

10-step CRM Implementation Plan for Design Professionals (v.1.02)

Charles Nelson AIA, LFRAIA, AECPPM

This article very briefly overviews the 10 steps in the CRM diagram in ***A Heretical Alternative to the Traditional Model for Business Development*** in a recent issue of *Project Management*.

1. **Define market strategy** means select industries and project types you will focus on (as an outcome of strategic planning).
2. **Profile target clients** means identify the players within that strategic space that you will focus on, with reference to the degree they see design as a commodity, risks involved, and other differentiators. (Also an outcome of strategic planning.)



3. **Align marketing to client issues** means that you will work backwards from what your client group needs and wants to what you are offering. This means thinking in the clients' language, and making allowances for accommodating the particular nature of the clients' industry, and then to construct a model approach that responds to the way they procure professional services.

It also means establishing perimeters for your service offers. There will always be some clients in a group that you just don't need as clients – more trouble than they are worth. Some firms sort clients in a particular industry as "A list", "B list", "C list", etc. to help focus their marketing efforts.

4. **Build strategic relationships** is the same as in traditional BD. Obviously, you focus your relationship-building on your preferred clients within any one industry group.
5. **Build a client-centric, value-priced proposal structure** requires rethinking, for most firms, of the way they traditionally construct proposals. This proposal *structure* needs to be thought through before actually writing a proposal for a specific project.

In particular, it means identifying CSFs (Critical Success Factors) for a particular client group. For example, if you are a structural engineer proposing to design the frame for a high-rise office building, you would know that NLA (net lettable area) would be a top CSF; probably the next would be tons of steel / unit of area. Importantly, you would have accumulated some data on these CSFs and would know how your track record compared to averages.

This is a big, book-length topic, because of the huge range of design situations requiring a response. There is space here only to identify it, not describe it. Nevertheless, it is mostly just common sense, and any firm can do it if they focus on the concept. See *Resources*, bottom of the next page..

6. **Write client-focused PMP & offer** means creating a proposal – *based on the proposal structure* - that reflects the client's orientation rather than what you want to offer the client. This is another "book-length" issue – for the same reason as above. Some of the key points:
 - ✓ **Lead consultant:** If you are the lead consultant, you will have a lot of responsibilities that a secondary consultant doesn't have – these need to be clearly articulated, and are best presented as a separate design management services offer.

- ✓ *Manage client inputs*: Whether a lead or secondary consultant, you must be clear about documents and decisions you need from your client, and when you need them, in order to deliver to schedule. Prepare a schedule of "client deliverables" and track performance against it.
 - ✓ *Start thinking about risk*: It is very difficult to differentiate your proposal on the no-risk / low-risk scope items – for the simple reason that your competitors will offer comparable services at comparable fees. If you deal creatively with the risk elements, it gives you better leverage to submit a stand-out proposal.
 - ✓ *Strategic hot-button items*: You might well include some risk items in a lump-sum proposal because they will keep your offer in the Client Comfort Zone.
 - ✓ *DO NOT prepare a list of "exclusions"*. First, it is negative. Second, if you leave something off the list, and it has to be done, you'll own it. Third, it is **much** better to identify items that you have not included as being options: You haven't included them because they may not be required, and you are not going to charge for something that might not be. But don't price them.
 - ✓ *Avoid percent of cost-of-construction fees*. They are risky, and can benefit you ONLY when construction costs are rising. Lump-sum offers are low risk, if you've done your homework.
 - ✓ *Always do a Go – NoGo assessment*, however simple, for every project.
 - ✓ *Keep your focus on client benefits* rather than reciting your strengths.
 - ✓ *Ensure that those whose job it is to tick boxes* will be able to tick every box for your proposal.
7. **Negotiate scope** means anticipating that you will be asked to include items that you've not included, and to cut your fee for whatever package you offer; so be fully prepared for this negotiation.
 8. **Manage client communication** means that the design consultant is fully responsible for ensuring that the communication works. If lead consultant, it means also being responsible for team-wide communication. Approximately half of all lawsuits against architects are the direct or indirect result of a breakdown in communications.
 9. **Obtain client feedback**: Simple idea, but often not structured or sought. Essential for getting the greatest benefit out of your QM system. Feedback drives Continual Improvement. Keep improving your services, no matter how good they are. There is always somebody right behind you, waiting for you to lose your focus.
 10. **Perpetuate client relationship** means maintaining and continuously building client connections; then on to the next project. This role is a crucial part of the Project Manager's responsibility.

Relevant Resources:

- ✓ Step 5: For the best resource available on Value Pricing, see Frank Stasiowski's *The Value Pricing Imperative for Design Firms*. (<http://bit.ly/1NufGAF>).
- ✓ Step 6: Risk: **Risk Management 101** (<http://bit.ly/1K6fiNX>).
- ✓ Step 6: Tool for risk assessment and Go-NoGo decisions: DesignRisk.net/designrisk; also *The Fine Line Between GO and NO-GO*; Project Management newsletter, December 2013.
- ✓ Step 6: Client Comfort Zone: **Your Client's Comfort Zone: Find It and Keep Your Project Within It!** Project Management newsletter, January 2012.
- ✓ Step 8: Communication: **More Effective Communication in Half the Time**, Project Management newsletter, Sept. 2014.