

The Rules *Have* Changed (And Maybe Forever)

BY RICH FRIEDMAN

Editor's Note: In the December 2009 issue, Tim Klabunde took his turn and made his point with "The Old Rules Still Apply." Now taking his turn, Rich Friedman presents a counterpoint.

If you look hard, there are a few silver linings to this economic mess. Let's face it: Many A/E/C firms were fat, dumb, and happy—riding the wave of an almost insatiable demand for their services. And it hasn't served them well.

Many had the luxury of saying no to prospective clients if they were too busy or the project didn't sound appealing.

Some firms became lax and sloppy with internal processes, including tracking meaningful marketing and business development metrics and project profitability by project manager (PM) and client type. Holding staff accountable for achieving their goals wasn't always a priority (assuming the firm was even conducting regular reviews).

It was not uncommon to hear, "Why do we need to develop a marketing/BD plan, conduct BD training, or seek to instill a firmwide BD culture, when we have more work than we can handle?"

Man, how things have changed! Now...

- Everyone, and everyone's mother, has hired a "director of federal programs," if they didn't already have one.
- *Engineering News-Record's* Top 50 firms are chasing small projects that they would have eschewed five years ago.
- Depending on the client sector, the number of proposals submitted for a given project has at least quadrupled. (I recently heard a story about a fairly small higher education rehab project in New York that drew more than 400 submittals.)
- Your typical mid-sized civil engineering/landscape architecture firm targeting residential and commercial developers whose client base used to be 70% private and 30% public is now

50–50 or even flip-flopped because the cogs of private development have all but stopped.

Though the market has changed, many firms' practices have not.

- It's still as difficult as ever to adhere to a thoughtful go/no-go process. As long as there's some senior-level proponent, the proposal group gets sucked into another exercise in throwing Jell-O against the wall and seeing what sticks. The rationale I've heard: "Opportunity cost be damned! At least we're trying to make something happen."
- Most firms are still basing their PR strategy on the same boastful factual events: projects won, people hired, and awards garnered rather than positioning the firm as an industry thought leader with respect to trends, challenges, and opportunities.
- Firms still seem to have difficulty recognizing the importance of having every frontline employee be able to coherently articulate the firm's differentiators and the benefits and value conveyed in working with the firm.
- Firms still seem to dwell on their percentage of repeat work as a differentiator that somehow sets them apart from competitors. Maintaining a high percentage of repeat clients is not unique; it's what is necessary to stay in business.

How have the most successful firms adapted? The most progressive firms have realized that, in this extremely competitive environment in which clients have the pick of the lot, it's *everyone's* job to contribute, in some manner, to the firm's BD efforts, particularly PMs and other project personnel. (Please refer to my previous *Marketer* articles: "Involving Your Staff in the BD Process," July 2007; "When Is the Best Time to Conduct BD Training?," August 2008.) Remember that such contributions should be:

- customized to an individual's role, BD acumen, and career juncture

- trackable through specific, quantifiable, and measurable goals that are jointly developed between the employee and his/her supervisor during bi-yearly or yearly development discussions
- tied to a broader marketing and BD plan for a particular client sector, which should flow from the firm's strategic plan
- focused on high-ROI endeavors such as:
 - leveraging the project delivery process to strengthen client relationships, build new ones within a client organization, and gather intelligence that will make your firm smarter and more focused in the BD process
 - joining committees of professional associations where your target clientele congregate
 - giving talks and workshops
 - getting the firm's name in print—as a subject matter expert and thought leader

And such contributions should *not* involve:

- investing a significant portion of your time placing cold calls
- placing ads
- going after project opportunities for which the firm has done a poor job of pre-positioning

“The most successful A/E/C firms are leveraging these challenging times to reshape (or establish) their firm's BD culture.”

No longer can firms afford to rely solely on full-time business developers or those few people with the inherent gift of nurturing relationships. While it's true that you may not want to send Frank to an evening networking event, that doesn't mean that Frank can't hone his networking, client research, and listening skills through training and mentoring.

Imagine the power of our BD army if, from the top down, we engaged all ground troops in the battle that exists to win work. The most successful A/E/C firms are already leveraging these challenging times to reshape (or establish) their firm's BD culture. ■

About the Author



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