

Keys to success in 2015

Build a better, more sustainable company with these suggestions from Mark Zweig.

You are either growing or declining. Growth is necessary for so many reasons – to keep people motivated, to improve capabilities, to increase firm value, to support investments in the future, and much, much more.



Mark Zweig

EDITORIAL

2015 is shaping up to be a FANTASTIC year for firms in this business. It's really fun to see how many firms are doing exceedingly well in terms of growth, profits, and backlog, and to observe the renewed optimism and sense of possibility for their owners.

Now is your chance, if there ever was one, to build a better, more sustainable company and to grab the proverbial "brass ring." It's really up to you – as a leader – in how you shape your firm and the people in it, as to whether or not you'll capitalize on the opportunity that is before you. As usual, I predict there will be some winners and some losers...

Here are what I see as some keys to your success in 2015 and beyond:

- **Purpose.** Everyone needs it. Few can sustain working for the money alone over the long haul. A clear definition of your firm's purpose is essential to sustaining individual motivation levels throughout the firm. While this may seem like an impossible task for some firms, it is necessary.
- **Commitment to growth.** I have been criticized before for being too growth-oriented. If so, I accept that willingly. There is no alternative. You are either growing or declining. Growth is necessary for so many reasons – to keep people motivated, to improve capabilities, to increase firm

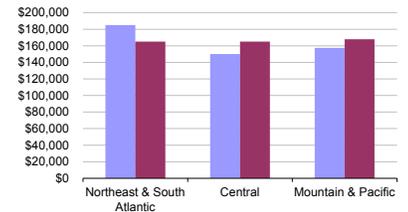
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TRENDLINES

Leader fluctuation



Zweig Group's 2015 Salary Survey of Engineering Firms finds that firm leaders at engineering firms in various U.S. regions continue to see fluctuations in base salary from year to year. In the Central region, for example, the median base salary for CEO/President increased from \$150,000 last year to \$165,000 this year. Meanwhile, the CEO/President median base salary in the Mountain & Pacific region also saw an increase from \$157,000 to \$167,900. In the Northeast and South Atlantic region, however, the CEO/President median base salary decreased from \$185,000 last year to \$165,000 this year.

– Margot Suydam, Director, Research

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value, to support investments in the future, and much, much more. Don't rationalize that it is ok to not grow. It isn't.

- **Successors.** You need your successor. Everyone who reports to you needs their successors. All those successors need their own successors. Forcing people to do this – working hard on finding successors for everyone in the firm – will greatly increase your chances for success.
- **Working together.** We're in a complex business. We don't need solo performers. We need team players who get the idea that cooperation is required if they want to accomplish what's truly possible. Tear down the walls inside your organization (perhaps literally) and reinforce this idea through your own actions.
- **More creativity in marketing.** It all gets stale faster than ever. Maybe it's because we're all getting bombarded with marketing messages through so many different channels today that keeping everything fresh is more essential than ever. Mix things up. Use all of the channels available to you. Get younger people involved. Build your brand.
- **Selling.** Everyone MUST understand that selling work is one of the most important things in the firm. The firm has to be a "selling machine" if it is going to survive and prosper. Everyone has to contribute to this in some way through lead identification, fee estimating, proposal and presentation preparation, and closing.
- **Responsiveness.** There simply is no substitute for being super-fast to respond to calls and emails if you want to create a good impression on clients and everyone else you work with today. Those who are responsive will win more jobs and keep more clients than those who don't. Yes, that tether can create stress in your life. You have to learn how to manage it.
- **Doing.** Don't forget that your firm must deliver quality work and no amount of marketing or responsiveness will make up for bad quality. Those who "do" have to be recognized and rewarded if you want them to ultimately perform as you need them to.
- **Recruiting.** People are getting harder and harder to find, despite the popularity of social networking sites such as LinkedIn. You must devote time, money, and other resources to

recruiting if you're going to be able to survive the battle for talent in the years ahead.

- **Investing.** Everything takes an investment mentality. If you are one of those firms that functions as an "income club" (a term I first heard used by Paul Greenhagen, CEO of **Westwood Professional Services** and one I really like), then you're going to have to make some changes. Growth takes cash. You need money to invest in marketing, people, technology, research and development, new ventures, acquisitions, and more. You cannot strip it all out like we used to in the good ol' days.
- **Fueling the fires that burn.** One of the most dramatic successes I ever witnessed in this business was with a design firm that I convinced them to cut off all marketing to the three worst performers and instead spend that money on the top three performers. They exploded with growth in the years that followed.
- **Construction.** You have to get closer to it. I can't tell you how exactly, other than the lack of construction knowledge, costs to build, and design-build is probably hurting you. Contractors are increasingly powerful competition for design-only firms and more clients are going to them first when they want to do something. That's a threat to you.
- **Communication.** There's no substitute for it. No communication will result in misunderstandings. These inevitably crop up between busy people who travel a lot or people who work in different offices, departments, or locations. Your job as a leader is to mitigate these problems through every means possible.
- **Just being nice.** Everything goes down better if it has a little sugar on it. Be a nice person and people will treat you better. Avoid gossip, don't seek vengeance, be friendly to everyone – especially those lower down in the pecking order, and you won't have (as many) people wanting to shoot you in the back. ➤

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Are you a good goalie?

What is the goal-setting process at large, medium and small companies? What are their priorities?

