

AIA Greening Your Design Firm in 10 Easy Steps

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Part 1

The Opportunity Investigation: Understanding Your Business Practices as Green Opportunities

Is your firm green? Can your firm deliver a green project? How much do you think adding green to a project costs the firm? If the answer to the first question is “no”, then why not? If the answer is “yes”, then – how do you know? If you can’t answer how much it costs your firm, how can you set appropriate fees? Demand for green projects is ever increasing, and most firms take ineffective stabs at building internal capacity. The popular paradigm is still the “in house green team” of 3 to 10 dedicated people who spend time championing green design, gathering resources and trying to get it into projects. If you think this is working for you, you are already losing. Once you understand what green project delivery really is, and how integral building this capacity is to overall company success, greening your firm becomes a valuable design problem.

Ten years ago, mainstream design firms dismissed green design as a trend or fad that would be short lived. They didn’t understand that current practices of design and construction were dysfunctional and resulted in unnecessary capital and operating costs, environmental degradation and caused public health problems. Aside from that, demand for green is growing. Today, building owners are requiring green design in their RFP’s, local governments and institutions are writing standards and guidelines to green their development. Of course, this poses a huge challenge to firms who are chugging along, wrestling with the daily challenges of profitability, marketing, liability and everything else that defines their experience as a business. It is therefore no surprise that this “green stuff” is not making the top of the list of concerns! Therein lies the problem however – understanding what green really is. If you think green is defined by solar energy, green roofs or LEED, you would be correct to perceive it as an annoying drain on resources. If you think green is defined by technology, then you are underestimating the real value of the integrative design process. If you understand that the essence of green is rooted in project management, design process and accountability, you start to discover the connections between green and company performance overall. If you get a deeper understanding of green, then you can be strategic about how you take advantage of opportunities to improve your company’s overall profitability, quality control and internal operations. First, it is beneficial for you to understand the connections and opportunities and then you can embark on a 10 point plan to integrate better practices into your daily firm operations. In the following article, we will give an overview of issues you need to address and an example of how they relate to greening your firm. In the follow on article in the next issue we will outline a sample plan of 10 steps you can take to really “green” your firm.

There are two things you need to clarify as you begin this process. First, you need to

understand what defines your company in general, and identify what you currently see as challenges to management, finance, and project delivery. Second, you need to define your terms related to green and truly understand what they mean in terms of building design, performance, occupancy and business management. Finally, you need to look at both of sets of issues and reconcile them so you can understand them in relation to each other.

Clarification 1: Understand Your Company

First, answer some basic questions about your business, putting aside completely the concept of green.

- What defines your business in general?
- What areas dictate the use of resources and effort to deliver your product?
- What are the daily challenges your company faces?

Having asked these questions before when working with firms, answers tend include at least some of the following:

- Profitability
- Management (projects/office)
- Quality control
- Employee attraction, retention
- Finding quality employees
- Transfer of knowledge within the firm
- Client relationships
- New business
- Repeat business
- Consultant relationships
- Marketing
- Financial growth
- Market expansion (enter new markets, etc.)

Do these sound familiar? These are issues that relate to daily operations of a company as well as strategic planning for long-term business sustainability. There are actually a number of design firms that we have come across that don't actually have a strategic plan for their business or have one that does not actually help guide daily operations. If that is the case, the firm is not dealing with these issues proactively and is missing a great opportunity. If your company does not understand its overall goals in these areas and is not aligning ongoing activities to effectively achieve these goals, then this is a serious first step to undertake as a business.

Clarification 2: Defining Your Green Terms

Once you are clear on what defines your business overall, you need to come to a deeper, fuller understanding of what green design really is. Unfortunately, that topic itself could take up an entire article (and has) and is only a fraction of the focus here, so we will not dwell on this in detail. (please refer to earlier GRT articles archived on our website that talk about Greening the Mindset, Indicators of an Integrated Design Process, Charrettes and more.)

For brevity sake, we understand green design as being rooted in an integrative, collaborative design process where even basic design decisions are made with the input of multiple disciplines. Analysis and critical decisions are made with transparency, quantified data, accountability, and metrics to help the team understand the performance and impact of their design decisions. The real nature of green design is defined more by the process of decision-making and project management than it is by technology and materials. One way to understand this is to connect it to the issues that define a business listed above. The following descriptions are brief examples of how green design is an outgrowth of company operations, but does not represent a comprehensive digest. To really understand this, you will have to go through an individual internal process looking at these issues and their connections. This is meant to get you thinking in a useful direction.

Internal process: Investigation: Where are opportunities to improve business by embedding Green into all aspects of operations?

