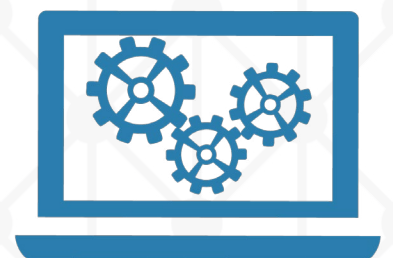
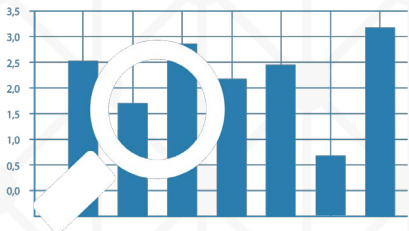




WHEN CRM IS DONE RIGHT FOR AEC

..... **AN E-BOOK**



Architecture, engineering, and construction (AEC) businesses rely on building and maintaining strong relationships. Clients face much longer term commitments from AEC companies; hence, CRM technology has become an indispensable tool in supporting these relationships.

The CRM technology needs of AEC are different from those of other industries, such as software and product-based organizations. Here we look at what CRM is supposed to accomplish, before evaluating the special considerations that AEC companies should keep in mind when evaluating their CRM needs.



WHAT DOES CRM DO FOR MY FIRM?

“ The “big net” theory of marketing is all but dead, with savvy customers and search engine algorithms working against any marketing that does not have a personalized edge to it. ”

Regardless of industry, the purpose of CRM is to generate revenue. Identifying customers, interacting with them, and building trust over time helps companies refine their buyer profiles and focus on the markets that bring in the most revenue. It also helps centralize the organization’s data, thereby enhancing information accessibility and worker efficiency.



The “big net” theory of marketing is all but dead, with savvy customers and search-engine algorithms working against any marketing that lacks a personalized edge. Customers simply have too many choices to deal with an impersonal business, and companies can interact closely with clients, using tools that don’t require huge amounts of time and effort.

The major advantage of a great AEC CRM system is centralized data access that improves efficiency and simplifies managing clients, projects, and personnel, and coordinating with other internal systems. An effective CRM system also simplifies mining business intelligence after projects are completed. The right system makes information easily accessible and measurable.

A great AEC CRM system also eliminates redundancy. Logging all communications with prospects and clients is vital to avoiding redundancy, portraying a professional image, staying current, and ensuring business continuity when attrition occurs. Processes should be recorded to ensure that staff members don't ask questions that have already been answered. A continuum can be established so that a process can make its way to completion more quickly, thereby saving the company time and effort.

Today's effective CRM solutions allow companies to move into the cloud, lowering hardware maintenance costs, sustaining on-premise software, and reducing the various problems associated with maintaining an in-house data center. Saving tens of thousands in hardware costs by moving to the cloud increases ROI immediately. Moreover, a CRM with unlimited scalable data storage is a much better option than conventional, pay-per-byte solutions that cost more as you scale up.

Henry Ferguson, Director of Strategic Partnerships at Viewpoint Software, speaks to the value of moving away from siloed information: "Having a centralized and shared environment for your data is vital to any firm's decision processes and growth ambitions. Simply put, the CRM is the heart of having true business intelligence."

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HOW DOES TRADITIONAL CRM USUALLY WORK?

Most off-the-shelf CRM solutions come with the overall functionality to enhance a company's ROI, but they don't always work within a specific company structure. This is especially true in AEC's complex processes that can span multiple departments and resources. If you expect to manage large projects across various sites and a contingent of people to answer to, then an effective CRM solution that helps reduce response times to RFPs and win more projects isn't a luxury; it's a practical necessity.



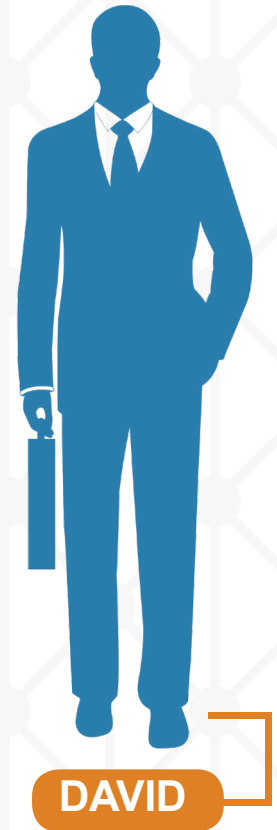
TRADITIONAL CRM AND DAVID

The conventional CRM structure is based on individuals, who usually have static information that changes little over time. A person named “David” will usually remain a “David” for the entirety of his association with you. His age may change, but his birthday is the same. He’ll usually stay at the same job, and even if he gets a promotion, this is easy to change, and it affects little else across the environment. However, as David builds his resume, joins industry groups, and grows professionally, conventional, product-based CRM does not allow you to benefit fully.