By LIISA SULLIVAN
Correspondent



Edward D'Alba,
President and
CEO, Urban
Engineers.

Defining goals for a company is a very specific process. But what most firms seem to have in common is that a strategic plan needs to be developed, followed and tracked.

WHAT'S HAPPENING AT LARGE AND MEDIUM-SIZED FIRMS? Dan Noble, president and CEO, **HKS, Inc.** (Dallas TX), a 991-person architecture and engineering firm, says that their goals are defined each year at the management council retreat.

"We review our strategic plan and determine what actionable tactics we want to accomplish in the upcoming year. It's about being strategic and tactical and getting things done."

"We review our strategic plan and determine what actionable tactics we want to accomplish in the upcoming year," he says. "It's about being strategic and tactical and getting things done."

Goals are defined by both sector and region. The strategic goals are typically set by sector leaders and the tactical initiatives led regionally. But since HKS runs as one firm without separate profit centers, it has a fairly flat decision structure with plenty of collaboration and cross pollination.

As far as defining specific goals for principals/managers, HKS tries to limit the goals to one per principal/manager. For example, "What one thing can you do this year that will make all other things better?" Noble says. "To be really great at something you have to have a laser focus. Your life may be out of balance for that day, or that week, or even that month. The trick is finding balance throughout the year."

HKS develops a set of initiatives that look at the broader scope and then they sort of divide and conquer so people can have a focused purpose.

Initiatives are tracked individually and collectively at several retreats throughout the year. These retreats are quick and vary in size from stockholder

and regional offices to sector-driven brainstorming.

"We try to make these initiatives a part of our culture as opposed to one-time episodic events at a feel good retreat where initiatives find themselves embedded within a binder lost on your back credenza. A strategic plan and the goals within it should be a living organic part of your culture, practiced daily throughout the year," Noble says.

Edward D'Alba, president and CEO of **Urban Engineers** (Philadelphia, PA), a 450-person firm, says that they look for – and expect – consistent growth of five to 10 percent per year in all geographic locations and for all of their practice areas, understanding that new starts take time, but once established have the greatest potential for rapid growth.

Goals are negotiated with each division based on economic conditions and program funding.

"We set the bar higher each and every year for our managers, but do take into consideration external forces that we have no control over. For example, weak markets will require that the principal/manager focus on work sharing," D'Alba says. "We have great control of the 'must wins.' However, with the smaller projects the firm pursues, we tend to focus on available workload and track closely the biweekly payroll billability by practice area and office. We will ask if and when leaders expect a down or upturn."

"We track our plans at different levels throughout the company, which increases and distributes the associated accountability."

SMALLER FIRMS MOTIVATED TO SET CLEAR GOALS. Craig Stauffer, president, **PCS Structural Solutions** (Seattle, WA), a 40-person structural engineering firm, says that the board of directors meets shortly after the end of the fiscal year. It's at this meeting that they set goals for the following year and beyond.

"The goals are challenging, but achievable," he says. "Additionally, we define the goal so it is measurable, and then at our quarterly meetings we review

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TALK TO US

Do you have an interesting story to tell? Is your company doing things differently and getting results? Let us know. We'd love to contact you and feature you in an upcoming case study. If interested, please email LSullivan@zweigwhite.com.



A/E BUSINESS NEWS

NET ZERO MARKET TO REACH \$239 BILLION The global market for zero net energy commercial buildings is expected to grow to \$239.7 million by 2018, with a five-year compound annual growth rate (CAGR) of 50.6 percent.

Growth is being driven by a global green building boom, ongoing governmental regulations, and regional environmental concerns, according to a new report by BCC Research titled ZERO NET ENERGY BUILDINGS: GLOBAL MARKETS.

ZNE buildings – buildings that consume only as much energy as they generate within a year – are the next target for green building construction and renovation over the next several years. While the market is at an early stage, ZNE has become the focus of the green building industry and regulators in most major geographic markets.

The global market will be led by countries in Asia-Pacific, especially China, where the sheer volume of the building boom in urban areas, combined with the need to reduce energy consumption will drive significant growth over the near term. As such, this region is expected to exceed \$117 million in 2018 and to register a tremendous 55.3 percent CAGR.

Meanwhile, the European Union has set intermediate term targets for energy reduction in government, commercial and residential buildings, which is driving growth at a healthy pace. Consequently, the EU is the second largest and fastest-growing region in the market and is projected to reach to nearly \$75 million in 2018 and register an impressive CAGR of 47.5 percent.

Finally, the Americas will be led by the United States. Government encouragement through specifications and guidance is the driver, with the greatest activity in government facilities. This market is expected to reach \$47.6

million in 2019 and to register a notable 45.9 percent CAGR.

MPA LOOKS AT MULTI-GENERATIONAL WORKFORCE Margulies Perruzzi Architects (Boston, MA), an architectural and interior design firm, announced that it has published a whitepaper on the expanding multi-generational workforce in the U.S. and its growing impact on workplace design. MPA's Joe Flynn, a senior associate with the firm, conducted original client and industry research and authored a whitepaper, which is available on MPA's website at www.mpa-architects.com/flynnwhitepaper.

