

Member Insights Report

Qualitative feedback to help manage members' needs and expectations throughout COVID-19 and beyond.



AIA
Atlanta

Summary

The coronavirus (COVID-19) pandemic has drastically disrupted life globally with unprecedented school and business closures in the interest of public health and safety. As the crisis evolves, architects and firms are searching for means to continue business amid much uncertainty about the industry or economy's future.

To fully understand the scope of members' needs, strategize advocacy and programming efforts, and learn how to best serve members moving forward, AIA Atlanta's leadership performed a phone survey for qualitative feedback. The survey yield individual responses from sole-practitioners, firms of various sizes, and members in industries including higher education, real estate, and government.

Concerns

- What can AIA do to prevent a generational exodus in the industry similar to 2008's downturn?
- How does the economic relief bill affect the AEC industry and what are solutions for firms that are too big and single-person firms that don't qualify for relief?
- How will private capital and credit institutions respond to AEC needs?
- Firms are seeing a decline in work and are initiating pay and stay reductions. How long will COVID-19 affect new business, cash flow and project schedules, and how can firms stay afloat?
- How can AIA recognize and support new graduates entering an atypical market?

Projections

- How can this jump-start a paradigm shift in professional practice (gig economy, remote working, fee structure, firm organization, etc.)?
 - Could 3-4 architects unite to create a case study on how to start an AE firm during a time of social or economic crisis; even partner them with a volunteer business consultant or MBA students. What other multi-disciplinary minds could be involved?
- Could this change the relationship with contractors, inspectors, and owners?
- Could this change the way office spaces and significant rent payments are conceived and prioritized moving forward?
- COVID is possibly going to force a rethink of fresh air issues in office buildings. How can AIA be on the cutting edge of changing building codes to address this? This is a great opportunity for AIA to connect sustainability and how we work and how we design.
- WELL Building standards could become increasingly important. What are the implications of socialization and the impact on mental health in this crisis?

Working remotely and social distancing

- What does the working environment look like going forward? Do more firms allow flexible hours and working from home if this can be successful/profitable?
 - Webinars on virtual meeting etiquette
 - A “best practices” guide for how to effectively and most efficiently work from home
- What are reliable and quality online CEU resources?
 - This is the most common request, given cancellations of lunch-and-learns and conferences, etc.
 - AIA patrons are excellent resources for CEUs.
- Firms could institute two-way remote learning (similar to university studio classes) to facilitate on-going mentorship for emerging professionals

Additional questions and feedback

- Is there a way for AIA to help point laid-off or furloughed members towards firms in need of temporary (or permanent) staffing?
- Maintain communication with members to provide articles with updates on current trends and stats, with an even distribution across local and national, as well as small vs large firms.
- Provide tips and resources for PPP and other stimulus applications.
- Could AIA offer a healthcare group for small firms, or offer a clearinghouse for small firms who want to form a group for health insurance policies?

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Large firms

Respondent A

- Worried about what will happen in economy when things start to go back to normal. Every client who put projects on hold may decide that their project needs to be first in line. If firms have laid people off, they may not be able to get people back in a timely manner.
- How does AIA use the downturn to help members gain skills during down time – portfolios, REVIT skills, etc? Keep AIA focused on courses on technical skills, building materials, and connections to sectors that will thrive in times of resilience.
- The profession lost an entire generation in the last downturn. What can AIA do to stop a similar hemorrhage this time? AIA and architecture schools need to talk about graduating people faster, and how to get them in the job market sooner.
- This is not a financial recession – it's a structural recession. Unless this lasts long enough to lose lots of small and medium businesses, the fundamentals are there to come back quickly.
- Firm leadership has done a 90-day planning exercise, and expect that they will not be back to normal until at least the end of June.
- Essential industry sectors will be hiring now, and is there a way for AIA to help point laid off members towards firms doing work in those sectors?
- Some firms are laying people off strategically – those in sectors that are being hit by recession are at risk of being laid off, but they might be hiring for their healthcare studios.
- Encourage members to volunteer in their communities, even virtually, to keep profession's contributions in sight.
- Firm leadership is doing semi-monthly fireside chats on Zoom and CEO sends almost daily updates and resources, key news articles, feedback from clients, etc.

