

## TRENDLINES

### PM commissions



Respondents to Zweig Group's 2015 Project Management Survey report that project managers who were eligible for a commission were most likely to receive it as a **percentage of profits** (42 percent). Another 33 percent collected a **percentage of revenue** as a commission, while 25 percent earned a **flat fee**.

— Vivian Cummings,  
research analyst assistant

## Working in an entrepreneurial firm

Moreso than the everyday small business, organizations that aim to grow must employ specific types of people.

“Not every A/E or environmental firm is an entrepreneurial firm. But, if you’re reading this, odds are yours might be.”



Mark Zweig

### EDITORIAL

Not every A/E or environmental firm is an entrepreneurial firm. But, if you’re reading this, odds are yours might be.

There are some big differences between ordinary small businesses or privately held companies and entrepreneurial firms. Growth is what it’s all about. Entrepreneurs want to create value in their businesses, not just extract from it to live a particular lifestyle.

These differences affect the types of people who will survive and thrive in an entrepreneurial firm. If you are running an entrepreneurial firm – not just a small business – here are some qualities I would look for in employees:

- **People who don’t fear change.** Growth requires change. Most people don’t like change because change creates stress. You need people who thrive on it and get bored if things aren’t changing. Entrepreneurial firms are constantly changing, and their people have to change with it.
- **People who don’t want to be put in tightly defined roles.** When you work for a growing company, you have to be flexible and willing to do the job that needs doing. Those who prefer a fixed, crystal-clear set of duties and responsibilities will probably not like working in an entrepreneurial firm where they could be called upon to help capitalize on a new opportunity or to put out a fire at a moment’s notice.

See MARK ZWEIG, page 2

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## ON THE MOVE

**JACOBS ANNOUNCES MOVE TO NEW GLOBAL LEADERSHIP STRUCTURE** Jacobs Engineering Group Inc. (Pasadena, CA) announced that it will move to a new leadership structure organized around four global lines of business. These changes are designed to better serve the needs of our global client base, leverage the firm's talented workforce, and provide enhanced growth opportunities across the business.

The four global lines of business are:

- **Petroleum & Chemicals – J. Gary Mandel** will become president of this line of business. Petroleum & Chemicals will serve Jacobs' clients in oil and gas, refining, and chemicals related opportunities.
- **Buildings & Infrastructure – Phillip Stassi** will become president of this line of business. This change will allow Jacobs to better leverage its buildings and infrastructure capabilities to take advantage

of the growth opportunities in this global market.

- **Aerospace & Technology – Terence Hagen** will become president of this line of business. It will serve Jacobs' global aerospace, defense, and nuclear clients.
- **Industrial – Andrew Kremer** will become president of this line of business. Industrial will cover mining and metals, inorganic chemicals, pulp and paper, and manufacturing clients. As part of the Industrial line of business, Jacobs is creating a Life Sciences global business unit. **Robert Norfleet** will become senior vice president and general manager of this new unit. Life Sciences will serve Jacobs' global clients in the pharma-bio space and in related biologic areas.

All executives named above will report directly to **Steve Demetriou**, president and CEO.

MARK ZWEIG, from page 1

- **People who see work as fun and have their heads in the game, vs. those who believe work-time and fun-time need to be separated.** Nothing drives me crazier than to send an email to someone at 5:02 p.m. and not hear back from them until 8:31 a.m. the next day: It tells me they don't really have their heart in their work and just want to separate work from personal life. That's great in a government job or a small business, but it won't work in an entrepreneurial, high-growth environment, where engagement is everything.
- **People who have a desire to constantly learn new stuff.** If someone doesn't want to learn and just wants to do the same thing every day, they probably won't be happy in an entrepreneurial firm. The constant change requires constant learning. New people, new software, new clients, new projects, new locations, new everything. Entrepreneurial firms require their people to constantly learn and evolve as the organization does.
- **People who can think long-term and who can delay immediate gratification.** Entrepreneurial firms probably cannot afford the same pay that a stable company might provide. Growth sucks up cash and requires constant reinvestment. The long-term rewards may be greater, but the short-term rewards could be less. You need people who understand this, but then you also need to "make good" on that implicit promise.
- **People who can handle the idea that not everything they do or try works out, and that's OK.** Entrepreneurs and entrepreneurial firms do a lot of experimenting. Different services, different ways to do things, new people, new offices, new technologies, new marketing tactics, companies acquired, etc. But not everything they do works out. Along with constant experimentation, you'll pick up a certain number of failures. That's OK, as long as none of them tank the company. You need employees who aren't going to be crushed by the occasional failure.
- **People who had their own business.** If you have never had your own company – no matter how small – you'll have a harder time understanding the motivations of owners who want to grow their business. It helps to hire people who have already experienced some of this firsthand. They'll fit in better.
- **People who crave excitement and identify with the success of the company.** Being part of an entrepreneurial company is **FUN**. You need employees who need to have that fun, want to be a part of that success, and take pride in it. They show where they work on their Facebook pages. They brag about the company to their friends. They wear the company T-shirts on weekends. They never refer to the company as "they" or "them" and instead have pride in the firm's success and see why that is good for them.

