AIA Minnesota Recovery Task Force Report to the Membership

October 2010

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**AIA MINNESOTA 2010 RECOVERY TASK FORCE REPORT TO THE MEMBERSHIP**

By the fall of 2009 the architectural profession in Minnesota had clearly fallen into an unprecedented and rapidly changing crisis brought on by unfolding economic contraction. Our economy, as well as our profession, experienced a significant boom from 2003 through 2007. Things began to change in late 2006 as demand for new housing units slowed and price increases came to a halt. Although residential demand weakened and housing prices began to drop in 2007, there was little immediate change to the profession.

The financial world, however, evolved much more quickly as declining home prices dramatically changed future expectations on a variety of financial instruments. Mortgage companies and banks heavily involved in the mortgage industry began to fail and show signs of stress as 2007 moved into 2008. The scale of the crisis became quickly apparent through the middle of 2008 as financial institutions and asset holders tried to re-assess future trends and the value of their current holdings. By October of 2008 a worldwide financial panic engulfed the financial system and equity markets. By this point, the severity of the systemic problem and extreme concern about the unpredictability of the future resulted in widespread cancellation of construction projects and freezing of future plans for new buildings.

Although institutional and large-scale projects continued forward based on previously established contracts and conditions, the contraction and cancellation of projects dependent on real estate lending had an immediate impact. Architects were not alone, as many sectors of the economy found their cash flow and business frozen or reduced in late 2008 and early 2009. The economy shed jobs at an unprecedented rate, with major corporations reducing expenses and workforce in the first few months of the year. By the summer of 2009 the speed of employment deterioration had slowed, although the economy was still clearly in decline. Architectural firms faced continued contraction as new projects were not visible and older, long-term work was reaching completion.

By the fall of 2009 there was a sense that the immediate storm of panic and contraction had passed, but that the current landscape and the expected future were hardly recognizable. It was in this situation that AIA Minnesota decided to organize a Recovery Task Force beginning in October 2009.

**Task Force Purpose Statement**

To assist AIA members with information and ideas that can help reduce expenses, expand services and obtain work during the recovery from this severe economic downturn. The task force will collect and refine ideas and information in these areas:

**Economy** – Obtain and organize historic and current information on economic recoveries in the design and construction industries.

**Resources** – Consolidate information on resources within the AIA and other sources that can assist individuals and firms overcome economic distress and return to growth.

**Promotion** – Articulate the unique value of architects and the AIA to our corporations, communities and institutions in the context of economic recovery.
Work of the Recovery Task Force

The Recovery Task Force used these steps to gather and assess information:

- During late 2009, a survey of Minnesota firm principals was conducted.
- From January to May 2010, a team from the Carlson School of Management examined the current state of the profession and surveyed AIA members.
- In May 2010, preliminary Task Force results were presented to AIA members at a town hall meeting and organized discussion groups provided responses.
- A survey of town hall responses was sent to attendees to assess priorities.
- The Task Force reviewed results of these efforts and developed action steps.

The Task Force was initiated in October 2009 and began monthly meetings to address the purpose statement described above. Our efforts in the first few months centered on uncovering data and metrics that could define the extent of the economic contraction and provide a historical backdrop to what may be expected in the future as the economy returned to a nearer state of normal. Data was collected from a variety of sources to survey conditions across the design and construction industries. Contact was made with AIA chief economist, Kermit Baker, to obtain the most current information. The Recovery Task Force also developed a brief survey that was distributed electronically to firm principals across Minnesota to assess their current and expected business conditions.

