GENSLELR named Firm of the Year for being a successful model of architectural practice

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By Elizabeth Harrison Kubany

The year was 1972, and M. Arthur Gensler, Jr., founder, chairman, and CEO of the Gensler firm, was vacationing in southern California. That year, Don Fisher had opened the first Gap store and, seven years earlier, Gensler had established his architectural practice. Approaching Art on the beach, Don said, “I hear you’re an architect. I have one store and want to open a second. I need a draftsman. Can I borrow one?” Art wasn’t in the business of lending out his people and couldn’t see how he’d make money that way, but he agreed. Two weeks later, when Don called Art to borrow a manager, Art lent him one. After about three months, Don told Art, “I give up. You do the store.” Gensler has now done more than 1,500 Gap stores and billed Don every month for 28 years. Good luck! In part. But a lesser businessman might have been intimidated by the idea of giving up his employees. As Gensler says, “We’ve been client responsive since the beginning.”

The customer is always right

As a firm, Gensler has elevated customer care to a religion: “We believe any businessperson ought to worry about the client, listen to the client, and solve the client’s problem,” says Art Gensler. “We have always taken the attitude that we do our best work for our best clients.” The firm’s rel-
THE AWARD
The American Institute of Architects view its annual Firm Award as the highest honor a firm can receive. It recognizes the firm's outstanding contributions to designing buildings and structures that make a significant impact. By selecting the Gold Medal, the AIA's highest honor, it seeks to recognize the firm's imaginative and innovative approach to design. The Gold Medal, unlike the Firm Award, is rarely offered and is considered the most prestigious.

Nonetheless, in 1990 and 1991, the AIA awarded a Firm Award to the same firm for its outstanding work. According to Barton Myers, the chair of the jury committee, the firm created a "new model" for architecture that combined beauty and function. The firm's work is characterized by its ability to integrate technology, sustainability, and aesthetic beauty. The jury praised the firm's "innovative approach to design" and its "ability to create buildings that are both functional and beautiful." The award is not only a recognition of the firm's design excellence but also of its commitment to sustainable practices.
Retail

By happenstance, Art Gensler landed the commission for the second Gap store in 1972. Since then, his firm has designed more than 1,500 projects for The Gap, along with numerous other projects for some of the nation's largest retailers.

In 1993, Gensler worked on more than 3,800 projects for more than 960 clients worldwide.

Attractively humble beginnings, doing tenant development work, grounded its responsiveness to end users' needs. As the founder sees it, in the early days, "We were hired to provide a service, not to design something gorgeous."

Today the firm culture still reflects this attitude. As Art Gensler says, "We have purposely not developed a signature style," trying instead to find the right direction for each project. Ed Friedrichs, the firm's president, concurs: "We are highly adaptive in our design work to best suit client issues. We try to understand how a client's organization works because we truly believe that design enhances their performance."

Concern for building users prompted Art Gensler to launch a practice focused on interiors—a strategy that immediately separated it from the rest of the profession. "When I started my first office, no architecture firm cared about interiors—there was not even a fee structure for them," Gensler expanded and made more professional the practice of interior architecture. His company began high-level collaborations, doing the interiors for buildings by top firms, such as Kohn Pedersen Fox, Cesar Pelli, SOM, Pei Cobb Freed, and Philip Johnson. "We never tried to change the architecture," says Art Gensler, "just to make the buildings better for the end user."

This approach has made good business sense. According to Margo Grant Walsh, the firm's vice chair and managing principal of its New York office, at least five of Gensler's 17 offices—New York, Houston,
Airports
Since its first airport project in 1978, Gensler has completed almost 90 others.

John Wayne Airport
Orange County, Calif., 1990
For a list of collaborating architectural firms, please visit our Web site at: www.architecturalrecord.com

In 1999 Gensler’s gross construction dollar volume was $2.5 billion.

Austin-Bergstrom International Airport
Austin, Tex., 1999
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Workplace

Corporate work—ranging from interior fit-outs to new campuses for law firms, financial institutions, high-tech companies, or media/advertising agencies—has long been Gensler's lifeblood. Since 1965, the firm has designed almost 200 million square feet of office space around the world.

