

“Breaking Through the Commoditization Barrier and Creating Strategic Advantage”

NOVEMBER 2009
NEW YORK, NY



SMPS

FOUNDATION
Society for Marketing
Professional Services

SMPS Foundation Think Tank: Breaking Through the Commoditization Barrier and Creating Strategic Advantage

Calendar year 2009 has not been kind to the design and construction industry. Despite the massive federal stimulus package, the construction industry has been slow to recover. As of November 2009, the overall national unemployment figure hovered at just over 10 percent. But the situation in the design and construction industry has been worse, with construction unemployment reaching over 18 percent nationally and particularly hard-hit regions performing even more poorly. Construction-put-in-place tumbled to a seasonally adjusted annual rate of \$940.3 billion dollars in fall of 2009, a drop of 13 percent compared to the previous year.

The SMPS Foundation convened its second Think Tank to examine how the A/E/C industry is responding to these economic developments. More than 60 A/E/C industry professionals convened on November 13, 2009, at the McGraw-Hill Companies' headquarters in New York, NY. Over the full-day workshop, two distinguished panels candidly discussed key developments and how their respective firms were responding. Frequently the audience posed questions that facilitated deeper probing of the issues.

The Think Tank focused on two industry trends that have become even more pronounced in the current stagnating economy. The morning session looked at the integration challenges between marketing and business development approaches. In many cases, there appear to be significant disconnects between these two functions, impeding strategies to maintain and increase market share. **Nancy Egan, FSMPS**, Principal at New Woodou, moderated this session. Panelists included **David Harkleroad**, Chief Marketing Officer and Managing Director, Global Marketing, Hay Group; **Suzanne Lowe**, President, Expertise Marketing, LLC; **Sheryl Maibach, FSMPS**, Chief Marketing Officer, Barton Malow Company; **Kirsten Sibilia, Assoc. AIA**, Chief Marketing Officer, JCJ Architecture; and **William Viehman, AIA, LEED AP**, Principal and Chief Marketing Officer, Perkins + Will.

The afternoon session concentrated on a significant fallout of the economy: the creeping commoditization of many of the services within the design and construction community. With increasing pressure to adopt whatever strategies are necessary to maintain clients and profitability, how can our firms avoid the commoditization trap? **Diane C. Creel, FSMPS**, Chairman and Chief Executive Officer (retired) at Ecovation, moderated this session. Panelists included **Ben Kaplan**, Vice President and General Manager, Turner Logistics; **Jacqueline Rast, P.E., LEED AP**, President, Major Programs, CH2M HILL; **D. Jeffrey Waters**, Senior Managing Director, CB Richard Ellis Consulting; and **Paul Zofnass**, President and Founder, Environmental Financial Consulting Group.

One critical theme that emerged from both sessions was guarded optimism. Winning firms embrace flexibility and make a concerted effort to understand and act on their clients' needs and problems. They understand service and product differentiation are crucial. They assiduously adhere to their value proposition, articulating it clearly and often. For these firms, the future is bright.

Brief biographies of the moderators and panelists begin on page 17 of this report. A list of suggested reading, prompted by the discussion, may be found on page 21.

Panel Discussion: Recalibrating the Relationship Between Marketing and Business Development

Working Definitions

Nancy Egan, FSMPS, started the discussion with what appeared to be an easy request: “Can we establish a working definition of what we mean by *marketing* and *business development/sales* that will set a baseline for our conversation?”

Interestingly, while the panel offered some useful definitions, there was no consensus on these terms.

For **David Harkleroad**, CMO and Managing Director, Global Marketing, Hay Group, “Marketing opens the door, while sales (business development) closes it.”

Sheryl Maibach, CMO, Barton Malow Company, noted, “Marketing is about positioning for internal and external audiences, and business development is the process of earning trust and winning profitable work.”

Suzanne Lowe, President, Expertise Marketing LLC, observed, “Marketing is a one-to-many activity, while sales, or business development, is one to one.”

For **Bill Viehman**, Principal and CMO, Perkins + Will, “Marketing is an emotional process, where you’re dealing with individuals’ emotions to get them to like you, to have a positive impression of you. Sales is a cerebral process to get your prospective client to arrive at a specific decision.”

Lastly, **Kirsten Sibilia**, CMO, JCI Architecture, noted that business development is a subset of marketing and needs to work in conjunction with it. “Oftentimes in our practices, business development is seen as a very separate activity from marketing, and I don’t think that is helpful.” Marketing needs to be an umbrella for business development.



Lowe emphasized that, when she was researching her recent book *The Integration Imperative*, this was the single most vexing question. “The fact that this was the first question posed to the panel, and we have so much difficulty defining these terms, explains why marketing and sales are not working so well together. There’s variability in the A/E/C sector, management consulting, or the law. The fact that we can’t define these terms easily lies in the origination, the founding of the firm. It’s based on where the firm started, its sense of mission, and how it has evolved. In your organization, what does it mean?”

Symptoms of Growing Disconnects

Egan asked with these different definitions, with everyone having slightly different definitions or emphases, how do we know when there is a disconnect between marketing and business development? What are the symptoms?

Sibilia noted that the biggest symptom is when you have a breakdown of communications, when things are not working. Each firm needs to handle this differently. It needs to be organic, otherwise it doesn’t work. There needs to be enough of a common understanding to make it resonate within the firm. In a lot of firms you can’t even use the term *marketing*; it is taboo. It’s considered the dirty side of the practice that we really don’t want to do. Sibilia emphasized, “When people don’t have enough respect for the various aspects of marketing, they’re not likely to be successful.”

Viehman: “The most tangible evidence is inconsistency. An inconsistent use of brand utilization or an inconsistent approach to selling tells me that there’s a lack of belief in a philosophy. So the firm has to establish their philosophy relative to their approach to marketing and business development/sales. There things can evolve if you’re willing to have a clear philosophy that you are able to articulate, that you doggedly pursue.”

Lowe noted two key disconnects: structural and cultural. She found about a half dozen examples of cultural disconnect in her research, but perhaps the most striking example is a sense of distrust when people avoid accountability. She related the story of a marketing director who put together a first-rate conference—great speakers, powerful content—only to see a major storm derail attendance. When her principal

criticized this “failure” as part of her evaluation, it only created more distrust. There was no sharing of accountability.

A key structural disconnect is about skills and having the skills to do things well. Lowe asked, “How many marketing directors have had to write the report or the white paper because the person who had the content simply could not articulate it? There is an important lesson here. If you have a culture of mistrust, those content leaders won’t try to improve their skills in marketing or business development. And marketers won’t try to increase their business skills.” Lowe related a story about a marketer who proudly stated that he “doesn’t do math” and his colleagues understood and accepted that approach. With a culture of mistrust, that marketer will never become comfortable in learning the math necessary to do the job more effectively.

Maibach: “The symptom is when people start questioning value. [That’s] one of the reasons why value metrics are so important, whether for social media and the ties to business success, or if you’re chasing a new market. When people start saying, ‘Why do we do this?’ they’re questioning value.”

Harkleroad drew on his experience from one of his large-scale projects at IBM in defining the marketing process. The lesson was clear: It starts with the client. What is the firm really trying to do? He recalled the declaration from management guru Peter Drucker that there are really only two essential functions in a firm: innovation and marketing. Everything else can be outsourced, whether writers or accountants. It doesn’t mean you have to outsource these services, only that you can. It really gets back to what is the strategy of the firm. What is your client acquisition strategy?

Harkleroad quoted the advice of Sergio Zyman, CEO of Coca-Cola: “The sole purpose of marketing is to sell more stuff more often to more people for more money. If you are not doing this, what are you doing?” If your measurement is, for example, *awareness*, that’s great, but how does that help you sell more stuff? “My job, ultimately, is to increase revenue.”

