

# Mapping the New World of Professional Practice

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(Editor's note: This is the second in a series of articles focused on leadership, strategy, and competitive advantage.)

Every business, regardless of size, has the opportunity to leverage its value systems and core competencies to achieve success and sustainability.

In an expanding economy, our firms have grown and prospered as a result of opportunity, concentration, optimization, and lots of hard work. But as times change, we must develop an approach to strategy that links our practices to an intricate network of collaboration and resources, connecting the content of the work that we do with the clients for whom we do the work, as well as the economic environments in which it occurs.

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## The Times, They Are a-Changin'

In 1992, Larry Hirschhorn and Thomas Gilmore described "an economy founded on innovation and change, [in which] one of the premier challenges of management is to design more flexible organizations." In 1998, James Brian Quinn described new organizational models—the inverted organization, starburst, and spider's web—that are "organized around intellect."

In 2004, Richard Florida looked at "the forces reshaping our economy," transforming our world and our lives. Just last year, in a *Research Foresight* report from Knoll, we learned that, "The workplace is morphing from a single destination to a holistic resource.... It is becoming the interface to the enterprise and the connection to the network that enables the diverse work of today to occur."

Lest you think we are fomenting revolution, we must affirm instead our desire to encourage evolutionary change based on vision and aspirations, intellect and creativity.

## The Practice Platform

Entrepreneurial practitioners create enterprises focused on business activity. They stake out territories based on expertise, interesting work, and opportunity for growth. They seek distinctiveness and create demand for their services through leadership in innovation, capabilities, and value. In addition, they form and nurture relationships with clients to achieve rewards and satisfaction.

Professional enterprises allow us to articulate who we are as individuals or collectively as a firm, where we fit within the creative environment, and how we can leverage our talents and resources to maximum advantage.

While there are still many practices organized in traditional hierarchical models, designed to support power and authority, they often lack the agility and diversity required by a competitive business environment that is continually fracturing and reshaping. Newer practice models are **platforms**—organizational environments or hubs that allow us to write, teach, testify, and practice with specificity and speed. They provide the structural framework and connectivity to operate in an increasingly complex world.

As powerful as the emerging practice platforms can be, they are only one of four components of a successful practice model. To build competitive advantage at any size, a firm must also identify the audience for their services: their **constituency**. These are the decision-makers and decision-influencers with whom your firm must cultivate reciprocal relationships built on success and respect.

Although any number of firms appear to be “all things to all clients,” mapping out the territory or **domain** where your firm can demonstrate leadership, or, even better, ownership of ideas and relationships, allows the firm to leverage precious resources of time, talent, and capital.

The final piece of the competitive puzzle is **image**—the consistent representation of your firm’s identity in order to influence perception of specific constituencies. [We will explore the concept of image and its role in building competitive advantage in our next article.]

## Practice Models

By now you are asking, just how does this work in real life for my firm?

We have identified five prototypical practice models, each informed by an inherent preference for specific **venues of practice**—opportunities, clients, and markets—which are their best strategic and operational fit.

A firm’s approach to each venue will affect decision-making about what projects or clients to pursue, as well as how best to manage

and deliver services. While smaller firms may set priorities and work within one venue, it is rare for a larger firm to be monolithic, instead requiring initiatives for multiple venues to achieve professional and economic goals.

**1. Thought leaders or theorists** concentrate not on subject-matter expertise but on exploration of ideas. Theorists often use an academic platform to refine and amplify their points of view, while working on physical design or planning in a studio where they can have the opportunity to create projects that embody their personal perspective.

- Venues: Opportunities
- Platforms: Academia, publications, practice
- Constituency: Critics, patrons, decision-influencers
- Domains: Competitions for projects in the public realm, private commissions for patrons

**2. Community-based practices** have strong roots within a specific geographic location, reflecting the values and ambitions of one or more principals. The principals might determine that they like the challenge of different types of clients and projects and choose to build on that diversity. They might also learn they have the ability to develop relationships and achieve a level of influence that enhances their value in the eyes of their clients and the community as a whole. They can grow within the boundaries of their community, or they may expand to additional communities, based on the interest and availability of principals who share their core values.

- Venues: Opportunities, clients
- Platforms: Practice, grassroots participation (e.g., planning

## Venues of Practice

Opportunities	Clients	Markets
Seek opportunities to <b>advance a practice agenda</b> , often focused on design.	Seek opportunities to <b>form enduring business relationships</b> , based on the creation of value for the customer or client.	Seek opportunities to <b>create customers for specific services</b> by leading in ideas, innovation, expertise, and value.
<b>Improvise</b>	<b>Customize</b>	<b>Specialize</b>

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The most successful of the **Thought Leaders or Theorists** have become today's "starchitects." Commitment to the exploration of their personal design agenda leads to iconic buildings that are much sought after by leading cultural and civic institutions, who see an opportunity to use the architect's celebrity and iconography to raise their own profile. Santiago Calatrava's soaring design for the Milwaukee Art Museum is a prime example.