The whitepaper offers an overview and assessment of the expanding multi-generational workforce and the broad social and demographic trends it triggers in the workplace, today and in the future. The research highlights critical factors impacting the design of today's work environments, including:

- Traits of four generations in the workforce, ranging from World War II to Millennials;
- Office design trends and challenges, especially the shift to the open plan office and the desire for collaborative and social workspaces; and
- Technology innovations and the shift to mobile work.

With such divergently different demographics in the workplace, Flynn delves into the challenge of creating a dynamic, highly efficient work environment for generational diversity.

He discusses the issues of designing for flexibility, embracing company culture, and planning for technology and mobility. He concludes that the workplace of the future must be agile enough to support a technologically sophisticated demographic, while providing an environment nurturing the professional growth of a younger generation.

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our progress to ensure that we are on track. If not, we adjust our approach to increase the chance of success.”

PCS has teams that focus on specific markets, as well as internal functions such as technical design and technology advancement. These teams develop specific goals and track them throughout the year.

Staff members also create individual operating plans that are much like personal strategic initiatives. Working with direct supervisors, they develop measureable goals and revisit them throughout the year. One or two of the goals need to tie directly to at least one of the company's yearly initiatives. This allows employees to recognize that they have a direct impact in the success of the firm.

“We track our plans at different levels throughout the company, which increases and distributes the associated accountability,” Stauffer says. “Goals set by and for staff members have support of not only the employee, but their supervisor as well. They work together to meet the goal. Goals set for the firm at the board level also have direct champions, and they often have teams that work with them. The teams take pride in what they do, and in turn, work hard to make sure the targets are achieved.”

Sean Knowles, vice president, business development, **McLean Engineering** (Moultrie, GA), an 18-person power engineering firm, says that their annual operating goals are defined by their ownership team every November for the upcoming year.

And, they like to keep their goals as simple as possible: A minimum profit goal for the company, billable hour goals for engineers, and happy clients (as measured by annual feedback surveys).

“We are small, so we have groups rather than divisions,” Knowles says. “Operating goals are defined on a project basis – we want every project to be on-time, on-budget and resulting in a happy client. While those are simple goals, they are effective and help us to continually grow and improve our long-term relationships with our client. Goals for managers are a combination of project goals (on-time, on-budget and resulting in a happy client) and all the individuals under their management meeting their individual goals.”

And Mclean stays on top of these goals. Every Monday, an ownership discussion happens to track goal progress for individuals and projects. They also review the company mission and five-year vision with all staff at quarterly meetings.



CASE STUDY

PR strategy doesn't have to be complicated

A simple yet consistent strategy and lots of persistence pays off for The Chazen Companies.

By CHRISTINA ZWEIG
Contributing editor



Danielle Marxer,
Director,
Business
Development,
The Chazen
Companies.

Only 50 percent of firms in the A/E/P and environmental consulting industry send out press releases, Zweig Group's 2014 Marketing Survey revealed, but a simple press strategy can pay off in a big way. **The Chazen Companies** (Poughkeepsie, NY), a 100-person engineering, land surveying, planning, environmental and safety consulting, landscape architecture and construction service firm, has a clear press strategy that leverages news to accomplish business objectives.

"My job is to say, 'Here's what we're doing well' and then leverage that across the correct platform and get the information out there."

GOOD TO KNOW

78 percent of firms maintain a press list to which they send their press releases – but such lists include a median of only 20 names.

Source: 2014 Marketing Survey, Zweig Group, <https://zweiggroup.com/p-2205-marketing-survey-2014>

"We look at our strategic goals and how these relate to both the larger community and also within company," says Danielle Marxer, director, business development at Chazen. "My job is to say, 'Here's what we're doing well' and then leverage that across the correct platform and get the information out there."

Depending on the subject matter, Chazen uses several outlets, including a privately maintained email list, websites and social media, to distribute releases. The firm maintains a healthy mix of different types of news releases relating to projects, hires, community impact, and events.

"I leverage news to accomplish our business objectives. Sometimes the projects we are working on are interesting to the general public, sometimes they aren't. We don't sell widgets. It's hard when you are trying to brand and market in the AEC industry to make it appealing. From the outside world it's not always appealing. Takes a lot of thinking to navigate through," Marxer says.

One of the important consequences of a good press strategy is internal team building. "We want to build a strong senior team and let that filter down to the rest of the staff," Marxer says. It's important to show everyone that the company is allowing people time to do meaningful things and give back to the community – thus positively affecting local economies.

"We're employing the guy next door and also your son, jobs keep coming in and we are hiring," Marxer says. This message still has to be delivered tactically, she cautions.

"When I came aboard three years ago the vision was different. We belong to 13 different chambers and 300 charities. At first, we were afraid that telling about the good things we were doing was 'bragging,' but really we need to let it be known how we are really intrinsically involved in the community. People like to be involved with firms that are doing that," Marxer says. "From company news like hiring, to volunteering, charity drives... We're a firm of 100 that acts like we're a firm of 1,000. I think that should be shouted from the mountaintop because it shows who we are."

HOW IT'S DONE. Zweig Group's 2014 Marketing Survey shows that 27 percent of firms in the A/E/P and environmental consulting industry have at least one employee handling public relations. Seventy-eight percent of these employees have had prior experience or education in PR before taking the position.

At Chazen, each piece of news has a specific strategy designed to get the message to the appropriate audience.

