August, 2010
Volume 6, Number 8

A/E Rainmaker

The Guide to Attracting and Keeping Great Clients

A Publication of
PSMJ | Resources, Inc.

In This Issue

Play Ball!

by Karen Compton, PSMJ Resources Consultant

Let's face it…as service providers we don't sell products. As a result, we don't employ true "sales" people who are responsible and accountable for "closing a sale." Instead, we employ business development professionals, whose role and responsibility is to identify, build, and cultivate relationships that are "sold" (or closed) by a design or construction professional. Yet, as an industry, we keep trying to apply sales compensation strategies to an industry that is built on the contributions of the whole— not the parts. In other words, business development is a TEAM sport that involves the owners (partners/principals), the hitter (architect or engineering professional), the manager (the business development professional), the pitcher (the marketing department), and the team (the firm) who wants to win.

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Avoid Personal Liability When Using Social Networking Sites

As a business development professional, taking an active role with social media and social networking sites has become an added component of your day-to-day business activities. Web sites like Twitter and Facebook, as well as blogs and other online outlets have enabled you to write and distribute information about your firm with the click of a button.

Yet, if you are unaware of the legal implications your actions on social networking sites may have on both you and your firm, you could be putting yourself at risk. Posting copyrighted content including text, photos, audio, etc. without permission of the owner, or posting defamatory or negative remarks about colleagues, clients, or competitors could result in claims against you and your firm.

During his presentation, "Legal Implications of the Use of Social Media in Business," at the *Half Day Business Symposium for Design Professional Firms,* Damian LaPlaca, partner with Donovan Hatem, LLP, suggested five ways you can avoid personal liability when participating in social networking sites. These five strategies are:

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Play Ball! (cont. from page 1)

So, why are we utilizing compensation strategies that are solely based on one performer— the hitter? The answer is simple. It's the only model most of us know. But, we need to stop and understand why it doesn't apply. A typical compensation strategy for a product-based sales person typically assumes a base salary plus a commission. For general construction, the scenario may be a base plus a 3 to 5 percent commission of general construction fee. For business development professionals that are seller-doers (i.e., project managers, superintendents, senior leaders) this approach can work and can prove to be very financially lucrative. In a seller-doer model, the sales or business development professional is not only responsible for closing the deal but ensuring its successful delivery and, therefore, has the ability to be compensated based upon the achievement of those metrics. However, most business development professionals are not seller-doers that "close the deal." In short, they lack the technical skills and abilities to both sell the work they represent and then contractually complete the assignment— as an architect, engineer, or design professional.

Yet, business development professionals have extensive contacts and networks that are critical for bringing new work into their firms by way of opening the doors, cultivating client relationships, and unearthing leads and information in the hope that the design professional can knock the ball out of the park and close the deal. Ahh…but there's the rub. Closing the deal isn't dependent upon the manager, it's dependent upon the hitter who may or may not have the same view of that client's value. Equally as problematic are the instances in which the owner changed the manager's business development strategy to develop/cultivate a relationships that will never result in work because it's not based on work opportunities that the client has available. Rather, it is based on the cache and reputation of potential work.

So, if that's the case, then we need develop approaches that acknowledge the team effort of our business.

• **Base compensation on the development of qualified targets.** Instead of basing the commission or strategy on sales closed, which is beyond the ability of the business development professional, base it on the number of qualified new business leads. The key word is "qualified." A qualified project opportunity is one which the client has defined needs for design services (i.e., design/construction) within the required fiscal year that fees are needed. In other words, if you need new work in FY 2011, opportunities identified in 2015 are valuable, but can't be calculated in FY 2011 compensation strategy. A qualified lead also matches the competencies and skills of the team and has funding or a funding stream defined. Establish a goal that is realistic and achievable for each fiscal year and based on the market sectors the firm is seek to develop.

• **Acknowledged shared contributions.** Business development is a highly dependent team effort. Develop commissioned based multipliers that attempt to quantify the contributions of both the business development professional and the team. Here are some ideas:

Business Development Phases	**Business Development Contribution *(% of fee commission)***	**Design Professional's Contribution *(% of fee commission)***	**TOTAL**
Client identification	3%	0%	3%
Client development	5%	3%	8%
Project identification	5%	0%	5%
Key issues development	5%	5%	10%
Project strategy	5%	5%	10%
Proposal development/support	7%	5%	12%
Interview development/support	10%	22%	32%
Selection	0%	15%	15%
Negotiation	0%	5%	5%
Sub totals	**40%**	**60%**	**100%**

There is no doubt that a sluggish economy is forcing many of us to rethink compensation strategies for business development professionals. But, we must do so in full acknowledgement of the roles and responsibilities that these individuals play within our organizations and the value they bring to our new business efforts. They are valuable team members.

