SMOOTH OPERATOR
Nancy Ayers,
Director, Corporate Services
Houghton Mifflin

AMOUTH BANKS ON A NEW CORPORATE CAMPUS
OUTSOURCING: FROM TACTICAL TO STRATEGIC
CAFM: A SURVEY ON THE STATE OF THE INDUSTRY
Resiliency Pays Off For Ayers

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There are many ways to describe the character of Nancy Ayers.

Enterprise is one word that could be used. Ayers has held a variety of positions with Houghton Mifflin, a $700 million publishing house based in Boston, since joining in 1987 and has handled each job successfully by bringing automation and organization to her departments. In addition, Ayers has been given many tasks far above her duties. One of those jobs, although she had no facilities experience, was managing the move of 240 persons to the company's new headquarters at 222 Berkeley St. The move took two years to plan and implement.

Respected is another word that fits. Both administrators and co-workers hold her in high regard based on how she can reorganize departments and how she treats others in the organization. "She's a well organized and productive person," says her boss, Paul Weaver, senior vice president and general counsel for Houghton Mifflin.

But the best word to describe Nancy Ayers is resilient. This became evident in September, 1996, when the 59-year-old director of corporate services and mother of a five-year-old boy suddenly suffered a stroke. The attack left her with leftside paralysis so that she now walks with a pronounced limp, has limited movement of her left arm, and, on occasion, she feels numbness on the left side of her mouth.

She returned to work on a limited basis in December and is undergoing occupational and physical therapy. Despite her setback, she remains optimistic that she will fully recover and be back working full time soon.

"I think I've always had a positive outlook," she says. "I can do everything I want to do, and that's frustrating. I take work home and think I might look at it, but I'm too tired. I look forward to the day when things will be back to normal, and I will physically be able to do what I used to do."

To Ayers' credit, during her absence the corporate services unit ran smoothly. That's because since she took over the unit in March 1996, she formalized the organizational structure, put loyal and competent people in key positions, and most importantly, automated the department.

A surprising offer

Ayers began her career as a cost-control administrator for the company's College Division (which publishes textbooks and provides other educational services for two- and four-year colleges) and worked her way up in the division to contract and rights manager. Not long after the two-year experience of managing the move of College Division to its headquarters, she was offered the leadership role in corporate services. Weaver oversaw the process of moving the divisions to the new headquarters. "What we did was form a multi-divisional team. A person from each division was in charge of managing," he says. "Nancy was head and shoulders the smartest person of the team."

"I was taken by total surprise with the offer, which was presented to me by our chairman (Nader K. Darbawi) as an offer I couldn't refuse, nor would I want to refuse," Ayers adds. "It was a wonderful opportunity. I don't think I had any fear that I knew nothing about the job. And he never told me what I was getting myself into."

What she was getting into was the management of 55 properties with approximately two million sq.ft. of space throughout the United States and Canada. Houghton Mifflin is divided into two industry segments: textbooks and other educational materials and services for the school and college market and general publishing, including fiction, nonfiction, children's books, and dictionary and reference materials in various formats and media. About half of the company's 2,500 employees work at its headquarters.
Stern began her career as an administrative assistant for the book publishing firm’s College Division. She was offered the HR position not long after managing a move of 240
partners to the company's new headquarters building. "Money was hard and salaries the standard pattern," says her boss, Paul Unger, Senior VP.
Facilities are almost entirely made up of office space or warehouse space.

Almost immediately, Ayers knew she would have to automate the space information. She met members of ABD, Inc., a Cambridge, Massachusetts, architecture and design firm, at the first International Facility Management Association (IFMA) meeting she attended. A division of the firm, Applied, eventually designed the computerized facilities management and design system, called Applied EMS.

"In the beginning I spent a lot of time reacting. I had no file. I didn't have a full picture of anything. It needed a computer to do my work. The big question was, what did I need—what drawing program or a facilities management database? At first, I was talking about a facilities management database. But, after two weeks of talking with ABD, it was clear we needed a drawing base too. We developed both simultaneously."

Although not fully implemented, Applied EMS is designed to maintain and track:

- space assignments, including offices, storage, conference space;
- personnel information, such as salary, life coordination and employee information;
- furniture, fixtures, artwork, and equipment;
- rentable and usable square footage;
- open and available space; and
- lease information.

