

There's more to marketing



Mark Zweig

EDITORIAL

Sell by showing what you can do, just as in the old days, Mark Zweig writes.

If you have ever watched the TV series “Mad Men,” then you’ve learned a little something about the crazy world of the advertising agency business in the 1950s and ’60s. I was just a kid then, but my dad was in the ad agency business at that time. We had the architect-designed modern house, my father drove a Jaguar (one of the main characters in “Mad Men” bought a new Jag in one episode), and he was always a snazzy dresser. The last time I visited the folks back in Kirkwood, we talked a little bit about it.

My dad told me that back then marketing wasn’t all about a bunch of research like it is today. God knows market research has its flaws. Two of the most heavily researched new vehicles prior to launch were the Edsel (I’ve had two of ’em) and the Pontiac Aztec. The Edsel became the laughing stock of the auto industry. I can only imagine how much worse it would have been had they used the number one name developed from their research. It was supposed to be called “The Utopian Turtletop” at one point in time! And you didn’t need a lick of common sense to know the Aztec was ill-conceived. The thing had more plastic cladding hanging off of it than anything before or since, was high, narrow and just plain ugly, and completely missed its demographic target of “adventurous, outdoorsy 20-somethings,” soldiering on for a few years as a low-income family hauler before getting its plug pulled.

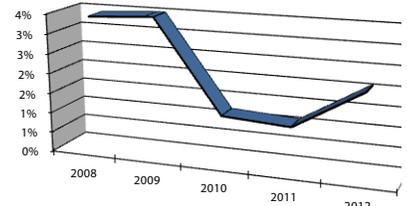
The point is, back then my dad said they had “older guys who could sell” (they were in their ’40s and ’50s) and that the agencies would compete

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We have seasoned professionals – principals in our firms – who come up with ideas and then “pitch” them to clients. It doesn’t mean everything is a formal design competition, either, but many clients do want to see that the design professionals they are dealing with have some specific ideas about their project before hiring them.

TRENDLINES

Fair profit



With the economic challenges facing A/E firms, profit sharing as a percentage of payroll has seen a steady decline in recent years. But it looks like profit sharing is on the rebound. According to the 2012 “Incentive Compensation Survey,” profit sharing as a percentage of payroll has increased to 2.1 percent this year. In 2011, profit sharing as a percentage of payroll dropped to five-year low of 1.1 percent from 1.2 percent in 2010. There was a slight increase in 2009 to 3.5 percent from 3.4 percent in 2008, but 2010 data shows a steep decline of 2.3 percent from 2009 to 2010.

– Margot Suydam, Survey Manager

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with one another by showing the client what they could do.

“Wow,” I thought to myself. That sounds like our industry (architecture and engineering). That is still the predominant way we market ourselves. We have seasoned professionals – principals in our firms – who come up with ideas and then “pitch” them to clients. It doesn’t mean everything is a formal design competition, either, but many clients do want to see that the design professionals they are dealing with have some specific ideas about their project before hiring them.

You have to be willing to show what you can do. This is one of the reasons I have always been skeptical of paid business development people for firms in this business. They can’t do anything for the client. Only the professionals can (most of the time – there are exceptions, obviously!)

Get your best, creative thinkers out in front of your clients and potential clients. Let them do what they do best – create – and then they’ll be more effective in their selling efforts because they will be SHOWING clients why your firm has some special magic to offer. They’ll also be happier. Take the brakes off – give a little to get a lot more. If you don’t, your competitors will and they’ll eat your lunch.

MARK ZWEIG is the chairman and CEO of ZweigWhite. Contact him with questions or comments at mzweig@zweigwhite.com.

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A/E BUSINESS NEWS

N.Y. ENACTS EXEMPTION FOR GREEN BUILDINGS:

On July 18, 2012, New York Governor Andrew Cuomo signed Senate Bill 1462 into law authorizing a municipal corporation to provide a real property tax exemption for improvements to Leadership in Energy and Environmental Design (LEED) certified or other green initiative certified buildings. Municipal corporations will now decide whether to adopt the exemption. Companies considering construction of a potentially qualifying improvement should monitor local legislative activity to see whether the relevant localities have adopted the exemption and should start planning for construction projects scheduled for 2013.

Under the authorizing statute, the exemption would apply to construction projects beginning on or after Jan. 1, 2013. Local law, however, may specify a later date. The exemption would be available only to the extent that the improvement increases the assessed value of the real property. To qualify, the real property improvement must be documented by a building report, and the value of the improvement project must exceed \$10,000. Ordinary maintenance and repair projects will not qualify as eligible improvement projects.

For property that is certified by an accredited LEED professional as meeting the certified, silver, gold, or platinum designations, the exemptions are equal to 100 percent of the increase in assessed value as a result of the improvement in the first year. The exemption is gradually phased out over ten years, with 20 percent exempted for platinum buildings in year 10 and no exemption in year 10 for certified, silver, and gold buildings. The LEED professional must file a copy of the LEED certification with the local Assessor’s Office, and the Assessor must approve the certification.

ASTHMA AND BUILDING MATERIALS:

Interdisciplinary design firm Perkins+Will (Chicago, IL), released a new report examining the detrimental impact of building materials and products on asthma. The report, Healthy Environments: A Compilation of Substances Linked to Asthma, identifies 374 substances commonly found in the built environment that are known or suspected asthmagens.

Perkins+Will’s expertise in building materials prompted Healthy Environments, which is being published in hopes of raising awareness of the connection between health and

buildings while identifying existing sources of information so that healthy buildings will result. Also included is detailed information on the occupations and industries that come into the most contact with these potentially hazardous materials. The report’s findings were compiled from an analysis of eight lists of published research from both academic and government sources.

“We are glad to highlight the lurking public health threat of asthmagens in the built environment,” said Peter Syrett, leader of sustainability efforts at Perkins+Will’s New York office. “This report complements Perkins+Will’s Precautionary List and Transparency website in educating the public on the potentially harmful impact of buildings on the environment and human health.”