Maintaining Core Value Systems

Egan: “Are we reacting differently today? Has the sense of separation between the functions been exacerbated by the current recession? If so how? How has the economy affected the allocation of resources?”



Harkleroad: “Are we doing anything radically different in today’s tough times? The answer is no. Are we stepping up marketing activities? Yes. That’s because sales have gone down. You have to decide who you want to work with on an on-going basis. Part of marketing’s job is to actually do marketing research.”

After a show of hands indicated that only about 20 percent of the audience’s firms engaged in market research, Harkleroad exclaimed: “How do you *not* do market research? How do you *not* know what your clients are thinking?”

“How many sales do you get from brochures? I’ll write a white paper in a heartbeat, because it actually demonstrates we are solving a client’s problem. Of course, there are intermediate clients (my chairman, sales people, practice leaders, etc.), but the ultimate client is the one who writes the check.”

Viehman: “In these economic times, to second guess your value system is a huge mistake. The firm ought to have a well-articulated and believable and integrated value system. How you value clients and what types of clients you value in order to set up a scenario where you both succeed. In these times when you start redefining that value system and consider working for clients that you know from the outset you probably won’t meet their needs and therefore you won’t succeed, that is setting your firm up to fail. If you move away from your value system, you will damage your reputation, and it’s a downward spiral from there.”

Maibach: “I have a somewhat different opinion. If your firm has value with certain clients and the money revenue shuts off, you can continue having your value all day long, but if the money has shifted, you have to go where money is. I think you can hold on to your values, but if they don’t have any money to spend at that particular time, I do think you have to shift.”

Egan: “But are your clients that you are now chasing sharing your core values or are they bottom feeders, looking for the lowest possible price?”

With this question, both Maibach and Viehman noted that their respective positions were not that far apart. Viehman counsels realism: “You have to go where the money is, but you must retain your core values.” Maibach concurred.

Egan: “Do the clients you are pursuing share your values?”

Viehman: “Yes. In a market research study we did some time ago, we noted three reasons why a client decided to go with us. One is expertise, two is someone they could trust, and three is someone who shared the same value system. This is how people make selections and should be your guide.”

Deborah Rosenberg, Greenman-Pedersen, Inc., inquired about how individuals can provide leadership in drawing together different marketing and business development strategies that have been developed in different profit centers, different contexts.

Harkleroad’s response was to focus on whether there is a clear corporate strategy. “You need some kind of shared sense of how the firm is allocating its resources before you can get into assigning roles.”

Ruth Palmer, RE Palmer Consulting, noted in the current economic climate many firms are reducing marketing and business development staff. How can aspiring professionals continue in these areas if their work is valued even less than in “good” times?

Lowe: “Going back to the broader question, I would argue that recessions, painful as they are, are really good for companies. It forces firms to cut out all the garbage and get back to basics. What are we in business to do? What are we doing it for? I have seen a lot of recalibrations, appropriate recalibrations. In short, how effective am I working with my counterparts, both from the revenue and the marketing/business development side?”

Web Sites Versus Brochures

Jan Tuchman, *Engineering News–Record*, offered two questions: Is the panel using *strategy* and *mission* synonymously? And has the web site replaced the brochure?

Harkleroad pointed out that *mission* and *strategy* are completely different. He’s not very enthusiastic about mission statements because usually they’re very generic and very vague. “I’ve never seen a mission statement that would help sell something in the business. Strategy is how you employ your resources to achieve your objectives. Fundamentally, it is a resource allocation process. Some CFOs think budgeting is strategy—it’s an element of strategy but not strategy itself. Budgeting is a mechanical process. Strategy is a discussion about what our priorities are. When we think we have our priorities, then ‘put your money where your mouth is.’”

Harkleroad continued, “Yes, the web site is the new brochure. It’s a cost of doing business. If you don’t have a web site, you’re not in business.” Harkleroad’s firm actually has two very different web sites, one offering thought leadership and the other offering tools like online surveys.

Viehman: “A brochure can be static; a web site needs to be dynamic. Web sites are changing, evolving. Our current web site is an electronic brochure and is static; we are in the final stages of rolling out a new version of the web site which will be very different. It will allow a dynamic conversation with clients and visitors where they can ask questions and we can respond. It will be refreshed frequently, and we also see it as a link to social media to drive clients to the web site. Web sites are changing fundamentally and are doing so very quickly.”

Sibilia: “My firm takes a different approach. We are an architectural firm, and we need beautiful pictures. It’s so important for us when we are talking about our work. Digital printing has allowed us to be much more facile. I want the principals and directors to be comfortable when they are out. Providing them these materials allows them to do their tasks comfortably and easily. Simply put, our clients love to see beautiful design.”

Harkleroad agreed, arguing, “If it makes them comfortable, that’s fine. But it is very expensive.” He went on to describe one strategy where his team created write-ups of 150 case studies. An appropriate selection of these studies, perhaps 5 to 10, could then be inserted into a simple bi-fold, thus giving the principals/directors maximum flexibility in what they would show potential clients and at the same time minimizing cost.

Viehman noted that brochures state the obvious. Moreover, they don't really help sell the client on the specific advantages of going with the firm. **Egan** pointed out that this tension between the "obvious" visual and the more strategic reflects the emotional versus cerebral discussion that was presented earlier.

Panic Mode

Michelle Martin, A. Morton Thomas and Associates, posed a provocative question of the panel: "In light of the current economic situation, my firm has changed strategy. It's really in panic mode and is going after everything. The trust just isn't there. How do you structure/convince principals to trust us in such conditions?"

Maibach: "There's no prize for doing the most proposals! If you wrote 40 proposals last year, and write 48 proposals this year, we don't really care. What is important is whether you are improving your hit rate. I have one group VP who typically writes just six proposals a year, but he'll win four or five of them, so that's all he needs. In the end, less is more."

Lowe: "The question is, in what way can we become more effective? Nobody likes spinning their wheels; nobody likes the idea of throwing everything against the wall. It just doesn't feel like you're in control. I did a study in 2006 and one of the top three most effective activities was targeting and segmentation. I'm talking about across all sectors. We now have data to convince your managers of a more focused approach. Use real-world data, not just anecdotes, to calm down and critically determine what clients to target. It just doesn't help to go after everything!"

Harkleroad urged the audience to become friends with their CFOs. "Particularly for those marketers with limited research budgets, lean on your CFOs. They've got many rich data sources. This data can help you figure out who are your best clients, who are your longest-term clients, who are the most profitable, or which ones are costing you more to make that dollar of sale. If you ask the right questions, it will help you to start targeting future clients."

Viehman: "CFOs have the data, but they don't have the strategy. It is critical that your strategy should be informed by the data but not created by the data. There's give and take, but you need to have developed your strategy and not just be dependent on the numbers to structure your approach."

Lowe: "Panic modes occur when you don't have management structure. Ones that do the best are ones that plan for future circumstances. The firms that do the

best through all these vagaries, mountains and valleys, are actually planning for the next economic downturn. Panic mode is management failure, a symptom of poor planning."

Viehman: "The steroid that enhances panic is lack of information. When they're not well informed, just speculating, is when people start to panic. The antidote to that is to go and talk to clients, targeted clients. Find out their needs and expectations, why they've been successful in certain areas. When you ask for a job, you might just get advice. When you ask for advice, you might get that job."

Structural Issues

Egan: "What are the structural impediments in our firms to creating shared goals and strategy—things like role descriptions, reporting, metrics, and rewards? In recessionary times, measurable value is more important than ever. What are you are doing, or seeing other firms do, that works across the organization to define value and improve return?"

