



PRINCIPAL'S REPORT

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INCREASING MARGINS:

Climbing the Ivy for Higher Education Work

Higher education clients are experiencing the most challenging climate for capital construction in a generation. Diminished endowments, constrained government support, and an unpredictable fundraising stream are changing the traditional growth agenda at private and public colleges. The question is: How thin can these institutions be spread before they are no longer effective? Current events are producing a roller-coaster ride for design firms depending on what markets they're in. The good news is that there is some stability and opportunities in the higher education market sector. Four titans of the higher education industry give their insights about what's going on at their institutions in a presentation at the Society for Marketing Professional Services 2010 conference, *Build Business: Reinvent, Retool, Rebound*.

The panelists were: Pamela Delphenich, Director Campus Planning and

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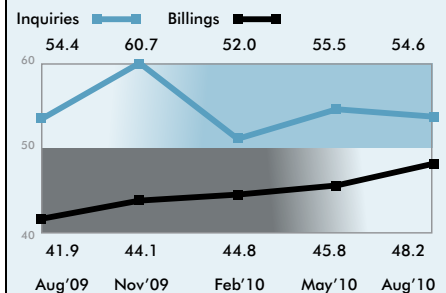
By Scott Braley

The landscape has changed, "the economy" continues to evolve and markets are shifting if not transforming before our very eyes. The A/E/C practice and business environment demands much more than ever before, work is harder for many, and success seems much more elusive. While many argue that they "saw this coming—or at least we should have seen this coming," it feels as if the norms and rules changed overnight, and we're required to compete at a drastically different level of proficiency—whether we want to or not.

A/E/C leaders, marketers and managers at all levels must ask, "Are we and our talent keeping pace?" Moreover, many within the industry are also asking that same basic question at a very personal level. For some the query is motivating and even inspiring,

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ABI Shows Moderate Recovery



See story on page 2 Source: American Institute of Architects

Clients Taking a Financial Hit Are Impacting Design Firms

One of the closest watched indicators of future U.S. building construction had its third consecutive monthly increase in August. The AIA's Architecture billings Index (ABI) grew to 48.2, the highest it's been in four months. The project inquiries portion of the index rose 1.5 points to 54.6 in August. Readings above 50 indicate expansion and those below 50 are an indication of declining demand.

Project inquiries typically produce a higher reading than the actual billings, since multiple firms submit proposals for the same project, and many of those inquiries do not materialize, and there can only be one winner for projects that go ahead.

Project cancellations are currently the primary roadblock to recovery for the construction sector, which follows nine to twelve months after projects are contracted by architectural firms.

Clients have been heavily impacted by the current financial crisis and the resultant slowed or cancelled projects negatively impacts staffing levels in design firms.

According to a recent survey, more than 80 percent of firms have had their private sector projects stopped during design and nearly 100 percent have seen their projects put on hold, but not cancelled.

On public projects, the results have not been so dramatic, but 73 percent of government projects have slowed down or been deferred, and 55 percent have been cancelled altogether. The reasons for the cancellations vary from the fact that the project is no longer economically viable (83 percent), or the client could not lease or sell the property (48 percent), reduced capital spending plans (20 percent), not able to finance the project (15 percent), to the client relying on their own in-house staff to perform the work (12 percent).

The most costly condition for the firm is the projects that are placed on hold but not cancelled. Should the firm retain the staff and wait it out, hoping that the client will restart soon, or cut back on staff and rehire if the project starts up again?

In the interim, clients are restructuring (45 percent), filing for bankruptcy (33 percent), or slowing all capital spending (24 percent). Further, what happens if the project is restarted? Most are continued at a reduced scope (61 percent), some are slowed down (30 percent), an almost equal number emerge as a changed project (28 percent), and only a small number are started as originally planned (15 percent). These results indicate that clients are being severely impacted and the spillover effect on design firms can be felt nationwide. □

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Supercharge Your Green Marketing Strategies

What is the green marketing perspective in your firm, and how do your clients view you? This is the heart and soul of how you operate, because green is a paradigm that will not go away any time soon. It's like going on a really healthy diet, not a fast-fad diet. This is the key to moving your marketing force forward and supercharging your green marketing strategies. The realities are that green and all the components that surround marketing green determine how deep your strategies go.