Among the indoor substances and objects linked to asthma are building materials and furnishings; household cleaning, personal care, and hobby products; central heating and cooling systems; and humidification devices.

According to the report, it’s estimated that 23 million Americans suffer from asthma, with 7.1 million of them children. The Centers for Disease Control and Prevention note, “Many indoor environments have pollutant levels two to five times higher, and occasionally more than 100 times higher, than outdoor levels.” Since Americans spend approximately 90 percent of their time indoors, indoor air quality can have a dramatic impact on these rising asthma rates. Thus, something must be done to improve conditions. The report, part of Perkins+Will’s Transparency initiative, can be found at: transparency.perkinswill.com/assets/whitepapers/NIH_AsthmaReport_2012.pdf.

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PLANNING

2013 fiscal planning starts now

Firms are reevaluating activities, getting help and forging ahead.

By LIISA SULLIVAN
Correspondent

Editor's note: This is part one of a two-part article.

Planning for 2013 has begun in earnest. So, what are firms doing differently in 2013? What are they doing the same? We posed this question to several firms leaders, who shared their insights on the subject.

LEAVE WIGGLE ROOM. Stephen Varone, president, **RAND Engineering & Architecture, PC** (New York, NY), a 77-person firm, says that last year was its best ever for sales.



Stephen Varone,
President, RAND
Engineering &
Architecture, PC.

"So far this year we're on pace to surpass 2011's performance by a healthy margin. Our planning for 2013 is to continue to expand our staff as needed so we can take on the increased workload," Varone says. "Specifically, we're expecting an uptick in the number of façade inspections and repair programs under New York City Local Law 11/98 as the final filing deadline for the current-cycle approaches. We are also gearing up for more benchmarking, energy audits, and retro-commissioning projects mandated by New York City's Local Laws 84/09 and 87/09 – part of the city's new energy efficiency legislation."

And, as firms are reminded by the 2008-2009 economic downturn, you have to take into account the volatility of the economy when creating financial budgets and allocating resources.

"Despite the still sluggish economic climate, we've been not just holding our own but growing," Varone says. "We realize, however, that it's a mistake to get overly optimistic concerning pro-

jected revenue and cash flow. You have to leave wiggle room when running the numbers, so that if we do see a softening economy in 2013 and it causes sales to fall off and clients to take longer to pay, we've got plenty of cash flow cushion to weather the storm."

TAKE THE "EAP" APPROACH. Mike Ranum, CFO, **BWBR Architects, Inc.** (St. Paul, Minnesota), a 113-person firm, says that while the volatile markets have continued, both for good and bad, BWBR's approach to planning for the next fiscal year remains an intentional and analytical process:



Mike Ranum,
CFO, BWBR
Architects, Inc.

- 1) **Examine** the prior year to understand where there were significant deviations from the plan;
- 2) **Analyze** these changes from the plan to understand whether they were the result of a change in the business environment or a lack of control on the firm's part; and
- 3) **Project** what changes are probable in the firm's markets in the coming year and in the following years.

"From this work, we develop both an income expectation based on how much work we project in our key markets and an expense budget that will allow us to execute on our anticipated volume of work," Ranum says. "We also spend some time looking at the technology we are using and what is emerging in the field and develop a budget for technology hardware and software for the coming year."

BWBR also knows that it needs to have two constituencies to rely on – stability and abilities; and staff and clients.

"With those constituencies in mind, we try to be cautious about our income projections and we build the expense side of the plan with some contingencies," Ranum says. "The key for us is to understand the assumptions that the financial plan is built on and to be able

to identify when reality is deviating from the planned assumptions. If the plan is constructed without any core assumptions, it becomes very difficult to analyze why the actual is deviating from plan."

ENTERING NEW MARKETS. Theresa Turner, CFO at **Draper Aden Associates** (Charlottesville, VA), a 180-person consulting engineering firm, says that it is continuing its strategic planning efforts to assess and enter new markets that will promote growth in the organization.



Theresa Turner,
CFO, Draper Aden
Associates.

"Our diversity in service offerings provides our clients with multiple options that may assist them with their needs and has been a significant factor in our ability to remain in a stable financial position during tough economic conditions," Turner says. "Current-

ly those efforts have resulted in a much improved financial and market position in 2012. Our goal is to build upon those successes utilizing short and long-term objectives in our strategic planning process."

Turner recommends keeping strategic objectives in mind and evaluating, internally, where your organization truly is and then work toward improving where needed.

"Don't be afraid to spend the money needed to achieve realistic short- and long-term goals, but make sure those goals are what are best for the organization – achievable and measurable," Turner says.

INVEST IN UNDERSTANDING REVENUE CYCLES. Tom Kahl, CFO at **GEI Consultants** (Woburn, MA), a 500-person firm that provides a broad array of geotechnical, water resources, environmental and ecological science and engineering consulting services, says it's all in the timing.

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AWARDS

Jerry Allen Award nominations open

Winner to be recognized during Hot Firm Conference.

Registration is now open for the Jerry Allen Courage in Leadership Award, given each year to someone working in an A/E/P or environmental firm who has demonstrated in a unique way, personal courage in their actions that have impacted their firm.

The award winner is one that has courageously overcome obstacles to advance their firms to a new level of success and accomplishment. Nominees can be in any role and come from A/E/P and environmental firms of all sizes and types.

The registration deadline for the Jerry Allen Courage in Leadership Award is Friday, Sep. 28. For more information and to submit a leader for consid-

Allen was a friend and mentor to Mark Zweig, founder and CEO of ZweigWhite.

eration, visit www.zweigwhite.com/g-66-the-jerry-allen-award.aspx.

The winner will be announced and celebrated at **THE ZWEIG LETTER** Hot Firm Conference, Oct. 24-25, 2012 in Aspen, Col.