The Task Force discovered that overall data on the design and construction industries was available and extensive, but that more precise and detailed information on smaller sectors of the industry, such as that on the architectural profession specifically, was hard to find and presented in vague formats. The National AIA does not conduct detailed annual surveys of specific metrics to elaborate on the condition and trends in our profession. Kermit Baker had established a new Architectural Billings Index that was the beginning of creating repeating metrics to measure the direction and scale of change. However, by consolidating research information from McGraw Hill, industry sources, and our own survey at www.aia-mn.org/int_membership/president.cfm we were able to put together some general observations about the current situation in the profession as of the end of 2009:

Observations

Current Situation:

- Total annual revenue of architectural firms has declined 20 to 25% since the high point reached in 2007. Unemployment or underemployment in the profession reflects this fee decline.
- Recovery of architectural fees will be slow, particularly due to reduced asset value and tight lending in commercial real estate (housing, offices, hotels, retail).
- At full recovery, the industry may be smaller than it was in 2006 and 2007. A leverage bubble drove excessive construction in those times.
- Recovery will be led by smaller sized projects, but is less likely to be led by housing, which is normally the first sector to emerge from recession. Corporate profits and borrowing are mostly back to normal and they will start projects.
- Changes in attitudes and government policies will drive sustainability projects and energy-savings projects.
- Building owners will upgrade their existing facilities to reduce expenses and increase operational efficiencies in response to tight economic times.

Long Term Trends:

- Skills formerly provided by architects (over generations) have become complex specialties and now separate consultants (code review, cost estimating, specialty lighting, façade engineering, project management, etc.) have become the norm on complex projects.
- Current skills may also go this way (LEED rating, BIM Management, digitizing of existing buildings, etc.).
- BIM technology and globalization may reduce the architect’s role in the construction document phase (controlled by owners, contractors, consultants, suppliers?).
- The steady advance of interdisciplinary partnering (design/build, IDP, negotiated GC, design assist, etc.) for projects has reduced the importance and scope of the architect’s leadership.
• The rise of Program Managers (owner’s representatives) has had a profound impact on larger projects and has removed the architect from the position of being the direct advisor to the owner.

Strategies for Architects going forward:
• Develop a business plan for change. Reduce long term staff and expenses, add special skills.
• Become expert in specialties that may have been lost to consultants, such as project management and Code analysis.
• Focus on emerging specialties and become expert.
• Acquire expertise as an asset manager. Help building owners use and maintain their properties in ways that save them money. For instance, learn new lighting technologies and show how they can be applied to save money in existing buildings, or specialize in finding government and utility incentives for building modifications.
• Position skills for first projects in recovery – remodels, energy upgrades, tenant improvements, building assessments, building re-use studies, urban planning around infrastructure projects.
• Be active and network in your community to identify projects not yet clarified. Be an advisor and advocate; show your value.
• Strengthen partnerships where you might provide new or unique skills. BIM for contractors, BIM for building owners on existing buildings, architectural support for engineers leading infrastructure projects, contract with government agencies as an auditor to verify compliance with new building and energy regulations.
• Basic business strategies for this point in the business cycle
  1. Positive leadership modeling (culture turns to behavior)
  2. Establish goals: tactical goals which lead to strategic achievement
  3. Develop a system for measurement and accountability regarding #2
  4. Align compensation plans with #2 and #3
  5. Be keenly aware of the “break even point” and check it regularly
  6. Judiciously expand credit
  7. Review and uncover competitive advantages
  8. Invest in customer market research (know what they value)
  9. Improve efficiencies with investment in technology and software
10. Start to phase out marginal opportunities
11. Add sales staff
12. Introduce new product lines
13. Determine capital equipment needs and place orders
14. Begin advertising and sales promotions
15. Hire “top” people
16. Implement training programs.

How can the AIA support changing strategies?
• Investigate federal and state incentives and regulations-in-process that may provide opportunities for architects.
• Compile a detailed membership directory with profiles on AIA website.
• Provide access to broader and more in-depth educational resources so that architects can acquire new specialties.
• Strengthen connections to large scale building owners to feature the many skills that architects can bring to them to help manage their assets.
• Survey regular buyers of architectural services to learn about their perceptions of our “brand” and how we can provide better value.
• Take control of project leadership. Require Owner Representative firms to get accreditation and standardize their services. This could be an AIA National project and architects would be the first group to do the training and get certified. Get other partners involved for support – Association of General Contractors, GSA, ASHRAE, etc.
Carlson School Study

As the difficulty of collecting and assessing large swaths of information regarding our profession and its future became more apparent, the Recovery Task Force sought to engage the assistance of the Carlson School of Management in our effort. A Carlson School consultancy team was established to work during the spring semester of 2010. Its fee was covered by a grant from Target Corporation to assist the AIA. The Carlson School team was given the following directive as a basis for the effort of their work, but it was recognized that, as they proceeded in their research and assessment, their final work product could take a slightly different form.