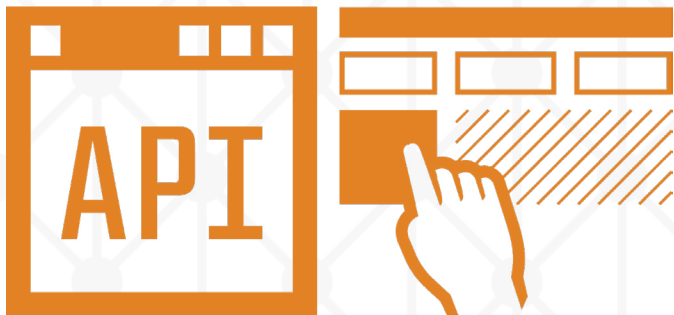
If you’re selling products to individuals like David, then a system that simply captures personal, static information is fine. The CRM platform that logs phone calls with David, notes any special requests, and creates a general satisfaction ranking is all your staff needs to know about David.

Generic input fields are also fine for David. Name, address, birthday, spouse’s birthday, etc. are all useful information. David will likely appreciate the birthday email you send him every year based on this high-level, basic information that a product-based CRM maintains.

Should David depart, chances are good that a new person will backfill his position, and the same static fields will be updated. David, as a contact object, will most likely be flagged as inactive, and his legacy data will be neglected. If by chance the real David becomes a new contact under another account, typical CRMs encourage the creation of a new, redundant contact object and David starts anew.



THE SHORTCOMINGS OF TRADITIONAL CRM



The AEC industry is too unique to assume that your CRM will automatically correspond with generic project-management and financial APIs. In some cases, you may need to integrate with industry-specific partners or vendors. If your system lacks the flexibility to integrate with those dedicated to your industry, you’re arguably placing a limit on your success.

If you're selling projects instead of products, you need a different type of CRM solution. The central unit of contact won't be individuals; you'll need to keep up with entire departments within overlapping companies that may switch roles multiple times within a single project. Moreover, roles may not be defined accurately enough to be relevant to a conventional CRM solution. Data fields such as name, address, birthday, and spouse's birthday become less important. Much more important are David's certifications, new experience, extracurricular associations, and relationship intelligence.



Conventional CRM solutions also usually lack the ability to change in a sophisticated way in real time. If a change is made in a large construction project, it will often affect many other elements of the project, and your AEC partners may be counting on you to understand and account for those changes. In AEC, various activities must be connected in a more sophisticated way, and many conventional CRM platforms don't allow for connecting activities in a way that properly represents even a simple project.

CRM FOR AEC

One of the most important features of a project-based CRM solution for AEC is the ability to create a customized view that's relevant to the user. For example, the information needed by a business developer will be different from that needed by a principal. Users should be able to access and maintain meaningful, subjective data easily, with no special programming skills.

“ Because one wrong number could mean a multimillion-dollar mistake, one wrong number can lose a deal. Every detail must be time stamped, highly visible, and easily accessible for a company to succeed. ”

In AEC, close coordination between marketing and sales is especially important. If a company plans to bid on a project, the data from the initial sales contact becomes part of the proposal that will be shown at the end of the process. Because one wrong number could mean a multimillion-dollar mistake, one wrong number can lose a deal. Every detail must be time stamped, highly visible, and easily accessible for a company to succeed.



Individual contact records can be kept the same way by a conventional CRM program and one that's specifically designed for AEC; however, the depth of group contacts and the ability to segment contacts between projects is a major advantage of AEC CRM. As people move, you need to be able to move their entire profiles easily into other companies, and all appropriate contacts will change around those moves. The search function for a AEC CRM systems is also more robust. You may want to search for contacts in a specific area if you're visiting that area for a project. You could benefit from knowing that contact's associations. Being able to export mailing lists of contacts that share specific criteria can also be very useful.



The CRM fields for an AEC firm must also be robust. You'll need dynamic data fields for companies, company associations, and relevant project metrics.

Because this information is wide reaching, you'll need the ability to create custom reports based on these fields, ensuring that the information returned is equally dynamic and relevant to a given project. The right CRM ensures that real-time updates are reflected within the reports, triggering productive workflows when they meet specific criteria.

An effective CRM needs AEC-centric fields and an easy-to-navigate user interface. Making sure everyone is comfortable when looking at the data ensures proper translation of that data from station to station, among people with different functions.