Maibach: "About 40 percent of our business is joint-venture, which means we work with a lot of firms across the nation and internationally, so we get to work with their marketing systems. I am astounded how many IT systems do not support integration. In today's economy, not to have a single proposal database or a single firm's experience list that is searchable is unacceptable. The barriers for entry to IT are so low now that to not have that integration is insane."

"The other large barrier is the reward system. If you reward one thing but say something else is important, it doesn't matter what you say is important. Lots of firms say marketing is important but only really reward new sales."

Viehman: "Structure can enable bad behavior. You can set up the best systems, and if people don't utilize them properly, then the system is worthless. The whole conversation about bifurcating marketing and sales is troublesome to me because I see it as a *continuum* of things we should do."

"We are a matrix organization, with three paths organized around our expertise, disciplines, and geography. These three vectors intersect. The challenge is to be selfless and almost non-territorial to function in such a matrix organization. But you have to defend what you know is right. At Perkins + Will, we push the accountability for marketing and selling well down into the organization. So they have to be interrelated, and we expect it to be done at a very broad level."

Sibilia: “A lot of the challenge comes down to organization and infrastructure. Technology and quality control are major issues. The fact that we have resumes on four different servers but not all updated is inexcusable. But it’s an IT solution and also a cultural one.

“I think process is a lot of it but also communicating internally. I work with the marketing department and the rest of the firm so we understand what we’re doing, how we plug into what other people are doing, and so forth. There’s still a lack of understanding of what marketing does. Part of my job is to communicate this internally, explaining what our process is and connecting with people in different sectors.”

Viehman: “As Perkins + Will penetrated different geographic areas, we began to notice a territorial pattern. It’s human nature, perhaps, to say, I’m going to pull up, fence up, and that’s my territory,’ but that’s not conducive to collaboration. It caused us to re-organize our thinking and placed an emphasis firmwide around market sectors, and de-emphasized geography. For example, we would bring healthcare experts together, and it did not matter what office they came from. It started to foster a sense of collaboration and has really helped to enhance positive behavior: a sense of allegiance, camaraderie, and peer group around a commonality, i.e. expertise. Collaboration has become a key element of the review process, especially among our most senior people.

“A few comments on our strategic plan. There are three important criteria in setting up our strategic plan. The first is to follow the money, albeit within the context of the value system that we discussed earlier. The second is to learn what our clients are planning to do next year, what their business plans are, and so forth. Third, we want individuals to develop individualized market plans for the coming year. It makes planning much more realistic. A composite of these plans is then aggregated into what will drive the overall business plan. Too often we focus only on the large, aggregated numbers and neglect to look at how they will be developed by individuals on the ground.”

Measurement and Strategic Planning

Egan asked the panel to move on to measurement and ROI issues, specially focusing on current structural impediments to their good use.

Lowe observed that many in the audience do not have job descriptions. “It’s really hard to measure your achievements if you don’t have job descriptions. And it is also very difficult to measure accomplishments if we think about our jobs as roles and not as functions. So one of the things I found is that, if you stop and take the person out of the equation and then describe what you want in that position for that function, you will be able to measurement success much more realistically. The ROI measurement should be both qualitative and quantitative and should be more client focused, how are we doing and where are we going to respond to our client’s needs.”

Harkleroad directed the audience to the Hay Group web site for a recently completed white paper on metrics. He reiterated Maibach’s point about rewards: “People do what they are rewarded for. When you get frustrated with people who are not doing what you want them to do, look at the reward system and find out exactly what is it that they think they are getting paid to do.”

Harkleroad then spoke of the process of developing a business plan and measuring it. The six boxes at the bottom of this page illustrate the flow, left to right.

“If you don’t know what you are trying to do, the rest is irrelevant. So I spend most of my time in the first box. You have to decide what you really want to do. Clarify what you actually want to accomplish. Once you have a new strategy, once you get the strategy right, you must have new tactics and processes. The second box focuses on redefining these tactics and processes. Do you have the right people in place? When you have developed new tactics and processes, you either have to get new people or retrain the current staff to do their work. But if you ask the same people to do everything new, nothing is going to happen. If you ask a marketing person to do sales or a sales person to do marketing, it probably is not going to work if they don’t know what’s going on. New people and skills require new systems and structures to fit in a different way. And finally you have to manage culture itself. The best book on change management is *The Tipping Point*, by Malcolm Gladwell. How do you change culture in an organization? And then on the extreme right-hand side, you have to have your metrics, your feedback, which goes back into a strategy process itself.





“To sum up, strategies and objectives turn into tactics and processes that require people and skills. Systems and structures have to change. Then you focus on the culture, and you have the measurement system as it all comes back around.”

An audience member described her challenge of a client resisting having a strategic planning process. The client wants to “act now,” and deal with strategic planning later. How would the panelists encourage people to do strategic planning, rather than put it off to another time?

Viehman: “If they keep with that line of thinking, they’ll have plenty of time, because their business won’t survive!” **Maibach** commented that a good tactic might be to identify a competitor the client admires who is committed to strategic planning. Then use the “keeping-up-with-the-Jones” tactic to convince the client to accept the usefulness of such a strategy.

Sibilia pointed out that a lot of firms are intimidated by strategic planning because they don’t understand it. Relate it more clearly to the planning process they are used to; it need not take a long time or take millions of dollars. Use the language of the client to make it more comfortable. Think of it as scope definition, the life of the firm. **Harkleroad** agreed, arguing that, while the strategic planning process sounds intimidating, scope definition is perhaps more intuitive and really can be done in a day. **Viehman** added that, whatever you call it, you should do it frequently. It is not a document to put on the shelf. To be effective, you must do this periodically.

Redefining the Firm’s Culture

Egan: “How does firm culture help or hinder integration efforts? Do you have examples of initiatives that leverage firm culture to create a healthy ecosystem that can achieve greater understanding, collaboration, and actual success?”

Viehman talked about Perkins + Will’s strategic plan to grow over a period of time through acquisitions. “As we got into it, we realized that leadership was brilliant in developing the acquisition and closing the deal but had given relatively little thought to integrating

the disparate firm cultures. We had to confront the issue of defining the firm’s culture. Ultimately, we acknowledged that there are, and should be, distinct regional cultures, and these should be embraced. We focus instead on a common value system. Values, then, are universal; cultures are distinctive.”

Drawing on research from her book, **Lowe** discussed three case studies where the firm culture fostered greater collaboration and integration of marketing and sales personnel. Her first case study was Haley and Aldridge and Sylvia Wheeler’s pathway to partner as the firm’s first nontechnical professional to achieve that status. It happened because the firm took seriously the notion that everyone, potentially, is as good as anyone else. If you could prove yourself, regardless of specific technical training or function within the company, you could rise to senior levels of authority and ownership.

Lowe described her second case study, Ross & Baruzzini. In this relatively small firm, staff uses the “Balanced Scorecard” to integrate marketing, sales, and client service more effectively. Staff professionals articulate what they are going to do and then extensively measure it. The key is a “guardian angel” mentoring program that brings along newer professionals as quickly as possible.

Lastly, at Perkins + Will, Lowe observed how staff members were truly committed to the notion of collaboration. They “lived” this approach; this was clear from the enthusiasm and the number of people whom she interviewed. The concept of collaboration was not an abstract but was manifested in everything they did, from hard, technical elements to more “touchy-feely” tasks.

