

TRENDLINES

NSR as debt



According to Zweig Group's 2017 Fee & Billing Survey, firms operating as **sub-consultants in the private sector** are writing off more than 3 percent of their NSR as bad debt, compared to less than one-half of a percent of NSR being written off by **primes in the public sector**. Researchers also found that many of these sub-consultants in the private sector do not accept ACH payments (credit and debit transactions). If these firms updated their technology and payment processing, they could possibly drive that bad debt down to a more reasonable level.

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There are bad people out there

“There are some bad people out there who are perfectly OK with stealing from you if they can get away with it. We see few of those over on this side of the fence. So how do they often catch us off-guard?”



Mark Zweig

EDITORIAL

One of my theories about why A/E firms do so poorly with at-risk construction projects is we are just not equipped for the people we deal with in that “other” world. There are some bad people out there who are perfectly OK with stealing from you if they can get away with it. We see few of those over on this side of the fence. So how do they often catch us off-guard?

Here are things to look out for:

1) Crooks in the finance and accounting department. There are numerous ways these people can steal from you. Two of the most common ways they do this is by adding people to the payroll you don't know you have and issuing them a check every week along with everyone else. That's why you should always match up the number of people getting paid with your employee roster. The other thing these people will do is set up fake vendors. The “vendors” submit bills for goods or services (that weren't provided), and then those bills get paid! There are many other scams. One I saw involved the CEO and CFO colluding to steal from the company. They each had a credit card they used for everything and then wrote off all of it as travel expenses. They got more than a half million dollars doing this. The sad thing is each was already highly paid.

2) Crooks in the employee ranks. There are lots of ways employees steal from you. The biggest area of theft involves hours of work paid for work that was never done. Falsifying time sheets is rampant. Some firms have paid overtime for exempt workers and no one checks to see if “Bob” put in those extra 10 hours he is claiming he did. This is very common. Other ways employees steal from you includes expense reports. Some people outright falsify

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BUSINESS NEWS

P2S EXPANDS OPERATIONS WITH NEW SAN JOSE OFFICE P2S has opened a new San Jose office, solidifying its presence in the Bay Area and northern California. The San Jose office will be led by Lawrence DeHart and will offer all the firm's award-winning services. The new expansion joins a San Diego office, Los Angeles office, and the firm's headquarters in Long Beach.

"P2S is a client-focused company that prides itself on delivering solutions to even the most challenging problems," said Kevin Peterson, P2S president and CEO. "Our presence in San Jose demonstrates our commitment to clients in northern California and drives our efforts to be a leader in the state's engineering industry. We couldn't be more excited."

The address for the new office is 97 South 2nd Street, Suite 100, San Jose, CA 95113.

P2S, Inc. is an integrated professional services firm offering full-service mechanical, electrical, plumbing, energy, and technology engineering, with commissioning and construction management services. P2S takes a holistic, performance-based approach to every project it undertakes, an approach that doesn't just find solutions that work – it finds solutions that work for each client. From higher education and healthcare, to industrial, commercial and port design, its team of more than 160 engineers and technical staff can find the smartest design for even the most challenging problems.

KBR AWARDED PMC CONTRACT FOR DALMA AND H&G ISLANDS PROJECTS FOR ADNOC KBR, Inc. announced it has been awarded a project management consultancy contract by Occidental of Abu Dhabi Ltd. on behalf of Abu Dhabi National Oil Company for management of the front end engineering and design services phase of the Dalma Gas

Field Development and the detailed design and surveys phase of the Hail & Ghasha Islands project at Abu Dhabi, United Arab Emirates.

Under the terms of the contract, KBR will provide project management consultancy services. This work is expected to be performed over 24 months, with an option to extend another 12 months.

ADNOC is undertaking a project for the development of the Dalma Gas Field in line with its objective to deliver a more sustainable and economic gas supply by implementing a fully integrated gas master plan that increases productivity, performance, and delivery.

The Hail & Ghasha Project, one of the largest sour gas fields projects that ADNOC is developing, is forecast to produce about 1 billion cubic feet of sour gas per day.

The infrastructure requirements for the Hail & Ghasha Project include a minimum of 11 offshore artificial islands to be designed and constructed.

"KBR is pleased with the opportunity to continue our sustained relationship with ADNOC by providing our expertise, best practices, and knowledge in project management to oversee ADNOC's field production activities in Abu Dhabi," said Jay Ibrahim, KBR president for EMEA.

"This project demonstrates KBR's ability to offer cost effective solutions to our customers in the EMEA region by combining our global expertise and local presence," Ibrahim continued.

Revenue associated with this project was undisclosed and will be booked into backlog of unfilled orders for KBR's E&C Business Segment in the second half of 2017.