The 2012 Jerry Allen Courage in Leadership Award winner will receive:

- One copy of all 2012/2013 ZweigWhite publications, including management surveys, best Practices and market research
- A one-year membership to **THE ZWEIG LETTER** and **THE ZWEIG MARKETING LETTER**
- Free registration to **THE ZWEIG LETTER** 2012 Hot Firm Conference, Oct. 24-25, 2012

WHO WAS JERRY ALLEN? Born in Texas in 1940, and the first of his family to graduate college, Jerry Allen seemed destined to make an imprint on the AEC Industry – one that would exceed his lifetime.

After serving as city engineer for the City of Fort Worth, Texas, Pub-

lic Works Department, Allen joined Carter & Burgess, Inc., a 40-person engineering, surveying, and landscape architecture firm, in 1969.

Working there for more than 33 years, he became the company – and the company became him.

Known not only for being the CEO of Carter & Burgess, but also as an innovative and inspirational leader, under Allen's direction, Carter & Burgess grew from some 200 employees and \$17 million in revenue in 1988, to 2,300 employees and \$381 million in revenue by 2002.

Allen, who was an incredible athlete and in fantastic physical condition most of his life, was struck down by colon cancer at age 62. Carter & Burgess continues to be an industry leader as a testament to Allen's courageous leadership.

Allen was a friend and mentor to Mark Zweig, founder and CEO of ZweigWhite. In his honor, a portion of the proceeds from the awards program will be donated to The American Cancer Society. ▲▲

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“Our experience suggests that, in this economy, we get our best results when we ask our staff to stretch a bit,” Kahl says.

Kahl adds that new projects and revenue will almost always start and ramp up more slowly than project staff initially predicts.

“As a result, we invest a lot of planning time in revenue forecasting, particularly in estimating revenue timing,” he says.

GET HELP; START EARLIER. Craig Neslage, executive vice president, manager of operations of **Chambers Group, Inc.** (Santa Ana, CA), an environmental consulting services firm, says they also had a solid 2011. The company reported significant bookings from the energy/utility and telecom-



Craig Neslage, Executive VP, Manager of Operations, Chambers Group, Inc.

munications sectors and that work carried into 2012; it is now beginning to wind down.

“With a large workload, we were very busy, and although we continued to respond to many proposal opportunities in the first half of 2012, we had less time to put forth our best effort. Consequently, our hit rate for wins has suffered somewhat,” Neslage says.

In planning for next year, Chambers Group is hiring some very high-level experts to help in clarifying its vision as a team and identifying leading-indicator activities per department (operations, marketing, and sales) to make it happen.

In 2011, Chambers Group made the 2011 Hot Firm List and it wants to continue that growth.

“The company has used consultants in past annual planning sessions. However, we feel that we have a stronger interest in strategy and execution techniques this time around from someone with major national company background who has a history of extraordinary achievement,” Neslage says. “This kind of consultant has been identified and booked.”

Chambers Group is also starting its 2013 planning earlier this year (third quarter) with a session to determine its “make or break” activities, company-wide, for continued growth. The firm will also create dashboard with tracking tools to keep them on schedule. ▲▲

SURVEY

Drug policies crafted firm by firm

While many are ever-vigilant, others are skipping pre-employment drug testing due to costs and time issues.

By CHRISTINA ZWEIG
Contributing editor

A manager at a Northwest Arkansas engineering firm recently conceded that he had to fire one of his employees the previous week for “failing to provide an adequate sample” during a drug test.

Are other A/E/P and environmental consulting firms as strict with their drug policies?

According to ZweigWhite’s 2012 “Policies, Procedures & Benefits Survey,” 85 percent of firms have a formal drug use/abuse policy, but the particulars of the policy vary from firm to firm and can be anything from routine, random, drug screenings of employees, to drug testing only those “under suspicion,” to an approach based mostly on observation by peers and management for irregular behavior.

In the above situation, the engineering firm operates on a “three strikes” policy. An employee is asked to provide a sample, which is tested not only for the presence of illegal substances, but also for evidence of possible tampering, including temperature and dilution. The employee who was fired provided a sample with the wrong temperature initially and was given an opportunity to provide a second sample, which was too diluted. On the third attempt, the test administrator must be present to view the sample being given (for many a drastic invasion of personal privacy), and the employee was unable to provide a sample at all. At this engineering firm, a positive drug screen or the inability to successfully take a drug test in three attempts is grounds for automatic termination.

While this is certainly is not a common

occurrence at most A/E/P and environmental consulting firms, it is representative of how firms have highly tailored policies regarding drug use and other illegal activities. The situation also inevitably cost the firm a lot of time and money resulting from lack of employee productivity, obtaining a test administrator, and the drug test itself. Almost all firms in the industry (98 percent, according to the survey) have some sort of personnel policies and procedures manual, which is usually developed in an attempt to maintain consistency and fairness with regard to staff and overall company policies. These policies can be lengthy and exhaustive texts, and 86 percent of firms require employees to sign a release acknowledging receipt of the manual.

ANOTHER EXAMPLE. Lana Anest, principal, people development at **Miyamoto International**, a West Coast-based global earthquake and structural engineering firm with over 100 people, says that they do not drug test. Still, the firm has a drug abuse policy.

“We are committed to providing a safe and healthy work environment free from drug and alcohol abuse,” she says. “We do prohibit the unlawful manufacturing, distribution, sale, dispensing, possession, or use of alcohol, illegal drugs or illegal use of a controlled substance while conducting company business.”

RISK-MITIGATION, WARDING OFF POTENTIAL ISSUES. Drug abuse and other illegal activities is often less of a concern at design firms because these behaviors are detected during the interview and hire process, before individuals are allowed to join a firm.

