

TRENDLINES

Civil engineer salaries



Zweig Group's *2020 Total Compensation Tool* analyzes compensation data on a sub-regional level to understand different markets across the country. Looking specifically at Civil Engineering Project Managers in North Central firms, PMs in Illinois are seeing the highest median base salary. This is expected with Chicago having the highest cost-of-living index among cities in the Midwest. The median base salaries for the other subregions come within 3 percent of the overall median for the data set.

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Incentive compensation

A good incentive compensation program needs to be carefully matched with the specific goals of your firm.



**Christina
Zweig
Niehues**

Incentive compensation is a hot discussion topic, particularly toward the end of the year. Defined as any kind of additional pay or rewards offered by a firm to employees in addition to base wages, it's an important motivator and can make up a significant portion of a person's salary.

Is it better to give someone a big holiday bonus or multiple spot bonuses for extra effort? How should bonuses be calculated – by division profitability, firm profitability, employee tenure? Most importantly, what types of incentive compensation help AEC firms with one of their top issues, recruitment and retention?

Zweig Group's *2019 Incentive Compensation Report of AEC Firms* found that firms spent an average of \$9,471 per person and 9 percent of net service revenue on incentive compensation last year. Results of the survey over the past few years are consistent in firm leaders' views that monetary awards continue to be among the best motivators for staff. When asked, "Have you found any alternative forms of incentive compensation to be more motivational to employees than cash or monetary awards?" 89 percent of respondents answered "no."

Recruiting and retaining upper-level managers with incentive compensation became more attractive last year. In 2018, 62 percent of firms said equity-based incentive compensation did not help them recruit/retain upper-level managers. In 2019, only 45 percent of firms reported these types of plans were not helpful. More than one-third (35 percent) of firms said that equity-based plans encourage loyalty, and 33 percent said they were attractive to recruits.

Although ranked among the least successful forms of incentive compensation, 59 percent of firms provide signing bonuses, which can take the form of both cash (88 percent) and extra vacation time (35 percent), or in lesser amounts, things such as stock options, training, or relocation expenses paid. Very high-profit firms were significantly more likely to use this form of incentive compensation. While amounts vary significantly based on geography, firm type, and other factors, signing bonuses were on average 9 percent of base salary. On a scale of 1-5, firms ranked signing bonus 3.4/5 as a means to recruit staff and 2.4/5 as a means to retain staff.

One significant challenge with signing bonuses in the current labor market is what to do if an employee leaves before receiving their entire signing bonus. Thirty-six percent of firms make the employee forfeit the remaining amount but allow him/her to keep

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BUSINESS NEWS

WARE MALCOMB ANNOUNCES COMPLETION OF ULTIMATE SOFTWARE OFFICES IN SAN FRANCISCO
Ware Malcomb, an award-winning international design firm, announced construction is complete on the new offices of Ultimate Software located at 55 2nd Street in the financial district of San Francisco. Ware Malcomb served as architect of record for the project.

The new home of the San Francisco office of Ultimate Software, a leading human resources, payroll and talent company devoted to human capital management technology, comprises 23,000 square feet of creative office space over two floors.

The graphics-driven design aesthetic of the new space provides a playful connection to the city with aerial views, cityscapes, and inspirational quotes woven throughout. Other design elements include creative meeting spaces that encourage collaboration, an IT tech stop for employees, and a hidden library accessed through a bookcase door operating on a pivot. Various wellness components were also incorporated throughout the office environment including treadmill and massage rooms, gaming areas, and a living garden wall, ensuring the well-being of employees at work and embodying the company's founding principle: "People First."

"It was exciting to take a design concept and bring to life a new creative office space in the heart of vibrant San Francisco," said Rhea Butler, director of interior architecture and design of Ware Malcomb's San Francisco office. "The new people-focused offices of Ultimate feature the latest in creative office and wellness elements to create an engaging and productive environment for both employees and visitors."

The general contractor for the project was Principal Builders.

Ware Malcomb is also providing architect of record services for Ultimate's New York City office location.

Established in 1972, Ware Malcomb is an international design firm providing planning, architecture, interior design, branding, civil engineering and building measurement services to commercial real estate and corporate clients. With 24 office locations throughout the United States, Canada, Mexico, and Panama, the firm specializes in the design of commercial office, corporate, industrial, science and technology, healthcare, retail, auto, public/educational facilities, and renovation projects. Ware Malcomb is recognized as an Inc. 5000 fastest-growing private company and a Hot Firm and Best Firm to Work For by Zweig Group.

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what they have received. Thirty-four percent of firms make the employee repay what they have received already.

We define retention bonuses as unscheduled compensation primarily awarded during leadership transitions and mergers or acquisitions to help firms retain key employees. The dollar value of retention bonuses varies widely throughout the industry, depending on the situation and the particular worth of the skills the individual who is being offered the bonus brings to the table. Just 20 percent of firms surveyed offered these types of bonuses, most often at the discretion of the leadership.

