							
*information at close of day Sept. 11, 2015										Average	0.68x	6.25x	0.68x	1.82x
										Median	0.49x	7.13x	0.41x	1.56x

LOW OIL PRICES PRESENT VALUE OPPORTUNITY Over Labor Day weekend gas prices were the lowest they've been since 2004. It's no wonder that AEC companies, primarily E/C firms that lean heavy on the procurement of fossil fuels, are taking a beating. This is especially true of publicly held companies, where there is heavy oversight and decisions are made most often by a small team of people trying to please a much larger shareholder base. Most shareholders prefer short-term gains, sometimes at the cost of long-term business strategy.

Despite an 11 percent drop in price-per-share during August, **AECOM** has a book-to-burn ratio exceeding 1. This means that one of the key metrics for long-term performance, the firm's backlog, is growing. AECOM increased its backlog by more than the revenue it billed in the same timeframe.

AMEC Foster Wheeler has set modest growth forecasts, but, combined with drop in bottom-line expenses, the firm should do well. Revenues in the Middle East were up 6 percent, and the firm has been awarded an extension to its project management services in the second largest oil field in the Gulf.

Tetra Tech saw a 13.5 percent profit increase from the first quarter to the second, and **KBR** has seen eight upward revisions, pushing its projected earnings up an additional 12.8 percent.

Fluor made a large cash investment in NuScale Power, now holding a majority stake. Once NuScale reaches a commercially viable end product, expected in the next five to 10 years, Fluor will have positioned itself to rocket its way beyond the large swings in crude oil prices. NuScale makes small modular reactors as alternatives to the current reactors used in power production.

Stantec, an Irvine based, 60-person, transportation firm, made two acquisitions: **VA Consulting** and **Fay, Spofford & Thorndike**, a 280-person E/P and environmental consulting firm in Massachusetts. **Versar** acquired **Johnson Control Security Systems**, which serves federal clients through a variety of physical and network security services and facilities management, for \$20 million.

Though most firms are seeing long-time lows in price-per-share, now is a hot time for long-term value investors. — *Ryan Renard, M&A consultant.*

INDUSTRY NEWS

MODTRUSS USED FOR BERLIN WALL DISPLAY INSTALLATION A portion of the Berlin Wall is back on display today in New York City, thanks to a versatile solution by ModTruss Inc. and facilitated by Showman Fabricators and implemented by Torsilieri INC of New York. The famous section of wall was previously removed from its spot in the Urban Plaza at 520 Madison Ave. to undergo a thorough restoration.

ModTruss modular trussing system was used to build a custom lift capable of hoisting the 33,000-lb. structure into its new spot in the lobby

of the same address. The move to the lobby will allow the wall section to remain on display for the public but away from the spray of the waterfall that had been causing its rapid deterioration when it had been on display in the plaza.

Because of the massive weight of the wall segments, a convenient and safe solution for moving and lifting the wall had been previously unavailable. Sections of ModTruss were pieced together to create the perfect lift for the specific task.