

Common employee questions

Mark Zweig provides the common-sense answers.

Our clients want to deal with the people who will actually do the work and we expect them to be the ones who bring in signed contracts.



Mark Zweig

EDITORIAL

This week I thought I would devote my little patch of paper here to answering some common questions that we hear regularly from employees working in A/E or environmental firms. Here are a few of them:

“Isn’t there supposed to be a dual career path here?” The dual career path (one for management/marketing, one for design/technical) does exist but the potential for reward is much greater in the former versus the latter due to supply and demand. The number of people who can manage and sell effectively is significantly lower.

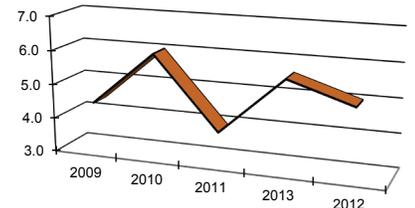
“Why does So-and-So make more money than I do?” How do you know what So-and-So makes? You could very well be misinformed. In any case, there are many factors that go into how much someone earns. If they are the only person who does certain things for us, they may be more valuable. Certain disciplines pay better than others simply due to supply and demand. Besides that, we have other ways to reward people through our bonus program, stock ownership opportunities, and more.

“What does it take to get promoted here?” There’s no one answer. People who work hard – perhaps harder than they

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TRENDLINES

Floating ratio



ZweigWhite’s 2013 Financial Performance Survey of Environmental Consulting Firms finds that the ratio of professional/technical staff to administrative staff at leading environmental firms has decreased slightly this year to 5.0:1. This ratio, which is useful in measuring the amount of direct versus indirect labor in a firm, has fluctuated over the past five years. In 2010, the median ratio reached a high of 6.0:1, but dropped to five-year low of 3.9:1 in 2011. Last year, the ratio of professional/technical staff to administrative staff climbed back up to 5.9:1.

– Margot Suydam, Survey Manager

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A/E BUSINESS NEWS

AMERICA'S GREAT PLACES: The American Planning Association announced the country's 10 Great Neighborhoods, 10 Great Streets, and 10 Great Public Spaces for 2013 through the organization's national program, Great Places in America.

Launched in 2007, Great Places in America recognizes unique and exemplary streets, neighborhoods, and public spaces – three essential components of all communities. These authentic places have been shaped by forward thinking planning that showcases diverse architectural styles, promotes community involvement and accessibility, and fosters economic opportunity.

"With our 2013 designations we reach our two hundredth Great Place in America," said Paul Farmer, APA CEO. "We're excited during National Community Planning Month to recognize these exemplary neighborhoods, streets and public spaces and the contributions planning and plan implementation make to these communities' success."

APA Great Places offer better choices for where and how people work and live every day. They are defined by many characteristics including architectural features, accessibility, functionality, and community involvement. The 200 Great Places designated to date are located in all 50 states and the District of Columbia.

Great Places in America is just one of the ways APA recognizes and celebrates National Community Planning Month (www.planning.org/ncpm) each October. The special month is designed to recognize and celebrate the many residents, leaders, officials, and professionals who contribute to making great communities.

The 2013 designees, listed below, are not ranked. Additional details about each designee are available at www.planning.org/greatplaces.

2013 Great Neighborhoods

Chinatown, San Francisco, Calif.; Downtown Norwich, Conn.; Downtown Decatur, Decatur, Ga.; Central Street Neighborhood, Evanston, Ill.; Downtown Mason City, Mason City, Iowa; Historic Licking Riverside Neighborhood, Covington, Ky.; Kenwood, Minneapolis, Minn.; Beaufort Historic District, Beaufort, S.C.; West Freemason, Norfolk, Va.; and Williamson-Marquette Neighborhood, Madison, Wis.

2013 Great Streets

North and South Walnut Street, Milford, Del.; Palafox Street, Pensacola, Fla.; Kalakaua Avenue, Honolulu, Hawaii; C Street, Virginia City, Nev.; Bridge Street, Las Vegas, N.M.; Market Street, Corning, N.Y.; Broadway, Jim Thorpe, Pa.; Benjamin Franklin Parkway, Philadelphia; The Strand, Galveston, Texas; and West Beverley Street, Staunton, Va.

2013 Great Public Spaces

Tony Knowles Coastal Trail, Anchorage, Alaska; Grand Park, Los Angeles; The Broadwalk in Florida's Hollywood, Hollywood, Fla.; Norman B. Leventhal Park at Post Office Square, Boston; Mount Auburn Cemetery, Cambridge, Mass.; Forest Park, St. Louis, Mo.; Essex County Branch Brook Park, Newark, N.J.; Grand Central Terminal, New York City; Walnut Street Pedestrian Bridge, Chattanooga, Tenn.; and Esther Short Park, Vancouver, Wash.

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have to – get noticed. People who get along with others well. People who have outstanding communication skills. People our clients ask for and request be on their jobs. People who keep learning and develop themselves. These are all the people who we move up.

"What do the marketing people do and why don't they ever sell a project?" They do a variety of things that help make the phone ring and help our design and technical people sell. Our clients want to deal with the people who will actually do the work and we expect them to be the ones who bring in signed contracts.

