July, 2009
Volume 5, Number 7

A/E Rainmaker

The Guide to Attracting and Keeping Great Clients

A Publication of
PSMJ | Resources, Inc.

In This Issue

☑ Improve Your Teaming Effectiveness

☑ Branding Benefits Bottom Line, Boosts Visibility

☑ Superior Service: Doing Quality Work

☑ Nine Creative Approaches to Grabbing Clients' Attention

☑ How to Open Your Presentation for a New Piece of Business

☑ Seven-Step Proposal Refresher Course

☑ Accept No Excuses for Poor Performance

☑ In These Competitive Times, Client Service is Critical

☑ Four Business Development Tips from Top A/E Firms

☑ Four Ways You Can Capitalize on an Improving Economy

Improve Your Teaming Effectiveness

At a recent national convention, a member of the audience asked my thoughts on how do you make a decision regarding teaming and how do you select a teaming partner. The questioner was the marketing manager for a small, minority-owned engineering firm that was trying to be competitive for larger, more lucrative projects by augmenting its capacity by teaming. Teaming, of course, is a broad subject, about which, little has been written in recent publications.

The usual rationale for joining a team is to make both firms competitive for an upcoming project. This can be considered as "tactical" teaming in that it is focused on a specific project from a specific client. Presumably, when the project is complete, the team dissolves and each member goes its separate way. Sometimes, after several successful teaming arrangements, the team members may chose to enter into a longer-term arrangement which, ultimately, may end in a merger or acquisition. This could be considered a more "strategic" teaming arrangement. This

(cont. on page 2)

Branding Benefits Bottom Line, Boosts Visibility

Folks in the Boston area know Judy Nitsch as the dynamic president of the firm that bears her name. She's a presence at local Society for Marketing Professional Services events, speaks at national SMPS education events, and is a presence throughout New England at networking functions.

Her visibility helped the 60-person civil engineering, land surveying, transportation engineering, sustainable consulting, planning, and GIS firm raise its prominence in the Boston area. As the firm grew to have projects in 17 states and five countries, the name, Judith Nitsch Engineering, didn't embody the nature of the firm's high-profile projects and leading-edge sustainability practice.

In May 2006, the firm's principals and leadership team made a unified decision that it was time to drop "Judith" and become Nitsch Engineering. "This new name would accurately represent what we have become over the years and announce to our clients and prospective clients that we are a 'big' firm with 'big' projects.

(cont. on page 4)

Improve Your Teaming Effectiveness (cont. from page 1)

article will focus only on the former, the tactical arrangement intended to improve the team's competitive position for a specific project with a specific client.

Here are some common sense "rules of teaming":

The teaming arrangements must make sense. There needs to be a reason, easily understood and readily apparent to the client, why the team makes sense. Usually, it is to fill in a hole in the capabilities of the lead firm. For example, a geotechnical firm teams with a civil firm to compete for a public works project or an architectural firm teaming with a mechanical/electrical firm to design a new public library. Two equally capable firms, with similar disciplines, probably would not make sense to a client. For example, two major, national firms with a history of competition with each other teaming on a relatively small project may require a lot of explaining to a public client.

The team must be mutually supportive. The team members must have skills and capabilities that support the entire team. Like the old saying, "The whole is greater than the sum of its parts," the team must demonstrate strength in the aggregate that is stronger than each of its individual members. For example, consider a strong, locally respected civil engineering firm trying to compete for a major long-span bridge. It seeks a nationally recognized, long-span bridge firm as a teaming partner. The local firm brings local experience, knowledge, and an established relationship with the client while the national firm brings specific technical expertise, recognized nationally. Thus, the team is strengthened with local knowledge coupled with strong and recognized technical expertise.

The team must have compatible cultures. Usually, the most successful teams are the happiest teams; where there exists a mutual respect for the strengths of the team members. If one of the members is very business-focused and one is very practice-oriented, there may be some differences in the respective cultures that are difficult to overcome. One firm may spend time and budget looking for the most innovative solution to the problem at hand while the other gives the client the minimum necessary to fulfill the terms of the contract.

