

David and Steph Kaneda (both MBA93) Alumni Profile



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David Kaneda



David and **Steph Kaneda** (both MBA93) are pioneering green design in the Silicon Valley while modelling the perfect partnership.

TWO'S COMPANY

Partnerships form in MBA classrooms as often as pints are pulled in the Windsor Castle. Likewise, MBA romances blossom like Regent's Park daffodils in spring. But often as not, both go awry before degrees are even conferred. Very, very rarely does a blend of the two lead to a successful venture.

For over 15 years, the partnership between **David Kaneda** (MBA93) and **Stephania Wong Kaneda** (MBA93) has flourished in both spheres. Together they run Integrated Design Associates (IDeAs) – an electrical engineering firm in San Jose, California, that specialises in 'green building', with particular emphasis on energy efficiency and lighting and daylighting design.

The key to working with your spouse, says Steph, is a clear division of labour plus complementary, but very different, skill sets. "It works really well for us because we're in very separate fields. There is a total segregation of responsibility."

As IDeAs' CFO, Steph runs the operations, finance and HR, while David and a third principal, Mark – both electrical engineers – manage all the projects and innovation. "I think we understand each other's work, but we respect each other's

expertise and don't try to get involved," says David. "I know she's way better at what she does than I would be."

According to Steph, "A lot of couples shouldn't work together, but the advantage is that you completely trust your business partner." In fact, their partnership had a much less auspicious beginning.

Eighteen years ago, when David set out to do an MBA, he joined a growing trickle of engineers who chose a business degree as a route to the next step in their career – gaining general management skills to complement industry knowledge. After years of success in Chicago, London and Los Angeles – engineering projects for clients including Disney and Canary Wharf – stepping into a completely new milieu was a shock to his system. "As an engineer on an MBA, none of your education and experience are applicable, whereas the vast majority of my classmates had backgrounds in business. I was used to being at the top of my class. It was the first time in my life it was an uneven playing field."

In his first year of studies, no one rubbed salt in David's disadvantaged wound better than his classmate, Stephania Wong. Coming into the programme as a Certified Public Accountant (CPA), with degrees in computer science and operations research and plenty of international banking, auditing and consulting experience, much of what they learned was old hat to Steph. >>

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“I like to tell our friends a story from our first-year accounting class,” David shares. “In the Sainsbury lecture theatres I always sat on the left-hand side in the front, so I could watch the class and the lecture at the same time. Steph, on the other hand, would sit at the very back row, against the wall – arms crossed, head back, sleeping! It was so irritating that this girl was totally tuned out while I was really struggling in this class. One time the professor called on her and you could tell that she had been fast asleep. She sat up and said, ‘Could you repeat the question?’ And of course she answered it right.”

“He’s just upset because I got a better grade than him,” Steph chimes in.

And David concedes, “Yes, she aced the class.” By the second year the pair were dating, and upon graduation they married in Hong Kong. Faced with that inevitable task of choosing where to live, they resolved to move wherever David secured a role – Steph’s strong banking background made her a perfect candidate for finance jobs in any major city.

Feeling the post-MBA pressure to land a plum role in either finance or consulting, David planned to try his luck in project finance – with little success. “It was a weak market in ’93 and I wasn’t doing so well,” he explains. “One day Steph said to me, ‘Every time we walk down the street you’re looking up and telling me about buildings – about who designed this, and what’s so special about that building. You go into an elevator and you comment on whether the brand name is stamped into the rails that the doors slide on. You really like this stuff! Why are you looking for a job in something else?’ And she was right, of course.”

The Kanedas settled in San Francisco where Steph secured a finance role at a cultural consulting firm – ideally suited to her international background. David eventually returned to engineering as a partner in a small firm and then finally branched out on his own in 1999. IDeAs was born in the midst of a tide of Silicon Valley start-ups. He says, “We were in a typical Silicon Valley office park. These little companies would set up and then go away. There was everything from high-tech software to, at one point, a company that was importing Russian brides!”

At the time, green architecture was rarely practised, “we were doing green buildings before anyone knew what that meant,” claims Steph. Even in the Silicon Valley, known for both its environmental conscience and its leading edge technology, there was little emphasis on sustainable design and energy efficiency when IDeAs was budding.



“We were doing green buildings before anyone knew what that meant”

Steph Kaneda



“Actually, there was a blip during the oil embargo,” David explains, “when energy became a big thing, but it was entirely based on money. When the price of oil went back down, people stopped caring about efficiency.” Now that fossil fuels are once again in the spotlight and climate change has become a global concern, the public has developed a far less fleeting interest in sustainability and how buildings can be designed for efficiency. At long last, explains Steph, the industry is starting to move forward. “It has been very static for a long time. But all of a sudden with oil going above US\$150 a barrel, energy is getting very expensive. Now a lot of money and attention are being put back into finding out how to do things more efficiently.”

In fact, the IDeAs office was designed as a veritable efficiency lab. Formerly a Bank of America branch, the bright open space

is said to be the first net-zero energy, zero carbon emission commercial building in the United States – it actually produces more energy than it uses. Each light in the building is an experiment. Sensors measure daylight and lights dim at varying degrees or simply shut off as daylight demands. Rooftop solar panels harvest further daylight to power the building. At night when the security alarm is set the ventilation system and all printers automatically turn off. And everything is measured to see what most effectively conserves energy. “It has really helped us refocus,” says David. Their recently completed new home is also designed to be net-zero energy, zero carbon emission.

