

April/May 2004

PRESIDENT'S MESSAGE

Improving by Listening, Learning and Leading...

I firmly believe that the defining issue in contemporary industry conversations about the marketing of professional services will be PERFORMANCE. As members of SMPS, we can all agree that the highest level of performance cannot be expected from each person every time. Yet we also expect that those of us involved in business development must be accountable for what we achieve - or fail to achieve - on behalf of the firm.

SMPSKC is committed to making a real contribution to the development of a strong marketing community. We are doing so in the profession we advocate, in the programs we deliver, and in the services we provide to our members.

Regardless of any initiatives we undertake, however, we must recognize that we operate in a complicated world. Different groups have different interests, different points of view, and different agendas. Under a variety of banners and slogans, for

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Retaining Clients When a Rainmaker Leaves - Dennis Schrag, The Longview Group

After five years as a full-time seller in his professional services firm, Paul was named a vice-president. In his fifth year he sold over \$3.5 million in service fees from his suburban Houston contacts. The first three years of his career were not so spectacular. His firm realized that relationship-based selling took time and frequent contact to build a trusting affiliation. His firm lost money on Paul's efforts in each of those first three years. But, Paul did all the right things. After five years his organization would realize a net profit from Paul's efforts.

Paul courted clients, attended political dinners, knew and celebrated the birthdays of clients and their children, and learned how to play golf. He became a professional friend, and won work because of his efforts. His firm did good technical work - so did all of the competition.

Paul knew that relationship-based selling is the single most powerful method of securing new clients and keeping existing ones. After five years, his hard work paid off for his firm. He had developed several key accounts that produce over \$2.5 million each year in repeat work.

Then he resigned suddenly. He took a position selling advertising. The only good news for his firm - he did not take his clients to a competitor.

What did his firm do after he resigned? "We were so busy completing his clients' work," we didn't have time to do anything" explained Paul's manager. Within a few months, almost all of Paul's clients were lost to competitors. Also

lost were hundreds of thousands of dollars Paul's firm invested in him.

Introduction

Professional service firms win work when prospects trust them to solve their problems. "Trust" is the cornerstone of winning work and retaining clients. For most purchasers of professional services, trust begins with the key person (rainmaker) who really cares about the client's problem and can orchestrate a solution.

Relationship-based selling is the single most powerful method of securing new clients and keeping existing ones. People don't care how much you (or your firm) know until they know how much you (and your firm) care. It is a person-to-person business.

To help delineate this, the Society for Marketing Professional Services (SMPS) funded a study through the SMPS Foundation, The University of Iowa Tippie College of Business, and The Longview Group. The study focused on three questions:

- What actions do firms take to successfully retain clients when a key employee with an established relationship (rainmaker) leaves with advance notice? (i.e. involuntarily termination, planned retirement, or resignation with advance notice.)
- What actions do firms take to successfully retain clients when a key employee with an established relationship (rainmaker) leaves without notice or with very short notice?

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Q&A Interview: Margaret Golden Bowker

With a journalism degree from the University of Kansas, Margaret spun her interest in communications into a career in the design industry. For the past 14 years, Margaret has participated in the growth of Gould Evans from 30 associates to over 200; has worked with the firm to grow from two locations to eight locations; and has supported expansion of services into architecture, interior design, landscape architecture, planning and graphic design services.

One of Margaret's more notable achievements is that she was named a Principal, which is remarkable given that she is not an architect, she is a woman in a male-dominated field. She is only 36 years old and sits on a four-person management team for a national firm.

When Margaret is stimulating her professional juices, she can be found attending a local or national Society of Marketing Professional Services event, at an area Development Council function or rubbing elbows with members of the various Chambers of Commerce

throughout our area. Margaret is in her eleventh year with the Junior League; she is involved with the Junior Achievement; she routinely volunteers at her children's school; guest lectures for various college classes; and is a member of the Pi Beta Phi and Kansas Alumni Associations. Margaret and husband Jeff stay very busy with their active children Reed (9) and Claire (6).

What got you interested in marketing in the first place?

With a journalism degree from the University of Kansas that focused on marketing and advertising, I knew that I wanted to do some type of marketing. I had done an internship for Bernstein Rein and worked in the marketing department of the University of Kansas Athletic Association. Working in a creative environment was paramount for me.

You've been at Gould Evans now for 14 years. How have your job responsibilities changed since you first started?

When I started, I had no idea what it

meant to "sell" architectural services. In fact, marketing was a difficult idea for most firms to embrace. At the



time, most firms did not have marketing personnel. Principals did the marketing and most of it was relationship based. Proposal prep was nominal because desktop publishing was just entering the scene. Most proposals consisted of a cover letter and a few project sheets. Most interviews consisted of a slide carousel, a thoughtful conversation and a handshake. One of my dreaded responsibilities was trying to organize the slide files and maintain a mailing list.

