INDEX

A
Accountability, absence, 102
Accounting, basics, 158–164
Accounting and Financial Fundamentals for Non-financial Executives (Rachlin/Sweeny), 158
Accounts payable, 172
Accreditation Board for Engineering and Technology—Engineering Accreditation Commission (ABET-EAC), bachelor degree, 2
Accreditation Board for Engineering and Technology—Technical Accreditation Commission (ABET-TAC), associate’s degree, 2
Accrual accounting, cash accounting (contrast), 161–162
Administrative agencies, basis, 195
Advertising, 217–219
marketing/sales, contrast, 216–219
material, inclusion, 227
Agreement, negotiation, 241–243
Alpern, Kenneth, 144
American Arbitration Association, 198
Annuities, 260
Anti-competitive ruling, Supreme Court, 212–213
Appellant, definition, 192
Arbitration, 197–198
Asset-based approach, 262
Assets, 171–172
exchange, 260

B
Backlog adjustments/spreadsheet, 182f
Backlog projections, 181–183
Backward-looking responsibility, 143
Bad debits, allowance, 171
Balance sheet, 169–174
asset, 172
examples, 162t, 163t, 174t
Basis of qualifications (QBS), 210
Battlefield promotion, acceptance, 103
Behavior
modification, 79–80
reinforcement, 80
theories, 82, 84
Bidding phase, 114–115, 240
Billing method, 242
Billing time, problem, 138
Bills, payment, 176–177
Body language, 50
attention, 52
empathetic listening technique, 47
forms, 50
Boisjoly, Roger, 136–138, 143, 145
Bonus stock, 259
Brainstorming session, 219
Breach, 192
tort claim, contrast, 204
Breakeven analysis, 186–189
Breakeven example, 189f
Brooks, Jack, 214
Brooks Act (Federal Law 92-582), 214
Budgets, 177–189
Business
clients, interaction, 4–6
earning capacity, 261
entity principle, 159
legal forms, 11–13
nature/history, 261
organizations, types/structure, 11–15
professionalism, relationship, 1
structure, 13–15
Buyers, tax implications, 248–249
C
Capacity responsibility, 143
Capital
expenditures, 178
sources, 175–177
Career, defining, 28
Carnegie, Dale, 22

271
INDEX

Cash accounting, accrual accounting (contrast), 161–162
Cash flow, 178
Causal responsibility, 143
C corporations, 12–13
Change order, definition, 192
Character ethic, personality ethic (contrast), 22–23
Charitable giving, 178
Claim, definition, 192
Client/job progress meetings, 56
Clients
  confidential information, sharing, 138
  impact, 249–250
  obligations, 146
  proposal, acceptance, 161
  service, 257
  service-based organization, example, 15f
Closed questions, open-ended questions (contrast), 47–48
Closing date, 267
Coercive power, 81
Cognitive dissonance, 71
Common law, 195
definition, 192
Communications, 41
  channel, inappropriateness, 71
  emotions/beliefs, 71
  forms, order, 43
  information, inadequacy, 70
  model, 44f
  managerial effectiveness, relationship, 43–45
  perception, selectivity, 71
  premature evaluation, 71
  problems, 41–42, 102
  rationalization, 71
  roadblock, 70–71
  avoidance, 71–72
  timing, problem, 71
  types, 42–43
Communicators, example, 44
Community
  goals, 29
  sanction, 141
Company
  culture, change, 248
  dividend paying capacity, 261
  stock, market price, 261
Competitors, negativity, 138
Confidentiality obligations, 267
Conflict of interest, 139–140
Constitution, 194
Construction administration, 210
  phase, 240
  service, 115
Construction Industry Rules, 198
Consultant
  hiring, 246
  selection phase (nonbillable), 107–108
Content theories, 76–77
Contingency leadership, example, 92–93
Contingency Theory, 74, 82, 88–89
Contract, 192
  agreement, 206–207
  basics, 200–201
  considerations, 206–210
  construction administration, 210
  law, 200–203
  project funding, 210
  proposal, validity, 207
  provisions, 208–209
  risk allocation, 207, 210
  schedule, 207
  selection process, 210
  service, scope, 207
  terms/conditions, 207
  torts, comparison, 204
  types, 203
Contract of adhesion, definition, 193
Contractors, gifts (acceptance), 139
Control, problem, 102
Core values, 150
Corporate ladder, attempt, 10–11
Corporate resolution, 201
Corporations, 12
Cost concept principle, 159
Costs, coverage, 157–158
Country Club Leadership, 88
Courts, alternatives, 196–200
Covey, Stephen, 19, 23, 31, 46–47
Creating Rainmakers (Harding), 229
Cross-selling, 232
Culp, Gordon, 28
Culture, 141–142