For example, when The Chazen Companies became employee owned, it was a big piece of news, and therefore had a very different strategy than a press release about a new hire. Marxer maintains an overall global press list that is also broken down by various outlets and preferred methods of communication, such as local papers, newsletters, larger publications, radio, and different platforms. "It's definitely a challenge to keep it updated," Marxer says. "We did the route with external platform and found it's easier just to do in house. We found we have better coverage. Maybe that's because it's coming from us and not an ad agency."

The 2014 Marketing Survey found that 78 percent of firms maintain a press list to which they send their press releases – but such lists include a median of only 20 names! Chazen, on the other hand, has built its press list and continues to keep it relevant by asking everyone to send in contacts, and staying on top of changes and updates to those contacts.

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How to develop a winning team

Nine nuggets of wisdom from Magic Johnson to help take your team to the next level.



June Jewell

GUEST SPEAKER

“Winners Train and Losers Complain” – unknown source

I recently attended a Project Management Institute conference in Phoenix with project managers from all over the world. I intended to learn more about what it takes to manage a successful project so that I could pass on ideas and best practices to my clients. The conference started out with a keynote from superstar NBA player Ervin “Magic” Johnson. He related stories from his past and his philosophies about what it takes to be successful in business and in life. His inspiration and wisdom had the audience in awe.

You can’t win without a winning team, and that should be your highest priority as you compete for glory in the tough A/E business world.

We cannot win without a great team. Magic Johnson successfully lead many teams to victory. His work ethic and passion for the game were only the tipping points to his success. He is now an extremely successful businessman as well. He gained his financial and business success by applying the same level of passion and commitment to his business ventures as he did in sports, and by focusing on what he knew best – the minority community. Many doubted that this would be successful, but it is. He trusted his gut and helped to revitalize the inner-city areas of Los Angeles, bringing incredible prosperity to the community, himself and his business partners.

Here are nine nuggets that Magic Johnson passed on to us that day. I hope they will help you to refocus on what is most important, and how a few key decisions can help you improve and transform your business for greater success.

- 1) Continuously look at your SWOT.** Magic Johnson constantly evaluates his own personal strengths, weaknesses, opportunities and threats as well as those of his businesses. He looks for continuous improvement, and how he can leverage his strengths to take advantage of opportunities in the marketplace.
- 2) Consistently over-deliver.** Really understand what your clients want and give them much more. They will keep coming back to you.



A snapshot of Ervin “Magic” Johnson taken by the author during the PMI conference.

- 3) Extreme preparation.** Make sure that your team is well prepared for every meeting. This will create an advantage for you and ensure that you are maximizing each and every interaction. This is a habit that is not embraced and practiced by many in the industry, and will make you stand out from the others in the eyes of your clients.
- 4) Instill a winning attitude in your team.** It takes a team with a winning attitude to succeed in the competitive business world we play in. Ensure that your team has the right positive energy and is ready to play. Engaged and aligned employees are

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The argument for specialization

As people grow as professionals, encourage them to commit to one, maybe two subject areas.



Ed
Friedrichs

FROM THE CHAIRMAN

In architecture and interior design, particularly, professionals resist being typecast, seeking broad variety in project assignments. Law and medicine have made better progress in making a specialist career path desirable, but many organizations face the same dilemma of a population that wants to remain generalists, dabbling in whatever catches their fancy, in a market that demands highly skilled professionals.

I've thought a great deal about clients' desire for specialists – true world-class experts for their projects. It takes a deep passion and commitment to become a world-class expert; not many people in any profession have done so, and I've often wondered why. In architecture and design schools, we were exposed to numerous opportunities through our design studios to experience a variety of project types. Variety is fun. So when young architects and designers enter the profession, they resist specialization and fight against being pigeonholed once they've learned to do something well.

I've sat through many lengthy career discussions with young professionals, listening to them complain about not being given an opportunity to do something different. I've been told, "I feel like I've got to quit and be rehired to get an opportunity to do something new."

I don't underrate the value of gaining broad experience, particularly in all phases of the work at hand. In the case of architecture, the AIA's Intern Development Program requires certification by employers prior to licensure that the applicant has spent time in all phases of architecture, from design through construction documents and into the field. The most valuable experiences for

Many of the firms I'm working with today tell me their young professionals are concerned about being assigned over and over to the same project type. They fear becoming specialized, demanding to work on a variety of projects and saying, "This will limit my horizons for growth," or, "This will make me unemployable if the demand for my area of specialization dries up."

There was a time in most businesses when an individual could know enough to do a credible job in almost every aspect of the business in which the enterprise was engaged. The world changed.

a young architect may be on the jobsite, talking to the subcontractors who build what we draw, learning from them how to communicate our design intent clearly.

This is an unvarnished prod to everyone in every type of business to get into your factories, your stores, your outside vendors' shops, in fact to immerse yourself in every component of what it takes to bring your product or service to your client, no matter what your role in the organization. And don't just poke around. Admire the work they're doing and have a cup of coffee with the person in charge. Talk to the men and women who are a part of making your business happen for your client. Ask them what is working and what isn't. Ask for their suggestions about how to improve what you and your enterprise do in your role.

