

Firm Leadership and Quality Management

By Frank A. Stasiowski, FAIA

As a design firm leader, your goal for managing quality in the 21st century is to deliver the project that will put your client's business a country mile ahead of where it was before he or she started working with you. This has to be your driving principle, and you need to communicate it to your employees with the force of a dam breaking. Once your staff feels the rising tide, you're home free.

To make this happen, you need two things.

First, know your passion. Search your soul and decide the kind of practice you want to develop. Know your talent—what you can offer that no one else can. Understand what drives you.

Second, find clients for whom your vision can serve. Then step into those clients' shoes and know their business as least as well as you know your own. Understand their personal dreams and the electricity that comes with them. Connect with that electricity so it becomes the energy that drives your projects and your people and makes the dream real.

Here are the four steps for making this happen:

1. Practice your passion.

To ensure your longevity and success as a design firm, find what you love to do, and do it. Build your most valued skills and professional interests. That way, you will develop specialized expertise that no one else can offer. You guarantee your place in the sun—and a solvent bank account to go with it.

In a recent issue of *Professional Services Management Journal*, I referred to the ideas of

the noted author and A/E/C strategic consultant Ellen Flynn-Heapes (www.ForSparks.com):

In Flynn-Heapes' view, the biggest trend in the last 20 years is that, with the universality of online access, the whole concept of "hot markets" has vaporized. Through the Internet, the "supply" of design firms has increased exponentially; any client can visit the Web and immediately find a window into any one of 60,000 firms in the United States alone.

As a result, each of those firms—including yours—with all its magnificent talent and years of experience, has become *nothing but a commodity*—another fly on the wall. In this scenario, Ellen says, your uniqueness and value as a firm drop right through the floor...*unless* you develop that uniqueness and value into solid, lasting expertise and become an authority on your clients' businesses.

As I note further in that article, the best way to develop your expertise—your most valuable asset—is to find your passion and turn it into your firm's unifying principle. Narrow your niche markets to a precious few—or one—but know more about that one than anyone else on the map. As Flynn-Heapes has said, "Once you understand yourself, you don't even need strategic planning; all decisions are clear."

This idea is not news. Pick up any good book on success and you will undoubtedly read that if you want to succeed, do what you love to do, because there you will find your greatest motivation—the fuel to keep you going.

Are you a designer—or an *expert*?

In leading your firm, think about specializing. Don't just practice "design": if you're turning out schematics and construction drawings and offer no value-added knowledge of the field where you're working, then drawings is all you'll get paid for. Instead, find the social, cultural, or business field you personally care about and invest your time and energy in it. Learn about that field, and teach your staff about it. Hire people who care

about it. Become an expert not just in “design,” but *in that field*—be it hospitals, bridges, roads, trains, schools, theatres...you call it. When I say “expert,” I mean that you *become known* as an expert, and not just as a designer.

Schools—or education?

Johnson Bailey, Henderson McNeel P.A. (www.jbhm.com) has grown from an 8-person northeast Mississippi architectural firm to a 60-person statewide contender whose projects have included 50 percent of Mississippi’s school facilities—worth a billion dollars in construction. In the process, they have reinvented themselves by launching a service specializing in educational consultancy—not design, but consultancy: they show school districts how to deliver better education.

Says Gary Bailey, a partner in the firm since 1987 and now Education Planner with JBHM’s education group, “Because we had been doing so many schools, we understood how the client thinks. This became a passion. I started reading what educators read, going to education conferences, studying multiple intelligences. Everybody at JBHM was being taught how to think like educators. That revolutionized our firm. Our education branch is barely two years old, and the phone is ringing off the wall.” In one development, the JBHM educational group took on a \$15,000 consulting job, and it turned into a \$700,000 school design contract.

A sound formula for success

Jaffe Holden Acoustics (www.jhacoustics.com) of Norwalk, CT, has become one of the world’s top three acoustic architectural consultants out of their love for and involvement with their market. Their 25-person staff includes people from Broadway, rock ‘n’ roll, touring companies, and musicians of all stripes who know what performers are up against. Their principal, Chris Jaffe, has consulted on more than 250 concert halls, opera houses, theatres, and musical pavilions on five continents.

“From the beginning,” says Jaffe, “I had an understanding and rapport with event producers—stemming from my love of the arts and of theatre. When we interview

applicants, we look for people who have an appreciation for the arts—in addition to their engineering qualifications. This influences how we hire.”