The Kanedas believe that it is not only important to lead by example but also to help other firms to learn to design for energy efficiency. “If we really believe that there is a problem with global warming, we need to do

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Find out more about David and Steph Kanedas' business: www.ideasi.com



more than just make our own designs energy efficient,” explains David. “We spend a lot of time speaking at conferences about how to design green and energy efficient buildings.” In 2009, David spoke nationally on the issues at the American Institute of Architects (AIA) National Convention, International Facility Management Association (IFMA) Sustainability Summit, US Green Building Council’s Greenbuild Conference and Lightfair International. He also serves on research committees for the US Department of Energy and California Energy Commission as well as on the California Green Building Code Advisory Committee and as a peer reviewer for the US Government.

In a time when belts everywhere have tightened in the wake of recession, one may think that the added expense of building green has pushed sustainability temporarily out of vogue. After all, long-term

benefits do not impact this year’s bottom line. But the Kanedas explain that many of the benefits of energy conservation are immediate. In California, if a building installs a photovoltaic system, you only pay 30 cents on every dollar. The other 70 cents, David explains, comes back in rebates and tax credits. The cost of the systems themselves has also fallen drastically in recent years. “Hence you see a lot of companies like Google putting huge photovoltaic panels on their roof – it makes financial sense.”

And while a challenging economy has cost them a few contracts, David sees a remarkable upside. In a highly specialised industry it is rare that talent comes knocking. For the first time since IDEAs opened its doors, the company has access to top talent, typically snatched up faster than you can say ‘recession’.

Another phenomenon has recently brought talent to IDEAs’ doorstep: Silicon Valley mums. In a land of high-tech giants and start-ups, there is a huge population of highly skilled women who have temporarily put their careers on hold to raise kids. “Now as their children are getting older, they are interested in projects, but need to be totally flexible. When they have a deadline they will work hard, but they’re not up to 70 or 80 hours every week. They’re still driving their kids to school and practices,” explains Steph, who knows all about it because she has two children of her own.

The Kanedas see these Valley mums as an ideal solution for smaller companies that require specialised skills on a project-to-project basis.

“We have a contract PR person with an MBA from Northwestern, and an energy policy graduate from UC Davis who does part-time technical research. We also have a part-time lighting designer who has worked for big-name lighting firms. As a mum, she isn’t interested in full-time work and we aren’t big enough to support a full-time lighting designer anyway.”

While David may classify IDEAs as small, the accolades that have flooded in since it opened its doors bear the marks of a much larger company. In 2009, they secured their third LEED Platinum certification (the holy grail of green building), David was named Environmentalist of the Year in Santa Clara, California, and the company earned a dozen other awards for their innovative practices. Even in the toughest financial times, foresighted clients will seek out the IDEAs team to work their green magic. Their ten years of success are a testament not only to the sustainability of their designs, but also the sustainability of the Kanedas’ unique partnership. 

DAVID AND STEPH KANEDA

Born:

David: Norristown, Pennsylvania, US

Steph: Hong Kong

Education:

David: 1993: London Business School (MBA), 1981: Penn State University (BArchEng)

Steph: 1993: London Business School (MBA), 1984: Cornell University (MEng in Operations Research), 1983: University of Michigan (BSc in Computer Science and Accounting)

Career:

David: 1999–Present: Principal and Founder Integrated Design Associates, Inc., San Jose, CA
1995–1999: Principal and chief electrical engineer, American Consulting Engineers, Inc., Santa Clara, CA
1994–1995: Western Regional Manager, Elliptipar, Inc., Foster City, CA, 1982–1991: Associate, Skidmore, Owings & Merrill, London, Chicago & Los Angeles

Steph: 1999–Present: CFO and Founder, Integrated Design Associates, Inc., San Jose, CA, 1997–2000: Controller, Olympic Restoration, San Francisco, 1995–1996: Controller, Clarke Consulting Group, Redwood City, CA, 1990–1991: Senior Financial Analyst, Royal Trust Corporation, Toronto, 1988–1990: Consultant, The Coopers and Lybrand Consulting Group, Toronto, 1985–1987: Auditor, Arthur Andersen and Company, Hong Kong

Family:

Children: Giselle 11, Aaron 9

Achievements you feel most proud of:

David: Being able to look my kids in the eye and tell them that I am one of the key leaders in finding the solutions to reduce the serious environmental problems that their generation will inherit from us.

Steph: Achieving the goal of having a net-zero energy, zero carbon office building as well as a net-zero energy, zero carbon home. If we can achieve it with our budget and resources, a big segment of businesses out there should be able to achieve it too.

Skills you would most like to acquire:

David: Short term, the next level of management/analysis skills to move smoothly from a small consulting practice to a mid-sized practice. Long term, the R&D skills to ensure that we will continue to stay on the cutting edge of sustainable building design.

Steph: Retirement!

Favourite pastime:

David: Karate and coaching a children’s karate competition team (that includes my own kids) that has placed children on the US Junior Team. My daughter will be old enough to try out for the US team this summer.

Steph: Reading, shopping and travelling.