Think about these points. You want an entrepreneurial firm? Hire the right people who are likely to fit in! ▀

MARK ZWEIG is Zweig Group's founder and CEO. Contact him at [mzweig@zweiggroup.com](mailto:mzweig@zweiggroup.com).

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# Overcoming the trials of multiple offices

Expansion usually equates to growth, but it's not without its challenges; a little planning can go a long way when a firm decides to open new locations.



STEPHEN  
LUCY

## BEST PRACTICES

For most firm leaders, growth in client base, markets, revenue, and locations are all harbingers of success. Yet there are always challenges to growth, which can be compounded if that growth involves multi-office operations. A significant challenge is not just integrating your culture and your company values to achieve a level of cohesiveness, but also being mindful that remote offices can easily become “out of sight, out of mind.”

As a firm that has grown through highly productive partners and leaders, JQ has stumbled occasionally in trying to gauge the best time and the best reasons for opening offices in other locations. From this experience, I offer a few recommendations that have proven to be effective over time:

■ **Plan your expansion and establish clear goals.**

You must have clear reasons and expectations of how your new office will perform. Does the office support some strategic plan for the company, or do you simply want to expand your geographic footprint? The former is a valid business reason to expand while the latter might be driven more by ego. Which do you think will have the better financial results?

Given the commitment of time and resources needed to successfully open a new office, geographic growth should only be considered when multiple positive outcomes are anticipated. Your goals should also be codified so you can later evaluate that office and its bottom-line results. Every firm has limited resources with time being the most valuable. Therefore, allocation of those resources to a new office should only be undertaken if the planned result is to obtain a higher rate of return on the use of those resources.

■ **Transfer existing staff or hire locally.** To integrate our culture and company values, we have found that transferring existing staff can expedite the integration of the new office into overall firm operations. This combined with hiring of local personnel who know the local markets typically results in more rapid development of new business. However, it may not always be feasible to transfer existing staff to a new office. For those locations, our leadership team visits the new office more often to establish consistency of practice, review work, and get to know the local team better. It is not just about embracing our culture; it is about work ethic and other intangibles that need to be demonstrated by the people leading the office.

■ **Embrace regional differences.** Every region is different and a failure to recognize those differences

“Managing multi-office operations requires establishment of clear protocols regarding work product, staffing, and client relationships. Many of these operational processes may be different than those used when you were a single office, but failure to address these issues will put you at risk with your clients and staff.”

could lead to alienating your staff and clients. For us, what works in Dallas or Houston might not work in West or East Texas. Each region has unique characteristics, and to be successful, knowing how to relate to and incorporate those differences speaks volumes about how to effectively establish a new office, properly staff it, and properly sell it to your clients.

■ **Budget for your expansion.** Hard to understand, but many firms never think about developing a business and revenue plan for any new office. They just “follow the money” or grow where their key clients grow. There are obvious costs to open an office such as lease agreements and personnel contracts. There are also daily operational costs, which must be covered until income begins to flow from contracts. You must also plan and budget for a possible exit as that outcome is always a possibility and fulfilling contractual obligations with clients after an office closure may require greater expenditures. Under that scenario, not only are there financial risks, but risk of damaging your client relationships.

■ **Treat all offices equally.** You cannot show favorites among offices. If you are being unequal in your treatment, you may be saying that you can't tackle interoffice issues that need to be addressed. Timely responses to questions or requests from other offices demonstrate that their needs are as important

See STEVEN LUCY, page 4



## ON THE MOVE

**PM ENVIRONMENTAL WELCOMES BOB DRAKE AS SENIOR CONSULTANT AND REGIONAL MANAGER**

**PM Environmental** (Lansing, MI) welcomes **Bob Drake** as a senior consultant and regional manager of its Scottsdale, Arizona, operations. The addition of Drake will continue to solidify PM's western expansion. Drake comes to PM with more than 30 years of national public- and private-sector service in various areas of the environmental profession, including environmental chemistry, waste treatment, remediation compliance, permitting, and due diligence.

Throughout his career, Drake has successfully leveraged his business relationships throughout the U.S. to establish strategic partnerships and grow business. For the past 15 years, Drake owned Western States Environmental LLC, a client-based consulting firm that provided Phase I and II environmental site assessments for several FHA multifamily projects. The firm also provided regulatory compliance audits for a number of commercial/industrial facilities, and conducted remediation and Brownfield projects as well as asbestos, lead paint, and radon surveys. The firm staffed up to six professionals, had a client list of more than 100 companies, and completed projects spanning from Atlanta to Maui, Hawaii.

## BUSINESS NEWS

**REVIZTO RELEASES MULTI-LANGUAGE VERSION** **Revizto**, a real-time visual collaboration tool for building projects, has made a product localization. A new multi-language version comes with the latest release Revizto 3.7 and is free to download.

All Revizto applications now support eight languages: English, German, Spanish, French, Chinese (Simplified), Portuguese (Portugal), Russian, and Japanese.

"In the future, the range of languages will be extended and new languages added," the company said in a news release. "By localizing our apps into most-used world languages, we target to satisfy rising global customer demand for Revizto and deliver an exceptional overall user experience."