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Avoid Personal Liability When Using Social Networking Sites (cont. from page 1)

1. Know the terms of use of social networking sites. What are the rules and regulations of the sites you are using? You should review these regulations prior to posting any content. This will ensure that you are not posting content in violation of the web site rules.

Additionally, you must understand the terms of use *your employer* has developed for social networking site use. This can usually be found in the employee use policies. If your firm does not have a policy for use of these sites, take an active role in creating one.

2. Attach permission from copyright owners before posting content. Before posting any copyrighted content online, contact the owner for permission to publish, regardless of the relationship you may have with the owner. This content may include anything from photos, text, video, music, company logos, etc. If permission is given, include a note that states this at the end of the content (i.e. "This image has been published with the permission of...").

3. Assume anything you post negatively about anyone will eventually reach that person and result in a claim against you. Anything you post online has the chance of being seen by anyone. If you post content that says something negative about a competitor, which causes them to lose a client or prospective client, the competitor may be able to sue because of these remarks. Not only can you be implicated, but your firm may be as well.

4. Don't put your firm at risk by posting defamatory content about anyone.

5. Assume that your employers (and future employers) monitor your postings. The monitoring of Facebook, Twitter, etc. accounts by current and prospective employers (and even colleges and universities) has become commonplace over the past few years. The content you post using these accounts could negatively affect your employment and future employment. Protect yourself by removing and not posting any content that you would not want everyone to see.

Above all else, remember that anything you post online, regardless of the security settings you may have within a social networking site has the potential to be found by anyone, and privacy should not be assumed.**— MELISSA D'AMICO (*mdamico@psmj.com*)**

Damian LaPlaca, is the Business and Employment Litigation Partner at Donovan Hatem LLP a multi-practice law firm whose Professional Practices Group provides counsel to architects, engineers, and construction managers. He recently published an extensive whitepaper on the "*Legal Implications of the Use of Social Media*" in the University of Maryland's Journal of Business and Technology online extension, *Proxy*. The white paper can be downloaded from Donovan Hatem LLP's web site, *www.donovanhatem.com*.

Checklist for Getting Published

Do the things in this list and your firm will be the talk of the town— and beyond!

- **Identify the editor or writer in charge of a particular market segment, industry, or section within a publication.**

- **Become familiar with the publications you contact.** Get to know their publication schedule, their editorial slant, and most importantly, get an idea of who reads the publication and why.

- **Keep the pitch short and to the point.** Rehearse it before calling the editor or reporter. State why the idea is newsworthy and needs to be printed today. Provide a quick analysis of how the idea is unique and of interest to the readers.

- **Keep your goals within reason.** Don't expect the publication to do a full-length feature on your firm. It is reasonable to expect them to use a short column of advice coming from a design expert, etc.

- **In the event that your firm or a principal has been mentioned in other media or publications, show others and use the clip as leverage for further coverage.**

- **As in any exchange of information and favors, it is to your advantage to meet with the editor or reporter in charge of the type of stories the firm will be generating for publication.** If a meeting is not possible, make sure you have a conversation on the phone offering yourself as a resource.

- **Writing style is an important issue.** Don't hesitate to hire a writer for your firm if style or time is an issue.

LIFE MAY BE YOUR BEST TEACHER

Use the experiences you gain on the job to build your knowledge.

Due to a change in schedule for one of our major proposals, I was forced to cancel my attendance at the annual SMPS *Build Business* conference in Boston this year. There are normally two reasons I attend this event: networking and learning. The networking I missed cannot be replaced. But I got to thinking about how the learning aspect could be. Here are some things I am learning through my current business development and proposal assignments.

• **There's always another angle.** When your clients or competitors throw you a curve ball, adjust your stance and take another swing. The requirements in one Corps of Engineers RFP we were expecting turned out to be a bit different from what we typically see. As a result, we needed to adjust our team, bringing on another subcontractor to cover a specialty scope area. Yes, that caused a bit of confusion for a few days as we scurried to identify firms, contact them, and line up the best qualified one. But in the end, we had a solid team and could tell a good story.