"Why did we not pursue the such-and-such project?" If we don't go after a project, we have good reasons for it. It may be that we think the cost to

pursue it versus the probability of success are out of line. It may be that we have previous experience working for the client and it wasn't good. It may also be that it doesn't meet our strategic objectives in terms of the kind of work it is.

"Where is the company going?" We share highlights of our business plan with all of our staff. I will be glad to discuss any questions you have. But critical to all of us is that we grow. Little good can happen without growth. We can't give meaningful promotions without someone leaving unless we grow. We cannot do more and better work without growth. We can't get into new areas without growth. Growth is essential. If we aren't growing, we're dying. 

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Published continuously since 1992 by ZweigWhite, Fayetteville, Arkansas, USA. ISSN 1068-1310.

Issued weekly (48 issues/yr.). \$475 for one-year membership, \$775 for two-year membership.

Article reprints: For high-quality reprints, including Eprints and NXTprints, please contact The YGS Group at 717-399-1900, ext. 139, or e-mail TheZweigLetter@TheYGSGroup.com.

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CASE STUDY

Modern twist on design-build

A case study of a firm that has merged the principles of design-build and integrated project delivery successfully.

By LIISA SULLIVAN
Correspondent

Design-build refers to a method of project delivery in which a single entity provides to the client or owner all of the services necessary to both design and construct of all or a portion of the project with full responsibility to the owner or clients for both the design and the construction. How about if you inserted the collaborative tenets of integrated project delivery into design-build?

At least one firm is doing that.

gkkworks (Irvine, CA), a 175-person planning design and construction firm, provides both “d” and “b” with a unique twist, resulting in a service that is not dissimilar to integrated project delivery.



Malachi Bray,
Marketing and
Communications
Manager,
gkkworks.

FOCUS ON DELIVERY. Malachi Bray, marketing and communications manager, explains that the key to gkkworks’ approach is flexibility. The IPD-like approach allows the firm to tailor its team to the scope of services and choose the delivery method that makes the most sense for its client on each individual project. The firm provides in-house design and construction services, including scheduling and estimating.

“At gkkworks, we realize that each client and each project is unique. No one delivery method is ideal for every project – so we do them all,” Bray says. “We combine our scope

of services to meet the requirements of the project from a programming, design, quality, cost and schedule point of view.”

In short, gkkworks provides vision and expertise beyond the services typically offered under the traditional design-build approach.

“Our design and construction experts have taken this delivery method to a more comprehensive level; we recognize that our role is not solely to provide design and construction services, but to promote the mission of our clients,”

Bray says. “Our dedication to this philosophy emphasizes our commitment and manner by which we assume ownership of the various phases of design and construction. This philosophy transcends all facets of the design-build process including conceptualization, criteria design, detailed design, implementation documents, agency coordination, buyout, construction and closeout.”

Shawn McCadden, consultant, educator and speaker for the remodeling industry, agrees that, in its most effective form, “Design-build is an integral system broken into two unique, but complementary divisions that produce the desired project results.”

“Design-build is an integral system broken into two unique, but complementary divisions that produce the desired project results.”

McCadden says that the design side focuses on preparation (including systems, language, and flow of information). The build side focuses on the execution of the design (fulfilling the client’s purpose for the project).

WHAT ARE THE PROS? gkkworks’ integrated approach to design-build contributes to eliminate surprises that are so common in today’s building projects. Offering in-house design, pre-construction and construction professionals, all the necessary resources to integrate teams, identify problems, and implement solutions are close at hand; gkkworks will take single source responsibility to deliver the project – regardless of scope of scale.

- The gkkworks’ team can help develop the design criteria, budget and schedule
- The client can retain control of design decisions
- gkkworks can immediately advise on the impact of decisions to the project budget and schedule
- The client retains the direct access to the architect to ensure quality
- Design, construction, and other inspection processes are clearly understood by the team
- Implementation of packaging to accelerate delivery is better understood

See DESIGN-BUILD, page 4

GOOD TO KNOW

Design-build is chosen for 12 percent of firms as a project delivery method. Design-bid-build is still the most common method, with 47 percent of firms taking that route.

Source: 2013 Project Management Study, ZweigWhite: www.zweigwhite.com/p-2160-project-management-survey-2013.

FEEDBACK

LTM at bigger firms

The firm leader sometimes can't control it all and is forced to delegate.

In his editorial "Loose-Tight Management" (**THE ZWEIG LETTER**, Sep. 23 issue), Mark Zweig wrote that the LTM manager adapts to circumstances and can at times be laissez-faire, at others a micro-manager. Frank Dudek, president, **Dudek** (Encinitas, CA), an environmental consulting firm, wrote:



Frank Dudek,
President, Dudek.