Harkleroad: “Behaviors are absolutely critical. The working definition of current culture is: What does it take to get ahead in the firm? That is your behavioral system. At Hay, we selected 24 people, 12 exemplary and 12 not-so exemplary. After running some diagnostic tests, we came up with nine sets of behaviors. We then built these behaviors into evaluation scorecards. A senior professional should have reached at least one level ‘4’ among the nine behaviors, a couple of ‘3s’ and mostly ‘2s’ among the rest. So we have codified and taken a *soft* issue like behavior and made it *hard*. Until you make it *hard*, it is not going to work.”

Viehman discussed three ways Perkins + Will redefined its culture. Rather than consider Chicago the headquarters office, the firm now has regional offices and refers to Chicago as the “founding office.” Default is Chicago. Senior professionals are based all over the country; you don’t have to be from the Chicago office

to rise in the firm. Perkins + Will has evolved from being a portfolio-driven firm to a client-centered one. Lastly, it has moved from being a highly structured corporate entity to one that is now instilled with an entrepreneurial spirit. This helps to explain why the firm has added new disciplines and has acquired new practices since its change of culture.

Sibilia observed the frequent disconnect between the culture that the principal believes and the active practice in the studio. “If your firm is successful, the values and culture of the studio must be woven into the entire firm. It’s not just an HR issue; it takes active participation at all levels.”

Leadership

Karen Medeiros, Gilbane Building Co., asked: “Sheryl [Maibach] has talked about joint ventures. What recommendations do you have to look seamless as you go in as a team, to present the firm in the best light?”

Maibach: “While packaging is critical, how we treat each other in the interaction amongst the team is far more important than if all your resumes are on the same template and the colors all match. It requires twice the amount of time in coaching and preparation because part of it is people getting to know each other and learning to work together. How we introduce each other—the verbal and non-verbal cues—says more about teamwork and working towards a common goal than any materials.”

Egan asked the panelists how they deal with their staffs. “[Does your staff] have the competencies needed to achieve your goals? Are you prepared to help them learn to work differently, providing them the opportunity for continuous learning? How important is cross-training? Are generational differences in work and learning styles being addressed?”

Maibach: “We have made a huge effort in our marketing efforts to not pigeonhole people. We have a very high expectation of cross-training all rotations. We have found it makes everyone stronger, makes the firm share ideas much more easily, and I can move resources and respond to market changes very rapidly. It allows a great deal of flexibility but it also adds a great deal of value to the firm. Part of our culture is the expectations of people coming in. People know that they are not going to get a lifetime appointment in a very specialized marketing niche.”

A member of the audience raised a question that sparked a good deal of discussion from the panel: How does a CMO of a large firm avoid the problem of “swooping” into every branch office and dictating plans?

Sibilia emphasized: “I don’t think it should be **my** vision. Part of my job is to help the firm be the best it can be. So I feel more of a translator/facilitator. I try to work closely with each of the offices, at all levels. And I never ask anyone to do any tasks that I would not take on myself.”

Viehman feels the CMO role should be a leadership and visionary one, though management comes along with it. “I feel as comfortable talking to members of the Board as I do sitting in the office with the entire staff.” A colleague from Perkins + Will confirmed this description, noting, “Because of the size of the firm, we need that high level. Without that, we’d devolve into chaos.”

Lowe summarized a story from her book. She described a CMO who saw his job as “Chief Curiosity Officer.” His role was to find out what’s not working and determine, along with his CFO, what can be done to make things more effective. He liked to “sniff out things” that weren’t working and make them better, and all along the way, everyone got to feel a better sense of accomplishment.

Maibach: “Part of my role is helping to set a vision and direction. Resource management is critical. Probably one of the things that people relate to is measurement and value. How busy you are doesn’t matter; what the firm is gaining is really important. I spend a good deal of time on metrics, helping people make the right value decision.”

Harkleroad talked about six leadership styles that an effective leader employs. An effective executive has a portfolio of skills and styles and should be able to draw on any of them at any given time. “The first is *directive*, do what I say and do it now. It may not always be popular, but when there’s a fire, ‘get out!’ The second style is *coaching*. When there’s a problem, you don’t do it yourself, but you should mentor/guide your colleague into completing the task. The third style is *visionary*. You have to have a sense of where the organization is going and be able to communicate that to people, getting people behind that vision. Another style is *participative*. Sometimes you don’t know the answer. Then you are part of collective process, even if you sometimes have to cast the deciding vote. A fifth style is *pace setting*. Sometimes you have to set the pace, by showing the activity. And lastly, the *authoritarian* style. On occasion, you must be able to articulate firmly how it has to be done.”

Viehman: “The CMO does not have to be the only one who has vision. You have to be open-minded and willing to embrace and support other visions. You need to be curious about other options.”

An audience member asked Maibach to expand on cross-training: “What methods do you find most effective?”

Maibach: “Part of cross-training has to do with skills, part of it personal ambition. A lot has to do with opportunity and what is available, and knowing where and how to pass the baton. When it comes to assignments, if the same two or three people are always getting the plum assignments, that sends a message. If you’re going to cross-train, then you have to share the assignments.”

Social Media

Jan Tuchman wanted to know how the panel is using social media—what’s new, what’s next?

Maibach: “The challenge is to separate what is fun and new from what is value added. Doing it for the sake of doing it is not hard, but doing it for a purpose is a very important challenge. You have to make it easy for people to be your friends, to follow you. The demographic profile is also critical. While some of our clients are intensely involved with social media, many of our clients don’t care or don’t want the constant noise. Social media is one mechanism to reach a certain segment, but it’s not going to be a cure-all. And it’s not going to be immediate.”

Sibilia: “We need to define what we’re trying to do with it. There is a lot of good market analysis. Getting a pulse of what are the trends topics of your peer firms and the industry can be very valuable. To be able to follow editors and writers and know what they are interested in can be very helpful. We must not be dismissive of social media. It’s up to us to determine how we’re going to use it. It can be a powerful tool.”

Maibach: “For Barton Malow, social media will have the biggest impact in recruiting over the next 5–10 years. It’s more likely we’ll use it for recruiting, for our internship program, than having someone on the hospital board using it as a mechanism to hire us. But no doubt it is an important tool.”

Lowe: “The big questions about social media are analytics and opt in. The game here is to see who is trying to connect with you and wants to comment. We must give them the opportunity to find us and opt for us. What are the techniques to find out who are the best potential clients and how to have them self-select you? That’s an amazing engine for integration.”

Maibach: “One potential barrier is command-and-control organizations, not uncommon in our industry.

With social media, you cannot have the luxury of command and control, so if you are used to having one or two people approving all communications and drafts ahead of time, those days are over. You have to let go. How comfortable are you with somebody 23 years old sending out messages for your firm?”

Harkleroad: “If you are going to use social media, articulate a policy, write it, and communicate it. Make it very clear what is acceptable. Lawyers need to get involved. For suggestions on developing a policy, look at IBM and Cisco. They have very good policies; they may be found on their web sites.”

Viehman: “To raise the probability of success, you need to educate. It is not enough to have a policy. You must be proactive in communicating and teaching firmwide what is good behavior.”

Some Key Advice

Egan: “What is one thing people should pay attention to going forward?”

Viehman: “It’s simple. Know your clients, know what their troubles are, and understand their vision of success. Be their partner, not a provider. You’ve got to integrate into their thoughts.”

Sibilia: “It’s a courting process. You need to identify the individuals responsible for things and understand that the level of engagement will grow as you develop a relationship with a client. It continues after you get the job. So you need to keep working that romance or they will go to one of your competitors.”

Viehman: “Redefine the term *client* and humanize. Your client can be your best friend.”

Lowe: “Break down the walls!”

Maibach: “The whole idea of emotional rewards and recognition: If we can find a way to tie that to a client value, a firm value, people will want to work for us, for the firm, and invest in the future.”