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them. One scam I heard about was done by a guy who was at a high level in his company. The firm – a large company – had offices and projects around the globe. He would buy airline tickets, charge them to his personal card, and then submit them on his expense report. Later he would cancel his flight and get a credit. No one knew where he was going or when. It was easier to pull this one off than you'd think.

3) Crooks as sub-consultants. There are plenty of ways sub-consultants can steal from you. The number one way is they make an end run around you to the client and do future work for the client directly, instead of through you. But other ways they can overcharge you include billing for time beyond what their contract allows, and no one catches it. The bill just gets entered and paid. Or billing you for work performed on the other guy's project. I have personally had both geo-techs and surveyors bill me for work that was performed on someone else's project! Their billing departments were either confused or they were run by crooks.

The point of all this is be wary! There are probably more dishonest people out there than you realize. We work in a nice industry and it's easy to be caught off guard. ➤

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Culture and climate

They go hand in hand, and both need regular maintenance if they are to be positive. Take a look at your firm and make adjustments if necessary.



**Bill
Murphey**

**CONTINUING
ED**

A company with a great culture can, and usually will, attract great talent. The culture of a company is typically their shared beliefs, identity, or common purpose. A company with a great culture celebrates achievements and embraces its collective history. A company lacking culture can be perceived as hollow and sterile. It's a place where people come for the paycheck and nothing more.

A company with a great climate is similarly appealing, because it exudes a positive vibe. A climate is all about attitude, energy, and how a company "feels." If the climate is good, people feel good. Conversely, employees in a company with a negative climate know something is happening, and they can sense that something is wrong.

What if the climate is good, but the culture is poor? In other words, what if people enjoy their work environment and their coworkers, but they feel no connection to the company? Those employees will go out of their way to help their coworkers, but will do as little as necessary to grow the company.

Similarly, what if people love the company for

"A company with a great culture celebrates achievements and embraces its collective history. A company lacking culture can be perceived as hollow and sterile."

what it stands for, but they feel no connection to the company? Those employees will put forth a great effort and produce great results, but at the end of the work day, they can't leave the workplace fast enough.

Workplaces have long been the primary social

See BILL MURPHEY, page 4



BUSINESS NEWS

JACOBS WINS GLOBAL AWARD FOR AUSTRALIAN HOSPITAL PROJECT Sydney's Blacktown Hospital, on which **Jacobs Engineering Group Inc.** carried out all architectural work, received three awards at the 2017 Design & Health International Academy Awards, including the prize for Best International Health Project Under 40,000 Square Meters. The awards were presented to the Jacobs team during the Academy Awards Gala Dinner at the 12th Design & Health World Congress held in July in the City Hall of Vienna.

Jacobs has been involved in the Blacktown Hospital Project for New South Wales Health Infrastructure since its inception in 2011, successfully delivering the first phase of the project, which included a new 32,000 square meter seven-story clinical services building.

The team is currently executing the architectural services for the delivery of the second phase of the project, comprising new emergency, birthing and maternity departments, operating theatres, and an intensive care unit. Jacobs continues to also be responsible for the electrical/ICT/security design for this next stage.

The hospital, which will cater to a growing population in Sydney's western suburbs, is

designed to reflect a diverse and multicultural community and includes innovative features to make patient recovery and needs a priority.

Aside from the prize for Best International Health Project Under 40,000 Square Meters, Blacktown Hospital also received awards for the Use of Art in Public and Private Spaces and Interior Design categories.

"We're honored to have received international recognition for this landmark project, which has now set a benchmark for hospital design across the globe," said Jacobs Buildings and Infrastructure Senior Vice President Patrick Hill.

The International Academy for Design and Health is a non-profit organization that is regarded as the leading global body developing and promoting the exchange of information, knowledge, and research within the field of design and health.

ENGILITY TO PROVIDE U.S. NAVY WITH SECURE NETWORK-CENTRIC WARFARE CAPABILITIES Engility Holdings, Inc. won a \$39 million contract award with the Space and Naval Warfare Systems Command Program Executive Office of Command, Control, Communications, Computers, and Intelligence. As part of the contract, Engility

will help the PEO C4I Ship Integration Program Office integrate network and communications systems and develop a single, consolidated, and secure technology platform baseline for U.S. Navy and Coast Guard fleets.

"PMW 760 enhances the U.S. Navy's flexibility and efficiency while increasing warfighter capability, establishing a technology platform capable of meeting the diverse and evolving threats facing our armed services," said Lynn Dugle, CEO of Engility. "Engility will deploy domain expertise in cyber security and enterprise modernization to assist the Navy in IT service delivery, cyber technical leadership, fleet operations, and C4I systems."