Profitability, management, and quality control: These are all related. There are a lot of variables related to profitability. Obviously, you have to have a clear picture of where your revenues, expenses and biggest losses are to know what to target. Overhead costs and other externalities certainly play a role. Opportunities for efficiency relate to resources invested in marketing and contract document production (design process). The more you take advantage of the value you can provide to your clients (especially repeat clients) to proactively engage them in conversations and grow your business opportunities strategically and proactively. In general, the investment of resources and manpower in the design process are misallocated. The use of outside consultants and internal staff currently do not result in effective design outcomes.

Employee attraction and retention: more young designers are interested in green design and are gravitating towards firms that take it seriously. Additionally, young designers are hungry for rewarding mentoring relationships and to be embedded in a culture that is committed to sustainable design. True mentoring and inclusive methods for sharing expertise that foster a creative and stimulating environment are a draw.

Transfer of knowledge within the firm: Every firm has basic systems for conveying information. Design standards, project codes, new products are all taken in and disseminated – some firms are more effective at dissemination than others. The key question is how well do your internal systems serve ongoing transfer of knowledge? The materials and products arena of green design (and design in general) seems to grow exponentially and you need to have an effective way of getting that information in the hands of designers who are specifying. Design standards related to building envelope, water collection and recycling systems, renewable energy, and many other things need to become part of a standard lexicon and integral to company performance. There is a mix of electronic and paper resources that must be in place, as well as opportunities for person-to-person interaction and learning and sharing of experiences—both relating to design and process and project management. If you don't already have a baseline of effective means to transfer knowledge, this is an excellent opportunity to evaluate how to

do it.

Relationships: with clients and consultants are one of the most important aspects that define how successful your company will be. Currently, consultants (engineering, landscape, cost, lighting, etc.) are too often lagging behind with green design expertise. In all fairness, those consultants who are not lagging behind are not given opportunity to provide value and fully participate in the design process. The nature of the relationships your firm has with consultants is critical. What expertise do you have in house, or would you consider expanding your capacity? Of the consultants you need, do you tend to have ongoing relationships with a couple of key groups, or do you use different ones all the time? Are your expectations clear as to their role and participation and getting them on board early on (as opposed to having them come on mid-process and compromise the quality of your project)? Is there transparency and clarity around the assumptions and analysis that the consultants execute? Do you really understand how they've arrived at their recommendations or is it a complete mystery? Can you effectively challenge or critically review consultant work and engage them in productive dialogue? When your consultants do not perform to your satisfaction, do you let them know, or just not call them again? In green design, it is critical that consultant expertise is used and integrated effectively—this does mean early involvement, but shifting rather than just generally increasing the fees. There are some areas where extra fee is appropriate, but first you need to address the overall flow of input and analysis relative to the final design production phase.

As for clients—there are two kinds: new and repeat. For new clients, you can certainly use your (true) greenness to win more projects. For repeat clients, you can use a lull between projects to proactively address sustainable development or green design and help educate them as to how you can—together—benefit long term from understanding green design in their context. This could serve to increase the scope of your work with that client and make them aware of your company's incorporation of green capacity for future reference. Often there are missed opportunities where clients are not aware of strategic analysis or planning work related to their facilities that you can be proposing as part of proactive dialogue related to sustainability. Most repeat clients (universities, developers, other institutions) are themselves not completely clear as to what green really is or where opportunities are to reduce operating costs. Your proactive engagement with them to help them clarify their own opportunities can have more than one advantage. This also impacts marketing and planting seeds for future business with existing clients.

Financial growth and market expansion: are there new markets that you see an advantage to enter, either geographically or by building type? There are some areas of the country that are already more 'green' friendly than others—do you work in those markets or plan on expanding into them? Are there building types that you are looking to increase work in? Are there services that you might like to offer related to green design that you currently can not—charrettes, planning, different types of analysis?

Once you understand how green design relates to your specific business, its goals and products, you can start to shape your goals and desired outcomes and map a plan.

Generally, good plans have the following ingredients:

- Assessing your company baseline
- Creating a strategic plan—mapping the process
- Understanding Green in relation to current project management
- Education and learning—growing capacity
- Management and finance—aligning with green projects
- Transfer of Knowledge
- Creating culture
- Set metrics and feedback loops
- Relationships—clients/consultants—setting expectations and creating opportunities
- Marketing: telling a real story

Part 2

The Plan: How To Be all Green all the Time

Once you understand how green relates to project management, profitability, staff attraction and retention, relationships with consultants and clients, and quality control and liability, you can take a more mature and valuable approach to improving your design process and product. You can then achieve health and performance goals as an integral part of your operations and not as a contrived and painful add-on to an already dysfunctional process.

The current paradigm of three to 10 green champions in a design firm is nearing the end of its life. If that is the extent of your firms' commitment to green design, you are already losing. If you are banking on a horde of LEED-Accredited Professionals as a metric for your credibility and expertise, you are also behind the curve. You can do better. If you don't do better than that, you will lose work.