The AIA Minnesota Recovery Task Force requests that the Carlson School of Management Team provide support to us during spring semester as follows:

• Research and organize construction industry economic information as described in our purpose statement. As much as practical, provide this information for the state of Minnesota and adjoining states.
• Based on this research and a general investigation of the architectural profession, define and articulate the current business situation of the profession, major trends and challenges affecting us in the next five years and possible strategies for adapting to this changing business environment – both nationally and in Minnesota.
• Define and clarify our profession's value to our clients and communities in this new business environment, and develop concepts for communicating that message.

It is our preference to release information to our AIA members when sections are complete. We also invite the team to present its final report to the AIA Minnesota Board and to an open session for our members. Finally, we will seek to provide access to the report, for all architects, through the AIA national website.

To access the full Carlson School Report in PowerPoint format and a pdf of the Carlson Report Summary go to www.aia-mn.org/int_membership/president.cfm

After completion of this study, additional survey information was obtained from the contractor community about its relationship with and expectations of the architecture industry. Those results are also provided at www.aia-mn.org/int_membership/president.cfm

Carlson School Executive Summary

1. What is the current state of the architectural services industry in Minnesota?
   • Architectural services industry growth is heavily dependent on general economic activity and the availability of capital, both of which were negatively affected by the recent recession.
   • Recovery within the architectural services industry will coincide with the general economic recovery and is anticipated to begin in 2011. However, opportunities remain to expand the value provided by architects.

2. How has the landscape of the architectural services industry changed?
   • Architects used to control most aspects of the building process and therefore captured more of the overall value being created.
   • Several trends have combined to pressure and reduce the role of the architect.

3. How have the players in the value chain changed and how have these affected architects?
   • Niche players now specialize in specific tasks within the building construction process, which were controlled by architects, for example, Program Manager and Code Consultant.

4. What can we learn from the way other industries have responded to discontinuities that have reshaped their landscapes?
   • Other industries (print media, accounting, human resources) have dealt with issues similar to those facing architecture
• Function Specialization
• Technology
• Reduced perception of value.

5. What can AIA Minnesota do to foster the recovery of the architectural services industry in Minnesota?
   • Redefine the services that architects currently offer
   • Identify opportunities for additional service offerings
   • Provide training and certification when appropriate

Summary of Points from Carlson School Study

Challenges faced by our profession over the past few decades:
• We are not as close to our clients as in the past. Owner’s reps, project managers and design / build leaders are often consulted first in line.
• Many services formerly performed by architects have become specialties provided by outside consultants (code review, cost estimating, project management, lighting design, façade engineering, etc.).
• Technology (CAD, BIM, the Internet, etc.) has transformed our work and reduced staff required to execute projects.
• Commoditization of some building types (hotels, retail, clinics, branch banks, etc.) has reduced fees through repetitive designs.
• Architects are seen as more concerned about form than function or budget, although our real value to clients is mostly in problem-solving and creating operationally efficient building solutions.
• Economic bubbles in the late 1990s (tech boom, data centers, financial services office buildings) and 2003 to 2007 (housing and commercial real estate leverage boom) have created an overbuilt environment that will limit demand for several years. Outside of these bubbles, total fees for the architectural profession generally grow in parallel with GDP growth.