PMW 760 is responsible for designing, integrating, testing, and delivering interoperable, cyber-secure capabilities to the Navy and Coast Guard during new construction and modernization. Engility will support PMW 760 as it begins integrating technologies toward a common C4I capability baseline for both Navy and Coast Guard ships.

This second quarter 2017 win is a cost-plus-fixed-fee contract, with a base year and four one-year extension options and represents new work for Engility.

BILL MURPHEY, from page 3

gathering spot for many people. It's where we spend most of our time, meet similar-minded people, share otherwise-ordinary details of our lives, and it's where we create bonds that help strengthen our communities.

A company with a great culture and positive climate fosters those ties between us.

"Spend some time understanding not just why your company is performing as it is, but rather what's driving its performance. You might uncover that your culture needs a kick start or that your climate could use a bit of maintenance."

Here are a few techniques for fostering a great culture:

- **Build a common rally point.** This is the "why" of an organization. It's why you exist. Whether it's a strategic goal, a community partnership, or simply a mascot, a common idea brings people together.
- **Celebrate milestones and successes at all levels.** Celebrate birthdays, anniversaries, and contract wins with a hand-written note, cupcakes, or a company-wide announcement. These don't have to be extravagant affairs. A simple acknowledgment will pay huge dividends.

- **Ping-pong flop.** Nobody cares if you have ping-pong or foosball tables in your building if you never use them. Schedule monthly tournaments. Create a company-wide leader board to show who's the reigning champion. These events will bring people together.

Here are a few techniques for fostering a positive climate:

- **Review your policies.** Administrative policies are the number one killer of an organization's climate. It's very likely you have some policies that make people dread an aspect of their workday. Your employees know exactly what those unnecessary policies are. Ask them. A common one that comes to mind is the requirement that your employees must work until 5 p.m. Sure, they're at their desks at 5 p.m., but five minutes later the parking lot is empty.
- **Transparency is a rumor killer.** Communication is key. We recommend adopting open-book management as a way to show your employees the status of your firm's finances, so there's no guessing about how the company is performing.
- **Spread no fear.** If your employees run when they see you walking toward them, it's probably a good sign your climate is not good. Micromanaging instills fear in your employees and tells them you don't trust their work.

Spend some time understanding not just why your company is performing as it is, but rather what's driving its performance. You might uncover that your culture needs a kick start or that your climate could use a bit of maintenance. ▀

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SPOTLIGHT ON: Arv

PROFILE



Conference call: Brenda Arvidson

President and CEO of Stonebrooke Engineering (Best Firm Civil #41 for 2017), based in Burnsville, Minnesota.

By LIISA ANDREASSEN
Correspondent



Brenda Arvidson, President, CEO, Stonebrook Engineering

“We have found that ‘growing’ our employees has been much more successful than bringing in more experienced talent,” Arvidson says.

A CONVERSATION WITH BRENDA ARVIDSON.

“We approach any failure as a learning experience and an opportunity to connect with a future client or contact.”

The Zweig Letter: In the event of failure, how does your firm react?

Brenda Arvidson: We approach any failure as a

learning experience and an opportunity to connect with a future client or contact. We reach out directly to the stakeholder, meet with them face to face if possible, and find out from them exactly how we can improve in the future. Continual improvement is a crucial element of our company and is a catalyst for growth.

TZL: Monthly happy hours and dog friendly offices. What do today’s CEOs need to know about today’s workforce?

BA: Engaging our employees with fun outings and an open work environment is very important to all of our employees, but especially to our younger engineers. In most cases they come to us directly from college and are looking for more than a job. They are looking for extra activities to enhance their lives and to make a stronger connection to their work environment. When I talk to interns or





high school students I always tell them to make sure that the career they choose is filled with colleagues they enjoy as they will be spending about one third of each day with them. We feel that if they enjoy the company of each other, they make a much stronger and united team.

“We consider what motivates an employee and realize that underperformance can have many causes from job dissatisfaction to lack of training or even to personal issues outside of the work environment.”

TZL: The talent war in the A/E industry is here. What steps do you take to create the leadership pipeline needed to retain your top people and not lose them to other firms?

BA: In our company, every employee’s opinion is valued. We talk to each employee about their goals and we integrate them with our goals as a company. We also check in frequently to make sure that we are giving them what they need to achieve their career goals. As a small and growing company, we encourage growth and entrepreneurship. We have also found that “growing” our employees has been much more successful than bringing in more experienced talent.

TZL: The A/E market is great right now. What are you doing to cushion your firm in the event of a downturn?

BA: We do not hire to fill chairs. Each hire is a painstaking process to ensure that we get only the employees who fit well into and enhance our organization. We are very clear up-front that we want employees who are willing to explore areas outside of their specialty because as a small company, we strive to have cross functionality.