Last month's article outlined some specific examples of how to look at your current firm operations through new eyes and identified what pieces you need to include in a plan to move forward and design green into your firm. This article picks up where we left off and lays out the 10 elements of a plan in more detail. Incorporating these ingredients as part of a customized plan for your firm will get you to a point where green design is integrated fully and seamlessly into your business.

The elements laid out below are derived from our experience with companies over the past seven years and are distilled in a generic way. Your firm may have specific issues not addressed here, or may have already addressed some of these issues for different reasons. The main concept to take away is that greening your firm is a design challenge in itself. No generic plan will do it for you. As with any organizational behavior or management initiative, you need to work from the inside out—from a deep internal understanding out to a clear path towards your company's desired outcomes. If you are serious about not being left in the dust, you will likely need to address the items outlined below and perhaps some others. Many of these activities happen in parallel and should build off of each other and reinforce one another. The overview of elements is as follows:

- Assess a Baseline
- Understand your current (strategic) business plan
- Get a deeper understanding of what “green” is
- Educate and build capacity
- Establish Transfer of Knowledge—mechanisms and processes
- Culture dynamics
- Build metrics and feedback loops
- Transform Relationships—clients and consultants
- Designing a Workplan
- Marketing with more data

Assess your baseline: As with green design itself, the first step is always to get a good baseline. How do you characterize your product? Your process? What is the nature of your relationships with your consultants? With your clients? How do you define your technical capability, capacity, expertise across a range of disciplines? How do you define your scope of services? How do you measure and define your company’s performance (numbers of change orders per job, energy usage per building, waste diverted from landfill per project, etc.)? How do you monitor and control quality of your projects? How do you assess the ability of all in the firm to share and transfer knowledge effectively? For those who have been making slow and steady efforts for a while: How green are you now? How do you know? What are your indicators, metrics? How is the nature of relationships with clients and consultants contributing or detracting from your green-ness? Establishing a valuable baseline to measure your performance against is critical to understand if your efforts are being effective. Gathering this information will take cooperation of all different roles in your company, and tracking progress also involves all major stakeholders—principals, project managers, finance, IT, and human resources. It is critical to establish ways of assigning quantification to critical indicators. It is not enough to say general things like, “because the client is happy”. This might require you to institute some new mechanisms for measuring feedback from staff, clients and consultants that is different. This is where you get to be creative and approach this as a design problem. Have fun with it.

Understand your strategic business plan: As mentioned previously, if you don’t have a strategic business plan—get one together. If you have a strategic plan and don’t really use it (yes, this happens)—then revisit it in the context of what has been discussed in the earlier article and above. Figure out how you are going to effectively implement anything and make sure this isn’t a wasted exercise. Implementation is critical—this is not just a “feel good” exercise. (See number 9: creating a strategic plan.)

Understand what green is—beyond the products, strategies, and checklists. Understand the essence of integrated design process and project management and what that means for your relationships with your consultants. Raise your awareness of current practices and analyze some ongoing projects to witness how traditional design can add cost to projects. That is one way to measure if you “get it”—where can you find the true value of green design in the process? This kind of understanding is something you can use anecdotally

with clients and consultants to get them to buy in to your decisions.

Educate yourself and your entire staff as appropriate—marketing, business, HR, design, etc. Marketing staff need to understand what stories you need to tell and what makes your company unique and distinguished related to green, management personnel need to be able to staff appropriately related to an integrated design process and design staff need to be able to implement strategies. Principals need to understand enough about strategies and approaches to be able to communicate effectively in job interviews.

It is important to vary delivery methods and kinds of education and interaction. Lunchtime meetings to listen to product presentations is not going to get you there, you also need a variety of other methods. Being proficient with green design means both learning new things and building personal skills. You can't build skills by passively listening, you need to be doing. Hands on experiential opportunities where your staff interacts with other disciplines and different levels of experience within the firm are invaluable (in house design charrettes on current projects serve to educate as well as benefit the project itself). This is also beneficial if you have ongoing relationships with particular consultants—they can benefit from some investment in their own education by co-investing their time with yours. The secret to success is in how effectively the whole team interacts so the faster you engage other disciplines in this process, the better off you will be.