In talking about his passion, Jaffe has said, “I was the one guy with the broad background in both engineering and the arts. But I saw that if we were to develop, we would need people who had a similar approach to the design of performance spaces and were not constricted to formulas and computer readouts. The response was tremendous growth.”

I could go on. But know this: your passion is your fuel. And without fuel, you’re dead in the water. In driving your firm, make sure everyone has enough fuel.

2. Find clients whose businesses match your passion, and learn those businesses.

It takes two to tango. So after you find your passion, find clients who *need* what you have to offer. Then you can dance—and your objective is to keep your dancing partner.

In delivering a project, learn everything you can about that client’s business. Act as though you are part of the business. Instead of spending your travel budget for design or engineering conferences, attend trade group meetings in your clients’ industries. Have your staff do the same—especially your project managers. That way, you not only learn your clients’ industries (rather than just the design industry), but you become known in their profession, and other clients in that profession will naturally start thinking of you for design projects. You build your specialty.

Ask questions...

One way to learn a client’s business is to *ask questions*. Robert Stewart of Robert Stewart Architects (www.robertstewartarchitects.com) did that in spades when he redesigned the Hanjin Container Terminal at the Port of Long Beach in 1997. The terminal needed to move truckers through faster so clients could get shipments sooner. If they could do that, then their clients—Walmart, Target Stores, Toys-R-Us, and the like—would choose Hanjin over other terminals.

Stewart didn't just talk to a couple of key client personnel, but to everyone all over the yard. Kevin Nicollelo, Hanjin's Terminal Operations Manager, commented that "Bob didn't just want to build a building. He wanted to know what we do, what our business is, how we generate revenue. He was really involved in finding out what each person does and how that job related to the next job. He spoke with our key supervisors and managers and solicited their advice on areas we wanted to change and what will change in the future."

...and you'll get the right response

Out of his approach, Stewart's firm came away as a winner of the *Business Week/Architectural Record Awards* for 2000. The competition judges projects on both architectural excellence and the degree to which the design advances the client's business goals. Here's a comment from Eric Richert, VP of Workplace Resources at Sun Microsystems and *Business Week/Architectural Record Awards* jury member for the Hanjin project:

Where the architect and client started was with people, not things. By working with the operations staff, the longshoremen, and the truck drivers, by tearing apart how a terminal should operate and how the groups could work more tightly together, they were able to triple their volume—all through the efforts to understand people's needs and work flows.

By asking questions, you as leader can connect with the electricity in your client's vision and mission. But do more: share your knowledge with your employees. Get them online with the same "juice." Hold kickoff meetings involving all players—clients included. Get your staff and the owners talking with each other so that you're all following the same star.

A colleague of mine, Scott Simpson, FAIA, Principal at The Stubbins Associates in Cambridge, MA, made this comment about choosing clients at the November 2000 Build

Boston convention: “I look for people I like as people—who have interesting things and projects going on. Narrow your scope to the people you enjoy being with, and find out what they are doing.”

If you’re interested in what *you’re* doing and what your *client* is doing, it’s a match made in heaven.

3. “Build a Service of Offering Service”

So says Jay Labarre, AIA, of Labarre Associates (www.labarre-inc.com), Denham Springs, LA. And his practice exemplifies the concept: Diversify your services so you can take the lead on all aspects of a project.

At the 2002 AIA convention in Charlotte, NC, Jay crunched down his approach to three words: “Clean their ATMs.” You can guess that Jay’s firm handles bank jobs (the legal kind), but he doesn’t stop with the design work—it just gets him out the gate. His firm will handle anything and everything a client will throw at him, and he accepts it *gladly*—because he knows the more ways he can build a relationship with clients, the more he can become their “trusted advisor.”

Design is just the beginning—or the end

In particular, Jay gets involved with his clients’ facilities operations and maintenance. “Architecture is more than just design,” he says. “If your client thinks of you as just an architect, they will treat you as one. But if you diversify, you more move into communication with CEOs and CFOs—the ‘Cs.’ They’re always looking for ways to cut expenses. So we go in and show them how to provide better space and for less money.

“Then, while I am maintaining the building”—which for Jay means anything from space management to cleaning ATMs—“the CEO will come in and say, ‘We want to enlarge our offices. Can you handle the architecture for us?’ We have become trusted advisors, and a self-perpetuating firm.”

In the bargain, Labarre's design services are tripling, and 80 percent of the firm's business is repeat. Jay adds, "The designers who get As and Bs in school work for me now."