As an example, during the winter season, many of our surveyors are in the office working as technicians. This offers us extra technicians during the crucial design season, and allows them to work year-round in a profession that generally has a downturn in the winter months. We also listen to our employees and are willing to add service areas that they see as up-and-coming, such as video production and the utilization of drones in surveying.

TZL: How do you deal with underperforming employees? What are your steps for removal after they have proven to be ineffective, or even counterproductive, to your firm?

BA: Underperformance is addressed swiftly and with a 360 degree review. We consider what motivates an employee and realize that underperformance can have many causes from job dissatisfaction to lack of training or even to personal issues outside of the work environment. As we make a significant investment in the hiring of each employee, we

feel that it is in both the employee’s and our best interest to find the root of the problem and to give us a chance to fix the situation and improve. We provide deadlines for improvement and if that is not met, unfortunately we will terminate the employee knowing that their underperformance affects every other employee in our company.

TZL: Firms that have principals and firm owners that lower their compensation and invest back into the firm perform better, grow quicker, and have higher valuations. How do you balance owner compensation with investment in the firm?

BA: Our focus has always been on smart growth, and as principal in the firm our growth and success is more important than direct compensation. Our salaries are consistent with the industry and bonuses are applied only after bonuses are determined for the staff. We always keep in mind that our staff is our most important asset.

TZL: How does marketing contribute to your success rate? Are you content with your marketing efforts, or do you think you should increase/decrease marketing?

BA: In the earlier years of our company, marketing was the most important thing that we did to get our name out there in the industry. Now that we are more established, everything that we do is marketing for our next job. Repeat clients are our biggest success and nothing markets like a successful project and a happy client.

TZL: If there was one program, course, or degree program that you could take or recommend before becoming a principal or owner, what would it be?

BA: Leadership.

“In the earlier years of our company, marketing was the most important thing that we did to get our name out there in the industry. Now that we are more established, everything that we do is marketing for our next job.”

TZL: What’s the greatest challenge presented by growth?

BA: Growth presents us with what I call the “chicken or the egg dilemma.” As a consulting business, our success depends on the utilization of an employee so we are in a constant balance of amount of work versus number of employees. It is a constant battle of proposing for work which will require new employees, or hiring first, then proposing.

TZL: What is the role of entrepreneurship in your firm?

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BUSINESS NEWS

JACOBS WINS ROLES ON MAJOR NEW WIND FARM PROJECT IN AUSTRALIA Jacobs Engineering Group Inc. has been appointed by the Powering Australian Renewables Fund, to carry out the project management and owners engineers' roles for a proposed 200 megawatt wind farm in Western New South Wales, Australia.

The \$356 million Silverton Wind Farm will produce approximately 780,000 megawatt hours of renewable energy annually, enough to power more than 137,000 average Australian homes. The energy produced from the wind farm's 58 turbines is predicted to reduce CO₂ emissions by 655,000 tons annually, which is the equivalent of taking 192,000 cars off the road each year.

PARF is a partnership created by Australian energy company AGL Energy Limited to develop, own, and manage approximately 1,000 megawatts of large-scale renewable energy infrastructure assets and projects. The PARF's equity partners include AGL and QIC, on behalf of its clients the Future Fund and those invested in the QIC Global Infrastructure Fund. The Future Fund is a sovereign wealth fund which aims to invest in projects that benefit future generations of Australians.

"Jacobs has a proven history in successfully delivering all types of renewable power generation projects," said Jacobs Senior Vice President Patrick Hill. "In wind, we have completed hundreds of projects globally and we have an extensive history in this market in Australia, especially working with AGL.

"This project builds on the support we have provided AGL in the renewables market, delivering two of Australia's largest solar power plants at Nyngan and Broken Hill. Jacobs will provide leading edge project management capabilities combined with our engineering skills to help AGL deliver this landmark project," added Hill.

AECOM TO ACQUIRE SHIMMICK CONSTRUCTION TO EXPAND ITS CIVIL CONSTRUCTION CAPABILITIES IN THE WESTERN U.S. AECOM, a premier, fully integrated global infrastructure firm, and Shimmick Construction announced a

definitive agreement for AECOM to acquire Shimmick, an established leader in the California and Western U.S. heavy civil construction market. The acquisition, which is subject to customary closing conditions, is expected to close in AECOM's fiscal fourth quarter.

Shimmick has approximately 1,000 employees and a total backlog of approximately \$1.35 billion that includes a wide portfolio of iconic infrastructure projects. Annually, the company generates approximately \$300 million of revenue and is responsible for put in place construction value1 of approximately \$400 million. The enterprise value of the acquisition is \$175 million and the transaction is expected to be accretive to AECOM's adjusted EPS upon closing.

