

# What Do Clients Really Want?

By Frank A. Stasiowski, FAIA

***“My architect should understand what I need, not what I think I need.”***

--Government client, “The Client Experience, 2002,”  
American Institute of Architects survey

In the 21<sup>st</sup> century, design firm clients want their designers to know them better than they know themselves. In fact, clients don’t want just designers: ultimately, they want strategic advisors who understand the larger reasons why the client wants a building project and who can help the client deal with those reasons. They want a designer who knows their industry ten times better than they know it because the designer has developed a specialty in that industry and has a big picture of where it is going.

But more, clients want someone willing to get in the trenches with them and know their specific business as though the owner and designer had started the business together. They want someone who understands their larger dreams, their long-term vision, the reason they started the business in the first place. They want someone who knows where they are going—and has already been there.

This scenario breaks down into three mutually nonexclusive components:

1. Communication
2. Setting Strategy
3. Delivering Value

## **Communication**

Design firm clients want *relationships* with their architects and engineers. They are not looking for “work-for hire”; they don’t just want someone to whom they can contract out a bunch of drawings. They want someone who cares about their organizations and their missions, who is willing to spend time learning their operations, with whom they can develop working partnerships.

Katharine Watts, Director of Marketing at Boston's venerable Shepley Bulfinch Richardson and Abbot ([www.sbra.com](http://www.sbra.com)), was instrumental in designing the firm's new website, which won first place in the 2000 website category at the SMPS marketing communication awards competition. The site, which succeeded in bringing in numerous new clients, according to Watts, conveys the basic message that SBRA understands its clients' businesses.

Watts has said, "You are nowhere as an architect if you think you can walk in with just a beautiful building design. The client needs to deeply believe you understand their dreams—that you can imagine their future as they can. Everything we do is effort expended to stay ahead of the client's own curve."

Richard Hobbs, FAIA, former resident fellow at AIA, sings the same song. "Most clients today are not just looking for someone to design a building," Richard has said.

"Ultimately, even the design process is just a commodity. The real value you offer is knowledge of your client's business. You offer a high degree of customization by defining the needs of the client and, through creative design and thinking, finding potential solutions."

He goes on, "In a knowledge-focused firm, you take the architectural (or engineering) creative design process and apply it to the business strategy of the client. You need to know more about the client's business than the client does. Once you do that, you are of greater value to the client than just a building."

A client may have said it best. Kevin Nicoletto is Terminal Operations Manager for the Hanjin Container Terminal at the Port of Long Beach, CA. Working with architect Robert Stewart ([www.robertstewartarchitects.com](http://www.robertstewartarchitects.com)), Nicoletto was able to create a new terminal that emerged as a winner of the *Business Week/Architectural Record Awards* for 2000.

What would he suggest to design firms who would win this award?

“Learn our business,” Nicoletto says. “Take the time to understand what we do and how we operate so you have a better understanding of our long-term plans. At Hanjin, we don’t consider clients customers, but partners. And partners help each other grow. If I’m working with Target Stores, I must learn their cargo, where it is going, which days of the week they move it. I must know their plans for Christmas, for back-to-school. All of this figures into how we will work the terminal.

“The same thing applies to building design and construction,” he says. “Once you know how a client works, you can partner with them and design and build something that will help them grow in the future.”

### **Lead the client by the hand**

To know that much about a client’s business, you need to get your hands dirty with them and service them in any way you can. Whether they know it or not, one-stop-shopping is what clients want. They don’t want to have to go through negotiations and contracts with consultant after consultant on every project. They want you to handle as much of it as you can. But they need to know you have that capability. The more they know you’re committed to their cause, the more they will trust you with every aspect of the project.

The A/E/C strategic consultant Ellen Flynn-Heapes has hypothesized that, following the September 11 attack on the World Trade Center and the Pentagon, American design firm clients may have had little interest in starting new retail building projects. “But what would have been wrong with providing them counsel on new leasing strategies or on new uses for low-yield properties?” Ellen has asked. “They may not have needed CDs, but they might have really been able to use a master plan for recovery.”