Respondent B

- Hospitality studio has been hit hard, but other studios are staying busy. Hearing that firms that are diversified are weathering this well. Healthcare unit is doing amazingly well during this difficult time, though.
- Impressed with the webinars AIA did on stimulus package and private plan review. Feels terrible that some small firms did layoffs the first few days of the crisis, and have missed the stimulus money that was not passed as a law until the following weeks.
- This will change forever how we think about working, what the office environment is like and the amount of office space that is leased. Architects are learning they can work remotely better than most industries. Could AIA host some post-COVID dialogue on lessons learned, and some future prognosticating about what role architects will play in the future office economy?

- Architects are learning about the capabilities of MS Teams, 365, Zoom, and others – and realizing that the profession has not been utilizing this to its fullest potential. This is going to fundamentally change the relationship with contractors, inspectors, and owners.
- There are some tremendous lessons to be learned from how architecture schools are learning how to do this. Believes that much of this could carry over to firms. How can AIA facilitate a two-way learning process/best practices between the schools and the firms that did the best transitions?
- WELL Building standards could become increasingly important. What are the implications of socialization and the impact on mental health in this crisis?
- Leadership Atlanta and the Chamber are doing weekly teleconference briefings on various topics, including on healthcare issues. Children's Healthcare has shut down much of their activities, because so much of it is not time sensitive. Lots of loss of revenue from absence of elective surgeries and other treatments is missing and is not being made up by COVID activities. This is true of all hospitals. Learned that FEMA is preempting purchasing on all sorts of needed COVID equipment, and Georgia hospitals are not getting what they need.
- COVID is possibly going to force a rethink of fresh air issues in office buildings. How can AIA be on the cutting edge of changing building codes to address this? This is a great opportunity for AIA to connect sustainability and how we work and how we design. See the pictures of what has happened to the air pollution in China.
- Very pleased with how well AIA Atlanta has reached out to members and sought their feedback. Thought the two town halls and calls to him and others were the first time he can recall AIA ever doing something like that.

Respondent C

- Says members might like more resources on remote work.
- Wants to earn CEUs.
- Would like an email update from state or local leadership like Robert Ivy.

Respondent D

- Appreciates that third-party review will proceed; wants a list of third-party reviewers.
- Great time to help non-licensed architects get licensed.
- Resources for job placement after layoffs.
- Would like a webinars on virtual meeting etiquette.

Respondent E

- Doing fine working from home, trying to keep 3 studios busy and trained on how to work from home during this stay at home order.
- Suggested we offer more continuing education webinars.
- Still too soon to be concerned with projects moving forward; firm is still extremely busy.

Respondent F

- Biggest concern is disruption in workload and cash flow due to clients extending payment terms.
- Concerned for the negative impact on staff both personally and professionally
- The firm adapted quickly to remote work. As a large firm they are fortunate to have already had infrastructure in place to accommodate
- They are conscious of the social aspect of remote work; having video coffee breaks and happy hours.
- As a large firm, thinks our efforts are to focus on the smaller firm needs. The most important is the intangible thing of promoting a sense of collegiality. We all have different hiccups right now but we are all in this together.

Respondent G

- They are at full employment but seeing a small slowdown.
- They are trying to cut expenses in every way possible over headcount.
- Glad they are considered an essential business.
- Principals get on a call every morning at 8 AM to share intel on projects and what other architects are experiencing.
- They are doing webinars from home and companies are issuing Chick-Fil-A gift cards.
- From what he has seen AIA is doing a nice job for the community.

Respondent H

- Attended a recent AIA Atlanta town hall and thought it was good and moving in the right direction.
- Firm has let some folks go but they are a large national firm with a big overhead, where other offices projected income may affect the headcount everywhere?
- Currently working on a project at West Georgia tech and is struggling with how to give clients a clear idea of what they are recommending virtually as not all industries are rich in the digital content yet, and renderings don't always convey color, texture and lighting effectively.