The launch of the Revizto Global Server Network is another major development that comes to life with the Revizto 3.7. Apart from the United States, Revizto's Global Server Network now comprises regional servers in Brasil, Ireland, Japan, Singapore, and Australia.

**DODGE MOMENTUM INDEX JUMPS IN SEPTEMBER** The Dodge Momentum Index moved 5.8 percent higher in September to 133.5 from its August reading of 126.2. The Momentum Index is a monthly measure of the first report for nonresidential building projects in planning, which have been shown to lead construction spending for nonresidential buildings by a full year. The impetus behind September's gain was a 12 percent increase from the previous month in institutional building planning. State and local budgets, which finance many projects in the institutional category, continue to recover from their recessionary weakness. With this support, planning for new institutional buildings has trended upward over the past year, although in a saw-tooth pattern. Commercial construction, on the other

hand, is at a more mature stage of its recovery and planning has been relatively more stable. Planning in the commercial category increased 1.8 percent in September.

There were eight projects entering planning in September with a value that exceeded \$100 million, split equally between commercial and institutional projects. In the commercial building sector, a \$330 million office building for Fannie Mae in Washington D.C. and a \$150 million alteration of an office complex in Plano, Texas, entered planning. Within the institutional building sector, a \$400 million hospital in Rockford, Illinois, and a \$230 million clinic addition in Weston, Florida, entered planning.

**CONSTRUCTION LEADERS PROMOTE INDUSTRY ON CAPITOL HILL** Leaders of **Carolinas AGC**, the construction industry association of the Carolinas, descended on Washington D.C. in September for an annual AGC National & Chapter Leadership Conference that included visits with key members of the Congressional delegations in the Carolinas about construction issues, such as:

- Passage of a multi-year transportation bill to fund federal highway and transit programs
- Opposition to a federal rule that expands Environmental Protection Agency jurisdiction over navigable waters without further clarification
- Promotion of a sound approach to immigration
- Ensuring that reforms to tax and spending policy promote long-term economic growth

"We hit a home run on Capitol Hill by encouraging members of Congress and their staff to take common-sense approaches to major construction issues," said James Braswell, chair of the CAGC Board of Directors.

STEVEN LUCY, from page 3

as the needs of the main office. If a remote office is asking for your input it is probably for a good reason and you need to respect their needs.

■ **Share the workload.** This can be a top benefit of multiple offices. Work sharing among offices enables you to provide support where it is needed most, based on client relationships, staff expertise, and staffing capacity. Your two-person local office can be portrayed as a 100-person firm and compete against larger local firms. If you are in a sought after city, you can also use it as a recruitment tool to place staff in a desired living location.

Of course, in sending work to another office, there must be adequate oversight and checks and balances to ensure that the client's expectations are met and that your quality

"A well-executed expansion can provide enhanced benefits to your firm, but there must be compelling reasons why you are allocating your time and resources toward expansion into a new location."

standards are maintained. Your level of accountability and that of your staff cannot change because you are in a different office.

■ **Commit to face-time.** Emails and phone calls will never replace the value of face to face communication. Although web based tools offer some advantages in setting up remote offices, a web camera and speakerphone will never fully convey body language, facial expressions, or tone. Being in the moment with your team is indispensable.

A well-executed expansion can provide enhanced benefits to your firm, but there must be compelling reasons why you are allocating your time and resources toward expansion into a new location. Managing multi-office operations requires establishment of clear protocols regarding work product, staffing, and client relationships. Many of these operational processes may be different than those used when you were a single office, but failure to address these issues will put you at risk with your clients and staff. If you are prepared for these challenges, you are on the right path for growth. ▀

STEPHEN LUCY is managing partner at JQ in Dallas, TX. Contact him at slucy@jqeng.com.

## OPINION

# There's never 'more time' for education

Leaders are responsible for making sure that their employees have the training they need to succeed.



**BILL  
MURPHEY**

## CONTINUING EDUCATION

**M**any business leaders automatically assume people in their organization can do anything. You give them a task, and they'll go back to their desk and perform said task. But things don't always work out that way, especially in a growing company, where the requisite skills are always changing.

Some years ago, I taught a course on logistics planning that, among many things, involved entering data into an overly complicated, cloud-based system. I was excited about teaching this particular course, because at the end of the week-long program, my team of instructors and I had engineered a complex, hands-on exercise that required our students to put theory into practice.

In my classroom, I had students from several organizations and multiple levels of the corporate ladder. We had everyone from directors to data analysts in the course, which made for an interesting time as an instructor accounting for a wide range of education and skill levels.

"Sometimes, the real problem is that as leaders, we fail our people by neglecting to ensure they have the education and training needed to be successful."

The practical exercise was designed to be difficult. As the simulation progressed, we threw many challenges at the students to teach them about flexibility and agility when dealing with clients. A carrier missed a pickup, forcing a reshuffling of already tight schedules. Bad weather forced cancellations and affected future schedules. Painful? Yes, but also realistic.

The students were sweating, and tempers began to flare as they feverishly worked to coordinate new schedules with their clients under compressed timelines. And that's where the first crack appeared.