**Case in point:** URS Corporation ([www.urscorp.com](http://www.urscorp.com)) out of San Francisco operates on this philosophy: “What else can we do for this client?” By diversifying *within their markets* in order to strategically offer clients the services they need, URS has grown from

1600 employees in 1995 to 16,000 today, and has achieved the #1 position in *ENR Top 500 Design Firms Sourcebook 2001*.

“Clients welcome that we have so much to offer across the board,” URS Senior Vice President Charlie Rodenfels has commented. He says his firm’s broad capabilities allow them to bring clients simpler, more integrated project delivery. If a hospital wants to build a surgical suite, renovate a medical office building, and put up a 1200-car garage, URS has the skills and experience to cover all three components—subbing out very little.

Rodenfels says, “Our hospital clients find it rewarding, economical, and efficient to know they can come to us and get any of those projects. They don’t want to go through another selection committee, have their legal department do another contract, coordinate the garage project. They want us to make their life more concise and easier to manage.”

***Case in point:*** On the small-firm front, Faulconer & Carawan, a two-person, Oxnard, CA architectural and planning firm, specializes in high-end (estate) and low-end (affordable) housing and doesn’t depend too much on what’s in the middle. But the key to their success has been in staying small—in focusing on quality rather than quantity. Because they outsource their construction documents, they have more time to coddle their clients.

Says principal Michael Faulconer, AIA, “We are a small firm. Last year (2000) we had \$400,000 in revenue. But we provide a lot of personal attention to clients. They know when they call us that one of the two of us (the other being his partner Dee Carawan) will answer the phone, and they will get their hand held. Clients crave this attention.”

Faulconer & Carawan hold their clients’ hands in other ways. After the 1994 Northridge, CA, earthquake, Faulconer found himself providing independent structural analysis and repair estimates for damaged homes—and getting the owners two to ten times more insurance than they would have received based on the insurance company estimates. “Then they would come back to us and ask us to do the repair services,” says Faulconer.

He had earthquake experience, having analyzed every downtown building in Philmore, CA, after the '94 quake—and getting the town an additional \$3.5M in FEMA money. And he got *that* contract because he had been doing historic preservation work for the town; they knew him.

Servicing his clients in every way necessary has been the key to Faulconer's success—because it is what his clients have wanted.

### **Meet the whole gang**

To make their lives easier, clients also want design firms to be involved with all project stakeholders—including the builder. There is a move away from the design-bid-build approach: more and more, owners want the firm in at the beginning, participating with all players, and there for the long haul.

*Case in point:* Under the guidance of Chairman Friedl Bohm, the Columbus, Ohio, office of NBBJ ([www.nbbj.com](http://www.nbbj.com)), world's third largest architecture firm, has resurrected the old master builder concept. They have found a way to deliver a project in joint venture with a constructor and an owner—but with the design team clearly in the lead.

The result: NBBJ is completing projects faster and for less cost. Their designs more fully support the owner's brand and business. And they are getting repeat business.

Offering an at-risk scenario, NBBJ scouts the project locale and seeks the top two or three contractors specializing in the needed building type for its “partners.” They use a sophisticated set of tools to choose the contractor—and the owner is involved from the beginning. This is one feature that draws owners to this approach.

“The owner knows that design leads the process and that the designer's values will win the day,” says Jim Young, NBBJ's Principal-in-Charge of Integrated Design-Build. “The owner also knows we have a best-in-class contractor as our partner.” In the process, says

Young, the owner must agree with NBBJ on the contractor. “The process is woven around getting to consensus,” he says.