• **Remain flexible in your strategy development.** We've been working on another Federal pursuit for many months. At a recent client meeting, we found that the scope will be broadened to include two agencies, a twist that was not accounted for in our current strategy since we were not covering both components. One of our business developers was quick to mobilize internal staff who have solid client relationships, establish a plan for reaching out to individuals in the client organization while the procurement is still developing, and gather insight to put our firm back in a front-runner position.

• **Identify the capture team and refine as your strategy progresses.** We are engaged in a FEMA pursuit that will require close coordination with several partner firms. Two recent conference calls generated a lot of good information, but were hard to manage due to the number of individuals attending. So my revised approach as capture leader was to designate a "core team" that will develop and drive our overall strategy, including individuals responsible for reaching back into their respective companies to get technical, administrative, contractual, and other support. That doesn't mean we are excluding anyone who participated on the initial calls. We just need to form a focused team so we can easily coordinate schedules for follow up calls and meetings.

• **Build redundancy into your proposal team and have a back up plan.** Summer can be a particularly challenging time with personnel schedules— juggling vacations, normal work-related travel, and projects. You can almost be assured of having conflicts, so take this into account when you are scheduling writing assignments, document reviews, and meetings. Think through the "what if" scenarios, and know that if last minute changes occur (e.g., a proposal due date moves), you can lean on alternate staff to get the support you need.

• **Promote creative thinking and approaches.** Whether during strategy development or proposal preparation, creativity can serve several purposes. First and foremost, it energizes those participating as you challenge the status quo of thinking. Second, it questions the easy approaches that can become a default position as you juggle the many demands on your time. And finally, it can help you create key differentiation points and build a compelling, and interesting, proposal that clients will actually enjoy reading. My three standard questions to ask when stretching our minds are: "What if…?" "What else…?" and "Why not…?

• **Perpetuate your brand throughout everything you do.** Let's not forget about the overarching strategic thrust of building and reinforcing your firm's brand in the markets you serve. Remember to consistently drive your message into brochures, advertisements, qualifications statements and proposals, conferences and tradeshows, and internal communications. If everyone— internal and external to your firm— doesn't recognize your brand, you have some work to do. And if anyone tries to produce a "one off" piece that goes counter to the image you want to portray, stop it dead in its tracks. Marketing owns the brand.

So, maybe we don't need to pay $1,000, give or take, for the opportunity to learn from others in a formal conference or educational setting. Perhaps the experiences we gain on the job can be just a valuable, easy to apply to other situations, and quite a bit cheaper.

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Your Firm is Losing Money if You Aren't Cross-Selling!

Tips for crafting a successful cross-selling strategy

Successful business development reaches far beyond your ability to secure services that your client is actively approaching you for. You must make sure that you think of every potential service opportunity with every client. While your client may not be aware of all of the services your firm offers, you do; it is your responsibility to understand your client's needs and pair them with every service that can accommodate these needs.

How can you ensure that you're offering your clients all the services they need? Start with these simple steps:

1. Make a list of all the services your firm currently offers, along with the best contact for each service. This will allow you to know all of the services across the firm, and enable you to direct your client to the right resources.

2. Examine your current scope of work. For each of your clients, review the scope of work you currently have. Are there any services your client will need to have in addition to those already included in the scope? Are these additional services something that your firm also offers?

3. Identify the key decision-makers and influencers. Who are the contacts within your client's firm that have had the greatest influence in choosing the services your firm will provide? Knowing who these people are is vital to developing an effective cross-selling strategy.

4. Develop your cross-selling strategy. Nurturing a sales opportunity is impossible without a basic plan in place. When positioning yourself for a cross-selling opportunity, remember these tips:

Forget the pitch. The key to effective cross-selling is to forget about the sales pitch. Clients will undoubtedly be turned off and lose interest in working with a firm whose sole purpose is to sell them something new with every conversation. Instead, simply listen to your clients; pay close attention to their goals and concerns as they discuss their current project with you. You should be ready to bring up potential cross-selling opportunities as a part of the natural flow of conversation (remember, you have already researched your client's goals for this project and should understand the additional services they will be looking for, even if they haven't mentioned it to you yet).

Offer an introduction. As the opportunity presents itself within conversation, inform the client that these services are something that your firm offers, but don't pretend like you have a full understanding of what these services entail, if you don't. Instead, present them with the opportunity to speak with an expert by offering to introduce them to the correct contact within your firm.