A survey of our members was conducted with this summary of results:
• Architects believe they are adding high value to projects, but they are receiving disproportionately low fees.
• Architects feel relatively unprepared to provide some of the specialized services clients need, such as:

<table>
<thead>
<tr>
<th>Code Review</th>
<th>Construction Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Management</td>
<td>Planning / Zoning Approvals</td>
</tr>
<tr>
<td>Cost Estimating</td>
<td>Green / LEED Design</td>
</tr>
<tr>
<td>Feasibility Studies</td>
<td>FFE</td>
</tr>
<tr>
<td>Acoustical Analysis</td>
<td>Lighting</td>
</tr>
<tr>
<td>Energy Analysis</td>
<td>Interior Design</td>
</tr>
<tr>
<td>Landscape Architecture</td>
<td>Asset / Facilities Management</td>
</tr>
<tr>
<td>Signage Standards</td>
<td>Urban Design</td>
</tr>
<tr>
<td>Post-Occupancy Evaluation</td>
<td>Strategic Planning</td>
</tr>
<tr>
<td>Financial Analysis</td>
<td></td>
</tr>
</tbody>
</table>

• Some of these services may be even more important in the future - financial analysis, energy analysis, cost estimating, strategic planning, post-occupancy evaluation, asset management.
• Additional training in the specialty services described above would be valuable.

Other professions have gone through similar transformations that may provide insight:
• Print media companies (magazines, newspapers, etc.) have been challenged by abundant and low cost competition through new technologies. Those companies that adapted quickly through innovation in new formats have survived.
• Accounting has been transformed from a bookkeeping function to a business strategy advising profession. New technologies automated routine functions. Accountants developed specialties in strategic areas (tax advising, investment advising, business analysis, etc.) and captured the value of their expertise by creating sub-certifications for various categories.
• Human Resource professionals formerly provided routine employment functions such as payroll, hiring/firing, recruitment, health insurance, etc. These more basic functions are now simplified through
technology and generally outsourced to specialty firms while core functions such as employee training and development, and organizational effectiveness remain within larger companies.

**Recommendations to the profession and to the AIA:**

- Survey and monitor key metrics about our profession – changing perceptions of architects, developing specialties, changes in work type needed by the industry, etc. Do this annually and create a database of key metrics.
- Recapture our role in some specialties that have migrated away. Use education and possibly sub-certification to develop and identify our value in these functional specialties.
- Strengthen core services such as building design and technologies.
- Identify and develop new services and new client types to expand our range (asset management, energy analysis, 3D visualization, etc.).
- Maximize the strategic value of new technologies (BIM) for the benefit of our clients.
- Understand our customers and what drives there satisfaction with our services. Measure perceptions and changes.
- Improve relationships with collaborators in the overall construction process – contractors, consultants, vendors, etc.

**AIA Town Hall Forum**

All AIA Minnesota members were invited to a Town Hall Forum to review and discuss the current status of the profession and the Carlson School Study. More than 110 members attended.

At the Town Hall Forum, AIA MN President-Elect Steve Fiskum provided an overview of the national and Minnesota AIA Strategic Plans. Both can be viewed through these links:

www.aia-mn.org/ext_about/mission.cfm


AIA CEO Chris McIntee provided her overview of the current state of the profession and confirmed the estimate that total fees, and therefore total employment, was down 25% from the 2007 peak. After a review of the Carlson School Report, those present were asked to discuss the following questions at their respective tables, and to report back to the large group at the end.

**How will our profession change over the next few years and next decade?**

- Technology (BIM, Internet, etc.) will change our work. We will need fewer staff and face global competition.
- Executing CDs will become a smaller part of our work.
- The current generation of young architects could be lost to the profession due to the lack of jobs.
- Maintaining fair fees for our valuable work will be a constant challenge.
- More special consultants will compete for part of the fee in the future.

**What are some game changing ideas?**

- Architects should become bankers, or at least get to know and work with bankers who loan on commercial real estate projects.
- Reverse engineer technology (asset databases, BIM, etc.) from the building owner’s point of view to see how we can craft the full life cycle of tech tools to create value for the owner.
- Create a TV reality show about what architects do that will attract and educate viewers.
- Develop detailed metrics that explain how the operational efficiency of a building over its lifetime is a much more important financial issue than its first cost. Show how architects can create this value.

