

CASE STUDY: GEOGRAPHIC EXPANSION IN A SHIFTING GLOBAL ECONOMY

Brian Lewis knew that the economic turmoil of 2009 created a problem he had to solve. As the practice manager and senior principal of a Trinidad firm started in 1944, he recognized that the days of plentiful projects were clearly in the rearview mirror, at least for the time being. As a firm of 18 in total staff size, acla:works was considered a strong player in the markets of Port of Spain and other Trinidad locales. His firm had been responsible for the design of many iconic structures, a list including Republic Bank, the Halls of Justice, the Ministry of Public Administration and Information Building, the Financial Complex, and the Institute of Marine Affairs. He also spearheaded the use of BIM on the firm's projects as early as 2005, leveraging the firm to become the leading proponent within the Caribbean. The oil and gas riches of the region had been good for everyone over the years, but the global slowdown was hitting this country of 1.3 million people very hard. In addition to the credit crunch and banking crisis, the government had taken to giving more projects to nonlocal firms, making the squeeze even worse.

By the summer of 2009, Brian's wheels were turning faster. Along with the three other directors of the firm, he envisioned a deliberate and comprehensive outreach to a number of Caribbean islands to the north, in search of new partnerships, new clients, and most certainly, new work. As Gary Turton, head of marketing, recalls, "We developed this vision of a network of firms that our firm could lead and develop across a number of islands. In times like these, creative approaches are demanded, and we were determined to make this a viable solution for our firm." With a half-dozen supporting subconsultant firms on the team, representing service providers in Trinidad who had worked with acla:works in the past, they were ready to launch. Their first step was a three-day strategy session to hammer out ideas and hand out initial assignments. The decision was made to base the new consortium operation in Barbados, since Brian was born there and it had the right financial infrastructure to meet the group's needs. Within weeks, a trip to Barbados had yielded a small truckload of contacts and possibilities. A branch office was established, and through numerous lunches and meetings, the network began to take shape, interviewing as many as 10 architectural practices in Barbados.

From a markets perspective, the Caribbean Outreach program is going to be across the board: corporate, institutional, urban planning, resorts, housing. Governments up and down the chain of islands have large numbers of projects on hold, so the team is working hard to discover any financing opportunities that can be the impetus to resurrect stalled work. On the private side, the financial and tourism sectors are moving at a snail's pace, but the team remains confident they will begin to move again soon.

In terms of the firm's overall identity, the strategy session brought a few important points to light. Peter Chandler, acla:works director, explains: "We operate as a community leader here in Trinidad, which is logical due to the relatively small size of the market as an island country. We thought that may be a weakness as we moved towards other Caribbean opportunities, but we've found that's exactly the approach that works in those other locales as well."

Survive and Thrive

When considering the realities at hand of economic turmoil and unfavorable local government policy, one of the key discussions held during the strategy session was "Survive and Thrive." It had already been determined that limited market focus per se was off the table for consideration—times were too tough to narrow things down. And it was clear that the firm still needed some government work for cash flow purposes, and to keep themselves in favorable standing for when things got better. This is where acla:works' expertise in BIM began to make a big difference: It was decided to use the BIM story as a key marketing tool both at home and farther north. According to Junior Thompson, director at acla:works, "We had worked very hard for three years on making BIM a major force for the firm, and we felt it could be an important part of this strategy." From the new ideas angle, it was also decided that the sustainability mentality was ready to take hold in the greater Caribbean. Lastly, a new interiors focus could help keep previous clients on the radar screen and generate new client contacts as time went by.

The elements of the Survive and Thrive campaign are shown in Figure 4.3. The line depicting the split between BIM and sustainability shouldn't be taken as a divide. BIM and sustainability are valid and important drivers and tools on either side of the

equation; however, BIM is seen as a more powerful topic to attract government work at this time. In addition to the government versus private client positioning, it was deemed important that the firm pursue design-build contractors, particularly for work in Trinidad. Consortium work “up the islands” is likely going to be more CM-based.

