



It's Time to Pay Our People More – For the Sake of the Profession

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If your firm is like ours, this is the hiring time of year. Despite all the fussing over oil prices, the devaluation of the dollar, recession and sub-prime mortgages, this is a very busy time for the design professions and the demand for more staff is widespread. We find ourselves competing for talent at all levels and needing to increase our salary schedules. Isn't that great! Despite our profession's prudent business practices and willingness to bid our fees as low as possible, we are all faced with a supply and demand reality, and once again have proven that our business models can support the increase. It's times like these that give us an opportunity to significantly raise the salary bar and, in the process secure the next generation of talent that we need to support and advance our profession.

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For decades, the United States has led the world in the development of new ideas, products and services. In our profession, many of the landmark advances have been made here. The American Competitiveness Initiative, now being appropriated in Washington, is aimed at maintaining the nation's ability to develop new technologies and their applications. For the design professions, the focus will most surely be on the development of new materials as well as techniques for achieving sustainability and disaster resilience. Success will come with funding for research and with an eager generation of students to carry out the work as they learn.

Predictions that our profession is on the edge of extinction due to automation are overlooking the growing demand for sustainable design, disaster resilient communities, performance based engineering, and high-performance structures in dense urban settings designed by alternate means. These forces are pushing us to transform our profession to the next level of complexity. The new codes and standards are printed proof. Over the next 20 years, while our profession is automating much of the design work we now busy ourselves with, we will also need to advance the state of the practice related to the efficient use and reuse of materials, and improve our ability to do performance-based design. Obviously, we want to continue to lead the transformation, not follow the work that is done by other nations. We need new recruits entering our universities that will do the research and carry it into the design office.

There are a number of programs that are reaching out to high school and college students that are aimed at encouraging them to enter the design professions. These programs focus on our bright future, stimulate interest and generate fresh ideas. All too often, though, the most talented students are still not choosing structural engineering because the expected salaries are just not high enough, especially when they look out 10 years or more. Young professionals today face greater financial pressures than many of us did, and are seeking other professions to meet their expectations – and they exist.

Structural engineering has benefited from a highly talented pool of engineers for decades, but that trend appears to be at risk if we don't improve the salary structure. I believe that we need to figure out how

to increase the profession's compensation 30 to 50% over the next 5 to 10 years in order to attract the caliber of work force we are accustomed to and need to maintain our intellectual edge. Graduates in computer science and electrical engineering are offered salaries that are 20 to 30% percent higher and with 5 years will be making 100% more than if they choose structural engineering. The financial services, business consulting, legal, and medical professions also offer much brighter opportunities. We must realign our compensation programs.

When you consider the value of the projects that we work on and the service we provide, there is little reason to be concerned about raising our salaries 50% over time. Since salaries are only about one third of the cost of our work, a 50%

increase in salaries only translates to a 20% increase in billing rates. Since the design professions only represent at most about 10 percent of the project, it is reasonable to conclude that such an increase will be less than the normal variation in project costs. In other words, it can fit in comfortably. That is not to say that owners, developers or other design professionals are going to be standing in line to give us a raise for continuing to do what we do. The increase must occur slowly, involved the entire design professional community, and come with increases in service and expertise. Sound hard, maybe impossible? Is it any different from projects absorbing the higher cost of materials?

For those of you who doubt this is possible, consider where it is already happening. The application of new technologies to projects, whether related to performance based analysis techniques or the use of innovative structural systems, is commanding higher fees, demanding highly trained professionals and leading to higher salaries; all because there is a significant increase in value. Admittedly, it is a "chicken and egg" process. We need to embrace and apply new techniques to our practices that support higher salaries, but we need higher salaries to encourage more talent to enter the profession and develop these next generation deliverables and service levels.

Fortunately, it appears that the cycle has again begun with the increase in salaries due to the demand for more engineers. We need to embrace the increase on behalf of the next generation of engineers and the profession, and in fact drive it a bit farther by applying the increases to all levels of employment each year for the next 10 years. An across the board 5 to 10 % increase, in addition to cost of living, for 10 years achieves the goal. It is an increase that can be absorbed in our business models as long as we commit to do more, charge more, and provide added value. Do it for the sake of the profession and the next generation of engineers. Do it faster if you can. I guarantee that no one will turn down the raise!

The benefits include – a significant improvement in the overall practice because of the value added service, added sustainability in the built environment, disaster resilient communities, and the preservation of a high caliber profession that is properly compensated. What a deal. ■