

# Marketing Architectural And Engineering Services: A Portfolio Approach

Matthew Treado, U. P. Engineers & Architects, Inc., USA  
Gary Brunswick, Northern Michigan University, USA

## ABSTRACT

*This article has been written as a theoretical guide for architectural and engineering firms to develop a strong services marketing plan for the geographic location in which it operates. It will outline a step by step approach to develop, administer, and utilize this services marketing approach. It will also outline the logic and understanding to support this claim.*

**Keywords:** Architectural Services Marketing; Engineering Services Marketing; Portfolio Approach; Managing a Mix of Service Products and Projects

## INTRODUCTION

Architectural and engineering firms are business enterprises that operate in the consulting services industry. These firms are capable of providing a wide range of services to a vast amount of clients. Any organization or individual may need the services provided by an A & E firm at different times throughout their professional life cycle. The scope and breadth of the services vary greatly, resulting in different levels of client importance.

These firms offer services to clients by selling their knowledge and capabilities. Demonstrating that value to capture clients is a difficult aspect of the A&E field. Without obtaining work from clients, A&E firms do not exist. To identify and obtain clients, A&E firms must demonstrate an understanding of the market place in which they operate.

The modern day architectural and engineering firm is competing in a diverse and ever evolving market place. This level of complexity will vary greatly depending on the size of the firm and/or the size and amount of opportunities available within the geographic region of the firm. The region in which a firm operates will vary depending on geographic location, economic demographics, capabilities, size and types of the firm. The amount of types of competition within this market place will also play a major factor in the overall capabilities of the firm to obtain work.

The common factors in every market place is that each firm will be exposed to a wide variety of customers and competitors. These marketing demographics will need to be outlined and summarized into an easy to use medium for a firm to fully understand the opportunities available and how best to capture these opportunities.

Of the firms operating within the Architectural and Engineering industry, each one has a unique set of skills and staff that provide its own set of opportunities within the market place. Based on that fact, a single medium of approach should not be utilized by every firm. Instead, each firm should follow a procedure to develop its own approach.

“From a managerial perspective, the question is thus how to mobilize the expertise of professional workers in collective process while coordinating their actions and maintaining managerial oversight and control of activities” (Ollila, Styhre & Werr, 2015).

For a firm to develop the proper medium to organize and strategize its marketing approach, a marketing portfolio should be developed. A Marketing portfolio is the organization of the different client opportunities that a firm has within a specific region. It contains all relevant information pertaining to that client to provide insight into the future

demands, value, and opportunities that the client generates. It also should outline the approach the firm would need to take to obtain future work from that client.

This article will outline the step by step process that a firm should follow to effectively generate, implement and utilize a marketing portfolio within the architectural and engineering field. It will also demonstrate the purpose and benefit that a firm should gain from utilizing this type of approach.

The step by step approach is outlined below. The article will follow this outline summarizing the key factors of each step.

- Step 1.** Company Buy-In
- Step 2.** Develop Strong Marketing Portfolio Team
- Step 3.** Outline the Capabilities of the Firm
- Step 4.** Define Geographic Limits
- Step 5.** Organize Sub-Region Market Teams
- Step 6.** Summarize Existing Clients
- Step 7.** Identify Target Clients
- Step 8.** Generate Individual Client Information Sheets
- Step 9.** Link Client Sheets & Marketing Portfolio
- Step 10.** Align Marketing Portfolio to Company Strategy
- Step 11.** Implement Weekly Marketing Meetings

### **The Case for the Portfolio Approach**

What is common for each market is that each firm will be exposed to a wide variety of customers and competitors. These marketing demographics will need to be outlined and summarized by the firm to determine how to obtain work within the A&E field. This diverse market mix is pursued by a wide range of A&E firms attempting to capture market share. These firms have a wide range of experience, breadth, expertise, size and skill sets that allow them the resources necessary to obtain a share of the market.

By summarizing the firms capabilities and matching those capabilities with target clients, a firm can identify which clients would be the most likely to result in a profitable commitment of time. To assist firms with properly managing its internal resources and matching them up to client, project, and revenue opportunities, a management system should be put into place. This system should outline the capabilities of the firm and the potential service needs of the clients. This would allow firms to identify the best client opportunities within the market place that they operate.

Business development strategy is a key element of a firms overall business plan. A survey was conducted by Deltek to better understand the key factors of business development within A&E firms in North America. The 2015 results

have identified three key areas of focus; earlier identification of opportunities and requirements, better opportunity identification, and strategic networking to expand teaming options.