Cash flow and the evils of the cash-flow manager. The elephant in the room in any teaming relationship is cash flow. How does the prime pay its bills? Normally accepted practice in the consulting industry is that the subs are paid after the prime is paid. Since, at the time of writing this, the average age of accounts receivable is 72 days for the prime, it is imperative that the prime pay the subs promptly. Unfortunately, many primes, especially large national or international firms, "manage" cash flow to maximize their cash position at the expense of subs and vendors. Subs, particularly if they are smaller, local, perhaps DBEs, typically do not have a strong cash position. Thus they end up effectively being an impromptu "bank" for the much larger prime.

Several years ago, while managing a regional office for a major national engineering consulting firm, I entered into a prime/sub relationship with an excellent local geotechnical engineering firm on a major bridge project. About midway through the project, the sub called me and advised me that, from now on, I was to send payment directly to his bank. What had happened is that so many of his contracts were to large firms on major public projects and neither the public clients nor the prime consultants were paying promptly. This caused the sub to go to the bank and assign his accounts receivable directly to the bank in order to develop a line of credit to allow him to make payroll. This geotechnical firm had a fine reputation and a significant backlog but almost went under because of cash flow.

So if you are thinking of being a subconsultant on a team, find out how the prime pays its bills; ask the question, put it in the contract but satisfy yourself that you have a trustworthy partner and make sure that the prime knows how important prompt payment is to you.

In the next issue of *A/E Rainmaker*, we'll cover more thoughts on how to improve the quality and effectiveness of your firm's teams.

Michael S. Ellegood, P.E., has more than 40 years experience in civil engineering, including significant experience in design and management of multi-million dollar public works projects. He can be reached at *mellegood@psmj.com*.

Superior Service: Doing Quality Work

by Mel Lester

Quality is overrated as a marketplace distinctive. A/E firms routinely tout their "quality work" as a key attribute separating them from the competition. But client research indicates that the distinction is much less evident to clients. They expect quality work, not as a bonus, but as the norm. For this reason, poor quality is much more likely to distinguish your firm from competitors than good quality.

If you've been following this series, you know my conviction that superior service is the best opportunity for differentiation in our business. So where does quality fit into this? You can't have great service with inferior quality. That's because service is defined by the client's overall experience working with your firm. Poor quality impairs that experience, and thus the client's perception of the level of service received.

So what defines quality? The answer is not as simple as many technical professionals assume. Indeed, the definition of quality is largely in the eye of the beholder. This makes it all the more important to avoid making assumptions about how the client defines quality. There really isn't an overall objective standard of quality out there; it requires meeting subjective client expectations. That means you need to identify those expectations up front.

Some other points to consider:

• **Meeting requirements is the bare minimum.** Some quality experts, especially from the manufacturing sector, simply define quality as "meeting requirements." But in professional services, satisfying the stated requirements (scope, schedule, budget, minimizing mistakes) forms only part of the client's perception of quality. It's the minimum expectation.

• **Clients expect quality throughout the project, not just at the end.** Many A/E firms still use the basic quality control process discarded by manufacturers years ago— that is, inspection of the completed product just before it is delivered to the customer. Clients expect better. They want quality built into the overall project process, from start to finish, including interim deliverables such as correspondence, status reports, draft documents, concept drawings, etc.

• **Quality is ultimately defined by what the project accomplishes.** It's easy to focus on the quality of our work products— drawings, specifications, studies, reports. But the true test of quality work is the results these yield in meeting client needs and goals. Therefore, your quality process should be results-driven, not just product-driven.

The best quality assurance process prevents mistakes rather than simply catches them in the final review. This establishes expectations and secures buy-in early. Some key elements of such a preemptive quality process are:

• **Clarify client goals and expectations.** Make sure you understand not only what the project is, but what it is supposed to accomplish.

• **Carefully plan project execution.** Not just a list of tasks, but how the work will be coordinated and performed. A good project management plan defines the best approach to meeting client needs, delivering great service, and maximizing efficiency and deliverable quality.

• **Define deliverable content in detail.** Secure buy-in at the start from the client, project team, internal reviewers, and other critical stakeholders. This can avert many difficulties later.

• **Religiously stick to internal milestones.** One of the most common quality problems is the failure to adhere to internal deadlines. This often results in a mad rush at the end with greater opportunity for mistakes and shortened time for reviews.