Referral compensation can be an effective way to encourage the recruitment of new qualified individuals and can also aid in retention when employees feel affinity toward those they were responsible for helping recruit. Overall, just over half of all firms offer this form of compensation, but the practice is much more common at larger firms (71 percent of firms in the 100-249 person range and 100 percent of firms with more than 250 people). Forty-two percent of firms report this has helped their firm increase their percentage of referrals and aided in employee motivation, 30 percent report it has increased the percentage of qualified recruits, and 28 percent report it has decreased recruiting costs. Still, the practice is reported as having no effect on recruiting whatsoever by 30 percent of firms.

A good incentive compensation program has to be carefully matched with the specific goals of a firm. When it comes to recruitment and retention it's clear that a one-size-fits-all approach isn't practical, and plans have to work carefully in conjunction with policies, procedures, benefits, base compensation, and, most importantly, firm culture in order to attract and retain people who will create value for your firm. [Visit shop.zweiggroup.com](http://shop.zweiggroup.com) to learn more about *Zweig Group's 2019 Incentive Compensation Survey Report*. ▀

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Designing your business to scale

“If you have lofty ambitions for the growth of your firm, but aren’t exactly sure of what you need to do to accomplish it, here is my best advice.”



Mark
Zweig

Entrepreneurial A/E firm owners will tell you that they want their businesses to “scale” – i.e., continue to grow – but they don’t always do what they should to make that a reality. Wishful thinking and fantasizing about having a company that grows successfully won’t make it happen.

If you have lofty ambitions for the growth of your firm but aren’t exactly sure of what you need to do to accomplish it, here is my best advice:

- 1) **Implement a single client and potential client database that is available to every single employee and used.** This is job No. 1 and you have to do it. It’s going to be necessary to implement my second suggestion. Implementation of these systems has a high failure rate. You will need lots of planning, lots of training, and lots of talk about the importance of it to do it successfully.
- 2) **Commit to a high marketing and advertising budget and spend that every year, regardless of short-term results.** “High” is defined as perhaps as much as twice whatever your competitors spend. You can’t lump all A/E firms into one pot when it comes to marketing budgets. High design firms often spend 10-12 percent or more on marketing. Single discipline subconsultants could have 3

percent budgets. Everyone else is in between. But the point is, if you want to beat the industry standard growth rate you will have to do more than they do over the long-term. Accept this as the truth!

- 3) **Develop and implement an aggressive recruiting program.** Growth requires lots of good employees. You won’t get them in this very tight end competitive labor market unless you work very hard and spend the money necessary. Appoint one person in charge of recruiting and get out and **SELL** your company to them.
- 4) **Become an open-book management company.** Come up with a monthly report that shows your financial performance compared to goals and/or industry benchmarks and charts it all and give it to every single employee in your firm. Get it done quickly and explain what the numbers mean.

See MARK ZWEIG, page 4



ON THE MOVE

WARE MALCOMB ANNOUNCES CARRICK BOSHART JOINS PLEASANTON OFFICE AS DIRECTOR, ARCHITECTURE

Ware Malcomb announced Carrick Boshart has joined the firm as Director, Architecture in the Pleasanton office. Working under Principal Jim Terry, Boshart leads the growth and management of the Architecture Studio and oversees all architecture projects for the Pleasanton office.

Boshart joins Ware Malcomb with more than 20 years of architecture and construction experience. Boshart brings experience leading a wide range of project management teams with an emphasis on operations. He has overseen planning, design, budgeting, and construction for a variety of complex architectural projects including cost estimating, financial and budget management, business development, project scheduling, sustainability, operational efficiency, construction, competitive bidding,

and building code compliance.

“We are very excited to welcome Carrick to the Ware Malcomb team. We look forward to his many contributions in the areas of both architectural design and operational leadership in the years to come,” said Gary Drew, Regional Vice President of Ware Malcomb’s Pleasanton office.

“As Director, Architecture, Carrick will fill a key role on the Pleasanton leadership team in assisting in business development and operations,” said Jim Terry, Principal, Architecture. “I am looking forward to partnering with him to grow the architecture studio and increase our project diversification.”

A licensed architect in the State of California, Boshart holds a bachelor’s in architecture from California Polytechnic State University, Pomona. He is a Member of the American

Institute of Architects, AIA Santa Clara, U.S. Green Building Council, National Council of Architectural Registration Boards, International Council of Shopping Centers, National Association of Office and Industrial Parks, and Real Estate & Construction Networking.

Established in 1972, Ware Malcomb is an international design firm providing planning, architecture, interior design, branding, civil engineering and building measurement services to commercial real estate and corporate clients. With office locations throughout the U.S., Canada, Mexico, and Panama, the firm specializes in the design of commercial office, corporate, industrial, science & technology, healthcare, retail, auto, public/educational facilities, and renovation projects. Ware Malcomb is recognized as a Hot Firm and Best Firm to Work For by Zweig Group.

MARK ZWEIG, from page 3

Everyone needs to know how the business is doing and what is working and what isn’t so they understand how the business makes money and can help make the company more successful.

