THE POWER OF SMALL
EMBRACING AGILITY IN PRACTICE TO AFFECT BIG CHANGE

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Welcome to your interactive Delegate Resource Pack. We would like to take this opportunity to thank you for attending the RIBA Guerrilla Tactics 2017 Conference: The Power of Small. We hope you had an engaging and inspiring day. This document offers a summary of the insights shared throughout the day and links to recordings of all presentations should you wish to watch them again.

Clicking on this icon below the session summaries will take you to the video recording.

Sessions

Kyenote 1: Disruptive Design. Sam Bernard, Dyson ........................................ 3
Keynote 2: Nudging. Dr David Halpern, Cabinet Office ........................................ 4
Morning Session 1: Our Approach to Change. David Miller, David Miller Architects ........................................ 5
Our Approach to Change: Sarah Castle, IF.DO ........................................ 6
Our Approach to Change: Darren Bray, PAD Studio ........................................ 7
Morning Session 2: Business Tactics. Michael Holmes, Michael Holmes Consultancy ........................................ 8
Panel Discussion: Designing your Business ........................................ 10
Afternoon Session 1: Top Ten Tactics PechaKucha ........................................ 12
Afternoon Session 2: The Power of Innovation. Indy Johar, O0 ........................................ 14
The Power of Innovation: Will Wimshurst, Wimshurst Pelleriti ........................................ 15
The Power of Innovation: Arthur Marmou-Mani, Marmou-Mani Architects ........................................ 16
The Power of Innovation: Tomas Millar, Millar + Howard Workshop ........................................ 17
Afternoon Session 3: Closing Session ........................................ 18

Conference identity on cover by Darkhorse Design, © RIBA.
Keynote 1: Disruptive Design
Sam Bernard, Global Category Director for Dyson Professional, Dyson

Business model:
- Dyson values flexibility and risk taking, the ability to change ‘perceived wisdom’ within the company quickly.
- The business model is based on disruptive innovation – be different and be better than everyone else, even than your old self.
- By delivering on customer core expectations higher prices do not undermine competitiveness.

Consumer values:
- Successful companies are good at answering to known customer demands, or values. But customer values can change over time, opening a gap for competitors.
- A disruptive product may not meet initial customer expectations, but if successful will establish a new set of expectations, leaving the ‘traditional’ products behind.
- Disruption requires a deep understanding of the needs of a product, looking where the real values lies, and if necessary radically redesigning it.

The process of innovation:
- Engineers at Dyson are allowed to freely innovate without specific delivery pressure.
- First innovate in isolation, then test extensively.
- Through its collaborative links with universities worldwide, a global research network is maintained.
- Corporate governance needs to enable innovation and risk taking. With only one shareholder with decision-making power, Dyson has a distinct advantage over many competitors.

Top Three Takeaways:
- Understand what the consumer’s needs are now, and what they will be in the future.
- Invest in your product so it delivers to the changing consumer's needs better than other solutions.
- If you don’t disrupt the market, someone else will.

Sam Bernard, Dyson presentation
Keynote 2: Nudging
Dr David Halpern, Chief Executive and Board Director of the Behavioural Insights Team, Cabinet Office

The trajectory of innovation:

- Historic productivity increases are presented as a straight line of improvement, while in fact they are the result of many small disruptions.
- Companies often get stuck because of their accumulated physical and mental capital and are then replaced by more competitive new entries.

Lessons from behavioural science:

- People adjust their own behaviour to that of others.
- (In absence of clear evidence) we overestimate bad behaviour in other people and consequently our standards of behaviour fall.
- Telling people about others’ supposed behaviour – true or not – incentivises adaptation to the perceived standard.
- Increased access to information and feedback (e.g. online ratings) is likely to benefit SMEs disproportionately, because there is less information available about them.

Top Three Takeaways:

- Behavioural science is powerful – try applying Easy, Attractive, Social and Timely (EAST) in design and your business.
- Experiment! Always seek evidence to improve what you do. Look for areas that are easy to test, or use small variations.
- SMEs drive much innovation – and benefit from better informed customers.

