



# PEER REVIEW

## **APPENDIX F - CORE MANAGEMENT COMPONENTS**

Below are the nine GBA Peer Review Core Management Components (CMCs) plus questions to assist in the evaluation. When Comprehensive Peer Review is conducted, the Reviewers' report to the CEO should be organized in the order shown below, to provide a structured and uniform appraisal.

### **1. Business Management**

- **Strategic Planning**

- a. Does the firm have a strategic plan? Are there both short-term and long-term plans?
- b. Are strategic plans built by consensus of upper management or exclusively by the CEO?
- c. When was the strategic plan last updated?
- d. Is the strategic plan supported with an annual business plan that includes specific, measurable, and attainable goals?
- e. Does the firm monitor its strategic plan goals?
- f. Are there annual/semi-annual/quarterly/monthly strategic planning sessions that are regularly attended by upper management?
- g. Is the firm meeting the goals?
- h. Do employees know the firm's goals?

- **Business Plan**

- a. Does the firm have a business plan? If so, how frequently is it reviewed and updated?
- b. Is the business plan based on the strategic plan?

- **Ownership Structure**

- a. Does the firm have an ownership transition strategy and/or plan?

- b. Are rising stars involved in ownership?

- **Organizational Structure**

- a. Do employees understand the organization structure?
- b. Does the CEO delegate authority?
- c. Do leaders seek open/honest feedback?
- d. Is there a Loss Prevention Coordinator, Health & Safety Officer, EEO Officer, HR Manager, IT Manager?
- e. Does the firm have an Organization Chart?
- f. Of all professional staff, what percentage have a master's degree? What percentage have a PhD?

- **Communications**

- a. Are firm communications between management and personnel adequate?
- b. Does the firm have a policy and procedure manual?
- c. Does the policy and procedure manual address topics of need to the firm?
- d. When was the policy and procedure manual last updated?
- e. Is there evidence of a media response program? What happens when an employee receives a call about a problem on a site from a news outlet?
- f. Are there regular scheduled meetings to discuss on-going projects and clients?
- g. From employee interviews, do staff believe that the CEO/upper management are effective communicators?
- h. Is there evidence that the firm encourages communication from all employees to discuss problems, issues, and concerns?
- i. Is there evidence that upper management makes itself accessible to lower tiered employees? Do employee interviews support this observation?

- **Ownership Transition**

- a. Does the firm identify and develop new owners?
- b. Does the firm have an ownership transition plan?

- **Leadership Transition**

- a. Does the firm identify and develop new leaders?
- b. Are the new leaders engaged?

- **Response to Past Peer Reviews**

- a. How has the firm responded to the recommendations from past Peer Reviews?

- **Loss Prevention**

- a. Who is responsible for handling loss prevention claims and training?
- b. How are lessons learned from loss experiences communicated within the firm?
- c. Does the firm have an employee(s) identified as in-house counsel?
- d. Is there evidence of risk analysis on new projects before the project commences?
- e. Is there a procedure and contract provision in place to report to upper management “changes conditions” on a project?
- f. Does the firm work in a high-risk area – either geographically or via client and project selection?
- g. Does the firm accept or shy away from residential exposure? Does residential exposure comprise more than 25% of total revenues? Does the firm work on subdivisions and condos, or is the residential work tied more closely to multiuse or high-rise properties?

## **2. Facilities and Technical Resources**

- a. Does the firm's facility enhance its image?
- b. Are in-house technical resources adequate; e.g., library, laboratory equipment, personal computers, servers, and software?
- c. Are the firm's resources generally current or out-of-date/obsolete?
- d. Does the firm inventory major lab, field, safety, and office equipment?
- e. How does the firm handle and store hazardous materials and specialized geo-environmental equipment?
- f. How does the firm securely store and retrieve historical records?
- g. Do employees receive personal protective equipment?



### 3. Human Resources Management

- **General**

- a. Is there a designated HR manager?
- b. Who hires and fires employees?
- c. Do employees know who they report to?
- d. Does the firm have a formal new-hire initiation process to on-board new employees?

- **Recruitment**

- a. Why would someone want to work here?
- b. Does the firm have a written recruitment procedure?
- c. Does the firm do background checks prior to offer of employment letter? Does the firm verify an applicant's claims about education, professional degrees, and work at prior employers?

- **Safety**

- a. Does the firm provide formal health and safety training?
- b. Does the firm have a written health and safety plan?
- c. Is there a procedure in place to address project safety of employees? Does the firm prepare project-specific health and safety plans?
- d. Does the firm have a medical monitoring program?

- **Employment Laws and Regulations**

- a. Is there a procedure in place for keeping staff and management abreast of applicable federal, state, and local laws and permitting requirements?
- b. Does the firm have a Personnel Manual? When was the manual last updated?
- c. Does the personnel manual have a signature page?
- d. Are there Equal Opportunity/Affirmative Action plans?
- e. Does the firm have a substance abuse screening/testing policy?
- f. Does the firm perform formal exit interviews of departing employees?
- g. Who handles former employee inquiries?