The addition of Shimmick provides AECOM with leading civil construction capabilities across the western U.S., which is set to benefit from several years of expected growth from the nearly \$180 billion of recently-approved ballot measures, including Measure M in Los Angeles, Measure RR in San Francisco and Sound Transit 3 in Seattle. In addition, the California legislature recently passed the \$52-billion Road Repair and Accountability Act, which will significantly increase transportation-specific spending in the state over the next decade. These developments in California are expected to support nearly double-digit annual growth projected over the next four years in the state's infrastructure market, which will begin to address its estimated \$190 billion of unmet infrastructure needs.

"Shimmick's civil infrastructure expertise provides an immediate complement to our leading North American design practice, further enhancing our integrated delivery offering as governments and their constituents have approved hundreds of billions of dollars to improve infrastructure across the Western U.S.," said Michael S. Burke, AECOM's chairman and chief executive officer. "As momentum across our Americas infrastructure markets builds, enhancing our construction capabilities is a critical next step to ensure we best capitalize on the tremendous opportunities in front of us."

With Shimmick's strong execution track record and AECOM's leading project management and design market presence, AECOM will be better positioned to capture a greater share of the market spend, especially as clients increasingly procure services on an integrated basis. Approximately half of all large non-residential projects in the U.S. are now executed through design-build delivery, and AECOM has a nearly \$40 billion pipeline of alternative delivery pursuits across the U.S., including \$6 billion in California alone.

"No organization is better positioned to plan and deliver the next generation of American infrastructure than AECOM, with the addition of Shimmick further bolstering our design-build capabilities," said Daniel P. McQuade, AECOM group president, Construction Services. "Drawing on our successful history of integrating leaders in the construction industry, we are excited to welcome the talented Shimmick team and leverage our combined expertise to meet the needs of our clients and the cities they serve."

"This is a compelling combination that significantly enhances our value proposition with key clients, and provides new growth opportunities for our employees," said Paul Cocotis, Shimmick's chairman and chief executive officer. "AECOM is an ideal partner, with world-class expertise and leadership, strong financial discipline and a proven ability to integrate construction services into more complex projects in more geographies."

Shimmick's portfolio of projects include over a decade of experience on the Golden Gate Bridge in San Francisco, the Gerald Desmond Bridge Replacement in Long Beach, the E320 South Bellevue Extension in Seattle, the HART Airport Guideway and Stations design-build project in Honolulu, and the Miramar Clearwell Improvements project in San Diego.

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BA: We encourage entrepreneurship at every level of our organization. Employees are continually encouraged to bring new ideas and to take ownership in the project they are working on. I tell prospective employees that if you're looking for a job we probably aren't a great fit, if you're looking for a career this is where you need to be.

TZL: What's your prediction for 2017 and for the next five years?

"I tell prospective employees that if you're looking for a job we probably aren't a great fit, if you're looking for a career this is where you need to be."

BA: Continued growth of around 20 percent per year – our focus is on finding the right people not on how quickly we can grow. ▀



Keep the peeps!

Bringing good people on board is one thing, retaining them is another. Make a concerted effort to keep your personnel engaged.



Chris
Catton

RECRUITING NOTES

I recently facilitated a roundtable discussion. Never mind that the table wasn't round. It was a long, awkwardly rectangular table. That little fact got us started with a good laugh. Our topic was recruitment. Leadership from within consulting firms in the Bay Area AEC industry comprised the group. We discussed recruitment strategies and shared our stories of hiring challenges. We talked about how the current job market is driving up salary expectations. We talked about how we are all fighting for the same good people. The race is on to be the best game in town. But, based on our discussion, it became apparent that our topic should not have been recruitment, but that other prong of team building – employee retention.

The most relevant definition of retention is “the action of absorbing and continuing to hold a substance.” In our case, “substance” is our people, our employees. How do we keep the people we've hired? It makes more business sense than anything else. Hold on to what you've got! There is not a silver-bullet answer for employee retention. It takes a mindful, coordinated approach to running a profitable operation with inspiring leadership and a stellar work environment.

Here's my list of what it takes:

“The most relevant definition of retention is ‘the action of absorbing and continuing to hold a substance.’ In our case, ‘substance’ is our people, our employees.”

■ **Regular communication of company vision.** People want to know there is a strong and clear sense

See CHRIS CATTON, page 10



BUSINESS NEWS

TRIUMPH SIGNS SYSTEMS AGREEMENT WITH BOEING FOR LEGACY PROGRAMS AND 777X Triumph Group, Inc. signed an agreement with Boeing to provide various hydraulic and mechanical actuation assemblies for legacy Boeing programs.

"This agreement demonstrates our commitment to the Partnering for Success program and follow-through on our recent agreement with Boeing to find additional areas to add value on their existing and new platforms," said Tom Holzthum, executive vice president of Integrated Systems. "We are pleased to supply systems for new programs like the 777X, which is leading the way in fuel consumption reduction and overall operating costs."