Harkleroad: “Keep in mind that purpose is the essence. Why are you doing that? What are we trying to accomplish? If you keep these in mind, you will find ways to get things done.”

Judy Nitsch, Nitsch Engineering, mentioned that the panel didn’t really talk about the responsibilities of principals. “It’s not enough to be rainmakers. We must nurture the next generation in our firms. Take rainmaking and go into star making. Principals need to be the star makers within your firm. The junior rookies of today will be the rainmakers for tomorrow.”

Panel Discussion: Differentiating Your Firm in a Commoditized World and Getting Paid What Your Services Are Worth



Reacting to the Recession

Diane Creel, FSMPS, began the afternoon session by asking the panel how the recession has affected their businesses, both quantitatively and culturally.

Jacqueline Rast, P.E., LEED AP, President of Major Programs for CH2M HILL, emphasized that, in a large firm, there are many opportunities for greater efficiencies. Her firm has worked exceptionally hard to reduce bureaucracy over the last two years to simplify the overall organization. “We are trying to stop doing things just because we’ve always done them, not an easy strategy given the pressures of an economic downturn. We’ve spent a lot of time improving our processes and tools, realizing that efficiency is expected and is an increasingly critical differentiator.

“We’ve been working on investing in people. We think the economy won’t completely rebound until 2011, but we need to perform well in the race for talent. It may be obvious, but we’ve had a renewed focus on going out to see our best clients. And it’s not just our principals, but our accountants, our corporate brochure group, and other people have also gone out to projects and talked to people and tried to deepen connections. We are concentrating on consolidation; we think we have enough of diversification and now we’re focusing on what we have. We just want to work on a couple services really well and stop trying to be all things to all people.

“From a cultural perspective, we are returning to core values and are continuing to emphasize our core values.

We have spent a lot of time on training this year, more than we ever have. We have to make sure the new generations are properly trained and mentored. We have increased our volunteering and are strongly committed to such organizations as Engineers Without Borders and Water for People. Lastly, we had made a strong commitment to safety, especially the last 18 months. For many projects, we are the constructor or the managing constructor; all the statistics document that safe companies are profitable companies, are companies for which people want to work.”

Ben Kaplan, Vice President and General Manager, described a very different approach at Turner, an almost 180 degree departure from CH2M HILL. “We had just come out of a wonderful situation. Every market vertical was firing on all cylinders, margins were up, and unfortunately, we’ll probably never see anything like it again. During that time, rather than expanding, we became a bit introverted, focusing on those things we do really well. How do we get our system in order? How do we build our training programs? How do we supply our organization? We worked hard to make sure our core business of construction was running well.

“Right now, we’re in very good shape, are well connected to our clients. So when the economy returns in 2010, or 2011, Turner will be in a position to ‘rocket’ out of there. Now we’re looking to see what we need to do to be ready for the next business upturn. This is the time to invest, whether in acquisitions, building new things internally, or new service lines, but we’re taking the time to do these things now. From a cultural point of view, we’re actually going through an interesting transition because we are trying to ask ourselves what can we do that is different and is valuable to our clients on a sustainable basis.”

Jeffrey Waters, Senior Managing Director for CB Richard Ellis Consulting, explained that CBRE went through the first pass of compensation reduction, lowering salaries for everyone earning over \$50,000 and eliminating 401(K) contributions. “One of the most significant things the company did was to reduce splits for brokers, which is huge in our business, because many of our brokers work purely on a commission basis. Initially this made for a very negative, grumpy culture. We’ve grown through acquisition (Trammel

Crow, Insignia). But as the recession has deepened, I'm beginning to see the culture of the firm turn around. Two great things came out of the recession. We were able to take advantage of synergies that the stockholders expect, and more importantly, began to break down the silos within the company. Now there is a lot of cross-selling and understanding what each group does. At the end of the day, the company is coming together much more than it ever had in the past. It's being driven by fewer dollars and beginning to understand you have to share."

Paul Zofnass, President and Founder of Environmental Financial Consulting Group (EFCG), provided a perspective on merger-and-acquisition activity during the recession. "When the recession hit, it slowed down mergers and acquisitions for about a six-month period, with almost no activity, small or large, in late 2008 through early 2009. With the recession, lending effectively stopped, and many acquisitions required financing and the ability to borrow money to buy other companies. So financing effectively stopped for six months. A second issue was valuation. Firms thought of the value of their company based on the strongest period in 2008. Earnings were down, but high valuation memories lingered. A third reason was that buyers were scared, given what occurred to the financial community. "The last five to six months were among the most active we have ever seen. The next 12 months will be very, very active. Many small and mid-size firms, witnessing the fragility of the economy, are increasingly desirous of being part of a larger company and so are more open to possible mergers or acquisitions."

Fear of Commoditization

Creel brought the panel back to the issue of commoditization.

Kaplan: "How do we prevent ourselves from being commoditized? It depends on your product. Focus on what it is that brings real value. The key is to really differentiate yourself. Superficially, we may all do it a bit differently (e.g., your brochure is a different color), but if you really don't present a different product, how is the client going to make a decision if they all look the same? Too often it will be on price, and then you've descended into a price war that you can't win. So how do you make yourselves really different than your competition? The key is making certain that you are truly different, that you've looked at your product from the client's point of view. Are we doing things because we can or because we should? And do the clients really care?"

Creel: "Jeff, you're in a position where you see a lot of firms coming through, giving presentations, trying to sell their services. Talk a little about what you have seen that differentiates one firm from another."

Waters: "As part of my job, I help my clients retain architects. As we go through the process, it's the smaller things that make a big difference.

"For example, look at the care with which a proposal is assembled, specific to the particular assignment at hand. It's very easy to use boilerplate in the proposal. It's a huge differentiator. Does the cover letter stress your value proposition well or is it just so many words? If the cover letter is compelling, make sure your vision, your value proposition is backed up in the remainder of the document. Tell me what is unique about your practice.

"Of course the interview is critical; it's where you make it or break it. Chemistry does count. We want to see passion. Don't show up with a bunch of sales people we will never see again. We want to speak with the people we will work with every day. You will keep the client at ease if you are at ease. You must anticipate questions and be prepared to answer any questions or concerns of the client. Of course price is a consideration, but it should never be the sole one. We look for value and find firms that can provide economically the best value for our clients."

Rast described her experiences as a previous owner of a 50-person firm. At one point they started to lose work, and Rast wondered if she really understood what was going on with her competitors. "So I spent around six months going and talking to clients, particularly where I lost, not so much asking why did so-and-so win, but rather what it was that we did that made them not want to pick us. I found an awful lot about what I thought I knew about my competitors and that what I was offering had no real differentiation. So make sure you really know what is the competitor landscape."

Rast realized her firm could not be all things to all people. So they got really good at two or three things. When a potential project was not in her firm's "sweet spot," she began referring clients to qualified competitors. It actually got her more business in the long run.

Growth Expectations

Zofnass spoke a bit about project growth areas in the next few years. These data are based on EFCG's recent survey of 200 CEOs. The survey reflected a broad

spectrum of firms, including 19 over \$1 billion in revenue, 33 between \$250 million and \$1 billion, 31 between \$100 million and \$250 million, 73 between \$25 million and \$100 million, and 41 under \$25 million. The breakdown was approximately 70 percent consulting and/or engineering firms, 10 percent architectural firms, and 20 percent construction management and/or operations and maintenance firms. The CEOs were asked to forecast what they believed to be the “best” and “worst” sectors in the coming years. These sectors are presented below, from most to least promising.

