

## EDITORIAL

# Why do they use the other guy?



Mark Zweig

It is a sick feeling, almost as if you got sucker-punched in the gut.

But don't kid yourself. There was a reason beyond the fact that you angered the Gods for some minor infraction, such as road rage on the way to work that morning. Let me provide insight on some of

the reasons your client hired the other guy and how you can mitigate these in the future:

**1) Your relationship with your client was not as tight as you thought it was.**

Maybe you are taking him or her for granted. Not enough "how goes it?" calls or inquiries about family members. Or maybe you aren't seeing the client at meetings anymore, since your underlings are doing all the work. You stopped hand-signing those holiday greeting cards.

Whatever the case, the client just doesn't feel as close to you as perhaps they once did. Maybe you need to inject yourself back into more relationships NOW, before more get away!

**2) You (or someone who works for you) did something that upset or angered the client and made them say, "I'm done with those guys."**

This is a biggie. I just fired the HVAC contractor I had been using for more than six years in my redevelopment company.

See MARK ZWEIG, page 2

You neglected your 'friend' and the client doesn't think you can perform. Those are some of the reasons why you may get dumped, Mark Zweig writes.

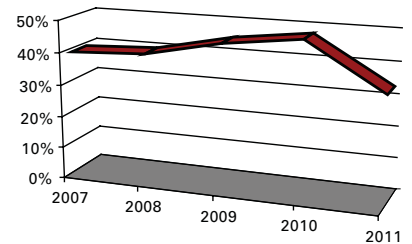
**W**e've all been through it. We have a good, old client; someone we have done a lot of business with over the years. The decision-maker with the client is someone we consider a friend—perhaps not a close friend, but a friend nevertheless. We make them a proposal to do some work, at their request. And then we get the news through the grapevine, or via letter or e-mail— they hired another firm.

How could this happen? Why did they use the "other guy?"

I will let people work for me on billing rates UNTIL they prove to me that they aren't honest or efficient and then I am DONE with them. No second chances. Constantly check the validity and reasonableness of your pricing to avoid getting caught like a kid with her hand in the cookie jar.

## TRENDLINES

### Recruiting budgets down



The percentage of A/E firms with a recruiting/human resources budget declined significantly this year, according to the 2011 *Policies, Procedures, & Benefits Survey*. Only 34% of respondents to the survey report to have a recruiting/HR budget, a 14% drop from 2010. Last year, this number reached a 10-year high of 48%, increasing gradually from a low of 25% in 2004.— *Margot Suydam, Survey Manager*

## FIRM INDEX

Affinis Corp.....	5
CTL Engineering, Inc.....	6
DOWL HKM.....	5
FPM Group Ltd.....	6
HKS.....	11
JMZ Architects and Planners, P.C.....	9
Kleinfelder.....	11
Magnusson Klemencic Associates.....	8
Martin & Chock, Inc.....	3
McDonough Bolyard Peck (MBP).....	9
Merrick & Company.....	10
Miyamoto International.....	3
Montgomery Consulting Group, Inc.....	6
MSA Professional Services.....	11
Project Time & Cost, Inc.....	6
Sherrill Associates.....	4
TSP, Inc.....	4
URS Corporation.....	3
Woodard & Curran.....	11
X-nth.....	9

## INSIDE

■ ON THE RECORD: How to build a successful business. [Page 5](#)

■ CLARK'S CORNER: Be a dealmaker in mergers and acquisitions. [Page 7](#)

## Profession jumps to action after quake

Page 3

## Shifting market dynamics favor multidiscipline

Page 4

MARK ZWEIG, from page 1

Problem is the number two guy. Not only is he a smart aleck who talks condescendingly to everyone because they don't know what he knows about HVAC, he is also a guy who will text you from 8 to 4 Monday through Friday but will not pick up his cell or text back any time after that or on weekends. I expect people to be responsive— especially when I am their biggest single client. Maybe something similar happened in your case? The point is you need to find out what happened and make sure it never happens again. Probe, and probe, and probe— until you learn the real problem that made the client upset with you. In my case, the contractor doesn't have to pull it out of me. I told him that I will not be able to work with them and why.

**3) Your client is no longer the decision-maker.** There are other people in the client organization who have either taken over the selection process or hijacked it for some reason. This can happen and it may not be within your control. But what IS within your control is that you need to understand who is the decision-maker and strike up a relationship with that person as quickly as you can. It won't happen without making a real effort. Everyone is super-busy these days and has little time for new "friends," but if you are smart and persistent you can probably make it happen.