But my topic is specialization; the pursuit of a subject or piece of your business with the energy, passion and commitment that leads to a reputation of being a world-class expert. There was a time in most businesses when an individual could know enough to do a credible job in almost every aspect of the business in which the enterprise was engaged. The world changed. With the imposition of complex regulations,

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technologies and processes, every business has become a team sport, made up of specialists, just as with a basketball or soccer team. And just as in these sports, you wouldn't expect a competent soccer goalie to be much use as a guard on a basketball team even though they're fundamentally trying to do the same thing. The same is true in medicine, where we've migrated from the country doctor who tended to every need in the community, including a little veterinary medicine on the side, to a world of specialists. Do you want a podiatrist doing heart surgery?

Your clients will increasingly come to expect your people to be focused professionals, capable of delivering world-class expertise uniquely suited to their specific issue. In architecture, that means the team delivering an airport is going to have an entirely different set of skills and body of knowledge than a team delivering a hospital or a law office. It also means that, to be successful as a professional, sooner or later you'd better focus on a small number of topics in which you can truly become an expert. With due respect to the natural desire to proclaim the ability to do anything, let's face it, there just aren't many polymaths like Thomas Jefferson around.

While it's important for each of us to respect and have a working knowledge of a broad number of building types and the processes involved in designing them, it is unreasonable to proclaim oneself an expert in all. Be a Renaissance person in your interests, but make sure you are an expert in something. Dedicate the time, passion and curiosity to one or two things that make you sought after as a professional.

Think about it. What are the individuals in your enterprise known for? Who seeks their counsel, knowledge and wisdom, and for what, from both inside and outside the company? As people grow as professionals, encourage them to commit to one, maybe two subject areas. If they haven't developed a serious focus, it's time to help them get serious, to pursue their passions and let others know what they are. When the environment in your enterprise encourages people to do that, they embrace their relationship with your organization as a career. When they see others around them doing the same, the "employee" relationship is not enough – they'll want to be "owners." ▀

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more committed to your client's success, and it shows in everything they do.

5) Train, train, train. Your team needs to be at the top of their game and this means that they need to have the right skills. Whether it is technical training, business acumen, or communication skills, ensure that you continue to invest in your team's development, and ensure they are constantly practicing the competencies needed for your firm to win. If you are not continuously learning, you are falling behind.

6) Hire the best. Ensure that you are putting forth the best possible team. Without the best talent, you will not be at the top of your game, or a winner in the eyes of your clients. This will also help you reduce employee problems and ensure that you are able to fulfill your promises to your clients, and exceed their expectations.

7) Adapt and adjust. The world is changing fast and you must be able to adapt to changes in technology, business practices, and client expectations. Do not get comfortable with the status quo. Look for ways to improve so that you are more readily able to react and take advantage of opportunities that are presented to you.

8) Get regular feedback. You cannot have a realistic view of what is really happening every day in your firm without frequent insight from your clients, employees, and key business partners. Observations, criticism, and insight from others can help you overcome obstacles and poor practices that may be holding you back from growing. It can also help you to identify areas that need improvement and establish priorities for change in the future.

9) Understand the strengths and weaknesses of your people. Ultimately, you cannot be successful in an A/E business without the right people in the right positions. Many PMs get promoted to positions beyond their capabilities, and either need to be trained or moved back to a technical role. Assessing your staff and establishing criteria for success for each

role will help eliminate poor performance and ensure that your team is ready to win!

With this wisdom from Magic Johnson (in my words) I hope you are able to focus on what is needed to take your team to the next level. You can't win without a winning team, and that should be your highest priority as you compete for glory in the tough A/E business world. ▀

JUNE JEWELL is the author of the book "Find the Lost Dollars: 6 Steps to Increase Profits in Architecture, Engineering and Environmental Firms." She is the president of AEC Business Solutions, focused on developing tools and training to help AEC firms make more money on their projects. Connect with Jewell on LinkedIn and learn more about how to improve your project management performance at www.AECBusiness.com.

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Only seven percent of firms in the industry send out press releases weekly, and most firms are likely to send out press releases on a quarterly basis. The Chazen Companies often sends out multiple press releases in a week. Chazen also uses the Constant Contact email marketing platform and often sends emails that are followed up with calls.

"We use different platforms depending on what the release is. We don't want to get spammed or blocked, and know it's a difficult balance. It's important to think about when do you send out, how much you send out, and if you are only talking to these people when you need them," Marxer says.

Chazen also tries hard to have good relationships with people in the media – something that isn't always easy. Ultimately, Chazen Companies has about a 70 percent pick up rate on their press releases, 20 percent higher than the industry average.

"We feel that it's worth it and that's why we put the effort into it," Marxer says. ▀

MORALE

Getting employee buy in

A few ideas implemented on a regular basis can go a long way to employee satisfaction.

By LIISA SULLIVAN
Correspondent



Carla Erickson,
Director of HR,
Withers &
Ravenel.

Employees are the heart and soul of any company, so ensuring that they are engaged and feel a part of the day-to-day decision making is important. For companies such as **Withers & Ravenel** (Cary, NC), a 132-person full-service civil and environmental consulting engineering firm, it's fairly easy to get employee buy-in because they formed an ESOP last January. However, it may not be enough.

"You need to show the employees you value them. Talk to them. Let them know where things stand. Congratulations takes it to the next level with positive feedback and recognition."

THE THREE CS. Carla Erickson, director of human resources at Withers & Ravenel, says that even though all employees have an ownership stake, it's still important to practice what she calls the "Three Cs" – connect, communicate and congratulate.

"You need to show the employees you value them. Talk to them. Let them know where things stand. Congratulations takes it to the next level with positive feedback and recognition. Those two words, 'thank you' can go a long way with no cost involved," she says.