- h. Does the firm have a policy prohibiting employees from moonlighting?
- i. How does the firm handle independent contractors?

- **Employee Performance Reviews**

- a. Does the firm conduct regular formal employee reviews? (Do you ask for feedback?)
- b. Does the firm encourage the development of personal career path development plans?
- c. Do you have written disciplinary action notices? Are they current?

- **Personnel Records**

- a. Are employee personnel records stored in a secure location with limited access?
- b. Do personnel files document the employee's progress, training, discipline, registration, etc.?

- **Employee Retention**

- a. How does the firm actively communicate with employees?
- b. Does the firm routinely survey employees to determine their level of engagement?
- c. What is the overall level of morale in the firm?
- d. How does the firm benchmark salary/benefits?
- e. Are there any policies you should implement now?

#### 4. **Professional Development**

- **Training**

- a. Is training formal or informal? Internal or external programs?
- b. What is the frequency of brown-bag training sessions, and who are they for? Who leads those sessions?
- c. Does the firm have an annual training budget?
- d. How does the firm encourage active participation in professional organizations and advancing the profession?
- e. How does the firm determine who receives training?

- f. Does the firm maintain records of who received training, the type of training and when the training took place (personnel file)?
- g. Are supervisors encouraged to give junior employees a variety of assignments to help them learn and diversify their capabilities?
- h. Does the firm have a formal mentor program? Does junior staff have access to more experienced staff?
- i. Does the firm discuss ethics or have formal training?

- **Registration/Certification Policies**

- a. How does the firm encourage employees to become registered/certified?

- **Policies and procedures for implementing GBA and other loss prevention materials and programs.**

- a. Do employees know where to get GBA and other loss prevention and risk management materials?
- b. Do appropriate personnel participate in GBA-developed training programs?

## **5. Project Management**

- **Contracts**

- a. Do projects have a clear scope of services? Do project managers mutually develop scopes with clients?
- b. Are standard firm contracts available? Are they updated periodically to reflect current law and practice? Are they reviewed by legal counsel?
- c. Do projects have written contracts?
- d. What form of contract is in predominant use – the firm's standard contract or the client's contract?
- e. Are limitation of liability clauses used in contracts? How frequently?
- f. Who within the firm is responsible for reviewing contracts? Does the firm have a checklist of critical terms? Do project managers have access to legal help if required?
- g. Is there a procedure for PMs to evaluate and report to upper management the bad demeanor of the client when negotiating contracts?
- h. Is there employee training in place for identifying contractual liability risk with clients? What happens with a PM is handed a contract with egregious terms?

- i. Who has authority to sign contracts? Does staff know who is authorized to sign contracts?
- j. Is there a formal procedure for scope/fee changes? Do project managers ask for scope/fee adjustments in a timely manner?
- k. Does the firm include construction phase services in the proposal scope?

- **Subconsultants and Subcontracts**

- a. Do project managers have written contracts with subs with adequate protection and proof of insurance?
- b. Is there a procedure in place for selection of subconsultants and subcontractors?
- c. Is there a procedure in place to verify the subconsultants and subcontractors have adequate insurance and have approved contractors?
- d. Is there a procedure in place to verify that the firm is added as an additional named insured on all General Liability-type policies?

- **Personnel Management**

- a. Does the firm maintain a list of employees authorized to serve as project managers? Do they receive formal training before assuming the project manager role? Do they know their authority and have a written job description?
- b. Are project managers respected within the firm?
- c. Does the firm have a formal procedure for assigning personnel to projects?
- d. Do project managers have access to good project and budget controls?
- e. Do project managers encourage and teach ethical conduct?
- f. Do project managers assign certified personnel to perform applicable lab and field tests? Is there a plan to keep appropriate personnel certified?
- g. Do project managers have responsibility to review and balance employee workloads?

- **Communications**

- a. Do project managers keep clients informed about schedule/budget progress? Does the firm meet budgets and schedules?
- b. How do PM's communicate with PE's? Does it work?
- c. What happens when a problem is encountered in the field? Who is notified first, and how does the information get to upper management?

- d. Is there evidence of a procedure in place for when a non-environmental project becomes an environmental one?
- e. How does the firm handle client/project confidentiality requests?

- **Financial**

- a. Do project managers have active access to project financial information to adequately track project schedules and budgets?
- b. Is there a formal project review procedure to identify and handle projects that are over budget and/or behind schedule?
- c. Is there a procedure in place to measure individual employee's contribution to profitability and are employees held accountable when actual results don't meet budgetary expectations?