Paul Shahriari, LEED AP, founder, Green-Mind Inc., a Florida-based consulting firm is emphatic about the impact green has had on our A/E/C industry. "All the products out there are now on a green honeymoon. The top banner of any fortune 100 company in the world is related to the environment.

You can see a video clip of their CEO on a webcast explaining why they're taking those actions."

Think deeply about what clients really want out of your firm, and it's not a collection of marketing nonsense. There needs to be some substance behind you as a green firm. You have to think about what your green clients want, what they are interacting with, how are they interacting, and what kind of questions are they going to ask you, such as: how is your firm green, how are your services green? What would you say in response? "You have to think of it like an elevator pitch," Paul advises, "you have to engage them with three things they'll remember. Out of a mountain of attributes, qualifications and experience, you have to be able to articulate exactly what you do

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that's green, and how you can make their project better in the process. In terms of your own environment, do you have recycling containers in your own office? What would clients see in your conference room? What do they see and read in your marketing literature?" Paul asked.

Clients have to believe in your green vision of your firm, your people, and your projects. "It's not just your corporate commitment, or conference room, or on the other side of our green office is our CEO, and everyone else works in a cubicle. You need to have everything in your firm, your office and your staff emphasizing the fact that you implement all the requirements for being green. This is what some firms are doing internally to green their practice:

- Reduce CO2 omissions.
- Use 35 percent recycled paper.
- Use refilled toner cartridges.
- Use non-leased electronics.
- Establish recycling levels.
- Use an energy-saving computer management program.
- Book only at green hotel chains.
- Own or rent hybrid cars.
- Take advantage of Web based training.

"Think in your client's shoes, and then take a walk," Paul suggested. According to Paul, green-washing is prevalent in the entire industry, including those that serve the design and construction industry. Does the literature you prepare really say what you do? Do you have something on your Web site that they could use in their business? "Make sure that your promotional literature shows what clients want to see, and says what clients want to read. Is there anything in there that helps them in their job? Bring in five of your green clients, and

ask them how you did on their last project. Ask if there's anything you should change. Anything you could do better," Paul advised.

Are all the associates in your firm proactive in your strategy?

If you're going to be a green company, your staff has to know why your firm is committed to it, and what they're doing about it. The marketing people must understand what your real green capabilities are. Paul emphasizes: "Understand the green market, it's a big market—it's not a trend. Do your research. If you don't have the capacity, hire someone to do the research for you, analyze what's going on in the market." Get your research six to eight months out, and don't get caught at the last minute not making the prescribed LEED ratings. Have three resources: your people, programs, and services, and make sure they are all aligned, they all know what's green and what isn't, and why you're doing things green from a corporate level on down.

What about the owner that is not interested in green?

Paul has an easy answer. "Ask the questions. 'Would you like to have this asset? Save money? Have less liability? If they don't buy into those benefits, if that's not one of their targets, don't even pursue green. Green done right is so integrated to the process that it's hard to impose them on a normal job. If the owner doesn't want to do it, go with those that do," he advised.

Green building now accounts for nearly one-third of new construction in the United States, that's up from only 2 percent in 2005, according to McGraw-Hill Construction data. This means actual LEED-certified projects, as there are probably far more that are implementing green on some level, such as energy and water conservation, green roofs and the like. The numbers

suggest that a revolution is taking place in an industry that is traditionally slow to change. "I have not seen any RFP for any major corporate building or leasing a new space that doesn't have some angle toward green. Home building, commercial, health care, education, resorts, are all going after environmental certification.

"The environmental wind is blowing through every single market sector. Corporate America is gearing up green, unlike

any other initiative that has come along in a long time," Paul concluded. There are many factors—and many players—in this movement toward green building. Make sure that your green marketing strategies are supercharged to benefit from this trend. □

Paul Shahriari is founder of GreenMind Inc., an environmental consulting firm. He can be reached at paul@greenmindinc.com, or 239-633-6508.