“Investment into IT results on a higher return on investment than investments in advertising and research and development based on a study (Mithas, Tafti, Baraham & Goh, 2012).” CEOs and leaders of organizations should focus their efforts on the IT projects that generate revenues. These types of projects have resulted in better return on investment than projects that focus on cutting costs. Since identifying and obtaining work is the revenue source of the company, an IT project that focuses on those tasks should be determined to be important by the consulting firms.

Using this marketing portfolio approach, a firm is able to improve its ability to complete all three activities outlined by the Deltek survey. Strategic networking to expand teaming options is completed by summarizing and identifying the client opportunities within the market. By better identifying the clients and the possible future opportunities that they have, the firm will be able to develop and implement a project capturing plan. By identifying and developing this plan early, the A&E firm would have gained an advantage over its competitors by starting the plan to obtain the future project. By developing and working toward obtaining a project, a firm can position itself into a strategic advantage to obtain a job before the competition even becomes aware of the opportunity.

“They need to beat the competition to the punch by identifying projects as early in the process as possible, nurturing client relationships, and implementing a robust customer resource management (CRM) system to share information across the firm. The marketing portfolio approach is the answer to this dilemma faced by the A&E firms in present day industry. The marketing portfolio is a constantly evolving and changing medium used to communicate both the large scale and individual marketing plans that the company is developing. By making the portfolio easy to use, track and modify, the firm will have successfully created a tool that can be utilized by the key members of the firm to increase the level of project capture.”

“The changing environments make flexibility one of the competitive priorities that most service firms have to deal with.” (Daniels, 2003) The concept of flexibility within engineering firms is an extremely important one. Responding to market dynamics, with the appropriate staff and strategic planning is an important case for the marketing portfolio. The Deltek Industry survey highlights the main items necessary for a strong business development plan. To properly capture all of these design elements, a marketing portfolio approach should be implemented. This article will summarize the benefits of the marketing portfolio approach, how it can be applied and the different components that should be included.

2015 A&E executives cited business development challenges were heightened competition and limited resource time available to chase proposals. Both of these issues are addressed by utilizing a marketing portfolio approach. By using the marketing portfolio approach to track potential competitors and assigning client leads, A&E firms can assign higher quality resources to achieve projects.

### **Generating the Marketing Portfolio Approach**

Generating a working marketing portfolio will require a commit of resources by the A&E firm. An outline and approach should be developed to keep the firm on task, and work on items in a properly organized fashion. This will reduce wasted time and energy spent by the firm and key staff, who will be major contributors to the development of the marketing portfolio. This section of the article will provide a summary of the steps necessary to develop the marketing portfolio. Each step is a necessary task to the proper development and implementation of the marketing portfolio approach for architectural and engineering firms.

#### **STEP 1. COMPANY BUY-IN**

The first step when implementing any major change within an organization is to obtain company buy-in. The key members and eventually the entire organization will need to buy into the new system implemented for it to properly work and provide the increased performance that the firm is attempting to obtain. Obtaining company buy-in, is a process in of itself. The organization will need to follow these sub-steps to obtain company buy-in and develop the marketing portfolio approach.

Obtaining full scale company buy-in into any change within an existing organization requires time and strategic planning. The buy-in from the members of the organization will need to occur throughout the marketing portfolio implementation process. The first step however is the most important.

To effectively implement any major change within an existing organization, a champion for change must be established. This individual must have major influence within the organization to obtain approval from the leaders of the firm to move forward with the marketing portfolio project. The benefits of the portfolio will need to be highlighted, to demonstrate the value of making this investment. A schedule and estimate of time and resources needed to complete the project should be generated. By reviewing the step by step approach the champion of the project should be able to generate an estimate of the time and resources needed to complete the task outlined in this article. The original estimate will focus on the cost to develop the core components of the marketing portfolio. Once those core components are developed, the continued cost to develop and update the marketing portfolio should be viewed as operating expenses under the marketing category once the core components are completed.

The purpose of obtaining the approval of the leaders of the company would be to implement the marketing portfolio through the top down approach. Buy-in for the implementation of the project would need to be developed through the firm's leadership and implemented through that approach. "It is often said that major change is impossible unless the head of the organization is an active supporter" (Kotter, 1995). A change of this magnitude will affect how the firm operates. Thus, it will affect every member of the organization. The leaders of the organization must believe in the benefits and be willing to spend the time money and resources necessary to make this large-scale change.