David Halpern, Cabinet Office presentation
Innovate to gain competitive advantage:

- Change management is the biggest challenge for organisations; small organisations are better placed to implement even radical change.
- During the recession, DMA used BIM as an opportunity to differentiate their practice and to gain a competitive advantage.
- Working at the cutting edge of available technology also offered DMA the chance to attract the best people.

Implementing change:

- Adoption of BIM required restructuring of both the physical and virtual office structure; everything was ‘taken apart and put back together’ to enable best practice.
- A BIM champion was needed to drive the initial uptake, but with the goal to eventually distribute knowledge widely across the office.

Change is good:

- With other businesses moving into their space, DMA is now looking to push the next boundary.
- In the near digital future, teams could collaborate as specialised SMEs, rather than integrated large organisations.
Define Identity:

- IF_DO defined from the outset what type of projects they wanted to work on.
- Defining a clear identity helps both architect and client understand if they are right for each other.

Curate Output:

- Tell people what you want to do rather than what you already do, e.g. through selective presentation of their projects on their website.
- Question if a small project can fulfil a slightly bigger ambition and present it accordingly.
- Curated output not only contains completed projects, but also more speculative work - those seeking planning permission and competition entries.
- IF_DO invest in their own ambition, paying for consultants to produce high-quality visualisations.

Leverage Opportunity:

- It takes combination of strategy and hard work to develop a portfolio.
- Profile is built not only through projects but also through lecturing, volunteering, network membership – it all becomes part of the portfolio.
- Don't underestimate the importance of research and the writing of articles. It demonstrates both interest and a level of expertise in a specific area that you will get known for.
- ‘Getting girls into construction’ - opportunity to sell their pitch.

Top Three Takeaways:

- Define Identity.
- Curate Output.
- Leverage Opportunity.
Darren Bray, Technical Director of PAD Studio

Practice DNA:

- PAD Studio's distinct identity is defined by place; it is located in the historic town of Lymington in Hampshire, on the Solent near the New Forest.
- Its perspective is shaped by its 'outsider' position, looking in.

The benefits of sharing:

- The studio's manifesto is a vehicle that allows PAD 'to reveal ourselves to others as well as to ourselves'.
- It is an evolving 'live script', which enables the ethos and values to be shaped by the collective rather than individuals.
- Through 'Chora', a collaboration between PAD and Roger Tyrell, the studio is growing a collective of several practices – visibility is enabled by sharing.
- The self-funding of photography by PAD has paid off in exposure – the Exbury Egg was featured on the cover of Time magazine and continues to be requested from publications all around the world.
- Sharing includes live broadcasting of workshop sessions on Periscope and Twitter.

Top Three Takeaways:

- Be permeable.
- Share consistently to enable being shared with.
- Identify your unique practice DNA.
Morning Session 2: Business Tactics
Tactics for Improved Business Performance
Michael Holmes, Director of Michael Holmes Consultancy Services

Cash is King:

- Architects need to take the business of business (more) seriously.
- Most businesses fail because they run out of cash even if they have work.
- To realistically price your services, you need to know your true costs, including overheads.
- The biggest overhead in professional services firms is fee earners time not spent on paid work, including holidays, training and illness.
- If your profit estimates do not work out, the man hours are costed wrong.

Fee bid calculation:

- Fee bids help you to understand actual costs and viability of work.
- Always do a resource plan containing scope of work and programme when preparing a fee bid.
- If clients don't provide a scope of services and programme, draw them up yourself and share with the client.
- Account for inflation on projects over 12 months, add contingency particularly for new clients, then add your profit margin.
- Actual profits will usually come in slightly below the calculated one, so mark-up accordingly.
- Check the market rate before issuing your bid. Friendly contractors can usually help.