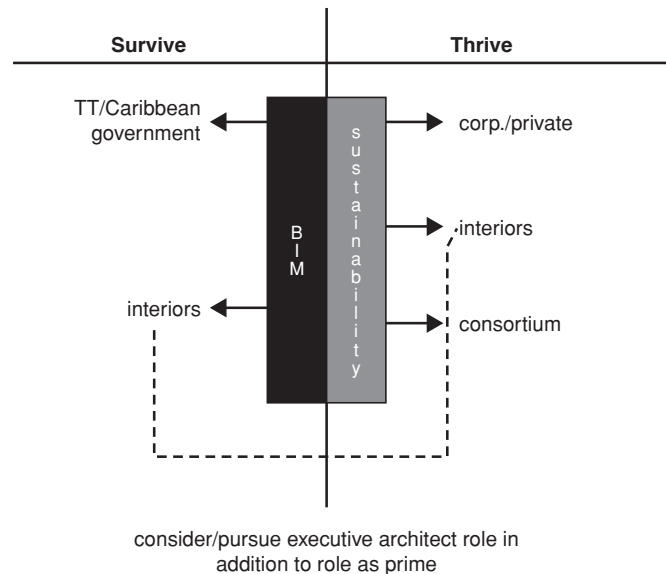


Figure 4.3 In this example, the firm is seeking to balance their profile in their local market with a new initiative to expand to new Caribbean locations. (Source: acla:works)

BIM

The firm is understandably proud of their accomplishments with BIM, and the overall strategy is articulated as follows:

“Whether it be within Trinidad, working with design-build contractors, or looking to enter other Caribbean markets, the BIM strengths of acla:works will play a significant role. The firm has run a Trinidad and Tobago seminar with Martin Fischer of Stanford with good results, and may want to use his commentary and thoughts as a marketing lever. He may agree to record a short video or offer key quotations that would support the firm’s objectives.

“The firm should strongly consider creating a variety of versions for our BIM story. One version for contractors, one for government

(Trinidad & Tobago), and one for other Caribbean government entities would be advisable.

“When we sat around the office discussing the BIM equation, we decided to come up with the dreaded list of repetitive questions that all architects and consultants wrestle with on every project. Those key questions should be asked and answered in BIM-talk as part of the presentation. From our experience, these questions are typically:

- How to minimize the cost of changes?
- How to get better cost controls, less project delay?
- How can we eliminate coordination errors and sequencing problems?
- How to ensure/measure contractor performance?
- Can the client get a complete set of accurate fully coordinated error-free drawings?
- How to avoid conflicts of services? (Pipes into beams)
- Additional topics for questions to be answered: quality control, risk, client expectations, visualization, cash flow, energy efficiencies, schedule performance, approvals, etc.

“As we discussed a number of times in our planning session, the BIM topic is terrific to break the ice with a new client, a new island or a new constituency. We’ve developed a powerful PowerPoint presentation of the firm’s profile that includes the benefits of using BIM with a number of animated examples that are quite compelling. The BIM program will be positioned as an educational effort—non-threatening, the sharing of important information—allowing those in attendance to explore the technology and its effects on projects without the pressures of shortlists or the final selection of the consulting team for a specific project.”

Taken from the memorandum of understanding (MOU) the firm has developed for its new positioning effort, here are the mission and vision of the overall program:

The mission of acla:works is to be the prominent architecture firm in the Caribbean by 2020 in terms of image, perception, service level and delivery. Its business plan is to expand outward into the Caribbean to capture business opportunities through strategic initiatives, local joint ventures, and networking collaborations.

Within the plan are the following objectives:

1. Expand the acla:works brand
2. Develop a marketing network
3. Provide the highest-quality design, service, and tools [BIM, LEED, IPD]
4. Collaborate with strategically selected design partners
5. Expand design and support resources to compete to undertake larger projects
6. Create a pool of specialized design services

The first phase of our mission is to open branch offices in strategic Caribbean countries and then to formalize working relationships with carefully selected local architectural firms. Branch offices shall be responsible for accounting, administration and marketing but will not actually be commissioned for professional services.

acla:works may develop a license for the use of certain branding tools that may be available and could include [for instance] marketing tools, software training, office management software systems, financial planning tools, design and project management software training, building information modeling systems, integrated project delivery, design-build, etc. The intention here is to ensure strategic partner firms develop certain skills that will promote greater inter-office collaboration and expand resource capability.

While still a work in progress, the Caribbean Outreach program is moving along at full speed. With five months of effort under their belt, the numbers are impressive. After four trips to Barbados, they've generated over 100 contacts, established a branch office, identified three job prospects, and acquired 17 new leads. They have also produced a 30-page brochure of the firm's work, and are getting ready to revamp the website to make it more interactive and dynamic.

The team is ready to move on to St. Lucia next, and continue to spread the word about their capabilities, tools, and ideas for getting important projects accomplished in a time when many firms find themselves uncertain of which way to turn.

—(Author's note: In November 2009, acla:works published a book about its founder titled *Manikin: The Art & Architecture of Anthony C. Lewis*.)