Examples of CRM fields you might need include:

- Call-log statistics that can be broken up into time frame, call-purpose, or department
- Tasks with alerts and workflows, ensuring that much needed client touches don't fall through the cracks
- Pipeline statistics that detail the total value of opportunities and projects
- Personnel records that detail certifications, project experience, references, and awards
- Boilerplate data fields that feed into proposals



The types of input fields you'll potentially encounter on a project are endless, and that's the point. You need to be able to specify your own input fields to customize your records to a given project.

Most CRM programs come with minimal fields. An AEC-centric solution that can be scaled back is usually helpful because, like with most projects, it's much easier to scale back than to add on. You should never be at a loss for information.



Example: One company went for years not knowing that it could streamline its records and processes simply by adding a state and country pick list. This company had extensive duplicate records just from various misspellings of “California,” not to mention records organized by state abbreviation. The same clutter applies to other fields, e.g., lead source, company type, and opportunity stage. Unfortunately, most product-oriented CRM solutions address this issue downstream via add-ons and upgrades. It's much better to have a CRM that you can scale back than to operate inefficiently without even realizing that there's a better way.

Make sure your solution includes an implementation and training plan. Product-oriented CRM solutions tend to outsource their training or even completely eliminate it. Operating a sophisticated CRM package with no training is like trying to fly a 747 with no piloting experience. It's important to learn how to get the greatest productivity from the solution. An AEC-centric CRM solution should be backed by accessible support specialists who understand the industry.

Finally, once you've implemented your AEC CRM, you need a proposal-automation element that can leverage your information to win more projects. A CRM that integrates with publishing tools such as Adobe InDesign or Word to incorporate boilerplate templates and give you quick starting points for proposals isn't just a time saver, it's an obvious path to working smarter vs. working harder.

“ You must be sure that the way that you have your CRM applied is actually helping your business instead of hurting it. ”

Although conventional CRM will definitely improve your ability to communicate within a structure, you need the more robust capabilities of a CRM platform that's built for the AEC industry to properly manage projects. Give your staff a tool that actually supports the process rather than just keeping personal records.

Once you understand the advantages of an AEC-specific CRM platform, the issue becomes how to apply that knowledge. You need to be sure that your CRM is actually helping your business, not hurting it. Having the right tools at your disposal doesn't guarantee efficiency. Let's look at a case study illustrating what the right application of CRM looks like.

WHAT THIS MEANS FOR INDIVIDUAL BUSINESSES

A growing construction firm purchased a generic, product-oriented CRM solution to keep up with its growing numbers of leads, contacts, and projects. The firm's SOQs, proposals, and projects required a solution that would ensure that data and action items wouldn't slip through the cracks and that would be accessible to all departments.

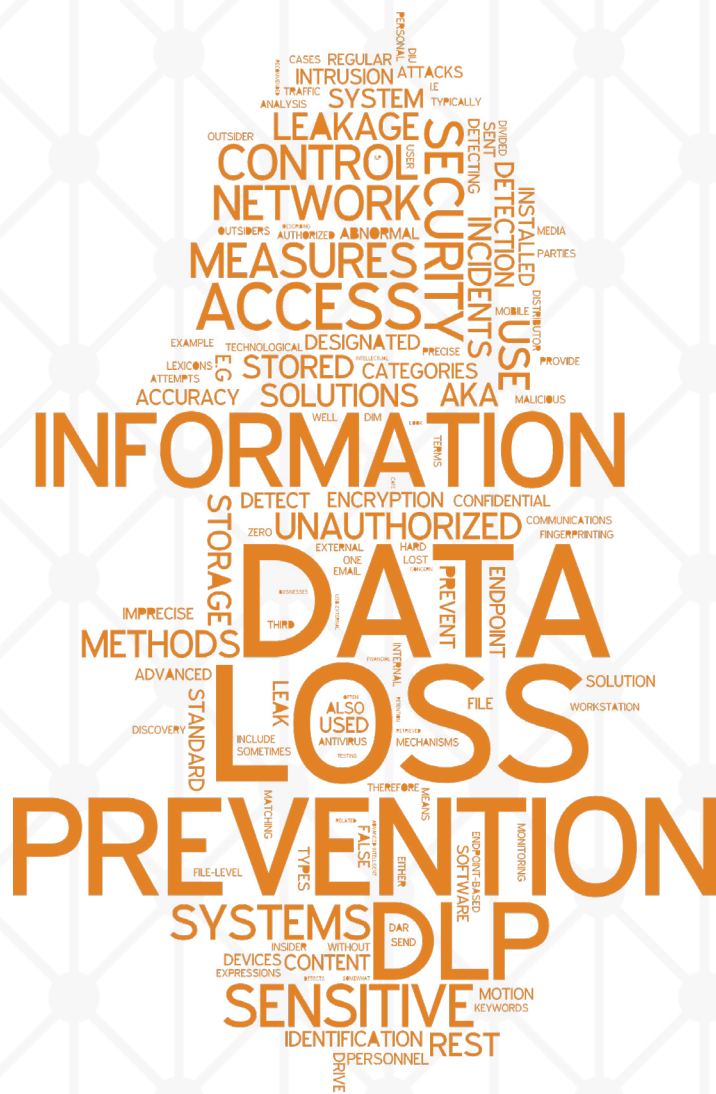
The CRM wasn't designed for AEC, and despite seeing an initial gain in efficiency, the company soon found itself losing ground within the data points that mattered. The solution was not designed to maintain or summon their awards, FDC information, projects, certifications, and other industry-specific records.

