

ISSUE 05-3 MARCH 2005

PRINCIPAL'STM ≡ REPORT ≡

THE MONTHLY UPDATE FOR ENGINEERING, ARCHITECTURAL, PLANNING, CONSULTING, AND DESIGN FIRM OWNERS

Exercising Leadership

Life After Leadership: How to Organize for Letting Go

By Joan Capelin

What's in *your* future? Transition is on the minds of many principals, if recent professional programs are any indicators. The question is: What to do next?

There are many variations on the transition theme. First comes the deal—whether you are the seller or buyer. But long after the lawyers and the accountants have left, you must face the most important part of a transition: the people part.

Exercising Leadership

Life After Leadership: How to Organize for Letting Go

—continued from page 1—

“Passing the Torch”—a panel and workshop I organized and moderated at the 2004 BuildBoston conference—focused on the matter of why, what, and how to communicate with the people involved in a transition. *Panelists were:*

- Walter Hunt, managing principal of Gensler, New York (www.gensler.com).

- Carole Wedge, new president of Shepley Bulfinch Richardson & Abbott (SBRA, Boston; www.sbra.com).

- Peter Piven of The Coxe Group (Philadelphia; www.coxegroup.com), author of *Architect's Essentials for Ownership Transition* (Wiley, 2002).

The basic pointers to remember in a transition are listed in the sidebar, “Ten Prerequisites to Leadership Transition.” But the focus of the program was on what to do with the senior professionals who are withdrawing from leading the business.

In and out. “By the time someone is at partner level,” said Wedge, “they are steeped in the traditions, principles, and context of the firm.” But sooner or later, “Transition is inevitable, either to new owners or out of business. And transitioning *out* is more difficult than transitioning *in*. There is no training for letting go and generating a new life.”

Previously a partner at GBQC Architects (Philadelphia), Piven left to become a consultant with The Coxe Group, which serves firms in the A/E professions. When he observed in his own work that *doing* the work was less rewarding than *facilitating* it, he shifted to consulting. He believes people should invest in their own careers with the same watchful zeal they put into their firms.

At Gensler, people “think of the firm as their life, because it is,” said Hunt. In most cases, “People go to work; it’s just a job. But if the firm is successful, it will transform you. Thus, ownership is financial and emotional.” For both those reasons, Gensler orchestrates transition out of leadership and also out of the firm with great care.

The next stage. How should firms deal with the next career phase for a senior professional no longer in control of a firm that she or he has led or even founded? How can a leadership generation—inspiring, well-connected, and identified with the firm for 20, 30, perhaps 40 years—remain in a stewardship role if it wants to?

A professional service firm is not the same as a corporation with its revolving doors. Design is a long, slow profession. Institutional memory counts. That’s why many senior professionals badly want to keep working as long as they can.

SBRA has a 125-year-old legacy of collaborating across generations. Each decade brings “different expectations of the firm, different definitions, different experiences, the industry itself in

“Transitioning out is more difficult than transitioning in. There is no training for letting go and generating a new life.”

transformation,” contends Wedge. Principals transitioning out need to “determine the next chapter in their life, and what part architecture plays in that.”

Thus, “vanish” is not in SBRA’s vocabulary. The firm has created the title of consulting principal, a non-ownership position, so its key senior professionals can remain involved with the clients they won or fostered, through their professional society, on various boards, and in other areas of professional life that would benefit both the office and themselves. But, urged Wedge, the focus should always be on the firm and its future.

Thinking of number one. Firm leaders have that long view of the firm. But that doesn't excuse them from taking responsibility for their own careers, said Piven, who added, "Get in touch with what satisfies you."

One of New York City's most visible senior professionals revealed that the day he became a partner, he asked the then-managing partner what he was supposed to do to get started. The shrewd answer: "Design your office and pick your successor."

People coming into leadership roles are not always clear on their value to the firm, the profession, or the various communities and organizations in which the firm or they play a part. But those who are selling or handing off are accustomed to being stewards. They have many ways to tally their worth, besides the price derived from selling the practice.

Everyone engaged in transition should ask "What's next for me?" *For example:* You might become:

- An advisor or board member.
- Head of the professional organization's local component.
- A lecturer.
- An activist.
- A mentor.
- A start-up division leader in design-build, sustainable technologies, or real estate development.

Start now. Any of these sweeping roles should best start now, when the partner is in full command of the firm's resources, not when he or she ultimately shifts gears.

Many younger principals can't wait for the senior partners to depart, so they can do it their way. They'll have their chance. Mature professionals enjoying a new phase of their career can show the way to what will eventually be juniors'

own long-lasting, worthwhile contribution. — PR

Joan Capelin is president of Capelin Communications (New York City; 212-779-4949; e-mail: jcapelin@capelin.com; www.capelin.com), a strategist and public relations consultant to A/E firms, and author of Communication by Design (Greenway Communications; www.greenwayconsulting.com/communication_by_design.html).

Ten Prerequisites to Leadership Transition

These transition and leadership principles, which have successfully guided actions and attitudes, emerged from panelists and workshop participants:

- Transition takes time; it's a process, not an event.
- Communicate widely what will be the same and what will be different when ownership passes hands.
- Know what intangibles you are buying/selling. Among them: business relationships, office culture, professionalism, standards of practice and behavior, dedication to scholarship or research, and activism.
- Leaders act in the best interest of the firm, not of themselves.
- Hire people smarter than yourself; expect them to ultimately take over the firm.
- Ownership and leadership are not the same thing.
- Ownership is not an entitlement; leaders don't think about what leadership will provide.
- Leadership styles differ, but all leaders operate against the background of the firm's success.
- Look at what your staff are good at, and make them great at it.
- Keep thinking clearly. Transition will not always go smoothly.

(Source: Joan Capelin; BuildBoston)