**What can individuals and firms do to increase their value?**

- Sharpen and improve your valuable core services.
- Know your clients and their needs. Tailor your skills to those needs.
• Strengthen your partnerships with other key members of the construction process – contractors, consultants, developers, etc.
• Improve your business and numerical skills. Work with metrics, understand financial analysis, and learn the business model of your clients.
• Train your staff in categories of specialized knowledge so that you can provide a wider range of services to match owners’ needs.
• Partner or merge with other small firms to share resources and expand services.
• Work to become the closest advisor to the client. Develop and market your project management capabilities. Become experts at asset management and reducing building operational expenses.
• Learn how to use BIM within an integrated approach to projects. Share the model, resolve registration and certification issues, and show how to provide value to the contractor and owner.

What can the AIA do to help?
• Create a framework for maximizing the value of new technologies. Resolve legal and registration issues. Show how value can be created.
• Develop a clear and repeatable survey structure that provides regular metrics about our profession and the changing needs and attitudes of our clients.
• Promote the profession with our potential clients. Show how we provide value and use proper media channels to reach the right audiences.
• Reconsider whether we should develop a strategy for establishing certifications in sub-specialties that are important within the building process. Could the AIA certify project managers, owner’s reps, programming specialists in specific building types, etc.? Should we establish an interior design certification for architects?
• Provide educational opportunities in the specialized areas that our clients want and where we feel unprepared.
• Provide educational opportunities about business issues that affect our firms' legal issues, employment law, business strategies, expense reduction, etc.

After the Town Hall Meeting, a survey was sent out to attendees to assess their reaction to many of the items discussed. Here are some results concerning the importance and value of some of the ideas:

| 6. The question was discussed, “How will our profession change over the next few years and next decade?” Please rate the responses listed below according to your perception of likely to happen: |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                | Very likely     | Somewhat Likely | Hardly Likely   | Not very Likely at all | Rating Average | Response Count |
| Technology (BIM, Internet, etc.) will change our work. We will need fewer staff and face global competition. | 60.7% (17) | 32.1% (9) | 7.1% (2) | 0.0% (0) | 1.46 | 28 |
| Executing CDs will become a smaller part of our work. | 3.6% (1) | 64.3% (18) | 28.6% (8) | 3.6% (1) | 2.32 | 28 |
| The current generation of young architects could be lost to the profession due to lack of jobs. | 60.7% (17) | 35.7% (10) | 3.6% (1) | 0.0% (0) | 1.43 | 28 |
| Maintaining fair fees for our valuable work will be a constant challenge. | 89.3% (25) | 7.1% (2) | 3.6% (1) | 0.0% (0) | 1.14 | 28 |
| More special consultants will compete for part of the fee in the future. | 78.6% (22) | 17.9% (5) | 3.6% (1) | 0.0% (0) | 1.25 | 28 |
The question was discussed, “What are some game changing ideas?” Please rate the responses listed below:

<table>
<thead>
<tr>
<th>Idea</th>
<th>Good idea</th>
<th>Somewhat Good idea</th>
<th>Not a good idea at all</th>
<th>Rating Average</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architects should become bankers, or at least get to know and work with bankers who loan on commercial real estate projects.</td>
<td>39.3% (11)</td>
<td>39.3% (11)</td>
<td>21.4% (6)</td>
<td>1.82</td>
<td>28</td>
</tr>
<tr>
<td>Reverse engineer technology (asset databases, BIM, etc.) from the building owner’s point of view to see how we can craft the full life cycle of tech tools to create value for the owner.</td>
<td>64.3% (18)</td>
<td>32.1% (9)</td>
<td>3.6% (1)</td>
<td>1.39</td>
<td>28</td>
</tr>
<tr>
<td>Create a reality show about what architects do that will attract and educate viewers.</td>
<td>14.3% (4)</td>
<td>50.0% (14)</td>
<td>35.7% (10)</td>
<td>2.21</td>
<td>28</td>
</tr>
<tr>
<td>Develop detailed metrics that explain how the operational efficiency of a building over its lifetime is a much more important financial issue than its first cost. Show how architects can create this value.</td>
<td>85.7% (24)</td>
<td>14.3% (4)</td>
<td>0.0% (0)</td>
<td>1.14</td>
<td>28</td>
</tr>
</tbody>
</table>

