



THE
SYNERGISTIC
PROJECT

A New Approach for Corporate Interiors

GUNN  MCQUEEN MACKENZIE *flows* 

The corporate interiors roundtable series started as a response to what we in the Commercial Interior Design and Office Furniture industries were hearing from our clients and colleagues as we all returned to work after the pandemic.

We wanted to better understand why we were hearing about exhaustion and frayed nerves as well as overwhelming work from all parties.

We wanted to know if this was the new normal, or if this was a remnant of the past few years.

We asked a cross-section of industry professionals across North America to come together and discuss their experiences. Our participants included interior designers, furniture dealers and manufacturers, furniture agents, general contractors, design educators, facility managers and real estate professionals.

The discussion was focused on our business experience from 2020 through 2022. What was asked of the round table was what challenges has the office environment faced, how have businesses responded to these changes and what changes need to be implemented in the future to address this new business environment.

THE GOAL

The best projects are ones that have all teams supporting each other and working together towards the same goal. The intent of the round table was to better understand the roadblocks that were preventing these supportive environments from occurring in today's projects.

As a result, this knowledge would help to:

- Create Understanding between all people involved in a project
- Create Empathy among team members
- Create Synergistic Projects

6 Round Table discussions were held

- 4 with furniture, design, and contractor individual leaders
- 2 with client/owner representatives with multiple locations and some with multiple countries
- Leaders from across North America came together to discuss three challenges from their perspective

The Post-Pandemic Effect

The pandemic work experience reminded us that we have a variety of successful workplace models; remote, hybrid, or traditional.

Although businesses may have considered and shifted to different models in the past, the pandemic was the catalyst that brought about the immediate change to remote work. This change, although abrupt, was merely an acceleration of what was already happening.

The pandemic did not create the change. It accelerated it.

For most businesses, the abrupt introduction of remote work created a struggle to maintain productivity, communication, company culture, and track outcomes. These initial changes with remote work led to new challenges in enticing staff back to the office.

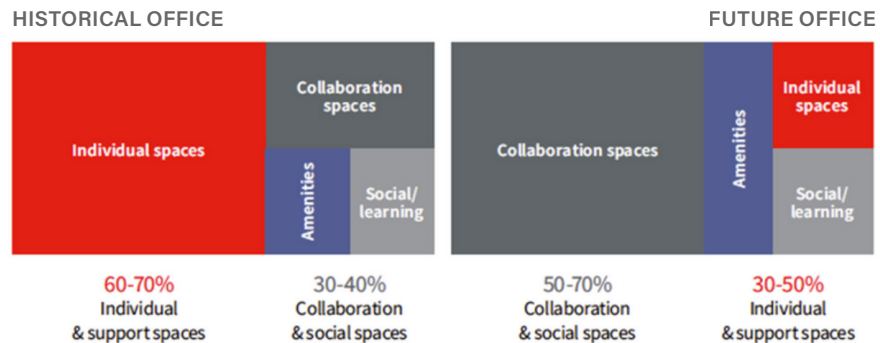
The common message from our colleagues

and peers (regardless of their role in a project) was that they are stressed, burnt out, and unable to advance client decisions. They are watching their profit margins go down and costs skyrocket while reporting that they are busier than they have ever been.

This is not an environment for long-term success. Something needs to change, but what should that change look like?

It is important to look at how our clients have changed, prior to determining our change. In the graphic below, JLL addressed how, with the addition of remote work, we are seeing clients change their real estate model. As many clients morph away from individual work zones to more collaborative spaces, the way we build and develop those spaces together should also change.

This is the ideal time to look at our industry model of problem-solving and project fulfillment.



JLL, "Your Next Office," 2022

Rethinking our approach to service delivery

Our approach to projects has seen little change in the last 30 years, though project complexity and the number of skilled contributors have significantly increased. While each of our areas of specialty - design and architecture, manufacturing, contracting, and delivery - are much more complicated than before, we still come together in the same way as we did in the 90s.

What the pandemic did was highlight how the client's needs have changed and how the process has not matched those changes.