1. Water/waste water
2. Transportation and infrastructure
3. Power and energy
4. Federal business (a great increase over the last few years)
5. Renewable or alternative or green energy
6. Sustainability
7. Environmental
8. Health and pharmaceutical
9. Air
10. Natural resources/mining
11. Climate change
12. CM/PM project
13. Design-build
14. Biotech
15. Oil and gas
16. Homeland security/defense
17. Brown fields
18. Underground storage tanks/aboveground storage tanks
19. Hazardous waste
20. Manufacturing
21. Remediation
22. Municipal
23. Site assessment
24. Private-sector work
25. Residential land development
26. Industrial/commercial development



Another interesting statistic from the survey was the percentage of the firm’s space that was not utilized. Over the last 18 years, it has averaged 5 percent annually. This year it jumped to 15 percent.

In order to get a feeling for forecasted performance by geographic region, Zofnass introduced the survey’s concept of a *happiness quotient*, the sum of a firm’s organic growth rate and its profitability (earnings before interest, bonuses, and taxes, divided by net revenue). According to the CEO survey, respondents predict that the Northeast sector will have the highest happiness quotient, followed by the Mid-Atlantic and Midwest sectors. The worst sectors are expected to be the Southeast, Southwest, and California.

Zofnass also presented data predicting happiness quotients for other countries. The three-year median score for Canadian firms was 30, with the United States at only 12. For surveyed firms outside the United States, the median score was 20.

Defining Your Core Values

Waters elaborated on how to define value proposition in a cover letter: “What is unique about your offering? It is not that you ‘are pleased to be able to submit...’—the boilerplate that too many firms use. You should start your letter with, ‘We are uniquely qualified to be your architect for this engagement for these three reasons,’ and then offer very specific reasons that will resonate with the client.”

The conversation then turned to the interview. **Waters** talked about how to demonstrate that your relationship with your colleagues is what makes you different from the other firms. “The chemistry of your presentation is fundamental. What are the subtle ways you convey value of your employees and work as a team? Can you

finish each other's statements? Do you feed off each other? Do you work together as if you like each other and will be fun to work with?" Waters notes that architecture is a long-term process. "Will you enjoy spending time with this team?"

Kaplan: "Of course, your assets are your people. But if you're trying to win the project based on a great cover letter or terrific chemistry at the interview, that's a long shot. The real challenge is positioning yourself to win *before* you walk in the door. What is that thing that truly sets you apart? Whether it's some specialized experience, the unique qualifications of the project manager, or a truly innovative solution, you have to focus on those things that truly set you apart."

Rast: "I've never lost a project when I really knew the client and matched the needs of the client to the skills and personalities of the team. Sometimes you have to not pursue a client or not necessarily re-pursue a client, because not every firm or every client is matched well. The projects where we knew we would do well were when we really did our homework and understood clearly the needs of the client and how we would be able to respond fully to them."

Recession Strategies

Creel: "During this economic slowdown, have you added or subtracted any services, and if so why?"

Rast: "We've subtracted things that have become commoditized. For those clients and/or services where we are getting into what I consider a very risky lump-sum kind of bid, something that's going to push us right up to the edge of risk, we have to say no. Oil and gas is in that vein now. We've seen building projects get much, much tighter. When we have to lower our fee or lower the number of hours that we would be comfortable with, when we have to cut the QC hours, we can't do that.

"If we feel we are forced to such a low dollar because someone is going to use a design center in India, we'll pass. Some areas like the United Arab Emirates are no longer attractive; even certain parts of the UK, Canada, and U.S. are problematic if the margins are too low. In brief, we won't go where our company risk profile says not to go. In hard times people sometimes stretch the rules, and we're not going to do so."

Kaplan: "We've actually added services. We try to do three things. First, we try to be realistic about ourselves and what we're capable of doing. What is our skill base? Second, is there something out there that we can

do that our clients will see as valuable? We look at both short term and long term. We'll take on something and move on, if necessary. Perhaps we'll be a first mover, get that initial advantage. Finally, is there something about us that will make us unique? Do we have some leverage, some asset, that would provide a special service that no one else can provide?"

Waters: "For our business, the investment sales business is non-existent. So too with the commercial mortgage conduit business. Before the downtown, we moved into the corporate services business, providing a set of real estate services to a major corporation over a multi-year contract. That business is growing. In this sector, we're looking for ways to differentiate our offerings. One of our consultant offerings is labor analytics, a unique product that positions us to compete at a different level. Another area where we've added deep skills is economic incentives. All these services we are adding help our clients operate more efficiently and at a lower cost. Thirdly, we moved into the workplace strategy business, because we can help our clients house the same population in less space. It's all about the cost. So for us, we're taking ourselves out of the real estate business to compete *in* the real estate business."

Creel asked Zofnass to comment on how the CEOs in his survey were responding to the recession.

Zofnass: "From our CEO survey of about 200 respondents, we learned that 49 have reduced staff. On the other hand, about half as many (23) are hiring new staff, because now is seen as a good time to pick up good people. Another 22 are imposing a hiring freeze. Five respondents are starting to recruit from their competition, while 18 are reducing non-essential positions and 2 are cutting low performers. In previous years, a large number of respondents have indicated it's



important to retain current staff. This year only 7 voiced that opinion, compared to 50–70 in previous years.”

Getting back to the issue of diversifying or consolidating, Zofnass noted that 34 firms are offering new services or getting into new sectors, while 8 are focusing on their core business and retrenching. Of the 200 respondents, 18 are concentrating on mergers or acquisitions. Seven of the CEOs plan to be more proactive on bidding for projects, presumably dropping the price to win business, while 54 are more focused on marketing or business development.

Zofnass then commented on the dilemma of whether to invest during an economic downturn. “One argument is that it’s a tough time to sell anything, so why spend a lot of marketing dollars in a time when it won’t do a whole lot of good? Yet economic downturns present some real opportunities.” By way of illustration, Zofnass reviewed the respective strategies of two cereal manufacturing companies in dealing with the Great Depression. At one point, Post held a commanding 65–75 percent market share, with Kellogg a distant 30 percent. Over the next year, Post invested virtually nothing in marketing. Kellogg, feeling it had nothing to lose, spent a lot of time on product development and marketing. With this increased marketing and product development, the roles quickly reversed. Kellogg introduced Rice Krispies and increased its marketing efforts. Within 18 months Kellogg had 60–65 percent share and Post was down to a 40 percent market share.

“Sometimes the adversity of bad times does open up market opportunities. Don’t just think defensively.” Zofnass ended the story: “None of us want to be remembered as a cereal killer.”

Creel then posed the following provocative question: “What are the advantages of recession to our industry?”

Zofnass offered six advantages, albeit some of them tongue in cheek.

1. When the economy is growing, dollars are “sucked up” into the process, committed to a great variety of projects. Supporting and financing growth is difficult. With the market drop, revenue loss means more money is freed up. Borrowed debt to revenue that was five percent just five years ago is now only one percent.

2. Making decisions about large firm assets is very challenging. If you are an owner, it is difficult to make decisions to get rid of people who are not carrying weight. Sometimes it takes a crisis to make a long-overdue decision. These downturns force management to make decisions that are unpopular but necessary.

3. When all your competitors are doing well, it is hard to break into new markets, but during an economic downturn, it may be a great time to consider breaking into new markets. Recall the Kellogg–Post story.

4. In the A/E/C community, the average annual salary increase has been three to four percent in recent years. Since we have moderate deflation right now, with the CPI hovering around one percent, a three percent salary increase will be the best *real* increase in years.

5. As owners, we always prefer turnover to be involuntary; i.e., having the staff leaving on management’s terms, not on their own terms and possibly going to work for a competitor. Over the last 18 years, turnover has been voluntary significantly more often than involuntary. This year involuntary turnover has been greater than voluntary turnover.