Now, the graphic look of proposals rivals most magazines. Interviews are Powerpoint with digital photography. Firms start the design of projects and bring drawings, animations, model,

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Off the Bookshelf

Selling the Invisible "A Field Guide to Modern Marketing" by Harry Beckwith

In today's fast world of business, marketers all over are constantly trying to find the right angle to move their firm ahead of the competition. If there were just one book that is a "must" read, it would have to be this one in my opinion. This book will open your eyes to new ideas ranging from how marketers work to how prospects think. Some of

the insights will be basic and fundamental and you can find yourself saying, "I knew that" or "that's what we do." It's so easy to get caught up in the hustle of

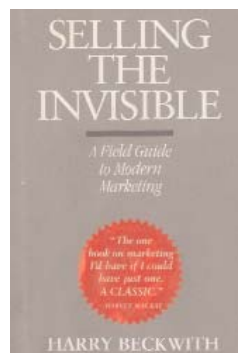
business that you forget your principles. This book is an excellent way to get reconnected to the basics and to expand on those principles.

You will read short stories based on examples from companies like Federal Express, Citicorp, Disney, Lexus, Burger King and McDonald's, WalMart, Xerox and many more. Federal Express did more than refine mail delivery. It invented a thoroughly radical, logistically brilliant, and remarkably well-executed method for delivering packages over great distances at enormous speeds. Citicorp did more than refine American banking. It pioneered the use of automated teller machines; became the first bank to aggressively market credit cards, an innovation now widely adopted and taken for granted; became the first company to utilize fully electronic funds transfers and the first to introduce floating rate notes; and

perhaps the most significantly, essentially invented negotiable certificates of deposit, which quickly became second only to checking account deposits as a source of funds for financial institutions. The message...don't just compete and do things like your competitor...do something different. Set yourself apart from the competition by offering something others do not. Don't just think better...think different.

Beckwith goes on to emphasize the importance of surveying your clients. People won't tell you what you are doing wrong, you have to ask. Even your best friends won't tell you but they will talk behind your back. The premise here is that by surveying your clients through the use of a third party, they will open up and divulge the truths because they have the reassurance knowing that they can complain about

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MelBee's Bar & Restaurant 6120 Johnson Drive (913) 262-6121

Tucked away in a row of stores on Johnson Drive, MelBee's is a nice secret. A blend of light, international cuisine, fine wines, signature drinks, and art in an elegant and contemporary setting. MelBee's cuisine is characterized by its quality, presentation, and intriguing blend of flavors and textures. It is also a place intended for entertainment seekers and leisure time customers looking for a relaxation, stimulation, and a change of pace to enjoy their drinks and meals in an ambient, relaxed setting.

MelBee's also has an active calendar of unique weekly specials and upcoming events. With \$5 Martini Sundays featuring Beefeater Gin and

KC Hot Spots

Smirnoff Vodka, and Wine Lover's Mondays where you can bring your favorite bottle of wine and they will waive the \$15 corkage fee. A couple of the upcoming events are a Mozart, Schumann, Brahms, Liszt, and Chopin concert performed by Mary Jo Stilp, violin, Kai-i Tien, piano and Heinzl Kunsmann, piano on Sunday April 25. Also an artist reception with complimentary hors d'oeuvres on Thursday, April 29 from 5 pm to 7 pm for the The Optical Art of Fred Umminger.

Lunch 11 a.m. - 2 p.m. Mon. - Fri.

Dinner 5 pm - 10 pm Nightly

Cocktails till Close

- Kris Flint, Two West


President's Message, continued from page 1

example, are those who would "undervalue" - and, in my mind at least, effectively deprofessionalize marketing.

I firmly believe that real accountability in marketing professional services and the potential for the devaluation of the marketing profession are mutually exclusive concepts. We cannot allow our firms to promote high marketing performance through the tracking of hit ratios, shortlisting, or other extrinsic measures, while simultaneously taking a relaxed approach to recruitment, preparation and ongoing professional development. By helping firm leaders avoid this contradiction, we can move on to make some real progress on what really matters: providing the most targeted message possible to potential clients.

Our mission at SMPSKC is to advance our profession: to achieve greater performance and quality in the marketing of professional services for the entire A/E/C industry. We deeply believe that marketers - and those that mentor the marketers of the future - share in that mission; that they want to become - and remain - high performers in its pursuit.

At SMPSKC, we are listening to what the owners are saying. We are learning from them what it means to be a "highly qualified" marketer. And we are eager to join with our respective firms to lead the way to attract, develop and retain the most professional and high performing marketers possible.