"The key to harnessing knowledge is to develop a knowledge sharing culture inside the organization" (Teo, Nishant, Goh & Agarwal, 2011). Obtaining a full firm buy-in is a must before proceeding with the remaining steps of developing the marketing portfolio approach. Knowledge sharing is a key component of a successful firm. Implementing this culture will take place throughout the marketing portfolio approach. Generating and obtaining buy-ins from different staff members at different steps of the process. There is no realistic way to obtain buy-in from the entire firm once the marketing portfolio has been outlined. However, throughout the process, the value of the new approach will be demonstrated, which will assist with implementing the knowledge sharing marketing portfolio approach throughout the company. An aspect of buy-in will be touched on during certain steps of implementing the portfolio approach. You must remember that you are not only creating a new operating system, you're creating a new way of doing certain jobs within the firm. This level of change will be met with varying levels of resistance. By being mindful of buy-in at key locations, you should improve your chances of a implementing a firm wide marketing portfolio that positively impacts the firm's performance.

## **STEP 2. DEVELOP STRONG MARKETING PORTFOLIO TEAM**

Once the approval to develop the marketing portfolio is received, the champion of the marketing portfolio will need to assemble the marketing portfolio team. The marketing portfolio team will vary depending on the size of the firm. If your firm is large enough to have a marketing department, then those individuals should take responsibility for the organization and management of the marketing portfolio. In most circumstances a firm will not have an entire department delegated to marketing. If that is the case, key personnel within the company should be selected to oversee and manage the creation of the marketing portfolio. This team will be responsible for creating the project plan, organizing and scheduling meetings, documenting and generating the final marketing portfolio. This team should also determine responsibilities and procedures for the administration of the portfolio once it is completed. Members of the team should be volunteers who believe in the benefits that the marketing portfolio will provide to the firm. This team will be spending a significant amount of time working on project that should increase the overall value of the firm.

The firm marketing portfolio team will need to believe in the benefits that the project will provide to the rest of the firm. These individuals will be responsible for developing and implementing the portfolio, and just as importantly, convincing other staff about the benefits that the portfolio will provide to the entire firm. Using key staff with influence within the firm will be important to convince other members to contribute and fully participate with the process. Forcing staff to work on a major project is a sure fire way for the project to fail, or be implemented without a positive impact on the firm.

The champion of the project should develop a presentation on the marketing portfolio and how it will positive impact the performance of the firm. This article should be used as a reference to outline the process that the team will take to create the portfolio. This article should also be reference for the benefits and value that the portfolio will add to the firm.

Once the value of the portfolio has been successful presented to the team, they can review the schedule, make revisions and revise as needed to ensure that they team has been a part of developing the project schedule. The plan and process will be reviewed and revised as well to ensure that input has been received by ever member of the project team. Once the process has been agreed upon, the team can move forward with the next step in developing the marketing portfolio approach.

### **STEP 3. OUTLINE THE CAPABILITIES OF THE FIRM**

The following step of developing a marketing approach is to outline the capabilities of the firm. By outlining the scope of services that the firm provides to its clients, the firm will be able to identify possible clients within their geographically reach. The firm should also outline possible capabilities that the firm could expand into. This way, if future business and evolving markets shift towards revised capabilities of the firm, the marketing portfolio will have those services included in its market analysis. The firm should start with a broad overall summary for the type of work that they perform. Once this initial summary is completed, a breakdown of more specific project considerations should be generated. During this phase, Project Managers should be consulted, division managers should facilitate the generation of the project specific capabilities within in their own specific discipline. These capabilities could vary from project manager to project manager, thus the full involvements of key staff is imperative. To determine which capabilities the company may be able to add to its scope of services, the strategic plan should be utilized. The incorporation of the strategic plan will be important throughout the generation of the marketing portfolio. Once both the strategic plan and marketing portfolio are generated, they should be tracked and used together to provide the best possible results for the firm.

“An essential lesson of project marketing in construction is that competencies are the roots of competitive advantage and marketing should be focused on portfolio of competencies (capabilities). Service portfolios should be based on core competencies. Thus, core competence allows both focus (on a few competencies) and diversification (to whichever market firm’s capabilities can add value” (Alecsa & Popescu, 2015). Properly outlining the core competencies of the firm is a major step in the development of the portfolio. If the marketing team does not have a clear vision of the strategic skill set of the firm (core competencies) then they will not know how to develop the key client lists, and how to generate the marketing portfolio.

### **STEP 4. DEFINE GEOGRAPHIC LIMITS**

The next step (4a.) in developing the marketing portfolio approach is to identify the limits of the firms geographically reach. “In business (typically services) in which direct contact between producer and consumer takes place, the physical location of a firm’s facility is likely to lie at or near the center of the enacted market – the point at which the level of attention is highest” (Brooks, 1995). Identifying the firm’s office locations is the first step of identifying the markets in which the firm operates. Different offices will have different market boundaries, once all summarized and put together, will define the complete market in which the firm operates.