- 5) **Use your stock or ownership interest as a way to generate the working capital you need and tie down key people.** Consider this – an ownership program that sells small amounts of ownership to your best people every year and requires everyone who buys in to sign a non-competition agreement that at a minimum keeps them from stealing your current clients when they leave. You can finance it through payroll deduction and sell it at a price that approaches its real value, not one based on book value or a strictly profit-driven formula. You will have an army of people with a vested interest in the long-term success of your firm **PLUS** minimize your need to take on debt to finance your growth.
- 6) **Institute an ongoing business management training program.** Architects and engineers don’t all know a lot about business. They aren’t all great project managers and don’t know how to sell. They don’t necessarily understand finance and accounting and business valuation. They need to know all of these things to help you build your business properly.
- 7) **Institute and ongoing business planning process.** Require each business unit leader to come up with three new services to sell and three new ways to sell their services every year. You need engaged employees to foster growth. Getting their involvement in the plan is critical. And planning for growth and marking out the steps required to achieve it is, too. Keep everyone focused through your planning process.
- 8) **Require every manager to identify their successor or, if they don’t have one, begin recruiting to find that person.** Scalability means you have to have a succession plan for everyone. Instead of just talking about it, make it real by taking this step.
- 9) **Implement a formula-driven, shared bonus program that rewards every single person.** Tie everyone into the

short-term cash basis profitability of the firm. Have three groups of bonus pools. All employees, management/key people, and owners. Pay the money out frequently so they see the link between what they do and what they get.

- 10) **Minimize meetings, bureaucratic decision-making processes, and all other demotivators that turn people off.** What more can I say? I read an article this morning in Harvard Business Review that said people in businesses spend 80 percent of their time in meetings and responding to requests for information. That leaves 20 percent of their time to do their jobs. And it is ridiculous. Don’t let this happen.

“Entrepreneurial A/E firm owners will tell you that they want their businesses to ‘scale’ – i.e., continue to grow – but they don’t always do what they should to make that a reality. Wishful thinking and fantasizing about having a company that grows successfully won’t make it happen.”

- 11) **Have the best healthcare benefits of any firm in the business.** It will help tie people to your firm and keep them there. Yes it is expensive but it will differentiate you and it’s worth it.
- 12) **Cut the bottom-ranked 5 percent of the staff every year.** This may seem harsh but every firm tends to accumulate dead wood if it lasts long enough to do so. You have to acknowledge the fact that other employees not carrying their weight is a huge demotivator to your best people. Have high standards to stay on the team but big rewards for those who can and do.

So there you have it – a 12 step formula for scalability. How do you stack up? If not so good, maybe you should consider taking my advice. ▀

MARK ZWEIG is Zweig Group’s chairman and founder. Contact him at mzweig@zweiggroup.com.



2020 Seminar Calendar

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FEBRUARY

- 26 Elevate Your Recruiting & Retention Strategy
Seattle, Washington
- 27 Elevate Learning Series: The Basics of Business Development
Seattle, Washington

MARCH

- 12-13 The Principals Academy
Dallas, Texas
- 26 Elevate Learning Series: The Basics of Business Development
Washington, DC

APRIL

- 2-3 CEO Roundtable Retreat
Atlanta, Georgia
- 8-9 Elevating Doer-Sellers: Intensive 2 Day Workshop
San Francisco, California
- 23 Elevate Your Recruiting & Retention Strategy
Toronto, Canada
- 30 Elevate Learning Series: Communicating With Confidence
Phoenix, Arizona

MAY

- 19 Project Management for AEC Professionals
Tampa, Florida
- 21 Elevate Learning Series: Communicating With Confidence
Detroit, Michigan
- 27 Learn The Language of Business: Financial Management
Dallas, Texas

JUNE

- 11-12 The Principals Academy
Detroit, Michigan
- 17-18 Leadership Skills for AEC Professionals
Seattle, Washington
- 24 Elevate Your Recruiting & Retention Strategy
Denver, CO
- 25 Elevate Learning Series: The Power of Positioning
Denver, CO

JULY

- 14 Learn The Language of Business: Financial Management
Chicago, Illinois
- 23-24 The Principals Academy
Portland, Oregon
- 30 The Power of Positioning
Washington, DC

AUGUST

- 5-6 Elevating Doer-Sellers: Intensive 2 Day Workshop
Chicago, Illinois
- 12 Project Management for AEC Professionals
Dallas, Texas
- 20 Elevate Your Recruiting & Retention Strategy
Orlando, Florida
- 27 Elevate Learning Series: Building a Persuasive, Powerful, Pursuit Strategy
Vancouver, Canada

SEPTEMBER

- 24 Elevate Learning Series: Building a Persuasive, Powerful, Pursuit Strategy
Raleigh, North Carolina
- 30-2 2020 ELEVATE AEC Conference & Awards Gala
Denver, Colorado

OCTOBER

- 14 Project Management for AEC Professionals
Minneapolis, Minnesota
- 21 Elevate Learning Series: Creating a Championship Interview Team
Los Angeles, California
- 22 Elevate Your Recruiting & Retention Strategy
Los Angeles, California

NOVEMBER

- 5-6 The Principals Academy
Phoenix, Arizona
- 12-13 CEO Roundtable Retreat
Napa, California
- 19 Elevate Learning Series: Creating a Championship Interview Team
Nashville, Tennessee

Have questions?

