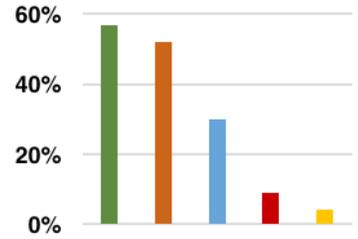


## TRENDLINES

### Contracts



According to Zweig Group's 2016 *Fee & Billing Survey*, 30 percent of firms use the **standard AIA contract** for their projects. Fifty-two percent rely on their **client's suggestions**, 57 percent have **different contracts for different projects**, 9 percent **always use the same contract**, and only 4 percent use a **contract suggested to them by the firm's attorney**. Totals are greater than 100 percent because answers were not mutually exclusive. (Special discount to TZL subscribers: Use code **SRVY35off** to order this survey at 35 percent off at [zweigggroup.myshopify.com/collections/frontpage](http://zweigggroup.myshopify.com/collections/frontpage))

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## Brain drains

“Eliminate the problems, stress-inducers, and negative influences in your life every way you can. Culling the bad is every bit as critical as cultivating the good.”



Mark Zweig

### EDITORIAL

It seems like we have more of them ever to contend with. I'm talking about brain drains. The things that literally suck the life force out of you. When you get to be my age – 58 – it seems like you have more of them than ever. They rarely go away. They just keep building.

But that doesn't mean you can't take some action to change the situation. In fact, you probably **NEED** to if you are going to be happy (although none of us gets out of here alive in the end!)

Here are some big brain drains and what you can do:

- 1) Negative/hostile business partners.** Time to separate. Why are you doing it if not to enjoy your work and your life? One of you has to go. Either you or them. Which will it be? The important thing is to take action and not be stuck. There are too many real problems you can't easily control that affect your business – the economy, clients, banks. You have to deal with the ones you can.
- 2) Bad personal relationships.** They are a cancer on your spirit. Move on. It may be painful and it may be costly but you have to do it or you will eventually be crushed. Divorce is expensive but so is staying together in terms of what it does to your spirit. Either fix the relationship – do what you can to make it work – or if you figure out you cannot make it better, get out and move on. There has to be something/someone better out there for you, although it may not seem like it at first.
- 3) Bad clients.** They beat you down on fee. They don't respect you or your time. They demotivate your good people. They don't pay their bills. Yet they may expect you to jump at a

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# Not opposed to opposition

## BUSINESS NEWS

**AECOM AWARDED CONTRACT TO BUILD FARADAY FUTURE'S \$1 BILLION NORTH AMERICAN ELECTRIC CAR MANUFACTURING PLANT** AECOM, a premier, fully integrated global infrastructure firm, announced it has been selected to construct the \$1 billion, 3-million square foot electric car manufacturing plant for Faraday Future in North Las Vegas, Nevada. AECOM's industrial construction services practice is currently engaged in demolition, including mass grading for the relocation of phone towers, fence lines and the installation of temporary facilities. The project, to be delivered with a guaranteed maximum price, has an approximate construction value of \$500 million and will be included in AECOM's backlog for the fourth quarter of fiscal year 2016.

"A revolutionary approach to transportation requires an unprecedented manufacturing facility, and AECOM is thrilled to be working with Faraday Future to help make its vision real in Nevada," said Michael S. Burke, AECOM chairman and chief executive officer. "Our involvement taps our extensive automotive industry experience and our integrated approach to delivering challenging projects quickly."

"Working in collaboration with AECOM, we were extremely impressed with how quickly they aligned with our company's vision of manufacturing in North Las Vegas," said Dag Reckhorn, Vice President of Global Manufacturing, Faraday Future. "We are proud

to be working with AECOM as partners in this project, and their expertise will serve as an invaluable resource to FF as we bring our facility online in the future."

In keeping with Faraday Future's mission, the production facility features a number of elements designed for sustainability and harmonization with Nevada's natural surroundings. Structural glass, a water feature and dark sky-compliant outdoor lighting fixtures will welcome visitors and thousands of production workers by connecting the plant with the landscape. The project will also feature extended life-cycle materials that require less maintenance.

Additionally, the project will include sustainable and energy-efficient oils, elevator systems, and lighting, as well as prismatic skylights for daylighting of manufacturing. Even greater energy savings will be realized through roof-mounted PV solar panels for power generation, a cool roof Energy-Star coating system, and energy efficient heating and cooling systems. The current demolition work includes the digging of water retention pools to store water for compaction and use in the building's cooling towers.

The facility will embrace visitors and guided tours with integrated viewing platforms and purposeful designs allowing for visibility to vehicles during the assembly process from a safe vantage point.

MARK ZWEIG, from page 1

moment's notice in spite of them not jumping for you. Get rid of them! The only reason you suffer with **ANY** bad client is you don't have enough **GOOD** clients. Go out and get them! Don't be lazy and negative yourself. You can do it!