One of the manager-level students began criticizing a data analyst for not doing as he directed. When the young man informed his

supervisor he didn't understand what was being asked of him, the manager yelled, "Just do what I told you to do!" and stormed out of the room, puzzled why this young analyst couldn't understand simple direction.

That was my cue to chat with the young analyst to better understand the situation. When asked why he didn't understand the manager's directions, the young man revealed he had never actually been trained to use that particular computer system, so he truly didn't know how to complete the task.

That's when I tracked down the manager and learned he had never attended a leadership training course, as evidenced by his ineffective leadership approach, and that neither the manager nor the analyst had been formally trained to do their job.

I also learned a few lessons along the way regarding education and training that have stuck with me over the years.

■ **Set the conditions for success.** Leaders are responsible for ensuring their people have everything they need to succeed. It starts with education. We don't hand a child a bicycle and say "go" without teaching them how to actually ride the bike. So, why do we expect project managers to be successful without first providing them with formal education on the complexities of the position?

■ **Manage your employees' capabilities.** I keep a spreadsheet of every qualification my employees hold and every course they have attended. I update it every month and constantly refer to it. I've found it to be a handy reference for when I need to assign a new project to someone. By having a firm grasp of my employees' capabilities – and limitations – I can ensure my next project manager has the training needed before they launch into the next big project.

See BILL MURPHEY, page 8



# SPOTLIGHT ON: Found

## NWA Design Excellence Program

Program designed after similar program in Columbus, Indiana, that created a renowned center of architecture known worldwide.



Columbus Indiana

By RICHARD MASSEY  
Correspondent

Looking to replicate the splendid architectural landscape that bloomed in Columbus, Indiana, the **Walton Family Foundation** (Bentonville, AR), has launched the Northwest Arkansas Design Excellence Program, which matches top architects with construction projects by public entities and nonprofits.

Announced in July, the Walton program is modeled on the one sponsored by the Indiana-based **Cummins Foundation**, the global giving arm of engine manufacturer **Cummins Inc.** In Columbus, the program – which pays the design fees for entities that otherwise could not afford them – has yielded more than 50 public buildings designed by renowned architects. The collection of art and buildings has attracted visitors from around the world and has engendered community pride in the town of 40,000.

Karen Minkel, home region program director at the Walton Family Foundation, says the opportunity is huge for Northwest Arkansas, currently one of the fastest growing regions in the United States, and an area that's expected to grow for years to come.

“The establishment of a design excellence program in Northwest Arkansas was driven by our strategic approach to preserve our region’s sense of place,” Minkel says. “Over the last 25 years, the population in Northwest Arkansas has more than doubled, creating opportunities and challenges in planning and design. The Northwest Arkansas Design Excellence Program will encourage quality design of public spaces, while complementing the rich architectural history of our urban fabric.”

Based on what has already happened in Columbus, Northwest Arkansas has a lot in store. The first Cummins project, at the behest of former Cummins Chairman and CEO J. Irwin Miller, was sponsored in 1957 and produced the Lillian C. Schmitt Elementary School, designed by Harry Weese. The architecture program became a formal part of the Cummins Foundation in 1960 with a grant for Northside Middle School, also by Weese.

Landmarks include Columbus City Hall by **Edward Charles Bassett**, Clifty Creek Elementary School by Richard Meier & Associates, and Columbus East High School by Mitchell | Giurgola Architects. In addition to architecture, the foundation has also sponsored major works of public art. The result is a cityscape unlike any other.

“The people of Columbus are definitely very proud of their community,” says Erin Hawkins, marketing director for

# Foundations:

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the Columbus Visitors Center. “When visitors come to town, they frequently remark that average citizens approach them on the street completely unsolicited to share information about the architecture. Our schools do a great job of instilling in our kids the idea that they are fortunate to grow up in a beautiful and atypical community.”

In Northwest Arkansas, architects interested in being part of the talent pool had until September 16 to apply. The selection committee includes Victor Dover, principal-in-charge at Miami-based **Dover, Kohl & Partners**; Peter MacKeith, dean of the **University of Arkansas Fay Jones School of Architecture and Design**; Elizabeth Meyer, professor and dean of the **University of Virginia School of Architecture**; Cynthia Weese, founding principal of Chicago-based **Weese Langley Weese Architects Ltd.**; and Minkel of the Walton Family Foundation.

MacKeith explains the goal of the program.

“One of the most important tasks our committee will have is ensuring architects, landscape architects, and urban designers working within the Northwest Arkansas Design Excellence Program understand our region,” he says. “Our colleagues should be able to reflect and complement the strong place-based design qualities that characterize the region, from the vernacular to the modern. The talent, skill, and knowledge of the Arkansas design professions, along with national and international best practices, will advance the region as a recognized home for American architecture and design.”

Hawkins says the Cummins program is not just a thing of the past. The Cummins buildings are still in use, and most of them are being utilized for their original purpose. Most recently, the Cummins program sponsored Columbus Regional Health’s Volunteers in Medicine clinic.

Columbus, about 40 miles south of Indianapolis, has no theme park, professional sports team, or major commercial draw. But due to its abundance of world-class architecture and hometown feel, it’s garnered mention in *National Geographic Traveler* and in *GQ*. And plenty of people have taken notice.