FIVE STEPS TO FULFILLMENT. Tim Anderson, HR manager at **KJWW Engineering Consultants** (Rock Island, IL), a 470-person global engineering design consulting firm, says that as a professional corporation, their licensed engineers are eligible to purchase stock in the company. Besides that, long-term and key employees can also invest in company bonds that renew annually.

"We invest a lot of effort in engaging employees," he says.

Here are just a few things that KJWW practices

when it comes to keeping employees fulfilled:

- Each office has a budget and a committee to develop activities aimed at building engagement and camaraderie.
- Annually, the president meets with all employees in small groups. At that time, he presents the "state" of the company, which includes information about where the organization is headed, and addresses any questions and concerns.
- At performance review time, supervisors hold career discussions with their staff members, with the aim of better helping them to progress in their careers.
- The education department has developed numerous training and development programs for all disciplines, not only to make them better consultants, but also to help them realize their career goals at KJWW.
- A third party conducts an employee engagement survey, in order to see how they stack up against other U.S. employers.

"Our culture is rich in sharing information and being open to ideas that will help advance the business."

AN INFORMATION-SHARING CULTURE. Laurie Iulig, human resources manager, **LJB, Inc.** (Cleveland, OH), an 85-person innovative facility and infrastructure design firm, believes that one of the reasons why LJB employees feel like they have a real investment in the firm is because their input and opinions are listened to and valued.

"Our culture is rich in sharing information and being open to ideas that will help advance the business," she says. "A couple of years ago we started a program called, 'Improving the Business,' that encourages employees to submit ideas for company betterment. Each and every idea is evaluated by our management team, and many have been implemented."

LJB also encourages employees to learn more about

See BUY IN, page 10



ON THE MOVE

VHB HIRES Mark Shamon has joined **VHB** (Watertown, MA), a planning, transportation, land development and environmental firm, as the director of Highway Engineering in the main office. Shamon will build upon VHB's strong transportation services offering and lead complex transportation engineering projects. Shamon will work to advance the continued expansion and growth of the transportation design practice with the Massachusetts Department of Transportation, municipalities, and other private partnerships throughout Massachusetts.

"Mark is well known for his innovative approach to improving mobility with cost-effective, context-sensitive solutions that benefit clients and communities," said Tom Jackmin, managing director.

Shamon brings extensive experience in transportation engineering throughout New England. He previously held the position of vice president and transportation business line manager for a global consulting firm focused on infrastructure and the environment. He has led major high-profile projects, including the Route 3 North Design-Build Improvements, the Maine DOT I-295/Portland Connector Design-Build, and the Central Artery/Tunnel Leverett Circle-Storrow Drive Connectors.

STRUCTURA HIRES Dustin Hite has recently joined the **Structura** (Rockville, MD), a structural engineering firm, as team as senior project engineer. In this role, he will conduct forensic investigations, prepare repair documents, and manage rehabilitation projects from the design phase all the way through to construction observation. He will also increase Structura's involvement with the International Concrete Repair Institute, a trade organization of which Structura is a member.

Hite has extensive experience in the field of structural engineering, with a specialty in the rehabilitation of existing buildings. He also has extensive experience in non-typical demolition sequencing and temporary shoring relative to the rehabilitation of existing structures. His recent experience includes serving as an assistant project manager for the **Structural Engineering Group** and as a staff engineer for the **Patuxent Engineering Group**.

"I have always been impressed by Structura's expertise and on-the-job excellence, so it is a privilege to now be a part of this team," Hite said. "I look forward to contributing to its success in the years to come."

"We are pleased to have Dustin join Structura," said Mark Erdman, Structura associate principal. "His expertise and commitment to our clients make him a great addition to the team."

LJA HIRES LJA (Houston, TX), a 425-person employee-owned, full-service consulting engineering firm, announced that **Adam Delouche** has joined the firm as a project manager in the firm's Land Development division.

Delouche has over 10 years of civil engineering design and construction-related experience for land development projects and quality management for downstream oil and gas refining. His background includes the design of paving and underground utilities, municipal utility district consulting, project engineering and management, field inspections, and business development.

As project manager, Delouche will be responsible for planning, coordinating and directing engineering projects and interacting with clients and other consultants. Since joining LJA, he has been involved in Strake – The Grand Central Park project in Conroe, Texas.

LEHMAN ENGINEERS HIRES P. Joseph Lehman, Inc., Consulting Engineers (Hollidaysburg, PA), announced that **Steven Treschow**, has joined the full-service environmental and civil engineering firm as senior geologist and Geologic Services director. As a professional geologist, Treschow brings over 15 years of experience as a senior-level geologist/hydrogeologist in the areas of geologic/hydrogeologic investigation, environmental site assessment, remedial feasibility/treatability assessment, water supply development/assessment, risk evaluation, industrial hygiene assessment, lead and asbestos inspection, slope stability and foundation investigation.

Responsible for the management of dozens of projects in Pennsylvania, Connecticut, Illinois, Ohio, Georgia, Kentucky, Maryland, New York, New Jersey, North Carolina, South Carolina, Tennessee, West Virginia and Virginia, Treschow joins the growing team at Lehman Engineers. Under his direction, Lehman Engineers will continue to provide environmental solutions to industrial, municipal, state and private clients.