Once all of the office locations have been generated, the firm will begin working on identifying the market boundaries for each individual office. “Attention will decline asymptotically as distance from the region of primary focus increases” (Brooks, 1995). This is a logical statement, that the firm’s presence will decrease with distance from its epicenter. Satellite offices can reduce the impact that distance from customer may have from the firm’s headquarters. The strength of the firms reach will be based on the geographic location and competition. Any areas with a distance resulting in a negative strategic value due to distance from the client should be avoided pending other major strategic factors. This will ensure that the firm is utilizing its geographic location as either a neutral or positive strategic benefit while competing for work. Defining the existing boundary in which the firm currently operates, will be a necessary step within the process for Architectural and Engineering firms.

“Firm-idiosyncratic patterns of managerial attention – the focus of which is driven by past performance.” (11) Defining market boundaries of established firms can be completed using this approach. Reviewing the limits of past client interaction will provide a snapshot of what the limits of the firm’s market boundary have been to date. Once the past market boundaries have been defined, the firm should review the possibility of expanding its market reach. Why hasn’t the firm competed beyond its borders in the past? What is the strength of the competition in market areas immediately adjacent to the current firm’s boundaries? Identifying the competition and the strengths and weaknesses of the firms in which you’re competing against will improve the ability of the firm to identify possible expansion areas in which they can expand and properly compete in.

#### **Step 4a. Identifying Competitors Within Geographic Boundary**

“Identification of competitors, then, is a consequence of identifying both customer in common, and similar products” (Brooks, 1995). Identifying and understanding your competition is an extremely important step in the marketing portfolio process. If you do not know and understand how your competition is planning to compete, then how would you be able to generate a successful strategy to obtain work over them? Knowing which situations your competition is going after, what their capabilities are, what projects they are typically handling will provide an important piece of information in identifying work and determining who and how you are going to win that work.

The firm capabilities sheet example shown below is meant to provide a starting point for identifying the capabilities and strategy of the other firms operating within your target market. Information on how they win work, who they work with, and what the competitions capabilities are will improve the firm’s ability to identify and develop strategies to obtain work over the competition. As information is obtained, the individual spreadsheets should be updated. These sheets will also serve a major role in identifying potential strategic hires that improve the operational capabilities of their firm while also damaging the ability of the competition to obtain work in specific target areas. This would align with a large-scale strategic planning, which includes the workload forecasting, project identification and resource allocation aspects of architectural and engineering firm operations.





### **STEP 5. ORGANIZE SUB-REGION MARKET TEAMS**

Once the boundaries of the firm's geographic reach are determined, the marketing portfolio team should break the total geographic area into sub-regions. This will be done to provide additional organizational capabilities for the firm once the portfolio approach is implemented. The sub-regions should follow obvious breakdowns, such as county, to make it easier for the firm to identify and organize the potential clients within each sub-region. The sub-regions will be assigned to offices based on location of project management taking place within those sub regions. The existing project managers operating within these sub regions should be involved in developing the list of existing clients within these target areas.

The project managers that are making up the sub region teams will need to be convinced of the value that will be added to the firm and also to them. The idea is that they project managers will get more out of contributing to the portfolio then they will have to contribute. This value will be provided by the collaborative effort of the firm summarizing the collective valuable knowledge of its staff. This will prove to be difficult since knowledge dependent staff view their networking information and value as a personal competitive advantage. This is where the buy-in from key staff who are viewed as leaders of the company will assist with this process. By demonstrating the commitment from leaders of the company, the firm will be able to show the value that the leaders believe the company can obtain from contributing to the portfolio.

### **STEP 6. SUMMARIZE EXISTING CLIENTS**

Once the geographical boundary and geographically organization structure for the marketing portfolio has been created, the next step is to identify clients within each individual sub-region. A team should be developed and assigned for each sub-region or group of sub-regions. This team will be responsible for identifying the potential new/target clients for the firm. This process will need to have its own framework to provide appropriate reference material. The sub-region team will need to review each different type of client within the region. All clients will fall within one of the four main categories; public infrastructure, institutional, private sector, residential.

