HOW TO PURSUE THE RIGHT PROJECTS WITH RUTHLESS EFFICIENCY

eBook by COSENTIAL®

HOW TO PURSUE THE RIGHT PROJECTS WITH RUTHLESS EFFICIENCY

1. Map and understand your network 3
2. Prioritize leads and rumors 4
3. Categorize project history 5
4. Take an analytical approach 6
5. Develop a strategic Go/No Go process 7
6. Use technology to simplify the process 8

If you could push a button that boosted your firm's profits, wouldn't you do it? If so, you're not alone. According to an SMPS survey, "The vast majority of respondents believe that there is room for improvement when it comes to their firms' business development practice."

But improving marketing and business development often means developing a new strategic approach.

"As tenured business development professionals, we know very well that our primary job is to position our firms for project work that can lead to successful engagements and outcomes," said Michael T. Buell, client development leader, international speaker and adjunct professor at the University of Utah. "What we do each day to create these opportunities involves a myriad of strategic and personal efforts that affect our firms' bottom lines."

Fortunately, the investment in new strategic and personal efforts can ultimately lead to less work in the future. Follow the five steps listed below to develop more effective marketing and business development processes that empower you to win more projects with less wasted effort.

1. MAP AND UNDERSTAND YOUR NETWORK

According to **Jan Flesher, director of client advocacy** at Cosential and former architecture, engineering and construction (AEC) marketer of 30 years, "relationships are really the heart of the AEC industry."

While almost every firm understands the importance of their relationships with clients and prospects, some neglect how their network as a whole influences their hit rates.

"Think of how a spider web works. The strength of the web isn't the individual tensile that connects one point to another. It's the interconnectivity," Jan said. "It's the same thing with our relationships."

That's why it's crucial to map out and document your entire network, including:

- Clients
- Owners
- Owner's reps
- Subconsultants
- Contractors
- Subcontractors
- Personnel

In addition to documenting the relationships themselves, it's also important to document the communications between your firm and your network, empowering greater internal collaboration.

"If you're all on the same page when you speak with a client, then you can move beyond a single relationship to something more powerful," Jan explained.

And by understanding your partners, you can identify when your firm can't win a project alone but working with another firm will give you the edge you need.

According to PSMJ, a properly leveraged alliance "can become a formidable new force for competitors to fear, and prospects and clients to be fascinated."

2. PRIORITIZE LEADS AND RUMORS

"You may have five people who come up with leads, and they all think their lead is the most important," Jan said. "If you don't prioritize with the whole picture in mind, you can lose your focus. There needs to be a strategy behind which leads you pursue."

PSMJ, in their eBook titled "A/E/C Business Development Bible," agreed. "It's likely that 80 percent of your revenues are generated from 20 percent of your clients (or a variation of this). When you plan your business development resources, put 80 percent of your people and dollars against your best clients."

To help identify which leads deserve the most resources, analyze:

- Who told you about it? Was it a decision-maker or someone who may not have accurate information?
- What type of project is it? Is this the type of work you want to and can do?
- Where did you hear about it? Was it at a conference or a coffee shop?
- When will the project happen? Is it far in the future or just around the corner?

As you determine which lead sources deliver the best results, you can develop a scoring method to identify which leads are a priority for your firm.

Pro tip: Document lead information as soon as you hear about it. The more time that passes between learning about a lead and capturing the information, the more likely you are to forget or enter incorrect data.

3. CATEGORIZE PROJECT HISTORY

The most effective tool in your firm's marketing toolkit is experience. But when creating bids and proposals, marketers often scramble to find the project data they need to effectively promote that experience.

And with the trend toward more elaborate, standout proposals, firms can no longer afford to take this approach.

"Before you could just present a list of the 10 or so projects that most closely resembled what your prospect was hoping to accomplish," Jan said. "Now they want to know, 'How did these 10 projects prepare you to run mine?'"

By committing to documenting project history and making it easily accessible to marketers, you can free them to spend their time uncovering these stories instead of searching for data.

Make sure to categorize your project data as you document it to ensure marketers can find it quickly. Recommended categories include:

1. Market sectors (e.g., healthcare, technology, infrastructure)
2. Project type (e.g., public, private, not-for-profit)
3. Contract type (e.g., cost plus, not-to-exceed)
4. Sub-market (e.g., hospitals, data centers, roadways)

"When marketers can easily search for and find project data, they can spend their time identifying lessons the firm learned and present that," Jan said. "Maybe a storm blew out a roadway that you had just dug out, but you compensated for it and somehow got the job done on time. That's the kind of thing you want to highlight."

4. TAKE AN ANALYTICAL APPROACH

The more you understand where your most profitable projects come from, the more effective your pursuit strategy will become.

According to PSMJ, “In the past the process was fraught with hunches and incomplete data. At present and in the future, there is no need for hunches or lack of data.”

To understand where your firm has the biggest opportunities to increase revenue, analyze:

- **The locations where you usually win work.** If you know the geographic locations where you’re most likely to win projects, you can develop a better understanding of your ideal customers and target regions where your firm thrives.
- **Which relationships help you win more work.** Measure which partnerships lead to the most wins. Maybe when you partner with organization A and compete against firm B, you win 90 percent of the time, but when you partner with organization C and compete against firm D, you lose 85 percent of the time. This information can help you determine whether pursing an opportunity is likely to lead to a new project or become a wasted investment.
- **What lead sources most often lead to projects.** You may already have some idea of which leads are most effective. For example, maybe you know conference leads perform well. But do you know if that’s true for all conferences or just some? Pinpoint your best lead sources at a granular level to decide which leads are worth pursuing.
- **What types of projects are most profitable.** This analysis is key. You may have certain project types or market sectors that frequently lead to wins, but if they’re not profitable, they’re not worth pursuing.