Fee bid negotiation:

- Always communicate open and honestly, and in writing.
- Always be friendly, never antagonistic. If a fee reduction is requested, agree, but talk about how it will require a reduction in the scope of works.
- When you know your costs, you can stand your ground. Know your bottom line and walk away if it doesn't work out. Don't devalue yourself.
- Explain to the client the benefit of using an architect and in particular yourself.
Job costing:

- Calculate all costs and revenue of a project – timesheets, direct expenses and sales invoices.
- The only relevant measure is the final profit, not intermediate figures while a job is in progress.
- There is a lot of affordable software available to help with the calculation, such as Xero and Workflow Max, which will do most of what a small practice needs.

Top Three Takeaways:

- Do a cashflow if nothing else.
- Know what your work costs you and produce sensible fee bids using costed resource schedules based on that.
- Record what you do and know what the final outturn cost will be on all your projects.

Michael Holmes, Michael Holmes Consultancy, presentation
Panel Discussion: Designing your business

Chair: Michael Holmes

Panellists:
- David Ayre, Director of Ayre Chamberlain Gaunt
- Barbara Kaucky, Director of Erect Architecture
- Will Mawson, Director and Architect at MawsonKerr

What makes a good fee bid?

Tips from David:
- Break down fees into RIBA work stages and smaller items.
- Always have something in the fee proposal that you can strike out.
- Put yourself in the client’s shoes, what do they really want and need.

Tips from Barbara:
- Treat fee proposals like mini competitions, and only do them when you really want to.
- Consider the client’s budget and proposal properly, what can you bring?
- Do you have the capacity and skill, and is the client aligned with your social values?

Tips from Will:
- Break down the fee bid into 5–6 bids to show what the client will get.
- Show how many people will be working on it.
- Sense check your bid with someone else before submitting it.

Top Takeaways:
- Know your scope and delineate properly
- Build flexibility into your bid to give clients space to negotiate.

How do you balance business and design?

Tips from David:
- Productivity does not need to come at the expense of design, on the contrary. Well-considered overheads free up architects to focus on design.
Tips from Barbara:
• It matters most to know that the money you spend is well spent.
• Focus on what the client really wants from the start by understanding what quality of service means to them, and prioritising accordingly.
• Work strategically with the client to find out.

Tips from Michael:
• Admin support is vital and should account for about 20% of the staff.
• Think about how you can best promote timesheets in your practice.

Tips from Barbara:
• By linking the timesheet to practice profitability, staff can understand their contribution to the business.
• Joint decision making on the targeted level of profit for each project creates buy-in.

Tips from David:
• Excel timesheets were terrible, the switch to software was a game changer.

Tips from Will:
• The adoption of timesheet calculator software enabled data collection on the go, including on mobile devices – less hassle for everyone.
• Importantly the software helps understand where non-fee earning time is spent.
• Personal expenses are not reimbursed until the time sheets are filled in.

Any advice on managing cashflow?
• David: Use software to monitor live data. Xero is fantastic, combine with plugins that allow forecasting.
• Will: Don’t shy away from talking about cash with your client.
Chris Bryant, Partner at Alma-nac

Using social media tactically:

• Find the social media platform you like, then you will be good at it.
• If you don’t like it don’t do it.
• Twitter is good for getting questions answered and connecting with the right people.
• Instagram allows great visual communication – have your image bank at the ready.

Su Stringfellow, Director at Harrison Stringfellow Architects

Shop as studio:

• The practice is based in a shop on Penny Lane in Liverpool.
• The studio uses the shop window to create a visible presence on the street.
• They communicate what they do to passers-by, using physical social media such as hand drawn placards and signs.
• Harrison Stringfellow subscribe to an ethos of openness and inclusivity.
• Messaging includes local events that the practice participates in, as well as topical issues, such as voting.
• By renting out the room above their studio on Airbnb, they also use their premises to support their practice financially.