Don't force it. Whatever you do, don't force the idea on the client. Instead, position the offer as an additional benefit of working with the firm (i.e. the efficiency of not having to work with multiple firms to reach their ultimate goal.)

The most important thing to remember about effective cross-selling is that if you don't have an understanding of what services your firm offers, you will lose out on opportunities to bring in additional work and losing money for your firm. By taking the time to educate yourself on all services your firm has to offer, you will set the strong foundation for developing a strong cross-selling strategy.**— MELISSA D'AMICO (*mdamico@psmj.com*)**

E-greetings for Creative and Cost-Effective Marketing

When the economy is tough and budgets have been cut, many firms are forced to rethink and reprioritize their marketing efforts. This may mean sacrificing the more costly client touches, or finding ways to execute the same goal-oriented programs with fewer financial resources. For Ohio-based civil engineering and surveying firm, **KS Associates, Inc**., a bit of creativity proved to be successful in cutting costs and engaging clients.

"Over the past five years, clients have come to expect a witty Thanksgiving greeting card from our firm," says Kathleen Bast, director of marketing for KS Associates. "Yet, budget cuts and a desire to develop an environmentally friendly greeting, made sending out a mailer to the 3,000 contacts in our database unrealistic."

KS Associates did not want to forfeit the momentum they gained from previous years' greeting. So when Bast "stumbled across" the non-profit organization Progressive Arts Alliance (PAA), an Ohio-based group that gives students opportunities to express themselves through contemporary arts, she found a new opportunity for the firm— a student-produced e-greeting.

After concerns about using the skills and capabilities of high school students were addressed with firm owners, KS decided to take a chance with the greeting.

The final production combined green-screen photography, stop-motion video and graphic design techniques to depict the students' interpretation of how engineers and surveyors may prepare a Thanksgiving meal. The video closes with the clever play on words, "I hope your Thanksgiving goes according to plan!" The video was hosted on YouTube and, once completed, a link to the video was sent via e-mail to all contacts in the firm's database.

Want to start your own e-greeting campaign?

Learn from the challenges KS faced during the execution of their marketing effort and recognize the benefits you can achieve.

Challenges to be aware of

Understanding your firm. Working with students who don't know the industry can become a challenge if you aren't able to explain everything they need to know. "The students weren't exactly sure what role civil engineers and surveyors play in building projects," explains Bast. "Once we discussed the importance of these disciplines; shared plans and photos of project sites and surveying instruments; and allowed them to ask a lot of technical questions, they quickly came up with some really great ideas."

Timing and availability. Timing is critical when trying to plan a successful mailer campaign. If you are unable to coordinate the deadline with the availability of the participants, the effort will fail. Starting the project in September with a mid-November deadline, the students worked within a compressed schedule and coordinating schedules outside of school activities became difficult. "We were really amazed with what they were able to crank out," says Bast. "They even made time to visit KS's office to present storyboards that gave us a flavor of how they were going to pull it all together."

Reliability of e-mail. One challenge of e-mailing a greeting vs. using the U.S. Postal Service is delivery reliability. Unlike a standard mailer, the delivery and accessibility of an e-greeting is not always a sure thing. If your video is hosted on YouTube, understand that many firms restrict employees' access to this service. Additionally, not all computers are equipped with the viewing software needed to run the video. One more obstacle is spam filters, which may restrict receipt of the greeting altogether. These challenges may reduce the chance that recipient may receive, or be able to view, the greeting.

So what are the benefits?

Financial. An e-greeting will cut costs for your firm. The cost of KS' video— a $1,000 donation to the organization and a small technical fee— was "roughly 20 percent of the cost of designing, printing and mailing traditional print cards," said Bast.

Feedback. The positive response from colleagues and clients in regard to the video's creativity was greater than Bast expected. "The greeting ended up serving the purpose of demonstrating our firm's ability to think outside the box," says Bast.

Media recognition. KS' e-greeting caught the attention of Cleveland's major metropolitan newspaper, *The Plain Dealer*. As a result, the firm was featured in an article discussing how companies are moving toward e-greetings, which appeared on the front page of the business section. "We were delighted that the video generated such a positive return," says Bast.

"Connecting with and thanking our clients was our main goal, and the publicity and community involvement has been an added benefit."

Engaging the community. Working with an organization such as PAA gave KS Associates an opportunity to give back to the community in more ways than one. Their donation as compensation for the students' effort, and giving students an opportunity to work on a portfolio-building project, were added benefits.

