Future Trends in Business Development for Architecture Firms

By Karen O. Courtney, AIA, FSMPIS

Since the late 1970s, architecture firms have been allowed to obtain work by actively seeking new business. This proactive, methodical and strategic approach is commonly referred to as business development, often shortened to BD. With BD firmly entrenched in many design firms after almost 40 years, the Society for Marketing Professional Services (SMPIS) Foundation embarked on a research initiative whose purpose was "to predict the future" by identifying trends and forecasting changes related to business development in the architecture, engineering and construction fields in the coming years. These results culminated in the 2013 publication of the book, "AEC Business Development: The Decade Ahead," published by the Society.

Over 100 interviews were conducted with buyers and sellers of professional AEC services and segmented into categories based on their procurement behavior ranging from formal procedures to more entrepreneurial styles. Personal interviews were conducted using a baseline set of questions so that results could be compared across categories.

Several key findings of this research are worth consideration by design firms as they plan for the decade ahead and contemplate strategies for marketing and business development as well as staffing and training.

Buyer trends yielded some subtle changes in how design firms should approach clients about doing work. Relationship building continues to be the key to advancing the process, and buyers like the traditional ways of selling, including face-to-face meetings to establish rapport and build trust. And yet, it is more difficult to get appointments to gain this access, both for public and private clients. Cold calling is strongly disliked by buyers as are generic sales presentations.

Some buyers are adopting a "don’t find us, we’ll find you" philosophy and are using the internet to research design firms to make their initial selections. This change suggests that design firms focus more on inbound marketing strategies and the importance of differentiation as demonstrated on a firm’s website and other social media channels. Buyers also reinforced the importance of reputation and references and the preference to select those who have done similar work before.

Project delivery is another area where buyers are experimenting, albeit not taking big chances. They want firms to educate them on delivery options and help them carefully choose innovative approaches. Thus, to complete the work, clients are demanding heat-of-the-class project managers who can deliver the project, often asking in contracts that firms bond the project team for the duration of the work. With project managers being critical to long-term client relationship success, buyers are asking for more to improve their general business skills, as well as soft skills.

Innovation is another area that buyers of architecture services want from their service providers. This is manifested by clients’ desire to hire thought leaders for specific services within market sectors. Buyers indicate that seeing published articles and research-focused white papers, plus speaking at industry conferences, is an indicator of them in this special area. Hence, design firms need to embrace thought leadership tactics to build brand recognition and work creatively to communicate this to clients very early in the relationship stage.

Coupled with the trend of thought leadership development is the increasing importance of data-based reasoning to help guide decision making on projects. Gathering statistics, measuring the results of design decisions, and the migration of "evidence-based design" to markets other than healthcare were all seen as future trends by clients. Buyers want to be helped by architects in ways that offer value beyond just performing design services. This includes helping buyers find funding for projects as well as educating project stakeholders. Design firms must innovate internally to offer these value drivers and also help staff acquire the skills to be better and more creative advocates for their clients.

One of the findings of the research involves the role of the nontechnical business developer in the ongoing client relationship process. With buyers having limited time to meet, they want to talk to those who will be part of a future project team, such as principals and design or technical staff. Initial prospective client meetings need to go beyond buying a firm’s capabilities and learning about an organization to focusing on a buyer’s specific project and ways that a design firm can help and add value.

The dilemma is that most clients acknowledge that nontechnical business developers often have better conversational and listening skills that others in the firm lack. Design firms need to consider bringing technical staff into the client development process earlier and provide the training and time to make this successful, often with the BD professional as mentor. Conversely, BD professionals need to bring more insight into these meetings about ways that their firms can add value and solve client problems.

Architecture firms need to consider these research findings as they develop their business development and marketing strategies for the future. Compelling submissions, inbound marketing tactics and differentiation will all be important components in a firm’s future marketing mix. In addition, creating thought leaders, strengthening soft skills and BD training for technical staff, plus creating innovation and adding value to clients’ concerns are a must to ensure a stronger tomorrow for today’s design firms.

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http://www.aia.org/akr/Resources/Documents/AIAB1023097?isSourceSiteId=null

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"Manners are a sensitive awareness of the feelings of others. If you have that awareness, you have good manners, no matter which fork you use."

- Emily Post
HOMEWORK

V-card
LinkedIn Profile

Myers-Briggs Temperament Indicator (MBTI) – self-directed online version

Your Communications Style
Communication Style Quiz

Right Brain/Left Brain online quiz:
http://www.intelliscript.net/test_area/questionnaire/questionnaire.cgi

RESOURCES

David Stone, Stone & Company
http://www.stoneandcompany.net/index.html

ADDITIONAL READING

Zack, Devora
Networking for People Who Hate Networking

Nierenberg, Andrea
Savvy Networking: 118 Fast & Effective Tips for Business Success

Baber, Anne/Waymon, Lynne
Make Your Contacts Count: Networking Know-how for Business and Career Success
COMMUNICATION TIPS:

NETWORKING FOR BUSINESS DEVELOPMENT

Conversation Starters

- PLAN AHEAD by considering your networking goals
- OFFER PERSONAL INFO to establish rapport
  - I just returned from a... conference on... trip to...
- MENTION current events, BUT AVOID controversial subjects
- ASK SPECIFIC QUESTION to engage and get meaningful information to further conversation
  - What is your area of business? Or, business interest?
  - Avoid asking — what do you do?
  - What projects are you working on right now?
- ASK OPEN-ENDED QUESTIONS to gain insight into thoughts & opinions
  - What are your thoughts on...
  - I would be interested in learning more about...

Make a Graceful Exit

- KNOW YOUR PURPOSE — When you know beforehand what you hope to achieve in a conversation, it’s easier to know when it’s finished. When the mission is accomplished, feel free to wrap it up.
- USE GROUP DYNAMICS — When you’re in a small group and one or two people join the discussion, this is a natural time to slip away.
- END STRONG — When you part, make eye contact, shake hands, or touch the person’s arm. If appropriate, you can tell the person you enjoyed what you learned from your conversation and thank them. This reinforces the connection and leaves both parties feeling good.
- BE HONEST — Don’t overexplain or apologize for ending a conversation. Simply say you have enjoyed the conversation and want to give them an opportunity to mingle — you don’t want to monopolize their time.
1. **Commitment**
   - Long-term process
   - Consistent effort
   - Will not reap benefits overnight

2. **Follow-Up**
   - Within 24-48 hours of first meeting
   - Keep track of meaningful info (i.e. important dates, etc.)
   - Establish a reminder system

3. **Willingness to Help**
   - Be on the lookout for information
   - Be mindful of their goals
   - Share useful information

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**CONVERSATION TIPS:**
- A SINCERE SMILE goes a long way
- Make and maintain EYE CONTACT
- Use a FIRM HANDSHAKE
- Leave comfortable PERSONAL SPACE
- BREATHE SLOWLY & DEEPLY if you feel tense
- Maintain GOOD POSTURE
- BE AWARE of body language and facial expressions
- TILT HEAD slightly forward to indicate interest
- LISTEN WITH APPROVAL, smile, nod and DON'T INTERRUPT