With their deep local roots, **Community-Based Practices** have both the personal and political capital to achieve consensus for large-scale, often-sensitive projects that need community buy-in and governmental approval. Since the early '90s Boston-based CBT has spent hundreds of hours meeting with the neighbors and the Boston Redevelopment Authority on the multi-million-dollar redevelopment and expansion of the Prudential Center.



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For **Client-Focused Service Firms**, it is their ability to develop long-term relationships with their clients that lead to repeat work and referrals and the chance to follow the clients to new locations. Such relationships also allow the designers a degree of design freedom born of trust that often results in award-winning work. Gary Lee Partners has leveraged relationships with law firms and financial clients, like M3 Capital, in its home base in Chicago to open offices in New York and San Francisco.

commission, non-profit boards), professional service associations (e.g., American Institute of Architects)

- Constituency: Local decision-makers and decision-influencers, including civic leaders and politicians
- Domains: Client relationships, public projects

**3. Client-focused service firms** rely on leaders who have excellent client relationship management skills and who work in alignment with specific client types. They understand the characteristics of their best clients and seek opportunities to develop relationships with potential clients who meet those criteria. In addition, a client-focused firm will want to capture an increasing share of their client's work, developing new capabilities and services in order to cement their relationship. This often leads to multiple offices, within easy reach of their clients' primary locations.

- Venues: Clients, markets
- Platforms: Practice, client-based professional associations (e.g., International Facility Management Association, Urban Land Institute)
- Constituency: Decision-makers within targeted businesses ("C-Suite" executives)
- Domains: Client relationships (repeat business)

**4. Market-focused service firms** pursue specific customer segments or market sectors, clustering market-focused expertise into studios or practice groups. The value of this model is based on a high level of core competency combined with the ability to work in partnership with clients to create solutions that fulfill complex programmatic requirements. While there may be an opportunity for longer-term relationships with specific clients, the level of project complexity may vary substantially, requiring development of different types of expertise and application of it. These firms may cluster expertise in one location or develop geographic hubs focused on specific centers of economic activity (e.g., biotech, entertainment, etc.).

- Venues: Markets, clients
- Platforms: Practice, market-based professional associations (e.g., International Council of Shopping Centers, Society for College and University Planning)
- Audience: Decision-makers and decision-influencers for specific market sectors
- Domains: Earned recognition for subject-matter expertise

**5. True market leaders**—grounded in the core competencies and subject-matter expertise—are recognized for their distinctive ability to assist the client by creating a unique solution, often working on a project type that the client has never before developed. The client perceives that the market leader can create outcomes that fulfill a higher standard. The market

leader typically assembles a constellation of experts beyond the traditional consulting disciplines, bringing both expertise and authority to the client. Market leaders will seek opportunities to create centers of excellence, focused on the availability of talent and expertise, but not necessarily related to their clients' locations.

- Venues: Market(s)
- Platforms: Practice, market-based professional associations (e.g., International Council of Shopping Centers, Society for College and University Planning)
- Audience: Highest level of decision-making or decision-influencing within targeted market(s), including critics and civic leaders
- Domains: Market dominance (right of first refusal)

**“In the face of an uncertain economy, it is a good time for firms to take account not only of their backlogs but also of their practice strategies.”**

## Moving Forward

Lucy Fellowes, Curator of “Power of Maps” at the Cooper-Hewitt National Design Museum, wrote, “Maps connect us to what we know and free us from our limits: We can see where we are now, where we have not yet been, and where we want to be. For those who have access to them, maps can be agents of change.”

In the face of an uncertain economy, it is a good time for firms to take account not only of their backlogs but also of their practice strategies. We propose the practice models not as fixed solutions but rather as templates to help professional services firms develop and map integrated, flexible, and competitive enterprises suited to our changing, complex global marketplace. ■

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**Market-Focused Service Firms** are often able to leverage their expertise into the role of trusted advisor to their clients. Their deep understanding of issues specific to the market (which often includes topical research) and high levels of service lead to multiple projects for their best clients.

WHR Architects in Houston has developed long-term relationships with a number of healthcare systems like Memorial Hermann, where they are involved in major projects at the Texas Medical Center, as well as regional facilities such as the new replacement hospital for Katy, TX.



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**Market Leaders** enjoy the distinct advantage of recognition for highly specialized expertise. No one would put together a short list without them. However, that means they always have to be ahead of the client in terms of specialized knowledge. Certain project types such as sports arenas and regional airports are also once-in-a-lifetime events for communities and will not lead to repeat work. Still, for those at the head of the pack, like HOK Sport, there are few new stadiums where they are not in competition, including the new Nationals Park in Washington, DC, which they designed.