Just remember: Don't take the project too seriously. A holiday greeting is an opportunity to connect with colleagues and clients in a way that is separate from the technical requirements of everyday work. Step away from technical jargon and have fun with your holiday message.**— MELISSA D'AMICO (*mdamico@psmj.com*)**

Analyzing Market Needs

Before you can develop marketing tools and promotional materials, you have to understand the market you are dealing with in great detail. You also have to know the client's criteria within these markets. Once you have the information on your clients, the image that your clients have about your services, and knowledge about competitors, you need to apply this information to determine the kind of work that is out there.

Market research is very different from image surveys. Although some of the same techniques may be used to get the information, there are many new ones to consider. Here's a way to get it started.

1. The basics— finding out what's out there

• Investigate potential markets, then develop action strategies.

• Match up the skills of the firm to the client's and project needs.

2. Plan your approach

• Target areas of interest; health care, commercial, industrial, etc.

• Develop general lists from directories, or trade publications.

• News clippings from industry projections.

• Get subscriber lists from magazines that your clients read.

• Select the companies within each selected market.

• Determine job titles, identify specific individuals, to contact.

In most companies you will be looking for the person responsible for planning, screening qualifications, administration, or facility management.

Set up the call in advance, or you may waste time getting voice mail.

3. Call the targeted individuals

• Introduce yourself and your firm, but keep it brief.

• Say you need their help in determining possible needs.

• Ask what would be most helpful to them.

• If they show interest, ask about their policies and procedures.

• If they sound pressed, ask if someone else could give you the information.

Once you have someone who is willing to respond, don't talk, just listen carefully and take as many notes as possible.

This is an excerpt from PSMJ Resources' book, *Marketing to Win*. For more information or to order a copy, please visit *www.psmj.com*.

Gain Access to Owners Through Networking

One of the most important aspects of securing work for your firm is through your ability to gain access to an owner while he's still formulating his needs and is in a decision-making process. Your network contacts are the key in this pursuit.

Relationships forged in our day-to-day activities place a rainmaker in the position of knowing about potential projects early on. Take the networking quiz to see how you rate.

1. Are your relationships a two-way street or are they all about what you want?

Networking is all about relationships, real relationships. Be prepared to give before you get and be enthusiastic about it. Business associates who develop into friends are the best networking source out there.

2. How knowledgeable are you about your networking contact's business?

This is the only way to really recognize a potential lead for someone else when you hear about it. Find out as much as possible about those you're networking with! Talk to them about potential situations where you might hear about leads of interest to them. Make sure people understand your business as well.

3. Do you always do your best for those in your network?

Networking is not an "I did my part, now it's your turn" philosophy of doing business. Always make a sincere effort towards those in your circle. You may produce three leads to your partners' one, but the only way to successful networking is through your best effort. Always have a sense of urgency and obligation. Those you're working with will come to see you in those terms as well.

4. Do you show gratitude?

After receiving information, be sure and follow-up with a thank you. If you get the job, take your network partner to lunch! Effective networking requires appreciation and recognition.

5. Do you maintain trust with your network partners?

Always determine the confidentiality of information you receive. Never share information provided by a contact with his or her competition. Always ask permission before using your contact's name as our information source.

6. How much time are you willing to invest?

An effective network can't be built without spending significant time doing so. Gaining a contact's trust and developing a system of mutual assistance can't be developed in a few days. Keeping in contact with your networking sources on a frequent, regular basis is the only way to insure success. Be prepared to also spend time selling your contact's services as well. Helping someone else sell is the greatest form of assistance in business networking.

7. Are you selective about who is in your network?

Make sure your networking contacts are good at what they do, understand networking (and are willing to do whatever's necessary to be successful at it) and have business contacts that are of interest to you. If someone meets two of the criteria but has not networked in the past, it's your job to work with that person in the instruction of proper networking. By doing this, you'll gain an effective business ally.

8. How do you expand your network?

Always be striving to bring other qualified contacts into your networking circle. People retire, change jobs or even pass away. Always expand and never allow your network to wither away.

9. How many owners are part of your network?

You'll know that you are truly connected when you can name a minimum of two owners per targeted market sector that are trusted confidants as part of your network.

Referrals: People Who Ask More, Get More

We all know by now that existing and repeat clients are the vital components of long-term success. By building relationships and continually satisfying the needs of these clients, not only will you keep them coming back for future projects, but you open up the opportunity of winning new work through the referrals these clients make to others.