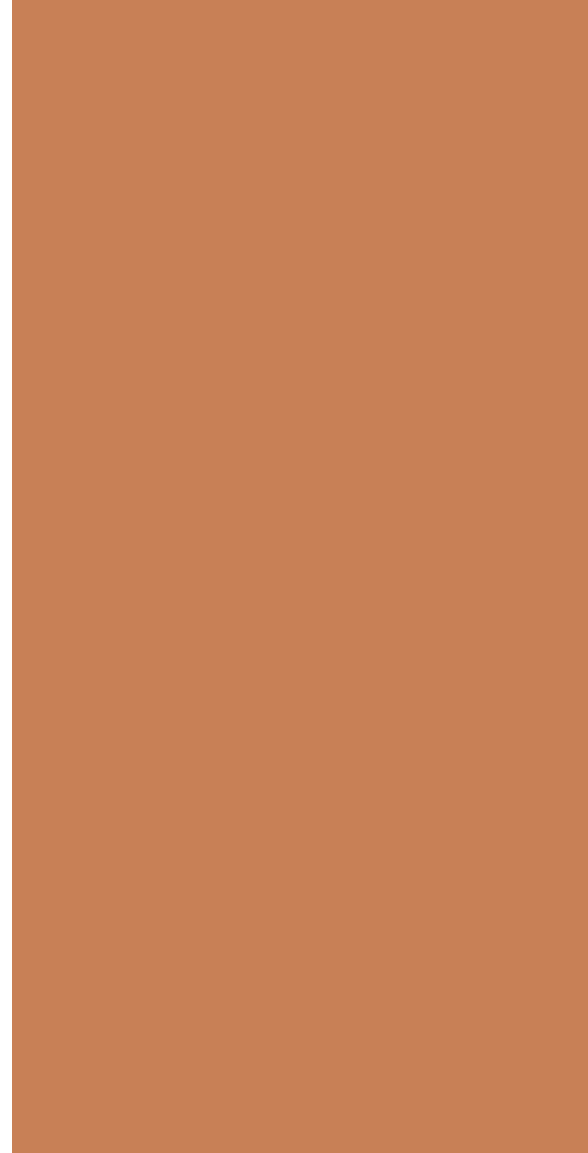
The result? Four areas of conflict between all project parties that are making jobs more challenging.

- Gatekeepers and Silos
- We add to the complexity
- Assembly line pricing for bespoke products
- We do not have the data to support current decisions

Gatekeepers and Silos

Each of our professional deliverables have become more complex as projects and clients become more complex. In addition to greater project complexity, increased competition for these opportunities means that projects are being won with smaller margins.

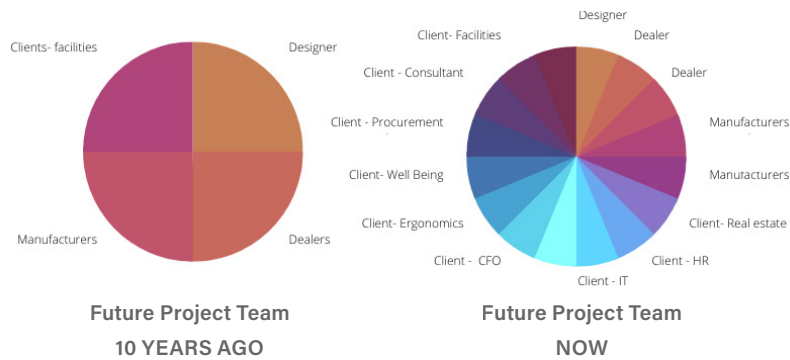
We must do more to secure less.



As a result, to protect their own interests, each team member becomes a gatekeeper which creates a silo. With so many project contributors, each with their own agenda and deliverables, we end up blocking each other. Ultimately, this impacts the project schedule, budget, and the client experience.

In addition, as project margins diminish, project contributors have looked for ways to diversify. Although diversification provides value, the result is too many players on the field.

The following diagram compares the contributors to an average corporate project in the past and today. Notice that the project hasn't grown in size or budget, but the teams competing for those dollars have.



We Add to the Complexity

Clients are not looking for solutions to problems that they don't know they have. They are looking for guidance in whittling down the sheer number of options that are available and making it clear, fast, and concise.

The industry has created a labyrinth of product and process messaging to create differentiation. The availability of international markets has introduced numerous new products, which adds to selection complexity.

As a result of the overwhelming options, our clients are going online and are looking for fast and easy solutions. Our pandemic experience of working from home and ordering everything online has accelerated this.

Our industry has always been challenged to be fast, easy, and relevant.

So, while our clients are asking for new, simple,

and fast ways to access services, we are still focused on an older model of teamwork for services for delivery.

The Results?

When the client is expecting that things are going to be easier and faster and they aren't, they will choose to find a way that is faster and easier without us. If our only perceived value is a way to select a textile or order a chair, they can do that with online tools now.

They need and want more.

A shift has occurred from parts-intensive systems to collaborative furniture. Though collaborative furnishings are less complex, they have their own challenges.