While taking this analytical approach is important, you should keep in mind some opportunities are worth pursuing simply based on your relationship with the client.

"You may have to submit a proposal for a project you know you won't win or you know doesn't fit with your firm because you need to show the client that you're still interested in working with them," Jan said, adding that most firms won't have trouble identifying these situations. "The relationship side is the easy part. That's what AEC does naturally. Identifying when pursuing a deal makes good business sense is the challenge."

5. DEVELOP A STRATEGIC GO/NO GO PROCESS

If you follow the steps above, you'll have a wealth of information at your disposal to create an effective Go/No Go process. This enables you to strategically evaluate each pursuit and readily prioritize your resources toward those most likely to be fruitful. Your teams will then be empowered to invest in high-probability, high-profit opportunities and avoid wasting resources on opportunities that don't deliver results … a goal many in AEC overlook.

According to Scott D. Butcher, FSMPS, CPSM, vice president and CMO of JDB Engineering, too many firms put marketers "on wild goose chases because of poor go/no-go decision-making for clients and proposals."

Fortunately, creating an effective Go/No Go process isn't as difficult as you may think. Use the following sample questions to get started:

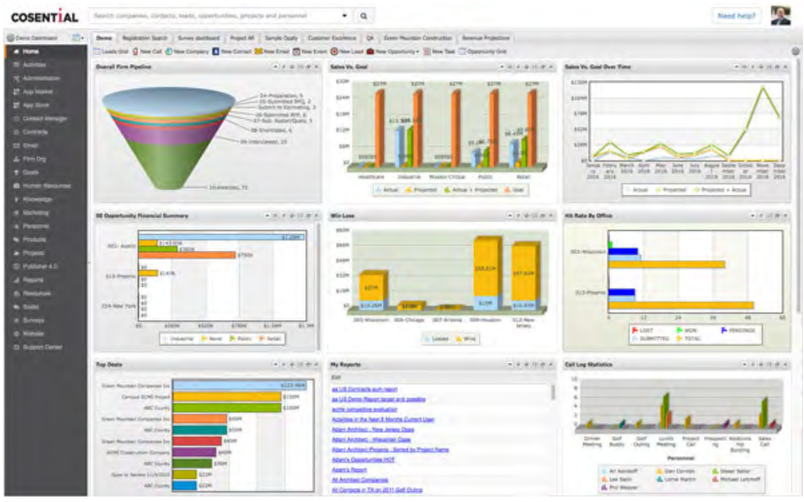
- Is this a high-profile project?
- Does the project align with our core values?
- Do we have an existing, positive relationship with the owner?
- Is this owner collaborative and appreciative of our values?
- Will this result in an enduring relationship?
- Do we have the right team available for this project?

In addition to evaluating opportunities based on the questions above, Jan recommends having a long-term strategy in mind when determining the value of a pursuit.

"AEC is doing well right now, so you might be tempted to ignore small projects and only go after the bigger projects," she said. "If your firm does that, when there's a downturn and small projects are the only thing available, no one will think of you."

(Want more help with your Go/No Go decision? Use this template from SMPS.)

6. USE TECHNOLOGY TO SIMPLIFY THE PROCESS



A combination of increasing competition and generational handover is forcing firms to evolve. SMPS noted, “the median growth [fell] from 10.3 percent in 2016 to 9.1 percent in 2017, while consolidation and competition is on the rise. The only way to ensure your firm doesn’t fall victim to these statistics is by taking a proactive approach.” And according to JB Knowledge’s 2017 Construction Technology Report, the industry is facing a “natural progression into the next age bracket.”

To manage these challenges, firms are turning to technology that appeals to younger generations and encourages higher productivity. And many of the solutions they’re implementing can play a key role in their marketing and business development processes. 26 percent of firms recently implemented accounting software, and 56.5 percent of firms use project management or scheduling software — all while a growing number of firms are increasing their IT budget.

Surprisingly, only 9 percent report recently implementing a client relationship management (CRM) solution. That’s unfortunate because CRMs can help firms better understand their network, improve proposal generation and create a more effective pursuit strategy.

One reason firms may be slow to adopt CRMs is they fear additional technology will complicate, rather than simplify, their current workflows. JB Knowledge noted that survey respondents who reported using project management software use spreadsheets as an additional project management tool. They posed a great question: “Are companies using spreadsheets as a way to transfer data between software solutions?”

To prevent duplicate data entry, save time and mitigate data integrity risks, firms should focus on implementing solutions that seamlessly integrate.

For example, Cosential’s AEC-specific CRM and Proposal Automation solutions use an open API that supports a broad range of integrations with industry-standard systems such as Procore, CMiC, Sage, Viewpoint, Dodge, and much more. This allows firms to get a full-picture view of their relationships and past projects without using spreadsheets to transfer data from one system to another.

“Cosential makes it easy for us to efficiently store, search and retrieve the information we need,” said **Deborah Boyd, director of marketing** at KCI Technologies. “The system has no problem managing our 850 employees and over 6,000 projects.”

Find out how Cosential can streamline your marketing and business development processes.