• **Clearly define internal review roles.** Reviewers should have distinct review roles, avoiding unnecessary duplication or, worse still, gaps in the review process.

• **Diligently check work products throughout.** Third-party reviews are critically important, but every project contributor should be expected to check his or her own work before it is passed on. Quality assurance should never be viewed as primarily the responsibility of reviewers; it is shared by all.

Mel Lester of The Business Edge (*www.bizedge.biz*) helps engineering, architectural, and environmental firms improve business performance by applying best practices in client service, business development, organizational leadership, and project management. He can be reached at 540-268-2300 or *mel@bizedge.biz*.

Branding Benefits Bottom Line, Boosts Visibility (cont. from page 1)

"One of my partners said, 'We're dropping the word, not the person.' Other people asked, 'Are you going away? Retiring?' I told them, 'No.' We have nine shareholders and projects all over the world. It's not just about me. When we were a WBE firm, having Judith in the name was important. Only 14 percent of our work is as a WBE firm today. We don't really need to be associated with being a WBE. Half of our business in recent years has been in the private sector, and having 'Judith' in the firm name became a negative in those markets."

The firm hired branding consultant Mark Minelli of Minelli Inc. in June 2006 with the goal of rolling out the new name and identity by the middle of October 2006 because Nitsch's marketing manager was going to be having a baby later that month. "We couldn't layer this activity on our marketing coordinator and other marketing staff with the marketing manager not here," Nitsch says. "We knew they would be scurrying to get proposal work done. We only had four months to roll this out, which is a really short time, so we were very focused on getting it done."

The rebranding process involved Minelli meeting with nine of Nitsch's senior employees about messaging and about how the look reinforces the message the firm was trying to send to its existing and potential clients. "Out of that conversation came a 'Eureka!' moment: our brand is that we are 'savvy advocates' for our clients," Nitsch says. "We also needed our look to be more friendly. Our old logo had our name as all uppercase; the name in the new logo is uppercase and lowercase. We kept the color blue. We were happy to do that. We wanted to keep our arrow logo because so many people knew it, but we needed to update it. Minelli developed a new look for the logo."

Nitsch says the most important piece of the rebranding was enhancing the firm's employees being savvy advocates for their clients. What would a 'savvy advocate' do versus a 'sadvocate' when announcing their firm's name change? They would call their clients and 'leak' the name change information so they weren't learning about it first through a mass mailing; clients would get advance notice, which would make them feel important. Employees were prepped on answering various potential questions with role playing to help with the messaging.

The firm rolled out the new name on November 8, 2006. "What we did that day was great," Nitsch says of the branding rollout. "The night before, we put a roll of Life Savers, a pack of gum, or breath mints on everyone's desk with a message card saying, 'Go out and talk to clients. Today's the day.'"

The new logo also included a new tagline: New name, same spirit. "We used that tagline from November 8 through December 31. We only wanted to do it for two months. Our whole campaign went from a month before November 8, when we started leaking it to people, to the beginning of January. We ended the roll-out by sending a New Year's card that said, 'New name, new year, same spirit.'"

For the formal rollout, they sent an e-mail on the day of the announcement to everyone in their database and followed it up two weeks later with a hard-copy, snail mail version of the same announcement since the firm did not have e-mail addresses for everyone in their database. "Plus, if anyone had left the firm, we figured the hard copy might get forwarded," Nitsch says.

"I was amazed by how many people sent me comments. A guy I went to college with is president of an engineering firm in Philadelphia. He took the letter, scanned it, and sent it to all of his senior people. They have eight offices around the country. He wrote, 'This is a terrific firm. I know the president. They are a WBE. I don't hesitate to recommend them.' I look back at all the different ways we touched our clients and the timing we did it in, and we did a good job. I take no credit. Minelli orchestrated it. We trusted them enough to follow their direction."

Although they budgeted $75,000 for the rebranding, Nitsch Engineering spent more than $100,000 on the campaign, including new stationery, new collateral, new business cards, new signage, and hiring Minelli. "Before the formal roll-out, none of the employees except for the senior leadership group had seen the new logo. On the day of the rollout, each employee got a large puzzle piece. They had to come into the conference room and figure out where their piece of the puzzle fit. By the middle of the day, everybody could see what the new logo looked like."