Clients no longer see the value that an experienced team brings to a project because we haven't shown them in this new buying paradigm.

"I have a problem. Tell me how to fix it, how much it will cost, tell me why you recommend the solution, and be mindful of our future relationship."

Facilities Executive, Northwest Territories

Assembly line pricing for bespoke products

Corporate design had the ability of being able to repeat a solution. Unlike residential or retail design, where every individual detail had to be thought through, corporate design leverages the need for continuity.

While a great deal of creative effort was required initially to create the design concept, often much of it was repeatable once the solution had been established.

A design and furniture project for five floors contained standards that were easily transferred from one floor to the next, saving time and billable hours for designers, dealers, and general contractors.

This is no longer the case.

Corporate interior and furniture design are moving from dedicated, focused, individual spaces to more collaborative team-based spaces. We now see a highly customized design for unique, flexible spaces. That five-floor job now has five completely individual floors to design, specify and build.

This takes more time, coordination with multiple vendors, and more decisions to make than before.

The problem?

Clients are expecting the same pricing and timing they had in past projects.

We now have a disconnect between how we supply a more complicated and time-consuming design and specification process, while still within the current models of pricing.

We need to create a new way to charge for goods and services.

We do not have data to support the current decisions

Change typically creates risk and discomfort. Prior to the pandemic, when clients were evaluating a change, we had data to support our recommendations.

Currently, we do not have enough robust data or applicable data relating to a client's current circumstances. It has only been a year and some people haven't completely returned to the office.

The Result?

Companies are now crafting new internal policies and creating their own approach to the best way to work in the absence of that information.

How are they doing it? By asking for every possible iteration of the design and evaluating each scenario for its merit. This leads to multiple red lines and quotations resulting in drawn-out decision-making.

This fear of making the wrong decision is delaying the process and bottlenecks internal resources, causing burnout, frustration, and lost capital.

All is not lost

The industry professionals that we spoke with saw the potential for greatness in the coming years, even with these challenges. There is data on what a client could consider from a real estate, design, or furniture perspective.

"There is a complete upheaval and reversal in the decision-making process. No one knows what to do. BUT, now more than ever, we need a decision made"

Office Furniture Dealer Principal, Quebec

What was missing was the discussion between the experts on how to best deliver that space to the client.

It is a new project landscape

It is important to acknowledge that client needs are different than in the past and projects

are more complex. To be successful, and to have clients understand the value of all our contributions, two things are important.

Project teams must work together and trust each other. Here are four ways to unite them:

- Integrated Project Delivery
- New Skills to Answer New Demands
- Generalists and Specialists
- Go where your Future Clients Are

New Team Approach-Modified Integrated Project Delivery

A synergistic project is where the parts, acting together, are greater than the parts individually. In our current silo delivery model, we don't see synergistic relationships. They are possible in an Integrated Project Delivery (IPD) approach. These projects involve all parties from start to finish with a goal of greater efficiency and cost management.

When professionals are involved early and have a clear understanding of the entire project, they can influence decisions that are made upstream that affect their portion of the project. They can contribute valuable insights and help manage the overall cost and delivery of the project. Everyone works towards a project's profitability.

Everyone does well, together.

If a full IPD model is too large a step for your client, consider creating an IPD consulting group.

This would be a modified IPD. It looks like this.

Before the client starts a project, a billable workshop is conducted with all key professionals involved. The intent of this workshop is to introduce each professional service and its value to the project and provide advice on the specifics of the project.

The value of the workshop in advance of the launch would be beneficial for avoiding late-in-project challenges.

This should be a billable service.

Our industry has often provided free information to secure a client. Creating professional partnerships showing how the investment in one workshop session will save time and money in managing expectations, change orders, and loss of design goals while working to reduce overall frustration and build trust.

New skills to answer new demands

“We are generalists and specialists with a decreasing piece of the pie,” to quote one designer from our round table. This creates the expectation that we can be all things to all people.

The reality is that we can't. Our projects have become more complex with new and different requirements.

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We encourage you to look at the “pie” differently. Decreasing pieces of the pie means that the size of the pie itself isn't changing. The scope is set, costs are assumed, and clients have a standard list of project pieces that must be completed. Professionals spoke about decreasing fees and new experts taking over responsibilities that others used to carry.

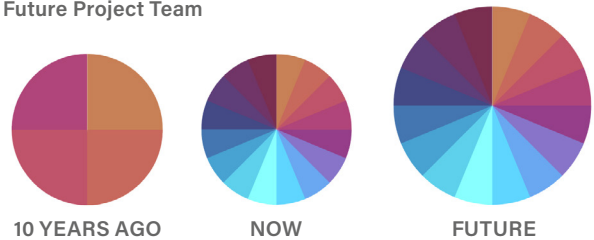
This assumption that ‘the scope of business is set’ may not be accurate. What the client groups shared was that they have a high demand for new skills and services.