Once the firm's core capabilities and auxiliary capabilities are summarized and outlined by the firm, the next step of the market portfolio can be pursued. This step for establishing a marketing portfolio strategic approach is identifying the potential clients within a market area. The key employees of the firm, project, office and division managers should be intimately involved for this step. The initial list should include all current and past clients. Once this list is developed, the marketing portfolio team should evaluate the future value of each individual client. This will remove past clients and projects that have no reasonable opportunities for future work. This will reduce clutter and unnecessary "noise" within the marketing portfolio, keeping it clean and efficient for use within the firm. Once the existing and current client list has been completed and vetted, the marketing portfolio team should look into clients that the firm has yet to perform services for.

"Relationships with customers and other partners are a promise for future business in the strategic management of project business." (Alecsa & Popescu, 2015; Skaates & Tikkanen, 2003). The existing customers are the most valuable to the architectural and engineering firm. They have a higher likelihood of leading to future revenues, so identifying and managing these clients is a logical first step to developing the client list.

The example client summary sheet shown below is meant to provide a starting point for A&E firms to develop their own informational sheet that summarizes the information relevant to obtaining that clients work.

The general information section includes the name of the client, the region and sub regions in which it operates. Identifying the type of client provides the reader with an idea of what type of selection criteria or work that client would be providing for the firm. Key contact information and project awarding decision making process should be included. This allows PMs to understand how the client awards projects.

Infrastructure summary provides a space to provide a concise summary of the infrastructure the specific client is dealing with. The infrastructure is what will provide the work for the A & E firms. Thus, a strong understanding on the condition, type, and infrastructure needs will provide an opportunity to identify and obtain future work.



A summary of past projects will provide the reader with an idea of what type of relationship we currently have with the client. If we are currently providing services to this client, then it will be easier for us to utilize our relationship to obtain additional work.

Additional information that could be considered would be the current amount of annual fees the client generates. This would provide an insight into the value of the client. This would require an analysis of past projects and more importantly, future work that the client would have. This is directly related to the infrastructure summary, which would be used to identify additional work.

Since this step is for the development of information for existing clients, the development of the information sheets should be relatively easy.

<b>General Information</b>				
<b>Firm Name:</b>		<b>Sub-Region:</b>		
Client Number:		<b>Primary Contact</b>		
Client Name:		Name		
Client Type:		Title		
Deciding Entity:		Phone #		
Clerk		Email		
Treasurer		<b>Secondary Contact</b>		
Trustee		Name		
Trustee		Title		
Trustee		Phone #		
		Email		
Primary Firm Contact:		Secondary Firm Contact:		
<b>Infrastructure Summary</b>				
Water System:				
Sewer System:				
Road System				
Buildings:				
Parks:				
Misc:				
<b>Past Projects</b>				
Project Name	#	Year	Budget	Services

## **STEP 7. IDENTIFY TARGET CLIENTS**

Generating a list of clients that the firm has never performed projects for in the past will prove to be difficult. These are clients that have not utilized the services of the firm in the past. This could be due to multiple reasons, the services that the customer needed in the past do not align with the service capabilities of the firm, the competition has obtained all work in the past, or the firm is unaware of the opportunity. Whatever the reason for the lack of work in the past, identifying these potential additional clients and determining the possibility of future work will provide additional opportunity to grow the revenue capabilities of the firm.

There is only one valid definition to business: to create customers. It is the customer who determines what the business is, (Lancaster, 1995). In the engineering and architecture consulting field, the potential client and their needs is the only work available. The purpose and scope of potential services provided by an A&E firm is completely dependent upon the available work, as defined by the customers within the firm's market reach. If a firm is not continually staying on top of the changes in the market place/customer demand, the firm is in danger of losing market share and being improperly positioned with its work force. Work force will need to evolve with the market place. This could mean changes in employee training requirements along with potential hiring and firing to ensure that customer needs are within the engineering firm's technical capabilities.

This step of the marketing portfolio will prove to be the most difficult step. Identifying future client will require a lot of planning and effort by the most important and strategic members of the firm. This will require an understanding of the business and industry dynamics within the target market area. This step should involve the key members of the firm, the project managers. Depending on the size of the firm, the project managers will play a major role in the marketing, developing and capturing of future projects and clients. They are typically the main contact between the firm and the client. Their understanding of the objectives and the summary of the potential clients that are available are important aspects of the marketing portfolio development.

These client identifying groups should follow the checklist below, to ensure that they go over every type of client available to them, within their established market boundaries.

Public Infrastructure includes organizations that oversee public infrastructures and utilities. This includes but is not limited to the following:

- State Departments of Transportation
- Water Authorities
- Sewer Authorities
- Road Commissions
- Landfill Authorities
- Downtown Development Authorities
- Municipal Water Funds
- Municipal Sewer Fund

Institutional clients are organizations that are established for social, religious, educational or other purposes. These groups typically have year over year projects that will need A&E firm services.