There's one catch here: Regardless of the work you do, and how satisfied your clients are, once a project or service is completed, you may not be forefront on their list of priorities anymore. Your firm has performed a service, and your client has paid you for it; it may not cross their mind to continue to support your firm through referrals…unless you ask!

Asking for referrals can be a nerve-wracking experience, as most firms are convinced that their hard work should speak for itself. But failing to ask limits your resources and places your business development opportunities at a disadvantage.

There is no better way to earn a referral than exceed your client's expectations, and then encouraging them to share their experiences with others. Here are four tips to help you secure referrals:

1. Don't just ask anyone. While sending out a general referral request to each and every client you have is better than not requesting anything at all, creating a more targeted list may prove more efficient and more successful. This list should consist of clients for whom you have done exceptional work, have has unique experiences with, and have expressed both a satisfaction and appreciation for the services you have provided.

2. Look toward old clients. Clients whose work has already been completed will be your strongest source for referrals. Take some time to remind these clients of the exceptional service you provided before prompting a discussion on referrals. Ways you can approach this include:

• **Case studies.** Start by crafting a brief case study about the project you have completed for a client. This case study should highlight the unique approach your firm took in completing the project and solving problems. Once completed, forward it to your client and offer to include any feedback or comments the client had about the project and the firm.

• **Firm events.** When your firm creates or participates in events such as lectures, seminars, project summaries, or even social functions, invite your clients to attend, suggesting that they also invite their colleagues as well. Not only will help to maintain the relationship you have with your client, but create the opportunity for face-to-face introductions with potential clients and contacts.

3. Position your new clients. Prompting new clients, whose work is being or has just been completed may seem like the easiest option, since your work with them is still fresh in everyone's mind. But this might actually make them nervous about your dedication and availability for their current project (are you simply working with this client until something bigger or better comes along?) Don't rush into referral requests here, but initiate a conversation about what they feel is going well or need improvement in their work with your firm. Opening this discussion early allows you address any concerns, maintain successes, and come back to the discussion later on.

4. Become visible in your client's networks. Attending or joining the conferences, seminars, and associations your clients are a part of, you will not only gain a better understand your clients' needs, but you will begin to make mutual contacts with your clients.

When you are ready to speak with your client about referrals, you should ask for permission to use their names when speaking with new contacts. These clients may even be interested in making further introductions for you.

Just remember: to ask regularly. When asked, satisfied clients will most likely be glad to make referrals for your firm. You just have to give them the opportunity. By developing a system when you reach out to your clients on a regular basis for referrals (say every six months or so), it may allow the client to think of contacts that they did not have or did not think of before. Don't limit your opportunities by only asking once.**— MELISSA D'AMICO (*mdamico@psmj.com*)**

Hey, Ostrich, Get Your Head Out of the Sand!

Has your organization conducted a reputation study recently? Have you been ruthlessly realistic with your professional service firm? Do you know what your clients are saying about you?

Charles Fombrun, a retired professor of management at New York University, defines reputation as "a perceptual representation of a company's past actions and future prospects." A reputation study describes a firm's overall appeal to its key constituents when compared with leading rivals. In essence, a reputation study identifies how key users of organization's services compare the firm with other firms. For clients, their perception of your firm is their reality.

More than 300 management-level persons responded to an in-depth online survey in April. (The Longview Group completed the investigation.) All were members of the Society for Marketing Professional Services. More than 70 percent said their firm had not conducted a reputation study in the past five years.

Professional service firms thrive and dive on their reputations. They are trust-based businesses. Failing to know how your clients perceive your firm is management blasphemy. If you don't know how clients compare you to the competition, you are in denial. You would rather not know than know the truth. You are likely to continue making the same stupid errors that turn clients away.

Far fewer projects in the professional services industry in the past three years means intense competition. So why are firms failing to ask their clients what they do well and how they could improve? Richard Tedlow, professor of business administration at Harvard University has just published a new book, *Denial: Why Business Leaders Fail to Look Facts in the Face— and What to Do About It*. In it, he writes:

"Denial has always been a problem. What is different today is that the cost of denial has become so high. We are living in a less forgiving world than we once did. Convincing yourself that things are better than, or different from, what they really are is never prudent, and often disastrous. So the key is to be ruthlessly realistic with oneself."

The Harvard Business School Working Knowledge publication looks at Mr. Tedlow's book and concludes that management "fact facing" is needed. The lessons from Mr. Tedlow's book are:

• The time to deal with denial is right now.