Leave your ego at home

The principle is this: Once you become expert in your client's business, let him come to you for *everything*. Leave your ego behind. Jay warns against the "ITC" disease (I'm too cool): "I'm not gonna clean buildings—I'm trying for a design award." You don't need to sacrifice your professional talent and discipline—just become more of service and involved with your client's organization. *Diversify*. The value here is the same as in the stock market: you're covering your bases and securing your investment. As Jay puts it, "I will take the work while others are doing the 'ivory tower' architecture."

As a firm leader, get your staff talking to clients about everything that goes on in their organizations. Go to your clients' meetings. Probe with them about other services you might provide. Labarre has offered to find the real estate for his clients' proposed building projects, or environmental experts for their code compliance. "They'll say to me, 'Architects do *that*?'" Jay says. He suggests creating new divisions in your firm. Have your staff look at whatever services you are giving away (to get business!), and start charging for them. If the service is of value, it deserves a price. And in this fast-morphing global society and economy, you never know what service will be the one needed next year.

4. Deliver your best value: Knowledge

The more you know about your clients' industries, the more you can charge for servicing those industries. You'll be able to sell *strategy*, which is worth a good deal more than drawings.

One of the most profitable services you'll be able to offer is that of ascertaining the commercial viability of a building project. Owners may not always know whether their construction plans will most effectively realize their business goals. They may think they

know what they want, but may lack strategic information about their industry. As design becomes more of a commodity, architects and engineers can deliver the most value—and reap the greatest rewards--by guiding clients to make the smartest business moves, and thus get the best return on their capital investments.

The beginning is the best part

Unfortunately, we've picked up a bad habit: We've trained our clients to expect this discovery service for free. As Charles Nelson, AIA, FRAIA, the editor of this book, has put it, “What designers do best is to *solve problems*. We do our finest work in the first ten percent of a project—that is where our true value lies. But time and time again, we give it away in the hopes we will be hired to do mundane drafting. We pawn our crown jewels—our best contribution to the built environment.”

Stop giving away those jewels! Get paid what you are worth.

What does your client *really* need?

Stantec Inc. (www.stantec.com) of Edmonton, Alberta, is a firm doing exactly that, and with growing success. Just three years ago, this 3000-person, 40-location, consulting and project delivery firm made a strategic decision to redefine their principal service as *knowledge* service. Rather than simply proposing and designing projects to clients' specifications, they would help clients decide up front the best directions to take in their building plans.

“The major shift we took was from doing projects to providing solutions,” according to Stantec CEO Tony Franceschini. “A lot of architects and engineers want to design something right away. But a true management consultant would work with the client and ask, ‘Do you really need a 300-person facility? Can you consolidate space?’ There may be a dozen ways to solve a design problem. If you look at typical project costs, where you have the greatest potential to make an impact is at the beginning--when you decide the solution.”

Stantec's decision to specialize in knowledge work is beginning to pay off measurably. According to Franceschini, his firm already generates almost 10% of its work in management consulting—at margins 20-30 percent higher than in traditional design services.

Two ways to find out

How can you lead your firm in this direction? Although most A/E firms have the right stuff for consulting work, Franceschini says many may lack the confidence or willingness to dig in. You must know your subject and *know* that you know it. He recommends two steps:

- **Build your confidence.** Look internally to appraise your capabilities, and then look externally to see how they compare with management firms who work in similar specialty areas.

“Our biggest challenge was to convince our architects and engineers that they could be management consultants and offer the same services as the ‘Big 5’ firms,” Franceschini says. “So if you specialize in education, get familiar with consulting firms who do work in education. Nine times out of ten, you’ll see you will be able to offer the same services.”

- **Build your knowledge.** Develop credibility by building expertise in your specialty areas. This expertise is your crucial added value. Franceschini emphasizes that, before embarking on the knowledge course, you must recognize your true professional strength and become intimately familiar with it.

”We chose areas where we thought we were nationally or globally competitive,” he says. “These included environmental process design, infrastructure management, education, and health care. We keep enhancing those capabilities. We talk with clients. We hire people in those areas. We work with universities

who do research in those areas. We spend money in R&D. To stay in the forefront, you must invest.”

And so must you.

In this age when design is becoming a commodity, your best shot is to *connect with what you care about*. Become an expert. Even better, become *the* expert—top of the heap. Because you care, you’ll know not only *more*, but *better*. Your employees will care, because they’ll want to share your energy. Clients will come to you because they know they’ll get the best.

And you know you’ll give it to them.