- **Quality**

- a. Does the firm have a formal Quality Control procedure for technical work and correspondences? Are templates and/or checklists available – with caveats?
- b. Who has responsibility for reviewing plans, calculations, and reports? Does the quality reviewer co-sign plans, reports and initial calculation reviews?
- c. Does the firm have report/documentation standards to assure reports are concise, thorough, and written to meet firm standards? Do the reports identify risks and limitations? Do they stay within the scope of services?

- **File Management**

- a. Does the firm have a project document and file management system? Does the system include a formal file retention/purge policy?
- b. Does the firm have a formal project file organization structure?
- c. Does the firm have an effective File retention/archive policy?
- d. Does the firm have a File Closure policy? Does it discuss what to do with draft reports, rough logs, letters, notes, etc.? What about files with construction services – does the firm combine office and field file documents and keep marked up plans?
- e. Does the firm have a written policy for filing/archiving electronic project records?

## 6. Financial Management

- **General.**

- a. Does the firm have a designated CFO?
- b. Is the firm profitable enough to achieve firm goals for competitive salary, benefits, ownership transition, and firm investment?
- c. Does the firm prepare monthly or regular financial statements? Who receives the information?
- d. Are the firm's financial statements prepared by an independent consultant or reviewed, compiled, and audited?
- e. Does the firm prepare an annual budget? Does it include capital, revenue, and overhead projections?
- f. Does the firm use separate offices as profit centers? Does this create problems?
- g. Does the firm have standard, timely billing procedures? Do project managers review drafts?
- h. Does the firm have formal collections policies/procedures? Are project manager's involved in the collections process? Are there adequate procedures for bookkeepers and accountants to identify to upper management potential problems with long-aged receivables?
- i. How are the firm's financial records stored and retrieved?
- j. Are owners happy with the quality and frequency of financial information?
- k. Do employees feel that they are kept well advised of the firm's financial picture?
- l. Does the firm's financial management software provide timely, accurate, and pertinent information to manage projects and the firm?
- m. Does the firm educate owners about financial issues?
- n. Is there evidence of any hind-sight analysis about project profitability?
- o. Do project managers have the financial controls they need?
- p. Does the firm monitor and forecast backlog?
- q. Does the firm track and monitor proposal success rates?
- r. Does the firm monitor write-offs? Does the firm have a policy for approving write-offs?

## 7. Marketing and Sales

### • Marketing Plan

- a. Does it appear that the CEO engages staff with his/her vision of business development and development of collateral marketing?
- b. Do you have target markets? Target clients? Target projects?
- c. Do you have marketing personnel? Do they maintain a web site, social media, blogs, newsletters, etc? Do you train them?
- d. Do you monitor marketing information for language that might oversell the firm and consistency with your culture/ideals? Do company marketing materials and language match the actual work the firm is doing?
- e. Do you check with clients/contract language before highlighting a project in a marketing piece?
- f. Do you keep resumes current?
- g. Do you solicit client feedback (surveys, etc.?)

### • Sales Plan

- a. Is the marketing plan consistent with the sales plan? Do sales staff know your target clients, markets, services, and available resources? Do salesmen track target clients and projects over time?
- b. Do professionals sell their own work? Does the firm help them balance selling and doing the work? Are these valuable people adequately rewarded?
- c. Does the firm have professional sales staff? Do they set realistic client expectations? Do you monitor sales volume?
- d. Do sales staff attend professional meetings, give talks, write papers, stay visible, talk to clients?
- e. Does the firm have a Go, No-Go proposal response procedure?
- f. Does the firm track proposal success rates?

## 8. Electronic Resources Management

- a. Are your investments in this area adequate for where your firm is going?
- b. Are you safe from cyber-attack?
- c. Do you have a policy to acquire and maintain hardware and licensed software?
- d. Do you inventory software?

- e. Who's in charge of your IT? Do you support them with budget and staff?
- f. How do you secure and back up files? Do you have limited access for some financial information?
- g. Do you have guidelines for business and personal use of computers, internet, e-mail, etc.? Do you review outgoing e-mail content?

## **9. Image and Culture**

- a. What are your firm's strengths and weaknesses?
- b. Why is your firm unique?
- c. Are you happy here? Do you contribute?
- d. Are you growing?
- e. Is there a written culture statement? Is there a mission statement?
- f. Is the firm's culture known by all employees? Is the culture statement disseminated and discussed with all employees?
- g. Are there regularly scheduled meetings where corporate culture is discussed?
- h. What is the firm's culture? Do you like it?
- i. From employee interviews, can you determine whether the corporate culture is more of a "solution" or "blame" oriented culture?
- j. Does the CEO's opinion of a "solution" vs "blame" culture jive with the employee's perception?
- k. Does the CEO appear to be an autocrat or not?
- l. What is the firm's reputation?
- m. Does the firm make the profession better?
- n. Are you proud of the firm?
- o. How does the firm treat employees? How does it treat clients? Others?
- p. Do you trust leadership?
- q. Is the firm honest and ethical?