

# PRINCIPAL'S REPORT

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## Velcroed Relationships Improve Client Retention and Future Profitability

By William R. Long

Relationship building is the key ingredient in the buying equation and helps you establish the trust necessary to close the deal. However, it does not happen overnight nor is there a straight-line formula. There is typically more than one decision-maker involved in every project, and each of them has their own issues and concerns. They have their own hot buttons, their own likes and dislikes regarding procurement, for example, or a particular mechanical system. They have their own past experiences with people, firms, and processes, and they have their own personalities. As a result, a lot of firms have developed zippered relationships, where an individual is matched up with another individual so the mechanical expert at your firm lines up with the mechanical engineer at the client's company and establishes a relationship.

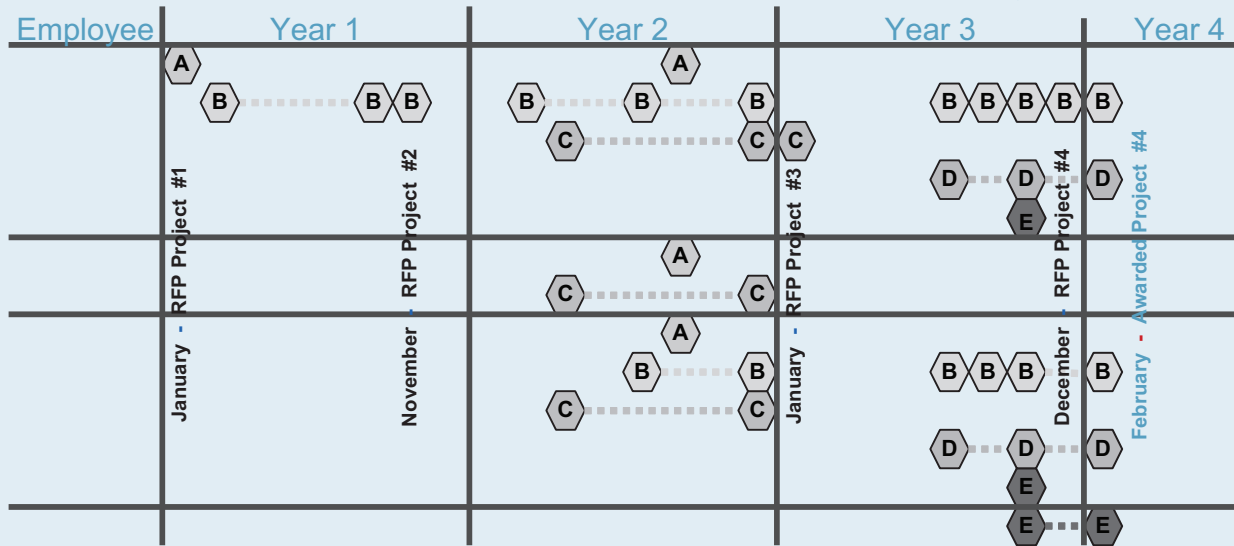
However, multiple staff really need multiple relationships, and hence my concept of velcroed relationships, which are basically multiple-client interactions. These are linked by skill sets, knowledge, experience, interest, and style. These relationships are built for the long term; they are interlocked and are difficult to pull apart. If one of the components goes away, you still have many more relationships left with the client.

**Velcroed relationships case study.** Here's how the concept works in an actual client pursuit that I participated in after opening an office in the Philadelphia marketplace. We had set up primary, secondary, and tertiary accounts. One of the targeted tertiary accounts had a development management contract with a public agency in our marketplace and had issued an RFP for a construction manager to assist it. Although the public agency was a tertiary target, we decided to pursue it because getting it would give us name recognition in front of this potential client.

**Cast of characters.** I contacted the vice president of this company (labeled "A" in Exhibit 1), submitted a proposal, and was not successful in getting this project. End of story? Not at all, only the beginning.

