

# Security and Design

## WORK-ON-THE-BOARDS SURVEY: OCTOBER SUPPLEMENT

### Firms Assessing Business Conditions, Reviewing Options Before Implementing Changes



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Architecture firms are closely monitoring business trends in the wake of changes resulting from the September 11 terrorist attacks. However, many have noted only minor changes in their business conditions, and most firms have yet to implement major changes.

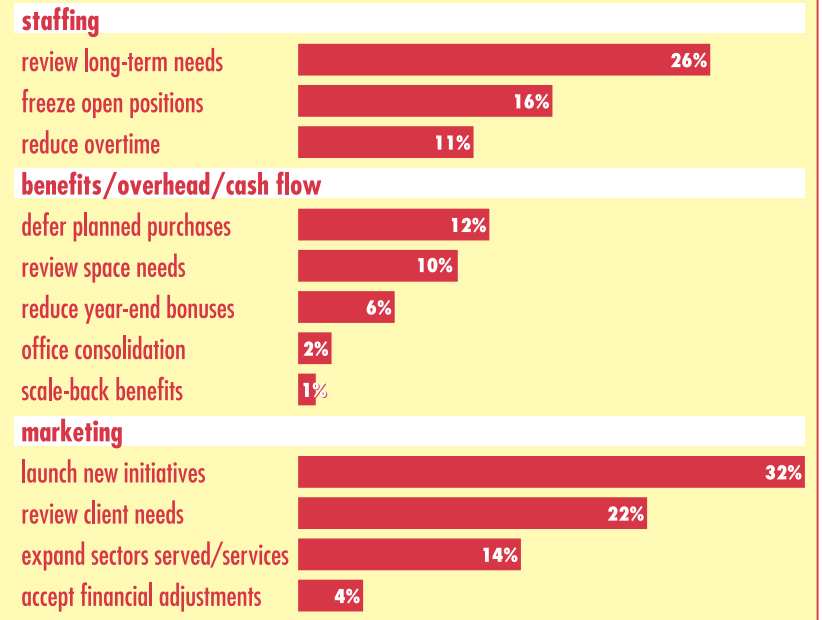
As of mid-October, fully five weeks after the terrorist attacks, almost half of firms still have not seen significant changes in business conditions at their firms. Of those that have seen an impact, two-thirds feel that things will return to normal by the middle of next year. Only a small fraction feel that conditions stemming from September 11 events will still be affecting their firms into 2003.

#### Not many changes

Some firms have begun to implement changes at their firm, although most have not yet instituted major overhauls. Over a quarter of firms have reviewed longer-term staffing needs, and

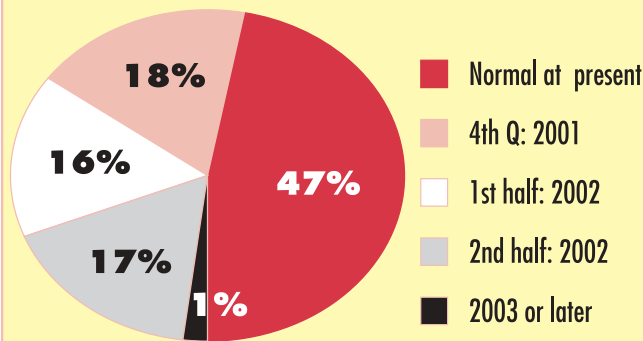
#### Few Firms Implementing Major Changes in Response to Post-September 11 Events

Actions taken by firms in response to changing business conditions  
Source: AIA Work-on-the-Boards Survey; supplemental October 2001 survey



#### Almost Half of Firms Do Not See September 11 Impact on Business

when business conditions expected to return to normal, % of firms



almost one in seven has frozen open positions. One in nine has reduced overtime. In each of these categories, an equal share of firms have considered these actions, but have not yet put them in place.

Few firms have implemented financial changes so far. Only one in 10 firms has deferred purchases or reviewed space needs. The percentage of firms that have reduced year-end bonuses, begun office consolidation, or reduced employee benefits is in the single digits—often the low single digits. Although a larger share has considered these particular actions, less than a third of firms are thinking about making any of these changes.

Almost a third of firms have launched new marketing initiatives. Over one in five has reviewed client needs on existing projects. One firm in seven has expanded its practice to include new building sectors or new service offerings. Only a very small share of firms has offered to accept financial adjustments on projects, such as delaying invoicing or reducing their fee. Again, only slightly higher shares of firms have considered any of these actions. ■■