You will need to address information (products, technologies), implementation (design strategies and interaction with consultants—knowing what to ask and how to evaluate analysis and input) and personal skills (facilitation, negotiation and presentation). Key things to educate about beyond technology are project management (integrative design process and how to orchestrate various consultant input and evaluate analysis) management and skills related to overcoming barriers (negotiating mindset and facilitation). It is critical to understand who needs what kind of education and how they best would benefit from it. Not everyone in the firm needs all the same kind of education—lower level designers do not need to know how to facilitate or manage a green design process, principals may not need to understand intimate details of specifying low VOC adhesives. The educational model must be multidimensional and engage people in a variety of ways because people learn differently and there are different kinds of skills and information to internalize. Most importantly, once you have a plan for ongoing education, how will it be perpetuated? This is where mentoring, apprenticeship, and employee retention are key. This leads directly to our next point:

Transfer of knowledge: Create the means and methods of sustaining and perpetuating ongoing mentoring and education. This includes systems for resource sharing, updating and systems for centralizing design detail library, products, etc. In your Baselines assessment, you would have catalogued your current means of sharing information and assessed how effective they are. Augmenting what exists (if it works) is great—its always better to improve what already works rather than add a whole menu of completely new tools. However, if nothing is really performing that function—this is another opportunity to be creative!

Create a culture of learning and creativity: Values are important. What are your corporate values? Whether they are based in design and style, business delivery, green and environmental—regardless of what they are, clarify them, your expectations and communicate them consistently and clearly to all staff. Embed them in the design process and use them as one filter to evaluate the quality of your product.

Create metrics and feedback loops: Understand what indicators are valuable to assess if you are on track in general and indicators of sustainable design process (these are different things). Measure and incorporate feedback loops on a regular and valuable way. What do you want to measure in terms of product—energy, diversion from landfill, carbon offsets, tons of whatever. In terms of capacity, X% of staff proficient at implementing strategy Y. You can then tell more compelling and grounded stories in your marketing. Refer to an earlier GRT article on measuring your success in the Integrated Design Process and indicators to look for. Change orders can be a very concrete way of measuring collaboration. You already measure your financial performance in some way, make sure it addresses all facets of the financial picture you need—both on a project profitability scale as well as overall company.

Relationships: Demand and expect clarity and transparency in your interactions with consultants. Do you understand what assumptions feed their analysis, how they got to their recommendations, what the implications on cost and performance are? As your understanding about how to manage an integrative design process grows, your expectations about your consultant's input and methodology will change. Demand and expect that team members are there to educate you as well, that you embark on design ideally as co-learners and co-creators.

Create and map a strategic plan: As with any workplan, this is an iterative process. It should begin with a charrette style goal setting and discussion about current baseline issues. Once you understand your goals related to business functions (profitability, growth, staff attraction/retention, transfer of knowledge, etc.) you can begin to lay out the parallel tracks of your efforts to educate, build in metrics and feedback loops, and whatever else you deem appropriate. Decision makers are the leaders in this process, but it will be worthwhile to have a confidential survey done of other employees to make sure that the perceptions and assumptions you are building on are accurate. If you do not have a plan, you will not succeed. If the plan is not effective, its not worth implementing. There may be a period of buy in where you have to sell this within the firm, if so, then the more you can make concrete connections between profitability and quality, the more effective your case is.

Marketing: The story you tell is only as good as the data you have. There are at least two sides to marketing. First, the metrics you put in place related to your built projects will enable you to tell your story to clients in a very real way, with less handwaving and green wash. If you can tell a solid performance story, you don't need to count how many LEED APs you have! Again, the more you understand that green design is fundamentally integrative process and project management, the better you can tell that story to

prospective clients. Another side of marketing is the relationship building. If you have a high percentage of repeat clients, that is a prime opportunity to use your new commitment and efforts to add value to your relationship with them, potentially resulting in additional scope. For new clients, there are creative ways you can leverage your genuine activities to engage them productively.

The most important thing is to treat this as a DESIGN problem. You are designers so, act like it in this context as well. Take it seriously and be intentional. Understand your baseline, become self aware of current practice and what characterizes it – and be critical. Define your ultimate goals. Where do you want to be? Ideally, do you want to have Green be an added service (what about your competitors?). Do you want to be all green all the time? Think about what indicators you want to watch over time. Indicators of a successful practice may include:

- You deliver all green all the time. When asked about green you do not say, “We can, it costs extra,” or “Only LEED,” etc.
- Employees (across the board) are empowered to think outside the discipline box and be encultured to ask strategic powerful effective and valuable questions. Clarity and value are core values and imperatives in process. (Learning organization)
- See integrative design indicators, many apply: sometimes out of your comfort zone, no decisions are made unilaterally without input from other disciplines, strategies can not be value engineered easily because they are integrated
- Nature of relationships with owners and consultants.

The bottom line is that the more building owners are getting educated the more they are starting to understand that the basics of green design are fundamentally their right. This means they will be expecting better performance, better collaborative design and better transparency. At some point in the not-so-distant future, if you’re not “all green all the time,” you are not worth considering. Hopefully, this brief article will be the fuel for productive thinking to help you accelerate your process to being considered among the most successful green firms!