- Universities
- School Board
- Religious Groups
- Non-profit organizations
- Native American Tribes

Private Sector clients can have a wide range of potential development projects. These individuals are more difficult to identify. The focus should be on large scale property developers and construction companies. Small scale private sector clients have a low probability for future, or year over year, work.

- Property Developers
- Construction Companies

Existing and current clients will also be assigned to the appropriate sub-region, within the overall geographically boundaries that the firm operates within. The additional potential clients, identified during the process followed above, will be added to the list of current clients which the firm had already performed services for within the geographical region.

It will take multiple working meetings to establish an accurate and complete marketing portfolio. Time should be spent by each project manager prior to the meeting, working to identify the past, current and potential clients. The clients list should be able to be arranged by multiple categories, location, type, project manager, and discipline. Once these clients are outlined, the relevant information for each individual clients will need to be obtained and entered into the marketing portfolio.

#### **STEP 8. GENERATE INDIVIDUAL CLIENT INFORMATION SHEETS**

Once the client list has been developed and vetted by the key members of the firm, information can be gathered for each individual client. The information that should be included is outlined in the client information sheet shown in step 6.

Depending on the type of organization, gathering the information mentioned above could prove to be difficult. Industry research methods would need to be implemented to properly gather the relevant information for each individual client. Specific project managers should be tasked with gathering the information outlined as necessary in the previous phase. Firms should avoid going through every single client together, since this would be extremely time consuming. Individually tasking project managers with filling in the relevant client information is one of the difficult aspects of the process. Separate client sheets will be used to summarize the relevant individual client information.

“Exhibitions, trade shows and seminars provide companies the perfect opportunity to target potential clients and increase awareness, because they gather together buyers, sellers and competitors.” These types of events can provide networking opportunities within a specific market. The firm should utilize marketing individuals to approach clients to gather valuable information concerning internal decision-making processes and potential future work for individual clients. These events provide an opportunity to develop relationships with key client staff that will continue to provide that valuable information.

Setting up marketing meetings with the target client could provide an opportunity to gather knowledge necessary for the client information sheet. The meeting should be setup as an introduction of the firm’s capabilities to the target client. A Statement of Qualifications that summarizes key projects, staff and firm capabilities should be provided to the client. This allows the individual tasked with generating the client information sheet a reason to make initial contact.

#### **STEP 9. LINK CLIENT SHEETS & MARKETING PORTFOLIO**

Individual client informational sheets would be a part of the overall marketing portfolio. All relevant client information would be summarized on these sheets. These sheets would include all the information that the firm would need to make an informed decision on how to best capture future projects from each individual client. A review of the individual client sheets should be completed as a group for each individual client type. After that template is established and reviewed, project managers should be tasked with the clients that makes the most sense, strategically.

These project managers would then become responsible for generating and completing all relevant information in regards to the clients that they have been assigned. The marketing portfolio team should assist these PMs to the best





By taking the time to identify and summarize the potential future work before large scale market catalysts take place, a firm can immediately identify and react to changes in the market dynamics. By having project managers in charge of certain clients, service types and market dynamics would provide the project managers the information they need to react in a way that allows for a competitive advantage.

Within the A&E industry, the makeup of the market is constantly changing. The available work will shift depending on the modifications of the business and/or industrial environment. By implementing a marketing strategy that can quickly and efficiently react to changing market conditions, a firm may be able to obtain a competitive advantage over the competition. This requires high quality advanced preparation, possibly through the utilization of a marketing portfolio approach. It is wise to develop a flexible strategy, where it is possible to monitor the market conditions and the overall performance of the organization (Amaral, 2009).

This process allows the firm the flexibility it needs to quickly and efficiently respond to changes in the market. It will also provide the resources to increase its ability to properly forecast the future workloads for the different services that the firm offers. This will allow the A&E firms to properly staff for the changes in the market place, modeled by the marketing portfolio.

Recent developments in the A&E field has created a category of seller-doers. Project Managers that are responsible for the entire life cycle of the project. That includes obtaining the work, executing the submittals and invoicing the client. Each individual Project Manager may be more suitable for a client than a different project manager. The differences between project managers creates a different type of strategic approach. A senior level project manager may be able to compete more on qualifications and experience. A young project manager may compete on customer service and client interaction. A younger project manager may also utilize a cost leader strategy by working extra hours. This could allow them to build a relationship with the client, then competing on the customer intimacy strategy.