Cassion Castle, Owner of Cassion Castle Architects

How to get involved in delivery/construction:

• Start with really small projects.
• For a first job with a new client only undertake the design to earn trust.
• Explain pros and cons of the model to the client, be clear about what you are doing.
• Use fixed price subcontracts, add a mark-up, and avoid day rates.
• Take a deposit.

Anna Liu, Director of Tonkin Liu

Teaching leading to research and winning work:

• Teaching led to research and the development of a
3D-shell lace structure.

- Toolkit for innovation – resulted in winning a new sector of work.

Anna Liu, PechaKucha presentation

Melissa Robinson, Director at MW Architects

Providing QS Services:

- MW Architects produces early predicted costs, based on basic floorplan, sqm costs, fees and VAT.
- This helps to manage client expectations effectively and agree pre-agreed rates.
- Cost awareness reduces client anxiety.

Melissa Robinson, PechaKucha presentation

Stuart Eatock, Managing Director of ECE Architecture

Worthing beach installations as means of promotion:

- Doing temporary installations can give a practice great exposure.
- ECE has done three self-financed temporary installations in the seaside town of Worthing, West Sussex, where they are located, in consecutive years.
- Each cost less than £7000, in return they generated: international attention, won civic awards, facilitated great team building and won them the local council as their client.

Stuart Eatock, PechaKucha presentation

Hugo Bass, Architect and Property Developer, Recraft

Pitching to property clients:

- It is key to add value to a project.
- The more creative you can be with a project the more you can afford to pay for it.
- Understand the risk of each scenario, have exit strategies for each.
- The offer should be based on the lowest risk option.

Hugo Bass, PechaKucha presentation

Annabelle Tugby, Director of Annabelle Tugby Architects

Teaching staff to manage themselves:

- Decided to ditch the hierarchy and shared everything with their staff, including the business costs and how much they charge.
- Then handed their staff wide ranging responsibility for projects.
- The lesson learnt was that nurturing talent, empowers your staff and benefits your office overall.
- Don’t sit and wait for big ideas, but hone and tweak the nuts and bolts today.

Annabelle Tugby, PechaKucha presentation

Tomas Millar, Founding Director of Millar + Howard Workshop

Photogrammetry and client videos:

- Drones and YouTube have changed Millar + Howard Workshop’s way of working and communicating with clients.
- Affordable mini drones are used to create 3d-models of sites and buildings.
- Photos taken during a site visit are fed into A gisof Photoscan, processed overnight to produce a 3D-mesh, which renders a ready model for proposals.
- Then a video is recorded using a podcast microphone, which talks through the proposal, uploaded to YouTube and a link is sent to the client.
- This visualisation technique has proven very successful and increased the practice’s conversion rate.

Tomas Millar, PechaKucha presentation

Katie van der Schaar, Associate Director at David Miller Architects

The impact of a new website on business:

- DMAs new website visualises projects as 3d models, without talking about BIM.
- Enables users to control the way they explore projects, using a control stop-frame.
- Communicates all aspects of the office, not just work.
- Google Analytics is used to measure and understand website traffic.

Katie van der Schaar, PechaKucha presentation
Lifecycle thinking:

- Lifecycle thinking changes how you conceive of and design architecture, when considering the impact of architecture on building performance.
- Of the lifecycle cost of a commercial building, design and capital costs account for a fraction of the total, dwarfed by operations and management and other costs associated with its use, such as staff cost.
- When considering the above, architects can begin to think of architecture not as a thing but as an aggregate of social and economic processes, including supply chains.

Changing the means of making:

- Technology enables the democratisation of production (open source).
- Form follows finance. Change finance if you want to change cities, using performance-based investment and smart contracts.
- Build different warranty infrastructure to enable long-term value.

Technology’s impact on regulation:

- Technology will change our regulatory environment, leading to post-managerial cities.
- Digital regulation enables real-time compliance.
- A digital platform managing land rights could have a huge impact.
- Uses should be reviewed according to their impact, allowing, for instance, co-location of local manufacturing with residential.

Top Three Takeaways:

- Small is a super power to be relational.
- Design the Architecture of place not buildings.
- Small is the place where the new is born.