"We appreciate Triumph's renewed focus and energy in support of Partnering for Success, Boeing's collaborative program to reduce cost and improve efficiency in our supply chain," said Brian Baird, Boeing Commercial Airplanes vice president, Aircraft Materials & Structures, Supplier Management. "Meeting these shared objectives advances our longstanding relationship with Triumph and strengthens

Boeing's position to win in the marketplace, enabling sales and work for Boeing and our extended supply chain."

Triumph Integrated Systems' Fluid Power and Actuation operating companies will extend deliveries of pumps, actuators, accumulators, fuses, and assemblies for the various Boeing programs. In addition, Integrated Systems' Mechanical Solutions operating company will provide cable and wire rope assemblies for these Boeing programs.

Earlier this year Triumph and Boeing signed a memorandum of agreement supporting the expansion of Triumph's role as an integrated systems and services supplier for Boeing's growth platforms within their commercial airplane and defense programs and global services market.

ISG NAMED TO 2017 CIRCLE OF EXCELLENCE ISG recently earned PSMJ Resources, Inc.'s 2017 Circle of Excellence award. ISG was the only Minnesota-based multi-disciplinary firm that received the coveted designation.

PSMJ's Circle of Excellence Award is designed to highlight firms that are successfully managed

and demonstrate outstanding achievements in overall performance categories that are outlined in the industry benchmarking survey, with business development, staff growth, and turnover being pivotal areas for review. Only four firms within ISG's physical footprint made the published list, with ISG holding the most robust, in-house, multi-disciplinary team and Midwest offices that cover Iowa, Minnesota, and Wisconsin, with clients nationwide.

"Paraphrasing PSMJ Founder and CEO's recent Circle of Excellence award quote, top-performing firms think and act differently, and aren't defined by geography, size, or services. ISG has always defined our own destiny, pushing boundaries that have allowed us to be intimately tied to our clients and their operations," notes Chad Surprenant, ISG president and CEO. "Market expertise, to us, is defined by our ingenuity and comprehensive solutions not metrics, and the growth of our professionals continues to drive innovation."

"Talent and client engagement are key focal areas for our firm, and earning the 2017 Circle of Excellence award only furthers our commitment to such areas," Surprenant said.

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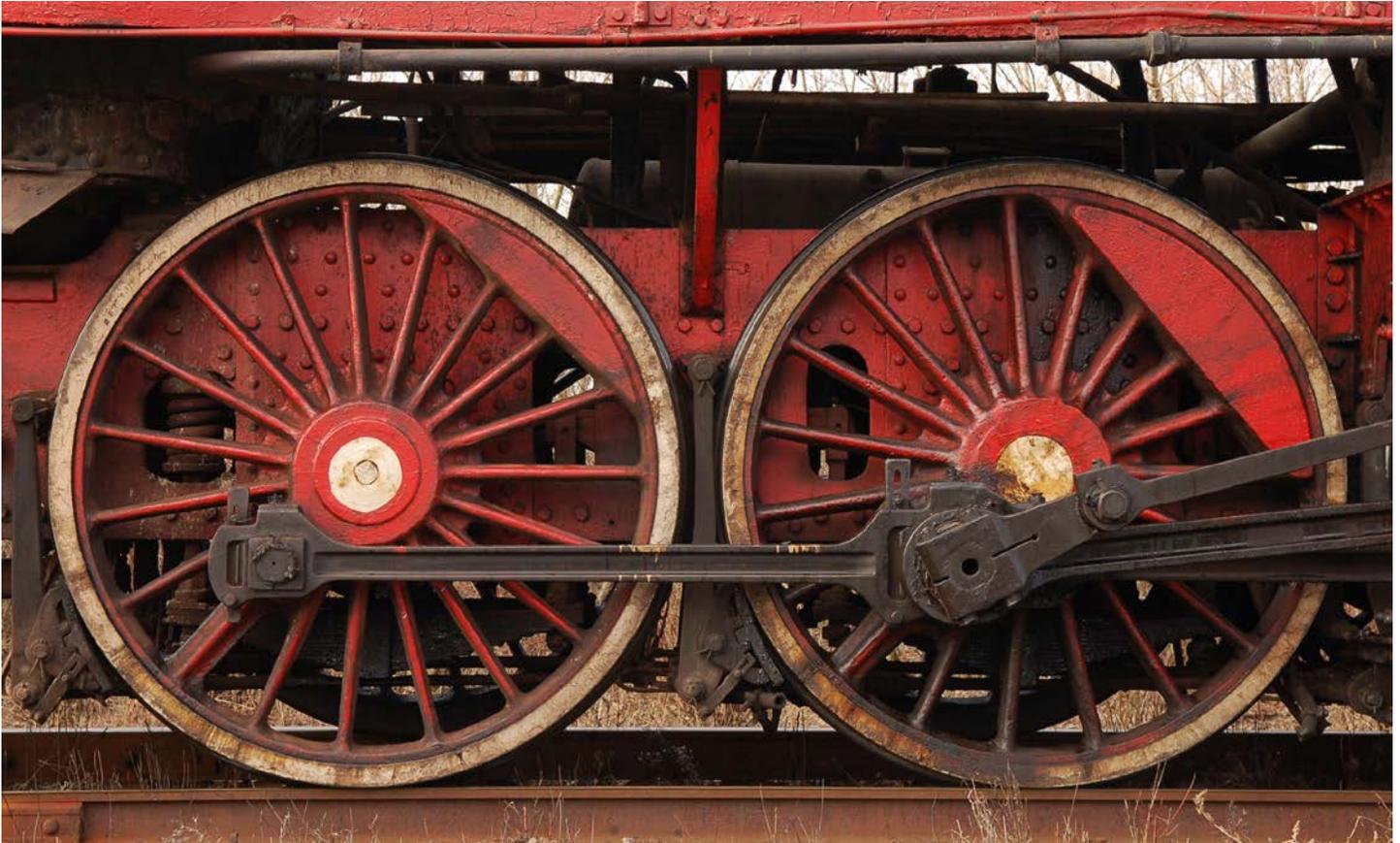
of where the company is headed and that they can rely on the firm's leadership to guide the way.