The work was not done, however. Minelli did a *PowerPoint* presentation with staff that explained what they had learned from talking to the firm and what Nitsch's messages were to clients. "You can't say, 'We're on time and on budget.' Every one of your competitors can say that. Here is what you can say about yourself that your competitors can't say."

"Minelli pulled phrases from our client testimonials that were unique to Nitsch Engineering and set us apart from our competition. The phrases we talked about, such as 'can't live without you' and 'provided clear, comprehensive ideas' helped employees understand what it meant to be a savvy advocate to their clients. They all realized that they already were savvy advocates for their clients, which reinforced that that's what they wanted to continue to be for them."

Nitsch summarizes the rebranding thusly. "It wasn't just a rebranding; it wasn't just a name change. It was an opportunity to have everyone in the company understand how to do a better job of taking care of clients. That wasn't the intent, but it was a happy accident and a fortunate outcome."

And it was such a success that another firm, J. Stewart Roberts Associates Inc., sought Nitsch's advice when changing its name. Their marketing person contacted Nitsch Senior Marketing Coordinator Anna Luciano in April 2009. Luciano walked J. Stewart Roberts through the process, sharing tips that Nitsch picked up, including the point that repetition is key and employees should understand the reasons for the change so they can discuss them with their clients.

When your rebranding campaign is an inspiration to other AEC firms, as well as boosted visibility with clients and enhanced internal identity of what your firm is, you've done something right. **— ED HANNAN (*ehannan@psmj.com*)**

Nine Creative Approaches to Grabbing Clients' Attention

1. Submit to awards programs for your clients, and then frame the awards and give it to them.

2. Conduct lunch-box seminars and workshops on topics relating to your client's industry.

3. Offer copies of your firm's promotional material highlighting their project. There are firms who have developed books for their clients on projects that they have done together.

4. Research the publications that your client is active in, and try to get articles published on their project.

5. Use themed proposals. This nontraditional approach to proposals helped one firm go from doing $50 million a year to $3 billion dollars in revenue a year.

6. Show your client in the best light possible in promotions (example: clients love being known as someone concerned about the environment, the arts, etc.).

7. Produce segmented newsletters to different clients' types. It makes clients feel that the newsletter is developed just for them and their staff. This indirectly educates the entire client staff on your expertise.

8. Direct marketing dollars toward brochures that highlight one project or project type. Clients love getting things that highlight their project.

9. Produce different web sites for different client groups.

How to Open Your Presentation for a New Piece of Business

By Joey Asher

If you want to know how to start your next new business presentation, watch the television show "Law & Order."

As any fan of the show knows, the story always grabs your attention in the first scene when someone discovers a corpse. You then remain riveted for the hour because you want to learn the answers to questions raised by the frightening discovery.

It's a classic dramatic formula. Start by introducing a big problem. Spend the rest of the story resolving the questions raised by the problem.

A good new business presentation uses a similar approach. Begin by focusing on the big problem faced by your prospect. Then spend the rest of the presentation detailing how you plan to solve that problem. You'll have your prospect's attention from the beginning. More importantly, you'll be demonstrating that you understand their needs and have a plan to help them.

Starting with the prospect's challenges sets you apart

This approach sets you apart because so few architects begin their presentations this way. Most start something like this: "Thanks for having us in today. We're excited about the chance to interview for this opportunity. We'd like to start by telling you about our firm. We started 50 years ago . . . ." Blah, blah, blah.

Here's the problem with that approach.

No one cares.

When you've made the short list, the owner already believes that you can build the project successfully. The owner isn't interested in your background. "If you're on the short list, we know that you're qualified," one project manager told me. "We want to know your ideas for helping us with our project."

Start by showing your understanding of the owner's needs

With that in mind, the best way to start your presentation is by focusing on the challenge faced by your prospective owner. Begin by showing that you have a strong grasp of the issues that the business faces and how the design for the building can address those issues.

Here's an example of an architecture firm that did it right. The firm was preparing to give a presentation competing for the chance to design a corporate campus for a large insurance company. The lead designer had done a lot of homework in preparation for the presentation. He knew that the insurance company wanted to be prepared for dramatic changes in the industry. They wanted a work environment that was flexible, creative, and that shed the old stodgy insurance company image.

