

Firm management

# Preventing staff turnover at architecture firms comes down to these three things

By Kathleen M. O'Donnell, October 28, 2019



With a potential economic downturn looming, what can design firms do to stay afloat and keep their staff satisfied at the same time?

Staff turnover is something every type of company faces, and architecture firms are no exception. Though the [March 2019](#) Architecture Billings Index (ABI) indicated that 63% of reporting firms had unchanged rates of staff turnover in the last year, economic indicators of a potential downturn are compelling the architecture community to think differently about what it really takes to retain their talented, hardworking staff.

At firms that *are* experiencing turnover a big question is: who is leaving and why? The ABI revealed that departure tends to be highest among emerging professionals and young architects who leave to seek increased compensation and advancement opportunities elsewhere. Firms whose turnover rates decreased mirror this trend—they reported that compensation bumps and new career advancement opportunities were instrumental in retaining employees.

All the data point to a conundrum that isn't new for architecture firms: if emerging professionals and mid-career staff aren't feeling financially or professionally supported, they will leave. In a field that is undergoing methodological changes, top-down commitments to retention and employee growth are increasingly necessary.

## **Compensating well and with fairness**

“Appropriate compensation is where the conversation starts,” says Jeffrey Stivers, AIA. As president of Lexington, Kentucky's [RossTarrant Architects](#), Stivers believes that fair pay—pay that's informed by the market and based on skill level and contributions—is the essential foundation for an employee's commitment to a firm. “That's an absolute must,” he says. “You have to have that in place before you can move to the next level and talk about fulfillment.”

The [AIA Compensation Report 2019](#) indicates a recent surge in compensation. According to the report, firms have been increasing compensation across all levels of experience and are relying more heavily on bonuses to attract new talent and retain current staff. The current annual compensation growth rate of 6% bodes well for architects and design professionals overall, but young professionals, often saddled with student loan debt, testing fees, and other financial demands still feel a squeeze. The report indicates that firm-to-firm variations in compensation are relatively low for junior and entry-level positions, which may suggest that even if younger staff move on to other firms early in their career, they're unlikely to receive significant pay increases.

According to the report, compensation variations increase significantly in management and leadership positions. The report indicates that there are differences in average salaries at those levels ranging between 40% and 80%, depending on the firm size. While those variations can come as a result of many factors like firm size, location, and profit-sharing models, they hint at potential inconsistencies with another crucial contributor to retention: pay equity.

“Transparency about pay scales and demonstrated commitment to pay equity help attract and keep talent.” — The [AIA Guide for Equitable](#)

## Practice

“Compensation that is inequitable stunts individual, firm, and profession-wide productivity and growth,” according to Chapter 3 of the [AIA Guides for Equitable Practice](#), a free resource that provides workplace analysis and tools to implement fair standards in architecture firms. Design firm staff who aren’t paid solely based on what they bring to the table professionally will take notice. In some cases, unfair pay will cause individuals to advocate more for themselves internally, and in others, it will cause them to move on. Architecture firms can enhance equity and employee’s experience simply by being more open about their financials. “Transparency about pay scales and demonstrated commitment to pay equity help attract and keep talent,” per the Guides.

Discussing topics related to money can be seen as challenging or sensitive. Jessica Parmenter, Assoc. AIA, who works out of the Chicago office of San Francisco’s [BDE Architecture](#), sees a generational divide when it comes to pay transparency; she finds that emerging professionals like herself are willing to be more open about their paychecks than those of different generations. “I think it keeps everyone honest,” she says. “It makes sure that compensation reflects contribution and productivity and value.” Parmenter acknowledges that there are appropriate levels of transparency, though. “You obviously don’t share everyone’s W-2s, but are you willing to be open and transparent about the role and title and ensure everyone at that level is valued in that way?” she asks.

“We look at each employee, their skills, their talents, what they’re bringing to the table, what we want as their long-term plan at the firm to determine how we’re paying,” says [Mancini Duffy](#)’s chief financial officer [Bolante Williams-Olley](#). She believes that if issues arise, the responsibility to have conversations about pay should be shared by employer and employee alike. “We want to pay people their worth,” Williams-Olley says, “We empower employees to come ready to speak to us and have those conversations. We review our numbers and see if there is something we can do. If there’s not, we come up with a plan and ways to make sure they feel valued.”

Though compensation is increasing overall and compensation practices are improving, there may be problems ahead for firms. Both times in recent memory the architecture compensation growth rate reached 6% (1999 and 2008), downturns were on the horizon, according to [analysis](#) by AIA chief economist Kermit Baker, Hon. AIA, and director of research Jennifer Riskus. While it’s unclear exactly what the broader economy will face in the coming years, we do know that [architecture billings](#) have flattened or declined every month in 2019 since January.

In light of such precedents and current economic predictors, what can firms do in addition to offering more money to keep their staff?

### **Improving professional development**

“If we were to find ourselves in a time to where we had limited options from a financial perspective, we would really double down on looking at experiences within projects” says Stivers. When compensation

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bumps aren't necessarily feasible, he and other leaders at RossTarrant ask employees what type of growth they're looking for and work to "afford them the opportunity to contribute in more meaningful ways on projects." More engagement with clients, interfacing more directly with contractors, or being involved new aspects of a project's development are all popular choices that advance knowledge while increasing job satisfaction.