D
Damages, definition, 193
Deal financing, 257–263
  process, 249
  Deep pocket theory, definition, 193
  Deep-seated beliefs, 19–21
Defendant, 192
  litigation inclusion, 198–199
Deferred compensation, 260
Dependence, 31
Depositions, 199–200
  usage, 59
  Depreciation, 171–172
  Detailed work plan, 120–122
  Direct costs (variable expenses), 168
  Discovery, 199
  Display advertising, usage, 218
  Dispute resolution, methods, 197f
Dress, success, 52
Dual career path, existence, 7–9
Dual-entry bookkeeping, 162–164
Duty, definition, 193

E
Earnings before interest and taxes (EBIT), 262
Economic Development Administration (EDA), 215
Economic outlook, 261
Electronic communications, 70
Emails
alert, interruptions, 32
communications, 70
EMCA engineering/surveying, usage, 213
Emotional intelligence, 91–92
Emotional Intelligence (Goleman), 91
Empathetic listening, 46–47
Empathy, 92
Employees
evaluation form, 64
information sources, 49f
interruptions, 33–34
Employee stock ownership program (ESOP), 246, 258
Employers, obligation, 146–147
Encoding, usage, 45
Engineering Your Future (Walesh), 143
Engineer-in-Training (EIT)
career path, 8
designation, 2
Engineers
ethics, 136
obligations, 147–148
selection process, 213–216
work, obtaining, 212–213
Engineer’s Council for Professional Development (ECPD), 1947 code, 145
Engineers Joint Contract Document Council (EJCDC), contract agreements, 201
Entrepreneur, corporate ladder (contrast), 9–11
Entrepreneurship, attempt, 9–10
Environmental Protection Administration (EPA), 215
Equity theory, 80
Equity to debt (E/D) ratio, 262
Ethical Issues in Engineering (Johnson), 144
Ethical obligations, 145–148
Ethics
codes, 141, 148–151
enforceability, 151–152
guidance/inspiration, 150–151
purpose, 149
dilemmas, 136–138
solutions, guidance, 151–152
professionals, relationship, 135
Expenses, 167–168
projections, 180–181
Expert
declaration, 199
power, 81
testimony, 58–60
witnesses, declaration, 199
External transition
advantages, 252
disadvantages, 252
options, 251–252
Extrinsic/intrinsic rewards, performance (contrast), 79
Eye contact, empathetic listening technique, 47

F
Family goals, 28
Fears, confrontation, 36
Federal agencies, public clients, 214
Federal Aviation Administration (FAA), 215
Federal courts, 196
Federal Highway Administration (FHWA), 215
Feedback, seeking/ensuring, 53, 71
Fee negotiation, 242–243
Fee schedules, 160–161
Fee statement, 240–241
Fielder, Fred (theory), 89
Field reports, 61
Final design phase, 114, 240
Financial accounting/analysis, 155
Financial considerations, 257–263
Financial goals, 29
Fire sale (liquidation), 252–253
Firm
current position, analysis, 221
position, 224
prospecting, 229–232
selling, 225–226
valuation, 260–263
Firm research/analysis, 219–223
Formal communication, 51
Forms, recordation/documentation, 61
Forward-looking responsibility, 143
Fraud, definition, 193
Fundamentals of Engineer Exam (FE), 2

