

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:

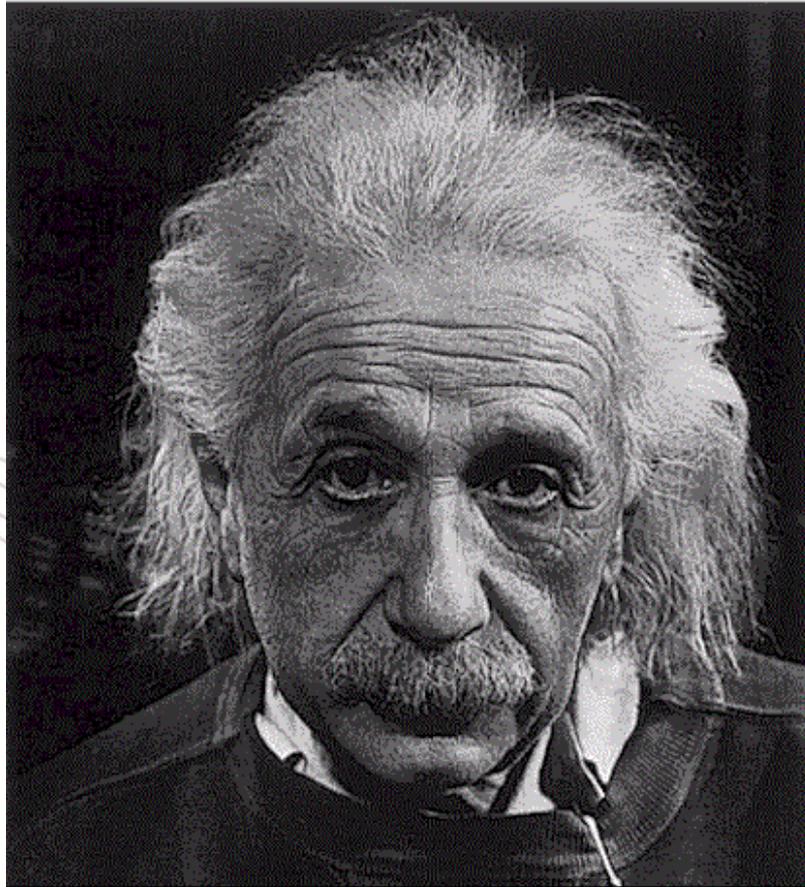
THAT NOBODY
READS!

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!!!

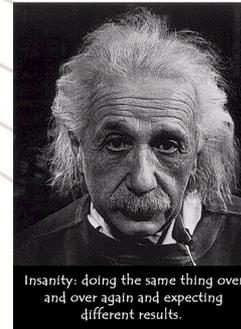
■ **Communication ability of staff.**

- 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?