Ellyn Lester, CPSM
SMPSKC President 2003-2004
Design Build Institute of America

Past President Q&A, continued from page 2

videos and very expensive boards to interviews. With business development and the selection process, a marketing effort can last well over a year. Some marketing departments have marketing personnel, graphics people, public relations professionals, database people, and of course, a cadre of design professionals working on a marketing effort. It has become an extremely rigorous process to get a project and build name recognition. I have been fortunate to grow with the client development process.

14 years at one company is quite a track record when marketers often change employers and the burnout rate in our profession can be high. Why have you stayed?

Gould Evans has always embraced growth, which is part of a marketer's being. In addition to the number of projects and their scale, the firm has expanded geographically and broadened its service base to better serve clients. The people are fantastic, the environment is great and the opportunities to grow professionally have

been endless. The work is challenging and the schedule can get unwieldy, which never leaves a dull moment.

What advice would you offer your fellow marketers about successfully climbing the corporate ladder? What did you learn on your way up?

Be a sponge. Learn everything you can about the industry and the clients you are pursuing. Don't expect people to ask you to do something...lead a project... take the opportunity and run with it until someone pulls in the reins.

How long have you been a member of SMPS and has the organization or the contacts you've made through SMPS helped your career?

I have been with SMPS for 14 years. It has helped me develop my network of friends, project teams and clients. There has never been an event that hasn't yielded a lead, a bit of uncovered knowledge about a project or a client, or some type of advice that has helped in my daily work.

- Andrea Corey, Affinis Corp.

Retaining Clients When a Rainmaker Leaves, continued from page 1

- Is there a difference in successful client retention when the rainmaker is a "doer-seller" versus a full-time seller?

Findings

The methods successful firms use to retain clients are largely the same regardless of the amount of advance notice of a rainmaker's departure. There was no difference in successful client retention between "doer-seller" versus "full-time seller" platforms. Most firms used all of these retention actions. Using just a few can actually cause greater distrust.

- Immediate contact by a senior executive of the firm.
- Personal, honest communications with the client by a senior firm executive. The executive must explain the departure (or planned departure) of the rainmaker.
- Face-to-face meeting whenever possible.
- Quick identification and introduction of the rainmaker replacement (by the departing rainmaker, if appropriate).
- Frequent communications (phone, e-mail, face-to-face) during the early stages of the transition by the firm's executives and the new rainmaker.
- Resell the relationship and the project; go back to why the client selected your firm in the first place.

Recommendations

Personal, honest, and sustained relationships build trust. The rainmaker is the person who develops and nurtures a relationship with a prospect. He or she transforms the prospect into a client and sustains a professional relationship to capture more work.

There is consensus. There is evidence of best practices for firms seeking client retention when a rainmaker leaves. The triage actions are clean, simple, and very time consuming.

- Urgency - as soon as possible com-

municate with your clients. Let them know a transition is in process. There is home court advantage hearing the transition story from senior management instead of the departing rainmaker, or rumors on the street.

(Word of mouth works for you and works against you. There are few communication systems faster.)

- Big guns - senior level management/principals must take a proactive role in communicating with the clients. In lieu of personal trust, senior management level commitment is demanded.
- Personal - keep the message positive, simple, and personal. "Henry was a fine fellow. You will enjoy working with your new Client Service Manager, Rachel. Our firm will provide seamless service as usual. I personally want to make this transition successful. Call me at any time."
- Transition - identify a replacement rainmaker as soon as possible. Senior level management should introduce the new rainmaker, when it is not possible or appropriate for the exiting rainmaker to do so. Many firms build redundancy into the relationship, with two or more persons from the firm knowing the client.
- Re-Sell/Re-Commit - review why your firm was selected and reiterate those features and benefits to the client organization. Communicate this message several times.
- Nurture - nurture the new client/rainmaker relationship with frequent contacts/communications.
- Honesty - be honest with clients, your firm, and yourself. Your competition will be intense during this transition. Established professional friendships are powerful. It will take time and energy to keep your client.
- CRM - mandate the use of a consistent client relationship management data depot. Readily available informa-

tion and clear understanding of the client organization, needs, and operations will allow for better, faster, and more successful client relationship transitions.

Dennis Schrag Ed.D., CPSM was the principal researcher for this study. He is the owner of The Longview Group, a management consulting firm that works with A/E/C organizations. He was the founding president of SMPS Iowa. Dennis was the corporate marketing manager for an ENR 100 firm before joining the University of Iowa Tippie College of Business faculty three years ago. Contact him at (866) 351-6510 or email dennis@longview-group.com.