8. The question was discussed, “What can individuals and firms do to increase their value?” Please rate the responses listed below:

<table>
<thead>
<tr>
<th>Idea</th>
<th>Very important to do</th>
<th>Somewhat Important to do</th>
<th>Not as Important To do</th>
<th>Not Important at all</th>
<th>Rating Average</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sharpen and improve your valuable core services</td>
<td>85.7% (24)</td>
<td>14.3% (4)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>1.14</td>
<td>28</td>
</tr>
<tr>
<td>Know your clients and their needs. Tailor your skills to those needs.</td>
<td>92.9% (26)</td>
<td>7.1% (2)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>1.07</td>
<td>28</td>
</tr>
<tr>
<td>Strengthen your partnerships with the other key members of the construction process—contractors, consultants, developers, etc.</td>
<td>82.1% (23)</td>
<td>14.3% (4)</td>
<td>3.6% (1)</td>
<td>0.0% (0)</td>
<td>1.21</td>
<td>28</td>
</tr>
<tr>
<td>Improve your business and numerical skills. Work with metrics, understand financial analysis, learn the business model of your clients.</td>
<td>82.1% (23)</td>
<td>14.3% (4)</td>
<td>3.6% (1)</td>
<td>0.0% (0)</td>
<td>1.21</td>
<td>28</td>
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</tr>
<tr>
<td>Train your staff in categories of specialized knowledge so that you can provide a wider range of services to match owners’ needs.</td>
<td>71.4% (2)</td>
<td>25.0% (7)</td>
<td>3.6% (1)</td>
<td>0.0%</td>
<td>1.32</td>
<td>28</td>
</tr>
<tr>
<td>Partner or merge with other small firms to share resources and expand services.</td>
<td>46.4% (13)</td>
<td>32.1% (9)</td>
<td>21.4% (6)</td>
<td>0.0% (0)</td>
<td>1.75</td>
<td>28</td>
</tr>
<tr>
<td>Work to become the closest advisor to the client. Develop and market your project management capabilities. Become experts at asset management and reducing building operational expenses.</td>
<td>89.3% (25)</td>
<td>10.7% (3)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>1.11</td>
<td>28</td>
</tr>
</tbody>
</table>

9. The following question was discussed, "What can the AIA do to help?"
Please rate the responses listed below:

<table>
<thead>
<tr>
<th>Create a framework for maximizing the value of new technologies. Resolve legal and registration issues. Show how value can be created.</th>
<th>Very important to do</th>
<th>Somewhat Important to do</th>
<th>Not as Important To do</th>
<th>Not Important at all</th>
<th>Rating Average</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>64.3% (18)</td>
<td>32.1% (9)</td>
<td>3.6% (1)</td>
<td>0.0% (0)</td>
<td>1.39</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Develop a clear and repeatable survey structure that provides regular metrics about our profession and the changing needs and attitudes of our clients.</td>
<td>57.5% (15)</td>
<td>26.9% (7)</td>
<td>11.5% (3)</td>
<td>3.8% (1)</td>
<td>1.62</td>
<td>26</td>
</tr>
<tr>
<td>Promote the profession with our potential clients. Show how we provide value and use proper media channels to reach the right audiences.</td>
<td>55.6% (15)</td>
<td>37.0% (10)</td>
<td>7.4% (2)</td>
<td>0.0% (0)</td>
<td>1.52</td>
<td>27</td>
</tr>
</tbody>
</table>
Reconsider whether we should develop a strategy for establishing certifications in sub-specialties that are important within the building process. Could the AIA certify project managers, owner’s reps, programming specialists in specific building types, etc? Should we develop a strategy for establishing certifications in sub-specialties that are important within the building process. Could the AIA certify project managers, owner’s reps, programming specialists in specific building types, etc?