Here's how they began the presentation.

"We understand that the insurance industry is changing dramatically. And we know that you want to enable your work force to be as creative and flexible as possible during this time of change to your industry. We also know that you want the campus to reflect your company as more exciting than the insurance stereotype. We'd like to discuss how we will help you achieve these goals."

From there, this architecture firm detailed its plans and ideas for the project, showing sketches and ideas and highlighting how it has accomplished similar goals in prior projects. It won the job in part because it showed the prospect from the beginning that it was prepared to be a partner in addressing the prospect's key business challenges.

Good legwork before the presentation is critical

Of course, to start your presentations this way, you need to have a strong sense of the prospect's business challenges going into the interview. If you don't have a sense of those challenges, you're probably in trouble.

An architecture firm once asked me to help it pitch for a chance to design a new corporate headquarters for a large retailer. In our first meeting, I asked why the retailer wanted the building. The architects around the table all looked at me like I had asked them to solve a quadratic equation in their head.

They had the RFP with the building's specifications. But the RFP didn't detail the business challenges driving the need for a new building. Yet why the owner wants the building is usually critical. Are they looking for a design that will increase productivity? Are they looking for a dramatic showpiece that will impress prospective clients? Are they looking for something that will attract new employees? Those issues are all business problems that impact the design.

But because they didn't know much about the client's needs, their presentation was relatively weak from the beginning and didn't win.

So for your next new business presentation take a cue from "Law and Order." Start with the owner's key challenges.

Joey Asher is the author of the new book *How to Win a Pitch: The Five Fundamentals that Will Distinguish You from the Competition*. Joey is president of Speechworks, a selling and communication skills coaching company in Atlanta. He has worked with hundreds of architects, engineers, and contractors in helping them learn how to create and deliver winning sales presentations. *How to Win a Pitch* is available on Amazon.com and through his web site at *www.speechworks.net*. He can be reached at 404-266-0888 or by e-mail at *joey@speechworks.net*.

Seven-Step Proposal Refresher Course

1. **Research.** Find out the client's problems, his priorities, his evaluation criteria, who the competitors are, and what will be required to win the job.

2. **Assess your strengths and weaknesses.** What are the firm's advantages over its competitors? What are the disadvantages? Be sure to make this assessment based on the client's perceptions, not those of the firm.

3. **Identify key points.** Make a list of the most important points to be made in the proposal.

4. **Plan the proposal effort.** Prepare a detailed outline of the proposal. Identify the individual responsible for each portion and dates that the first, second, and final drafts are to be completed.

5. **Prepare first draft.** The first draft should be prepared as soon as possible by the individuals assigned to the effort. Do not worry if it is rough. It should be technically sound, while leaving ample time for preparation of second and third drafts.

6. **Prepare second draft.** The second draft should be prepared by a single individual, perhaps the project manager. The objectives are:

   - to integrate the various sections into a coherent presentation
   - to utilize every opportunity to make the points identified in Step 3

7. **Prepare final drafts.** Give the second draft to one or more knowledgeable people who were not involved in the proposal preparation but are familiar with the client type (i.e., municipality, industry, developer, etc.). Ask them to review it from the client's perspective. Incorporate their comments into the final draft.

The biggest mistake you can make in writing proposals is telling the client how good you are, rather than showing them. After making the short list, most clients are no longer interested in how many similar projects a firm has performed or how many people it has on staff.

They want to know how your team plans to solve their particular problems. You can demonstrate that you are best for the job by writing a clear, detailed, and technically accurate description of how your team plans to solve the client's problems.

Now you are ready to start improving your proposals!

Accept No Excuses for Poor Performance

Analyze performance and coach staff into good sales habits.

I want to be clear from the start that this article is focused on performance as it relates to business development and marketing, not projects. In my experience, here are some areas where people come up short on performance: not proactively engaging in the market, lack of client insight to position for upcoming opportunities, and poor proposal development. What follows is a closer look at each of the areas where we've struggled and some steps we've taken to address them. You may have a similar list of areas for improvement.