Getting the Most Out of Your Client Satisfaction Survey Program

By Dennis Schrag

Convergys, the global client relationship consulting organization headquartered in Cincinnati, released the results of a significant study, "What Service Customers Really Want," published in the *Harvard Business Review*, September 2009.

Here is the condensed version of the findings. Convergys identified the dimensions of service U.S. customers most wanted service providers to measure. (The study was broad, involving all types of customer service.) Here is what the clients want:

- Has knowledgeable employees (65 percent)
- Understands my needs early in the relationship (64 percent)
- Treats me like a valued customer (62 percent)
- Demonstrates desire to meet my needs (54 percent)
- Is good value for the money (49 percent)
- Has courteous employees (45 percent)

- Is a brand I can trust (43 percent)

The study noted that customers are not very forgiving for breaches in service. They tend to "disappear without the slightest warning" from organizations that fail to deliver and fail to admit and correct the problem(s).

In April, the Longview Group conducted a study about the use of client satisfaction surveys among architects, engineering and construction organizations nationally. More than 300 responses were gathered from a very representative sample of organizations, based on size, geographic location, and services provided.

Client-satisfaction studies measure the degree to which customer expectations of a product or service are met or exceeded. Corporate and individual customers may have widely differing reasons for purchasing a service. Any measurement of satisfaction will need to take into account such differences.

Here are a few of the results. Seventy-two percent of Longview Group study

respondents reported they used a client-satisfaction study. Here is what respondents said when answering the question, "What information do you seek from your clients?" (Multiple responses were provided.)

- Project communications (93 percent)
- Professionalism of staff (93 percent)
- Timeliness (91 percent)
- Technical quality (90 percent)
- Clarity-documents (80 percent)
- Efficiency (80 percent)

There is considerable congruence between what the Convergys study recommendations and what the Longview Group respondents reported.

The Longview Group study investigated how the organizations use the compiled client data. (Multiple responses were allowed.)

- Project management improvement (91 percent)
- Project team improvement (73 percent)
- Staff performance management (60 percent)
- Marketing/branding (67 percent)
- Source of testimony (66 percent)
- Proposals/interviews (45 percent)
- Staff training (40 percent)

When asked when client feedback is collected, the Longview Group reported:

- At project completion (85 percent)
- At 25 percent completion (12 percent)
- At 50 percent completion (33 percent)
- As needed (32 percent)

Those organizations that collect feed-

back during the project have a real advantage. They can intervene in a sour project and "fix" the customer service issue before the project is completed. The possibility of the hard-won client "disappearing" permanently is diminished.

The Longview study asked respondents to place a value on the data collected. Here is what they said:

- Exceptionally valuable (51 percent)
- Useful (44 percent)
- Disappointing (4 percent)
- Little use (1 percent)

How can organizations optimize their client feedback results?

- Know your organizations five most critical "moments of truth" in dealing with each client.

- Provide the results of your customer satisfaction program to employees and managers on a weekly or monthly basis. Keep client service in front of employees routinely.

- Let clients know the impact their feedback has on your organization. Thank them for the opinions.

- Seek to measure the detractor's conversion rates. What percentage of dissatisfied clients were you able to "turn around" through concerted actions? Report the conversions rates internally.

- Place a reasonable dollar value of keeping a detractor versus winning a new client.

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Check Your References and Referrals Before They Checkmate You

Previous surveys among design professionals indicated that the methods A/E's used most for their business development fell into three categories: cold prospecting (45 percent), referrals from previous clients (45 percent), and other (10 percent). Today, more sophisticated promotional techniques have all but replaced cold prospecting, but the "referrals from previous clients" category has grown to a whopping 75 percent to 80 percent. Traditionally, it has proven the most effective technique for developing new business. References play a vital role in establishing credibility quickly with new clients.

But we often take our clients for granted, or use old references that have not been recently contacted for their comments. This is a sure-fire formula for disaster, as the following case study demonstrates.

The client was a plant superintendent for a wastewater treatment plant and was cited as a reference in every proposal the E/A firm sent out, complete with name, title and phone number, just as it should be. At one point, the firm initiated an extensive client image study and interviewed many previous clients, including this plant engineer. A call was made and an appointment was set up for a face-to-face taped interview.