Client groups need assistance before and after the project itself. They need new change management practices during and after the move, logistics to help manage these new complex spaces and inventories, and workplace strategy before, during, and after the project.

There is a recognition that a project is never “complete” but is instead a process. With a process comes new opportunities: We are shifting from project-based work to long-term partnerships.

The pie just got a lot larger.

Future Project Team



There is always the option of hiring people for these roles specifically. For larger companies, this is always a possibility. However, the cost of hiring these roles may not be feasible for smaller organizations.

Instead, we offer two other options.

one, Invest in training for these new skills.

Now is the time to identify people on your team to upskill in softer skills or new knowledge that match what your clients are asking for. An added bonus is that investment in your team is a compelling reason for people to stay with your company.

two, Embrace consultants.

If you need a workplace strategist, contract one for that specific client project. By adding the value-added service provider as part of your team, you can leverage the knowledge and tools that they have already created.

There was a concern that some markets had consultants who were aligned with their competitors. One key thing that remote work taught us was that we didn't have to be in the same place as the work. There has never been a better time to reach out globally and find new consultants to support your effort if they are in short supply in your local area.

Generalists and Specialists

Scarcity creates complexity.

The more concerned we are that there is less opportunity to be had, the more effort we put into creating a complex solution to show our value.

Projects may have multiple project managers, account reps, and designers with many having overlap in function that can compete with each other. Having these silos, robust teams can create the proverbial “too many cooks in the kitchen” phenomenon.

Instead, we should look at the entire project as being made up of many specialists and a few, extraordinary generalists.

Let’s shift to a blended model of our past and current state to help make things run smoothly. Simplify the delivery of the project to a generalist – the expert and key point of contact - and have the specialists coordinate through them.

Specialists:

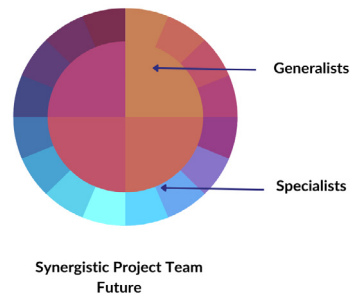
We have team members who are key to the project, and who need to understand the goals, but do not need to be at every part of the journey. They are our specialists.

Generalists:

The generalist acts on behalf of their team and has the authority to make decisions for them.

“We have become both Specialists & Generalists at the same time”

Design Lead, Calgary



This is not a role for a junior person but for someone with exceptional experience who understands what needs to be done and has a proven track record of success.

The generalists have a strong, foundational knowledge of all that their specialists do. Their job is to understand when the specialists should be brought in, when they should be kept informed and when something happens in the project that will affect the specialist’s area of expertise. It also ensures that all stakeholders have a voice but are not at the table vying for time.

The expertise, knowledge, and capability of the generalists, working as team, is what will keep the project moving forward and on plan.

What is key is that this team and their roles are understood by everyone, and communication is streamlined.

An effective Kick-Off Meeting

A well-structured kick-off meeting sets the tone for the project. Traditionally, kick-off meetings occur as each project contract is awarded. Rarely do we see everyone involved in a project at each meeting. Instead, we on-board the team with only the people that they directly affect. Multiple meetings with new team members cause information silos.

Information silos affect the project's efficiency. Consider adding the following to a kick-off meeting to increase effectiveness.

one, Information sharing sessions to understand the roles and responsibilities of each team and what the terms of engagement are.

This would be the opportunity to outline team processes and set expectations. For instance, teams can be clear on how quickly changes can be completed, how many sets of red lines are included and requests are to be made.

This creates a project communication plan that is easily understood, amended as new contracts are awarded and shared at all stages of a project. It is the Generalists responsibility to update this with their specialists information.

Teams would benefit from moving away from a reactionary "make changes fast and constantly" mode to one that is structured. Creating a proactive understanding of each team's capabilities and deliverables will prevent frustration and delays.

two, Develop a RACI chart as a Team and stand by it.

RACI stands for:

Responsible: a manager or team member who is directly responsible for successfully completing a project task.

Accountable: the person with final authority over the successful completion of the specific task or deliverable.

Consulted: someone with unique insights the team will consult.

Informed: a client or executive who isn't directly involved, but you should keep up to speed.