• Facts have to be confronted, not avoided.

• A climate where truth can be spoken to power has to be encouraged.

• Listening is essential.

• Words matter; when words are used to obfuscate, denial may be near.

• It is critical to tell the truth and listen to the truth.

According to legend, ostriches bury their heads in the sand as a way to avoid danger. But there is no scientific evidence that proves they bury their skulls. One possible source of the "heads in the sand" buzz could be a scientific fact. When threatened, the ostrich will fall forward in the sand and lay its head to the ground, so that its body will resemble a bush to passing predators. To an observer, it may look as though the ostriches bury their heads in the sand. There is a mind-bogglingly-stupid corollary to the head-in-the-sand-legend: "If you can't see it, then it can't see you."

The Longview investigation on reputation studies, Mr. Tedlow's book on corporate denial and the ostriches point to a dismal conclusion: Failing to know, methodically, how your clients and prospects perceive your organization is like falling forward on the ground and waiting for the threats to go away. You could be stretched out a really long time.

One more fact about ostriches: When they are up, motivated and running, they are among the fastest flightless birds on earth. They can substantially outpace any threat or predator.

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*.

Seven Ways to Learn More About Your Clients

And create more effective marketing tactics

As we get busy within our own goals and aspirations, focusing on the success of our own careers can cloud our ability to recognize that our survival depends on the success of our clients. No matter how well we are capable of doing our job, if the demand from our clients isn't there, there is nothing we can do. In business development, understanding how our clients think, and what their needs and concerns are, is vital to developing value-added marketing tactics.

You may think that regular interaction with your clients is enough to understand them and their concerns, but you cannot stop there! If you want more effective marketing capabilities, now is the time to step beyond your active client base to interact among their peers for greater knowledge of what drives their industry.

In a recent Citrix Online webinar, *Content is Marketing Currency*, presenter Ardeth Albee discussed seven ways you can improve your marketing tactics by monitoring and interacting with their peers:

1. Phrasing. We all understand that the way we phrase our marketing material is vital in engaging our audience. So why then do we insist on using our own words and phrases instead of our clients? Albee suggested that by listening to the way our clients and their peers speak, you are able to speak to them as a peer rather than a vendor. "We need to get over ourselves and talk the way they talk," Albee said. By reading the articles, blog posts, etc. that our clients and their peers write and read, you will gain a better understanding of how they talk.

2. Webinars. Listen to webinars that your clients may attend. While the general topic may be beneficial to hear as well, what you really want to be listening to are the questions asked by audience members at the end of the presentation. According to Albee, it takes a lot of effort to ask a question during a webinar because it is much easier to sit back and let others do the work. These questions will help you understand what your clients' hot button issues are, where they need more information, and what they are missing.

3. Blogs. The comments left on blog posts are a goldmine for ideas, according to Albee. These comments will give you an idea of what topics are of interest to the audience, as well as giving you insight into their point of view and the attitude and verbiage they use when speaking about particular topics.

4. Twitter streams. While finding useful content on Twitter may seem overwhelming at first, following hash tags for events, products, people, etc. that affect your clients' industry can give you insight into real-time topics circulating around your client base. Not only can this enable you to find information from experts on these topics, but you can see the live response (re-tweets) that a particular topic receives.

5. Bit.ly Links. Bit.ly links are a form of links frequently used on Twitter and other social media outlets to shrink the actual URL address of online content. If you add a "+" sign to the end of a bit.ly link and paste this link into your browser, you are able to see a number of statistics related to that link. These statistics include:

• Number of clicks (unique and total)

• Who originally tweeted the link (with link to access their profile)

• Who re-tweeted the link (with link to access their profile)

• Hash tags that are being used

These statistics allow you to see how active the response to content is being and the type of people with the greatest interest.

6. LinkedIn groups. Use LinkedIn as a way to both monitor and participate in the groups that your clients could be involved in.

7. Metrics. While the first six suggestions enable you to step outside your current client base, metrics is here to prompt you to look at the metrics you use in measuring the success of your marketing material in a new way. Look beyond the open rate and clicks to monitoring response e-mails. Does the information you offer on your firm web site or other marketing material illicit responses from your clients? Monitoring this will help you understand how what your firm is already doing impacts your clients.**— MELISSA D'AMICO (*mdamico@psmj.com*)**

A/E Rainmaker

The Guide to Attracting and Keeping Great Clients

August, 2010

Volume 6, Number 8

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2010 A/E/C Industry Forecast Webcast

How are the Trends Impacting Our Industry?