The client unloaded a list of negatives that stunned the interviewer, who asked if the tape should be turned off. "No, I want you to take this back to the office and play it for the firm," was the reply. The message was clear. This client could destroy all hopes of getting future work for years to come, and worse yet this was without their knowledge of his discontent.

The solution was to quickly eliminate

this client's name from the reference list and pretend that the project never happened. This also proves that getting good references takes time and effort. But here's the trick: if you want your clients—even the most enthusiastic ones—to give you a reference, you have to prompt them. You may have done excellent work, but letting others know this is not high on their priority list of "things to do."

You may not feel comfortable asking for references. After all, shouldn't your work speak for itself? But failing to ask could be the biggest mistake that you as a principal or marketer could make. You might try:

- Writing a brief case study about the project, highlighting your unique solutions to problems, then asking for your client's comments to back this up.
- When you do talk to clients about giving you a reference, ask for permission to use their names. And don't forget to thank them.

Referrals come to people who ask

The best way to get referrals is the old-fashioned way: exceed the client's expectations, and then encourage him or her to pass the information along to others. Here are some approaches to try:

1. Target your requests. Look carefully at those you work for and with, and those that know you personally to give you referrals. However, targeting those clients for whom you have provided unquestionably superior service improves your chances.

2. Ask your old clients. These are your best sources for referrals. But you won't get them automatically. You will need to remind them of the excellent service you provided

or the extra mile you went to for them. How do you ask?

- Ask your clients to invite colleagues to functions that you initiate—lectures, social events, open houses, or project openings.

- Ask if they will make an introduction for you to their colleagues. Also, satisfied clients will be glad to refer you to friends. Arrange your calendar to make contact and remind them that you really appreciate their referrals, and do this not just once, but every four to six months.

3. When to ask your new clients.

Although your good work is freshest in the minds of new clients, don't rush in and ask for referrals. This might put them on the defensive and make them insecure about

your dedication and availability for work on their projects. But you can lay the groundwork for getting their feedback. When the time is right, you will know it.

4. Become a joiner. To keep your firm's name out in public, get involved with trade groups and professional associations dealing with your clients' businesses and where your clients attend and will be able to easily give you accolades. If your clients are schools, sit in on meetings of the local school board. If you design TV stations, join the National Association of Broadcasters. Doing this will help you to better understand your clients' issues and thus further gain their trust. It will also increase your visibility in the arenas where you have gained expertise. □

Climbing The Ivy

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Design, Massachusetts Institute of Design; Christopher Gordon, COO Harvard University, Alston Development Group; John Pearce, FAIA, University Architect, Duke University; Alexandria Roe, Director of Planning and Project Development, University of Connecticut.

Moderator Edward A. Bond Jr., FSMPS, Chairman and CEO, Bond Brothers Inc., a construction management firm, led with the following question to the panelists: *Regarding the challenges each of you face today, is this the new normal, and if it is, what's taking place within your own institutions at this time?*

Delphenich: Yes, this is the new normal. MIT went through a large high-profile building program and brought in a lot of brand name architects. As this program was winding down we wanted to approach the next generation of building in a more coordinated, rational way,

so we produced a campus plan in-house. The recession gave us a chance to think more rationally about where we were going, and develop a vision for a 10-to-20-year period, and we'll be focusing on renovation versus the high profile building going forward.

Pearce: Duke is divided into two parts, the university and a very large health care system. We have 10 schools, a 200-acre campus, but own a total of 8,000 acres, and have 13,000 students and 35,000 employees. That ratio doesn't make sense to most people, so what exactly is our business? It is health care and higher education. In this new normal, things have changed for us. We were in a good position because we had completed many of our large research projects, and were going to do some renovations with our endowments. There is a huge demand from our faculty and researchers to be creative about everything we do, so we always have to be on the cutting edge, and studying new ways of doing things.

Roe: The University of Connecticut is a public institution with 26,000 students, of which 12,000 live on campus. Many of our early buildings on campus are in great need of repair. Is there a new normal for us? Yes. We're taking stock of our research productivity and making changes internally and that's going to help us with our future.