“We get people from all over the world,” Hawkins says. “Just this summer we’ve had visits from the Finnish ambassador to the U.S., the director of the Virta Design Museum in Germany, the mayor of Miyoshi, Japan, and tourists from Spain and Austria. We get everything from busloads of senior citizens to groups of architects, architecture students, people taking girlfriends’ getaways, and romantic weekends.”



City Hall by Edward Charles Bassett



Clifty Creek Elementary School by Richard Meier & Associates



Columbus East High School by Mitchell | Giurgola Architects

## RESOURCES



### MARK YOUR CALENDAR

Several of Zweig Group's continuing education seminars have been scheduled for 2016. Make plans now to attend:

#### The Principals Academy 2.0 (15 CEUs)

- May 18-19: Washington D.C.
- June 15-16: San Francisco
- July 21-22: Branson, Missouri
- October 27-28: Cambridge, Massachusetts

#### Becoming a Better Seller (4.5 CEUs)

- April 21: Kansas City, Missouri
- May 5: Tampa, Florida
- July 7: Denver
- November 10: Atlanta

#### Building an Entrepreneurial Firm

- March 9-10: Miami
- April 13-14: Dallas
- June 8-9: Chicago
- September 7-8; November 16-17: Atlanta

#### Becoming a Better Recruiter

- February 10-11: Dallas
- April 6-7: Washington D.C.

- April 9-10: Minneapolis
- December 7-8: Phoenix, Arizona

#### Better Financial Management

- February 18: Atlanta
- May 25: Los Angeles
- August 17: Denver
- December 7: Dallas

#### Becoming a Better Project Manager (6 CEUs)

- January 26: Las Vegas
- February 2: Charlotte, North Carolina
- March 15: Fayetteville, Arkansas
- April 13: Chicago

#### Advanced Project Management (6 CEUs)

- January 26: Las Vegas
- February 2: Charlotte, North Carolina
- March 15: Fayetteville, Arkansas
- April 13: Chicago

More dates will be added. For course overviews, costs, and objectives, please visit [zweiggroup.com/seminars](http://zweiggroup.com/seminars).

BILL MURPHEY, from page 5

- **Develop a training plan.** Customize a training plan for each of your employees based on their experiences and backgrounds. This will help you identify and fill any gaps on your firm's resume. Include promotions in your plans. Who's most likely to become a principal in three years? Get them the training they'll need today, so they can build upon that training over the next few years.

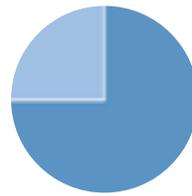
"Leaders are responsible for ensuring their people have everything they need to succeed. It starts with education."

- **Know who owns your training program.** You own it! It's still the manager's job to ensure his or her team members attend the appropriate courses. However, appointing someone to develop and hold the keys to your company's master training plan can be very effective. It's their job to ensure people are scheduled and registered for a class, and armed with travel reservations.

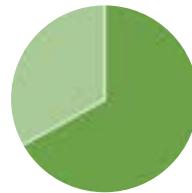
- **Schedule your employees' training well in advance.** When

### SURVEY SAYS ...

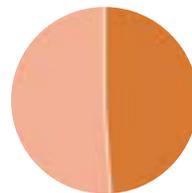
According to Zweig Group's 2015 *Policies, Procedures, and Benefits Survey of AEP & Environmental Consulting Firms*:



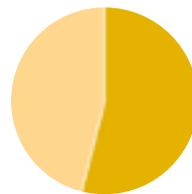
75 percent of all firms offer tuition/fee reimbursement for continuing education



67 percent of fast-growth firms offer tuition/fee reimbursement for continuing education



49 percent of all firms offer reimbursement for continuing education books/supplies



54 percent of all firms allow employees to take continuing education courses during work hours

something is on the calendar and has been there for a while, it's easier to keep it fenced off and protected from the inevitable mission creep. Unfortunately, it's easier to say "We'll just reschedule" than it is to actually reschedule training. Schedule it and lock it in so only the senior leaders can authorize a reschedule. In a recent Zweig Group survey, 74 percent of the principals surveyed expect their business to increase in the next year. Still think you can put off training until you have "more time"? Don't wait; you'll never have more time.

Inevitably, some employees won't do things the way a manager envisioned or sometimes not at all. The good leaders will seek to understand what caused the error or delay. Sometimes, the real problem is that as leaders, we fail our people by neglecting to ensure they have the education and training needed to be successful.

So, what happened to the hot-headed manager? He completed the course, but had to wait several months for a seat in a managerial course he should have attended a year before. The young analyst? He enrolled in our next advanced systems course eager to improve his computer skills. ▀

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## OPINION

# What do you bring to the table as a buyer?

In an M&A, sellers generally know the basics of what they need to do before a transaction; here's how buyers should prepare before starting the M&A process.



