Firm Profile

A mid-sized architectural firm with offices located in 4 major metropolitan areas; 7 Senior Principals each responsible for a separate practice area; and total staff of approximately 100.

Environmental Scan

The firm’s organizational structure was first developed almost 25 years ago. The leadership structure is hierarchical in nature and the firm prides itself on having developed processes and systems which have kept it out of trouble and enabled it to steadily expand both the size of its projects and the breadth of its service offerings. The firm’s strategic goals are established by a seven-person Board and have remained consistent over the past ten to fifteen years. The second generation of firm leaders has begun to assume greater responsibility for the firm’s day-to-day management - two of the three original founders have recently retired - but one younger founder remains active and is responsible for special projects at the firm and is still the ‘go-to’ for advice and decisions about the firm.

The Business Challenge

Greenway was asked by the firm’s recently elected Managing Principal to help the firm’s leadership team re-examine its organizational design – specifically the firm’s governance structure and decision-making processes. The Managing Partner commented, “the Principals are pretty comfortable with the chain of command, but some in the firm have begun to question whether we rehash the same issues too much and should make quicker decisions. Are other top-performing practices looking to adapt how they approach decision-making and how might we customize those sorts of ideas to our unique culture.”

Greenway’s Perspective and Approach

Greenway facilitated a firm-wide discussion about the nature of leadership and the various types of decisions required to operate an architectural practice in today’s environment of rapid change. Stakeholders throughout the firm were engaged via webinars, group meetings and hands-on work sessions.
The firm’s enviable financial performance in recent years has obscured significant shifts occurring in its client base and among its competition. The firm culture, self-described as ‘old school’, has been a welcome source of stability, but increasingly the firm risks falling out of step with the rapid pace of change in the industry. The battle to stay relevant in the eyes of the marketplace across a broad spectrum of practices areas has begun to strain even this firm’s resources and talent base. The firm’s legacy culture discourages even constructive disagreements and the firm can be slow to respond to new ideas. All decisions pass through the same analysis funnel and the established gatekeepers do not delegate well.

What Greenway Helped the Firm Discover

Greenway conducted a customized outreach to the firm’s established clients via on-line surveys and one-on-one interviews. Clients shared a number of significant perspectives; including that the firm’s project managers were seen as indecisive and always having to double check with the PIC, even on simple, routine questions. This candid feedback from clients surprised the firm’s leadership, as the findings conflicted with the feedback that Principals had come to rely upon, having sought critiques from their clients over golf and in other social settings for many years.

In addition, interviews and surveys with staff revealed frustration with the firm’s pace of doing business and inflexible chain of command.

Outcomes Twelve Months Later

The firm’s leadership developed a comprehensive inventory of the types of decisions made across the firm. This listing was then grouped and prioritized into decisions of a strategic nature and those of a more routine nature.

Most importantly, the leadership team broadly assessed which person or team within the firm was best-suited to make the decisions in question; what information was needed to make better and faster decisions; how better to integrate key decisions with the firm’s mission and purpose; and whether more rapid decision-making would have a favorable impact on the firm’s clients and work.

This introspection and across-the-board illustrated that the vast majority of the decisions that taxed Principals’ time were not mission-critical to the firm’s stability or future prospects and could be safely delegated to junior personnel who were closer to the issue or opportunity. Not surprisingly more than 80% of the decisions that crossed the desks of the Principals were ultimately judged to be tactical rather than strategic.

Greenway helped the firm develop a firm-wide communications and education program which clarified which person or groups within the firm were responsible for which decisions, while emphasizing a client-first approach to problem solving and decision making.

Discussions surrounding firm governance have helped leaders to focus on the ‘big rocks’ and to explore ways to minimize unnecessary hierarchy. Internal culture surveys taken one year later suggest that the younger members of the firm have taken notice and express a growing
sense of empowerment to confidence to contribute. The firm now speaks of itself as moving toward becoming a ‘flexible ‘network’ and no longer a ‘hierarchy of silos’.

Lessons Learned

A successful culture of delegation requires mutual respect and trust at all levels of the firm, as well as acceptance of shared responsibility and accountability to one another's colleagues. These principles in turn depend upon an appreciation that in today’s agile organizations, leadership derives its legitimacy more often from subtle influence and persistent inspiration, rather than formal control.

Delegation unleashes learning moments which can help members of the firm test their skills and strengths and seek ways to continuously reinvent themselves at all levels of the firm. This process requires the firm and its leaders to embrace the principles of change management and to demonstrate tolerance and acceptance of failure, as being a healthy companion to innovation.

Decision making processes are an important foundational element of a reinvigorated culture that can serve to energize the firm. Building an organizational and cultural framework that fosters agile decision making and proactive responses to the increasingly rapid changes occurring in technology, competitive factors and client requirements can prove to be a source of powerful competitive differentiation.