

Integrity: My Perspective

MY PERSPECTIVE SERIES:
REPRESENTING THE AUTHOR'S
PERSONAL PERSPECTIVE

Principals have a responsibility in helping grow young leaders and will be more effective at doing this when they make an equal investment in growing themselves.

By Louis L. Marines

The architecture/engineering/construction industry exists in a universe bounded by the overlapping worlds of human communities, natural ecosystems, governments and private business enterprises. Those worlds have all changed substantially during the past decade and, along with them, so has the A/E/C universe.

For our firms to hold an influential leadership role in these overlapping worlds, in the face of competition from special interest groups, think tanks and lobbyists from other industries, each of whom seeks to shift public policy and attitudes in their favor, we must embody the high degree of integrity that engenders trust in our clients and the community. It is not enough simply to “do right.” We must lead our firms as though they are living systems of mutually interdependent parts, aligned to fulfill their intended purpose.

In the concerns expressed to me by CEOs, I can clearly hear that the changes and turbulence

“We need to stress that personal integrity is as important as executive skill in business dealings ... Setting an example from the top has a ripple effect throughout a corporation. After nearly three decades in business, 10 years as chief executive of a Big Eight accounting firm, I have learned that the standards set at the top filter throughout a company.”

— *Russell E. Palmer*
Former CEO and Executive Partner
of Touche Ross International



of this millennium are accelerating. This time of change is defined by more than socioeconomic, technical, environmental or political considerations. We cannot yet predict the extent or duration of this change, and many experts believe we are on the cusp of a shift in human activity and culture as profound as the change from agricultural-based societies to capital-based economies and lifestyles.

The concerns my CEO contacts express encompass:

- Workforce issues that challenge our skills in recruiting, retention and management, such as turnover, diversity, competency, scarcity, rewards, recognition and career advancement needs.
- Firm issues that challenge our skills in organizational design and leadership, such as organizational structure, technology applications, the need for business and workflow process redesign, and client demands for quality, speed and lowest possible first cost.
- Issues about the very environment in which our services are delivered, such as community resistance; new competition from, for example, international mega conglomerates or materials/systems suppliers; and diminished client capacity as engineering and facility departments are downsized, weakened or eliminated.

Because these low-hanging individual challenges can be named, it is easier for us to focus on identifying them than it is to step back and look at the larger picture of challenges and opportunities; this is simply human nature. Most who

are currently leading our industry's organizations grew up in these professions during less dynamic times (though at the time, those moments seemed tough and unforgiving).

Today, we feel nostalgia for days when our problems were more manageable, when we could apply incremental solutions to them, and when mistakes were not career killers. However, we are now in a time when incremental solutions no longer suffice. We are not alone. The health care, telecommunications, entertainment, financial services and retail industries as well as traditionally slow-to-change clients like government agencies are experiencing turbulence and are all vastly different than they were just a decade ago.

Times of turbulence are also times of great opportunity. We will

live through this chaos successfully, and now is the time for a revolution in design and construction. Our industry is populated with bright, ethical, compassionate

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people, and we are highly capable of solving the challenges we face.

There are pockets of revolutionary activity going on everywhere, but mostly these insurgents have not found each other yet. These revolutionary practices are in such areas as business models, project-delivery methods, staff engagement and service to the community and society. Because the people and organizations working on experimental ideas are so scattered, our industry has not yet started building on their individual learning or seeing the larger patterns of their ideas.

The architecture, engineering and construction industry, in general, has the good fortune to retain a positive image where many other industries and institutions, including parts of the construction industry,

have become badly tarnished and are publicly distrusted. Retaining — and extending — our position of influence in the development of the coming world depends on maintaining and building upon our current integrity and conferring the best of these practices to future leaders. This integrity comes from embracing the firm as an organic entity, with all parts working in alignment and being mutually supportive: vision, culture, structure and the behavior of its leaders.

Three areas where current leadership has tremendous influence on organizational alignment and integration for the future are:

- Developing a unique and inspiring vision for the firm
- Inspiring and requiring accountability
- Growing one's self in order to grow others

LEADERS CREATE A UNIQUE VISION

Few contest the importance of organizational vision; yet for most firms, “visioning” exercises are futile and in the end raise expectations without improving anyone's ability to achieve more than he or she did before. Why this is the case is an elusive question, but I believe it includes the following characteristics:

- Great, inspiring, innovative visions are rarely the result of the committee efforts most firms embrace. Large groups can inform, be inspired and buy into visions, but great visions are largely created by courageous mavericks who see things in new, connected ways that no one else does.
- Committees are great levelers, as they usually seek the mediocre compromise of consensus. If you doubt me, compare most firms' vision or mission statements about values, quality, excellence, service, profit and

client and staff satisfaction, and you will find little, discernible difference from firm to firm.

