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The Executive Perspective

Lessons Learned from the LEED® process – How LEED® Can Motivate Business Transformation Across Management Sectors

In June 2004, Smith Carter Architects and Engineers Incorporated opened the doors to their innovative and environmentally advanced corporate headquarters. Situated on a five-acre, pie-shaped lot in Winnipeg's south end, the 50,000 square foot building was an opportunity for Smith Carter to tangibly demonstrate how the built environment can be used to increase communication, enhance productivity, improve employee satisfaction, and raise the profile of the company. The building has received critical acclaim, winning a Governor General's Medal for Architecture in 2006 and achieving LEED® Platinum Certification in May 2009.

Designed as an active 'beta site' or hands on laboratory, SC3 has since provided the interdisciplinary team of architects, engineers, landscape architects and interior designers an opportunity to test materials, study data and interpret results of sustainable building practices for internal use as well as application to a client's project.

From the executive perspective, the question is frequently asked: "What were the benefits to seeking LEED® certification, and why was Platinum level certification important to achieve?"

For Smith Carter, the LEED® Platinum certification has helped to shape a new vision for the corporation, and has provided a tangible means by which to manifest the new attitude and character of Smith Carter as it enters a new building, and a new era.

The LEED® Platinum designation is a symbol for both clients and the company itself, about positioning in the marketplace and the broader sustainable community, not only today but where Smith Carter seeks to be in the future. The effort to achieve the LEED® Platinum designation is now guiding the way the firm does business, the way they serve clients, the way building design professions are represented, and how they present themselves to the world.

THE BUSINESS MODEL

Taken as a case study, the LEED® certification process has impacted almost every division and aspect of the business from Operations to Administration and Human Resources, Marketing and Information Technology Management.

OPERATIONS

From an operations perspective, the LEED® Platinum award has re-focused the company,





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highlighting the goals that were set out after the move to SC3 in 2004. One of the goals was a more efficient operation and the move to a healthy and employee friendly building would manifest rewards in improved productivity, company growth, and reductions in overhead. While the improvements from construction of the new building are not wholly attributable to LEED® certification and construction of a sustainable building design in lieu of a typical office building, (for example, accruing operational overhead savings from amalgamating employees who were previously residing in three different buildings into one building), there have been improvements in employee efficiency (defined by the ratio of billable hours to overhead hours) even while the staff complement has continued to grow. Although improved productivity is difficult to quantify for projects with complex delivery models, there is anecdotal evidence that supports the goal. Project managers report that having adequately sized meeting rooms, break-out spaces, and the flexibility to move staff around easily as project resource requirements ebb and flow, has allowed Smith Carter to improve production time across the

board, all while having more projects in the office running concurrently.

Having a new and flexible office environment has also allowed the company to increase its staff complement by 200% over the past five years, and the plug-and-play open-office configuration (an organizational planning component that was key to achieving the LEED® Platinum designation) has allowed the growth to take place without any noticeable pressure on the ability to complete client work, or seek new business. The growth model has allowed Smith Carter to add specialty resources that have resulted in an increased depth and breadth of client service (i.e. LEED® facilitation, energy modelling, etc.) and an improved bottom line.

ADMINISTRATION AND HUMAN RESOURCES

The new SC3 building has allowed the company to realize a number of administrative and human resource related benefits. The attraction of a new, staff focused building is typically a motivator for prospective employees, but the LEED® Platinum designation provides the added benefit of making the sustainability focus of the company tangible for new hires. Like some companies with reputations as “fun workplaces” that attract like minded prospective employees with flexible working hours, cafes, and workout facilities, Smith Carter’s reputation as a sustainable workplace has allowed the company to attract employees who already share similar values. Subsequently, there is evidence that the acclimation period for new employees is shorter than it was previously, and employees are quickly becoming efficient, and more integrated into projects as compared to SC2.

Administration and management of the design staff and work process has also improved as the new building was designed as an open-office configuration where workstations can move about the main studio floor

as required to meet the staffing demands of particular projects. Without the hegemony of cubicles, there is a greater degree of flexibility and innovation possible. The open-office configuration allows for an employee to connect to the IT network anywhere on the studio floor – raised access flooring covers a network of cabling that allows for a true “plug-and-play” infrastructure. This open office, while key to the achievement of the LEED® Platinum award, was designed with project management staffing issues in mind. Teams can be assembled and re-assembled with less than a two hour loss of production time per person per move if the move is required during typical office hours.