Wednesday July 21, 2010 • 1:30 p.m. EST

Do you know where the design industry is headed? Do you wonder how well your firm's markets are going to do in the coming months and years? Do you wonder how your firm measures up to other similar firms? Do you know what you can you do now to prepare for the economic recovery? If you answered "no" to any of these questions, this is a must-attend webinar for you!

At PSMJ, we've pulled together detailed survey data along with our own experience in the A/E/C industry to share with you pertinent 2010 industry trends, forecasts and observations for an intense discussion and analysis.

Join Dave Burstein, PSMJ's Consulting/Training Director, and Bill Fanning, a PSMJ Consultant, as they scrutinize and decipher for you the most important trends they see on the horizon for the design industry. The analysis of these trends are based on PSMJ's own 2010 benchmark reports of A/E/C industry financial statistics, fees & pricing data, management compensation, and market changes. And, with over 30 years in the industry, Dave and Bill can tell you their analysis of what these industry developments mean to you and your firm.

Here are just a few of the results from **PSMJ's 2010 A/E Fees, Pricing and Business Development Benchmark Report** that they'll discuss during the webinar *(given the weakness in the economy, some of these are rather surprising!)*:

- The vast majority of billing rates have either leveled off or decreased slightly.
- The use of lump sum continues to remain the most popular form of contract.
- The percentage of hourly, time, and materials (with a maximum) decreased this year, indicating firms are taking less of these unbalanced risk contracts.
- Most firms continue to seek retainers in their contracts in order to improve their cash flow and working capital. In addition, the retainers being obtained are covering a higher percentage of the work.
- More firms are negotiating limitations of liability into their contracts.
- After declining last year, the minimum and average profit levels held steady this year, while the maximum profit levels being negotiated decreased.

As a bonus, Dave and Bill will use PSMJ's unique benchmarking tools to walk you through a benchmarking workshop for your firm. By the end of the webinar, you'll know how your firm compares to other firms of similar size, clientele, and market sectors in several key parameters.

Sign up now and be in the know. Don't get left behind by not knowing how to plan accurately for the future.

Registration fee to attend the web-presentation live is only $249. Visit www.psmj.com or call PSMJ's Education Department at (800) 537-7765 for faster registration.

❑ **YES!** I will join Bill Fanning and Dave Burstein of PSMJ Resources, Inc. on **Wednesday, July 21, 2010 at 1:30 EST** for a live discussion of industry trends.

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PSMJ's Circle of Excellence Conference

September 23-24, 2010 ✧ San Diego, CA

Times are tough. But the best managed firms are least affected and often thrive during times like this. How valuable would it be to hear the secrets of success from senior leaders of these firms? Attend **PSMJ's 2010 Circle of Excellence Conference** and learn first-hand How the Best Firms Succeed During Challenging Times!

Circle of Excellence firms are among the best performing A/E/C firms in North America, based upon a comprehensive performance review conducted by PSMJ. You can learn what they did differently in 2009 to succeed in the new economy directly from their senior leaders as they will be among the attendees and panelists at **PSMJ's 2010 Circle of Excellence Conference** to share with you the secrets of their success.

Why not make a smart financial decision to save $100 and start your firm on its way to becoming a Circle of Excellence firm today!

Why Should You Attend?

There are dozens of conferences where "so called experts" tell you how to improve your firm. But how credible are these people? And are their ideas any good? At **PSMJ's 2010 Circle of Excellence Conference**, you hear from CEOs who have proven their successes.

If you firm is in this year's Circle of Excellence, discover new ways to improve and guarantee your position as a Circle of Excellence firm:

- Hear from proven leaders that have overcome the same challenges you face
- Learn cutting-edge practices you can immediately implement
- Network with top-performing firms to form new strategic alliances and partnerships
- Benchmark your firm against the Circle of Excellence firms

If your firm wasn't in this year's Circle of Excellence, apply these proven strategies to become a member of next year's Circle of Excellence.

"The diversity of the panel members provided a variety of insights on all of the topics. They make you think about how you operate."
— Jeff Louman, President, Huibregtse, Louman

"The best part of this conference was to hear other firms' operational procedures and ideas. I learned several ideas that we may implement in our firm. "
— Chris Forehand, P.E.,
Vice President/Chief Operating Officer, Preble-Rish, Inc.

☐ **YES! Reserve my place at PSMJ's Circle of Excellence**

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