- If you try to find a tangible expression of a firm's vision in what the firm does every day, in most cases you will search a long time. In daily operations, most design firms look and act exactly like their colleagues and competitors. Pick a project engineer or job captain at random and ask that person to articulate his or her firm's grand plan and describe evidence of its implementation. The most common response you will hear will be something like, "I don't see it."
- Turning the firm's vision into a creative, implemented strategy and managing the necessary change involved is not the strong suit of most A/E/C industry executives. I think this has to do with a lack of self-awareness, self-confidence and courage that normally attends these capacities.



Most vision and strategic plan participants think the desired result is the plan. In fact, the plan is almost irrelevant. It is the planning process that is of tremendous importance. What the planning process must do is twofold:

- Build individual and collective capacity for learning, innovation and strategic thinking (in other words, enhance entrepreneurial capacity).
- Deepen the bonds of trust and collaboration among the key players so they are better together. Such capacity refocuses energy away from backbiting, self-defensiveness and individual image preservation to genuine innovation and mutual support.

The firm that offers such personal commitments and connections will be rewarded by its staff with loyalty, efforts that go beyond need and long-term commitment.

The answer to a lifeless and uninspiring vision is first to get the firm's strongest, most visionary leader to articulate a new vision, then second, to put its implementation in the hands of a skilled strategist and change maker. Third, use the strategic planning process for building the management team's entrepreneurial and collaborative skills, so these individuals are qualified to move the firm forward.

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The leader's highest duty is to create an exciting, motivating vision that a firm can rally around — one that requires each person to engage in new learning and the exploration of new pathways. The next generation and those who follow it are waiting for us to create compelling visions and support the courageous, innovative changes those visions require. Our clients need our best innovative and leadership abilities both to help them excel and create viable communities where they can continue to succeed.

Even the most inspiring vision needs action to become fulfilled, and this need for individual endeavors by many participants requires that leaders exhibit accountability and demand it from others.

LEADERS INSPIRE AND REQUIRE ACCOUNTABILITY

One of the most asked questions in professional firms today is, "How do we hold people accountable?" The accountability challenge is not well-understood because the problem is rarely well-defined. Nor is it clear what A/E/C executives can or should do when they themselves are accountable for holding others accountable.

The question is invariably asked about others, not oneself, and is usually about the consequences for failure to meet expectations. Those expectations are typically about business rather than professional performance. Few executives seem interested in setting consequences for others' failure to be creative, to enhance the body of technical knowledge or to develop people, for example.

The missed expectations are thus about gross and net revenues sold and earned as well as basic program requirements such as meeting clients' schedules and the like. Frustrations about those who do not perform are based on the unreliable assumptions that:

- Expectations have been communicated, understood and accepted; that what it means to be accountable for those expectations and the consequences for excellent or unsatisfactory performance were negotiated before the role or project assignment was undertaken; and that all of this has been discussed regularly since the work began.
- Failure to perform is an individual matter largely unrelated to the structure, resources and processes of the firm; that if the individual lacks the capacity to perform for professional, organizational or personal reasons, then it is his or her duty to figure out what to do to compensate.

These assumptions are rarely true. "The only problems that have simple solutions are simple problems," says Wharton School's systems theorist Russell L. Ackoff in

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his book *Management f-Laws: How Organizations Really Work*. “Problems that arise in organizations are almost always the product of interactions of parts, never the action of a single part (or person). Complex problems do not have simple solutions.”

Few professionals understand the full range of expectations their managers have of them. Annual performance reviews, even the rare, well-executed ones, cannot convey the richness of evolving expectations nor the firm’s context for those expectations (i.e., how this expectation relates to the firm’s vision, goals and strategies, and thus why accountability is important).

Many executives believe that setting expectations for their subordinates’ performance and results is the entirety, not the beginning, of their management process. The management disciplines of monitoring, problem solving, coaching and direction are not in their toolbox. Or, if they are in an executive’s toolbox, they are rarely used as that executive struggles with the busyness of life and responsibilities, which for many have become an addiction. Such managers are



LIFE IS TOO SHORT

An architecture firm that specialized in health care and laboratories decided to look into other markets and chose the criminal justice area as being a good target. It successfully obtained work for two projects, which were financially strong and produced good revenue for the firm.

As they were finishing the second project, three staff members came to the partner in charge of the project and said, “Can we get a minute? We represent the entire staff and we want to tell you something. We don’t want to work on another prison project, ever, in our lives.”

He asked “Why? Why?” They told him, “We feel that what we’re designing is pure incarceration. There is no chance of people recovering in this situation – they become hardened criminals when they are incarcerated like this. They will just come back here again after they are released. We’re creating this cycle and we don’t want any part of it.”

The normal response they expected and got from the partner was, “Do you realize how much of our bonuses came out of these two projects? My opinion is that we will give up somewhere between 15%–20% of our annual bonuses if we walk away from this market.”