**4) Bad employees.** They may anger your clients. They may drop the ball in the 11th hour. They may just create problems for you with other people. No matter. They have made their beds – and the bed clearly says "dysfunctional employee." You don't need, nor can you afford, **ANY** level of dysfunction with your employees. Reform them – or move them on.

**5) Social media.** One in eight minutes online is spent on Facebook. It can really suck you down into negativity if you let it. Fake news items, angry outbursts, and jealousy over other people's fake lives – it's all crap that can suck you in and destroy your morale. Cut way back – or cut it out altogether – and then see how you feel. Most of us spend way too much time on social media. It starts to become a substitute for real life. And it is a poor one!

**6) Too many hobbies.** If your golf game isn't going well in spite of spending record amounts of time and money playing it, maybe it is time to hang up the clubs for a while. This is just one example of many where hobbies (auto racing, house flipping, etc.), can become too big of a deal and when they don't go well it sucks us down.

The bottom line is this: Eliminate the problems, stress-inducers, and negative influences in your life every way you can. Culling the bad is every bit as critical as cultivating the good. The good has to outweigh the bad or you'll be renting space in your brain to some very bad tenants! ▀

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

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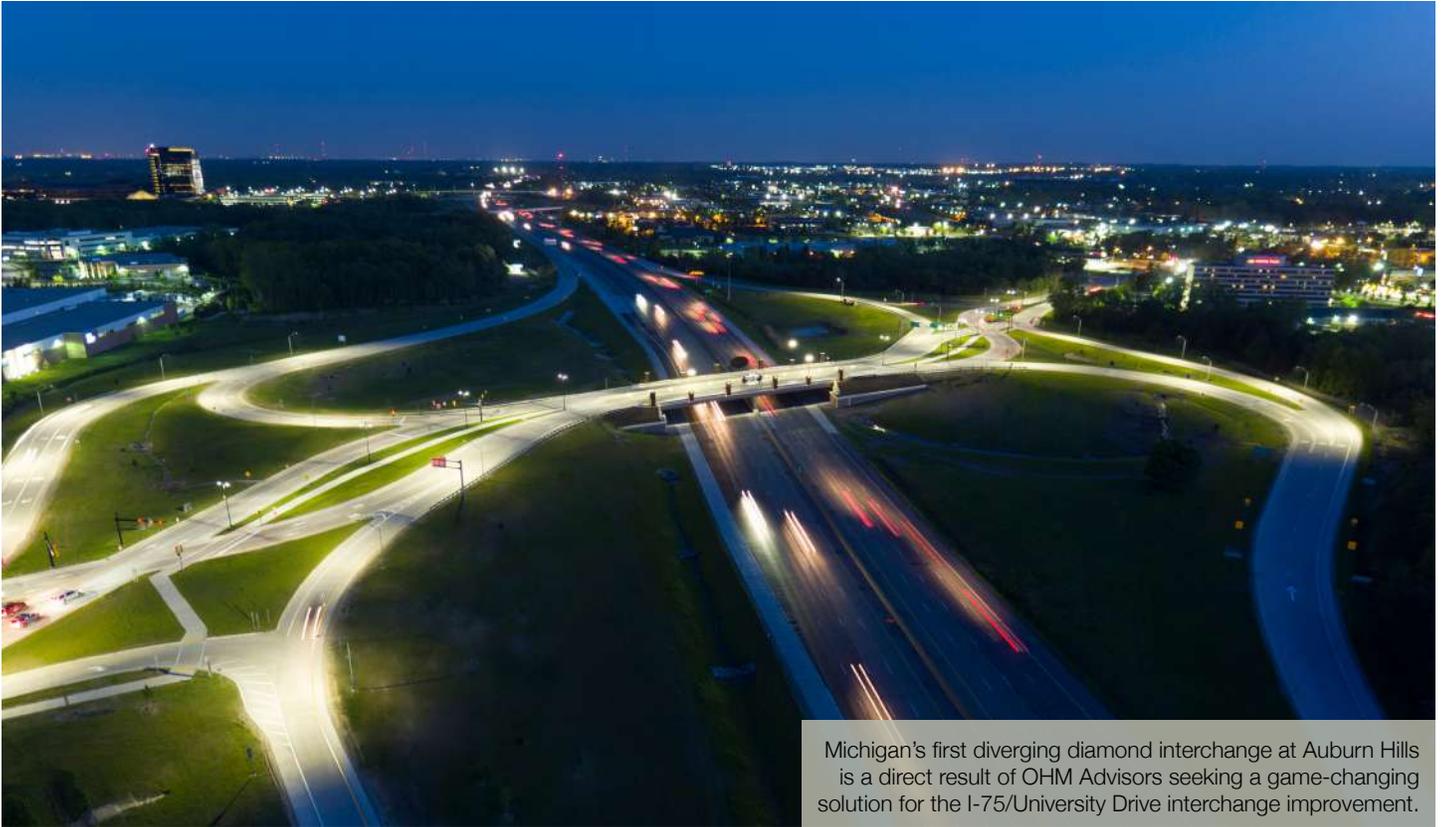
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# PROFILE



Michigan's first diverging diamond interchange at Auburn Hills is a direct result of OHM Advisors seeking a game-changing solution for the I-75/University Drive interchange improvement.

