



## PROFILE OF A CRITERIUM FRANCHISEE

CRITERIUM ENGINEERS has been and remains a consulting engineering company delivering services through affiliate offices. An affiliate office is a franchisee, however, the term affiliate more closely represents the way in which our organization works together professionally and collaboratively to serve our clients.

CRITERIUM offices are guided and regulated by engineering ethics and prevailing engineering laws in the state in which they do business. Before becoming a CRITERIUM affiliate, a thorough understanding of these ethics (see National Society of Professional Engineers - NSPE Code of Ethics at: <https://www.nspe.org/resources/ethics/code-ethics>), the engineering laws of the State P.E. Board, any state laws governing ownership of an engineering company, and the state laws related to home inspections should be carefully reviewed.

Most CRITERIUM offices are owned by licensed Professional Engineers. Registered Architects with comparable experience are also permitted to be CRITERIUM affiliates and we have a number of registered architects already in the Criterium organization, including one office owner. And, we now have other options for office ownership.

### PROFESSIONAL BACKGROUND

Typically, the engineering owners and those in responsible charge of a CRITERIUM office have ten or more years of experience in fields related to the building industry or, at a minimum, the practical application of engineering principles. Common backgrounds include facilities management, construction management, and design.

Beneath such a homogeneous background lies a diverse range of expertise and technical skills. CRITERIUM is a closely-knit group with regard to our commitment to serve our clients well and to fully understand building technology. Diverse skills in areas such as geotechnical engineering, mechanical systems, roofing, trusses, etc. are shared freely among franchisees. An on-line directory listing each engineer and their expertise is available to all offices.

We are committed engineers. We are objective, analytical and detail oriented. These are our strengths and are reflected in our mission statement.

### ENGINEERS AS BUSINESS PEOPLE

The professional strengths of a typical engineer can also be a disadvantage when it comes to working with the intangibles often expected by many of our clients and the uncertainties of business relations. Sensitivity is needed to serve our clients well. This is emphasized in the personality profile training we include in our basic training program for new members of the CRITERIUM organization.

Not all engineers make good business owners. Engineers don't tend to actively promote themselves. The efforts to find business, do business planning and manage the money are not where most engineers want to spend their time. Market presence, retention of key clients and specialized staff talent, and strong and consistent revenue growth and profitability are what is necessary for a successful business. Having a good understanding of self and the willingness to execute these keys to success is necessary for the engineer seeking ownership of a CRITERIUM office.

### **HOW CRITERIUM SERVICES ARE PROVIDED**


Our chosen protocol and insurance coverage requires that all inspections be performed by appropriately experienced and licensed Professional Engineers, or registered Architects possessing comparable experience, professional standards, ethical concerns and accountability. Our marketing efforts tout this unique feature of our organization.

Unlicensed individuals such as technicians, EITs and draftsmen ("engineering technician") may be employed by any office under the condition that their work is at all times supervised by a licensed professional. An engineering technician should be an engineering graduate with the potential of becoming licensed. S/he should have an interest in being out in the field, working with people and working with buildings. S/he should have effective communication skills. No unlicensed staff members shall be permitted to perform any inspection services without being accompanied on-site by a licensed member of that office at some point during the course of the project.

### **NON-LICENSED OWNERSHIP**

An individual with a strong business background, who also has an interest (or love) of buildings, may also make an effective CRITERIUM franchisee. A successful executive in a corporation must be organized, outgoing, positive, engaging and willing to give up free time to interact with the public. S/he knows how to make formal presentations to groups and organizations and use the skills of persuasion and customer service. To be successful, the executive knows how to resolve issues – quickly and decisively – conveying confidence to employees and clients. Over the years, CRITERIUM has seen evidence that the most effective offices are those with both a strong business manager and an engineer. That's why CRITERIUM now embraces the non-engineer owner, where once that was not permitted.

### **Engineer and Non-Engineer Ownership of a Criterium Office**

- In some states, the PE Board and/or Secretary of State require that 100% of the company be owned by a licensed professional engineer. This should be carefully researched prior to actively pursuing affiliation with CRITERIUM. See [Div. 3 50-State Survey of Design Firm Licensure](#) 
- In states where it is permitted by the PE Board and Secretary of State, CRITERIUM will consider non-engineers for ownership of the company and, when appropriate, accept a non-engineer as long as a licensed engineer is in responsible charge of the work, with engineers supervising every project. There must be a formal agreement with a licensed engineer, who is in responsible charge of the work done by that office and who shall have the authority to assure the prevailing engineering standards are maintained.

- In states where a non-engineer cannot be the sole owner and a licensed engineer is required to be a partner, CRITERIUM offices must be owned by both individuals. These partnerships are not entered into lightly and we strongly suggest seeking legal counsel.
- When CRITERIUM ENGINEERS accepts the ownership of a franchise by a non-engineer, all shareholders in the company are required to enter into the Franchise Agreement.