

# ACEC Large Firm Roundtable Notes

April 23, 2020

## ACEC Advocacy Update regarding PPP loan program

### Safety:

- Discussion about employee safety in field
- How contractors are managing sites is very different between contractors and specific sites
- How employees commute to work and sites (mass transit, etc.) a safety consideration, these choices correlate to office and site safety
- Client may require safety plans before visiting sites (such as wastewater treatment plants)
- Some clients (private) are not taking precautions and think firms are 'over reacting'

### Markets:

- Private client PM/CM work shutting down
- DOT work largely proceeding as normal
- May be opportunities for staff augmentation for public clients
- Interviews happening virtually
- Still winning work, but expecting that to taper off by years end
- Worried about public markets as revenues from sales/gas taxes dropped so much
- Some private markets doing well (e-commerce, industrial, utilities), others dropping
- K-12 moving forward, higher education is not
- Retail suffering

### International:

- Firm with China/Asian offices are reopening safely, generally with 50% attendance
- The Asia-Pacific recovery seems strong so far

### Work Arrangements/Office Safety:

- Need to be flexible allowing employees to work from home, constraints due to schools being closed, etc.
- Sensitivity to those with medical issues that may not allow them to come back as soon
- Having video/zoom meetings, even with folks in offices, to limit gathering
- No public transit to work for some
- Wear face coverings in office when not at desk/private office
- Deep cleanings daily; what is 'deep'; fogging; some cleaners provide certificates; much of this in the control of building management
- Phasing plans over different geographies/offices, which may have different state/local requirements

**Utilization:**

- Utilization overall seems to be up
- Could be many reasons for this, including use of vacation time
- Strong utilization may not correlate with project budgets being adhered to, need to look at future project write-downs
- Measuring productivity in this 'not real world' scenario is tough

**Staff Adjustments / Cash Flow:**

- Some are not laying folks off; others are
- Some limiting profit sharing to hold cash
- For most cash flow good, but there is strong future uncertainty
- Some reducing hours/pay by 10-25%
- Furloughed (so covering benefits) some admin and field staff, who can collect unemployment that brings them near 'normal' for some
- Being more generous with severances
- Note that this kind of 'reshaping' of workforce at a firm needs to happen regularly (annually perhaps) at many large firms
- Some hiring folks – especially if good talent is now available
- Some bringing on new graduates and trying to find best way to do so

**Future:**

- Waiting for the 'other shoe to drop'
- Scenario planning discussion, what will happen before vs. after vaccine available
- Will future workplace demand mean folks want to work from home, some may be hesitant to come back due to exposure
- Do firms have too much office space
- Is late 2021 likely when back to more 'normal' activities