## Not opposed to opposition

Third-generation leader of multidiscipline firm embraces debate, seeks consensus, and likes anything with bacon.

By LIISA ANDREASSEN  
Correspondent



John Hiltz,  
President,  
OHM Advisors

**I**t started with his great uncle. Then his father. And now him. Firm president John Hiltz is the third generation of leadership at the Metro Detroit-based **OHM Advisors** (Hot Firm #15 for 2016), and that's right where he wants to be.

"I started working at OHM before I even graduated from high school," Hiltz says. "I did everything from landscaping to delivery and was grateful for the opportunity."

### A CONVERSATION WITH JOHN HILTZ.

**The Zweig Letter: How have you seen OHM evolve since its founding?**

**John Hiltz:** When I started working here 33 years ago, we had about 35 people. We are now a publicly-held C corporation with 29 partners. We've grown organically through a series of small M&As – companies with similar mindsets. Today, we have 390 employees, but that number seems to change almost daily. We also started out as somewhat of a

generalist firm. While our mission to advance communities has remained the same, we've grown our expertise, disciplines, and geographies and we now provide architecture, planning, and engineering.

**TZL: What are your key strengths? What do you feel the key strengths are for an effective leader?**

**JH:** Overall, it's important to be a forward thinker, to listen to opposing ideas, and to have a good moral compass. Personally, I'm team focused, an activator, and enjoy putting people together.

**TZL: How would you describe your leadership style?**

**JH:** Consensus builder. I'm open minded to opposition. No good decision is made without debate.

**TZL: What has been your greatest challenge to date and how did you deal with it?**

**JH:** From 2010 to 2011 we had to balance an ownership transition and wanted to take care of staff

See Q&A, page 4



Q&A, from page 3

during the transition. The economy was not good, but we pushed through and moved to more of a doer/seller model. We focused on growth through mergers. It was stressful, but our willingness to be bold paid off. We also had not overleveraged ourselves financially, so by 2012 we were in a shotgun position.

**TZL: What is your vision for the future of OHM?**

**JH:** I'm working on a plan called "Vision 2026." It has a lot to do with keeping up with technology. It's focused on smart cities and sustainability and being a trusted advisor and developing long-term, sustainable relationships. As a side note, we still have the same four clients that we had when the business was founded in 1962.

**TZL: Tell me about a recent project you are especially proud of and why.**

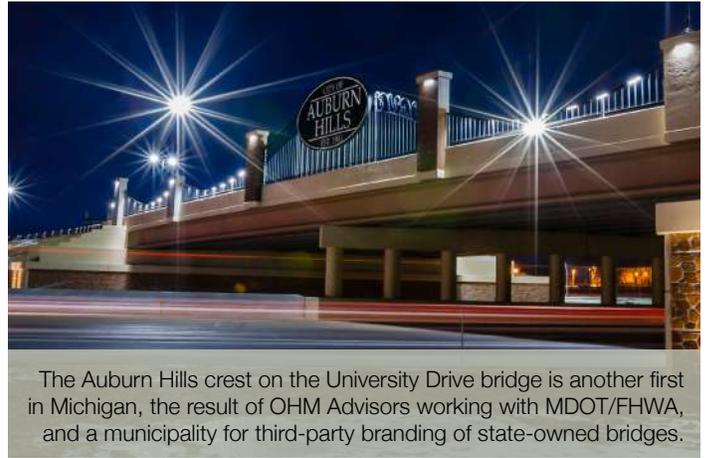
**JH:** There are two that I'd like to talk about. The first is the Northland Center Mall Redevelopment, in Southfield, Michigan. We recently completed the redevelopment plan for the 125-acre site of the former Northland Center. As the first suburban mall in the country, Northland was once an iconic regional destination. After falling on hard times in recent decades, the mall was purchased by the City in 2016 with the intent of turning the site into a mixed-use destination. As the lead planners for the multidisciplinary project team, OHM Advisors worked with the City of Southfield, the Southfield Downtown Development Authority, and community members to create a long-term phased redevelopment plan for the shuttered site. The final plan incorporates concepts that were identified by the public as important – including public space to support community programming – as well as prime uses for the area as identified through market study. The site is designed to include five distinct and unified districts that surround a new 10-acre central park with a water feature. Surrounding this central park are 850 residential units, a 125-room hotel, and close to 400,000 square feet of retail and medical office. The site is designed to be highly-walkable and connected to adjacent neighborhoods.