But they told him that the staff had already talked about the financial side, understood the consequences and it did not matter. The partner told the other partners about this, and while they were not happy about the situation, the firm decided to walk away from the prison market because all the designers and all of the junior staff said, “We don’t want to work on this one. Life is just too short.”

While many firms do great work on these projects, this firm determined that keeping the unique group of talented staff together as a team was more important than the profitability it could achieve in that particular market, thereby maintaining the integrity of the company.

moving so fast, says corporate poet David Whyte, that they “don’t see anyone who isn’t moving as fast as they are.”

Before the lens of accountability is used to view others, many senior executives would do well to use it as a mirror. They could begin by examining whether any of the conditions and assumptions cited above are factors in the sub-par performance of their subordinates (or partners) whom they believe need to be held accountable.

You may also examine whether, in slow years like those of 2007–2010, the discouraging fact of personnel layoffs and pressure on remaining staff to increase productivity has led to disengagement and frustration. Alternatively, in busy years, executives’ inability to say no to clients and commissions can produce workloads that lead to burnout or boredom for some of the professional staff. Both situations are disruptive and can lead to costly staff losses. Take steps to re-engage staff members early in the disengagement process.

Finally, many executives need to engage in courageous conversations about whether some of the firm’s professionals are being asked to perform in roles for which they are ill-suited, by competency or temperament. Some of those professionals who are not meeting expectations (“not being accountable”) may need different jobs in the firm, in whole or in part, or to redirect their talents to the services of another firm.

Individual accountability is rare when the leaders’ managerial accountability is not clearly present. In the professional firm, this includes demonstrating, at the leadership level, the understanding and behaviors explicit in the two poles of professional responsibility: the duty to serve the interests of one’s immediate client and the obligation one has to society at large.

Fulfilling the professional’s duty is where accountability begins in the firm. When that firmwide duty is met, the individual’s accountability is easier to explain, demonstrate, encourage and achieve. Firm leaders are also accountable for developing their successors and leaders at all levels within the firm. The firm as a holistic, integral entity requires that this key aspect be addressed for both future success and for the firm to be a healthy participant in the current marketplace.

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GROW YOURSELF TO GROW OTHERS

Principals have a major responsibility in helping grow young leaders and will be more effective at doing this when they make an equal investment in growing themselves.

Warren Bennis, author of *On Becoming a Leader*, tells a story from ancient China: When Yen Ho was about to take up his duties as tutor to the heir of Ling, Duke of Wei, he went to Ch’u Po Yu for advice. “I have to deal with a man of depraved and murderous disposition. How is one to deal with a man of this sort?”

“I am glad,” said Ch’u Po Yu, “that you asked this question. . . . The first thing you must do is not to improve him but to improve yourself.” If the tutor is able to grow, the obstreperous heir is more likely to listen — and may even want to emulate his tutor.

How do you go about growing yourself? Start by asking five questions:

- What is your greatest source of happiness?
- What have you done to enrich the world?
- What contribution could you make that would give you the most satisfaction?
- What strengths and capabilities would you have to recognize in yourself and others to make this contribution?
- What would you do today to begin this service, this contribution?

Such self-examination is intended to lead to learning, and life-long learning is a key attribute of great leaders and great organizations. As stated in the Palmer quote at the beginning of this article, the standards set at the top trickle down

through the entire organization.

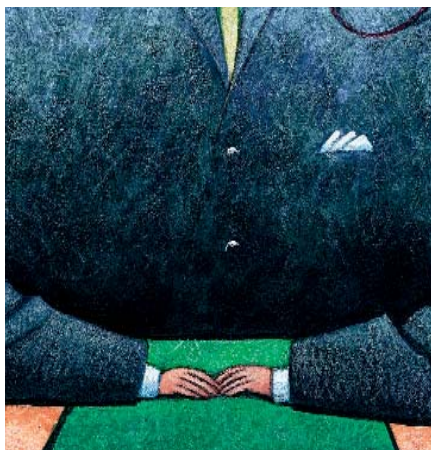
The need to self-examine, learn and contribute to the growth of others is no exception. By actively and openly developing the self and helping others to develop, the leader establishes the practice of adaptability that is key to the firm’s success in the 21st century.

In our industry’s future, new leadership will emerge. The demonstration of integrity by our firms and their leaders — as a practice and as a mutually supportive structure — will ultimately earn

public appreciation for our forceful stands about the social and economic impact of infrastructure issues, for our efforts to provide all people with clean water, habitation, sanitation and places to conduct business, offer worship and gain education. ■

Portions of this article have been excerpted from Lou’s book, “The Language of Leadership,” published in 2010 by Greenway Publishing. This collection of essays and case studies explores lessons learned from decades of developing and coaching leaders in the A/E/C industry. To purchase the book, visit: <http://www.di.net/store/book-tl0l>.

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