The result is a team that skirts the old designer/contractor adversarial relationships and ends up thinking as one. “Individuals don’t do projects; teams do projects,” says Young. After getting the nod from NBBJ, the contractor/partners are apparently happy to collaborate. “We are foxhole partners, taking risks together,” Young says. The model looks good to owners, he adds, because it relieves them of worry that the design might be compromised, as it could be if the contractor were to lead the team.

### **Bring them online**

Ken Stowe, P.E., also has something to say about this. He is Director of Project Services at Boston’s George B.H. Macomber Co. ([www.gbhmacomber.com](http://www.gbhmacomber.com))—and he sees the design world through the rose-colored glasses of electronic technology.

“Owners are concerned about how their teams—builders, designers, subcontractors, consultants—work together,” Ken says. “The preferred way of working now is to bring in a trusted builder during the design stage. The owner is trying to get the team to work *as a team*. He or she cares about scope, cost, and schedule.

“But who’s going to play the leadership role?” Ken asks. “Who will ask whether the team has the skill and will to use 3D intelligent CAD, collaborate on a project website, and refine a process for CAD-to-estimating automation? Sometimes the builders do it; sometimes designers do it. But many times, we get designers pushing back, saying, ‘I don’t know if I want to share my CAD files. I’ve never done this before. I’m not comfortable with this.’ And we’re wondering, Are these designers going to be invited back for the next project? Does the owner see that one stubborn stakeholder can obstruct teamwork, slow electronic sophistication, and stand in the way of delivering with time-to-market urgency?”

According to Ken, many owners are starting to realize the value of the collaborative model. They want an end to adversarial environments. “Watching a team in collaboration would impress almost any owner,” he says. “Depending on the issue, we might have a structural engineer for the superstructure, a marine engineer for the substructure, a soils engineer for the options for bearing, two estimators, and the architect. So we’ve got six people banging around ideas. And in literally two weeks we probably will save something like \$1.2 million over our previous scheme because of these interactions—saying, ‘What if we try this? What if we try that?’”

### **Stay with the building**

Owners not only want designers involved with the whole team, but to *stay* involved—with the building. They want to build the relationships with their designers, keep them in the role of trusted advisor, keep them involved with their business so that designers, more and more, will understand the best building strategies for that business.

A key way to do this is through involvement with the long-term life of the building itself—through facilities management.

Rod Stevens, AIA, works for Pioneer, a Dupont Company. As an owner’s representative, he hires designers and facility managers for his company’s building projects. His point of view has value.

“The designer is an information broker,” Rod said at the 2002 AIA Convention in Charlotte, NC. “Once a building is designed and built, a lot of valuable information is thrown away. But what was built is more important than what was designed. A designer is well positioned to sell information. Yet he has restricted himself to just designing.”

In a press release for a PIA conference in October 2000, the AIA noted that “The practice and profession of architecture is changing, thrusting the architect into a full-service role

in the environment. No longer does the architect build a structure and move on. He or she now has opportunities to be intimately involved in the entire life cycle of a building.”

To cash in on these opportunities, designers may need to embrace industry-related skills they do not traditionally use—as Ken Stowe pointed out above. In the new playing field, information technology again can add clout. Using increasingly powerful databases, designers can more quickly program large spaces and test alternative uses of space. Among other functions, these databases enable tracking of people, phones, furniture, cables, computers, repair calls, turnaround times, even workflow. In other words, they let all players know electronically where everything is. Integrating such a capability into your firm can help you build client relationships that extend well beyond the end of design and construction. And *relationships* is what clients want.

## **2 Setting Strategy**

In their book *Quality on Trial: Bringing Bottom-Line Accountability to the Quality Effort*, authors Roger J. Howe, Dee Gaeddert, and Maynard A. Howe take the position that meeting—and even exceeding—customer expectations on projects is essentially a defensive strategy. It’s the attitude of “I want to make sure we get it right”—as though, at any moment, you might get it wrong.