The second is the I-75 and University Drive diverging diamond interchange in Auburn Hills, Michigan. This area is known for its booming business climate, but a critically deteriorating bridge and roadway at the I-75/University Drive interchange, the gateway to its university and business district, had traffic backed up for miles. So in 2008, city leaders tapped OHM Advisors to lead a national innovative concept study of potential interchange configurations. Our response: a novel diverging diamond interchange that could alleviate the traffic problems and set the tone for the city's vital business and higher education resources. It opened in 2015, solving a complicated interchange problem and making it faster and safer for drivers and pedestrians to get to and from Auburn Hills' university and business district.

**TZL: How have you helped your firm to outperform some competitors? What do you feel sets you apart?**

**JH:** We're open to opposition and change.

**TZL: Is there any other news you care to share about OHM projects or anything else?**



The Auburn Hills crest on the University Drive bridge is another first in Michigan, the result of OHM Advisors working with MDOT/FHWA, and a municipality for third-party branding of state-owned bridges.

**JH:** We're devoted to attracting top talent through top projects. We stay focused on people and rely a great deal on word of mouth.

**TZL: Are you married? Children? Pets?**

**JH:** I've been married for 31 years. I have three children and three and a half grandchildren (the first boy is on the way!).

**TZL: What's one thing most people at the firm don't know about you?**

**JH:** I was in a fraternity in college and somewhat of a party boy. You could say I majored in "social dynamics."

**TZL: What's your best vacation spot? Do you have a dream destination?**

**JH:** Anywhere with my family that is warm and sunny. Someday, I'd like to visit Ireland.

**TZL: What's the last book you read?**

**JH:** *The Search for Unrational Leadership* by Charles Fleetham. It's all about leaving your comfort zone.

**TZL: What's the last movie you saw?**

**JH:** *The Intern*.

**TZL: What's the best piece of work-related advice you've ever received?**

**JH:** There are a few. There's no substitute for hard work; focus on the right things and the rest will follow; be open minded and open to change; and leave "comfortopia."

**TZL: Who's a leader you admire?**

**JH:** My dad. He was dedicated and had a strong moral compass. I also admire President Lincoln. He surrounded himself with people who were unlike him.

**TZL: When you're not working, what types of activities do you enjoy?**

**JH:** Family trips and cruises, trout fishing (it allows me to totally disconnect), and following Michigan football.

**TZL: What's your favorite lunch?**

**JH:** A BLT – actually – anything with bacon. ▀



## Confessions of a millennial

Working with millennials was a hot topic at the recent Hot Firm and A/E Industry Awards Conference.



Christina  
Zweig

MARKETING  
MATTERS

Most researchers define the millennial generation as those born anywhere between 1982 and 2004 (although some sources end this in 1997). Indisputably, millennials are rapidly becoming an important part of the A/E industry. The 2016 Best Firms To Work For employee survey, which polled more than 11,000 employees, found that almost 66 percent of the workforce falls into this age category. Although the Best Firms To Work For survey didn't find that on the whole millennials were less happy in their jobs, it did find them less likely to recommend their job to a friend, and less likely to see themselves working there in the future.

Deloitte's 2016 *Millennial Survey*, based on interviews with nearly 7,700 employed and degreed millennials in all professional industries, had similar findings. The survey found that 64 percent of millennials in the U.S. plan on leaving their current place of employment by 2020. The Deloitte survey also reported 44 percent of millennials would like to leave their current employers in the next two years if given the choice. Among the reasons for the discontent are a perceived lack of leadership-skill development, feelings of being overlooked, work/life balance, the desire for flexibility, and a conflict of values.

"Millennials see technology as a friend, not a foe. If something isn't working right, we want to learn how to make it work better."

The Deloitte survey found that high employment satisfaction ratings among millennials are related to feeling that an employee's values are aligned with his or her organization's (30 percent versus

See CHRISTINA ZWEIF, page 8







important communication is,” says Carlson. “It’s the real difference between a good and a really great PM.” A good project manager provides updates when you ask and responds to your emails and phone calls. A better project manager is communicating important updates and keeping you in the know without you asking.

- 3) Natural facilitator.** Yes, you need to keep meetings rolling and on topic, set dates, deadlines and milestones for deliverables. But there’s more to it. “It’s not just meeting deadlines, it’s how you meet your deadlines,” says Carlson. Extenuating circumstances aside, a project milestone shouldn’t be a mad rush at the finish, but a well-paced marathon. The pace of the race? Up to the PM.
- 4) Quality experience.** Good project managers have experience. Better project managers have experience that counts – experience they’ve learned from, says Carlson. Yes, a project manager may have been in an industry for 30 years. But how long have they been working on your project type? “It’s not just quantity, it’s quantity of quality.”
- 5) Inspiring leader.** A good project manager pushes the team forward. A better project manager pulls them toward their goals with a clear vision, says Carlson. Both approaches get the job done. But the latter gets buy-in from the individuals on the team and gets their best – not minimal – efforts.