Jamie  
Claire  
Kiser

**W**hen it comes to M&A, sellers are usually at least somewhat aware that they need to prepare their firm, clean up the books, and undertake efforts to make the firm more attractive to prospective buyers. Buyers, though, may be somewhat less prepared for the transaction. Especially when M&A deal activity is high in the industry, buyers need to be ready to “pitch” their firms. Sellers have many options when they are ready to transition ownership, and buyers need to be ready to “sell” their own firms when seeking to buy another firm.

## M&A INSIGHTS

I was with a firm recently that wanted an overview of what M&A would mean for them from a growth perspective. We spent a day together going over the big picture of the M&A process, from finding a target to financing the deal. When it came time to discuss integration, however, the conversation slowed down. The firm had decided upon an inorganic growth strategy and wanted to talk about how to identify and close the deal. Now, these are both necessary components of a transaction, of course, but there's much more nuance involved in finding the right fit than simply pulling out a map and agreeing on a market sector. As a buyer, you have to be able to articulate your culture and “who” your firm is. Prospective sellers will want to know that their staff will be taken care of through the transaction. They want to make sure that cultures align and common values are shared. Firms need a mission statement – an explanation of why they are in business – and a vision statement, in addition to a succinct idea of who it wants to be in the future.

A great exercise for buyers before they start the M&A process formally is to sit around with top leadership and ask them to describe their firm's culture in one or two words. Corporate culture might not be something that is discussed daily, but it is the reason that every single employee wakes up and comes into your office, instead of your competitor's office down the street. Once you can articulate and harness what it is that makes your firm an attractive place to work, you have a tool to help you look prepared and serious in the eyes of a seller.

Court a seller as you would a high-level candidate for a job. Selling firms, just like job candidates, want to see where they fit into the buyer's goals

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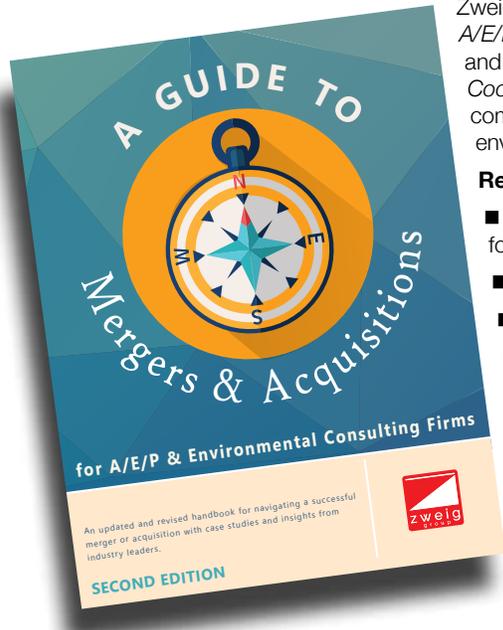
and long-term plans. Buyers should have reviewed the prospective selling firm's “resume” and should be prepared to explain what makes the seller an interesting prospect for the buyer. In addition, the buyer should be able to talk about his/her firm with a high degree of respect for its employees and self-knowledge about its strengths and weaknesses. Discussing things that make the buying firm successful gives the seller greater trust in the transaction and greater motivation to continue discussions with this buyer.

It is not usually enough to ask a prospect for a couple of years of financial statements and throw a dollar amount around. Sellers want to understand the real motivation for the acquisition. Buyers need to be ready to explain their value proposition for the proposed transaction. Once the motivation and value proposition are on the table, buyers will be surprised at how many sellers feel engaged in the process and seek to make the equation meet the hallowed “1 + 1 = 3” standard of a successful acquisition. ▀

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RESOURCES



**LEARN MORE ABOUT TRANSACTIONS**

Zweig Group's *Guide to Mergers & Acquisitions for the A/E/P & Environmental Consulting Firms* – an updated and revised version of the *A/E Mergers & Acquisitions Cookbook* (2007) – is a straightforward guide to the complicated transactions that can catapult your A/E/P or environmental firm from run-of-the-mill to extraordinary.

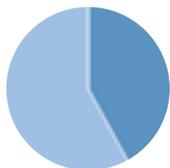
**Readers will learn:**

- How to prepare their A/E/P or environmental firm for a merger or acquisition
- How to find appropriate targets
- Tips for drafting a letter of intent
- Strategies for conducting thorough due diligence
- Standard transaction documents and how to structure a deal
- How to prepare for closing the deal
- Post-closing integration issues to look out for

*A Guide to Mergers & Acquisitions for A/E/P & Environmental Consulting Firms* is available now at a special pre-sale price. For more information, visit [zweiggroup.com/books.php](http://zweiggroup.com/books.php).