“Most firms drug test (typically those with 50 or more employees)... but fewer conduct a comprehensive background check,” says Jeremy Clarke, director, executive search consulting, ZweigWhite. “Typically the BC is just objective data that doesn’t require interpretation.”

Clarke feels the other elements of a

background check typically are revealed during the rest of the interview process.

According to the survey, 45 percent of firms check a potential new hire driver’s license/record, 33 percent check criminal records, and 11 percent even check credit history. Twenty two percent of firms don’t perform any kind of background check. When asked if drug tests were standard procedure among new-hires, 23 percent of respondents replied affirmatively.

Mallory Bryant-Harris, executive recruiting specialist at ZweigWhite, has a previous background in the construction industry. She feels that for many job openings available today, a large applicant pool and constricted firm budgets make drug-testing an unnecessary added expense and complication. When vetting job applicants, she says, “One thing we always do is call references. Usually you can get a good idea about a person and their workplace behavior from speaking with previous employers.”

OTHER POLICIES... Drugs and alcohol aren’t the only way you can get in trouble at work. Gambling is also a problem, though it is legal in some states. According to the survey, due to the potential liabilities involved, it is becoming significantly more important to have a formal policy in place when illegal activities are concerned. Twelve percent of firms have a formal policy against gambling (for example, office pools).

If an employee is suspected of suspicious behavior, how far can the firm go to get evidence? Almost all firms have a policy about proper use of the Internet and external email, and 5 percent prohibit all “personal use” of the Internet.

The survey says that a meager 3 percent of firms respect employees’ email privacy at all times, 50 percent say they reserve the right to view employee email but do so only under extreme circumstances, and 45 percent of firms do not permit any email privacy. ▲▲

FEEDBACK

More for less and staying close

Readers react to recent Mark Zweig editorials.

In his editorial, “Beware of the inexperienced client,” in **THE ZWEIG LETTER**, June 4, 2012, Mark Zweig writes about how inexperienced clients can wreak havoc in an organization. Jim Lovell, president of **Confluence, Inc.** (Bozeman, MT), a multidisciplinary environmental planning, design, and restoration firm, wrote:

“Inexperienced clients always want more work for less money and without changing the project schedule. They are often ignorant of scope creep and resentful when their demands for additional work are met with requests by the consultant for additional budget and more time.”

“I would add to this list the inability of inexperienced clients to understand and accept the interrelationship between scope, budget, and schedule. Inexperienced clients always want more work for less money and without changing the project schedule. They are often ignorant of scope creep and resentful when their demands for additional work are met with requests by the consultant for additional budget and more time. As environmental consultants, we have to help them write very tight scopes of work and continually remind them what we are (and are not) contracted to deliver.”

In his the article, “Maintaining those great long-term relationships,” in **THE ZWEIG LETTER**, April 23, 2012, Mark Zweig writes about this is crucial for design firms. Ronald Kern, with packaging and packaging solutions firm MWV, wrote:

Mark:

I read some of your notes regarding relationship maintenance and selling skills. Trouble is most people just shelf the relationship once they have gotten a cookie or two and there does not seem to be any more bits of gold in sight. I spent most of my life selling water treatment chemicals for Nalco and GE. I learned much during that period. I am slowly writing a sales book and will eventually share my skills.

I still correspond with customers that I have not seen in years and years just to hang on to the relationship and be a friend. Too many people are transparent and have no substance.

Thanks for sharing.

Here are a few quotes I have always enjoyed.

“Make no enemies for free.” (Lesson on frustration and how to be a diplomat and bow out, but save o save that relationship.) I think this guy was or is a real estate mogul. First sales book I ever read.

“If you wait long enough by the riverside the bodies of your enemies will float by.” (Lesson on patience regarding a very difficult customer. Chances are he/she is not liked by their peers either.) Very old form the Middle East or Orient, as I hear.

Happy selling,

Ronald Kern

Mark Zweig responds:

Good stuff, Ron. Thank you. Maybe we can use some of your wisdom in one of our newsletters some time.

Have a great day!

Mark ▲▲

RESOURCES

MARKETING SURVEY: Times are tight, and your firm may not have a lot of money to spend on marketing.

See what’s working – and what’s not – for your competitors and other firms just like yours with ZweigWhite’s 2012 “Marketing Survey of Architecture, Engineering & Environmental Consulting Firms.”

If your firm isn’t keeping pace with industry standards when it comes to marketing, you’re risking the future of your business. But how do you know if your firm is over- or underinvesting in marketing compared to your competition? Do you know which marketing strategies lead to success, and which ones you should avoid? Do you know how many marketing staff firms like yours need to get the job done? With this book, you’ll be able to see which marketing activities can provide the biggest bang for your buck; set realistic budgets for 2012-2013, including staffing levels, compensation, and investments in marketing systems and infrastructure; and determine reasonable goals for your own proposal activity, hit rates, and more.

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SUCCESSFUL PROJECT MANAGEMENT:

The successful management of projects in today’s challenging environment is a science that has been perfected over the years by the best project managers in the A/E/P and environmental consulting industry. These managers identify clients’ expectations, set achievable goals, assign resources, oversee and control logistics like schedule and budget, monitor and evaluate progress, anticipate problems, and offer creative solutions. But project management is also a skill, and involves leadership abilities, communication techniques, collaboration with team members, and creativity. Both the science and skill qualities can be enhanced by a system of continuous client feedback, leading to the ultimate goal of securing the client’s next project in the future. Successful Project Management in the A/E/P and Environmental Consulting Firm integrates both the skill and science of managing projects and identifies the profession’s best practices through numerous examples, unique checklists, and case studies. Many ideas in the book are presented from the client’s viewpoint, adding valuable perspective not often found in management books.

For more information or to by a copy, call 800-466-6275 or log on to www.zweigwhite.com/zw-099.aspx.

Who will be the next rainmakers?



Leo
MacLeod

GUEST SPEAKER

As baby boomers retire, is your firm nurturing their replacements?