BAXTER & WOODMAN HIRES Donald Palmer has joined **Baxter & Woodman, Inc.** (Chrystal Lake, IL) a planning, design, construction and technology services firm as professional geologist in the firm's transportation group.

Palmer is a licensed professional geologist with 20 years of experience in civil and environmental engineering. Expertise includes environmental site assessments, site remediation, groundwater evaluations, and field drilling programs for public and private sector clients, property development companies and mining and construction material producers.

Palmer is well versed in the regulatory requirements of the Illinois Environmental Protection Agency's Leaking Underground Storage Tank Site Remediation, National Pollution Discharge Elimination System, and Clean Construction Demolition Debris programs. Additional consulting experience includes mine planning, mine reclamation plans, zoning, mineral reserve exploration and evaluations, and expert testimony for the mining industry.

Palmer is a resident of Lakewood, Ill. and is based out of the Baxter & Woodman's headquarters location.

BUY IN, from page 9

the business, and they provide extra training in key areas, such as professional presentations and leadership.

"We are as invested in them as they are in the business," Iulg says. "We hold business roundtables to vet new ideas and we have a quarterly business book club. As the firm grows and profits, our staff does as well."

LJB's CEO, Rod Sommer, also holds town hall-type meetings every quarter. All staff is invited to attend. During these meetings, Sommer shares the firm's financial results and reports on the company's progress. He shares the annual bud-

get and discusses strategic goals.

"These meetings are powerful because they create transparency and foster a team atmosphere," Iulg says.

Sommer also shares his personal progress in reference to achieving his annual goals, in the same way that the employees are striving to meet theirs.

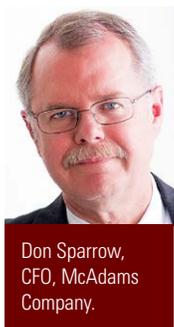
In addition to the open communication between the CEO and staff, LJB has different company initiatives where employees can participate. They include an internal Toastmasters Club, a business book club and a wellness committee. ▀

PROFILE

Focusing on ongoing improvement

CFO Don Sparrow cites navigating Great Recession as greatest challenge along the road.

By LIISA SULLIVAN
Correspondent



Don Sparrow,
CFO, McAdams
Company.

Don Sparrow has been helping strengthen **McAdams Company's** mission of designing tomorrow's infrastructure and communities for the past 21 years as CFO.

The Research Triangle Park, N.C.-based 110-person comprehensive design, surveying and permitting firm follows a simple process marked by leadership, having a single point of contact, responsibility, accountability, creativity, resourcefulness, being committed to quality, and acting a champion for the client and the project.

Sparrow is charged with helping McAdams maintain and improve upon its process on an ongoing basis. Currently, he is responsible for all accounting and financial management, including client billing, accounts receivable management, accounts payable and vendor management, financial statement preparation, all banking relationships, equipment financing, insurance and the 401(k) plan, budgeting and forecasting, and the interface with the company auditors and attorneys. He also works with their outside CPA firm to produce reviewed financial statements and tax returns.

Founded in 1979 as The John R. McAdams Company, the firm has grown to be one of the largest infrastructure design firms in North Carolina. Its reputation has made them the preferred provider of design and permitting services for a vast array of projects across the area. The firm exhibits pride for its strong heritage and vision for growth and a bright future.

Sparrow has specialized in the controllership of professional services firms, including developing and maintaining project management reports and accounting systems, optimizing the operational performance for these corporations. He operates with command over the company's accounting and financial management, optimizing the organization's performance while also positioning the firm to accomplish its strategic goals. He is a CPA and has a degree in accounting from the University of North Carolina at Chapel Hill.

A CONVERSATION WITH DON SPARROW

THE ZWEIG LETTER: What are your key strengths? What do you feel the key strengths are for an effective CFO?

Don Sparrow: I have strong organizational skills and have designed an efficient and effective accounting system. I live by the "Keep It Simple" philosophy and try not to change systems that are working well. Our accounting department strives to answer requests for information or services within minutes, not days. And, I have two great staff accountants who have each been with McAdams for many years.

"I live by the 'Keep It Simple' philosophy and try not to change systems that are working well. Our accounting department strives to answer requests for information or services within minutes, not days."

TZL: How would you describe your work style?

DS: I am available 24/7 and able to work effectively from anywhere.

TZL: What are your top priorities for the rest of 2014 going into 2015?

DS: To increase our profitability while still growing the firm.

TZL: What has been one of your greatest challenges on the job and how did you deal with it?

DS: The Great Recession. Making the tough decisions necessary to survive while keeping the core company infrastructure so we could prosper at the end of the recession was the greatest challenge yet.

TZL: What is the favorite part of your job?

DS: I still really enjoy the hands-on accounting work that I do, including reconciling accounts and producing financial statements.

TZL: What do you enjoy in your spare time?

DS: I like bicycling, including taking multi-day bike trips.

TALK TO US

Do you have an interesting story to tell? Is your company doing things differently and getting results? Let us know. We'd love to contact you and feature you in an upcoming case study. If interested, please email LSullivan@zweigwhite.com.



TRANSACTIONS

GEI BUYS GEI Consultants, Inc. (Woburn, MA), a 700-person geotechnical, environmental, water resources, and ecological science and engineering firm, announced the acquisition of **H2A Environmental, Ltd.**, a 12-person environmental consulting and remediation firm specializing in non-aqueous phase liquid management, and risk-based remediation and site closure. H2A became a subsidiary of GEI when the transaction officially closed on Nov. 1 and will continue to service clients and conduct business out of their Keller, Texas office.