G
Gantt chart schedule, 116f–117f
Gates, Bill, 90
Generally accepted accounting principles (GAAP), 158–159
Ghiselli trait, 84f
Give-away items/freebies, usage, 218
Goal setting, 27–30
theory, 81
Going concern principle, 159
Goleman, Dan, 91
INDEX

274

INDEX

Goodwill, 261
Gove, Andy, 90
Graphics, 43
Great Man Theory, 74, 83–84
Greenwood, Ernest, 140
Growth, 253–255
potential, determination, 222–223

H
Harding, Ford, 229
Health/exercise, importance, 29
Herzberg, Frederick, 77
profile, 78f
Hierarchy of needs (Maslow), 23–25, 76, 143
pyramid, 24f
How to Win Friends & Influence People
(Carnegie), 22
Hygiene factors, theory (Herzberg), 77

I
Implementation phase, 97
Impoverished leadership, 88
Income, 164–167
projections, 179
Income-based approach, 262
Income statement, 164, 168–169
analysis, 169
example, 170t
Income statement, example, 163t
Independence, 31
Informal communication, 48
Information, usage (interruptions), 32
Initial transaction, financing, 256
Insurance policies, 266
Intangible value, 261
Interdependence, 31
Internal department meetings, 56
Internal transition
details, 253
financial considerations, 250–251
planning, 251
questions, 250
Interrogatories, 199
Interruptions, 32–34
Interviews, 232–241
initiation, 236
preparation, homework, 233
Intrinsic/extrinsic rewards, performance
(contrast), 79
Issues-driven conditions, joining/activity, 93

J
Job meetings, 56
Jobs, Steve, 90
Johnson, Deborah G., 144
Judgmentalism, avoidance, 72
Judicial system, 195–196
Jury selection, 200
Jury trial, request, 200

K
Katz, Robert, 83

L
Laws, sources, 194–195
Leaders, 73
power, sources, 81
presence, 248
Leadership, 81–94
development plan, 246–247
management transition, 255
personal characteristics, 88
public area, 93–94
styles, 87–88, 89
determination, 89–90
Leadership, complexity, 75
Legal Aspects of Architecture, Engineering and
the Construction Process (Sweet), 198
Legal definitions, 192–194
Legal issues, 191
Legal system, 194–203
Legislation, importarce, 194–195
Legitimate power, 81
Letter of intent (LOI), 265–267
Leveraged ESOP, 258
Lewin, Kurt, 76
Lewis, James P., 97
Liabilities, 172–173
definition, 193
responsibility, 143
Limited liability corporations (LLCs), 13
Listening, 43, 45–48
difficulty, reason, 46
skills, improvement, 72
Litigation, parties, 198–199
Long-term goals, 28
Low-bid process, success, 215–216
LS, career path, 8

M
Maintenance marketing, 232
Management
career path, 8
transition, 255
Managerial effectiveness, communications
model (relationship), 43–45
Managerial grid, 86–88
eexample, 87f
Managers, 73
financial accounting/analysis, 155
leaders, differentiation, 74–75
Managing People (Including Yourself) for
Project Success (Culp/Smith), 28
Marketable securities, 171
INDEX 275

Market decision matrix, 225t
Marketing, 216–217
  advertising/sales, contrast, 216–219
*Marketing in the 21st Century for Design Professionals* (Stone), 219
Marketing plan
  components, 228–229
  development, 223–228
  elements, 224, 228–229
Market planning process, 219–229
  implementation, 228–229
Market research, 223
Market value approach, 262
Maslow, Abraham, 23–25, 76, 143
Master trial, request, 200
Mathematics, 43
Maturity continuum, 31–32
McGhee, Sally, 17–18, 36–37
Meaningful objectives, establishment, 37
Mediation, 198
Meetings, 54–56
  schedule, interruptions, 34
  types, 55–56
Mentoring, role, 152–153
Middle of the Road leadership, 88
Money
  collection, absence, 158
  measurement principle, 158–159
  motivator, 77–78
Morals, values (contrast), 142–145
Most qualified firm, selection, 214
Motions, 200
Motivation, 73, 75–81, 92
  complexity, 75
  modern theory, 76–77, 79
  old theory, 75
  theory (Herzberg), 77
Municipalities, public clients, 215–216