Each day of the next 19 years, more than 10,000 baby boomers will turn 65. More senior partners will ask if they can afford to retire anytime soon. It's easy to blame the recession, but too often it's a systemic host of issues that make that answer "not now."

One of the fundamental questions in succession planning is: Who will continue the rainmaking that funds the retirement of the very people who performed most of the rainmaking? Has the firm invested in growing the next generation of leaders and rainmakers to step up? Or will the key business relationships leave the firm along with the diplomas and framed photos?

The transition in rainmaking responsibilities can be problematic, making retirement challenging. The issues are both ends of the equation: those who are trying to leave and those who are staying.

Too often, senior principals don't want to make specific retirement plans. They may not know when they want to retire or what that looks like. Aside from the steady paycheck, they appreciate being able to contribute by offering sage advice and leveraging relationships. They have spent a lifetime building equity in relationships that often generate revenue. It's difficult for them to simply give that up and retire. For one thing, can they trust their replacements to honor and cultivate relationships to their expectations? For another, can retirement offer the same satisfaction?

This is not to say 65 is a definitive mark, but it's important for the next generation of leaders to know where they stand. Sit down with team members and have an open discussion about succession. Create a plan that works for everyone. There is a risk of losing good people if their timeline for moving on is not the same as others' timeline for moving up.

I've seen firms make the transition successfully, and they have started early. Responsibility and accountability are pushed down through the ranks. Senior people don't hoard their relationships or squash initiative of younger staff. Senior principals take junior staffers to lunches with clients. They throw them on the front line.

They allow them take the glory and the knocks. That requires a shift from "doer" to "mentor." A senior manager begins to shift from taking the lead to supporting other people and growing them.

That mentor/servant philosophy needs to be modeled at the top.

Rainmaking at too many firms is isolated to the senior people. And when the rainmakers want to retire, the next managers often don't have the relationships because they haven't had to build them. For smooth transitions, junior staffers need to develop the "relationship habit" early.

Relationships are funny, fragile things. They cannot be simply transferred like a company's assets. People buy from people they like and trust, and years are needed to build that equity. As people mature in their responsibilities, they must get out of the office and build their own relationships. Technical skills get the work done but relationship skills often win the work. As associates move up, relationship-building should be a larger part of their job descriptions.

Even if principals are proactive in grooming their replacements, the challenge doesn't stop there. Rainmaking can be hard work: maintaining disciplined follow-ups, swallowing overcooked beef at award dinners and playing golf with unfamiliar people (well, golf with anyone can still be enjoyable). People will not necessarily rise to the challenge simply because you've made it clear that it's important. They're often busy with projects and not inclined to spend their free time doing something work-like.

Rainmaking is not a list of prescribed must-do's. Encourage them to take an engineer or project manager out for a beer or a bike ride.

Rainmaking doesn't need to be a solitary activity: Suggest that a group assembles for an activity.

Give staffers time during the day so they can meet with colleagues or attend workshops. All too often, one message sent is: "get out more" and another is: "work harder." With everyone working more for less money, it's challenging to carve out time for anything other than billable time, but the alternative is to one day end up without rainmakers.

Applaud whatever small steps taken by junior staffers to take initiative in rainmaking, such as arriving at the office early to perform a mock interview with other staffers, organizing a softball game, or doggedly chasing down a lead. Rainmakers can retire, but planning ahead by investing in the next generation will allow a company to do it on its timeline. ▲▲

Article originally published in the Daily Journal of Commerce.

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The myth of 'Best Practice'



Bernie Sibben

With such a diverse industry, one size doesn't fit all.

“One size fits all” may be a great concept in bathrobes, but does it really apply to planning, architectural, engineering, environmental, surveying, landscape architecture, construction management or construction firms?

The AEC industry is made up of thousands of firms, ranging from one person structural engineering firms operating out of the garage, to full-service A/E firms with more than 50,000 employees in more than 100 offices on six continents. Some of these are single discipline firms – planning, mechanical engineering, environmental – while other firms offer every planning, design and construction phase service you can think of.

To my mind, therefore, it should be obvious that no individual business practice or set of practices – whether related to technical project operations or back office functions like marketing and accounting – will be right for every single firm in the AEC industry.

If you don't believe me, ask yourself the following questions:

- Should a 50-person civil/structural/CM firm follow the same accounting practices as a 50,000-person firm that does “everything”?
- Should a 12-person architectural firm specializing in K-12 schools follow the same HR processes as a 500-person architectural firm with a dozen different studios in six cities, each specializing in a different kind of facility?
- Should a 15-person archaeological consulting firm employ the same proposal development process as a 1,500-person full-service environmental consulting firm?
- Should a one-discipline engineering firm adopt the same technical review practices as a 1,000-person firm providing civil, structural, mechanical, electrical, acoustical, geotechnical and chemical engineering services?

THE FAST LANE

I would submit that a 'best practice' is the one that works best for your firm, at your size and growth rate, for your ability to serve your clients, in your markets, and for your people.

- Should a small construction firm specializing in suburban, single-family residential structures follow the same materials procurement processes as a construction firm building multiple concurrent high-rise structures in urban settings?

With the above in mind, there are some differences of opinion regarding the “go/no go” evaluation process.

- One national A/E firm senior vice president says that every RFP is a “no go,” unless the person championing that effort can prove either that the project can be won or that there is a strategic reason to expend resources on a losing effort.
- Another national A/E firm senior vice president says that, for any RFP, if the issuer is a strategic client, the default answer is “Go” and someone would have to demonstrate why it should not be pursued; if the issuer is not a strategic client, the default answer is “No go” and someone would have to prove it was worth pursuing.
- A third highly placed marketer says that if the client doesn't know your firm, the RFP should be an automatic “no go,” even if the project is of a type where you have strong technical skills and a portfolio of relevant projects.