**4) Your pricing has gotten out of line.** This, too, can happen— especially if you have a client who is very accommodating and who likes you and trusts you— to a point. But sooner or later, if you have been over-charging it will come to light. And then you will look bad if you have been too greedy. I will let people work for me on billing rates UNTIL they prove to me that they aren't honest or efficient and then I am DONE with them. No second chances. Constantly check the validity and reasonableness of your pricing to avoid getting caught like a kid with her hand in the cookie jar.

**5) Your client doesn't think you can perform— either on this assignment or what is coming after it.** This can be a problem. We lost a small consulting project recently and this was the reason. The client had a larger and more complex engagement that would follow the project we proposed on and even though our price and proposal were great on the first project, he didn't want anyone to have to relearn his needs on the second one. So he hired a competitor.

Problem is, we are as qualified or more so than the competitor. We didn't get that across. He didn't really understand our capabilities. Shame on us— we got too complacent and thought that he understood where we had come from and where we are now.

**6) Your client has been wooed by another firm and either pressured or cajoled into trying them.** This, too, can happen in a competitive marketplace like we are in today. Your only response can be that you will be there, ready to serve them, should it not work out for them like they hoped. But it also points out the need to never stop marketing to anyone— including PRESENT clients.

**7) You lost a key person.** The client saw that person as the one who was really serving them, as opposed to your firm. This is very common in the A/E/P and environmental business, because firms don't do a good job maintaining multiple relationships with people in various levels of their client organizations. Don't rely on one person as your sole contact, especially with larger client relationships. It is just too risky! And if you do lose a key person, take immediate steps to let the client know who their replacement is and, beyond that, that the rest of the team who serves them is all still there working away productively, waiting to serve them again. It really gets me how lackadaisical firms are about this. They act like they have all the time in the world, when they are extremely vulnerable!

**8) Your client has a basic belief that they should switch providers every so often to "keep you honest" and get some fresh thinking.** There isn't much you can do here other than to keep adding value, bringing the client new ideas, fresh thinking, and finding new ways to help them. And don't overcharge or give them any other reasons to switch providers.

There are undoubtedly more possibilities on why they are using the other guy, but my experience tells me these eight comprise about 90% of the cases.

Take a look at this list— discuss it with your key people— and make sure you are doing what you can do to not hear those painful words: "We're going with a competitor." ▲▲

MARK ZWEIG is the founder and CEO of ZweigWhite. Contact him with questions or comments at [mzweig@zweigwhite.com](mailto:mzweig@zweigwhite.com).

## A/E BUSINESS NEWS

**PRIVATE RAIL:** Two Republican congressmen are arguing that the federal government should not be in the business of building more railways— because that's the private sector's job— according to a report in *The Hill*.

"Amtrak's plan doesn't cut it," House Transportation and Infrastructure Chairman John Mica (R-Fla.) said in a statement. "Amtrak operates a Soviet-style passenger rail service, with a high rate of subsidization by the taxpayers. Last year, every single Amtrak ticket was underwritten by \$54.48."

He and Rep. Bill Shuster (R-Pa.), chairman of the Railroads, Pipelines and Hazardous Materials subpanel, say that new railways are needed, but that private businesses are better suited to build and operate them.

The congressmen's stance comes as a transportation advocacy group, the American Public Transportation Association, called for more public transit to be built to combat rising gas prices, according to the report.

The argument comes at a time when highly touted high-speed rail projects have stumbled. Proposed high-speed rail projects in Wisconsin, Ohio, and now Florida have been canceled by conservative Republican governors who say the projects are too expensive, even with federal help, according to the report.



*The voice of reason for A/E/P and environmental consulting firms.*

320 Rollston Avenue, Suite 102  
Fayetteville, AR 72701

Mark Zweig | Publisher  
[mzweig@zweigwhite.com](mailto:mzweig@zweigwhite.com)

João Ferreira | Managing Editor  
[jferreira@zweigwhite.com](mailto:jferreira@zweigwhite.com)

Julie Kyle | Editor  
[jkyle@zweigwhite.com](mailto:jkyle@zweigwhite.com)

Tel: 800-466-6275  
Fax: 508-653-6522  
E-mail: [info@zweigwhite.com](mailto:info@zweigwhite.com)  
Online: [www.thezweigletter.com](http://www.thezweigletter.com)  
Twitter: [twitter.com/zweigwhite](http://twitter.com/zweigwhite)  
Blog: [zweigwhite.blogspot.com](http://zweigwhite.blogspot.com)

Published continuously since 1992 by ZweigWhite, Fayetteville, Arkansas, USA. ISSN 1068-1310.

Issued weekly (48 issues/yr.). \$475 for one-year membership, \$775 for two-year membership.

Article reprints: For high-quality reprints, including Eprints and NXTprints, please contact The YGS Group at 717-399-1900, ext. 139, or e-mail [TheZweigLetter@TheYGSGroup.com](mailto:TheZweigLetter@TheYGSGroup.com).