“A better project manager is managing all the tasks and getting documented proof that activities are completed. Yes, there’s a level of trust involved in working with your consultant, but you should expect transparency.”

- 6) Strong intuition.** A good project manager knows the ins and outs of concepts like earned value management, and has the logic, reasoning and mental capacity to keep a project on the rails. A better project manager also has intuition. They trust their gut. “It’s hard to quantify, but sometimes you just have a feeling,” says Carlson. “A great project manager doesn’t ignore it.”

- 7) Diligence.** Everyone feels energized after a project kickoff meeting. Once the newness of that feeling wears off, and that initial momentum turns into daily work, a better project manager keeps everything aligned through diligence. “You have to be persistent,” says Carlson. “And measured.”

“Whether your project is completed on time and in budget comes down to project management. Good project managers are hard to find. Better ones are rarer. Which do you want to be?”

- 8) Big-picture focus.** Finally, as a project marches forward, it can be easy to get caught up in the whirlwind and migrate toward daily tasks and minutiae. “There are going to be times when certain activities are louder than others,” he says. “And that’s okay, just don’t let them overwhelm your focus on the big picture.”

#### Two pieces of advice from Carlson:

- 1) “Don’t just ask your consultant if your project is on schedule. Ask them to prove it,” says Carlson. In other words, a better project manager is managing all the tasks and getting documented proof that activities are completed. Yes, there’s a level of trust involved in working with your consultant, but you should expect transparency. They should be prepared to show you.
- 2) “If you are managing a project as a client, align what you need from your consultant with what’s important to your stakeholders,” says Carlson. Hiring a better project manager, and being one yourself, is one step toward professional progress.

**BRINGING IT ALL TOGETHER.** Whether your project is completed on time and in budget comes down to project management. Good project managers are hard to find. Better ones are rarer. Which do you want to be? ■

PETE CARLSON is SEH chief operations officer, longtime project manager and mentor. He can be reached at pcarlson@sehinc.com.

## EDUCATION

### BECOME A BETTER PROJECT MANAGER WITH THIS SEMINAR!

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get little or no training in project management and are drafted into PM roles totally unequipped. In fact, a Zweig Group survey found that almost half of the firms surveyed did not provide training to their PMs and 76 percent rely on on-the-job training for their PMs.

The agenda covers seven critical areas of project management from the unique perspective of A/E and environmental consulting

firms. Attendees will leave the seminar knowing how to manage soft skills associated with PMs including:

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- Developing and managing project scope
- Budgeting and monitoring
- Administrative activities
- Project notebooks and project management manuals



- Managing quality and risk
- Project closeout

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## BUSINESS NEWS

### JACOBS WINS CONTRACT EXTENSION FOR TRANSPERTH ROUTE INFORMATION SYSTEM IN AUSTRALIA

Jacobs Engineering Group Inc. announced it received a five-year contract extension from the Western Australia Public Transport Authority to provide support services for the Transperth Route Information System.

Transperth provides the Perth metropolitan region with bus, train and ferry public transport services.

Jacobs has provided support services for PTA's TRIS for 15 years, including design, implementation, and ongoing management. The system was originally developed to

manage bus contracts, but its modular design and flexibility led to it becoming an enterprise solution for the organization. It now helps the PTA manage public transport contracts, bus stop maintenance, customer feedback, lost/seized property, land management, asset management, and much more.

CHRISTINA ZWEIG, from page 5

10 percent where they are not); a high level of cross-team collaboration (30 percent versus 12 percent where there is not); and feeling in control of his or her career.

“You don’t need to have monthly charity drives to keep millennials engaged, but if you don’t work on projects that can be seen as beneficial to society in some way, you’re going to have a hard time keeping millennials engaged at your firm.”

The challenge of working with and retaining the millennial generation is real. Fellow millennial (although we prefer to call ourselves Generation Y) Jamie Claire Kiser and I led a breakout discussion on “Work-Life Balance and Millennials in the Workplace.” The discussion revealed that many firm leaders in the A/E industry are asking similar questions: How can this generation be motivated to work? Stay at the same company? Put in extra effort? Communicate effectively with colleagues? Just pick up the phone?

After a relatively disturbing summer supervising a crew of millennial interns, I am one of the last to jump to the defense of an entire generation, but I think a perspective of a real millennial who is working and deeply invested in her career might help other people struggling with this generation.

Keep in mind the following:

#### 1) Older millennials have not had the same experience with the economy and employment as younger millennials.

When I graduated in the winter of 2008, a semester early with a 3.8 GPA and a B.A. in English, there was not a job to be had anywhere. I sold my \$400 junk motorcycle because I didn’t have enough money in my account to afford a take-out pizza. I had just spent more than 15 years of my life sitting in classrooms and meetings, studying, playing by the rules, and now I would be lucky to get a job in a restaurant. With only a liberal arts bachelor’s degree, I was grossly underqualified for almost any kind of professional employment. The gas station attendant at the Valero down the street had a master’s degree.