Engaging in the market. Successful firms consistently engage in markets that they are currently in, as well as markets that they are seeking to penetrate. The most common excuses I hear from people that are not proactively in the market are that they are too busy to position their firm in front of new clients due to competing priorities. Or that they can't access potential clients and decision makers to get the necessary information.

A few ideas to overcome these are to schedule time each week for client calls and meetings. This sounds basic, but competing priorities will always win out over good intentions. Use the calendar as a conscience. Also, develop simple metrics to gauge progress; consider things like appointments set, information gathered, and opportunities identified. Finally, I have a short training session that I developed to help people with cold calling. You can employ some simple tactics to overcome inertia and build confidence when reaching out to new clients.

Positioning for future work. Developing a strong strategy to win new work requires gaining insight to what the client really wants. Sounds simple enough, but how many times has someone handed you (or e-mailed you) an RFP without an accompanying plan to win the project? When I start asking questions and get responses like "We didn't know it was coming out so soon" or "I thought the requirements would be different," I know we may be in trouble. Those responses point to the fact that we may not have done the up-front marketing.

I like to play the "no go" card, and challenge people to convince me that we can really win. If the RFP really was a surprise, we don't have a prayer. To prevent this from happening again, coach staff through the capture process, and pay special attention to preparing sales call plans for each client encounter. Incorporate into your plans specific questions to gather information you will need to make a good go/no go decision. But don't stop there. Insist that your team contacts as many people in the client organization (or outside credible sources) as possible; never build a strategy on data obtained from just one person.

Writing winning proposals. Proposals are the lifeline of your business development process. It feels like I review a proposal every week, typically at the red-team stage. Very few of these documents are what I consider "red-team quality." Why? There are a range of excuses for this starting with not getting information back on time from technical staff. Another common mistake is using information from previous proposals (cut and paste) that does not meet the required format or content.

Insist on good planning for all proposals! Hold a formal kickoff meeting with all key staff where assignments are made and deadlines are agreed to. If someone is not in the room to accept an assignment, it will rarely be finished on time. During the kickoff, develop storyboards to ensure compliance and guide writers. I can't tell you how many times I create storyboards during red team recovery, and people say "I wish we had this three weeks ago." Finally, require everyone to read the RFP prior to the kickoff meeting. Someone is more likely to understand the requirements when her RFP is highlighted and marked up. A clean RFP is a bad sign.

Every client and sales situation is unique, and requires a thoughtful approach to position your firm in the most favorable way. Invest time in your staff to develop good sales habits, and you will win more work.

Wally Hise is vice president of federal marketing and sales for the West Region of HDR Engineering, Inc. (Omaha, NE). Contact him at *wally.hise@hdrinc.com*.

In These Competitive Times, Client Service is Critical

By Dr. Dennis Schrag, The Longview Group

My water softener went out. Living in a semi-rural area with a community well means very hard water. No soft water and the dishwasher does not clean. No soft water and the washing machine turns white clothes to grays. When I purchased the softener two years ago, I bought an extended warranty. Both the unit and its warranty were overpriced. The big-box national retailer with its own brand of appliances had a water softener that was highly rated by *Consumer Reports*.

When the service appointment was made, they promised me a reminder telephone call the night before the technician was to show up. Thursday night came and went— no call. Service breach No. 1.

On Friday, the service technician was to show up between 8 a.m. and 5 p.m. I was thrilled to know I had to hang around home for hours on end waiting for something to happen. Service breach No. 2.

At 7 a.m. Friday, I called the retailer's service line and asked to have my appointment confirmed. It was confirmed but they could not narrow the window of when the technician would arrive. There was a 15-minute wait for the call to be answered by a live person. Service breach No. 3.

The appointment scheduler promised a call by 8 a.m. to let me know where I was on the technician's call list that day. With that information, I might be able to narrow the appointment window. No call. Service breach No. 4.

During the day, I called three more times to get some idea when the technician might show up. Each time I was told the same thing, "Your technician will be there between 8 a.m. and 5 p.m." I told the last one that it was 3:30 p.m. and I was waiting. "Yes sir, your technician will be there between 8 a.m. and 5 pm." The technician was not mine. Service breach No. 5. If the technician were mine, they would have been there at 7:30 a.m.

At 5:05 p.m. I called. I was not a happy camper. The response: "Your technician will be there between 8 a.m. and 5 p.m." I explained that it was after 5 p.m. I explained I was very unhappy. The expletives are not included here.