6. It is very hard to reduce overhead in boom times. This year, firms have been able to trim some of their fixed costs, so that even though revenue is down, profitability is down very little.

Post Recession

Creel: “How are you now preparing for recovery to differentiate yourself from your competitors?”

Rast explained that CH2M HILL wants to provide the best customer experience. “We want to be the best to work with and best to work for.” So the firm focuses on people, determining what makes for the best customer experience. There’s a lot of focus on training, an emphasis on internal processes and human resources.

“Sustainability is built into every step. It is part of everything we do. For example, packaging and delivery is a seamless integration.

“CH2M HILL is working more on mind share. If we really care about and understand certain sectors, we are concentrating on what we are doing to ensure that, when they think of certain solutions, key challenges, they think of CH2M HILL first.”

Creel asked the panel to comment on simplification and diversification strategies.

Rast urged the audience to avoid being all things to all people. Find your “sweet spot!”

Kaplan noted that simplification can work in both large and small companies. “It is easy to confuse clients if you try to do too many things.”

Zofnass added, “You must be absolutely focused in those areas where you decide to diversify. It’s tempting



but very dangerous to spread yourself thin and not communicate what you are trying to do and what precisely are your unique specialties.”

A Look at the Future

Creel requested a final comment from the panel about the industry and coming out of the recession.

Zofnass noted that, for the past 20 years, the industry internal growth rate has ranged from 3 to 12 percent. According to the EFCG survey of CEOs, for 2009, the median projected growth rate is flat at zero percent (median), with a weighted average of two percent. The difference between these two projections reflects the

fact that the larger firms are expecting to do better than the smaller or medium-size ones are forecasting. For 2010, the CEOs forecast a six percent growth rate (median), with a weighted growth rate of four percent, suggesting that the larger firms are somewhat more pessimistic than the smaller and medium-size firms.

Kaplan declared we should have faith that the economy is slowly coming back; it already is. “The most critical strategy is differentiating yourself. How do you really get to know your clients, their needs, their challenges? How you set yourself apart from everyone else will determine your success, much more than good chemistry or a strong cover letter.”

Waters suggests we “stay lean until 13.” We should save our way into profitability. “The economy won’t bottom out until the first or second quarter of 2010. It might be time to make a bold move. For example, real estate is not going to get any cheaper than it is today. The stars are aligned to do things cheaper right now.”

In closing, SMPS Foundation President **Paula Ryan, FSMPS, CPSM**, Director of Marketing for Braun & Steidl Architects, asked who is educating the client on not commoditizing services?

Creel replied, “It’s up to all of us.”

Kaplan reminded the audience to focus on value. “Get in front of your client and really illustrate value.”

And referring to the temptation to try to be all things to all people, **Creel** encouraged the audience to remember: “Just because you got an invitation to the party doesn’t mean you have to go.”

Think Tank Moderators



Diane C. Creel, FSMPS
Chairman and Chief Executive Officer (Retired), Ecovation

Diane C. Creel is the recently retired Chairman, Chief Executive Officer, and President of Ecovation, Inc. Based in Rochester, NY, Ecovation is a provider of proprietary treatment technologies that convert waste to energy, serving *Fortune* 1000 companies including Kraft Foods, Coca Cola, Constellation Wines, Dannon, Pepsico, and Unilever. Under her leadership, the company expanded its technology offerings through acquisitions and exclusive licensing agreements and grew annual revenue more than 25x in 4 years. In 2007, Ecovation was listed on the *Inc.* 500 as one of the nation's fastest-growing private companies. In February 2008, the company was acquired by Ecolab Inc.

Prior to Ecovation, Diane was Chairman, CEO, and President of Earth Tech, Inc.—the first woman to hold the chief executive position of a publicly-held engineering firm in the United States. After Diane came on board in January 1992, the company's revenues grew from \$50 million to \$1.6 billion including 27 acquisitions. In 1996, Diane led the sale of Earth Tech to Tyco International.

Before joining Earth Tech, Diane was the director of business development and communications for CH2M Hill in Seattle and Denver, manager of marketing communications for Caudill Rowlett Scott in Houston, and director of public relations and business development for LBC&W, Architects–Engineers–Planners, based in Columbia, SC.

Diane currently serves on the Board of Directors of Allegheny Technologies Inc. and Goodrich Corporation. She is a member of the Women's Leadership Board of the Kennedy School at Harvard University. She previously served on the boards of Capital Research Management American Funds, Teledyne, Foster Wheeler, and Glendale Federal Bank. Diane is a trustee of the SMPS Foundation.



Nancy Egan, FSMPS
Principal, New Voodoo

Nancy Egan heads her own consulting firm, New Voodoo, that provides marketing strategy, image and content development, and media relations to the real estate and design community. Prior to establishing her independent practice in 1992, Nancy held senior marketing and management positions with several international design firms. Through her work as an advisor and author, she addresses issues of professional practice, authenticity and identity, firm culture, and capital. Nancy works with architects and designers, investment developers, and community agencies across the United States and internationally.

Distinguished Panelists



David Harkleroad
CMO and Managing Director, Global Marketing, Hay Group

David is currently driving competitive marketing and brand strategies as CMO of Hay Group, following a stint as VP of Brand and Marketing Strategy at IBM, now the world's second most valuable brand. He has had P&L responsibility as COO of The Futures Group, opened and ran Textron Lycoming's China Operations, and even branded aircraft tires at BFGoodrich. His experience includes brand strategy, strategic and marketing planning, new product introductions, media strategies, industry and competitor analysis, consulting, direction of market research, contract negotiations, and executive management.

David is a Fellow and served as a board member of the Society of Competitive Intelligence Professionals, was a Trustee of the Marketing Sciences Institute, and has taught MBAs and executives. His education includes an MBA from INSEAD and a BA and a BS from the University of Colorado. David speaks reasonably fluent French but has forgotten most of his German and Chinese.



Ben Kaplan
Vice President and General Manager, Turner Logistics

As vice president and general manager, Ben is responsible for the overall management of Turner Logistics, Turner Construction Company's sourcing and supply chain management company. Under Ben's leadership, Turner Logistics has partnered with clients to develop sourcing opportunities for mechanical, electrical equipment both domestically and globally. Turner Logistics procures over \$450 million in equipment volume annually with 160 professional staff. His experience prior to this current position includes 10 years as the

purchasing manager for the Philadelphia and New York City offices of Turner.

Ben holds a master's degree in real estate development from New York University and a bachelor's degree in civil engineering from Drexel University.



Suzanne Lowe
President, Expertise Marketing LLC

Suzanne Lowe is a highly regarded consultant, author, and speaker on professional service marketing strategy. She is the author of *Marketplace Masters: How Professional Service Firms Compete to Win* (Praeger Publishers: 2004) and *The Integration Imperative: Erasing Marketing and Business Development Silos — Once and for All — in Professional Service Firms* (Professional Services Books: 2009). She also publishes a monthly newsletter, *The Marketplace Master*TM, and a blog, *The Expertise Marketplace*TM.

Suzanne speaks for leading trade associations and in-house audiences and writes for premier publications, including the *Harvard Business Review* and *BusinessWeek*. She facilitates roundtables of chief marketing officers from some of the world's most prestigious professional service firms.



Sheryl Maibach, FSMPS
Chief Marketing Officer, Barton Malow Company

Sheryl Maibach, FSMPS, is responsible for corporate marketing and sales for Barton Malow, a national construction services firm with 13 regional offices and annual firm revenues over \$1.4 billion. Sheryl serves as the Barton Malow Company spokesperson. As a female executive and major stockholder in an industry that has less than 6% women, Sheryl is a rare enough bird to be on the endangered species list.