**SURVEY SAYS ...**

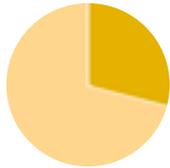
According to Zweig Group's 2015 Merger & Acquisition Survey of AEP & Environmental Consulting Firms:



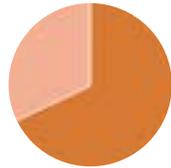
42 percent of firms are considering buying another firm within the next five years



20 percent of firms are considering merging with another firm within the next five years

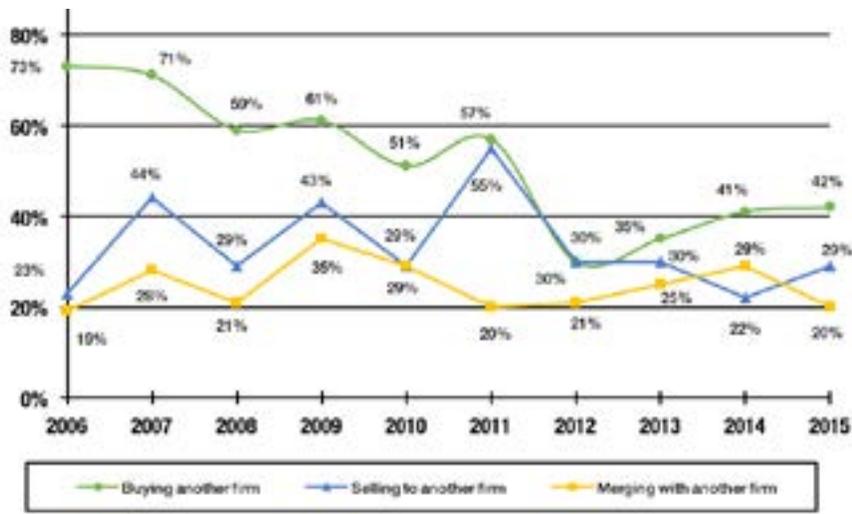


29 percent of firms are considering selling to another firm within the next five years



68 percent of firms' strategic plans involve a merger and/or acquisition within the next five years

The percentage of firms considering buying another firm increased slightly from 2014 to 2015.



**ARE YOU THINKING SERIOUSLY ABOUT BUYING OR SELLING?**

The architecture, engineering, and environmental consulting industry is experiencing an unprecedented boom in M&A activity. Is your firm ready to make a smart deal for growth? Is your leadership prepared to critically evaluate offers as they come in?

For M&A In-a-Day, Zweig Group's M&A team comes to you for a briskly-paced, interactive one-day session that covers all phases of a transaction – from developing a strategy to post-deal integration. The program is field-developed from actual client engagements and real-world experience advising hundreds of transactions of all sizes in the A/E industry.

**Attendees learn:**

- How to develop an M&A strategy
- How to screen candidates and identify strong prospects.
- How to evaluating candidates and establish a basis for value
- How to weigh complex legal, tax, and accounting implications of transactions
- How to structure the deal and negotiate to their advantage
- Post-closing integration tactics to ensure success.

**Who should attend:**

With M&A in a Day, transaction specialists come to your firm to ensure confidentiality. Whether you are interested in buying or selling, firm leadership should attend the seminar.

- Business leaders, including presidents, CFOs, and CEOs
- Market/office leaders who will head up an acquisition effort for their line of business
- Corporate development and strategy/finance executives
- HR executives and others who will be involved in firm integration

**Continuing education:**

Attendees earn 6 CEUs. Zweig Group is registered with the AIA for continuing professional education credits. Attendees receive a certificate of attendance.

For more information, visit [zweiggroup.com/seminars/maid](http://zweiggroup.com/seminars/maid) or email [jkiser@zweiggroup.com](mailto:jkiser@zweiggroup.com).

## PROFILE



“The \$38-million trail runs south from Bella Vista in Benton County to Fayetteville in Washington County, and ties together a broad crosscut of the community of 500,000 people.”

# Connecting Northwest Arkansas

Years in the making, 37-mile Razorback Regional Greenway winds through urban and rural settings in six cities and two counties of Northwest Arkansas.

By RICHARD MASSEY  
Contributor

The Razorback Regional Greenway in Northwest Arkansas, completed in May, is a 37-mile bike and pedestrian trail that snakes its way through urban and rural environments in the picturesque Ozark Mountains.

About 15 years in the making, the \$38-million trail runs south from Bella Vista in Benton County to Fayetteville in Washington County, and ties together a broad crosscut of the community of 500,000 people.

While it's certainly not the only trail in the United States, the Greenway is seen as a one-of-a-kind because of how it was funded, where it goes, and how it gets there. Erin Rushing, a senior design associate with **Alta Planning + Design**, the firm that designed the trail, explains why the trail is like no other.

“The Razorback Greenway is unique because it connects six different cities across two counties,” he says. “This connection links together 23 public schools, the University of Arkansas, three hospitals, three Fortune 500 companies (Walmart Stores Inc., Tyson Foods Inc., and J.B. Hunt Transport Services Inc.), over 2,300 commercial

businesses, and 150,000 residents who live within a mile of the trail.”

Funding came from the Northwest Arkansas Regional Planning Commission and at least four cities. But the overwhelming majority came from the U.S. Department of Transportation, with \$15 million, and the Walton Family Foundation, also with \$15 million.

Noting the years of planning, the funding, the coordination among cities, and the single vision of stakeholders, Rushing had this to say about the planning process, which began in 2000.

“It took an incredible amount of coordination and cooperation among all the communities to come together to get this project completed,” he says. “This was also a great example of how the private and public sectors can partner together for a common goal to benefit their local communities.”