Mid-size firms

Respondent A

- Stays at full employment (30), but down the road a 20% pay cut may be inevitable. Has coached employees to notify landlords and creditors of the situation so they can be prepared and keep lines of communication open if such a move is made.
- Recently hired two people during the crisis as they became available and were qualified
- Breaks down teams into smaller groups and holds meetings so everyone gets to give input versus trying to talk to everyone at once.
- Knows some of the projects on the drawings boards may not come back but firm remains busy as we sit today.
- Concerned about what it is going to look like 3 months out.
- Happy that the PPP money came so quickly.
- Nothing comes to mind that is needed from AIA Atlanta that they are not doing.

Respondent B

- Firm's 100 folks all are working remotely except 10 who spread around the office.
- Currently at full employment and billings from March were solid.
- Pipeline looks good for now but does worry about 3 months out.
- Nobody has stopped a project as of yet, and being diversified has helped stay busy; some have in fact accelerated due to developer clients anticipating lower construction costs.
- Very happy with how quickly firm received SBA loan from the government.
- Doing L&L every Wednesday as had committed to do with vendors, previously live now just remotely.
- Feels that the AIA Atlanta is doing a good job trying to stay relevant during these difficult times, and had done a good overall job of communication; thought AIA national had done a good job of representing members' interests when it came to federal legislation.

Respondent C

- Office relationships are key. There is challenge in how to maintain those while not is physical proximity.
- Around 8 -10 people are generally in the office, though most are working from home. From an office-wide poll, most people responded positively and are doing well adjusting.
- Has general concerns for health and well-being of everyone and their families. Also noted the difficulty of missing office relationships.
- The AIA has done a great job sharing local and national information. Interested in how the AIA can continue supporting the industry and uplifting firms/people, as well as what the AIA can do for smaller firms that may be facing struggles.
- Focused on the next 30 days, but also long term. There is going to be impact to projects, RFPs that will impact the pipeline of new work. Will working remotely have long term impacts on how much office space is required by companies in the future?

Respondent D

- Needs more information from City of Atlanta on timeline for permitting & inspections
- Would appreciate insight on how other firms are managing the process (successes & struggles)
- Firm was prepared for remote working and has managed the transition well.
- Really wants further clarity from the City of Atlanta on their process moving forward. Firm has not had many projects go on hold, but they are concerned if the permitting and inspection process does not continue, or if there is not a clear timeline moving forward, then clients may decide to put projects on hold until the uncertainty is resolved.
- Would appreciate AIA Atlanta organizing a town hall with City of Atlanta officials on the plans for the architecture, design and construction field, similar to the Atlanta-Fulton Collaborative On-Air Town Hall (4/02).

Respondent E

- For the time being, firm has not been overly impacted by the current circumstances.
- Doing a lot of work for the city government of Athens and have been designated a critical business so they are able to stay open.
- Said that the “phones are not ringing” but that they had a healthy backlog and they were happy to work through it.
- Aren’t having any in-person meetings and about half the staff is working from home while the other half is coming into the office.
- Looking beyond 30 days just because they think the situation is going to last longer than that. Currently anticipating/hoping that activity will pick up in June.
- Thought that AIA had done a good job communicating and keeping them informed.

Small firms

Respondent A

- Previously prepared for remote working; have managed the transition to the full office smoothly.
- Need more clarification on how the City of Atlanta is proceeding with permitting.
- Interested in information about third-party permitting from AIA Georgia.
- Planning to apply for SBA grants & loans ASAP.
- Only one project has gone on hold, and have multiple inquiries about new projects.
- Have had mixed experiences working with plan reviewers at the City of Atlanta, but needs more information about changes to permitting in response to the current situation.
- Wants more information about working with previous clients to offer third-party plan review.
- Appreciated the call from AIA Atlanta checking in on members and firm leadership.
- Could use more information, training or best practices for video conferences.
- Separately, wants to know whether AIA could offer a healthcare group for small firms, or offer a clearinghouse for small firms who want to form a group for health insurance policies.