- **Shared core values.** This defines your culture. How can you expect people to toe the line if they don't know your firm's core values? Share your values openly and with enthusiasm.
- **Clear understanding of success criteria.** Again, it's about communication and clarity and the shared blueprint for success. Make sure your staff understands how success is measured not only in your firm as a whole, but within their individual roles.
- **Strong leadership.** Strong leadership is inspiring. Give people something to follow.
- **Clear path to leadership.** Imagine how motivating it is for people to know exactly what needs to be done to get to the top.
- **Feedback.** People crave feedback. Train managers to regularly tell their staff how they're doing. Turn mistakes into learning opportunities. Give kudos when they're due.
- **Open-book management.** Why keep secrets? All that does is make people think the worst and feel disengaged. Share the details regularly.
- **Financial stability and growth.** Is your firm business-minded and profitable? Are you able to pay bonuses regularly? If you're not, your competitors probably are.
- **Competitive compensation.** Pay for what you want and get what you pay for.
- **Profitability.** Set revenue goals and pay attention to the numbers on a regular basis. Care about making money so you can pay for the infrastructure to grow and afford to attract the good people.

- **Work/life balance.** Show that you truly care about your people being happy in their lives; you'll get the most out of them if you do.
 - **Fun work environment.** Who doesn't like to have fun? If it's fun at work, people are much more likely to stick around.
 - **Challenging work.** Our industry is comprised of people who want to be challenged. Seek the work that feeds your employees' minds and satisfies their need for creativity.
- "There is not a silver-bullet answer for employee retention. It takes a mindful, coordinated approach to running a profitable operation with inspiring leadership and a stellar work environment."
- **Feeling valued and heard.** Include your staff in developing the vision for the future! Ask them what they think. Make them feel included.
 - **Nurturing a learning environment.** Provide opportunities for continuing education, lunch-and-learns, seminars, design charrettes, paid continuing education, etc.

Now it's time to sit down and create a retention plan with your firm leaders. Approach this like you would a business plan, with goals, a schedule, action items, and assignments. Each person in your firm plays a part in making this happen and has responsibilities. Talk openly about the fact that you care to hang on to your staff. They'll thank you for it by staying put! ■

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Accelerated learning

Ditch the lecture-and-listen style of training and replace it with something much more effective – the do-it-to-learn-it style.



**Scott
Johnston**

**GUEST
SPEAKER**

In the ultra-competitive AEC job market, professional growth is becoming the new perk. Employees and candidates – especially millennials – want to know how they can gain new skills in their roles that will lead to additional responsibilities and promotions.

What skills do they want? In a recent survey that Johnston Training Group conducted of engineering firms and engineers, asking what non-technical skills engineers desire and that firms value, communication ranked head and shoulders above the rest. And it's no surprise. Communication includes business development, presentation, writing, and relationship skills – the soft skills that AEC technical professionals often struggle with. The selection panels we interview tell us over and over: “Everyone is qualified; we’re deciding whom we want to work with. If they can’t communicate effectively, it’s a deal-breaker.”

PUT ON THE TRAINING WHEELS. The demand for improved communication skills inevitably leads to training. But training is often done in a lecture-and-listen

“Employees and candidates – especially millennials – want to know how they can gain new skills in their roles that will lead to additional responsibilities and promotions.”

style (pedagogy) rather than a do-it-to-learn-it style (andragogy). And because technical professionals want to be expert at something before they do it, the binder of information goes in a drawer after the training, and people go back to their old habits.