© Copyright 2011, ZweigWhite. All rights reserved.

## NEWS

# Profession jumps to action after quake

Tsunami design standards could eventually become part of design codes as awareness is raised.

By JULIE KYLE  
Editor

The engineering and architecture communities are springing to action following the devastating March 11 earthquake and tsunami in Japan.

Kit Miyamoto, the CEO of **Miyamoto International**, a West Coast-based global earthquake and structural engineering firm, was in Japan to present at an earthquake engineering conference at the Tokyo Institute of Technology when the event unfolded. He is now conducting expert damage assessment in the affected areas, per client requests.



Kit Miyamoto,  
CEO, Miyamoto  
International.

Japan's elaborate system of concrete seawalls, breakwaters and similar barriers meant to protect communities against rough seas catastrophically failed, Miyamoto said in an e-mail interview.

"Two-meter walls can be easily overcome by a 10-meter wall of water," he says. "I think it also gave people a false sense of security."

Similarly, the threat of nuclear meltdown began not because reactors were damaged by the quake itself—they survived intact—but because the tsunami rushed over sea walls and swamped diesel generators that power the cooling systems for the reactors at Fukushima Daiichi and Daini nuclear power plants.

"Simply, if these critical emergency units were located on higher ground, this wouldn't have happened. I don't think you will find a 'safe' place in the U.S., but maybe nuclear plants should be built away from population in case of unforeseen failure," Miyamoto says.

"Even if we build a 10-meter-high wall, there will be a higher wave in the

future. Mankind cannot conquer nature."

**EDUCATED POPULATION.** The death toll is not yet known, but Mathew Francis, a senior geotechnical engineer with **URS Corporation** and a member of the American Society of Civil Engineers' newly formed Subcommittee on Tsunami Loads & Effects, said that education may have been the critical factor.

"For a trained population, a matter of five or 10 minutes is all you may need to get to high ground," Francis said in a teleconference hosted by ASCE. "The assessments are early, but the magnitude of casualties will be in the thousands, not hundreds of thousands."

Patrick Natal, executive director of ASCE, said: "This situation is also significantly different from what we saw of the effects in Haiti, because of building codes, or lack thereof."

Japan's world-leading anti-seismic building codes are "on par or better than what we have in the U.S., because they've been dealing with seismic activity for years," Francis said.

Almost all concrete and steel structures survived, Miyamoto says. "As a matter of fact, I haven't seen one failed by the tsunami yet."

"The tsunami warning system saved hundreds of thousands of people," Miyamoto says. "The M9 event happened 130 to 150 km off shore. Waves travel with the speed of a jetliner, and it took 20 to 30 minutes to reach the shore. People received the warning right after the earthquake, but many also died in the traffic jam caught by the tsunami."

"Multi-story concrete structures are the solution; they will save lives and sustain the community," he says.

**AWARENESS ON TSUNAMIS LACKING IN U.S.** The National Oceanic and Atmospheric Administration operates two Tsunami Warning Centers in Alaska and Hawaii, although many living on the West Coast may not even know they exist.

"Two-meter walls can be easily overcome by a 10-meter wall of water. I think it also gave people a false sense of security."

## PROFESSIONALS RESPOND

In response to the Japan disaster, the American Institute of Architects announced in a release that it has renewed its call made last year for Congress to fund the Codes and Safety for Americas Act (CASA). Currently targeted for Latin America, CASA would enable USAID to assist countries in dealing with the mitigation of disasters by training professionals in both the public and private sector to enhance their understanding of building design codes and standards.

Additionally, it calls for building codes in U.S. regions prone to seismic activity to be re-examined.

Architecture for Humanity, a charitable organization that seeks architectural solutions to humanitarian crises, will bring professional design services to the devastated areas. "We are in contact with design professionals and volunteers in Osaka, Kyoto, and Tokyo... and are working with them to identify needs and next steps in the short- and long-term," the organization announced in its newsletter.

Donations may be made through the organization's web site, [www.architectureforhumanity.org](http://www.architectureforhumanity.org), and funds "will support local Japanese professionals as they provide damage assessments during the emergency and transitional phase."

"Community awareness in the U.S. is lacking about tsunamis," said Gary Chock, president of structural engineering firm **Martin & Chock, Inc** (Honolulu, HI) and chair of ASCE's tsunami subcommittee.

The Cascadia region in the Pacific Northwest rests on a type of convergent plate boundary that stretches from northern Vancouver Island to northern California.

"There is a major seismic source zone (there) that could generate a local tsunami affecting West Coast states. That's one reason why we're so interested in tsunamis and this event in Japan," Chock said.

See **QUAKE**, page 8



















