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Civil + Structural Engineering News

2017 ZWEIG GROUP HOT FIRM LIST

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The Zweig Group Hot Firm List and Best Firms To Work For (see page 20) will be celebrated on Sept. 21-22 at the Hot Firm and A/E Industry Awards Conference at the Fairmont Olympic Hotel in Seattle. The top 25 Hot Firms this year (see “2017 Hot Firm List Top 25”) showed the industry what it means to grow. On average, the Top 25 grew by 129 percent in terms of three-year percentage growth, and by more than \$43 million in terms of dollar growth. Hot Firm rankings are based 50-50 on percentage growth rate and dollar revenue growth rate over the previous three-year period.

This is the 18th year for the list, which began when The Zweig Letter started ranking firm growth. While this year’s list features newcomers such as Patel Greene & Associates, PLLC, one of the mainstays of the list are firms that appear in the rankings year after year, such as Hill International.

“Getting on the list is like winning an Oscar,” said Mark Zweig, founder and chairman of Zweig Group, and the founder of the Hot Firm List. “It says you are the best at what you do — running an A/E/P or environmental consulting firm in an industry made up of 100,000 companies.”

While the Top 25 were clearly ahead of all the other firms, those that appeared on the list from 26 through 100 had nothing of which

to be ashamed. Firms in the lower quartile, for example, still grew by an average of 51 percent and had a dollar growth of nearly \$9 million. Not bad for firms on the “bottom” of the list.

The top Hot Firm, however, deserves special mention. NV5 Global Inc. (www.nv5.com), of Hollywood, Fla., pulled off an amazing feat — three-year growth of 107 percent, or in terms of dollars, \$126 million.

NV5, with a combined 104 offices across the United States and in China, Vietnam, and the autonomous territory of Macau, is a truly global enterprise that serves the infrastructure, construction, real estate, and environmental markets. During the last three years, the firm has experienced meteoric growth, from 2014 gross revenue of \$108 million to \$224 million in gross revenue last year — a 107 percent increase, according to figures published in the firm’s 2016 Annual Report.

The firm’s chairman and CEO, Dickerson Wright, has more than 35 years of experience managing engineering firms. He earned a bachelor of science degree in engineering from Pacific Western University and is a board-certified engineer in California and Wisconsin. He took time out of his busy schedule to discuss a few key aspects of running a powerhouse firm.

What’s the recipe for creating an effective board?

Wright: In addition to having deep knowledge and a wealth of experience in our specific industry, our board members must understand and support the culture of our organization and our growth strategy. Everyone on our current board brings a different point of view to the table. They feel very comfortable voicing their opinions if they disagree with a particular deal or potential decision, but they all understand NV5’s goals and our business philosophy. Many of our board members also come from very large successful firms, so their input comes from a standpoint of growth and looking to the future, which is what we always want to remain focused on.

Is there a secret to effective ownership transition?

Wright: Culture, culture, culture. Our definition of culture is very specific at NV5. We are a public company because we want partners, not key employees. We are a company focused on growth. The companies we acquire must agree to be integrated into our shared services platform so we know everyone’s progress is being measured the same, so we are all working toward the same goals, and so everyone has the same protections and resources that will allow them to do the best work possible. By being a public company and putting stock into our deals, we also eliminate the polarization of company owners who are seeking an exit strategy and their employees who have been growing the business and the client base and are seeking ownership.

What has your firm done recently to upgrade its IT system?

Wright: Great question because this is something we have been giving a lot of attention to lately. In addition to making sure we are maintaining the highest standards of safety and protection of our information, we now have 104 offices throughout the United States and abroad and that comes with opportunities and challenges of another kind. With such talented experts so geographically dispersed, we want to make sure that any engineer can support any project, no matter where it is, and having cutting edge technology is key to that ability. Eliminating sub-consultant fees where possible is a big focus of ours and we do this through cross-selling our services among our verticals. Technology is one thing we can do to make this initiative easy and intuitive for our team.

What’s the best way to recruit and retain top talent in a tight labor market?

Wright: We drive stock very deep into our organization and that is one key reason we are a public company. It ensures that our employees own the same shares as our management team, as our investors, and that everyone has an opportunity to share in the company’s success, which can be measured objectively through public disclosures and our stock performance. Each of our verticals is run by an entrepreneurial leader who has a particular interest and expertise in his or her specific practice. They have an opportunity to grow those verticals and shape the business, but they also get the support needed to spur growth from the other verticals and the corporate organization. For this reason, we tend to attract employees who are interested in a fast-growing, flexible organization with clear opportunities for autonomy and leadership. Our company is flat and vertically structured, so there are also many points of access to leadership and our management team is constantly accessible to our employees.

1. NV5 Global, Inc.
2. CMTA, Inc.
3. The Vertex Companies, Inc.
4. WGI, Inc.
5. WSB
6. LJA Engineering, Inc.
7. Partner Engineering and Science, Inc.
8. Huckabee
9. Hargrove Engineers + Constructors
10. ISG
11. Rincon Consultants, Inc.
12. EN Engineering, LLC
13. Maser Consulting P.A.
14. NWH
15. BHC RHODES

16. McMillan Pazdan Smith

17. ESP Associates, PA

18. Cherokee Enterprises, Inc.

19. RTM Engineering Consultants, LLC

20. CRB

21. Ware Malcomb

22. Environmental Partners Group, Inc.

23. ECS

24. Long Engineering, Inc.

25. Orchard Hiltz and McCliment, Inc. (OHM Advisors)

Richard Massey is director of newsletters and special publications at Zweig Group and editor of The Zweig Letter. He can be reached at rmassey@zweiggroup.com.

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