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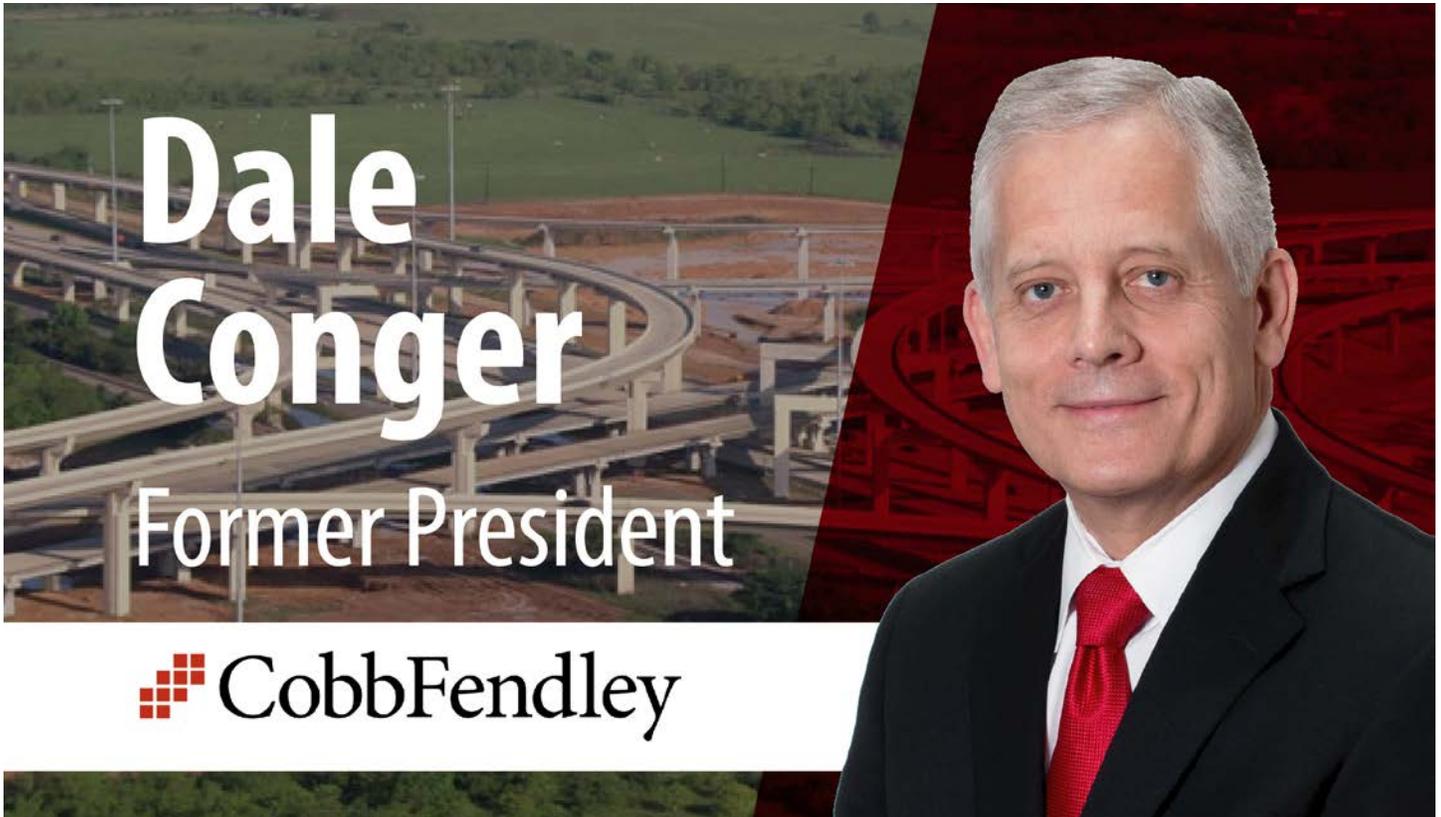
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PROFILE



Sharing the rewards: Dale Conger

Former president of CobbFendley (Houston, TX), a 530-person firm that is committed to providing innovative engineering solutions with the goal of bettering communities.

By LIISA ANDREASSEN
Correspondent

CobbFendley provides civil engineering, surveying, SUE, telecommunications, and some niche services that are not common in the civil engineering consulting field. Conger, former president, ensured that staff were equipped with the tools they need to bring these services to the market.

“Sharing the rewards of the company with our leaders is the key to our continued growth and success,” Conger says.

A CONVERSATION WITH DALE CONGER.

The Zweig Letter: How far into the future are you able to reliably predict your workload and cashflow?

Dale Conger: Our overall backlog figure is usually equivalent to a year’s revenue. However, we’re involved in a variety of projects, so this backlog figure can be deceiving. Some of our groups work on short-term, fast-paced projects that aren’t in the office very long, which leads to those groups typically having short backlog terms. We can project annual revenue based on how our groups are adding to their staff as well. We have been in

a prolonged period of growth, as our service lines have been successfully attracting more colleagues to join us and the additional people bring more work to the firm. As our staff grows, we generate new clients and projects, and with more projects comes cashflow.

TZL: How much time do you spend working “in the business” rather than “on the business?”