These improvements have also been separately discussed in a mini case-study entitled “The Human Resources Perspective - How LEED® Can Improve the Administration of Human Resource Functions.”

MARKETING

The LEED® Platinum award has had a significant impact on how Smith Carter markets the firm to its existing and prospective clients. Understanding that clients may have different areas of interests: operations focused clients may be concerned with technical issues and building efficiencies; administration focused clients may be concerned with staff efficiency issues; and executive clients may be concerned more with business transformation issues, Smith Carter leverages the ‘Lessons Learned’; as both owners and designers of the new building. This approach enables data to be collected and analyzed from a range of viewpoints in a language appropriate to the respective audience. As such, documentation in a case study format is continually being developed to illustrate the building design achievements, the documentation of the LEED® requirements and the experiences gained since moving in and adapting to a new work environment.



These case studies not only highlight the technical aspects of the work, they describe the organizational knowledge gained from the process, and document good and bad outcomes that can be shared with clients to improve their outcomes.

This case study format has also motivated an innovative methodology for capturing and sharing the knowledge acquired during the LEED® Credit Documentation. Instead of viewing this information as proprietary, Smith Carter is taking the view that existing and future clients will have an interest in the lessons learned from the design, construction and documentation of our own building. Smith Carter used the LEED® process as a learning tool for furthering the development

of LEED® Accredited Professionals believing that nothing builds experience or understanding more effectively than actually completing the documentation. Being able to speak with credibility from the point of view of the owner, as well as designer, is a unique and important distinction in the marketplace.

IT MANAGEMENT

While information technology management issues have been significantly improved in the new building as a consequence of installing new leading edge equipment and software, the pursuit of the LEED® Platinum designation required that significant attention be paid to the development of sustainable communication and data management strategies.

First and foremost, there were steps taken to support sustainable meeting and travel protocols. Smith Carter designed a built-in IT infrastructure backbone to accommodate video-conferencing between its offices in Ottawa, Atlanta, future Smith Carter offices and similarly equipped client groups. Smith Carter also designed an IT system that allows staff who work outside of the office to be able to connect to our data management system remotely, so that travel time does not have to be down-time.

When the building was designed, the video-conferencing system and remote telecommunications access was seen as a means of connecting far-flung offices and team members, but the growing number of international projects has allowed the expansion and understanding of uses for these capabilities. As a result of the expansion capabilities, more international projects than ever are being completed in the office. SC3 has been a catalyst for an ongoing sustainable IT strategy that includes:

- larger main server that has an energy-efficient shared power and cooling infrastructure and saves space and energy by consolidating 14 servers into one chassis; utilizes up to 90% energy-efficient power supplies;
- server virtualization that is anticipated to reduce energy costs and consumption up to 80%;
- notebooks, desktop computers, monitors, printers and copiers are Energy Star compliant;
- double sided printing capability to reduce paper use with copiers and printers;
- responsible computer disposal through E-Waste disposal sites;
- software applications to promote virtual meetings (i.e. Cisco VPN for remote access and Webex for web and audio conferencing) work in concert with the plug and play infrastructure and the video conferencing equipment.



The LEED® Platinum rating was the catalyst for these IT changes, requiring the company to look at communications as an opportunity for growth, not just a technical issue.

FINAL WORD

The executive perspective for organizational change must take a broad view – appreciating that the different business functions of any organization can all be improved when a vision is clearly articulated and put into action. In seeking LEED® platinum certification for its new office building, Smith Carter set a vision, supported the ongoing effort of the project team and embraced business transformation that is taking place. A LEED® platinum building cannot be created without the significant input and commitment from the owner, including an examination of business practices. Without a business shift, designers

are unlikely to achieve such aggressive sustainability goals with the built environment. However, evidence of the success of such a process is embodied in SC3. The business transformation is underway and ongoing, and the company's success on the national and international stage is being accelerated by a workplace that allows employees to realize their potential in an high performance, sustainable workplace.