Mark, I haven't commented in a while, but management style is one that interests us very much, and I have some time to blivate. I assume the LTM manager you described, which I favor, is also accomplished in the art of the primary practice or design of the firm, so when necessary he or she can "get very involved – sometimes dictating even the smallest details," when "things start to go off course." However, in a somewhat grown, multi-disciplined engineering/environmental planning practice like ours, there is no omniscient manager at the top who can bail out all projects when necessary (although there is a team of seasoned professionals). In that case, the highest level of firm management must regularly trust the discipline heads and practice leaders to work out the details, but may have to apply pressure to the "right people" to make a decision and act if procrastination is causing things to head south. Alternatively, the firm's

practice leaders and technical staff must trust the firm's top management to get very involved in the details of company planning, management and financial issues when necessary, being the experts on those issues. If so, it creates a symbiotic relationship of LTM and trust, resulting in the most capable people in the firm making the appropriate decisions at all levels for the firm. Some do both of course, but it's harder as the firm grows, and specialization is required. Micro-managing from the very top, if one is as knowledgeable of the details as those on the "front lines" with the client, may well be necessary at times; however, I'd argue it's mostly better to force a move and decision by those involved, and fix a mistake, if necessary, i.e., to allow your staff to learn and develop. Maybe we're saying the same thing Mark.

"The firm's practice leaders and technical staff must trust the firm's top management to get very involved in the details of company planning, management and financial issues when necessary."

Mark Zweig responds:

Thanks for the note. I think we are saying the same thing – and this doesn't just apply to the top of the firm – it applies to any unit in it. ▽▲

DESIGN-BUILD, from page 3

- Phasing the construction is clearly understood and avoids down-time

To ensure that a cooperative relationship is fostered with the team, gkkworks will integrate into the culture and become part of the extended support team.

"We believe that communicating the critical steps in the design-build process upfront to staff will prove extremely beneficial as the project progresses from planning to design and then construction," Bray says. "Our integrated approach to professional design, construction management, and general contracting services strives to eliminate surprises that are so common in today's building projects."

WHAT ARE THE CONS? Bray says the only drawback of having the ability to provide full design and construction services is the viewpoint of potential partners and clients that "we may not be specifically focused on any particular discipline."

"This gives the false impression that since we have construction capabilities, perhaps our design services are not as strong as that of a firm that only focuses on design," he says.

"This is not the case since we have highly-qualified team members and industry leaders on both sides of the house making us a fully integrated firm that delivers high quality, customized solutions to our clients.

BRANCHING OUT. For firms that wish to add construction/build services to their design business model, gkkworks has some advice.

Bray says that firms should narrow their focus before launching their new service offerings. For instance, if the firm is strong in educational design, focus on developing personnel and processes relating to educational construction. Even more specifically, focus on certain project types within the educational sector, such as research lab buildings or historic renovations. This will allow the firm to begin developing a portfolio of very specific project types to leverage into new project wins.

"Once you have a solid base of one kind of project, then you can begin to branch out more. If you try to pursue all kinds of construction work you may get lost among the firms that specialize in certain building types," Bray says. ▽▲

HISTORY

TZL machine

20 years ago

Naming a company is like naming a child – you want to pick the best name; the right name.

When companies are acquired or merged, the name question becomes even more fraught with potential indecision.

An article in the Oct. 1, 1993 issue of **THE ZWEIG LETTER** delved into the topic. Here's part of what it said:

Technically speaking, deciding on a name for a newly acquired firm is probably the easiest part of the whole process. But strategically and emotionally, it's a much larger issue.

On the one hand, it makes sense for acquiring firms to want their offices or divisions to have a common identity. On the other hand, they want to leave an acquisition's name alone so they can bank on it. Allowing the acquired firm to retain its old name reassures clients and cashes in on goodwill. What happens when you change the name? What happens if you leave it the same?

Several firms that underwent the process then pitched in, offering reasons for a name-change or for keeping things exactly the same. Here are some of the main points:

- Changing names will involve a trade-off – especially in the short term.
- The more established the firm, the better to leave its name alone.
- Hybrid names let you have it both ways.
- Expect it take some time for changes to sink in.

Another article in the same issue asks whether firms should welcome back employees who left the company previously for one reason or another.

From the article:

Given the close-knit fabric of the design and environmental consulting industries, almost every firm has faced this situation (or a similar one) at one time or another. Forget about people you're glad to see go. What should you do when a formerly valued professional wants to return home? For most, the answer depends on the circumstances.

Following are some items you might want to consider, according to the article:

- How did the employee leave?
- Where did he/she go?
- Will history repeat itself?
- Have they learned from the experience?
- How to treat the returning employee?
- Should there be a formal policy on rehiring?

10 years ago

Mergers and acquisitions are mainstay in a constantly evolving design industry. Over the years, **THE ZWEIG LETTER** has covered the strategy involving M&As extensively. The Oct. 6, 2003 issue of TZL dedicated an entire section to M&As, with a story on “Positioning for a firm sale” and a story about distressed companies for sale.

The same issue also ran an article that rings very true in 2013. Doesn't the following sound familiar?

With the economy still far from returning to a robust state, more firms are going after jobs they might not have competed for just a few years ago in order to make ends meet. Having a greater number of qualified companies vying to work on their project may make a project owner feel they have more room for negotiation on the price, but does that mean lowest-bid selection has moved in to replace the quality-based selection process?