Respondent B

- Unique case; single-person S-corp, already out of a home office, and projects are only single-family residential.
- Has not experienced a workload change yet, but knows that the trickle down of layoffs and reduced incomes will lead to a reduced workload. Current small business “bailouts” don’t necessarily apply to a single-person firm
- Would like to see AIA lobby for makeup income when/if the time comes; if this extends out to a year, firms will likely need help.
- A benefit in the AIA, especially in a time like now, is the email correspondence: articles with updates on current trends/stats, an even distribution across local and national, as well as small vs large firm.

Respondent C

- Very worried about students about to graduate, and what the profession and firms can do to keep them in the industry. We don't want to leave a lot of the best creative minds without help, and we can't afford to lose the best of another generation (like we did in 2008-10). With technology moving so fast, a loss of the most innovative young thinkers would be catastrophic.
- Firm is finding that design-build is creating some more attractive options for a small firm than traditional work in the last 6 weeks.
- How will the architecture charter school he is forming adapt to distance learning? How do they take a proactive approach to do online work, while they are building out a facility, delivering quality solutions to families that are interested?
- Proposed to put 3-4 architects together to create a case study on how to start an AE firm during a time of social or economic crisis, and partner them with a volunteer business consultant, or MBA students. What other multi-disciplinary minds would be involved? Create a guide for a new forward-thinking firm, with fee design models, etc. How would a firm of the future be formed, financed, organized, etc.?

Respondent D

- Work has not slowed down as of yet; recently won 2 new projects (a Church and a commercial development).
- Most employees are successfully working from home.
- Noted that before the most recent developments the firm had been considering new office space to accommodate their growth/hiring. That is on hold/unlikely to happen now because of recent events.

Respondent E

- Deliver services to many segments which has proved valuable in the crisis.
- Work from many sectors continues.
- till meeting with clients to talk about starting new projects.
- Have several residential design underway and concept design for a multi-family project

Higher education

Respondent A

- The students have been more flexible and patient than imagined.
- Right now, everyone is focusing on just finishing the semester and classes.
- Graduating seniors are disappointed to be missing out on graduation activities/having those postponed. How can the AIA celebrate seniors finishing classes or at least give some recognition to that next generation of architects ?
- Once seniors do finish classes, how is the AIA going to be present to support them?
- The biggest challenge is currently getting hardware/laptops to students who were relying on the university computers.
- The university sponsored firm networking event has been cancelled. When the fall rolls around or when social distancing is no longer required, how can the AIA help facilitate these networking events and relationship building with new students? University has access to the alumni network and wants to work with the AIA/firms to bridge this gap.

Respondent B

- Biggest concern about the current state of the city/state/country is that many members as well as alumni may lost their jobs, especially many who are international students.
- Would like to see AIA pursue providing tech support for members, as well as job opportunities for members lost their jobs due to the COVID crisis.
- Felt that a discussion forum for best practices during this disruption would be great for the students. It would be beneficial to see how the industry faces this crisis and what the firms' strategies are.
- This crisis may affect the future work setting, so how will AIA provide firms a look into this new form of working environment?
- University has put student and faculty safety as the top priority; they are holding spring quarter classes virtually, and taking other proactive measures.
- Has been lucky enough to receive comprehensive training and tech support which was provided to staff and faculty. There were also workshops and training during Spring Break before the Spring quarter started, so they were generally well prepared.

Realty and equity

Respondent A

- Does mostly workplace services for companies and had several projects in multiple locations underway and about to kick off. Plans were moving forward to continue with the construction and buildouts.
- Construction industry partners seem intent on continuing to meet schedule deadlines.
- A main furniture supplier informed everyone that they had halted manufacturing facilities; this has delayed or stopped work.
- Some owners or clients don't seem to be understanding of the current situation.
- New shelter in place rules have forced a delay on most projects not already started.
- Company has furloughed several members of their 12-14-person team and expect to have to lay off others.