DC: As president, I’ve come to spend most of my time “on” the business. Leaders of professional services firms should spend time working with firm clients on projects, fostering new and existing relationships and mentoring emerging leaders within the firm. As CobbFendley has grown, various things have pulled me from working directly with clients to the point that working “on the business” now occupies most of my time.

TZL: Artificial intelligence and machine learning are potential disruptors across all industries. Is your firm exploring how to incorporate these technologies into providing improved services for clients?

DC: We're implementing a more robust GIS software and helicopter LiDAR surveying equipment. We've offered and introduced GIS to many clients throughout the years and received accolades for our use of LiDAR technology. While these technologies are not as cutting edge as artificial intelligence, our clients expect to see the use of GIS and LiDAR more commonly on their products and we're working to completely integrate their use into our services. It will take time for artificial intelligence applications to be developed and desired by clients, and we will implement when the time is appropriate.

"We have tried to grow a company culture that makes coming to work enjoyable and cultivates friendships within the company."

TZL: Are you using the R&D tax credit? If so, how is it working for your firm? If not, why not?

DC: While we have utilized the R&D tax credit several times in the past, we haven't seen good results that would lead us to continue. CobbFendley employees have creative and innovative minds; however, they often see their work as simply a "good day's work," and not anything that would be labeled as "innovative." This makes it very difficult to generate the material necessary to support the claim for credit.

TZL: Does your firm work closely with any higher education institutions to gain access to the latest technology, experience, and innovation and/or recruiting to find qualified resources?

DC: Our founders were alumni and big supporters of the University of Houston, and from the firm's inception, we have participated in their programs and recruited UH Cougars heavily. Then they made the mistake of hiring some Texas Aggies, like myself, and we diverted attention to that school. We have now expanded our focus once again and recruit from schools throughout the firm's regions. Our efforts have worked, and this summer we had interns from eight colleges in three states. We frequently participate in university career fairs and regularly provide speakers for seminar classes.

TZL: When you identify a part of your business that is not pulling its weight in terms of profitability or alignment with the firm's mission, what steps do you take, and what's the timeline, to address the issue while minimizing impacts to the rest of the company?

DC: We are likely overly patient in this regard. There have been CobbFendley offices and groups that posted losses some years, and when looking strictly at the numbers, we should have closed them. When an office or group is slowing down, we try to work with the group involved and mitigate the problem until the situation has improved. In nearly all cases, circumstances changed, and the office and/or group became productive again. There are only a couple of occasions that I can recall where we concluded circumstances would not change and opted to close. These offices and groups are made up of individuals we recruited and wanted at our firm, and we try our best to create an arrangement where they can succeed.

TZL: What financial metrics do you monitor to gauge the health of your firm?

DC: We monitor cash on hand, total invoicing, net fee revenue, accounts receivable, accounts receivable over 90 days, direct labor hours, total hours, number of employees, direct labor cost, total labor cost, utilization, effective multiplier (labor multiplier), and EM factor (cost utilization times effective multiplier) on a weekly basis.

TZL: Ownership transition can be tricky, to say the least. What's the key to ensuring a smooth passing of the baton? What's the biggest pitfall to avoid?

DC: We tie the ownership transition into our stock ownership program, which entails compelled sales over a five-year period leading up to retirement. Around 10 percent of the staff is involved in various levels of ownership, and their level of commitment increases annually. Ownership gradually transitions and then leadership follows.

Because ownership slowly transitions and leadership follows, our method allows new leadership to become familiar with what's happening in the firm and prepares individuals to take over. I've found a new leader is most successful when the staff is supportive

See SHARING THE REWARDS, page 8



HEADQUARTERS: Houston, TX

NUMBER OF EMPLOYEES: 530

YEAR FOUNDED: 1980

NUMBER OF OFFICE LOCATIONS: 18

SERVICES:

- Construction management
- GIS
- Hydraulics and hydrology
- IT consulting
- Land development
- Municipal engineering
- Natural gas and oil pipeline
- Design
- Power delivery
- Right-of-way acquisition
- Site development
- Structural engineering
- Subsurface utility engineering
- Surveying
- Telecommunications
- Traffic engineering
- Transportation and utility engineering

MISSION: To collaborate with employees and clients to provide engineering solutions that further our commitment to growth in the community.



Some of CobbFendley's 2019 interns.

SHARING THE REWARDS, from page 7

and rallies to ensure new leadership is successful. This means that existing leadership must be willing to slowly let go of responsibilities over a period. The biggest pitfall is when the current leader(s) can't bring themselves to allow someone new to rise up and take their place. We've experienced this before within departments and it eventually leads to an abrupt change rather than a smooth transition. In cases such as these, momentum can be lost resulting in financial problems for the firm.

TZL: They say failure is a great teacher. What's the biggest lesson you've had to learn the hard way?

DC: In a way, I was fortunate to be a junior spectator of the economic disaster that hit Houston during the oil bust in the mid-'80s. While I wasn't directly affected, I saw business failures and took note of what worked and what didn't. My greatest takeaway was that a company's staff must match the amount of work available. If your staff is too large for the volume of work coming in, overhead will eat up any possibility of breaking even. I've always watched for that type of situation, and thankfully, I haven't seen another time that severe in my career.