While there may be a greater pressure to come up with a better price, leaders of A/E/P and environmental consulting firms we spoke with say project owners are still favoring quality-based selection. But with increased competition, it may take some extra educating on the design firm's part to make sure project owners choose quality over price.

In his editorial, Mark Zweig wrote about what makes a firm “the place to work.”

It is so valuable being THE place to work. What I mean by THE place is the firm that everyone wants to work at. It is the cool place, the desirable place to be, the hip place.

A lot of firms— us included— may have gotten a little carried away during the height of the dot-com era competing for the best younger talent. “Beavis and Buttthead” videos in the break room are definitely not a recruiting draw in 2003. But then you go into firms with reception areas that look like somebody's grandmother's living room— and that's not going to be too exciting to potential new employees, either.

Then Zweig lists what makes a firm a firm the place to work:

- 1) Work— and lots of it!
- 2) Success in the market when others aren't having it.
- 3) Being really noisy with your marketing.
- 4) NOT having policies such as across-the-board salary freezes.
- 5) A proper work environment.
- 6) An appropriate balance of good projects and good management.
- 7) FUN.
- 8) Clarity of direction and confidence of leadership.

Value messages: One size fits one size

If you want to get invited to the ball, make sure that your value message fits the prospect you are targeting.

Call them value messages, USPs (unique selling points), value propositions, competitive differentiators – or anything else you want. The terminology isn't important.

What is important is the way you differentiate your firm from the 10, 20 or 200 other companies knocking on the same prospects' doors you are.

But unless you have a customized value message, that is relevant to the specific prospect, what are the chances that their door will ever be opened to you?

The marketing of professional services is still a relatively new discipline – after all, until the mid-1970s some professions weren't even allowed to place an ad in the yellow pages! So with this newness comes a lack of maturity. All too often we like to think that "value message" is something singular – that one thing that makes us unique from our competitors.

If you keep sharing that singular message with everyone, you're bound to find a few people that will actually listen. But using a single value message – a one-size-fits-all approach – is much like cold calling: a numbers game.

Value is not defined by you; it is defined by your client (or prospect). And that definition is unique for each and every company or organization you are currently working with, as well as those you want to work with.

Value is in the eye of the beholder.

In marketing professional services, we love to take shortcuts. We love boilerplate – especially if we've paid to print a big stack of fancy brochures. We have to use every last one, right? And how about websites? Do you know how we as an industry develop our online marketing presence? We look at what the competitors have done, and emulate them – creating online boilerplate that ensures that clients view us as a commodity.

Unfortunately, we develop our value messages with the same laziness. Sure, we may work really hard to create that value message, holding a series of internal meetings so key staff can argue with one another about what that *one* unique differentiator is.

Best practicing firms in our industry already know the futility of this approach. One size only fits one size, and it is up to you to determine what size will fit a particular prospect. Once you've figured that out, then you have



Scott
Butcher

GUEST SPEAKER

a theme that should carry through phone calls (and voice mails), letters, meetings, proposals, and presentations. Think of your value message as the "it" factor for a specific client.

So how do you determine that value message? Ask similar existing clients what they think is your greatest value. Research the company you're targeting and get to know them profoundly – don't just check their website or annual report, but read articles about them or by their staff, watch online presentations or videos, and talk to companies already working with them (e.g., equipment vendors or service contractors). Read up on the latest trends in their industry. Get copies of the publications that your clients read.

And yes, "gut feel" also comes into play here. But it must be well-informed so as to minimize the guesswork.

See SCOTT BUTCHER, page 8

Value is not defined by you; it is defined by your client (or prospect). And that definition is unique for each and every company or organization you are currently working with, as well as those you want to work with.

Leadership from within

The need for firm leaders to be hands-on, seasoned practitioners.

For years I've listened to the debate about whether a professional services firm can be led by a non-practitioner or not, a subject that rarely comes up in small firms but often occurs in large, particularly very large and complex enterprises. I have steadfastly argued that the architecture and engineering disciplines are sufficiently complex in their processes and relationships that only someone seasoned in actual practice can guide the enterprise, day in and day out, through the various situations that the firm encounters.

I firmly believe that a design firm, whether in architecture or engineering, cannot be led in the abstract. For firm leadership to be credible with the professionals being led and to advise and direct with context, requires time-in-grade as a practitioner. But, more importantly, to be able to identify and lead strategic initiatives that continue to position the firm well for the future requires an intimate current knowledge of how professional and construction practices are evolving.

A present example illustrates my point. Several firms I've been working with are grappling with changes in practice occasioned by shifts toward design-build, integrated project delivery, building information modeling and lean construction. Each of these demand change in working methodology during design, in the documentation from which our work will be built, and in the field. To that, add shifts in how contracts must be written, how insurance is purchased and how we go about guiding and training professionals to adapt their work methodologies to these new practices.

This is not a straightforward shift from one way of working to another. Our professions are in a state of transition, meaning that each project will have different requirements for the way our documents are prepared, what information is critical and when, and the degree to which our work is collaborative with a team that stretches well beyond architects and engineers to include fabricators and subcontractors, often doing their own documentation that is then incorporated into the complete construction set.