Environmental concerns did not play a big role in the trail's construction. The majority of the trail's new sections were built along existing street corridors or within drainage areas along streams, which were previously designed to limit or avoid any environmentally sensitive areas, Rushing says. Where

See GREENWAY, page 12



## BUSINESS NEWS

**WESTWOOD RANKS NO. 8 OF TOP 100 U.S. LAND SURVEYING FIRMS** Westwood (Minneapolis, MN) ranked No. 8 of the top 100 land surveying companies in the United States by *Point of Beginning Magazine*. Westwood is a national multi-disciplined surveying and engineering firm supporting land development, wind and solar energy, power delivery, and oil and gas development.

A significant portion of Westwood's revenue comes from geospatial solutions, which include surveying, aerial mapping, LiDAR, and GIS services to support its design, engineering, and construction services.

CEO, President, and professional land surveyor, Paul Greenhagen said, "Having ranked on the POB list is a great honor and achievement for us. It represents our employees' commitment to delivering high quality surveying services and products. The hard work and perseverance of our entire team to achieve our vision is paying off. Our people are our greatest asset and I am proud to have the expertise that our unique markets require." Westwood is licensed to provide surveying and engineering services in nearly every state across the country.

The 2015 POB Top 100 award is one of 11

awards Westwood received this year in the categories of fast-revenue growth, top workplaces, and marketing excellence.

*POB Magazine* is a leading publication for the surveying, mapping, and geospatial industries. The magazine ranks relevant private-sector firms on high-revenue growth in the categories of surveying, mapping, and GIS services. As the scope and technology of the geospatial field continues to expand, the new-this-year *POB* Top 100 list will provide valuable background information to the industry on its top practitioners.

### **BALFOUR BEATTY CONSTRUCTION CHIEF OF INNOVATION PRESENTS AT DESIGN-BUILD CONFERENCE**

**Balfour Beatty Construction's** (Dallas, TX) Chief of Innovation Mark Konchar joined fellow research partners to present findings from "Maximizing Success on Integrated Projects: An Owner's Guide" at the Design-Build Conference & Expo in Denver. The conference is the Design-Build Institute of America's annual gathering of industry professionals.

"Joining my peers to present this updated research is rewarding because it's important for our industry to continuously evaluate processes and provide owners with the insights and data necessary to effectively set up projects

for success," said Konchar. "Historically, many owners have selected project delivery methods alone based on what they're most familiar with, but what this research highlights is that owners themselves drive project success by selecting project delivery strategies which increase team integration and cohesion."

A key learning from the research is that project delivery decisions should not be made independently from one another. As the authors reported, the organizational structure, procurement processes and contractual terms should be designed in concert as a strategy. In particular, the research indicates that strategies that align project teams, through both integrated processes and attention to team cohesion, are now critical factors for achieving project success in terms of cost, quality and schedule performance.

The research also demonstrates that project-specific goals and constraints will determine the optimal delivery strategy. The results of this research show that owners should seek to maximize integrated practices and group cohesion in all project delivery strategies.

For more information or to download the report, visit [projectdelivery.weebly.com/](http://projectdelivery.weebly.com/).

GREENWAY, from page 11

environmental concerns emerged, the trail was simply built around the problem area.

Affixed with mile markers, signage, caution lights, railing, box culverts, bridges, and retaining walls, the trail is not just built for recreation, but as an alternative mode of transportation. The entire trail was built in pieces but was tied together by the final 16-mile stretch through Springdale, a feat of construction that required 1 million square feet of concrete.

Though much of the construction was through green fields and scenic areas, the Greenway is in large part defined by its pathway through urban centers. And it's the diversity of the project that presented designers with obstacles.

"The engineering and design of a 16-mile section of trail crossing Northwest Arkansas cities' streams, busy streets, and steep topography was no easy feat," Rushing says. "In addition to dealing with the geographical challenges, approvals and permits were also required by property owners and state and federal officials.

"However, our biggest engineering/design challenge was in downtown Springdale at Huntsville Avenue – where the busy street crossed with a stream channel. Our design solution was to use an existing box culvert to navigate under Huntsville Avenue as well as an elevated steel boardwalk to span over the creek."

The Greenway has also sparked a land rush, as developers and business owners want to be close to a network that is used weekly by thousands. Emma Avenue in Springdale has

"Though much of the construction was through green fields and scenic areas, the Greenway is in large part defined by its pathway through urban centers. And it's the diversity of the project that presented designers with obstacles."

been the scene of intense land speculation as corporate interests and small businesses have snapped up neglected properties. And in Fayetteville, a 300-unit apartment complex and a brewery are planned near the Mud Creek section of the trail.

Noting that the Greenway is the spine, Rushing says that spurs will continue to be built, further tying the community into the main trunk line. Rushing says that as an emphasis continues to be placed on health and wellness, greenway trails will continue to be a growing trend.

A native of Northwest Arkansas, Rushing appreciates how far the region and its trail system has come.

"When I moved back to Northwest Arkansas 16 years ago, there were no hard surface greenway trails in Benton County," he said. "Today, almost everyone in Northwest Arkansas now recognizes the Razorback Greenway by name and most know where it is in relation to their home or work. It is surreal to see this area expand the trail systems the way we have and provide nature-preserving amenities that everyone can enjoy." ▀