She is a graduate of the University of Michigan Dearborn with triple majors in business, communications, and history. She is also a graduate of the University of Michigan Executive Management Program. Sheryl has 25+ years of business planning, marketing, and public relations experience in the built environment. As the seventh child in a family of eight, she had great training to prepare her for a chaotic career in marketing.

Sheryl is a past president of the SMPS Foundation Board of Directors and served two terms on the Society's National Board of Directors. She is also a past president of SMPS Michigan, and she has served on charity and community boards. She once saw a pillow while shopping in Chicago that read, "Stop me from volunteering," which she should have bought.

Sheryl has published over 30 marketing-related articles. Published material includes the books *Tell the World! Results-Oriented Public Relations*, co-authored with Dianne Ludman Frank, and *Marketing Handbook for the Design and Construction Professional*, in which she authored the chapter on "Proposals and Qualifications."

A frequent guest speaker on marketing, strategy, branding, and crisis management-related topics, Sheryl has presented over 45 seminars for the American Institute of Architects, SMPS, Associated General Contractors, National Association of Women in Construction, Commercial Real Estate Woman, and universities.



Jacqueline Rast, P.E., LEED AP
President, Major Programs, CH2M HILL

Jacqueline Rast has 25 years’ experience in the engineering and construction industry and has held key management, operations, and technical roles in the fields of sport, transportation, buildings, military facilities, environmental cleanup, water/wastewater, utilities, and industrial facilities.

She currently serves as president of CH2M HILL’s Major Programs Group, which manages the delivery of large engineering, construction, and operations programs worldwide, including the London 2012 Olympic and Paralympic Games, the MASDAR sustainable city in Abu Dhabi, and the London Crossrail Transit Program. Jacque also manages the company’s sport/events and major developments practice. She is a member of CH2M HILL’s Board of Directors and Leadership Council and chairman of the Board’s Workforce and Diversity Committee.

Jacque oversees the Center for Project Excellence, the central group responsible for development of the company’s innovative processes, tools, and standards for worldwide consulting, design, construction, operations, and management programs. She also serves as president of CH2M HILL Constructors. Prior to these positions, Jacque was CH2M HILL’s senior vice president for international development. In that capacity she was responsible for development, capture, and mobilization of strategic opportunities internationally such as the London 2012 Olympic Games, Panama Canal Expansion, and Mumbai International Airport Expansion.

She is a member of the Advisory Board of the Design Futures Council and the Board of Directors of the Metro Denver Sports Commission. Jacque has a bachelor’s degree in civil engineering from Pennsylvania State University.



Kirsten Sibilia, Assoc. AIA
Chief Marketing Officer, JCJ Architecture

Trained in product design at Parsons, Kirsten was one of the first students to be included in the New School’s BA/BFA program. After graduating, she worked with Andrea Aranow Textile Documents, sourcing antique fabrics from all over the world and selling them as inspiration for new textile designs to the home furnishings and apparel industries. Her first job in architecture was as the marketing coordinator for Mitchell/Giurgola Architects. From there she joined Fox & Fowle Architects as marketing director. Her efforts during her 10-year tenure contributed to the firm’s steady growth, diversification, and evolution. The firm’s leadership transition included rebranding

and a name change (to FXFOWLE Architects), and Kirsten was promoted to the Principals Group.

Always looking for new challenges, in 2008 Kirsten became chief marketing officer at JCJ Architecture. She works with each of the company’s five offices on strategic marketing and communication efforts. In the past year that has included a rebranding, the establishment of a PR program, and the development of a five-year strategic plan and a one-year action plan. She is a member of the JCJ Management Committee and helps run the New York office.

Kirsten serves as the director of publications for the New York Chapter of the AIA, overseeing the chapter’s principal publications: *Oculus*, *e-Oculus*, and the web site. She wrote the chapter on public relations for the 2008 edition of *The Architect’s Handbook of Professional Practice* for AIA National.

Kirsten was on the Board of Directors of SMPS New York from 2005 to 2007.



William Viehman, AIA, LEED AP
Principal and CMO, Perkins + Will

After receiving his architectural degree from the Georgia Institute of Technology, Bill had a traditional professional “upbringing” in the Heery organization. He became focused on business development and marketing, becoming the director of marketing for Heery International. Bill formed Nix Mann Viehman Architects as an extended partnership of Nix Mann & Associates in 1986. The partnerships were acquired by Perkins + Will in 1996. As CMO of Perkins + Will, Bill leads the strategic planning process and is responsible for firmwide communication, both internal and external. Internal communication includes

marketing data and reporting systems; external communication includes collateral marketing materials, web site development, brand management, and public relations. Bill sits on the Board of Directors.

An active community advocate, Bill was recognized by the Atlanta Chapter of the AIA with the distinguished Ivan Allen Award for Community Service. He serves on the Metro YMCA Board of Directors and Georgia Tech's College of Architecture Development Council. A trustee of the SMPS Foundation, Bill has been active in the Society for Marketing Professional Services at the local, regional, and national levels. He is a frequent speaker and panelist. He also has been involved in Leadership Atlanta, the Midtown Business Alliance, the High Museum, the Atlanta Botanical Garden, and numerous organizations that serve homeless families and mentor women in business.

Bill resides in Atlanta but looks for every opportunity to spend time in Maine with his one-owner '71 VW convertible and his Seaway boat.



D. Jeffrey Waters
Senior Managing Director, CBRE Consulting

For the past 18 years, Jeff Waters served as a senior managing director in CB Richard Ellis' Consulting group. He leads a multi-disciplined team that provides headquarters strategies, portfolio optimization, location strategy and economic incentives negotiation services for corporate and governmental clients throughout the United States.

Over his 30-year career, Jeff assisted more than 100 clients on portfolio planning and headquarters tenant representation, build-to-suit, leasing, and strategic property disposition assignments totaling in excess of 100 million square feet.

Jeff began his career as an architect providing programming and planning services for architectural firms including CRS (now HOK), 3D/I, and HKS. He also founded the Madison Advisory Group. Madison integrated strategic planning with tenant representation and was acquired by CB Richard Ellis in 1992.

Jeff has written numerous articles on strategic real estate planning and speaks frequently on the subject at events sponsored by real estate organizations. He received his bachelor of architecture at the University of Colorado and studied industrial construction management at Colorado State University. He is a registered architect and licensed real estate salesman.



Paul Zofnass
President and Founder, Environmental Financial Consulting Group

Paul Zofnass is a magna cum laude graduate of Harvard College and an alumnus of both Harvard Law School and Harvard Business School. Prior to founding Environmental Financial Consulting Group in 1990, he spent 17 years in finance. He began his career with four years at Citibank, where he was in charge of a unit specializing in acquisition financing. He spent 13 years with Oppenheimer, a major Wall Street investment banking firm, where he was a managing director in investment banking. There he created and ran the "public equity" group in Corporate Finance, was

actively involved in financing and mergers and acquisitions, and initiated the Environmental Services Group.

He is married to Renee Ring, a finance attorney, and has two grown daughters.



About the Editor

Richard A. Belle, IOM, CAE, is President of Belle Communications, LLC, a communications consulting firm in Bethesda, MD, offering services in technical writing, technical editing, proposal coaching, communications audits, and awards coaching. Before establishing his consultancy, he held senior communications positions at the American Council of Engineering Companies, Design-Build Institute of America, and Civil Engineering Research Foundation. Belle is the lead author of four industry monographs and dozens of articles, ranging from A/E/C benchmarking standards to safety opportunities using design-build. He recently served as the editor for the third edition of *Marketing Handbook for the Design & Construction Professional*, published by SMPS, the SMPS Foundation, and Building News Inc.

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