How well we are able to adjust our working style and methodology in real time to each project situation determines whether the project goes well, the participants are happy with both the process and the results – and whether we make a profit!

Today's practice is in a state of flux beyond anything I've



Ed
Friedrichs

FROM THE CHAIRMAN

experienced in my long career. Teams today are comprised of professionals with different training, capabilities and experiences that have shaped their view of how to do things, and with differing time-in-grade as practitioners. They are having to adapt, not just to a new method of practice, but to each project's unique structure and to each others training and experience – and to do it all in real time.

I hope I'm making my case to you that firm leaders, in order to guide effectively the work that their teams are undertaking and to identify key strategic investments in teaching and training, need to be seasoned practitioners, open to configuring each project process to fit a project's unique circumstances, and to be "hands-on" in their guidance. They need to have an intimate knowledge about how things used to be

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The problem today is identifying practitioners who are willing to step out of full-time practice; who are interested in learning how to be a business leader and to step into a role that is so far removed from the education received in the university.

CALENDAR

2013 HOT FIRM CONFERENCE: THE ZWEIG LETTER Hot Firm Conference is THE most exciting annual event for A/E firms because it's all about how to achieve success in this industry.

Every October since 2000, ZweigWhite has recognized the fastest-growing architecture, engineering, planning, and environmental consulting firms.

This year's event will be Oct. 24 and 25 at the Eden Roc Hotel in Miami Beach, Fla.

Firms on **THE ZWEIG LETTER** Hot Firm List receive a special award during a black tie celebration dinner at **THE ZWEIG LETTER** Hot Firm Conference. CEOs, owners, presidents, principals and other leaders from the top design and environmental firms, along with entrepreneurs, authors, and business experts come to this conference every year to share industry news, compare strategies for success, learn from their peers, and leave with renewed inspiration for another successful year.

THE ZWEIG LETTER Hot Firm Conference features:

- Keynote presentations by CEOs of the most successful A/E/P and environmental consulting firms today
- Breakout discussion groups where firm leaders share strategies to common challenges
- Welcome cocktail reception on the first night of the conference
- Black tie awards reception and dinner with live music and dancing
- Beautiful locations where attendees can network and recharge and their spouses and families can relax
- Here's what a few of the attendees from the 2012 conference had to say about the event:

For more information visit www.zweigwhite.com/conference/hotfirm.

To register call 800-466-6275 or log on to www.zweigwhite.com/conference/hotfirm/registration.php.

ED FRIEDRICHS, from page 7

done in order to guide a team toward how to effectively adapt processes to unique circumstances in each new undertaking. You can't lead a firm successfully today by drawing organizational diagrams, creating matrices, or codifying specific processes for doing things. You need to be able to adapt and help your teams adapt on the fly.

So, no matter how well-educated and seasoned a leader is in management techniques, organizational structure, finance and the like, when it comes to the tough decisions, particularly those that affect the strategic way in which a firm is operating and the direction it is taking, he or she must have a visceral feel based on experience for how the

project work we do with our clients should unfold.

The problem today is identifying practitioners who are willing to step out of full-time practice; who are interested in learning how to be a business leader and to step into a role that is so far removed from the education received in the university. Am I really willing to give up the joy of working with clients and the tangible evidence of the work I do, manifested in completed work that I can see and experience? I did. And I must say, it was equally satisfying to work on developing an organization that was structured to flexibly adapt to a changing world. ▲▲

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

SCOTT BUTCHER, from page 6

Understand that you might get the value message wrong. That's okay. As you work to develop or strengthen a relationship, you can revise the value message as you gain more knowledge. Often, the first value message is simply enough to open the door; once that happens, you'll be able to gain real marketing intelligence about your prospects.

A few more thoughts about value messages:

- 1) "We complete projects on time and on budget" is *not* a value message. Of course you do – everyone says that, and every client expects it. Scope, schedule, and budget by themselves are not value messages. They are project requirements.
- 2) Value messages often look like hyperbole to the prospects, so you will want some sort of proof that the value message is fact not fantasy. I call this "evidence-based marketing." It's simply not enough to make the claim – you also have to back it up with data: a client testimonial, verifiable outcomes, awards or recognition, or anything else that can demonstrate that your value message is not just a shallow claim.
- 3) Every value message must resonate with the target individual or audience. The definition of resonate is "to relate

harmoniously," so it must strike a chord – the right chord – with the recipient. Otherwise, no matter how well-written the music, you'll come across as singing off key.

- 4) Finally, the value message must be succinct. Case studies are great for showing value, but very few prospects are going to take the time to read or listen to a detailed case study. Every value message must be boiled down to its essence and evidence. What makes you different from the competitors, and where's the confirmation that this is true?

Getting in front of prospects is extremely difficult. However, when you have a well-crafted, customized value message, you have a special weapon in your arsenal.

Cinderella married a prince because the glass slipper fit her foot – and her foot only. If you want to get invited to the ball, make sure that your value message fits the prospect you are targeting. A fairy tale ending may be just around the corner... ▲▲

SCOTT BUTCHER is vice president of **JDB Engineering, Inc.** (www.jdbe.com) and president-elect of the SMPS Foundation. He has more than two decades of AEC marketing experience and is a fellow of the Society for Marketing Professional Services.