Many older millennials have lived through a time when jobs were very difficult to come by, and also witnessed their parents and authority figures lose their jobs despite being intelligent, hardworking, and loyal employees. This experience changed the way many millennials view work, the concept of sacrifice, as well as employer loyalty.

#### 2) Millennials value efficiency, the proper use of technology,

and want to know “why” processes exist. One of my first “real” jobs was working as an assistant to a real estate broker. I worked on a commission basis, where my salary was 6 percent of the broker’s commissions. After a few short months, I became frustrated when I realized my salary was impacted by some of the inefficiencies of my boss. She didn’t understand how to use the feedback tool on the scheduling software we used. Clients were always calling wanting feedback on how their house showings went and I wasn’t allowed to download the app and automate things from my phone. Unnecessary processes took up most of my day – endless printing, stapling, and filing papers that were already stored online on a secure server. I failed to see the reasons behind many of the job tasks that took up my day, and they were indisputable and never explained to me.

Millennials see technology as a friend, not a foe. If something isn’t working right, we want to learn how to make it work better. We see new technology as an inherent and valuable part of work. We recognize that we will be consistently learning how to use new programs, software, applications, and tools throughout our entire lives.

#### 3) Millennials want to feel that their work matters and is doing good for the world.

Shortly after college, when no jobs were to be found locally, I moved to Minnesota and worked as a director of horseback riding at two camps. Sounds like a great job giving back to children and society, right? I couldn’t have been more wrong. Each camp was heavily concerned with turning a profit. That meant if they could get 75 people to sign up to go on trail rides in one day, all 75 had to get a two-hour trail ride – even though this schedule meant the horses had to work all day long without a break. I finished my summer term at the camp, but vowed never to return because I felt the job was unethical and inhumane.

“Many older millennials have lived through a time when jobs were very difficult to come by, and also witnessed their parents and authority figures lose their jobs despite being intelligent, hardworking, and loyal employees.”

You don’t need to have monthly charity drives to keep millennials engaged, but if you don’t work on projects that can be seen as beneficial to society in some way, you’re going to have a hard time keeping millennials engaged at your firm.

Millennials may be seen as selfish and disloyal – but they aren’t all bad. What do you have to say about working with millennials? We want to know. ▀

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## OPINION



# Recruiting never ends

If you think there's too much recruiting, then you probably don't realize there is no 'season,' but an unending grind.



Chris  
Patton

### RECRUITING NOTES

**T**here is no preseason or final game for recruiting. A/E firms that don't understand the 24/7 nature of the recruiting season may be caught off guard when candidates begin to either refuse to have a conversation after submitting a resume, or face the inability to fill a high-level need. Similarly, you may be a hiring manager, recruiter, or human resources professional who is facing hiring woes. Here are three things you and your firm can do to get into recruiting season form.

**CANDIDATES CAN SEE THROUGH A GLASSDOOR.** Ask yourself this question: Who is monitoring your Glassdoor account?

If you don't know, do yourself a huge favor and Google your firm's Glassdoor account. More often than not, firms will be happy to see that they are well reviewed. Unfortunately, some firms discover lower ratings or a few unaddressed negative comments. Those two or three nasty comments, no matter when they were posted, may overshadow every other review that is positive about your firm.

Therefore, monitor Glassdoor carefully. Every firm should have at least three employees that are notified whenever an update is given. This will allow criticisms, just or unjust, to be addressed. If it is discovered that your firm's reviews contain one- or two-star ratings, then they need to be responded to so that the noted, public problems are dealt with. If the issues raised are not addressed, then potential candidates may be scared off and the ability to recruit effectively can be compromised due to a poorly developed online reputation.

"A/E firms that don't understand the 24/7 nature of the recruiting season may be caught off guard when candidates begin to either refuse to have a conversation after submitting a resume, or face the inability to fill a high-level need."

**THE PROCESS IS THE ENEMY.** We can't tell you how many times a firm has called because a position has been open for more than six months. Once candidates are presented, the firm inexplicably goes quiet. Then, about another week later, an email is received wanting to schedule interviews but the candidates are no longer interested. The candidates all interpreted the lack of response from the firm as a "WE ARE NOT INTERESTED" insult.

The bottom line is that if firms receive an application, they need to respond with a definite yes or no within 48 hours. Qualified candidates

See CHRIS PATTON, page 10



## BUSINESS NEWS

**KP ENGINEERING AWARDED SYNGAS EPC CONTRACT; CONTINUES A RICH HISTORY IN THE EPC DELIVERY OF SYNGAS/HYDROGEN PROCESS PLANTS** KP Engineering – an industry leader in engineering, procurement, and construction solutions – has been awarded a fixed-price EPC contract by Praxair, Inc. to expand carbon monoxide production at its Geismar, Louisiana plant.