Elsner Communications
Baltimore, 1999

Swiss Re New Markets
New York City, 1997

Oracle
Redwood City, Calif., 1999
Workplace continued
Washington, London, and Boston—opened for interiors commissions. While these offices all have major architectural practices, interiors remain their prime raison d'etre. Ninety percent of the New York office's work is still in this realm. Says Walsh, "The very nature of interiors is repetitive. Whether downsizing or upsizing, our clients need our help. With some, we have been through three leases."

Commitment minded
The practice follows a "relationship model," says Ed Friedrichs, whereas most firms favor a transactional model, which is singular, and project focused. The difference in the two approaches is critical. "I have to live with the results because I want to establish a relationship. A transaction I could walk away from as soon as the project is complete," he explains. Half of the firm's current project load represents clients for whom Gensler has worked in more than one location, and a quarter of its business caters to clients for whom it is the sole architectural provider. Gensler has completed more than four projects each for so many different clients that the list reads like a Who's Who of Fortune 500 companies: American Airlines, American Express, AT&T, Bank of America, Bell Atlantic Corporation, Disney, Ernst & Young, General Motors Corporation, Hewlett-Packard, IBM Corporation, Lucent Technologies, and McDonald's Corporation. And the roster goes on and on.

Such solid liaisons—not marketing—have guaranteed a steady work flow. Instead of a marketing staff, maintains Gensler, "We have three to four thousand clients who spread the word. A firm our size couldn't exist if we had to rely on marketing." In a highly competitive profession, Gensler is one of the few firms that can honestly say its work walks in the door.

Predicating its business on strong relationships, the firm will not open an office unless it is brought to a new city by an existing client. The same holds true for the firm's forays into new service areas. "As our clients began looking for one-stop shopping, we extended our services to include areas that may not traditionally be housed in an architectural firm," says Gensler. Strategic planning, as well as graphic and product design, are now among the firm's holistic offerings. "We're not growing for the sake of

Of Fortune 500's largest U.S. corporations in 1999, Gensler's clients include 8 of the top 10, 18 of the top 25, and 66 of the top 100.

One hundred eighty of the 500 are Gensler clients.

PricewaterhouseCoopers' Zone
Philadelphia, 1999

Nikken, Inc.
Irvine, Calif., 2000
Entertainment/Leisure

While entertainment is not the firm’s biggest market, Gensler is still designing for some of that industry’s giants, such as Sony Pictures Entertainment, Disney, and AMC Entertainment.

Growing,” asserts Gensler, “but because of client demands.”

Staff up

Gensler’s staff longevity backs these enduring relationships. The firm gives generous bonuses twice a year, plus continuing education and tuition reimbursements. “Our staff has the opportunity to build a body of knowledge about clients’ buildings and culture. When you have a high turnover rate (as most firms do), you lose that. This is a distinct advantage for us.”

Departing from architecture’s norms, Art Gensler believes such values are critical to a profession in flux. Knowledge in our field changes so rapidly, observes Friedrichs, that “continuing education must be part of any architectural career.” The Gensler firm provides an industry model in its

In 1999 Gensler’s total worldwide fee billings were $196 million. In the same year, the firm’s total gross worldwide revenue hit $264 million.

American Conservatory Theater
San Francisco, 1996

AMC Festival Walk
Hong Kong, 1999

AMC
Nakama, Japan, 1999

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Having completed some 120 public projects, Gensler is one of five architectural firms recently selected to provide services to upgrade 280 million square feet, primarily lobby spaces, in federal buildings across the nation.

Approach to learning. Besides tuition reimbursement for approved classes, the firm offers an in-house educational program—part of what insiders dub “Gensler University.” The practice has developed its so-called Leadership 2000 Knowledge Network, a collection of task forces that cover four categories: Design & Delivery Systems, Offices (one for each of the firm’s 17 offices), Practice Areas (for specific building types and Firmwide Shared Services (including communications, financial and legal offerings).

Ultimately, the Gensler firm seems anomalous in the architectural profession—willing to do anything to satisfy its clients, living by strong relationships with no marketing department, and treating its employees as a prized resource to be nurtured. According to Friedrich, “We believe a design is not great until it meets and the budget and satisfies the needs of all constituencies. We are a both/and culture.” It is this unusual value system—far from the profession’s norms—that prompted the AIA to award Gensler its highest honor.

Between 1965 and 1998, Gensler completed 204.5 million square feet of interior architectural design, 66 million square feet of interior renovation, 72 million square feet of architectural design, and 51.5 million square feet of renovation.

HUD Next Door
Washington, D.C., 1999