

# ***Be A Consultant!***

## **Increasing Your Value By Effectively Consulting With Clients on Project Risk**

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Terracon Consultants, Inc.**

# *About Me*

- **8+ Years with Terracon**
- **General Counsel - Responsible for Terracon's Claims Management & Insurance Program**
- **Chair of ASFE Legal Affairs Committee**
- **Member of Lexington Insurance A/E Advisory Committee**
- **Member of ACEC Legal Counsel's Forum**

# ***SPOILER ALERT!***

- **THIS IS NOT A RISK MANAGEMENT PRESENTATION!**
- **Focus on PREVENTION.**
- **Discuss how to CONSULT with clients about risk from the client's perspective to PREVENT claims (and add value!!)**
- **Effective CONSULTING is the cheapest, quickest, best way to differentiate you in your marketplace, reducing commoditization and marginalization.**

# ***Are You a Consultant?***

- **How often does your client hear from you?**
  - When you want work?
  - When the report is due and you need time?
  - When your check is due (overdue)?
  - **If that is all, it's not enough because it's all about you (internal focus)!**
- **How involved are you with the design team?**

# ***Why Do We Struggle With Consulting?***

**TWO FUNDAMENTAL  
FLAWS IN OUR  
PROCESSES**

# ***Flaw # 1 – Over-Reliant on Risk Management***

- **Contracts**
- **Insurance**
- **Report Limitations**

**DEFENSIVE MEASURES –  
NOT PREVENTATIVE**

# ***Why Prevention?***

- Clients will NEVER take responsibility.
- You WILL Have A Claim!
- You CAN'T WIN with a claim.



## ***Fundamental Flaw #2:***

**Project Efforts Focus  
on  
THE REPORT...**



## ***Fundamental Flaw #2:***

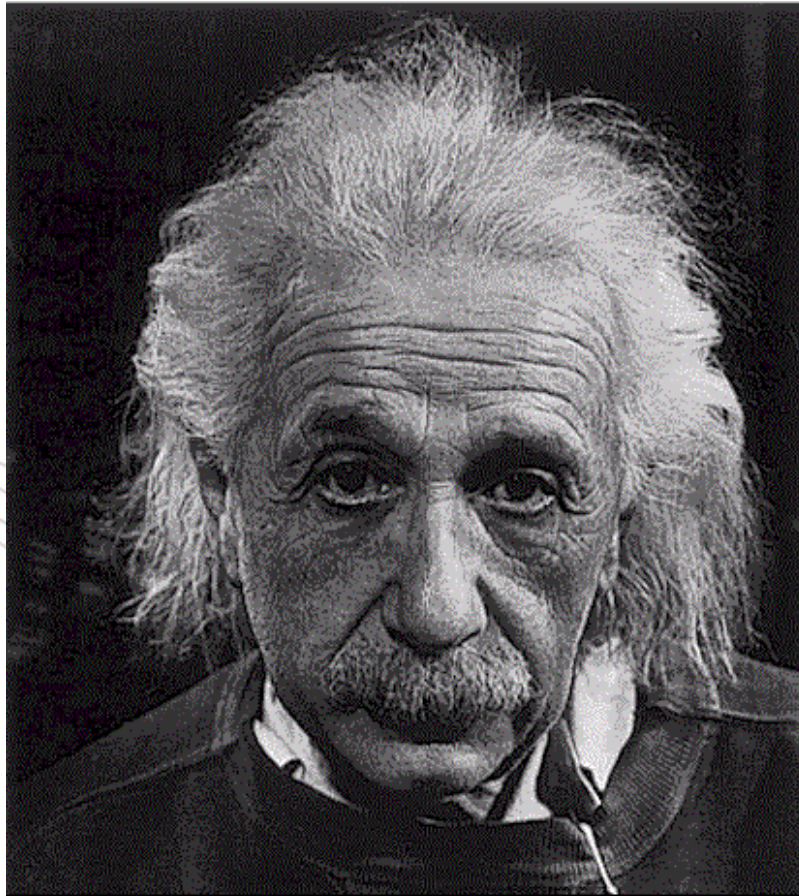
**THAT NOBODY**  
**READS!**

## ***Fundamental Flaw:***

Report language does  
NOT:

- effectively influence decisions.
- prevent problems.

# *Focusing Solely on a Report is INSANE*



Insanity: doing the same thing over  
and over again and expecting  
different results.

# ***The Reality of Prevention:***

**Best Way to Address Risk and  
Prevent Problems:**

**Consult With Clients On Risks  
Associated With Decisions**

# ***View of Geoprofessionals***

- **Client's believe they are hiring a driver.**
- **We are providing them with a Garmin.**



**There is a gap between these differing views.**

# *Client's View of Geoprofessionals*

## CONSULTING BRIDGES THIS GAP





# *Understand Client Decision Process*

- No client **INTENDS** to make a poor decision.
- Poor decisions occur because we have failed to convince otherwise.
- Consulting is your best chance to avoid poor decisions.

# *Key Components of Consulting*

- Understand and Anticipate risk from your client's perspective.
- Communicate and Influence regarding issues that impact risks.



# ***Understand Client Risks***

- **Understand** risk from your client's perspective:
  - Cost of project vs. Cost of future repairs (especially on undercapitalized projects)
  - Time/Schedule
  - Looking bad to their superiors/clients
- **Anticipate** changes/deficiencies in the project outside of your control.

# ***Communicate & Influence***

- **Communicate** with your client about the impact of those changes.
  - Using their concerns
  - By phone or in-person
- **Influence Client Decisions**
  - What would your doctor do?
  - Base influence on a sincere desire for project success, not risk or fees.
  - Can't take the "It's Your Funeral" approach.

# ***Consulting In Practice***

- Consulting method varies BUT substance remains the same – Understand, Anticipate, Communicate, & Influence.
- Utilize menu of options/possible impacts to communicate and influence. Document menu in report.
- Smaller projects – Phone is your friend!
- Larger projects – Deliver and consult or call on-site meeting

**CHEAP, EFFECTIVE , AND BILLABLE!**

# ***Value of Consulting***

**Project risk is an opportunity to send your client a valuable message through consulting:**

**I CARE ABOUT THE SUCCESS OF  
YOUR PROJECT!**

**(What Does Not Consulting  
Communicate?)**

# ***What If They Say No?***

- **Keep trying!**
- **If your motive is to further the client's best interests, effort will be appreciated even if not adopted.**
- **If your approach is consistent over time, you will persuade over time.**
- **If there is a claim, much less likely to be a target (and get to say “I told you so...”)**

# ***What Are The Barriers (Excuses) To Consulting?***

## ■ **Budget/Time**

- How much does a 10 minute call cost or take up?
- It's billable!!!

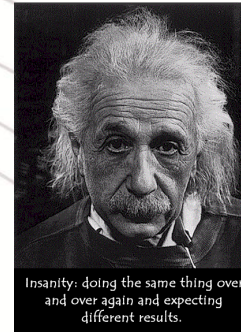
## ■ **Communication ability of staff.**

- Confidence is key.
- Trust in your expertise.
- Communicate with motive of client interest.

# *Two Options:*

1. **Keep Doing What Our Industry Is Doing:**
  - **Commoditization**: Everyone's the same.
  - **Marginalization**: Everyone's less important.

**Remember Albert!**



# ***Two Options:***

- 2. Emphasize Consulting: Use your expertise to influence your clients and increase your value:**
- **Separate From Pack**: You are the consultant of choice.
  - **Increase Prestige**: Your opinion is sought after and valued.



***Thank You For Your Time.***

***Any Questions?***