Gordon: We have about 35,000 people on the Harvard campus if you include staff and faculty. We have 24 million square feet of space and approaching our 375th building, which means that a lot of those buildings are not just old, they are really old. Almost 100 percent of undergraduates live on campus, as well as a large percentage of graduates and faculty. Our new normal is that we are going to have a steady pace of work, but it is forcing us and our design firms to be a lot more creative, a lot more ingenious. We're thinking a lot about sustainability, saving money on utilities and how to allocate office space. Firms will be doing retrofits of existing buildings, because they are gems of buildings, but they will be pushed to be creative. The new normal will take the best firms that do the best work, and there will be work out there for them.

Bond: *Knowing the economic changes that have taken place, what are the challenges your institutions are facing?*

Delphenich: MIT had a high-profile building program, but realizing we had spent an enormous amount of money on it and needed to put the brakes on, the next focus is going to be on deferred

maintenance. We are anxious to renew the campus and we now have fewer resources to spread a lot further, so it's all about creativity.

Pearce: For me, saying "no" at this particular time is my biggest challenge. I always want to promote opportunity and see the strategic plans come to fruition. We do a huge number of feasibility studies—20 or 30 studies in this last year, mostly with outside consultants—in order to establish what the next step will be when the priorities are examined by our board of trustees.

They have to get out of the recent chaos and back to thinking what the future looks like, even if it's modest.

Roe: For me it's the aging infrastructure and deferred maintenance. The first thing our new president is going to want is a shiny new building. The challenge is going to be keeping the infrastructure problems upfront.

Gordon: The biggest challenge at Harvard is getting the deans to focus on what they want. They have been shell-shocked; cutting budgets and laying off people, changing curriculums and consolidating. To sit them down and ask them to think long term is out of the question. They have to get out of the recent chaos and back to thinking what the future looks like, even if it's modest. And the master plan may just be a comprehensive list of maintenance projects that's okay, calming things down, doing a practical solution and coming up with some future benefit.

Bond: *As research institutions, you all compete for the same dollar, so how do you chart your course to differentiate your institution?*

Gordon: We call it an arms race. Not only is the research arm competing with each other, but the students and the faculty are competing. Overseas institutions solicit our faculty to join them. Students shop the universities, and if our facilities at Harvard are not up to par, they'll go elsewhere. The students want beautiful workout facilities, great technology facilities, great dormitories, so you have to keep up and all our facilities are out of date.

Pearce: We're bullish to attract students and faculty at Duke. One of the ways to do that is to have great facilities. If we can't afford to build that new research lab, as we have every two years, it does become an arms race. You're always on a competitive basis, both internally and externally.

Bond: *You all say that you're interested in creativity but typically the RFP's ask: "Show us how you've worked together on other projects." How do you select a creative team?*

Gordon: If you've worked previously with the people you're teaming with, explain what you did, what worked well and then we'll call your references. On the other hand, we've had many people come in and say, "I never worked with this firm before, but the reason I picked them is this exact reason." We want to hear why you're the perfect fit.

Pearce: We look at the specific resumes and how responsive they are to the project, and why you've selected specific team members. Sometimes we see holes in the information we receive that

supports those selections.

Delphenich: We're going to be looking at a lot of different project types and some call for people who are already familiar with the MIT campus and know their way around. But there are other project types that we've never done before, so we'll be looking for new consultants. There is a lot more interest in collaborative teams and that doesn't necessarily mean that you've worked together before. It's about the chemistry. It's about hitting it right.

Roe: The biggest issue is clarity in the proposal. If you wrote it, give it to somebody else to read before you send it in. If you've worked together for 20 years, I'd like to know why. For me it's clarity, why you picked that team, and why you think that's going to work for us.