EXPANSION

Positive hiring trends emerging

Firms are in full hiring mode again, making it almost easy to forget the hard times.

By LIISA SULLIVAN
Correspondent

The news is good. Firms are hiring and are poised to continue to do so for the foreseeable future – a welcome trend in a battered design industry.



Pamela Fleming,
HR Manager,
FUSCOE
ENGINEERING,
INC.

Pamela Fleming, HR manager, **FUSCOE ENGINEERING, INC.** (Irvine, CA), a 134-person civil engineering firm for private and public clients, says that its workload has been strong and they have been extremely busy. Consequently, they've hired several great employees this year.

"We are hiring the people that we need, but it's not like there is an overflow of qualified candidates knocking at the door," she says. "We have to be diligent in finding the 'right people' to fill those roles – candidates with strong potential to grow within the firm, and with a passion for what we do."

Culture is important at Fuscoe, and that's why it has a variety of people involved in the interview process to help assess fit. This year, the firm has filled a variety of roles – from engineers and project managers to mapping analysts and administrative assistants.

Carla Erickson, director of human resources at **Withers & Ravenel** (Cary, NC), a 144-person full-service, civil and environmental consulting engineering firm, also confirms staff growth.

"We've staffed up our survey department and added survey instrument



Carla Erickson,
Director of HR,
Withers
& Ravenel.

man positions as well as a survey CAD technician," she says. "I've also added a civil designer to our land development department and an accountant to our finance department. We review our needs by department and fill those positions as needed."

Erickson says that these new hires have been found through employee referrals, their own ad placements, and through using Craigslist.

A MARKET SHIFT. Randy Carroll, public works director at **Slater Hanifan Group, Inc.** (Las Vegas, NV), a 74-person, multi-disciplined civil engineering/consulting firm, says the company has more than doubled its staff levels over the past two years.

"We have hired throughout all levels of the firm, from executives and administrative staff, to interns, technicians and licensed professionals," he says. "We have been successful in recruiting and retaining exceptional staff, but find the process to be ever more competitive and challenging as the number of qualified applicants shrinks in response to expanding opportunities within our industry – both locally and nationally."

Tim Schauer, president and CEO, **Mackay Sposito** (Vancouver, WA), a 115-person civil engineering firm, says they too have hired a great number of people over the past two years – in all areas. They even hired a headhunter to help them find qualified personnel.

Schauer agrees that there is certainly a shift in the hiring market.

"What used to be an employer's market is now an employee's market. The hiring pool of skilled and talented workers is shrinking and, we, as employers, need



Tim Schauer,
President and
CEO, Mackay
Sposito.

to reexamine our policies and benefits. Employees are more educated and know what they want. We need to give it to them if we are to remain competitive. And, it's not just about money; flexibility is very important in today's workplace."

Schauer says that during the recession a different philosophy prevailed. For example, "no work, go home," was a familiar mantra.

"That does not fly today," he says. "If we send them home, they may not come back. While it may have been fiscally conservative, it is no longer culturally viable. Employers need to take a different hiring tactic to ensure they get the most qualified people. We need to get the recipe right."

Schauer explains that the most challenging positions to fill have been those for experienced land development engineers. Why?

"Well, for about five years or so, land development was pretty scarce and engineers had no way to get experience," he says. "And now, many people in school are staying away from this specific sector, fearful of a halt on land development again."



Amy Schneider,
Director
of HR and
Administration,
Sanderson
Stewart.

FOLLOW CSTP AND GROW. Amy Schneider, director of human resources and administration for **Sander-son Stewart** (Billings, MT), a 63-person collaborative community development services firm, is not only hiring, but has developed an acronym for the people it wants to hire – CSTP

See TRENDS, page 10

ON THE MOVE

B&T APPOINTS CEO: **Buckland & Taylor** (North Vancouver, BC), a 340-person specialized bridge engineering services firm, has appointed **Darryl Matson** president and CEO.

Previously senior VP of operations, Matson succeeds Steven Hunt, who moves to a full-time role as president & CEO of **COWI North America**, the subsidiary of Danish consulting group COWI. Matson is responsible for continuing B&T's strategic growth in North America.

In his previous position, Matson was instrumental in overseeing the strategic rapid growth of the company over the last three years and helping transform B&T into a stronger player in the specialty bridge market.

"I am excited and honored to have the opportunity to lead a company that has such an incredible history of innovation and quality within the industry," Matson said.

Matson has been instrumental in the growth at B&T, ensuring continued staff quality and expertise is maintained. He also continues to be active in the business technically as the principal for the ongoing design of the redecking for the MacDonald Bridge in Halifax, Nova Scotia and as principal on many British Columbia Ministry of Transportation projects.

Additionally, Matson has been appointed senior VP – Bridges for COWI NA. In this capacity, his vast experience on many and varied bridge and engineering projects will enable him to oversee and guide the development of this new organization's bridge practice both domestically and internationally.

Matson has over 24 years bridge engineering experience, all of which were with B&T.