Indy Johar, 00 presentation
• By founding an architecture and development firm with architect partner and his brother, who has business and finance skills, joint experience is combined with a positive attitude of ‘calculated naivety’.

• Market advantage is sought based on slight twists rather than radical innovation.

• Developing a rental product (launchpod) for a specific income bracket, similar to London Living Rent, allowing residents to save for a deposit while living there.

• Now working with Legal & General to design a modular product for inner-city brownfield sites.

• Relevant cost parameters have changed, with raw materials now costing less than labour.

• Lots of collaboration, including joint ventures with clients.

• Recently set up their own contracting business, saving a lot of money.

Top Three Takeaways:

• Calculated Naivety
• Challenge and Embrace Risk
• Challenge the Model.

Will Wimshurst, Wimshurst Pelleriti presentation
Lead the Future:

- Expands the limits of the profession, taking holistic approach to design and pushing the boundaries of digital design and fabrication.
- Runs several ventures, including a fablab – FabPub.
- Important to be able to build parametrically, and to explain your parameters.
- Develops generative design combining inexpensive materials with meaningful algorithms.

Let Go:

- Better to work within the parameters of machines and material than impose forms.
- Risk of the computer starting to dictate the same form to everyone – don’t lose your individual design language.
- Share and collaborate – physically and online (wewanttolearn.net).

Lead the Future:

- Currently developing a new generation construction robot with Arup, which seeks to revolutionise the way we build.
- The team proposes a cable construction robot that will make robotic construction affordable and accessible as an open-source model.
- The ambition is to eventually send machines to construction sites.
- The team is looking to commercialise the robot soon through Kickstarter.
- You can’t wait for clients, be entrepreneurs!

Top Three Takeaways:

- Lead the Future! (by anticipating and embracing it)
- Break Barriers! (between professions, preventing your creative freedom)
- Let Go! (of the past of your desire for control, of complete ownership).
Creating Customer Value:

- Looked for inspiration outside of the industry, drawing from gaming and animation, and from business self-help books.
- Customer value = benefits minus costs.
- Architects focus too much on the costs, rather than the benefits.
- This mindset is also encouraged by the RIBA Plan of Work, which standardises architects’ work and leaves only cost as differentiator.

Demonstrating value in the fee model:

- Developed a fee model with different pricing levels based on the service offer (basic, premium etc).
- The services are broken down in detail and referenced to the RIBA Plan of Work stages, demonstrating more clearly the true amount of work per stage.
- The detailed fees model encourages a conversation about what architects do and the value they bring.
- Nearly all clients opt for enhanced or premium services.
- Presenting their proposals in 3D models has noticeably improved the conversion rate.

The LivedIn model:

- A separate business venture aimed at self-builders who cannot afford an architect.
- LivedIn facilitates land sales to self-builders, cutting out the ‘middle man’ developer.
- It is a clear value offer, making landowners more money, enabling customers to access land and acquire better homes, which impact more positively on the local community.
- All sites are sold with full planning permission based on their knowledge of customer needs.
- Aims to grow the platform and collaborate with architects around the country.

Top Three Takeaways:

- Differentiate (find your thing and shout about it).
- Iterate (Build - Measure - Learn).
- Think Customer Value.

Tomas Millar, Millar + Howard Workshop presentation
Afternoon Session 3: Closing Session

The Power of Small Workshop

Tom Taylor, Founder and Principal of Dashdot [presentation](#)

Summary of lessons:

- We need to overcome the perception that small equals risk – small is a super power.
- Innovation happens in small teams.
- Look for inspiration also outside the profession.
- Aim to collect quantifiable evidence to see what works.
- Understand your practice DNA, curate your output.
- Take risks, challenge the model.
- Don't allow a conservative perception of the profession to box you in.
- Do a cashflow, know your costs, record what you do.
- Aim to run your practice the way you run your best project.
- Sort out your practice policies, optimise your communication tools.