Gordon: I've done hundreds of designer selections at Harvard and the junk that comes in the door still amazes me. A clear explanation, really well written is what we want. We limit the number of pages in proposals because many are stuffed with boilerplate that we don't care about. We've gone further in our interviews. We don't let firms bring in marketing people, as we're not interested in their opinion on concrete versus steel. We

limit the number of people that come to the interview, and tell them not to show us PowerPoint. People freak out and say, "They can't live without it". We fly in some of the best firms in the world and we just sit there and talk. It works, and we usually get to the bottom of what their skills are, who they are, is it a good fit, what's

For me it's clarity, why you picked that team, and why you think that's going to work for us.

the chemistry. We let them bring in a few boards on an easel and tell us how they will approach our project. So worry less about the flash and the sizzle. Focus on quality control. Work on the fundamentals, not how you can blow us away.

Pearce: Having been on both sides, I've included references in proposals only to find that some were thrown out because the clients I mentioned gave a bad reference. I'm now receiving calls from other institutions that are checking on references, such as whether or not the person listed was actually the project manager, how the project went through all the phases including post-occupancy, and whether or not the project really held up. Be absolutely clear that the references you put down are for that specific project and they have been checked out, because you'll get killed by not following up on that.

Delphenich: Be careful with references generally, because institutions call their own references because that's how they get more straightforward answers.

Bond: *Is there a push now because of the economy to select firms locally and help the local community?*

Gordon: For us at Harvard, it's not about the economy; it's about logistics. Our two biggest projects have one architect in Italy and one in Germany. We like what they do and it's difficult, but they have to have a local partner that's going to be here every day. There has to be a great explanation as to how it's going to work. Who is going to move here, and what is he or she going to do? We'll go great distances to get great architects and contractors and technology can help a lot. We do a lot of virtual meetings, but they are not as good as personal meetings.

Delphenich: When you do a very large project it's justified to bring in a team from a long distance, but with the focus of our work now shifting to renovations, we're more likely to be working locally.

Pearce: For the new campus at Duke we're going all over the world to select the architect. We also have 250 to 400 projects of all sizes—adaptive reuse, renovations, residence halls—that are in the feasibility study stage, so we look far and wide to find the right team. I have a list of 120 firms that I'm always looking at, some local and others some distance away.

Bond: *What is the role of Building Information Modeling (BIM) in your selection criteria, and do you want 3D models?*

Pearce: At Duke, this slower period on the university side has been very helpful regarding that technology, because we're doing a design build multipurpose facility with the use of BIM, and we are considering it for the new campus I mentioned. We are not requiring it, but we often find that it's part of a design firm's presentation.

Delphenich: We had a recent, fabulous experience with BIM at MIT. We had a major facility under construction, and we had a donor who gave us a significant amount of money, and said that if we could accelerate the project by a year that he would double his gift. The team said we needed to coordinate the documents because we were moving so quickly, so we used BIM. We wrapped up more than a year early. Over the course of construction the donor has been so excited that he doubled it again. His gift is four times the original, and there have been zero change orders, and neither the contractor nor MIT has needed the contingency fund

at all.

Roe: For us, BIM is working very well. We're asking our consultants to bring it to the table on the big jobs, but not on the smaller infrastructure jobs. We'd like to see it used more as a tool for the owner, but the full extent of it hasn't been explored and there are a lot of legal challenges from our lawyers.

Gordon: We like BIM, we use BIM, we want BIM, but tell us how it's going to help. Do we save time or money? If there is a critical mass of data needed, BIM is wonderful, but it has to be about what it's going to do for the client. It will be old hat in five years, but you should be using it now.

Bond: *How high a priority is green and sustainable design and what are your institutions doing about it?*

Roe: We have a sustainable policy. We've got skin in the game, we're doing it, and it had better be in your proposals.

Gordon: If you're not coming in with a highly green team, you don't even get in the door. We have enormous internal pressure to be green.

Pearce: And don't walk in the door and say going green is going to cost more for your fee. I can be fairly abrupt and say, "Thank you very much, nice meeting you."

Bond: *Where does the future offer promise and opportunity for professional service firms in your institution?*

Delphenich: There will be a lot of work over the next couple of decades at MIT. We'll be rolling out work in adaptive use, retooling of buildings, some new buildings, but it's all going to be focused on our existing buildings.

