CONTENTS

ACKNOWLEDGMENTS XI
INTRODUCTION xiii
PART I: MANAGING IN AN UNPREDICTABLE ENVIRONMENT
CHAPTER 1: BRINGING ORDER OUT OF CHAOS 3
PROFIT AND SATISFACTION 4
DESIGN FIRM BUSINESS MODELS 6 EFFICIENCY-BASED FIRMS 6 EXPERIENCE-BASED FIRMS 8 EXPERTISE-BASED FIRMS 10
ANY PROJECT THAT COMES THROUGH THE DOOR 13
SMALL FIRM ARCHETYPES 14 ARCHETYPE ONE: EVERYONE IS DISSATISFIED 14 ARCHETYPE TWO: ADMINISTRATIVE BREAKDOWN 16 ARCHETYPE THREE: UNINTENTIONAL ENMITY 18
CHAPTER 2: WHOLE FIRM SYSTEM 21
LINEAR THINKING AND SYSTEMS THINKING 22
RECOGNIZING PATTERNS 24 TRACKING TRENDS 25 SYMPTOMATIC AND FUNDAMENTAL SOLUTIONS 26 SUMMARY 28
CORE INCOMPETENCE 28
WHOLE FIRM SYSTEM DIAGRAM 29 TIME MANAGEMENT 31 COMMUNICATION EFFECTIVENESS 32 JOB SATISFACTION 33
CHAPTER 3: ROUTINIZE THE ROUTINE 35

35

OPERATIONAL EFFECTIVENESS

THE TYPOLOGY OF WORK

1

ANALYZABILITY AND VARIETY 38 SITUATIONAL LEADERSHIP 39 MATCH MANAGEMENT STYLE, STAFFING, AND WORK TYPES	40
HOW TO ROUTINIZE 41 PROJECT MANAGEMENT/ACCOUNTING SOFTWARE 42 PROJECT STARTUP PROCESS 47 CAPACITY UTILIZATION 50	
CHAPTER 4: LEADERSHIP MATTERS 53	
FIRM CULTURE 53 FIELD THEORY 55 SELF-AWARE LEADERSHIP 55 CONTROL VERSUS TRUST 56 CAREER CONTENTMENT 58	
WORKING WITH CREATIVE PEOPLE 61 EFFECTIVE FIRM RETREATS 62 PLAN NONBILLABLE HOURS 64	
PARTNERSHIPS 65 WHY PARTNER? 65 WHAT MAKES PARTNERSHIPS WORK 66 RULES OF THE ROAD 67 WHAT MAKES PARTNERSHIPS FAIL 68 "UNINTENTIONAL ENMITY" REVISITED 69 SUCCESS IN GROUP WORK 70	
PART II: BEST LAID PLANS	73
CHAPTER 5: LIFECYCLE OF A SMALL FIRM 75	
WEALTH OR CONTROL 75 THE PRINCIPALS' DILEMMA 76	
GETTING TO THE NEXT LEVEL 78 BE WHAT YOU WANT TO BECOME 79 THE PYRAMID PROBLEM 79 THE MATRIX SOLUTION 79 TRANSFORMING MENTAL MODELS 81 EVERYONE IS DISSATISFIED REVISITED 81	
CHAPTER 6: TRANSITION TIMES 83	
THE 10-YEAR ITCH 83 WHEN PARTNERS GROW APART: J/H ARCHITECTS 84 A CAUTIONARY TALE 86	
APPROACHING RETIREMENT 87	