Member News

New Member Welcome

Carla Magdziarz, Brungardt Honomichl & Co.
Adriana Morehead, Henderson Engineers
Daron Bennett, PGAV
Julie Bower, Student, Baker University
Sarah Christiansen, Rose Construction
Sydney Martins, McCown Gordon Construction

Member Renewals

James Anderson, Anderson Survey
Bill Anthony, JE Dunn Construction
Tracy Bertrand, George Butler Assoc.
Margaret Golden Bowker, Gould Evans
Michael Garrison, George Butler Assoc.
Valerie Gieler, DLR Group
Anne Payne, George Butler Assoc.
Patty Taylor, BWR Corp.
Shawna Allison-Leslie, Kitchell
Brian Bass, BWR Corp.
Julie Bellamy, Accoustical Design Group
Randy Braley, CDFM2 Architecture
Bob Davidson, JE Dunn Construction
Sue Dreckman, CRB Consulting
Julie Parker, Ponzer-Youngquist
Kim Plummor, HNTB
Carol Sindelar, Sindelar Associates
Amy Swartz, Shafer Kline & Warren
Marcia Youker, Henderson Engineers

If you know anyone interested in joining SMPKSC, please contact Jo Bayly, Membership Chair, at 913-344-0041 or jbayly@smithboucher.com.

We Want to Hear From You!

Share your story ideas, comments and career milestones by contacting the members of the editorial staff.

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Sites Worth Surfing

The online version of *Kansas City Magazine*, kcmag.com, offers a variety of features, including forums, monthly columns and polls.

[Clickz.com](http://clickz.com) includes columns and categorized articles devoted to all aspects of marketing. According to the site, ClickZ is devoted to issues surrounding customers – finding them, keeping them, communicating with them and making them happy. Columnists are marketing practitioners who draw from their knowledge and experience to share suggestions and solutions.

The Air Force Design & Construction website provides a wealth of information, products, and aids for military construction. It is by far the most comprehensive website that has extraordinary information and links for the design and construction professional. If you pursue U.S. Air Force or other military projects this is a must view site.

www.afcee.brooks.af.mil/dc/dchome.asp

And for a little fun check out this link for a fun game that is sure to hook you. <http://n.ethz.ch/student/mkos/pinguin.swf>

Off the Bookshelf, continued from page 2

you or your service and word won't get back to you identifying them as the displeased client. Many times, the message a client receives when asked their opinion or to complete a survey regarding their experience with your firm, is one way to acknowledge that you are not perfect and care enough to do something about it. By conducting a survey you reap a bountiful of benefits, you stay in contact with your client, you learn from your mistakes, it keeps you from coasting, and brings an awareness to what you are doing wrong and reinforces your strengths.

Other topics covered in *Selling The Invisible* are "Aren't Brands Dying", "Being Great versus Being Good", "The Power of Words", "Improve Your Silence", and "What Blank Eyes Mean." And one topic that could not be

listed just with a title, "The Most Compelling Selling Message." Here Beckwith simply states that to sell you must do one thing, you must first understand what the client needs or wants. To display to the client that you understand makes a power statement...it's about the one that really matters...the client.

Selling The Invisible is an easy book to read and you will find that you won't want to put it down. It has been referred to as "simply the best thing ever written on the subject." It's truly a powerhouse book all in 250 pages. Better bookstores will have this valuable piece in stock or you can purchase it through SMPS at www.smps.org/bookstore or through the publisher, at www.warnerbooks.com.

- Patricia Cox, GLPM Architects

Interested in Taking the CPSM Exam Soon?

Tentative Exam Date Set for June 25, 2004

Recently a group of five people have joined together as a study group to prepare for an upcoming opportunity to take the Certified Professional Services Marketer exam. The group will meet six times, once to review each domain area, and plans to take the exam online under the supervision of a local proctor, Ellyn

Lester on Friday, June 25. If you're interested in joining the study group, contact Heidi Novak (816) 361-1177.

If you are interested in taking the exam independently, or later this year with the possibility of another study group, contact Ellyn Lester (816) 454-1298 or Tamara Bly (816) 527-2670.

REMINDER !!

SMPSKC Elections are in progress, remember to vote. Contact Ellyn Lester or Tamara Bly for more information or to join a committee for next year.

After Hours Tour of Zona Rosa

SMPS-KC April Program

Come tour the "TownCenter of the Northland." There will be a happy hour tour of Zona Rosa from 4p.m. - 6 p.m. on April 29. Two representatives from Steiner + Associates will be on site to guide tours, talk about the project challenges, and answer questions. Food and beverages will be provided.

**When: April 29, 2004
5:30 p.m.**

**Where: Zona Rosa
I-29 & Barry Road**

RSVP Deadline is 4/27/04,

For more information or to register visit:
www.acteva.com/go/SMPSKC