

# DESIGN FIRM MANAGEMENT & ADMINISTRATION REPORT

## FIRM MANAGEMENT

### 7 Components Needed for a Design-First Firm

"Since we first made the presentation a year ago, it's interesting how a severe economy changes the rules of the game," Mark A. Cameron tells *DFMAR*. "Good design is always in demand. The question is on what terms. Owners are looking everywhere for ways they can save money on their buildings. They're signaling they want design professionals who can help them save operating costs, lower energy bills, provide more efficiency, and save on up-front building costs. Design firms that have value are the ones that know how to build much more sustainable, efficient buildings. The definition of a design-first firm is evolving. It's not about aesthetics; it's about performance."

Cameron gave the presentation with John E. MacAllister, his partner in the A/E/C management consulting firm Cameron MacAllister Group in Orinda, Calif., at the 2008 American Institute of Architects convention. The seminar was titled *Winning the Talent War: Seven Ingredients for Building a Design-First Culture and Practice*.

To truly focus on design, a firm needs a strong foundation grounded in good management and profitability. "The greatest problem firms may have is attracting talented staff," says Cameron, though offering a learning environment dedicated to improvement, a celebration of teamwork and not stars, and integrated teams will go a long way toward solving that problem. Here are the seven components that allow a firm to put design first:

**1. Strategic plan.** "You need a vision, a sense of what the firm is trying to achieve, clearly defined goals, and a step-by-step plan and budget of how to achieve them," says Cameron. But the most critical thing is you must communicate the plan to the entire staff. "You'd be surprised how many firms don't do that." He cited a 2006 research study about why A/E staff members leave firms, and more than 50 percent said they left because they didn't know where the firm was going. Cameron notes that the strategic plan needs to be reviewed and updated every few years.

**2. Integrated design process.** While the adoption of building information modeling technology is driving this innovation, there are many advantages to it, says MacAllister. These include goal-setting by the entire team, regular and rigorous design reviews that include all consultants, and partnership of the project designer and the project manager.

**3. Entrepreneurial culture.** "You need to support risk taking and respect discord," advises MacAllister. "Above all, support success by learning from your failures and go beyond the state of the art. Champion unconventional wisdom, and cultivate leaders from within the firm. Focus on the future, not on the past." Following the mantra that no idea is a bad idea helps promote teamwork and innovation. Cameron adds that having competent staff members who don't always agree

with you may help keep you on your toes and the firm moving toward innovation.

**4. Energy-efficient, sustainable design.**

Stressing the urgent need to save the environment, MacAllister points out that architects need to lead the way by motivating clients to commission sustainable buildings. He also urges them to seek out like-minded consultants, particularly engineers. “We need to commit to AIA’s 2030 challenge with its goal of zero carbon emissions in the built environment. Do you realize that half the buildings in 2030 haven’t been built yet?” MacAllister also notes that architects can play a vital role in influencing new legislation mandating an energy-efficient built environment.

**5. Motivated talent.** “The most important part of building a practice is hiring talent,” says MacAllister. “It’s essential that you recruit younger staff and strive for geographic and intellectual diversity.” It’s very important how you interview potential employees. “Describe what you want the firm to be in five years and ask what the person can do to help you get there. The answer will be very revealing.”

MacAllister also recommends looking for top-notch interns by establishing a relationship with an academic institution. He notes that Germany pays for students to come here to study so it’s worthwhile investigating foreign student programs for interns. Another suggestion: “Use young staff to recruit. They will be better able to engage young people on their own terms.”

But don’t forget senior staff. MacAllister recommends recruiting them through ads and competitions, even from competitors and clients. When senior staff members were asked in a 2006 study why they changed jobs, they said they were looking for quality design work, firm leadership, workplace environment and culture, and a good Web site. They

were also looking for an opportunity for learning and career advancement. What motivated them? The opportunity to work with great clients, on challenging projects, with a great team, and with support from firm leadership.

**6. Learning environment.** MacAllister says that firms don’t need a lot of top leadership; what’s needed is senior staff members who act as mentors and teachers. He cited his own experience with Louis Kahn whose practice was “built around kids. The Salk Labs in La Jolla [Calif.] were designed by us kids.” MacAllister suggests ways to encourage continual learning, including funding staff research and developing in-house experts. Another essential practice is defining “lessons learned” after every project so they will inform the next one.

**7. Leadership succession.** Noting that it takes 10 years for a successful transition, MacAllister advises firms to begin that process now. He recommends internal ownership and suggests the best way to promote that is by identifying future leaders early and grooming them through mentoring. “Good leadership is more important than the ability to pay,” he notes. The best design firms are both profitable and well managed, he adds.

“All seven of these ingredients for a design-first firm have nothing to do with size,” sums up MacAllister. “A 30-person firm can do any size project.” □

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