Respondent B

- Professionally work is continuing.
- Job site visits are moving to FaceTime meetings.
- A Savannah project was ready to move forward after a long delay due to sea wall instability; now working on the next steps.
- Personally, the lockdown has had a huge impact with family in NY/NJ. Heard much about the difficulties of the virus impacting their family, mostly indirectly due to sheltering orders.
- Has been lucky enough to receive comprehensive training and tech support which was provided to staff and faculty. There were also workshops and training during Spring Break before the Spring quarter started, so they were generally well prepared.

Government

Respondent A

- Extremely busy working on current projects as well as new initiatives at the agency.
- Expressed concerns on need for continuing education opportunities. Looking for new opportunities to receive credit now that now that box lunches and conferences are postponed or cancelled.
- Also suggested more virtual opportunities for membership using zoom or other platforms to keep architecture community engaged.

Additional data

ACEC National Survey - Week 1

- There were 794 respondents to the survey. Of them, 53% were firms under 25 FTEs.
- Most of our firms do not travel internationally (60%) and therefore, there was no change to their policies.
- For domestic travel: 66% of respondents have restricted travel to training or conferences. 52% have restricted air travel.
- For work from home: 20% have not changed their policy and said it's business as usual. Most (64%) are either encouraging or allowing employees to work from home. Only 8% have made work from home mandatory.
- 23% of responding firms are providing paid emergency leave, 13% are providing emergency unpaid leave. Interestingly, 13% already have an unrestricted leave policy.
- When asked how firms are working with clients to ensure work can continue- 77% are ensuring social distancing, 73% are allowing virtual work, 52% are focusing on meeting and project hygiene, and 52% are limiting access to offices, project and construction sites.
- 96% said they have not had problems with public clients when protective measures may conflict with contract terms.
- 56% have not experienced project delays or cancellations; 44% have experienced delays/cancellations.
- 76% have not experienced delays in the issuance of RFPs/RFQs or awards; 24% have experienced delays in issuance of RFPs/RFQs.

When asked to describe any other business issues that you are experiencing related to COVID-19 respondents answers fell into several main categories:

- Significant interest in what will pass Congress and how it will affect their business-particularly small firms
- Many not experiencing major project delays as of now but expecting that to change
- Worry that work will slow- starting to see it happening
- Worry that clients will pay more slowly (particularly public clients)- starting to see it happening
- Office going remote resulting in uncertainty of workflow
- General employee distraction due to depth of crisis and rate of change
- Economic uncertainty

ACEC National Survey - Week 2

- More firms have implemented some type of domestic travel restrictions (79% up from 71%). This has led to an increase in restrictions of all types of travel.
- Significant increase in the percentage of firms that have implemented some type of telework policy (93% up from 80% in week 1).
- To ensure work continuation, more firms implemented various methods to work with clients. Social distancing (84% up from 77%) and allowing virtual work (84% up from 73%) still top the list.
- Large increase in the percentage of firms (24% up to 40%) reporting delays in RFPs/RFQs or Awards due to COVID-19.
- Large increase in the percentage of firms (44% up to 58%) reporting project delays or cancellations due to COVID-19.

Results from new questions:

- Nearly 9 out of 10 firms (87%) report receiving no assistance from creditors at this time, or at least are not aware of any.
- Nearly half (47%) of firms believe congress should delay payment of the firm's share of Social Security payroll taxes, while nearly as many favor increasing interest deductibility for businesses (44%).
 - Suggested "other" steps congress can take to mitigate cash flow challenges include: no interest loans, grants to cover payroll, tax credits and deductions, and Direct Payments / Unemployment to Employees.

Top concerns:

- Cash flow
- Timing of government assistance
- Project delays and future work cancellations
- Loss of productivity/efficiency due to work from home
- Slowed bank responses to many urgent requests
- Anxiety over the economy