What the authors advocate, instead, is taking a visionary approach, one that looks inside your clients to their long-range organizational needs. By anticipating those needs before the client has articulated them, and then responding to those needs, you take an offensive strategy that other firms will find hard to surpass. By attending to your clients’ highest goals, you stand on their side. Who could turn down such service?

And *service* is the first marker of setting strategy. Before anything, clients want to know you care about them and about what they believe in. In fact, surveys at PSMJ Resources, Inc., have shown that, far and away, the principal reason clients jump ship is because of *indifference of the design firm*. If a client feels uncared for, he finds someone else. So



your main “strategy” should be customer service: it is what will keep your clients coming back.

### **Think consulting**

How do you do that? The key is to stop being just an architect or an engineer. Stop doing what you do, and think about what *your client* does. Whatever project you’re undertaking—whatever bridge, hospital, school, or office—has a larger purpose than simply housing or transporting people and things: its function is to *move your client’s business forward*. To help your client do that, you must understand the business. You need to stop being *only* an architect or engineer—and be a business consultant.

Think forensically. A design problem should open a window into an owner’s company, giving you an opportunity to help. Try to find what underlying business flaws the problem reveals. Ask questions about the client’s goals and objectives. Why is a particular design element so important? What are the client’s long range plans—or immediate operational difficulties? If you address the deeper questions, you can not only fix the presenting design problem but avoid potential future trouble. And you will be supporting your client’s business. That owner will remember you--and ask you back.

### **Use what you know—or sell what you know?**

In its February 12, 2001 issue, *Engineering News Record* stated that “Selling strategic advice to overworked corporate executives or public officials is big business. Published reports estimate revenue in professional services could grow 18% this year, to \$138 million. *And decisions on capital spending and construction programs are among the most strategic.*” (My italics)

**Case in point:** Using its high-level collective experience in environmental, health, and safety (EHS) management, Integreyted Consultants, LLC ([www.integreyted.com](http://www.integreyted.com)), has been able to offer management teams of large corporations valuable advice for shaping corporate strategy. Now in its fourth year of operation, they have been able to generate

\$6M, 15 percent profit, and *50 percent growth* annually with a full-time staff of just 21. For most A/E/C firms, this level of performance is unachievable.

According to firm president Brian Jacot, PE, Integreyted's margins on management consulting work are two to three times what they are on traditional engineering services. This is due, in part, to the fact that as a consultant, Integreyted builds its business relationships not at jobsites with facility managers or engineering departments, but at corporate headquarters with EHS VPs or CEOs.

"Our focus is to go in at the highest levels and develop relationships at those levels," says Jacot. This approach, he explains, usually has his firm involved with corporate-driven programs like mergers and acquisitions, corporate audit functions, information management systems, and EHS global standards. "We advise clients how to philosophically and culturally manage their businesses around the requirements of EHS compliance, but with an eye to the bottom line," he says. "We become an extension of the corporate management team."

If a bit of engineering work comes in the bargain, Jacot doesn't mind. "We are engineers," he says. "Our marketing focus is to go after management consulting work and, through those relationships, spin off engineering projects. If a facility has needs, we pick up the pieces."

### **Offer more services**

Again, it gets back to servicing your clients in any way they need you. If you address the client's bigger plan, you attend to all of its components.

"Are you just in the business of designing buildings?" asks Richard Hobbs. "Or can you expand your firm into other services so you are dealing in feasibility, strategy, branding, implementation, and ongoing performance (facility management)?"

The challenge to firms who move toward this expanded design practice is that skill sets grow way beyond those of a traditional firm, which deals essentially in buildings. An expanded practice would involve the networking, facilitation, and integration of the overall client strategy. And in such a firm, Hobbs notes, architects may constitute only 10 percent of the staff—rather than the more traditional 40 percent.

“An architect must understand from the client the types of people needed to solve different problems, tie those people together, and bring about the solutions,” he says.