I demanded to talk with a supervisor. Eric could not explain what happened. Service breach No. 6. He was anxious to make another appointment for a week later, sometime between 8 a.m. and 5 p.m. I refused. I asked him for the number for the local service technician provider manager. He told me they don't usually provide that number. After a few more expletives, he gave me a number. I called it. It was in Milwaukee. I am in Iowa. Service breach No. 7. The guy in Milwaukee gave me a number in Illinois for someone who might service my area. No answer. Service breach No. 8 with more expletives.

I called the local store manager who gave me a special service "hotline." This is the number you call when your appointment has not been fulfilled. It must happen a lot. The person who answered offered no explanation, but did inform me her records show that a new appointment was made for the following Monday between 8 a.m. and 5 p.m. I politely asked, "Just when were you planning on letting me know about my new appointment? She did not know how to answer. Service breach No. 9.

The story goes on and on. One service failure after another. What are the chances that I will ever buy anything at the big-box national department store retailer with its own brand of appliances?

I recently read about massive layoffs at appliance manufacturers. I guess sales are off because the economy is weak. I guess any store that sells appliances could use all the sales they can get. I'll wash my dishes or my clothes by hand before I go back to that big-box retailer. You might, too, after reading this. The news about poor service travels quickly.

(cont. on page 10)

In These Competitive Times, Client Service is Critical (cont. from page 9)

How is your customer service in these competitive times? Do you answer your phone promptly? Do you keep appointments? Are service providers trained to provide real service? Do they have helpful information? Are your service silos dismantled? It's the "softer side" of your business that makes you competitive in tough times.

Dr. Dennis Schrag is the president of The Longview Group, a management consulting organization that provides training services nationally and internationally. He has more than 20 years of experience in executive management, marketing, and human resource leadership. He is a Fellow of the Society for Marketing Professional Services and a trustee of the SMPS Foundation. He can be reached at *dennis@longview-group.com*.

Four Business Development Tips from Top A/E Firms

PSMJ recently hosted the 2009 *Circle of Excellence Conference* and asked top-performing A/E firms what they are doing to generate business in today's challenging economy. Here's what they said:

1. Capitalize on client optimism. Circle of Excellence firms are trying to keep clients' excitement about the stimulus plan at a high pitch. They are using the stimulus plan as a "cue card" to get their people to call and reconnect with clients. Even public sector clients that are not likely to receive stimulus money now believe that their operating budgets are going to be OK and they feel confident about starting capital projects.

2. Move emerging rainmakers up quickly. This gives you a good way to broaden your sales force and increase the numbers of client contacts. Young people take selling as a challenge – they have less fear, and are very eager. The trick is managing them and harnessing their energy successfully, so pair them up with the older folks to start.

3. Win smaller jobs to get the bigger projects. Look for HVAC, roofing, etc. projects that have low-profile funding. Do feasibility and master planning studies online that public sector clients can use to help get bonds to fund projects. It's better to give a client the value of a feasibility study instead of wasting money on an RFP for a project that is not likely to be funded on its face.

4. Develop long-term market sectors with lifecycles that are different from the market sectors in which you currently operate. Position your staff as consultants— help clients prioritize and triage work based on economic conditions— then use funding experts to help clients get the money to do the work.

How to Build and Maintain a Strong Client Base for Your A/E Firm lays out hundreds of strategies and tactics you can use today to create a marketing master plan guaranteed to get you more profitable work from clients willing to pay high fees for your services.

To get *How to Build and Maintain a Strong Client Base for Your A/E Firm*, call (800) 537-7765 or e-mail *customerservice@psmj.com*. Be sure to mention priority code 353236 when ordering.

Four Ways You Can Capitalize on an Improving Economy

At the May 5 webinar, *Surviving…or Thriving? AEC Market Outlook & Opportunities*, Mark "Rusty" Sherwood, vice president, market development with McGraw-Hill Construction, asked attendees if their firms were presently involved in or pursuing stimulus-funded construction. Not surprisingly, 87 percent of firms were either already involved in, pursuing, or analyzing the potential of stimulus-funded construction (57 percent were involved in or pursuing work while 30 percent were analyzing its potential).