TZL: How many years of experience – or large enough book of business – is enough to become a principal in your firm? Are you naming principals in their 20s or 30s?

DC: There isn't a set number of years of experience that can quantify when someone should become a principal. Currently, our youngest shareholder is 36 – and 13 percent of our principals are in their 30s. The expectation is for the group to grow into the future majority ownership and leadership of the company. With that being said, we look to promote staff who have a passion for CobbFendley as well as a knack for driving business. You need leadership

possessing both qualities to maintain a successful, independent organization. There are obvious benefits that come with being a shareholder, but the position comes with high responsibility and we seek people who will work hard to maintain their investment's value.

TZL: In one word or phrase, what do you describe as your number one job responsibility as CEO?

DC: Keeping a collection of high-performing individuals from conflicting with each other.

TZL: Diversity and inclusion is lacking. What steps are you taking to address the issue?

DC: CobbFendley has a diverse staff. For example, 25 percent of our principals are women and the group is ethnically diverse. Women make up about 40 percent of our combined Emerging Leaders and Associates programs. Our diversity is not based in an official program; it's cultured from the belief that all people are equal and should have a seat at the table.

TZL: A firm's longevity is valuable. What are you doing to encourage your staff to stick around?

DC: We have tried to make it apparent to all that their best opportunity is at CobbFendley. This includes everything from exciting projects and programs to training, benefits, and of course, compensation. Since everyone spends most of their day at work, we have tried to grow a company culture that makes coming to work enjoyable and cultivates friendships within the company. Most recently, we had a nacho bar for lunch to kick off football season and everyone wore their team colors/jersey. Our culture doesn't resonate with everyone and that's OK. We try to maintain good relationships with those who do choose to leave as they may show up as teaming partners or clients down the road. ▀



A mutually beneficial acquisition

Through solid communication, planning, and leadership support from both organizations, a smooth transition is under way.



James Lee



Dave Johnson

Established in 1994, Dave Johnson created studio951 with the vision to provide innovative architectural design while focusing on the client experience. Talented design professionals joined the firm where they thrive within the collaborative, open, and professional environment. Together, they honed their craft and built a portfolio that includes clients across the commercial, retail, restaurant, multi-family, and healthcare markets. Twenty-five years later, the Lincoln, Nebraska-based design firm has a significant presence in Omaha, is doing work in eight states, has 18 designers, and continues to grow.

Not one to shy away from creating his own path and opportunities, studio951 was born out of Dave's strong entrepreneurial spirit.

- Based in Lincoln, studio951 also had a substantial presence in Omaha. With some of the largest design firms in the country headquartered there, studio951 was at a competitive disadvantage.
- With more opportunity than resources the time was right to explore a merger or acquisition to improve the firm's position in the marketplace, become more competitive, and protect the value of the firm.
- A merger or acquisition would provide additional resources and new opportunities to benefit the firm, its designers, and clients.

In October 2019, studio951 joined Shive-Hattery and began doing business as studio951, a Division of Shive-Hattery. While any type of significant change such as an acquisition can be very disruptive to a business, by utilizing a fully developed integration plan spanning several months, the impact on both businesses has been manageable and beneficial. Through the continuity of Dave's leadership combined with Shive-Hattery's support and resources, full integration is ensured and will lead to new and expanded opportunities.

See JAMES LEE & DAVE JOHNSON, page 10



ON THE MOVE

SVA ARCHITECTS PROMOTES TWO PRINCIPALS

SVA Architects continues to support the career growth of its staff by offering promotions to a number of stand-out leaders. The firm made almost a dozen significant promotions ranging from associates to principals, including the promotion of Nathan Herrero, AIA, LEED AP BD+C and Judy Cheng, MBA, LEED AP to principal. SVA Architects is known for promoting smart growth, use of public transit, and improved educational environments throughout California and Hawaii.

Herrero joined the firm in 2006, and has served as the project architect or project manager for many of the firm's institutional and mixed-use projects. Notable projects include: Redondo

Union High School, Kamehameha Community Learning Center at Ma'ili, The Exchange at El Monte Gateway, and Twin Rivers in Sacramento. Herrero earned his bachelor's degree in architecture from Yale University.

Cheng has been with the firm since its inception in 2003. In addition to her impressive resume of both private and public projects, she oversees SVA's business development, strategic planning, and marketing initiatives. Cheng earned her bachelor's degree in architecture from the University of Southern California, and her MBA from UC Irvine.

Robert Simons, AIA, president of SVA Architects, states, "It's very rewarding to offer

promotions to our deserving team members. All have been instrumental in our firm's growth. Congratulations to Nathan and Judy, who serve not only as exemplary project and client leaders, but mentor and lead our younger staff as well."

Founded in 2003, SVA Architects has become one of the country's most innovative and respected design and planning organizations. The award-winning firm specializes in urban planning, architecture, and interior design of public, private, and mixed-use projects. Among the firm's portfolio are civic, educational, residential, commercial, and mixed-use developments.