N
Narcissistic leaders, 90–91
National Council of Examiners for Engineers and Surveyors (NCEES), model laws (development), 2
National Society of Professional Engineers (NSPE)
  code, 136
  Code of Ethics, 146–147
  no bidding provision, 212–213
*National Society of Professional Engineers v. United States*, 4
National Society of Professional Surveyors, creed/canon, 136
Negativity, avoidance, 72
Negligence, definition, 193
Negotiations, 56–58
  checklist, 58
Newsletters, commitment, 227
Noncompete obligations, 267
Non-income-producing projects, 178
Nonleveraged ESOP, 258
Nonprofessional ethics, professional ethics (contrast), 140–142
Nonverbal communication, 43
Nonverbal queues, attention, 52

O
Objectives
  knowledge, 52
  vagueness, 101
Office communication (grapevine), 49–50
Ohio State Study, 84–85
Open-ended questions, closed questions (contrast), 47–48
Operant conditioning, 79–80
Operations, change, 18–19
Organization
  indoctrination, 91
  rights/responsibilities, identification, 150
Organizational chart
  medium-sized firm, example, 14f
  small firm, example, 14r
Organizational matrix, structure, 15t
Overhead costs, control (absence), 158
Overlawyering, elimination, 198
Owners
  identification, 255–256
  minimum requirements, 256
  sell out, time frame, 248
  training, 257
Owner’s equity (OE), 171
  stock, relationship, 173
Ownership transition, 245
  planning options, 248–267
  schedule, 256–257

P
Paradigms
  demonstration, 20–21
  shift, 20
Partnerships, 12
Past, learning (failure), 102–103
Payment, 176–177
P.E. designation, 2
Perfectionist attitude, 104
Performance
  intrinsic/extrinsic rewards, contrast, 79
  measurement, 183–186
  Performance-satisfaction graphic, 79f
Permitting phase, 114, 239–240
Personal cell phones, interruptions, 32
Personal characteristics, 88
Personal goals, 28
INDEX