H2A, founded in 2000 by Mike and Kay Hawthorne, provides strategic scientific solutions for complex soil and groundwater contamination problems. They have developed a specialty niche in understanding the distribution, transport, and recoverability of petroleum hydrocarbons and other non-aqueous phase liquids in the subsurface. Their services include data analysis, expert testimony, field data collection, pilot studies and full-scale NAPL remediation. Their clients include several of the major petroleum companies and DFW airport. After the acquisition, founders Mike and Kay Hawthorne, along with all of the H2A staff, will continue on with the company.

Raymond Hart, president of GEI Consultants, emphasized that “over the past 14 years, H2A has established a reputation for being responsive to the specific needs and concerns of its clients, and for providing innovative solutions for NAPL remediation projects. We think this acquisition will be a great fit as both firms’ core missions have always been the same: to provide professional services of exceptional value to our clients. The addition of H2A’s NAPL experience adds tremendous capabilities to help us deliver superior project support to our clients in Texas.”

“We are impressed with GEI’s national reputation for technical excellence, and are excited to become part of GEI’s organization and culture,” Mike Hawthorne said. “I am certain that joining GEI enhances our ability to service our many long-time H2A clients, for which we will continue to deliver the responsive professional services they expect, with the same team, and without interruption. At the same time, H2A’s skills and experience add further strength and depth to GEI’s environmental and ecological services supporting its many government, energy, and commercial clients.”

GZA BUYS GZA GeoEnvironmental, Inc. (Norwood, MA), a 500-person environmental and geotechnical consulting firm, announced **Huff & Huff, Incorporated** (Oak Brook, IL) as a subsidiary.

Huff & Huff is a multi-disciplined consulting engineering firm providing environmental, natural resources and compliance consulting services to the private, public, architectural/engineering and transportation sectors for more than 35 years.

Linda Huff and Jim Huff, principals of the company, have joined GZA as vice presidents and will continue to provide leadership; their staff of 35 employees will also join GZA.

GZA will consolidate staff currently located in its Burr Ridge, Ill. office with the Huff & Huff staff in Oak Brook. As such, GZA will greatly expand its breadth, service areas and geographic presence in the Midwest states and in the national transportation markets.

“It is with great pleasure that we announce Huff & Huff as a subsidiary,” said William Hadge, president and CEO of GZA GeoEnvironmental, Inc. “The company has a strong reputation for its diversified expertise; this proficiency has been the hallmark of Huff & Huff in more than 23 states over a period of 35 years.”

RESOURCES

ENGINEERING FIRM SALARY SURVEYS The 2015 Engineering Firm Salary Surveys are the most up-to-date and comprehensive compensation survey reports for engineering firms operating in each region of the U.S. Based on data from a broad sampling of engineering firms in the region reporting salaries for all positions, these reports are the new standard for firm leaders and human resources directors looking to benchmark their staff’s compensation against their peers.

The 2015 Engineering Firm Salary Surveys will help you:

- Compare your staff’s salaries to those in firms just like your own
- Find out what the normal salary range is for every type and level of position in engineering firms
- See how salaries change as firms grow in size and help you prepare for your own firm’s future
- Evaluate salaries on a state-by-state and regional basis
- If you have offices in more than one state, see where employees are earning the most – and the least
- See how salaries have changed over the years with trend data

Choose from these regional editions:

- Northeast & South Atlantic edition
- Central (north & south) edition
- Mountain & Pacific edition

Each regional survey includes data for a wide range of technical staff – from civil, structural, electrical, mechanical, geotechnical, environmental, and traffic/transportation engineers, to architects, landscape architects, planners, construction managers, and land surveyors. Technical staff data are broken into five levels – entry-level, project engineer, project manager, department head, and principal.

The report also shows salaries for management positions – such as presidents, CEOs, CFOs, branch managers, and others – as well as IT, marketing, and administrative staff. Trend data is included so you can see how salaries for every type of position has changed over the years.

For more information or to buy a copy, call 800-466-6275 or log on to <https://zweiggroup.com/p-2213-salary-surveys-of-engineering-firms-2015>.

OPERATING EXPENSES SURVEY Are you overlooking obvious ways to be more profitable? It’s always important for firm leaders and financial managers to keep overhead costs in check, and every design and environmental firm has costs that can be cut in one area or another.

Where does the fat reside in your firm? Where can you minimize spending to maximize profits? Get the answers to these questions and many more with Zweig Group’s 2014-2015 Operating Expenses Survey of Architecture, Engineering, Planning & Environmental Consulting Firms.

Newly updated for 2015, this survey has the latest, most detailed statistics available on operating expenses for firms just like yours. Get data on everything from how much the average firm spends on professional liability insurance to how much it spends on hardware and software.

We packed this report with tables, and broke the data out by firm type, region of headquarters, staff size, growth rate, and client base so you can make apples-to-apples comparisons between the survey statistics and your own firm. We also included trend data so you can compare your firm’s spending history to the industry norm.

For more information or to buy a copy, call 800-466-6275 or log on to <https://zweiggroup.com/p-2217-operating-expenses-survey-2014-2015>.