JAMES LEE & DAVE JOHNSON, from page 9

Here's a look at what helped studio951 and Shive-Hattery determine the acquisition was a fit for sustainable growth:

- **Realistic valuation.** Once it was determined that a merger or acquisition would be the best path, it was critical to start the process with a realistic sense of studio951's valuation. Valuation is both art and science and is based upon past financial performance and projected future performance. Overvaluation would turn away prospective buyers and undervaluation would negatively impact the seller. A realistic valuation would attract the best firms who were willing to engage in meaningful conversations that would result in identifying and creating realistic and attainable synergies.
- **Cultural fit.** Building a united company culture is a process that takes time. The timeframe can be compressed by starting on common ground by identifying a cultural fit. A great and defined culture ensures team, trust, and camaraderie develop quickly across offices leading to operational synergies. This strongly aligns with Shive-Hattery's One-Firm philosophy: Instilling a strong culture of collaboration, knowledge sharing, innovation, and connection. By creating this connected culture across the organization, Shive-Hattery aspires to provide more exciting opportunities for its employees, provide its clients the best value, and develop the most creative design solutions.
- **Market opportunities.** Sustainable growth is key to remaining competitive in the marketplace and can be achieved by strategically expanding into new markets and/or adding new services. By joining Shive-Hattery, studio951's pool of design talent and expertise immediately grew from 18 to 425 people and strengthened Dave's original vision to deliver great client experiences. Clients keep their trusted relationships while having access to a full suite of architectural, engineering, interior design, and landscape architecture services which can be provided and supported by the best team, regardless of location. By expanding into Nebraska, Shive-Hattery improves its geographical reach and ability to serve more nationwide clients.
- **Recruitment and retention.** The war for talent rages on and providing professional development opportunities is a differentiator. The benefits of investing in the talent pipeline are countless. Engaged employees are the firm's best advocates who care about their clients and their career. Shive-Hattery provides and supports continued learning through several internal programs including Communities of

Practice, Market Sector Teams, the Shive-Hattery Leadership Development Program, Business Development University, various task forces and management teams, and swarming events. Through these connections employees can explore various career paths, grow, and develop into new roles, services, and market sectors.

"While any type of significant change such as an acquisition can be very disruptive to a business, by utilizing a fully developed integration plan spanning several months, the impact on both businesses has been manageable and beneficial."

- **Complementary portfolios.** Both organizations have design capabilities in commercial, retail, multi-family, and healthcare markets. Shive-Hattery strengthens studio951's reach into additional markets, such as education, senior living, government, and industry. Enhancing existing portfolios will grow work and attract new clients and new talent for sustainable growth.
- **Leadership support and continuity.** studio951 is well-managed and well-led, which was key to Shive-Hattery's interest in the acquisition. By joining forces, the two organizations are stronger than they were. With continuity in studio951 leadership, they will integrate into and collaborate with Shive-Hattery, as they work together to develop strategies for the future direction of the company.

studio951 will also benefit from Shive-Hattery's Corporate Shared Services in the areas of accounting, IT, human resources, marketing, and project delivery. These operational efficiencies will allow more time and space for designers to design and focus on client relationships to provide the best experiences.

Through solid communication, planning, and leadership support from both organizations, a smooth transition is under way. ▀

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Simple client service

Good client service is not complicated; it's just not always easy to maintain. However the benefits we reap are well worth the effort.



**Jamie
Bumgarner**

If I've learned one thing in my years interfacing with clients, it's that providing good client service is not as complicated as people make it out to be. It really is as simple as doing what you say you will do, no matter how small. Now, just because it's simple doesn't mean it's easy – it can take a long time to build trust with a client, and that trust can be lost very quickly.

Through my experience, I've learned a few effective strategies for building strong client relationships.

- **The best way to take care of our clients is to take care of our employees.** Happy, motivated, and fulfilled employees provide the best client service. This means that a successful company culture is essential. If we take good care of our employees, my experience has shown me that they, in turn, will take good care of our clients.
- **Always do what you say you will do.** Following through with tasks, no matter how small or insignificant they may seem, is a great way to build up that all-important trust with a client. Creating strong, trusting, lasting client relationships rests on your ability to follow through – don't let the little things fall off your radar!

- **Be honest, even when it's not good news.** To make the best decisions for their project, the client needs to know the truth about whatever is going on. The quickest way to destroy client trust is to withhold information – or worse, mislead the client.
- **Be responsive.** If a client calls or emails, always respond as quickly as is feasible. I have seen some extremely slow response times to client requests, and this definitely does not lead to a mutually beneficial client relationship. You don't have to respond in minutes but responding within a day is a reasonable goal.
- **Make all project decisions, including staffing,**

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BUSINESS NEWS

EDGE, THE WESTERN HEMISPHERE'S HIGHEST OUTDOOR SKY DECK, TO OPEN MARCH 11, 2020

Hudson Yards announced that Edge, the Western Hemisphere's highest outdoor observation deck, will open to the public on March 11, 2020 offering visitors the opportunity to see and experience New York City like never before.

Piercing the sky at a soaring 100 floors from its record-setting height of 1,131 feet, Edge will reveal never-before-seen views of the city, Western New Jersey, and New York State spanning up to 80 miles. Visitors will enjoy varying levels of thrill from sharing a champagne toast under the clouds to leaning over the city up against the angled glass walls to stepping out onto the glass floor or taking in the view on the outdoor skyline steps from the 100th to 101st floor.