Additionally, COWI NA announced the addition of several key positions to its leadership team. COWI NA is comprised of: **Ben C Gerwick Inc.**, **Buckland & Taylor**, **Jenny Engineering Corporation**, **Ocean and Coastal Consultants, Inc.**, and **COWI North America Energy**.

Besides the appointment of Hunt as president and CEO, **Don Bergman** was appointed senior project director – Bridges (he is also senior VP - Major Projects with Buckland & Taylor), **Jeannine Martin** was appointed VP for Business Development & Marketing, and **Peter Diett** was appointed VP and CFO for COWI NA.

"With these personnel moves and further appointments to come, we are laying the groundwork for continued growth while maintaining our high standards of engineering quality, excellent client relationships

and engaged staff, Hunt said. "Together with the leadership of each of our subsidiaries, we have the talent base to continue our successful expansion as the leading specialty consultants in the North American bridge, tunnel and marine market."

WAGGONER PROMOTES: **Waggoner Engineering** (Jackson, MS), a full-service engineering, economic development and project management firm, has promoted **John Rounsaville** to the newly created position of vice president of strategic services, where he will manage federal and state government affairs issues for Waggoner's projects and client initiatives.

A former gubernatorial advisor in Jackson and congressional aide on Capitol Hill, Rounsaville's public policy experience includes economic development, transportation, environmental and appropriations issues. In 2006, Rounsaville was appointed state director for USDA Rural Development. Prior to joining Waggoner in 2009, he served as vice president and partner of Capstone Public Affairs in Jackson.

"As we continue to position Waggoner as a thriving engineering, economic development and project management firm, we are pleased to promote John to this new position to enhance our overall growth, policy expertise and program development initiatives," said Joe Waggoner, founder of Waggoner Engineering.

LEO A DALY HIRES: The Minneapolis office of international architecture/engineering firm **LEO A DALY** (Omaha, NE), and 800-person architecture, engineering, and interior design firm, welcomes **David Galey** as director of civil and structural engineering. In this role, he will be responsible for leading the office's civil engineering, structural engineering and landscape architecture disciplines.

Galey has more than 35 years of experience as a civil and structural engineer. He has worked on hundreds of building projects of all types, including educational, office, healthcare, arts, residential, religious, retail, hospitality, industrial/manufacturing, banks, parking structures as well as adaptive reuses and renovations. Some of his notable projects include the Walker Art Center Expansion, Orpheum Theater Renovation, Minnesota Department of Revenue, multiple projects at the Mayo Clinic, and corporate headquarters for Ceridian, ADC Telecommunications and Medtronic.

Prior to joining LEO A DALY, Galey worked as a consulting structural engineer providing engineering design and evaluation services. Previously, he served as a principal for **Van Sickle, Allen and Associates** and as director of engineering and principal for **Hammel Green and Abrahamson, Inc.**

TRENDS, from page 1

(cool, smart, talented people) to grow its team.

"Growing our team has been one of our primary strategic initiatives over the past two years," Schneider says.

To assist in recruiting, the HR department worked closely with the marketing department and created a campaign depicting the different characteristics the firm looks for in its CSTP. This campaign has been very successful in portraying company culture and setting Sanderson Stewart apart from other firms. It demonstrates that not everyone will be a fit for them.

"We are looking for fun-loving, hard-working high achievers," she says. "We have had great successes through our employee referral program, college recruiting and internships. We recruit interns with the intent of making an offer for full-time employment if they perform well and fit within our culture."

Most recent hires at Sanderson Stewart include staff for administration and technical positions – specifically staff engineers, senior engineers and landscape architects.

"We are always looking for more great CSTP," she says. ▀▀

EXPANSION

Expenditure trends in the second half

Firms seem to be entering a spending mode – investing both in people and systems – but a few are holding back.

By LIISA SULLIVAN
Correspondent

Some firms are spending, others are not – but what are they spending on or holding-off on? Variables point to need and to the market.



Jonathan Blaha,
VP of Finance
Systems, Cardno
Americas.

STRATEGIC SPENDING. Jonathan Blaha, vice president of finance systems at **Cardno Americas** (Portland, OR), an 8,000-person global professional infrastructure and environmental firm, says the company is currently investing in its combined financial and

marketing platform – BST Global Enterprise. He says that this is a strategic investment area for its U.S. operations since it currently has a host of diverse systems and processes for 11 different areas.

“Having all of our staff manage their project financials and opportunity forecasting through one system is critical to our ability to operate as one company and to serve our clients well,” Blaha says. “We have just executed a significant transition to this system with 700 staff members and are intending on transitioning the majority of our region within the next 18 months.”



Paul Jewel, COO,
Principal Planner,
Director of BD,
Nelson\Nygaard
Consulting
Associates.

Paul Jewel, COO, principal planner, and director of business development at **Nelson\Nygaard Consulting Associates** (San Francisco, CA), a 95-person transportation planning firm, points to software spending as well – and staff additions.

