



# EMBRACING CHANGE AND LEADERSHIP

By Hugh Hochberg

Published in *DesignIntelligence*, May 7, 1995

One hundred thirty architecture and engineering professionals from around the country gathered in Philadelphia recently to explore and define what it will take to be successful in the 21st Century. Confronting head on the pessimism of many design professionals, the symposium participants resolved that future success in the design industry is in fact attainable. But it won't come cheaply.

Success in the 21st Century, however, will require an entrepreneurial spirit, flexibility, an embracing of change, and the acceptance of a new paradigm for design firm leadership. Today's firms have a unique opportunity to redefine their approach to satisfying client needs, as well as a chance to evaluate and redefine organizational objectives.

The blueprint for success developed by symposium participants would have practitioners embark on a strategy comprised of five key aspects: Professionalism, Client Focus, Strategic Partnering, Learning Culture, Leadership Through Responsibility. Let's look at each of the five:

## **Professionalism**

Professionalism is an attitude, a commitment, a belief in "practice" and the foundation of a successful professional services firm. Quoting my partner, Weld Coxe, "practice first and foremost is about the quality and delivery of services" in the broadest sense: not only in design but in all aspects of producing positive results and happy clients. Symposium panelists emphasized that leadership sets the tone.

## **Client Focus**

Clients today are, on average, more knowledgeable about what they need from the various consultants available to them, and more sophisticated in their selections. These days it's rare that an unqualified firm shows up on a short list. What distinguishes the merely competent from the firms that get highest marks is frequently a consequence of their client focus. Some firms, like CTA, an architecture/engineering firm in Billings, MT, has structured programs for getting frequent, timely feedback from their clients about their satisfaction with the firm's service and value. Other firms employ less structured approaches to get this critical information.

Such efforts reflect an underlying attitude of client focus. Such a focus is not only good human relations, it's good business. However if a firm seeks out this kind of

feedback, then ignores it, it does so at its peril. Disregarding negative feedback is likely to reinforce what is already a counterproductive way of doing business.

Having a client focus seems like an obvious strategy, but the majority of people on a career path toward working in a design firm are on that path because they want to do projects, not because they want to manage a design firm or client relationships. Those who are most likely to advance quickly learn that behind every project there is a client, and the easiest way to solve a project problem is to solve the client relationship problem that surrounds it. An ignored client is a problem waiting to happen.

James Kennedy, who publishes Consultant News, a management consulting industry newsletter, puts it this way: "Treat every client as your only client."

"The client doesn't care what you know until he knows you care." Whether it was first said by David Ogilve of the advertising firm Ogilve and Mather, management consultant David Maister, or any of several others to whom it has been attributed, the point is still valid: technical competency is widely prevalent and available, what sets a firm apart is packaging this competence with an attitude of client empathy and client focus.

James Kennedy's Consultant News helps again, this time passing on the five point credo of one of Holland's leading consulting firms, Twijnstra Gudde:

- "We believe in building relationships rather than marketing products"
- Demonstrating knowledge and experience rather than presenting ourselves as experts"
- Listening to clients, rather than telling which their problems they have"
- Approaching individuals rather than addressing an anonymous group"
- Having satisfied customers speak for us rather than announcing that we have satisfied customers."

### **Strategic Partnering**

As clients have become more concerned about the cost of projects and the time to complete them, as the environment in which design and construction occurs has become considerably more complex, and as most observers point to the desirability of getting all involved more clearly on track more quickly, the concept of partnering has looked increasingly attractive. There are many different definitions of "partnering," but what they have in common is an emphasis on reducing barriers among entities in the planning/design/construction team.

We expect that during the next several years, more and more clients will appreciate the value of sustained relationships with providers of architectural, engineering, and construction services. This emphasis on continuing relationships will result in

less effort being expended to get each new project team on course and allow more energy to be put into the project itself.

An unfortunate and misdirected view of partnering is that by having the involved entities coalesce as a single team, the responsibility and exposure of any single entity is reduced. Perhaps architects are most guilty of falling into this trap. Perceptive clients, however, will read this as turning away from individual accountability for success of a project. Rather than using partnering as a vehicle for diluting responsibility, successful practitioners employ partnering to increase their ability to fulfill their responsibilities with fewer glitches and with a better ability to resolve difficulties that arise during the project.

### **Creating a Learning Culture**

A major shift of the last decade and a half, relates to staffing the professional services firm. Design firms used to rely upon a wide base of employment candidates who, in the less complex environment of the past, could be brought into a firm at low compensation and be contributing members of project teams after relatively short learning curves. So much for history: currently, professionals practice in a much more complex environment. Today there are greater differences between cultures and operating styles of firms, and the best performers are in high demand, even in down market situations.

The consequences of these changes are substantial: high quality staff members are more difficult to recruit. Compensation has increased for the highest performers, and it takes more time to integrate newcomers into the culture of a firm.

There are also more efforts to lure staff from one firm to another. In response, firms need to be more diligent in hiring, more conscientious in providing opportunity for professional development and career advancement, and more willing to structure compensation plans that reward people for the value of their contributions to the firm's success.

### **Leadership Through Responsibility**

Leadership, defined as articulating the vision and setting the direction for the firm, must also include the notion of responsibility. This means being accountable for the quality of product and service that clients receive. Whereas many practitioners point to their insurance carriers in shifting them away from accountability for project success, the notion of "responsibility" says that clients have a right to expect their architects and engineers to embrace accountability.

From a client's perspective, it makes little sense to pay the kind of fees to which architects and engineers like to think they are entitled if the responsibility for that work lies elsewhere, yet that is exactly the philosophy of firms who turn away

from responsibility. Similarly, practitioners who bemoan the declining respect they receive need first to understand that declining respect is experienced mostly by those who don't perform up to client (and their profession's) expectations. Respect will go to those who assume the accountability that rightly belongs to the practitioner.

A winning strategy that includes leadership through responsibility will be distinguished by a number of significant strengths: it assures the presence of a competent staff with access to all the firm's resources to assure quality of service and product commensurate with clients' goals. Responsibility will be a tenet of the firm's mission. The firm will seek only clients with needs and expectations compatible with its own capacities and goals: by the same token, it will decline assignments where it cannot confidently claim responsibility for project success and client satisfaction. In short, a winning strategy will be distinguished by professionalism, client focus, strategic partnering, and learning culture. In embracing these concepts, the firm will confidently, willingly, and aggressively be responsible to its clients, the communities it serves, and itself.