**Case in point:** Consider these few remarks from participants at an AIA seminar entitled “What Do Owners Really Think of Architects,” Charlotte, NC, May 2002:

*Man in audience:* “A lot of owners need help defining the purpose of a project. I have seen a lot of owners change their mind because they didn’t have a firm program.”

*Michael Katzin—project director for Colton County, GA:* “If I have an architect who can talk finance, zoning, permitting, etc., I will have much more confidence in that architect.”

*Another man:* “We do strategic planning for owners, act as a consultant. We work with clients to find their goals and drivers, to build consensus. Then we offer the needed services. I recommend that architects work on relationship and people skills.”

*Rod Stevens, AIA, owner’s representative for Pioneer, a Dupont Company.*  
“When you talk strategic planning to an owner, you can bring the most value in the entire process—much more than in design. This is front-end decision making.”

### 3 Delivering Value

*“Dance with the one what brung ya.”*

In a recent article on strategic alliances in *Professional Services Management Journal*, I wrote that “Clients drive projects—alliances don’t. An alliance is just another way to deliver projects, and clients make the final choice about who gets the project. Before you focus on a delivery method, think about the people to whom you are delivering.”

The same principle holds true for design firm practice in general. Clients want value—in *their terms*. They don’t care about the quality of your design work except insofar as it applies to their project and their goals. This is their ballpark; if you want to deliver the project they want, play by their rules. When you do, you will deliver *value*—not in your terms, but in the client’s.

**Case in point:** During his keynote address at an AIA conference at Portland, OR in October of 2000, Paul O’Neill—now U.S. Secretary of the Treasury, then Chair of the Alcoa Corporation—talked about his redesign of the Alcoa Corporate Center in Pittsburgh. He said the most important character for a great organization is how the people in it feel about the organization. He wanted his redesign to empower his people, to encourage leadership, to make employees feel they could each make a contribution. He wanted the human spirit to soar.

So he created an egalitarian work environment in which everyone had the same 81-square-foot workspace, where no one was more than 45 feet away from an outside source of light, where there was no executive boardroom. He caught some heat: “A lot of my executives who had grown up in a traditional corporate environment were not thrilled with these ideas. They did not want to give up their status symbols. They said they couldn’t work in open space—they had confidential things they had to do.”

But O’Neill had a goal; he wanted a result. And he got it: his building redesign and the ideas behind it, he said, helped to make Alcoa five times bigger than its nearest competitor, with five times more profit.

It was these results he was after, not the design per se. His *value* was for his employees to know *their* value and thus deliver better performance. He chose a designer who could give him that value—Martin Edgar Powell of the The Design Alliance ([www.tda-architects.com](http://www.tda-architects.com)) in Pittsburgh.

“When people asked me who designed the building, I say ‘I did,’” O’Neill said in Portland. “I didn’t want a building that was wonderful from the architect’s point of view—where humans could be diminished by the space. I wanted our design to do something important to people. I found Marty vibrated to the idea that we were going to do something unique, that stretched us to the limit about how people can and should relate to each other.”

O’Neill chose Powell because of his own values, not those of the designer. Delivering “value” meant giving the client the “product” he was looking for—whatever it looked like.

### **Value-added service helps one firm clean up**

**Case in point:** In 1997, a contingent from the nationwide environmental and engineering services firm TRC ([www.trcsolutions.com](http://www.trcsolutions.com)) found themselves attempting to deliver an unprecedented service: getting all the “potentially responsible parties” (PRPs) off the liability hook for cleanup of the Portland-Bangor Waste Oil (PBWO) site, then the largest uncontrolled hazardous waste site in Maine’s Superfund program. Over the years, the PRPs—gas station owners, auto dealers, and the like—had delivered used motor oil to the PBWO tanks for recycling. PBWO periodically cleaned the tanks—by dumping the sludge onto their property. In time, lead, hydrocarbons, and other contaminants leached into the ground water, which served as drinking water. Under the Superfund law, all the

PRPs could be held liable for the cost of cleanup, regardless of whether or not they had caused the contamination.