Pearce: The work that will come out of Duke is not just within the university but from the whole community around us. When you talk to your potential clients, understand it in a holistic way. Be a part of the whole process that makes a university work. Have confidence, be patient and give us guidance. There is a lot of listening going on from our side too.

Roe: UConn is looking for good solid partners, people who get to know us. There are thousands of people behind me. We're looking for good team members and we're not looking for fluff. Help us replenish and build back up.

Gordon: The best thing you can do is make sure your firm is investing in the right place, have the right people that are well trained, well coached. You need to know what sector you're good at and what the end user requirements are. Give us crystal clear proposals. Tell me how you are going to work with us.

Delphenich: We'll be looking at new ways to deliver projects in a cost-effective way. We're looking for teamwork, collaboration and trusted partners. And the opportunity to establish relationships based on trust is what it's all about. □

Talent Makeovers

CONTINUED FROM PAGE 1

for others it strikes sheer terror to the very core of their being.

The axiomatic cliché "the only constant is change" is more true—and haunting—than ever. Even the best performers need to regroup, refine and renew their attitudes and competencies.

As a consulting and training firm that focuses exclusively on the A/E/C industry,

we continue to observe the relevance and importance of fundamental competencies, processes and procedures that are the foundation for success—namely, how A/E/C's get work, do work, run the business and address people issues. However, in the last 24 months we have witnessed a dynamic and dramatic evolution—and more than a few revolutions—as the markets and clients demand performance that can only be rooted in new competencies. A/E/C firms and practices have worked hard to balance classic fundamentals with innovative talent solutions to meet the stringent necessities of survival and success in 2010 and beyond. What the A/E/C industry has today is a delightfully creative and evolved integration of “back to basics” and re-invented/regenerated competencies—a mixture we affectionately call the “DNA of Success.”

It is tempting to consider this topic from a broad and all-encompassing perspective. However, we believe it more prudent to focus on key situations and trends, specific essential competencies, and high performers. We focus on talent and performance, but not at the expense of purpose and passion.

The firms and practices that are sustaining and succeeding have addressed a hailstorm of challenging industry-wide situations and trends—the most common of which are: fewer opportunities, less work, more demanding clients, fewer people, less resources, lower compensation and more competition. That list won't surprise anyone. What may surprise some

Even the best performers need to regroup, refine and renew their attitudes and competencies.

is the fact that best practices firms have addressed each of these by retooling their talent mix and competencies. They have strategically and tactically reorganized the firm—or allowed units and teams to reorganize and evolve to meet current situations. Firms and individuals have refocused and evolved their core competencies. In the process of surviving and maintaining, leaders, marketers, managers and key staff have reinvented the firm/practice. All for the deliberate intention of rebounding or in some cases moving in an exciting new direction.

While success-focused “core competencies” vary from firm to firm, the following examples give a flavor of what firms and individuals are doing to define and assure the essential characteristics of performance-oriented talent for today's and tomorrow's markets.

- **It's not a dream/nightmare.** Firms and individuals have awakened to the new realities. The time for wondering, and sometimes complaining, is over. Individuals and teams are facing the new realities, and recommitting to succeed.
- **Fantasy camp is over.** Whether individuals feel they are adequately prepared or not, firms are making assignments, giving lots of freedom and authorizing people to get work and do work in very assertive manners.
- **Yes, we're keeping score.** Performance management is more prominent than ever. Firms and individuals are keeping score—who's performing, and who isn't. While most individuals and firms are not totally dispassionate, there is a

heightened sense of awareness and need for results.

- **You can handle the truth.** People are growing up fast, as they say. Firms are more open and honest (in some cases brutally so) than ever. Open book management is the norm—in marketing (e.g., hit rates, backlog, client satisfaction), in project delivery (e.g., client relations, profit, quality), in employee wellness (e.g., behavior, attitude, collaboration) and in overall performance (e.g., operational and strategic benchmarking). There's no sugarcoating these days—the message is straightforward: here are the facts, now let's do something about it.

- **On the job training.** On the job training is augmenting formal and semi-formal (e.g., lunch and learn) in-house learning, training and competency development programs.