And what happens in the crafting of your proposal? If every firm pursuing the opportunity follows the same set of “best practices” to get the work done, and those processes inform how you develop your project approach, won't it be harder to develop an innovative approach if you are following the same processes as every competing firm?

I believe that what makes the most sense for any company is that its leaders should first look at the practices they are already following. If these leaders are satisfied with the way those practices are working for them, they need look no further. If not, they should look at the range of available “good practices” and chose the one – or the group – that is “best” for them. There are enough articles on “best practices” and enough people willing to brag about their firms' practices to accomplish this research and make intelligent choices in relatively short time.

In summary, I would submit that a “best practice” is the one that works best for your firm, at your size and growth rate, for your ability to serve your clients, in your markets, and for your people – the one that does the most to get your firm where your strategic plan says you want to go, and with the lowest level of organizational “pain.”

See BERNIE SIBEN, page 10

WORK/LIFE

Engineering balance through time-off policies

Firms offer flexibility and employees are thankful.

By BRYAN SULLIVAN
Correspondent

Salary, health benefits, vacation/paid time off and sick leave are all important aspects of a firm's culture. And, to most employees, maintaining a balanced life outside of work can be a major challenge. That's why rewarding loyal and hard-working employees with time off is important to maintaining a full and vibrant workforce.

Well-engineered vacation/time-off policies benefit all involved. Benefits of well-crafted time-off policies often yield more productive employees, less sick leave, and increased morale and retention.

ARW HAS OPTIONS. ARW Engineers (Ogden, UT) has three different types of leave: vacation, holiday, and sick (personal) leave.



Jen Salvesen,
Office Manager,
ARW Engineers.

"Our vacation accrual begins when an employee has been with ARW for six months," says Jen Salvesen, office manager with ARW since 2006. "At this point, they accrue hours each pay period. After being employed for five years, employees are eligible to earn more vacation, and then again at 10 years, are eligible to earn more hours per pay period. Part-time employees are also eligible to ac-

crue vacation leave – prorated according to the number of hours they work each week."

ARW recognizes eight paid holidays throughout the year. Holidays are completely flexible with notice to a member of ARW Management. If an employee feels that he/she wants to work a certain holiday and use the leave on a more convenient day, ARW welcomes employees to do so.

Sick leave, also referred to as personal leave, is allotted to each employee on Jan. 1 of each year. This leave is not earned. Rather, a fixed number of hours are available.

"Another aspect of our vacation/time-off policy involves the flexible work week. Employees can come in early, stay late, or finish up work at home. This allows employees to plan for and complete their work, while maintaining a balanced life at home," Salvesen says.

Apparently ARW's vacation and time-off policies are working well because they have been in place for more than 20 years.

Matt McBride, a project engineer with ARW since 2000, says that he most likes ARW's flextime policy.

"There are several benefits in this policy, including flexibility during the week to work the typical 40 hours, for example working nine hours Monday through Thursday, and working four hours on Friday, if needed. This policy also allows employees to work on a holiday and take the time off on another

day during the year. ARW's sick leave, which can also be used for personal leave, is another reason that makes working at ARW enjoyable," McBride says.

Salvesen agrees that the most unique portion of the firm's vacation/time-off policy is the flexibility that allows employees to make the most of their leave.

ARW wants its employees to have time off with their families; they realize the importance of this and in having employees feel like they can easily balance work and time off.

FLEXIBILITY WORKS FOR ALL.

Ehlert-Bryan (McLean, VA), a 30-person structural engineering firm, also has a vacation policy that is accrued based on an employee's time at the firm.



Stephanie Staats,
HR Manager,
Ehlert-Bryan.

"Vacation starts at two weeks per year for a new hire. Sick leave is not accrued. We work on the honor policy and employees are paid for days off that they are sick, or are taking care of a loved one who is sick," says Stephanie Staats, human resources manager with the firm for five years.

"We allow for flexible make-up time for appointments and other out-of-office responsibilities that do not require employees to use their accrued time toward that purpose. The vacation/time-off policies that we currently have, have been in place for more than 10 years."

While policies can work for most employees, they may not fit everyone's needs. Having policies for vacation and time off that work for all employees is critical.

Time-off policies at Ehlert/Bryan work because leadership is cognizant that one shoe doesn't necessarily fit all.

See TIME-OFF, page 10

ON THE MOVE

PERKINS+WILL HIRES: International architecture and design firm **Perkins+Will** (Chicago, IL), announced that **John Sadlon** has joined the company as principal and corporate practice leader for the New York office.

“Perkins+Will’s formidable global practice and commitment to service and design excellence, thought leadership, and social responsibility are well aligned with both my professional expertise and personal passions,” Sadlon said. “I am thrilled to join such a diverse team of professionals, to further cultivate relationships with clients worldwide and strengthen Perkins+Will’s well-established presence within the architecture and design community.”

With more than 20 years of experience, Sadlon is widely recognized as a key player in the New York commercial interiors market. Prior to joining Perkins+Will, he served as managing principal of **Mancini•Duffy’s** New York office, where he established the firm’s international practice in 2003 and led significant client accounts across a variety of industries, including law firms, financial organizations, and higher education institutions.

Over the course of his career, Sadlon’s work has won numerous accolades, including a Sustainable Leadership Award as well as two Awards of Honor and one Award of Excellence from the Society of American Registered Architects Professional Design Awards. He has also been featured in top-tier publications such as NY Real Estate Weekly, Real Estate New York (recognized as one of the “40 Under 40” to look for in 2009), Corporate Interiors, and Interior Design. In addition to his professional pursuits, he serves as co-chair of the Design Professions Council of the Fetzer Institute.

“We are extremely pleased that John has joined our team in New York,” said Paul Eagle, principal and managing director of Perkins+Will’s New York office. “We are confident that his expertise in cultivating client relationships and his excellence in delivering innovative solutions will be a great asset to us and will prove to

enhance our ever-growing corporate practice.”