The award from Praxair is among several major projects KPE has secured within the last 12 months, including the recently awarded fixed-price contract from Targa Terminals LLC, valued in excess of \$100 million.

“We appreciate Praxair’s confidence in our ability to deliver world-class results for this important expansion in Geismar,” said William Preston, president and chief operating officer

of KP Engineering. “KPE’s expertise integrates well with Praxair’s vision and forms an important part of our business, complementing our positions in the refining, midstream, and petrochemical sectors.”

The overall scope of the KPE project includes engineering, procurement, and construction. The project is expected to be completed in 2018.

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should be scheduled for an interview or a phone meeting as soon as possible. The overall goal should be a 14-day hiring process.

On the other hand, time after time, we see A/E firms drag their feet for no reason. Excuses usually revolve around items such as being too busy or scheduling too many steps in the hiring process.

Remember that every interview a firm decides to schedule after the second one means that the candidate has probably applied to 10 more open positions per day with other firms. A/E firms that have it together will show up at the second interview with an offer letter prepared. If the interview goes well, it’s time to make that offer and instill the qualified candidate with confidence rather than leaving he or she with the impression that the firm isn’t interested.

Overall, interviews need to be focused, decisive, and well organized. It’s easier to make excuses that lead to a culture of not wanting to hire rather than streamlining methodology that treats candidates with respect and competency. Lastly, candidates who are not responded to in an expeditious manner may communicate their experience on social media. Glassdoor, Twitter, Facebook, and LinkedIn all have groups and posting methods where A/E candidates can share their frustrating experiences with other professionals. Whether A/E firms like it or not, this can damage the firm’s reputation and restrict both its hiring and growth potential.

“If the issues raised are not addressed, then potential candidates may be scared off and the ability to recruit effectively can be compromised due to a poorly developed online reputation.”

**PAY ARCHITECTS AND ENGINEERS.** The current A/E market has settled after a huge boom and candidates are showing more reluctance to make a move. What’s more surprising is when firms botch an offer letter and insult a candidate after their salary background has been discussed.

Recently, a large firm presented an offer letter to a senior project manager candidate that matched his current salary. The candidate immediately lost motivation to make a move since a higher salary was part of the reason he was looking around. The next week, another firm made an offer

“Current A/E candidates, especially ones that are employed but are looking for a change, aren’t going to do the following: take a salary cut or accept equal salary, be happy with reduced PTO, get really excited about profit-based bonuses that don’t guarantee more income, or the wonderful team culture that your firm has.”

that would add \$10,000 to his base salary and he signed it immediately.

The point here is that firms need to know what is important to the candidates they want to hire. But many A/E firms often try to sell a benefit that the candidate doesn’t care about in order to side-step paying more in base salary. Current A/E candidates, especially ones that are employed but are looking for a change, aren’t going to do the following: take a salary cut or accept equal salary, be happy with reduced PTO, get really excited about profit-based bonuses that don’t guarantee more income, or the wonderful team culture that your firm has.

Yes, selling your culture is always important, but it’s not worth a \$5,000 to \$10,000 base salary reduction to any candidate. Every firm should be prepared to up a candidate’s salary by at least 10 percent. If that doesn’t happen, the firm isn’t going to do well in the current A/E market.

Thus, monitor your firm’s online reputation. Glassdoor requires users to leave a negative comment, or a suggestion for management, or both. There aren’t many A/E trolls, but there are an inordinate number of unaddressed comments from former employees who thought they were wronged in some way. If your firm is so named, you need to take care of the problem.

Lastly, firms that want to hire can close positions within 14 days. They have a successful model to build upon and are focused. In a settled economy, firms that don’t really want to hire are going to have to eventually turn down more projects than they want to. These firms are not in recruiting season form. ▀

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## Cash flow

Alternative collection methods at this time of year, even if it's something radical, might come in handy if you need to 'stock the cash coffers.'



Ted  
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**FINANCIAL  
FITNESS**

**A**s the last quarter of 2016 draws to a close, many of you and your financial staff are seeking to "stock the cash coffers" of the firm. Ending bonus distributions, sheltering funds for tax payments, capital expenditure purchases, and other cash requirements place demands on the available cash that the firm needs.

Despite the hue and cry from the financial staff to your principals and project managers that collections of open accounts receivable have to intensify, their continued pressure may or may not deliver the cash required. Depending on how well your firm manages the client contractual agreements, how clearly the contract terms are reviewed with your clients, and what expectations are set and managed by the technical team, you and the financial team are either seeing the flow of cash or your firm continues to be squeezed for cash.