Months later, I was introduced through an architectural acquaintance to another vice president of the same company, who was responsible for a local suburban campus (labeled "B" in the diagram). Construction on the campus was winding down, but more work was coming up, and he thought we had the right qualifications and capabilities to be considered for it. I stayed in contact with him and had a number of meetings and discussions. The RFP finally came out, but there was an incumbent

### Exhibit 1. Velcroed Relationships—Case Study



(Source: TRINIUM Resources Group)

that ended up with the work. Our debriefing with contact “B” suggested that we stay in touch for even more additional work coming up.

Six months later, a business developer at a branch office said he knew another vice president who had just gone to work for this client (labeled contact “C” in the diagram). He suggested that we all meet for breakfast to discuss a new project coming up in downtown Philadelphia. I brought along one of our project executives and was told, like the others before, that we would be considered. We continued to have discussions with contact “B” simultaneously with contact “C” and introduced him to our project executive.

A while later, I was asked to moderate a program for SMPS (Society for Marketing Professional Services) on public and private partnerships. The program was short one panelist, so I recommended contact “A,” whom I had met two years earlier.

**Two years in without a project.** When the RFP came out for the new project in downtown Philadelphia, we submitted but lost out on that one

as well. At this point, we had a lot of decisions to make. With two years invested in this particular client, we had come up empty and had to decide whether we should persist. The reason we did was because of contact “B” and his potential upcoming projects on that campus. This person called a few months later and said the company had just hired a new director of construction who was having issues on this project and asked for our thoughts. We helped the new director of construction over the next two months.

Later that year, we sponsored a table at a formal event and invited contact “B” and his wife to join us. Later, contact “B” convinced his president to meet with our president and expressed some concerns that he had. Our president responded with how we would take care of those concerns.

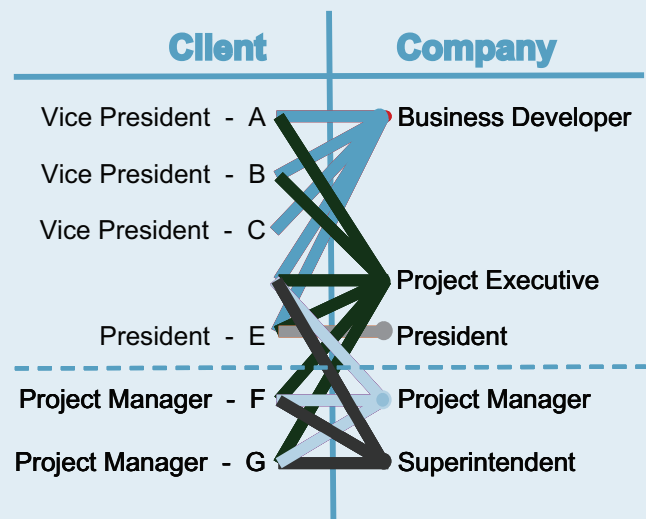
We later got the RFP for that project. It was the holiday season, but we stayed in constant touch with those three individuals. We were awarded this project, the fourth one we had gone after with this same client. Five people were involved on the client’s side. On our side, I had estab-

lished relationships with all five. The business developer in our other office had established two, the project executive met with four individuals, and our president had a one-on-one with their president.

Not only did we get that project, but we also got a second one, and the project managers (PMs) established relationships with our PM and superintendent, as well as with our project executive. You can see the intertwining of the velcroed relations on the graphic diagram above. If one of those lines gets taken away, you still have a very strong relationship. In fact, I moved on and they are still doing work for that client.

There were multiple client contacts, and the process took over three years before the ultimate buying decision, and while it's a little longer than one would hope, it ultimately paid off. In the following three years, the firm received over \$100 million worth of work from this one client. That's the value and strength of velcroed relationships. □

Exhibit 2.



(Source: TRINIUM Resources Group)

*William Long, P.E., LEED AP, is the president of TRINIUM Resources Group, a management, marketing, and human resources consulting firm. He is a guest lecturer for the Architectural Engineering Program at Penn State University and a frequent speaker at industry events. Bill held multiple technical, operational, marketing, and management positions for both design and construction firms. He can be contacted at [wrlong@triniumresources.com](mailto:wrlong@triniumresources.com).*

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