He said that while McGraw-Hill projects 15 percent fewer total construction starts in 2009 (in billions of dollars) than in 2008, it also anticipates a 10 percent increase in 2010 over 2009. "Stimulus dollars are causing increases in dollars spent in various sectors, including transit and rail funds, and reducing shortfalls in others, such as public buildings," Sherwood said.

Much like any other industry, the AEC industry is cyclical. "The bad news is a cycle is coming to a close, but the good news is a cycle is coming to a close," Sherwood said. "We're setting ourselves up for a new cycle to begin. The question is, how quickly will it cycle upward? We're not the only one struggling from a global perspective. As you can see, everyone is looking for strengthening going into next year."

Sherwood said there are four things to keep in mind as the economy shifts hopefully in a positive direction:

1. Opportunities do exist. It's a function of knowing where to look. "It might seem obvious, but we have a tendency to look at things in one lump sum. There are places where the near-term and longer-term view are pretty optimistic. Commercial will be soft for a while, but there are pockets of activity. There are some markets where there is pent-up demand for certain types of construction, especially LEED-certified buildings."

2. Know thyself. "If you are in a declining market that is important to your firm, go deeper in strengthening relationships with your clients."

3. Tighter markets mean greater (not smarter) competition. "The reality is, we're all facing stiffer competition for pursuing a smaller body of opportunity out there, but I don't know there's ever been a time for operating smarter. First and foremost, really understand the patterns of your competitors: What's the basis by which they pursue? How are they trying to pursue? How are they trying to price? Tighter markets allow for co-opetition. Partner to expand your expertise base. Also, knowledge is power right now. Do you understand the rules and requirements of stimulus projects? Are you IDIQ partnered?

4. The end of one cycle means the beginning of a new one. Stimulus and improved access to credit equals a construction rebound. **— ED HANNAN (*ehannan@psmj.com*)**

To order a copy of *Surviving…or Thriving? AEC Market Outlook & Opportunities* for $49 for SMPS members, $79 for non-members, visit *http://eo2.commpartners.com/users/smps/session.php?id=1913*.

A/E Rainmaker

The Guide to Attracting and Keeping Great Clients

July, 2009

Volume 5, Number 7

If you are not currently a subscriber ... you can get A/E Rainmaker at the charter rate of $267 — AND enjoy the electronic version FREE for a full year!

PUBLISHER Frank A. Stasiowski, FAIA
PUBLISHING DIRECTOR Bruce Lynch
EDITOR-IN-CHIEF Ed Hannan

HEADQUARTERS/BOSTON

10 Midland Avenue
Newton, MA 02458 USA
(800) 537–PSMJ (7765)
T: (617) 965–0055
F: (617) 965–5152
E: info@psmj.com

❍ Combo (paper and electronic) $267 US/$307 Foreign
❍ Check enclosed payable to PSMJ Resources, Inc.
❍ Bill me
❍ Charge my: ❑ Visa ❑ MasterCard ❑ AMEX

Card #

Exp. Date CVV Code

Cardholder Name

Signature

Name

Title

Firm Name

Firm Type

Firm Size

Address

City State

Zip Country

Phone

Fax

E-Mail

5 Easy Ways to Subscribe

T: (800) 837-PSMJ • (617) 965-0055
F: 617) 965-5152
W: www.psmj.com
E: customerservice@psmj.com
M: PSMJ Resources, Inc.
10 Midland Avenue
Newton, MA 02458

SUBSCRIPTION INFORMATION

One year (12 issues) $267 (U.S.), $307 (foreign); Electronic $320; Print and Electronic $375 (U.S.) $415 (foreign). Allow four to six weeks for a change of address, and provide both present and former addresses.

SUBSCRIBER BENEFITS

Are you aware of all the benefits you receive by subscribing to *A/E Rainmaker*? Be sure you take advantage of them!

✔ Search engine to help you find articles in previous issues.
✔ Unlimited e-mail and telephone advice from PSMJ's team of consultants. Send your requests to Mike D'Alessandro *mdalessandro@psmj.com*)
✔ Opportunity for customized surveys via our monthly *A/E Pulse*. Send your request to Ed Hannan (*ehannan@psmj.com*)