The system allows the corporate services unit to archive as-built and model existing drawings to design alternative space plans, import electronic drawings from other CAD systems, and better control or expand space as needed. This is all important because the client rate at the publishing company is high, paradoxical because some of the staffing is done with freelancers and contractors. Also, for the past few years the company has been acquiring other publishing companies at a rapid pace while at the same time, downsizing other parts of its operations.

Relocation and consolidation have taken up a great deal of Ayers' time. She estimates that the corporate services staff moves at least 20 persons a month.

"One of the very first things I did was plan a reconfiguration of some space in our Geneva, Illinois, office with workstations shipped from Boston. Ayers says, "I sat at a drafting table with floor plan and tracing paper and tried to figure out how I do this. We spent a week on this design."

The two most recent acquisitions for Houghton Mifflin are also of its largest. The company bought D.C. Heath and Co., a Lexington, Massachusetts-based publisher, in October, 1995. Ayers oversees the physical integration of the two companies. She spent several people in an office in Wilmington, Massachusetts, outside of Boston and leased a floor at 500 Boylston St., next to its headquarters building. A wall on the fifth floor separating the two buildings was removed.

The company also purchased Franklin, Illinois-based McDougal-Little Inc., a secondary school book publisher, in 1994. Earlier, one of the divisions within Houghton Mifflin was spun off and moved, leaving an entire office floor in the home office available. Ayers says, "We use about half the empty space, but instead, renovated it for McDougal personnel."

**Automation drives standards**

Even small moves can provide significant savings for the company.

"We're always trying to keep our operating costs down," says Ayers. "For example, we had offices in Princeton, New Jersey, only 6,000 square feet, occupied by three divisions. When a couple of divisions pulled out, we were paying rent on space we didn't need, so we moved to a smaller space."

With the help of the CAPM system, Ayers has been able to develop and maintain furniture and space standards throughout the organization.
Before moving to its headquarters, there were about 20 different workspaces. Now there are three: The typical workstation is 6 ft. to 8 ft. When there is a need to squeeze employees into limited space, workstations can be extended to 6 ft. by 6 ft.

Also, the company's system allows Ayers to carry out the process of making moves. "In each division, we have one person called the 'Space Coordinator,'" she says. "This person is in place but we've made it more formal. We've given them more authority. They help us keep floor plans up-to-date so that we can help them with their planning."

"We can show the division exactly how much space they're using and how much excess space they have available," she continues. "Now we're moving into a phase where each group has no qualms about moving around group and saying 'we really need this space for another person, and we're here.'" We never had that kind of cooperation before.

Currently, only Ayers and Tracy Menier, corporate services assistant manager, are set up to make changes in the system. But eventually others will be able to input changes. "One important aspect of this system is that it's easy to use. Someone with very little computer experience can use it with very little training."

Cultivating loyalty

Menier, who is in charge of planning, has been the contact person in the corporate services department while Ayers has been processing Ayers hired Menier five years ago, and they have become close friends, as well as professional partners. When Ayers accepted the corporate services director position, she asked Menier to come along for a few months. Menier says she jumped at the opportunity to work with Ayers again and knew what needed to be done.

"When we wrote in the College Division, we did an audit to computerize our operation," Menier says. "When we came here, we realized we had to do the same thing for the whole company."

More recently, Ayers fine-tuned the corporate services department. She created a corporate services organization structure. Now, nearly twice as many people report to her directly. And she added the positions of facilities supervisor and project manager.

"I could not do the job nearly as well without the staff I have," says Ayers. "They are Motivated and we all generally like what we do. I try to place people in areas that best suit them based on their skills, personalities and motivation levels. There's a lot of turnover in the new organization, I have many more people reporting to me directly. That's so I can be sure we are all talking to each other."

Keith Sullivan, asset manager, has been in the corporate services department for one year. He had Ayers' position at D.C. Heath. When Houghton Mifflin acquired D.C. Heath, Ayers moved Sullivan into a management position in corporate services. He is responsible for the management of all of the company's fixed assets and its tenant contingency planning.

"It's pretty rare to say that Nancy, Tracy and I clicked together," says Sullivan. "I find this experience to be personally and professionally a great asset for us. We work hard and we have fun. Nancy's guidance and leadership is there when you need it. Sometimes Tracy and I can get Nancy on the phone for a half-hour and get 30 issues resolved and feel good about it."

Because of having a staff that can depend on and a well-functioning organization in place, Ayers has been able to do all the things that she is well on her way to achieving out of her most important goals.

"We have a philosophy for every job I ever said is that when I walk out, someone else can step right in and take over," Ayers says. "It's got to be organized and computerized. When that happens, I can step out anytime."