Personal interruptions, 32–33
Personality ethic, character ethic (contrast), 22–23
Personal messenger, interruptions, 32
Personal productivity, 36–38
    absence, impact, 38
    improvements, impact, 39
Personal quiz, 18–19
Peter Principle, 82
Plaintiff, 192
    litigation inclusion, 198–199
Planning/strategy phase, 97
Plans/specifications errors, reporting (failure), 139
Pleadings, 199
Politics, involvement, 93
Portny, Stanley, 130
Positioning, 224
Power, derivation, 82
Power of attorney, 201
Preconstruction meetings, 55–56
Pre–design phase, 114, 239
Preliminary design phase, 239
Pre-project marketing phase (nonbillable), 106–107
Presentations, 232–241
    formal communication, 51–53
    graphics, 233
    making, 52
    progression, 236, 238
Press releases, writing, 227
Pretrial activities, 199–200
Pretrial conferences, 200
Price to book value (P/BV) ratio, 262
Price to earnings (P/E) ratio, 262
Principles, 22–23
Printed brochures, usage, 217
Private acts, 203–204
Private clients, 213–214
Process theories, 79
Procrastination, 34–36
    reasons, 35–36
Productivity
    increase, importance, 38–39
Productivity, cycle, 37f
    explanation, 37–38
Profession
    attributes, 3, 140–141
    authority, 4
    community sanction, 4
    ethical codes, 4
    giveback, 93–94
    goals, 149–150
    systematic theory, 3, 140–141
Professional associations (PAs), 13
Professional authority, 141
Professional corporations (PCs), 13
Professional ethics, nonprofessional ethics
    (contrast), 140–142
Professionalism
    business, relationship, 1
    education, problems, 6–7
Professional liability, 205–210
    examples, 205–206
    insurance, usage (reason), 205
Professional practice, distinctions, 6–7
Professional Practice and Legal Exam, 3
Professionals, ethics (relationship), 135
Professional services, marketing, 211
Professional surveyor/engineer, defining, 2–4
Profit
    motive, 156–157
    projections, 181
Progress, review/acknowledgment, 38
Project
    accounting/involvement, 122
    agreement, basis, 116–118
    approach, 113–114, 238
    assumptions, 113
    bidding phase, 114–115
    budget
        monitoring, 125–130
        reports, 160
    closeout, 131–134
        (billable), 108–109
    construction administration phase service, 115
    control, 125–131
    defining, 96–97
        details, 109–112
        definition/scope phase (nonbillable), 107
        execution, 120–124
        fees
            basis, 116–118
            budget, sample, 241t
            proposal, 119t
    final design phase, 114
    funding, 210
    implementation phase, 120–124
        (billable), 108
    interviews, 53–54
    involvement, environmental/safety impact
        (problems), 139
    life cycle, 106–109
        example, 106f
        marketing flow chart, 236f
    organization chart, 235f
    permitting phase, 114
    planning/organization/implementation,
        109–134
    planning/strategy/agreement, detail,
        112–120
    pre–design phase, 113
preliminary design phase, 114
productivity, monitoring, 130
quality, management, 130–131
schedule, 115–116, 237f
monitoring, 130
scope, changes (management), 125
study phase, 113–114
team, 116, 241
understanding, 113, 238
work plan, 122
checklist, 123–124
Project engineer (PE), career path, 8
Project management, 95
absence, pitfalls, 101–103
necessity, 105
phase, 97
example, 98f–100f
system, introduction, 96–100
Project Management for Dummies (Portny), 130
Project manager (PM), 103–104
necessity, 104–105
Project Planning, Scheduling & Control (Lewis), 97
Project-related expenses, 168
Prospecting, 229–232
processes, 229
Prospect list, 230t
Public boards/commissions, service, 93
Public clients, 214–216
Public speaking, prospecting method, 231
Public TV/radio, usage, 218

Q
Qualifications Based Selection (QBS) law/process, 214–215

R
Rachlin, Robert, 158
Ratios, examples, 187t–188t
Realization principle, 159
Receivables, factoring, 171
Record keeping, problem, 102
Redemptions, 259–260
Reference power, 81
Rehearsal, 52
Relationship building matrix, 231t
Relationships, disclosure (failure), 139
Reports, graphics/appendix, 60–61
Responsibilities matrix, 118f
vagueness, 101
Résumé, embellishment, 139
Rewards power, 81
providing, 80
Risk allocation, 207, 210
Role responsibility, 143
S
Sales, 219
advertising/marketing, contrast, 216–219
method
advantages/disadvantages, 254t
selection, considerations, 248–250
obligation, 266–267
Schedules, 256–257
Schematic design, 239
Schmidt, Warren (model), 85–86
Scope creep, 125
Scope negotiation, 242–243
Scopes/agreements, 64
S corporations, 13
Self-actualization level, 23–24
Self-awareness, 91
Self-esteem, regaining, 24
Self-management, 17
paradigms, 19–22
principles, 220t
Self-regulation, 92
Self-reward, 36
Sellers payment guarantees, 249
tax implications, 248–249
Seminars, prospecting method, 231
Services, scope, 239–240
Settlements, 198
7 Habits of Highly Effective People, The (Covey), 19–20, 22, 31, 46
Shareholder agreement, 265–267
confidentiality/noncompete obligations, 267
control/management, 267
definitions, 265–266
insurance policies, 266
sale, obligation, 266–267
signatures, 267
stock, 266
Shares, purchase (provisions), 267
Sherman Act, NSPE Code of Ethics (conflict), 212–213
Short list presentations, 54
Silence, empathetic listening technique, 47
Skin in the game, 247
Small claims courts, 195
Small firms, business (cessation), 157–158
Smith, Anne, 28
Social skills, 92
Sole proprietorship, 12
Speaking, 43, 48–60
Staff support, 257
Standard of practice, definition, 193
State agencies, public clients, 215
State trial courts, 195–196