“We are just entering the third year of our three-year growth/rebuilding plan and are about to make some big purchases,” Jewel says. “Within the next three- to six months, we will be buying three enterprise software programs: Deltek Vision, Newforma Project Management, and Knowledge Architecture’s Synthesis Intranet program.”

Jewel says that Nelson\Nygaard is also planning to create several new corporate positions, including chief development officer and director of marketing/publicity.

“We see a positive multi-year growth cycle in front of us and want to make sure that all of our system and staffing needs are in place before we start a big growth push,” he explains.

They plan is to grow from the current 95 employees to 140 by 2017.

INVESTING IN EXPANSION. ADVANTAGE ENGINEERS, LLC (Mechanicsburg, MD), a 120-person engineering consulting firm, is currently investing in the expansion of nearly all of its offices, says John McGrath, COO.

In order to accommodate client demand



John McGrath,
COO, Advantage
Engineers, LLC.

and staff increases, Advantage is more than doubling the size of its Columbia, Md.; Mount Laurel, N.J.; and Allentown, Pa. facilities. The firm is also taking additional space adjacent to its Mechanicsburg, Pa. headquarters.

“We are fortunate that our need to expand several offices simultaneously is occurring while the real estate conditions are still somewhat favorable,” McGrath says. “We have benefited from leasing opportunities that allow us to facilitate our current expansion and to provide for our projected growth.”



Chad Souter,
BD Manager,
Landpoint Inc.

Landpoint, Inc. (Bossier City, LA), an environmental engineering firm of 130, also has its sights set on geographic expansion.

Chad Souter, business development manager at Landpoint, says that it has an acquisition strategy that increases its geographical reach into key regions.

“After finalizing the next acquisition, our number of employees will increase to approximately 200,” he says.

SCALING BACK. Morrison Shipley (Fort Smith, AR), a 28-person civil engineering and land surveying services firm, is holding off on major expenditures at this time due to a slowdown in work. It is waiting until it sees better prospects ahead.

See EXPENDITURES, page 12

GOOD TO KNOW

The median amount firms spend on information technology is 3.9 percent of their net service revenue. Thirty-two percent of firms have a recruiting/HR budget.

Source: 2012-213 Operating Expenses Survey, ZweigWhite: www.zweigwhite.com/p-1166-operating-expenses-survey-2012-2013.php.

TRANSACTIONS

GEC BUYS: Baton Rouge engineering firm **GEC Inc.** has acquired **Noble Consultants**, a California engineering company that specializes in coastal, harbor and water projects.

Terms of the deal were not disclosed.

The addition of Noble gives GEC offices in Irvine and Novato, Calif. The deal also significantly extends GEC's national reach.

In addition to its Baton Rouge headquarters and new offices in California, GEC has offices in Metairie, Lafayette, and Mandeville; Gulfport, Miss.; and Jacksonville, Fla.

"This acquisition is a key element in GEC's strategy to become a more comprehensive coastal firm and to fully participate in coastal restoration activities in Louisiana and the coastal arena nationwide," said Stephen Spohrer, GEC's chief operating officer.

The addition of Noble Consultants' 10 employees brings GEC's workforce to 185 people.

All of the Gulf Coast states have plans to spend money from BP fines, as well as their own funds, for coastal restoration projects, Spohrer said.

Over the past several years, GEC has steadily grown its coastal project work. Adding Noble Consultants will allow GEC to increase that business.

The market for coastal services in Louisiana consists of coastal restoration work through the Coastal Protection and Restoration Authority, Spohrer said.

The agency laid out that work in its master plan.

Upcoming projects include restoring barrier islands and large-scale freshwater and sediment diversions, as well as planning and permitting for those projects.

GEC competes for that work with out-of-state "mega-companies" that until now had more in-house capabilities, Spohrer said.

Adding Noble Consultants' coastal, structural, harbor and water resources engineering boosts GEC's current capabilities.

Similar opportunities exist across the Gulf and lower Atlantic coasts, Spohrer said. GEC is now better positioned to pursue those projects.

Noble has more than 40 years of national and international experience

providing engineering services on shoreline and other marine projects.

GEC will retain all of Noble's employees and keep both offices. The California division will continue to operate as Noble Consultants, and Ronald M. Noble will continue to serve as Noble Consultants' president.

Noble will oversee the California operations and help GEC expand its coastal client base.

GEC's and Noble Consultants' business relationship dates back to the 1990s.

The companies have worked together on Louisiana Department of Natural Resources and Office of Coastal Protection and Restoration contracts, as well as a number of contracts with the U.S. Army Corps of Engineers.

That work included projects in the Corps' Los Angeles, San Francisco, Alaska and New Orleans districts.

EXPENDITURES, from page 11

"Most of our large expenditures are related to survey equipment and computers/software."

"Most of our large expenditures are related to survey equipment and computers/software," says Greg Shipley, president. "We have scaled back on our vehicles both in quantity and quality (i.e., lesser-priced, more fuel-efficient vehicles)."

The firm is also planning to do without new survey equipment and reallocating its resources to do more sharing among crews and offices. While Morrison Shipley is staying current on software needs, it is postponing non-essential computer purchases for another six- to 12 months.

"At this point, we are good shape for hardware," he says. ▲▲

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