Stivers is the first to admit that professional development can mean many different things. He leads the [AIA Strategic Council](#)'s professional development work group, a body charged with thinking critically about the future needs of architects. "We have defined professional development as any experience gained or received by an architect or architect-to-be that takes them further...what grows their skills and knowledge base. When you define it that broadly," he says, "that gets to be a pretty long list quickly." The Strategic Council group has been looking inside and outside the industry to help guide future professional development resources and opportunities provided through AIA. "A definite trend in providing content is to make it more personalized and more portable," he says.

For many emerging professionals, particularly those who are still working toward licensure, going outside the firm in search of professional development has helped enormously. David Garcia, Assoc. AIA, serves on the [AIA National Associates Committee](#) alongside Parmenter, engaging as a volunteer with that group as well with his alma mater, San Diego's New School of Architecture and Design, where he mentors current students. Those experiences have not only given him confidence to seek higher compensation at his firm, [RNT Architects](#), but have also directly led to exciting opportunities there. "If they see me as more mid-level, then I can ask for more responsibility on projects," he says, adding that structured yearly reviews have aided his development. "We'll sit down and talk about what I did last year and what my goals are for next year," he says. Those conversations, in which he talks openly with supervisors about what he needs to grow, have led to his inclusion on project interviews, bigger proposals, and a desire to stick around. "I think that's huge for somebody that's been in the industry for less than five years," he says.

## **Prioritizing career advancement**

A recent AIA.org poll followed up on the March ABI report, asking members what they felt was the best way to prevent turnover. The results echoed the ABI: "increased compensation" and "professional development opportunities" polled equally at 24% of the vote. Coming in at a much larger 41%, though, was "in-firm career pathways."

Last year, Parmenter found herself stuck at a previous firm. Having outgrown her day-to-day responsibilities, she didn't see the career progression she wanted materializing. "The only way that I found to continue growing and take on more responsibilities, was to ultimately talk with other people outside of my firm and go somewhere else for work," she says. While the firm was generally supportive of her and happy with her contributions, her leaders weren't in a position to change things up. "I approached them and told them what I wanted out of my career. It was just unfortunate that they didn't want me to experience that forward momentum in their firm at that time," she says.

As a firm leader, Stivers works to ensure that all employees have access to engaging opportunities,

we should. That's the future of the profession and that's where we need to be investing our time," he says, noting that the career development of architects who have been working in the field for longer, but haven't yet broken into firm leadership, isn't always prioritized. "What I see in my day-to-day practice is that mid-career professionals have a real thirst for information and knowledge that will help them elevate their career to the next level," he says.

Casey Crossley, AIA, has worked at upstate New York's [architecture+](#) for the entirety of his career. Since he started there during college in 2006, he's been supported through the licensure process and was recently promoted to associate. "Very early on, I was able to manage small projects and have many responsibilities that you may not get at a larger firm or in different situations," he says. There were times Crossley considered relocating, which would have meant switching firms, but after meeting his wife and coming to appreciate the lower living costs of the region, he stayed. "In my particular situation, it wasn't job-related. I was always happy with what I was doing and my career progression," he says.

"Mid-career professionals have a real thirst for information and knowledge that will help them elevate their career to the next level." -  
Jeffrey Stivers, AIA

Architecture+, a firm with approximately 40 employees, is a bit of a "unicorn" in the firm landscape, according to Crossley, a member of the [AIA Young Architects Forum](#). "One of the things that I feel lucky about in our firm is that we don't just hire people," he says. "When you get to a firm of a certain size, at some extent, you're hiring people to meet the current need instead of hiring people for the long term." Architecture+ looks at whether or not they can sustain and support the employment of each person they bring on board. While that approach may not be feasible at every firm, or at all times, it's a model that puts staff's long-term plans first.

Just like with professional development, career advancement knowledge and pathways can be honed outside of the office. Leadership programs at local AIA chapters are growing in popularity and the [AIA Leadership Academy](#), an initiative conceived of by the Strategic Council's professional development work group and the [Small Firm Exchange](#), will launch its inaugural class next year. Such programs exist to enhance an architects' career growth in the field, whichever path they choose.

Comprehensive approaches to career advancements sometimes require employers to look outside their own walls. Young professionals often desire relocation opportunities, remote work options, and employers who understand that achieving their goals might mean they'll leave at some point. Garcia, who hopes to start his own firm one day, appreciates that leaders at his firm share that perspective and support advancement. "I think they definitely understand that we will move on," he says, adding that though he sees himself elsewhere eventually, he is still committed to performing well in his current

## **Employee satisfaction comes from a people-centered approach**

As architecture firms continue to evolve to meet new demands of the workforce and a shifting economy, they'll have to get even more creative.

"Many firms have increasingly relied on other benefits aimed at improving the work-life experience and enhancing the culture of the firm in the eyes of current and potential employees," Baker and Riskus write. Mancini Duffy has added to traditional offerings like 401K matches with benefits vacation stipends, according to Williams-Olley. Parmenter says that BDE has started offering a "personal life enrichment scholarship," which affords selected employees opportunities to pursue non-professional activities and interests.

For many architects, the choice to stay at a firm comes down to the people they work with and the culture. Compensation, professional development, and career advancement are all integral puzzle pieces, each a factor in fostering supportive firms where they can achieve their best work. "As a leader in my office I want to create a place where people look forward to coming to work every day," says Stivers. "You want to know that you're making a difference in the people's lives who are inhabiting the spaces that you're having a hand in creating."

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