"You've never experienced New York like this before," said Jason Horkin, executive director of Hudson Yards Experiences. "Stepping onto Edge is like walking out into the sky. The entire experience is designed to inspire visitors and ignite a new passion for New York City with multiple, built-in thrill elements that ensure Edge becomes a must-see local attraction and a top spot on every travelers' bucket list."

A champagne bar, located on the 100th Floor, will offer a glass of champagne or signature cocktail and light bites to enjoy indoors or outdoors on the sky deck.

Designed by William Pedersen and **Kohn Pedersen Fox Associates** and extending out 80 feet from the 100th floor of 30 Hudson Yards, Edge redefines the New York skyline. A marvel of modern engineering and structural design, the 765,000-pound observation deck is comprised of 15 sections, each weighing between 35,000 and 100,000 pounds, all bolted together and anchored to the east and south sides of the building. The 7,500-square-foot outdoor viewing area is surrounded by 79 glass panels, each weighing 1,400 pounds,

manufactured in Germany and finished in Italy. Interiors of Edge and Peak are being designed by Rockwell Group.

Edge will be a major focal point of Hudson Yards, the 28-acre neighborhood on Manhattan's West Side that brings together fashion, dining, and cultural experiences along with the headquarters of dozens of leading corporations, thousands of residences, 14-acres of public parks and open space and interactive public landmarks.

Kohn Pedersen Fox Associates is an American architecture firm which provides architecture, interior, programming and master planning services for clients in both the public and private sectors.

THE OVERLOOK TO BRING INNOVATIVE, MULTI-FAMILY LIVING CONCEPT TO KNOXVILLE NEXT YEAR

Leading Knoxville-based structural engineering firm **Haines Structural Group** has teamed up with **Architects Wright** to develop a multi-use vertical community, The Overlook.

The 10-unit, six-story steel structure provides tenants with a private elevator for each of the individual units. The vertical community eliminates common shared spaces such as hallways and elevators, but offers streetscapes for community members to interact. The Overlook combines the social infrastructure of a traditional neighborhood with the energy of living in downtown Knoxville.

"We have worked with Architects Wright many times over the years and are very excited to make their visions for The Overlook a reality," said Bobby Haines, owner of Haines Structural Group. "We share a passion for working on projects that elevate the culture and aesthetic of this wonderful city. The Overlook is a modern living concept that will offer something completely unique to Knoxville."

For the last decade, Haines has become a staple in the region for structural engineering services. They have worked on several notable

buildings in Downtown Knoxville including Hyatt Place Hotel, The Oliver Hotel, The Tombras Group headquarters, Regas Square and Balter Beerworks.

"The Overlook is a concept that we have wanted to bring to Knoxville for a long time," said Josh Wright, owner, architect and general contractor for The Overlook. "In traditional neighborhoods, there are layers of public and private space, and we wanted to find a way to bring that same social structure to a condo building. It's always a pleasure to work with the Haines team. We brought them in early enough to help work out different structural ideas, and when we hit some challenges with materials, they helped us pivot and the end result made the building even better while getting us back on budget. We're really pleased to see this vision come to life for the city and hope it serves as a new way of looking at how we can live."

The Overlook is expected to be completed by the end of summer 2020, and is already filled to 80 percent capacity with limited units remaining.

Haines Structural Group is a full-service structural engineering firm that provides practical and creative solutions for architects, contractors and owners nationwide who value extraordinary service and premier quality. The Haines team prides itself on being a valued partner to the clients they work with to achieve their vision of creating projects that are as functional as they are beautiful. The foundation of Haines' business is to build relationships and design structures that last a lifetime.

Architects Wright focuses on creating social infrastructure to encourage the positive interchange of diverse peoples. From lounges to religious institutions and homes we create places for people to live and interact. We specialize in developing unique, effective solutions for architectural problems and possibilities.

JAMIE BUMGARNER, from page 11

with project success at top of mind. If we staff a project or team up on a project without doing what makes sense, it will not end well for anyone involved. Putting the project first greatly increases our chance of success.

■ **Be good to all people in life, not just clients.** We are all just human beings doing the best we can. Try to treat everyone the way you'd treat your friends and family, and by default, that includes clients. Make this simple switch and watch your relationships bloom across all sectors of your life.

Good client service provides the base for everything we do in the AEC industry. While it's not complicated, it is not always easy to maintain. However, it can certainly be done, and the benefits we reap are well worth the effort. What it really comes down to is integrity: doing what you say you'll do and treating others the way you'd want to be treated in

"If I've learned one thing in my years interfacing with clients, it's that providing good client service is not as complicated as people make it out to be. It really is as simple as doing what you say you will do, no matter how small."

the same situation. At the end of the day, we should strive to provide excellent client service because it's the right thing to do. ▀

JAMIE BUMGARNER is a business unit leader for Mead & Hunt's transportation sector. With more than 21 years of experience interfacing with clients, Jamie is passionate about building strong, mutually beneficial professional relationships. Contact him at jamie.bumgarner@meadhunt.com.