THE CHALLENGES OF DAY-TO-DAY BUSINESS

CRM solutions are designed to automate the repetitive manual processes. However, if those processes have yet to be identified, even the best CRM system isn't going to work. Effective CRM systems are highly customizable, but you have to know what you want them to do.

The firm's managers realized that, because they hadn't identified critical processes before implementing the CRM, the employees ended up doing more work. They learned the feature-dense system, only to find out that some of the system's capabilities weren't beneficial to the workflow. As a result, the employees didn't see the value in the system and resisted fully adopting it.

OUTDATED CRM FAILING THE BUSINESS



The CRM that the company implemented was not only misdirected, it was also outdated. Many of the tasks that management had hoped the CRM would perform automatically actually became more difficult. The problem was exacerbated when the sales team was told to apply the platform's tools to external communications processes. The outdated CRM system couldn't follow the more subtle movements of contacts between companies, keep up with individual contractors, or navigate the real-time changes that occur within the industry.

Eventually, the sales team was forced to revert to a less formal mode of categorizing and recording customer and partner interactions, which only exacerbated the data leaks and worker inefficiency.

BAD CRM COSTS MONEY

All the time the firm wasted trying to apply an outdated system to a sales funnel that had outpaced it exponentially ended up costing a great deal of money, and not just in worker hours; many prospects began losing faith in the company after the first few communication mistakes.

Because of poor CRM system implementation, adding new technology cost the company sales and money and made it more difficult to win new projects. The disorganization showed externally, resulting in the perception that the business was not disciplined, thereby damaging its reputation in the local AEC community.

The company failed to anticipate the amount of customization and upkeep its new CRM would require. In the end, a new full-time employee had to be hired to oversee the CRM, which quickly cost the company more than the purchase price of the system.

FIRMS MUST EMBRACE NEW TECHNOLOGIES

Technology has reached a point at which we take it on faith that new technology will always improve efficiency and that simply having the technology should also be enough to generate new business. This may have been true 10 to 15 years ago, when CRM was just beginning to make waves and anything beyond a basic spreadsheet was impressive, but not anymore.

Companies simply cannot move forward in a constantly accelerating industry using technology that's outdated, or an attitude that ignores the notion of "garbage in, garbage out." If more is expected from each employee, then each employee must be given the tools they need to generate greater efficiency through proper introduction of CRM technology and implementation of the platform.



Modern CRM enables immediate access to appropriate parties in real time. It also localizes its own functionality with custom-built, role-based user interfaces that streamline processes for employees and allow them to input and nurture their data.

If your firm sounds like the one above, it's time to implement a CRM built for your industry.

Technology and collaboration are now imperative for AEC firms, and your CRM system will impact your outcome significantly in the long term. Fully 50 percent of small businesses do not yet have modern CRM platforms, and half of those that do are failures. Make sure your CRM system is the right one.

There's a system that answers all of the needs addressed here, a well-designed, properly focused, affordable, effective solution for AEC. One that delivers personalized assistance that's dedicated to following AEC industry trends. You can report and assess the information you need while incorporating the system into the your existing infrastructure. You'll be able to follow your contacts as they move and maximize the power of your network. You'll also be able to move forward with the industry because you'll be on the cutting edge of communications and helping create relationships that bring people together instead of waiting for others to do it for you.

Last year saw CRM grow to a \$27.5 billion industry, with an expected increase to \$37 billion by 2017. However big these numbers seem, the ROI is even bigger: Nucleus Research found that, for every dollar spent correctly on modern CRM, companies can expect a return of between \$5.60 and \$8.71. Make sure your company captures these benefits, with a system that supports your business efficiently.



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