But TRC had developed an unusual strategy. In their work with Superfund clients, they had seen PRPs ending up in costly, long-term litigation with the government and with each other. According to Mike Salmon, TRC Senior VP, the process was “dysfunctional” at best. Fifteen people with their lawyers in a room was no way to handle anything. Then one day, a client muttered, “I wish we had an exit strategy.”

That client didn’t know what he was saying—but TRC did. They have since pioneered the value-added concept of environmental liability transfer—taking the compliance ball from their clients and running with it, so clients could focus on their core businesses. If a client needs to meet environmental code in order to enter into a merger, acquisition, or divestiture, to buy or sell land or facilities, or to clear up a Superfund obligation, the client can outsource that need, top-to-bottom, to TRC’s Exit Strategy program.

### **Where’s the real value?**

“We decided we should stand behind our work and take over site liability,” says Salmon. “We should be the ones at risk if the promised outcome did not occur.” Traditionally, engineering firms like to keep risk at arm’s length. TRC’s strategy was to take it on. “This is how we separated from the commodity pack and became value-added,” Salmon says. He was thinking “value” from the *client’s* point of view.

Exit Strategy was a risky proposition—but TRC had help. They partnered with the insurance firm American International Group (AIG), who, according to Salmon, offered a product that would protect environmental firms from cost overruns stemming from unknown conditions. According to a Dow Jones 2001 interview, the partnership allowed TRC “to take full responsibility, including liability risks, for a contaminated site’s closure and cleanup for a fixed fee. Companies were willing to pay more for this one stop service.”

TRC had originally had been part of Traveler's Insurance Co., who used meteorological engineering principles to predict hurricanes for writing policies. According to Salmon, TRC broke from Travelers but continued to use the actuarial models for environmental work. "We make the 'unpredictable' predictable by using engineering, scientific, and mathematical principles to quantify both tangible and intangible risks," he says.

### **Giving clients what they want**

On the PBWO project, TRC's biggest challenge was the diplomacy: huddling with the PRPs, scoping community and legal issues, and building consensus for an arrangement that would benefit everyone's interest and clean the site. After a three-year process of due diligence—on their own time--the firm negotiated a consent decree that made everyone happy. Remarked Salmon, "The insurance company had faith in us because of our due diligence. We used the engineering, scientific, and mathematical principles to help clients underwrite their risk."

The approach has paid off many times over. Dow Jones reported last year that, since taking over as CEO in 1997, Richard Ellison "has turned the firm into a Wall Street darling," with "15 straight quarters of improved earnings and revenue. Shares of TRC have surged... an incredible 980% over the past two years." Ellison has said that "To a large extent, we're a totally different company other than the name."

Remarks Salmon, "Our clients may say they want the cheapest price, but we say, 'You want the *optimal* price. You want to eliminate the chance that this thing could go haywire. But to get there, you need to pay a little more.' Our pricing is based on the value we provide, not on the cost of the work."

### **In the End...**

At the 2000 Build Boston convention, Scott Simpson, FAIA, Principal at The Stubbins Associates in Cambridge, MA, said this:

“Design is a business because the idea is always to design something of *value*—make a more efficient building, get the job done faster, save materials and time costs, improve the client’s business, improve students’ grades, improve health care in hospitals....”

The fact is that we add value by providing design solutions. That is our true product. The finest service we can offer—and the one the client wants (whether or not he or she know it) is to find what an owner needs to make his or her business thrive, then structure our service and price based on what the client wants to “buy.” If we take ourselves out of the cost-driven commodity market where price is all a client considers, we deliver the value the client really wants.

For the owner, the key decision should be *what* to build—what will bring the most strategic value. Owners would be more than willing to pay a little extra to get exactly the project they want. And it is the architects and engineers—who invest in knowing an owner’s business and where he or she wants to go with it—who can give it to them.