Projects lose time when the right people are not in the right place at the right time. RACI creates an understanding of who is responsible for what eliminates multiple people completing similar tasks, and establishes who has the authority to advance a project.

Without clearly defined leadership and accountability, all team members lose traction.

Go to where your future clients are

You are not only competing against others in your market. You are now competing against online retailers who are selling contract-grade furniture and design. Quick ship products and quick design are being demanded by our clients, and our current process does not widely support this.

How are we, as an industry, spending our time then?

Many of our colleagues spoke about the amount of time that was spent answering RFP's and multiple iterations of drawings and quotes instead of business development.

They are in response mode instead of proactively finding new business.

We recommend two approaches to cut through the noise of the market and help yourself stand out to clients.

Consider offering different levels of service to your clients.

A fast and friendly entry-level, a standard level, and a gold level.

Fast and Friendly: An edited offering with quick turnarounds. This could be simple planning ideas or a quick ship program. Provide your clients with published research and established standards.

Standard level: Create solutions that are specific to the client. The caveat is that there should be an understood number of red lines and

requotes for this package. Consider adding value-add services like time with an ergonomist or strategist to enhance the client's final solution.

Gold Level: Everything is included. Customized solutions that create a complete soup-to-nuts package. Everything that it takes to get people working in that new space would be included with bespoke service being the top priority.

Why do this? Because providing gold service to a fast and friendly client is how you lose money and many of us are doing it. Providing extra service to a sought-after client may be that differentiator that you need to win. Having your teams understand and embrace the differences is important.

Simplify

Decrease the amount of information that a client must wade through as the reason why they should work with you.

Your business development effort should focus on not only what is great about you but on how you can help your clients cut through all the noise and guide them to the best solution.

Why can't people decide? Because there are too many options and too much information. We often forget that our clients don't work with us because of what we sell (either a service or a product) but because of how we guide them through the decision

Move from selling components to providing guidance to stand out from your competition.

Ultimately, it's the team

None of this works until you have the right people on your team. But who are they?

Round Table participants were asked what traits the people that flourish in our industry possess. We were interested to hear that none of them were technical in nature.

The top traits were:

- Strong communication skills,
- Tenacity,
- Perseverance,
- Accountability and
- Empathy.

In other words, hire people who have integrity, kindness, and resilience. These are innate qualities. Then, teach the technical skills and processes that they need to excel.

In juxtaposition, the client participants the same answered the question, they highlighted the following:

- Integrity,
- Speed and responsiveness,
- Competency, and
- Strong communication skills

Are we hiring for what our clients' and teams require? In our hiring, we have focused primarily on technical skills and less on soft skills. Market conditions show that we should hire new team members for the inherent, softer skills and then teach technical skills as required.

We need to hire for both mindset and skillset.

"What we look for now in our talent and teams? Resiliency"

Senior Designer, British Columbia

IN CLOSING

It is time to stop competing against one another in a project.

The processes of the past are not effective in today's complex projects. We have to rethink how we work together with the key understanding that we need each other.

We can't do it alone.

The greater understanding we have of each team member's role and responsibilities, the more empathy is created, resulting in a Synergistic Project.

When that happens, we will have created the best possible outcome for the client by delivering a project respectfully, on time and on budget.

It is time to change.

Our sincere thanks to our colleagues who spent valuable hours lending us their insights, expertise, and contributed to our thoughtful discussion.

CONTACT US

TO LEARN MORE



GILLIAN SELBY

GUNN MCQUEEN

Gillian's combined education in economics and interior design into a 25-year career in the corporate interior industry. She has worked as an interior designer, managed the sales teams in furniture dealerships, been part of a furniture agency, and was a global account director for a major manufacturer.

Her strengths around strategy, team building, and problem-solving combined with a love of creative thinking brought her to start her own company, Gunn + McQueen in 2021. She saw that our industry needed new skills to keep up with the changing market. Gunn + McQueen works with architects and designers to grow revenue by developing a business growth mindset similar to that of sales professionals.



KAREN MACKENZIE

MACKENZIE FLOWS

In Karen's award-winning 30-year career, she has had transformational roles with office furniture dealerships and manufacturers.

With an Interior Design education, curiosity, deep listening skills, and empathy, Karen has been a leader in Canada's office furniture industry. Her specialty is guiding the furniture selection and implementation of multi-phased, multi-floor projects. Karen has been a valued furniture adviser to businesses that enhance the skylines of major cities.

In 2022 Karen created Mackenzie Flows to guide clients on their furniture journey. She brings practical problem-solving skills that represent a sensitivity for sustainable solutions.

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