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes (%)</th>
<th>No (%)</th>
<th>2%</th>
<th>5%</th>
<th>10%</th>
<th>20%</th>
<th>Average</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establish an interior design certification for architects?</td>
<td>3.6%</td>
<td>35.7%</td>
<td>28.6%</td>
<td>32.1%</td>
<td>2.89</td>
<td>28.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide educational opportunities in the specialized areas that our clients want and where we feel unprepared.</td>
<td>63.0%</td>
<td>25.9%</td>
<td>11.1%</td>
<td>0.0%</td>
<td>1.48</td>
<td>27.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide educational opportunities about business issues that affect our firms - legal issues, employment law, business strategies, expense reduction, etc.</td>
<td>75.0%</td>
<td>25.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>1.25</td>
<td>28.5%</td>
<td></td>
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See the Town Hall Survey Results (pdf) at www.aia-mn.org/int_membership/president.cfm

**Next Steps**

The purpose of the Recovery Task Force was to examine and prioritize actions that can help shape the future of the architectural profession. These priorities should be focused around economic information, resources for our AIA members and promotion of the profession and its value. As for any task force, it is important to identify an end point of work and to request specific future actions that can be taken within the existing organizational framework of our professional organization. As a result, the task force will conclude with the following actions:

1. **Task force members will work with AIA Minnesota staff to develop and distribute an electronic survey before the end of 2010.** This survey will review some of the questions addressed in the 2009 survey, as well as any additional priority issues developed by the task force.

2. **The task force will ask the AIA Minnesota Continuing Education Committee and the 2011 Convention Committee to investigate and expand continuing education opportunities that address the specialized educational needs as identified in the Carlson School report through its survey of AIA members.** These committees shall also investigate educational opportunities around specific business issues involved in operating architectural firms as identified in Question 9 of the Town Hall Forum Survey.

3. **The task force, through AIA Minnesota, will contact AIA National and ask them to request that the appropriate committees do the same for educational opportunities on a national scale.**

4. **The task force, through the AIA Minnesota component and our regional directors, will ask that AIA National invite the appropriate committee or knowledge community to develop a strategy for articulating and quantifying the ways that architects create value for clients who build and / or own buildings—with specific example stories.** We also request that AIA National reconsider and examine how the AIA could work to identify special knowledge expertise areas as the province of architects through branding, focused...
educational programs or sub-certification. Finally, this strategy should include a plan for articulating and communicating these quantifiable values to our membership and our clients.

5. The task force, through AIA Minnesota and our regional AIA directors, will request that AIA National create a task force on key metrics. These metrics should include:
   • A profile of economic conditions in our industry
   • Client and building owner attitudes and perceptions of our profession’s value, expertise and service quality
   • AIA member attitudes and perception of AIA National’s value and service quality.

We also request that survey templates be developed to:
   • Assist AIA components in assessing local economic conditions and perceptions in our industry
   • Assist individual firms in assessing client attitudes and perceptions of the value and quality of the services provided.

6. The task force will request, through our AIA component and our regional directors, that AIA National assign to the IPD Task Force, the specific challenge of collaborating with contractors and owners to reverse-engineer the role of BIM from the owner's point of view through the entire building lifespan. This effort should investigate how to integrate all data systems that provide significant long-term value during a building's life. This effort should also examine how to solve legal and liability hurdles to making this integrated approach viable.

7. The Task Force will request that AIA National and AIA Minnesota seek stronger partnership with contractor, engineering and building owner associations to create a strong voice for the design and construction industries as a means to shape public policy and to promote our value to collective clients.

It is the intent of the task force that the requests being made to AIA National move forward this fall through a process by which they will be reviewed and approved by the Board or sent to the 2011 National Convention as resolutions for electronic voting by delegates.

Respectfully submitted by the members of the AIA 2010 Recovery Task Force.