

RETURNING TO WORK

Pretty much all firms are grappling with the complexity of getting employees to come back to the office. Firms will have to reconfigure office space for social distancing. And complying with government regulations will be an ongoing effort.



LARGE PTO BALANCES

Many firms are seeing utilization rising, and one reason is that no one is taking PTO right now. This is becoming a big problem as many firms are accruing large liabilities that they may have to pay out at year's end.



LONG-TERM HEALTH AND SAFETY

Beyond getting employees back to work there are long-term considerations for running the business including dealing with the changing economic environment, travel, and running projects with the virus still a threat.



AR COLLECTIONS SLOWING

From day one, most leaders have been focused on cash flow and collections. Many are starting to see a slowdown now, even if their work has not slowed down at all. Clients are holding on to their money longer, and consistent attention on collections is needed to ensure receivables are not getting too old.



POSTPONED PROJECTS

Many firms are seeing projects postponed or even cancelled. Some report 25% to 50% reductions in work and have had to do layoffs.



COMPANY CULTURE

With all the change going on and the lack of personal connection with employees, many leaders are concerned about their company culture remaining strong. Lots of creative methods are being used to keep employees connected to the company, including Zoom lunches and happy hours, CEOs "checking in one-on-one with every employee, and frequent "huddles" each day.



DEALING WITH EMPLOYEE FEARS

As firms are surveying employees about their productivity and feelings about working at home, they have discovered that many employees are struggling mentally and have fears about coming back to the office. Every employee has a different situation at home, and it will be impossible to try to impose the same policies on everyone.



STATE & LOCAL GOVT. REVENUE SHORTAGES

Many A&E firms have a large part of their revenue coming from state and local governments, who are seeing huge revenue shortfalls due to huge unemployment claims, increased healthcare costs, and reduced sales and income taxes.



8 key challenges AEC leaders are facing in planning a safe and healthy return to work