- **Mentors are everywhere.** Formal "mentoring" programs have been eliminated or put on hold. In their place, firms and individuals are identifying more real-time and colleague mentors. It's rare that leaders, marketers and project managers do not have "go to" people on whom they rely for day-to-day decisionmaking support.

- **Spring-cleaning is over.** Most firms have cleaned up their acts. The uncomfortable staff alignments are for the most part over, the salary adjustments are in place, and resource allocations are set. In fact, many firms have streamlined to the limits, and are in the best organizational shape they have witnessed, literally, for years.

- **People are ganging up.** Leadership teams, marketing squads, and project teams are genuinely collaborating—some for the first time ever. Firms are making conscious efforts to create forums

for communication and critique. Genuine collaboration is occurring in settings best described as more frequent, more diverse, less formal, higher intensity and shorter duration.

- **Values endure.** Successful firms have revisited and reaffirmed their core values and guiding principles. Key behaviors are more delineated, and desirable behaviors are incorporated as part of position/job descriptions (whether formally documented or informally communicated). Ethics in particular is appearing more frequently as a topic of discussion and a basis for decisionmaking.

- **Priorities are clearer.** Both firms and individuals are intensely focused on priorities. Gone are the days of multitasking with multiple potential outcomes. Rather, as multitasking has intensified, the outcomes are laser-focused. Firms are clear, and individuals know precisely what is important and what must be accomplished.

- **Resources are optimized.** Decisionmaking is much crisper, and resources are more appropriately allocated. Judicious assignments and expenditures of time, talent, and money are the norm. Business case analysis is common, and cost/expenditure justification is offered without hesitation.

- **We've caught up and buffed up.** Firms have used the last 9-to-12-month interim to catch up on orientation/integration practices, basic skill development, employee wellness issues, and talent alignment. Rather than talent issues falling by the wayside, they have taken center stage over the last year. Perhaps more so than ever, firms know their talent and are positioning individuals to succeed.

- **Talking the talk, and walking the**

walk. Individuals at all levels, especially marketing/BDeers, and project leaders, are learning to speak each other's language. Moreover, all cohorts are learning the language of the clients. Cooperation is no longer a lofty ideal—it's the reality of the day. Whether in strategy and coordination meetings, or via technologically-driven CRM systems, people are talking and collaborating well.

- **Our skins are thicker.** Most individuals have dealt with their internal voice regarding fundamental motivations and priorities. Classic motivation theory has become an awakened reality for many. Marketers and managers at all levels "get it" about the firms, their colleagues' and their own motivations. Moreover, individuals are speaking openly and candidly about survival, security, compensation, recognition and individual preferences.

- **Spirits and esprit de corps are high.** Surprisingly for some, remarkably for others, but predictably to us, spirits are high. Those who have weathered the storm to this point have a renewed sense of competence, an emboldened self-worth and level of confidence. Moreover, teams have learned how to function cooperatively and collaboratively—they have learned in real-life situations what so many simulations hoped to convey. Whether you see it yet or not, the future is bright.

Amid all of these, and many more, anecdotal prompts, firms and individuals have and continue to focus on a blend of classic and new talent competencies. Talent retooling and reinventing is the product of three key strategies/tactics—custom-designed in-house training, learning forums facilitated by outside professionals, and individual self-development efforts. Those competencies most necessary,

and therefore the subject of the greatest focus, include:

- communication,
- entrepreneurship,
- decisionmaking,
- networking,
- client engagement,
- project management,
- discernment,
- adaptability and ingenuity,
- planning, and
- time management

All of these are founded on solid professional skills in marketing, management, and leadership. Among the characteristics and behaviors most admired—and essential in the current and forecast environment—firms and individuals value:

- vision-oriented strategic perspective,
- outcome-based systems thinking,
- real performance versus hope and hype,
- resilient and positive attitude,
- professional and ethical behavior,
- personal and firm-defined integrity, and
- unwavering faith.

Whether you are a firm/practice leader, or a motivated A/E/C professional, consider these issues as you confirm that you have retooled, reinvented and positioned yourself for a successful rebound or new direction. At both, the firm and the individual level, focus on these competencies as the DNA of success. □

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