10-YEAR RULE 88 EXPANDED CHOICES 89 NARROW CHOICES 89

OWNERSHIP TRANSITION OPTIONS 92 INTERNAL SALE AT RETIREMENT 92 TAKING ON A MINORITY PARTNER 97
CHAPTER 7: FINANCIAL MANAGEMENT: BEYOND INTUITION 99
MACROECONOMIC INFLUENCES 100 ECONOMIC INDICATORS 100 THE CONSTRUCTION BUSINESS CYCLE 101 HOW SMALL FIRMS SURVIVE AN ECONOMIC SLOWDOWN 103
FINANCIAL TERMINOLOGY 107
FINANCIAL PERFORMANCE INDICATORS AND BENCHMARKS 108
FINANCIAL MANAGEMENT TASKS 109 TRACK FIRM PROFITABILITY 110 TRACK CHARGEABLE RATIO AND DIRECT LABOR EXPENSE 110 TRACK BREAK-EVEN MULTIPLIER AND MULTIPLIER ACHIEVED 111 TRACK OVERHEAD EXPENSE AND BUDGET VARIANCE 112 TRACK BACKLOG AND OUTSTANDING PROPOSALS 114 YEAR-END FINANCIAL CHECKUP 114 ADDITIONAL FINANCIAL CHECKS 117
CHAPTER 8: SCENARIO PLANNING 121
INFLUENCES ON PROFITABILITY 122 CLIENT EXPECTATIONS 123 OVERHEAD EXPENSE 125
STRATEGIES FOR INCREASING PROFITABILITY 125 REALIZABLE REVENUE 126 INCREASE HOURS? 127 INCREASE BILLING RATES (FEES)? 128 INCREASE BILLABLE HOURS? 128 ADD INTERN TO STAFF? 129 ADD SKILLED STAFF? 130
SCENARIO PLANNING STORY PROBLEM 131 STORY PROBLEM CHALLENGE 132 MOVE TO A LARGER OFFICE? 133
PLANNING FIRM GROWTH 134

PART III: LOOKING TOWARD THE FUTURE______137

CHAPTER 9: STRATEGIC THINKING 139

BUSINESS PLANNING FOR SMALL DESIGN FIRMS 139 MARKETING PLANS 142

VALUE OF PARTICIPATORY PROCESS 144

SAMPLE BUSINESS PLAN TEMPLATE 145

LEARNING IS JOB ONE	155	
LEARNING BY DESIGN	155	
LEARNING AS COMPETI	TIVE ADVANTAGE	157

CHAPTER 10: SMALL DESIGN FIRM PRACTICE MODELS 159

SOLO PRACTICE 159

ECONOMIES OF SMALL SCALE 160

CHALLENGES AND OPPORTUNITIES FOR SOLO PRACTITIONERS 162

FIRMS OWNED BY MARRIED COUPLES 164

COMPLEMENTARY SKILLS 164

EASE OF COMMUNICATION 165

LESSONS LEARNED 165

SMALL FIRMS IN INTERNATIONAL PRACTICE 166

FIRM SIZE IS NO BARRIER 167

ANOTHER CALLING 168

THE VIRTUAL OFFICE OPTION 169

TWENTY-FIRST CENTURY OPPORTUNITY 170

CONSIDER THE POSSIBILITIES 171

CHAPTER 11: TECHNOLOGY AND INTEGRATED PRACTICE IN SMALL FIRMS 173

ADOPTING BUILDING INFORMATION MODELING 173

INTEGRATED PRACTICE AND INTEGRATED PROJECT DELIVERY 177

ARCHITECT-LED DESIGN-BUILD 178

ARCHITECT DEVELOPER 181

CREATING POCKET NEIGHBORHOODS: ROSS CHAPIN, AIA 181

GREEN DEVELOPMENT: TONY CASE, AIA 183

CHAPTER 12: BIG-PICTURE TRENDS 187

DIVERSITY IN PRACTICE 188

GENERATION GAPS 189

BOOMERS OUT, MILLENNIALS IN 190

TECHNOLOGICAL TETHERING 190

A MIXED BAG 191

HOW TO MANAGE MILLENNIALS 192

WOMEN IN DESIGN FIRM LEADERSHIP 193

"BRAIN DRAIN" REVEALED 194

LABYRINTH TO THE TOP 195

TWENTY-FIRST-CENTURY WORKPLACE 197

THE TELEWORKING OPTION 197

CHAPTER 13: SUSTAINABLE ECONOMICS 203

TRIPLE BOTTOM LINE 204

SUSTAINABLE DESIGN FIRM PRACTICE 206

GREENING THE WORKPLACE 206

VALUES-BASED PRACTICE 207

ANOTHER POINT OF VIEW 208

SUSTAINABLE ECONOMICS APPLIED 208

CONSTRUCTION INDUSTRY IMPACT 209

TURN RED BUSINESS BLUE 209

FINAL WORDS 210

INDEX 213