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BUSINESS NEWS

FLUOR SELECTED FOR BHP'S SOUTH FLANK MINING PROJECT IN AUSTRALIA

Fluor Corporation announced that it was awarded a project and construction management services contract by BHP for the South Flank iron ore project located in the Pilbara region of Western Australia. Fluor will book the undisclosed contract value in the third quarter of 2017.

The work is being performed from BHP's

office in Perth, Australia, with Fluor and BHP managing the project together as an integrated project team.

"We are extremely enthusiastic about the opportunity to support BHP on this very important project and we look forward to continuing our long and successful relationship with BHP," said Tony Morgan, president of Fluor's Mining and Metals business. "We are

delighted that BHP has recognized that Fluor's execution capabilities and experience will help them develop this project successfully."

The South Flank project will draw on Fluor's capabilities and resources worldwide. For the upcoming scope of work, Fluor will work with BHP to optimize the feasibility study design with a focus on execution readiness and capital efficiency.

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How can a training program create permanent change? Accelerated learning. AL is effective because it:

- **Uses andragogy instead of pedagogy.** Training consists of small, interactive groups where participants can influence the agenda, share knowledge, and give each other feedback.
- **Uses real-world situations.** Participants use real project interviews, business development conversations, and proposals when learning. This makes it real and leads to greater investment in the skills being learned.
- **Creates learning that lasts.** As participants learn by doing, get feedback from their peers, and see the positive results, they decide to change life-long habits themselves – something that is much more effective than being told "how to do it."

While every AL program is different, here are five basic steps to get started:

- 1) Include participants early.** Ask your people: What kind of training do they want? What kind of training do they need to meet the firm's goals? What feedback have you received from clients and selection panels? Who are the people at the firm who already have the skills? Take all this into account with both leadership and the participants and build the learning objectives together. Including participants gets them invested in the program.
- 2) Make it memorable.** In typical training situations, firms find the people who are good at, for example, business development, and have them explain to a group how they do it (often over lunch). This can be useful for gleaning some information, but again, because the participants are not actually doing the skill, they will not retain it or be able to "own it."

A better way to get information from skilled peers is to have participants interview them and report back. Give them three things to find out and have them explain what they found to the group. This gives the participants the ability to get the information they value most and share how they will use it, and makes it memorable for future use.

- 3) Practice makes...** Practice to many technical professionals means sitting around a table and discussing an upcoming situation (with notes). In AL programs, practice is simulating the situations as much as possible. The goal is not to "do it perfectly," it is to be as effective as possible.

If you are preparing for a project interview, rearrange the room to match where you'll be meeting. Bring in co-workers to stand in for panel members. Record with video and play back. Participants will gain valuable knowledge by watching/hearing themselves. Keep groups small (eight or fewer) to keep interaction high. This is where the real learning and improvements happen, and most people avoid it. In the

JTG Business Development program, participants call their contacts in the very first session (much to the participants' surprise).

- 4) Facilitate, don't dictate.** The group leader must facilitate, not "dictate," the training. The goal is to build trust and draw out all knowledge from the group so people can use what is beneficial to them. Not "watch me and do it exactly like this," but "watch me, yourself, and others and find what works for you" (within the guidelines the group has decided on). Participants must see and decide for themselves what works – not just be told.

A facilitator builds the agenda in advance with input from participants, tailors the content to the group's needs, and helps the group establish and follow guidelines. Everything is done for the benefit of the group as a whole. This enables participants to learn together, trust each other, and bond as a team.

- 5) Keep the momentum.** Keep the learning going and measure the results. Once the training is complete, participants must have permission to remind others if they go back to old habits. Leadership must encourage the new ideas by supporting their use after training is over. Participants should be given ways to practice their new skills to stay sharp. The training resources, such as before-and-after videos of the participants' presentations, should remain available for future use and inspiration. Finally, regarding those goals that were set at the beginning of the program? Make sure they stay front and center to keep people motivated.

"AEC firms using AL programs are reaping a wealth of benefits, from attracting potential candidates to empowering their own people to be more effective interviewers, business developers, writers, and communicators."

TAKE NIKE'S ADVICE: JUST DO IT. Accelerated learning is the exact opposite of the way technical professionals prefer to acquire knowledge. But for soft people skills, it is the most effective way to learn. Accelerated Learning programs enable technical professionals of all ages and experience levels to learn quickly and permanently change old habits. AEC firms using AL programs are reaping a wealth of benefits, from attracting potential candidates to empowering their own people to be more effective interviewers, business developers, writers, and communicators. ▀

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