The following are some tips that should help

facilitate cash flow during this period:

- 1) Pick up the phone; reach out and touch your client.** Texting and email are perfect vehicles for communication, and they are the preliminary entry point in the collections effort. However, when you have finally seen enough comments to the collection effort like "emailed the client" over and over, it's time to get radical.

Calling your client allows more than just the collection call, it is a touch point that establishes direct communication. Aside from asking for payment, checking in with your client, asking what other

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## ON THE MOVE

**THOMAS LUCEY, PE NAMED DIRECTOR OF LAND DEVELOPMENT AT ATWELL** Consulting, engineering, and construction services firm **Atwell, LLC** announced that Thomas Lucey, PE has been appointed director of land development, Cleveland, Ohio. Lucey will provide strategic leadership support to the Cleveland office and operational teams while promoting and expanding Atwell's services into emerging geographic markets throughout the Midwest.

Lucey has nearly three decades of experience

leading and managing multidiscipline entities of engineers, architects, contractors, and vendors on development projects around the country. Prior to joining Atwell, he was a Principal and Founder of Sunzera, a regional solar energy development firm based in New York, where he built and led teams of engineers and contractors for the development of private solar energy facilities. Lucey also has been an owner of a successful engineering and architecture firm focused on land development projects with regional and national owners

and developers. Further, he was a senior associate at a large multi-discipline/multi-office engineering company where he focused on private land development in the Midwest, Mid-Atlantic and Northeast regions.

"We are excited to have Tom join our team," said Atwell Vice President Bill Anderson. "His land development knowledge and experience and ability in tackling complex, multi-faceted projects at the local, regional and national level will serve our clients well."

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opportunities might be available, and even arranging a lunch or dinner meeting, facilitate potential new business opportunities.

A variety of studies have shown that frequent and consistent client contact resulted in the client's perceiving that you, the consultant, were more valuable as the project came to a close rather than at the very beginning of the project. These frequent client touches were not lengthy, but rather short out-reaches that conveyed a genuine interest.

"Depending on how well your firm manages the client contractual agreements, how clearly the contract terms are reviewed with your clients, and what expectations are set and managed by the technical team, you and the financial team are either seeing the flow of cash or your firm continues to be squeezed for cash."

**2) Pay your client a visit.** Another radical concept in the age of instant electronic communication? Meet with your client face to face! Depending on where your clients are, how easy it is to meet with them, and your understanding of your access to them, either a scheduled meeting or a drop-in to review and make the collection visit can sometimes deliver interesting results.

A COO of a large environmental firm finished up a meeting with a client and noticed on the building directory that another client that he had not spoken to in awhile was in the same building. Calling his controller, he found out this client had a large open invoice.

The COO paid an impromptu visit on the client's CEO, was met with a hearty handshake, and spent the next hour reviewing not just the open invoice, which the CEO apologized for (the client CEO had her CFO wire the funds during their meeting), but they discussed new opportunities that were on the client's horizon. That impromptu visit resulted in a stream of new projects!

**3) Use radical pickup or delivery methods.** Most of the clients we work with are currently seeing invoice delivery methods that have replaced the U.S. Postal Service. Standard operating procedure has become the emailing of all invoices (if your

contract requires hard copy delivery, you can still email, as it will expedite collections in the future), uploading invoices into the client's accounts payable portal, and other electronic delivery methods.

Depending on what your contract terms with your client are, your firm's expectation is either paid upon receipt, payment in 30, 45, or 60 days, or paid when paid by the prime. Your financial team's ability to predict the cash inflow relies on the consistent delivery of payment by your clients.

Payment by ACH or wire transfer is more common and alleviates the "check is in the mail" excuse, since it is immediate (relatively speaking). We all could fill a book on the interesting excuses that we have heard about when the payment is going to arrive.

Many clients, on smaller invoices, are using credit card payment up front. Working with a recent client, more than 60 percent of the invoices that they were chasing were less than \$2,500, and instead of wasting time on the billing, chasing, and sometimes legal costs, they now request full payment on a credit card before the work commences! This has resulted in a decrease in the chase of these items.

Using express delivery can be cost effective based on the value of the payment. If your client owes you thousands of dollars, the cost of a FedEx is going to be much less than the expenditure of project manager or principal in charge time-at-billing rates.

A CMO of a major airline engineering group called a client that had open invoices in the millions of dollars and requested a payment. The client's CFO indicated that a payment would be prepared that afternoon. The CMO indicated that she would personally pick up the payment, requested a jet, and made a personal visit to the CFO. Not only did she pick up the payment, but she also had a discussion of future work, and a few months later, a large order was submitted to the CMO.

**The power of a face-to-face meeting or a phone call are approaches that used to be SOP. The integration of electronic tools has modified our collective behavior and interaction. The soft skills of communication and client connection are critical skills to develop with your younger staff, who will ultimately fill the PM and PIC roles.**

**Train your staff in the art of communication, take them on client visits and show them what the power of a face-to-face visit can achieve. ▀**

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