Monthly meeting should take place to review the overall direction of the marketing plans in conjunction with the overall firm's strategic plan. The marketing portfolio would be used as a tool for the outlook of the company's opportunities and changes that the firm may need to make to its staffing and technical capabilities. Identifying opportunities will be key to the performance of the firm and the value provided by the marketing portfolio.

The marketing portfolio will have successfully identified the possible clients within a marketing area. This can be accomplished internally through basic industry knowledge and understanding. Locating, developing and obtaining projects will require project managers to begin contacting and coordinating with the potential clients. By assigning project managers to individual clients, the firm should obtain buy-in, responsibility and accountability by the project manager for the development of that client.

Weekly marketing meetings will be used to brainstorm different ideas on how best to obtain work from key clients that had been identified by the marketing and strategic planning teams. This process of inter-dependence formation has led to the development of relationship marketing, which involves building long-term relationships with customers through the practice of retention-economics (Lancaster, 1995).

Retention economics shows that the majority of customers are actually repeat customers. This means that firms should focus on existing client management to ensure that repeat customers, results in repeat business. High quality customer management performed in conjunction with high quality service results in positive interaction between the customer and the A&E firm.

“Socio-political processes highlight the importance of ‘thickening’ the relationship and lubricating it to establish and maintain degrees of trust that may substitute (or obscure) more direct forms of control and facilitate project completion and future business contacts” (Alvesson, Karreman, Sturday & Handley 2009). This “sleeping phase”, the period between projects, is an extremely important aspect of client relationship management. It allows the firm to continue the relationship in between projects, continue to foster positive trust and relationship experiences between the two organizational points of contact. Relationship management through the utilization of the marketing portfolio approach, allows the firm to manage and retain the clients that they have obtained. These clients are proved to serve as the majority of revenues for Architectural & Engineering Firms. Thus, ensuring that these relationships are monitored and

fostered to continue to grow and expand, the firm will be protecting its existing market share. And since firms also obtain a significant portion of its work from word-to-mouth advertising, they will effectively be promoting positive word-to-mouth advertising.

An example of a project identification form is demonstrated below. This form is used to summarize potential future work from a specific client. This page becomes one of the most important aspects of the marketing portfolio. The early identification of project opportunities is one of the cited items in the Deltek Industry survey as a way to improve company performance. Obtaining this information before your competitor is a key factor in obtaining the project. It allows you to generate a project acquisition plan and begin implementing it before the competition is aware of the opportunity. If these opportunities are managed properly, the competitors may not even get a chance to submit a proposal for the work. A convenient aspect of the marketing portfolio is that these sheets will serve as the foundation to the future workload projections for the A&E firm. This is an important task that A&E firms must work on to forecast future revenues. In this circumstance, it is able to serve a dual purpose.

The projects are broken into the projected fiscal year, percent chance of acquisition, estimated fee, service type and projected fee. The projected fee is what will be used for the workload forecasting. This takes into consideration the estimated fee and probability of obtaining the work, which is a common forecasting practice.

The lower section of the form outlines marketing tasks that needed to be completed for this specific client. It may be directly related to the projects summarized in the upper section, it also may be generic tasks to establish initial contact with a new client. This section is meant to generate an official task, which will be assigned to a PM who is then responsible for that specific client management. The PM should be held accountable for the tasks that they are assigned. This can be checked on during weekly or monthly marketing meetings. During those meetings, group planning activities should take place and client marketing tasks should be delegated out.

Client Number:		Client Name:		
Client Identified Projects				
Project Year	Projected Fee	Estimated Fee	Probability	Service Type
2016	\$25,000	\$100,000	25%	Architecture
	<b>Project Description:</b>			
Project Year	Projected Fee	Estimated Fee	Probability	Service Type
2017	\$0			
	<b>Project Description:</b>			
Project Year	Projected Fee	Estimated Fee	Probability	Service Type
2018	\$0			
	<b>Project Description:</b>			
Project Year	Projected Fee	Estimated Fee	Probability	Service Type
2019	\$0	\$		
	<b>Project Description:</b>			
Marketing Tasks				
Employee	Completion Date	Task Description		



### **10b. Dos/Don'ts of the Portfolio Approach**

Company buy-in to the new marketing portfolio approach is paramount. This new program will be used to develop and track potential work. The creation of this portfolio will take up a significant amount of firm time and resources. The individuals involved with creating the portfolio will need to believe in the value of the outcomes. Make sure that the initial presentation of the new program is done so with the leaders of the company. The presentation will need to come from an influential member of the firm, the champion, who should assist with the presentation and convincing of the firm's leadership to move forward.