At Perkins+Will, Sadlon will be a critical member of the corporate and interior design teams that work to create distinct environments – spaces that reflect the brand identity and embody the mission, values, and culture of Perkins+Will’s corporate clients. His position as a principal will give him the opportunity to expand the firm’s reach and facilitate new achievements for the design industry by developing business strategies and strengthening global relationships within Perkins+Will’s offices throughout North America, Europe, and the Middle East.

GZA PROMOTES: GZA GeoEnvironmental, Inc. (Norwood, MA), an environmental and geotechnical consulting firm, announced that **Cassandra Wetzel** has been promoted to associate principal at GZA GeoEnvironmental’s Manhattan office.

A resident of the Upper West Side of Manhattan, Wetzel joined GZA in February of 2001; previously she was an engineer with Parsons Brinckerhoff. Her areas of specialization are deep foundation, ground improvement and geotechnical exploration.

Wetzel, who prior to her recent promotion was a senior project manager with GZA, has more than 15 years of experience leading subsurface explorations, field supervision, geotechnical analysis and providing recommendations for design and construction. She has played key roles in the design and construction of numerous local, national and international projects, including marine terminals, power plants, airports, hospitals, highway structures, schools, residential and commercial buildings.

“Cassandra has demonstrated the values and integrity that are critical to GZA as we constantly strive to better serve our clients,” said William Beloff, president and CEO of GZA GeoEnvironmental, Inc. “We are pleased to recognize Cassandra for her commitment, excellence and outstanding performance.”

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If you simply copy the “best practices” used by a friend in a firm that is twice your size and offering a much broader range of services, will that really be “best” for you? Will you replace all your practices and procedures every time some new contact tells you about their “best practices?” I think that would keep your staff totally confused about your company’s way of doing things.

In their discussion of “best practices,” Wikipedia cautions: “Sometimes a ‘best practice’ is not applicable or is inappropriate for a particular organization’s needs. A key strategic talent required when applying ‘best practice’ to organizations is the ability to balance the unique qualities of an organization with the practices that it has in common with others.”

In other words, if you use “best practice” as your “business Bible,” as a required methodology, you run the risk of looking more like every other competing firm out there, rather than the unique organization you have worked so hard to develop. ▀▲

BERNIE SIBEN, CPSM, is owner/principal consultant of The Siben Consult, LLC, in Austin, TX, providing strategic and marketing services to A/E/C and environmental firms nationwide. Contact him at 559-901-9596 or bernie@sibenconsult.com.

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“The ability to request additional paid time off in lieu of bonuses increases that flexibility and the ability to maintain a work life balance.”

“We remain flexible and are able to adjust things in situations that justify a change,” Staats says. “Employees are our biggest asset and we put a lot of work into cultivating and maintaining a high level staff. Part of doing that is providing the best benefits package that we can. We constantly monitor industry benchmarks and make sure that the time-off policies that we have in place are consistent or better than industry standards.”

Douglas Downor, project manager with Ehlert/Bryan for eight years, says that the firm’s vacation and time-off policies are nice because of the flexible work hours and makeup time all employees are allowed.

“The ability to request additional paid time off in lieu of bonuses increases that flexibility and the ability to maintain a work life balance,” he says. “For instance, having loved ones that live far away, vacation is an important benefit to me when deciding where to work. I appreciate the individualization that Ehlert/Bryan allows for in its policies.” ▀▲

TECHNOLOGY

Virtual face-to-face taking hold

Firms are saving big by taking full advantage of technology.

By LIISA SULLIVAN
Correspondent

Some firms are raking in the cash while others are trimming their budgets. But what all firms have in common is their desire to save mon-

“Through the use of technology, such as AutoCAD, we create commercial development documents electronically and actively coordinate with all the trades, engineering disciplines and our clients.”

ey and contribute to the bottom line. That’s why many firms are seeking alternatives to travel via technology and the investments seem to be paying off.

TECHNOLOGY LIGHTENS FINANCIAL LOAD. Michael Stubbs, principal at **Hodges, Harbin, Newberry & Tribble, Inc.** (Macon, GA), an environmental consulting engineering firm, says that the company recently invested in new technology to lighten the financial load of travel.

“It not only saves on money, but on time and helps to make people more efficient,” Stubbs says. “In addition to staff, clients can also participate and this cuts down on design time and more.”

Specifically, HHNT is using Webex meeting software to improve the effectiveness and efficiency of communication with its clients. It is not a substitute for face-to-face meetings, but when possible, using Webex has cut travel expenses by 25 percent.

In turn, the client sees cost savings because Webex cuts out travel/miscella-



C. Warren Boatman,
President, HRH
Architects, Inc.

neous expenses. And, the time that HHNT saves on travel by using Webex allows project engineers to increase their productivity.

HHNT has also been using Document Locator for more than a year now. It is data management software that allows employees to have access to firm files anywhere they can pick up an Internet signal.

“We have created virtual repositories for some of our clients that allow them to securely log in to the Document Lo-

cator portal and access reports/plans that HHNT places into the repository,” Stubbs says. “Using Document Locator also cuts our shipping expenses.”

TECHNOLOGY IMPROVES COLLABORATION; SAVES MONEY. Jim Osborne, vice president IT at **Project Time & Cost, Inc.** (Atlanta, GA), a 220-person team of cost engineers, program managers, and forensic consultants in 49 states and three countries (the U.S., UK and Canada), says PT&C is using several collaborative tools to reduce travel costs. They are:

- Skype – on computers, laptops, smartphones and tablets
- Facetime – on Apple iPhones and iPads
- Infinite conferencing – web conferencing on computers
- GoToAssist for technical support

“Several of the technologies listed have a very low initial cost to perform a trial; often times they are even free. And, when compared to the cost of travel or shipping charges, the gains are tremendous,” Osborne says. “Equipping our workforce with smartphones has the

added benefit of making them more productive while they travel, which saves them time, and in turn, saves money.”