Developing the individual client information will be the most time consuming and monotonous task of the marketing portfolio. These tasks should be assisted by the marketing department, if the A&E firm has that capability. Otherwise, the task of gathering relevant client information will most likely fall onto the shoulders of the individual project managers. These tasks should be tracked and followed up on to ensure that they are completed. Project managers already have a lot of tasks on their plate. Depending on the level of involvement of the project managers to the firm, they are already responsible for a cradle to grave project management. Finding time to develop these individual client information sheets will prove to be difficult. It will also cost the firm a significant amount of time, money and resources to develop. By focusing on key clients in which the project manager knows future workload is highly likely, the firm should be able to generate positive reaction to the tasks. The PM will need to be educated on the value that the tasks provide to them personally. The entire purpose of this exercise is to improve PM ability to identify and capture work. The marketing portfolio resource should be viewed as a positive improvement to their daily operation.

Once the portfolio is developed, it is important for the firm to actively update and utilize the portfolio. Firms who spend the time and money necessary to develop the portfolio should make sure that they take advantage of the benefits provided. If firms are not on top of tracking the marketing portfolio through marketing meetings and incorporating the portfolio into the overall strategy of the firm, then the firm would be missing out on the true benefits provided by the marketing portfolio.

The firm should stick to a strict schedule when it comes to the implementation of the marketing portfolio. An internal project of this magnitude can easily result in cost overruns and schedule delays. Assignments should be delegated to key staff with the understanding that their work will be completed within the allowable schedule. A high-level member within the firm should have responsibility for delegating these tasks to ensure that the order is followed. This "Champion" of the marketing portfolio will be key to its development and proper implementation into the company's operation.

Employees often consider their personal knowledge as their key competitive asset and may be reluctant to share it because they fear losing their competitive edge (Teo et al. 2011; Skaates & Tikkanen 2003). Project Managers within the Architectural and Engineering field gain a portion of their value from the networks they have created for themselves. These networks are generated from client and industry contacts who can assist with obtaining work. By developing a software that captures and displays this information for general firm access, the project managers may be apprehensive to provide input. The purpose of the Marketing Portfolio will be that the portfolio will give more than the Project Managers will need to put in. By identifying opportunities and outlining strategic marketing plans that will assist project managers for obtaining and retaining clients. To assist with the buy-in process, a top down management approach for the marketing portfolio should be implemented. Leaders of the company should be the first individuals to outline the information that they have for their own existing clients. This will demonstrate for the other key members of the firm that leadership believes in the marketing portfolio and is willing to make the necessary inputs to make it successful.

### **CONCLUSIONS**

The Architectural & Engineering consulting industry is a constantly evolving marketing place that provides different project and client opportunities. Firms attempting to capture market share should develop a medium to summarize and outline the opportunities available within their target market. The marketing portfolio approach is a process that can summarize that information and provide it to the company to serve as an effective tool. The portfolio will also serve as an effective forecasting tool to analyze future workload projections.

The development of the marketing portfolio approach will require a strong buy-in by the company and key members of the firm who will need to contribute to its development. Partial buy-in will result in lackluster performance by the marketing portfolio team, leading to cost overruns and poor portfolio results.

This article was written as a theoretical concept to implementing a marketing portfolio within the Architectural & Engineering Industry. The next research step would be to implement this approach within firms throughout the industry and document the affects that it has on firm performance.

#### **AUTHOR BIOGRAPHIES**

**Matthew Treado** was born and raised in Marquette, MI. A 2006 graduate from Marquette Senior High School, and a 2010 graduate from Michigan Technological University with a Bachelor of Science degree in Civil Engineering. After graduation, Matthew Treado worked for AECOM, Marquette focusing on municipal engineering clients. Matthew Treado then attended Northern Michigan University Master of Business Administration Program, graduating in May 2016. Matthew Treado currently works as an Office/Project Manager for UP Engineers & Architects, out of their Ishpeming office.

**Gary J. Brunswick** holds a Ph.D. in Business Administration from Arizona State University, and currently holds the rank of Professor of Marketing at Northern Michigan University. His research interests include marketing strategy, services marketing and e-commerce. His research has been published in a range of journals, including the *Journal of the Academy of Marketing Science*, *Journal of Consumer Behaviour*, *The Marketing Management Journal*, *The Journal of Professional Services Marketing*, *The Journal of Business and Economics Research*, *The International Journal of Case Studies and Research*, *The Journal of the International Academy of Case Studies*, *The Academy of Educational Leadership Journal*, and *The Academy of Marketing Studies Journal*.

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