Skype is being used by PT&C’s human resource department to conduct preliminary interviews for employment. Without incurring travel costs, an HR representative can have a “face-to-face” conversation via video feed with the candidate before PT&C makes an investment to fly them in for an in-person interview.

And, while working on projects, PT&C’s teams may be in various locations, even different countries, but need to collaborate and work together. Using Web Conferencing tools, such as Infinite Conferencing, helps teams come together to work on documents – just as if they were all in the same room.

Many of PT&C’s employees work out of a home office or travel on the road and if they encounter a technical issue with their laptop, they use GoToAssist (by Citrix) to help diagnose the issue and can often times fix the problem within a few minutes.

“This saves us time and money with shipping charges that we used to encounter before we had such a product,” Osborne says.

Finally, with the iPhone as a new corporate standard for PT&C’s smartphones, employees are using Facetime to connect with their family and friends while they travel.

“While this may not necessarily reduce our travel costs significantly, it does reduce the loneliness of being apart while they are away,” Osborne says.

After all, happy employees are more productive employees.

SUSTAINABLE SOLUTIONS. At **HRH Architects, Inc.** (Marietta, GA), an architecture, engineering and interior

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TRANSACTIONS

NTG BUYS: New Tech Global, LP (Houston, TX), an upstream oil and gas consulting and engineering services firm, announced its acquisition of **Carr Environmental Group, Inc.** (Spring, TX), a full-service environmental consulting firm specializing in compliance for the oil and gas industry.

NTG's engineering staff and independent consultants provide support, knowledge and resources to onshore, offshore and deepwater operations. Strengthening NTG's environmental and regulatory services will enable our more than 400 operators worldwide to have access to improved oil field support and comprehensive solutions.

"We are very excited to have the quality people available at Carr Environmental Group merge together with our talented team of regulatory personnel to strategically expand our expertise and offerings to best serve our clients," said Larry Cress, president of NTG. "The newly combined management team has the vision and the know how to build on the success of the two companies and further uphold NTG as the preeminent people company in the oil and gas community."

CEG has nearly two decades of experience providing comprehensive and integrated environmental solutions to help clients meet regulatory requirements, manage liabilities, and minimize costs over the lifecycle of a project.

"With the oil and gas industry's increasing sensitivity to environmental regulations, the merger between NTG and CEG comes as response to the growing demands and needs of our clients," said Deborah Carr, president of CEG. Combining capabilities allows our company to provide a full spectrum of solutions to include air

quality, environmental permitting and planning, environmental site assessments, remediation and site closure and engineering and regulatory compliance."

FIRMS JOIN FORCES: Envirogen Technologies, Inc. (Kingwood, TX), announced that it has joined forces with New Jersey-based environmental services firm **Bigler Associates, Inc.** (Ridgefield Park, NJ) – substantially expanding Envirogen's presence in its eastern region and adding Bigler Associates' 20-plus years of environmental design, construction and operating experience to Envirogen's national network.

Bigler Associates clients include A/E firms, private system owners, potentially responsible party groups for Superfund sites, industrial facilities, municipalities and state agencies.

According to Mike Stark, president and CEO of Envirogen Technologies, the similarity of the two companies' business models made joining forces with Bigler Associates attractive.

"Envirogen and Bigler Associates have similar approaches to working with customers. Both companies believe in developing long-term relationships with customers, focus on delivering value through service and make lifecycle cost and performance a central feature of their offerings to the market," he said. "We are very excited about the addition of the people of Bigler Associates to our team. It represents a significant leap forward in our ability to offer our technologies and services to industrial and municipal customers in our eastern region and our entire organization will benefit from the unparalleled experience of Bigler Associates in delivering reliable performance in challenging environmental treatment programs."

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design firm, C. Warren Boatman, president, says the company applies green design and sustainability to its own business operations by using cleverly-designed technology solutions to fuel communications between architect, owner, contractor and cross-functional engineering teams while at the same time slashing the cost of travel.

"Through the use of technology, such as AutoCAD, we create commercial development documents electronically and actively coordinate with all the trades, engineering disciplines and our clients," Boatman says. "During project phases when in-person inspections are needed, HRH employs online searches among travel sites, such as Hotwire and Priceline. Next, HRH cross-checks price with direct carriers, such as Delta, Southwest, AirTran and so on. It employs similar searches for car rentals and hotels. When on-site, in-person inspections are not needed on a project's timeline; HRH employs webinars, phone and video conferencing, FTP file upload/download functionality, e-mail, the Internet, uploading to online print companies and so on to facilitate proj-

ect status check-ins, information sharing and team communications."

HRH has also designed the company website to provide special project upload/download functionality for clients. On HRH's website, clients can access their own up-to-the-moment design plans, construction documents, renderings, engineering plans, etc. specific to their projects with a private security pass code.

So, instead of spending time, energy and money shipping drawing plans back and forth between team members, clients and employees can access the project plans in real time.

HRH also employs a small office staff, allowing for design and engineering to be performed remotely at off-site locations and coordinated electronically via the Internet. This remote operation enables HRH to pass on huge savings to clients by fluctuating staff as needed, thereby reducing travel and fuel costs and carbon emissions.

Social media and a corporate world blog are also used to communicate with clients and prospects.

"Several of the technologies have a very low initial cost to perform a trial; often times they are even free. And, when compared to the cost of travel or shipping charges, the gains are tremendous."

"We also use laptops, iPads, iPods and iPhones for business and travel to check in at the airport early, research travel deals, check e-mail when we are on the go or traveling," Boatman says.

And like PT&C, HRH too uses the iPhone's Facetime functionality for audio/video calls with clients and teams on the go.

By being technology-smart, HRH has saved clients and project teams immense, untold time, energy and hundreds of thousands of dollars in travel expenses. ■▲