

## CLIENTS TALK ABOUT ENGINEERING FIRMS

**We asked 5 clients how they use engineering firms, and what their procurement process involved. Here's who they are, and what they said.**

### **Public Client 1** (*Chief engineer, Transportation Authority*)

Their engineering workload exceeds the multi-discipline capacity that they have in-house, so they compliment their work force with a 50/50 split. They're always looking for FTE's (Full Time Equivalents) from the outside. Their budget is also a 50/50 split.

### **Public client 2** (*Sr. VP and Chief Engineer, Transit*).

They do over 2 billion a year in construction, with 60% of the design done in-house, and almost all CM work (95%). Opportunities for consultants consists of a variety of full design contracts, and indefinite quantity contracts (IQ's) for small projects, and to supplement their staff.

### **Public Client 3** (*VP Engineering, Construction & Regulatory Affairs, Sports Authority*)

They look for consultants who are willing to work on smaller engineering projects. They have lots of MEP firms, but fire, security, and life safety are not so filled.

### **Private client 1** (*Managing Director, Project Development Services*)

They serve as project manager, program manager, or owner's rep on behalf of their clients. They use large, small, and specialty engineering firms, in their development management work across the globe for major corporations.

### **Private Client 2** (*Partner, architectural firm*)

This 150 person firm does 60% public work and 40% private development. They rely on engineers to team with them to get work, and provide feasibility studies.

**Q. What is your typical process to procure engineering services, and what do you specifically look for?**

### **Public Client 1**

"We use the RFP process where we are project specific, and we have criteria that spells out exactly what we are looking for. It's the experience of the firm, the people that are going to be put on staff, the experience of those people, the cost associated with how they're going to technically approach the project, so they're not taking boilerplate sheets and putting them into a proposal. We would like to see original thinking. Then we make the selection based on qualifications, rank the firms, look at the cost, and select on the best-buy approach."

### **Public Client 2**

"Our process consists of a selection committee with a lot of expertise. We go through the qualification stage, develop a shortlist, recommend who we want for a job. Cost may be a factor if it's state funded, but by no means do we pick the lowest cost. We have so much expertise that we recognize quality even if it costs a little more."

### **Public Client 2**

"We look for expertise, and we have a lot of it in-house, so we are not swayed by glossy presentations. We really want to see the nuts and bolts, that you're providing the level of expertise equal to ours. We look for responsiveness, as we have to be responsive to our clients, and during construction, be responsive to the contractor. We look for experience in like work. We look for management style, because that's where a job fails – failure to manage contracts and subconsultants. So it may be difficult to convince us that you're great at managing, and show us a management plan, but if you fail to manage a job with us, it will be very hard to convince us the next time around."

### **Public Client 3**

"Our process is open, and publicly bid. We issue an RFP with the criteria listed right in them, and formulate a committee that evaluates the short-listed firms. But we only negotiate with the top ranked firm. If we can't arrive at a deal, we go to the second-ranked firm. The score sheets are all public information, and firms can go back and review them anytime."

### **Private Client 1**

“We provide a GMP for a client, then go out and select the team and have them act as consultants to us, and we take responsibility for the performance and cost, as we’re serving as the owner’s rep or PM for the client.

“We use criteria that relates to service level, responsiveness, and creativity. If it’s a fairly typical office build-out project, there’s some interaction with price, creativity, reputation, and experience.

“We go through the exact same process that you go through every time we propose to a client. We have to differentiate ourselves. How much work do we do in advance of the interview, who do we bring to the table, who do we team with, are they exclusive teams. I look for the same thing that I provide to my clients. We try not to change staff, we bring people to the interview who are going to do the job. We want to balance price with value, and the services. We’ve been there ahead of you.”

## **Part 2: Clients Talk About What Impresses Them In Engineering Proposals and Presentations**

We asked 4 clients their views on what engineers provide to them in proposals and presentations. The clients and their answers are:

**Public Client 1** (*Chief Engineer, Transportation authority*).

**Public Client 2** (*Sr. VP and Chief Engineer, Transit*)

**Public Client 3** (*VP Engineering, Construction and Regulatory Affairs, Sports Authority*)

**Private Client 1** (*Managing Director, Project Development Services*)

### **Q. What impresses you most in the proposal – is it prior project documentation or how they respond to this specific project?**

#### **Public Client 1**

“Most important is how they understand the nature of the work, and how they communicate that back to us, to insure that they understand what we’re looking for. If they have the confidence; the team, the experience, have done this before, and then present it with passion. That’s where engineers might fail – is in the presentation.”

“We’ve rated them in the proposal stage, without having seen them, and the interview process could throw it all out, depending on how well they convince us, and how that human interaction takes place.”

“If they are well prepared, concise, articulate, emotional, have passion, and know they can do the job for you and be responsive, and if they convey that message to you, that’s going to matter more than simply going through the numbers with a good price.”

#### **Public Client 2**

“We do read your proposals, you’ll be happy to hear. We read every page. Everyone on the selection panel will read those proposals, so you will get asked questions about details in the proposals.”

“Please use spellcheck. If it’s worth submitting, then get the basics right.”

“At the interview, you want to be very project specific, you want to show us your enthusiasm, give us something more than just understanding the job – you’ve got to come up with something innovative. Put a few hours of thought into what we need for that job, and then convince us.”

#### **Private Client 1**

“A typical office tenant very often says, anybody can do this, it’s all the same, then it’s all about price, which becomes a challenge. One of the challenges of an engineering firm is translating what you do to lay people around the table. You understand it, we understand it, our architect understands it, but our clients sitting across the table very often don’t. Then it becomes a matter of how to differentiate yourselves.”

### **Q. What impresses you most about engineering firms presenting at the interview?**

#### **Public Client 3**

“Preparation; are they prepared, enthusiastic? The likeability factor also plays into it. We need people who are flexible and very good communicators on an oral basis. If they balk, they can really get lost in our world, because you’re dealing one moment with the contractor, the CM, the next moment it’s the franchise holder. We try to have a separate viewpoint for every presentation, and like a jury, try and forget

past things, and look at how well prepared the firm is this time. Sometimes engineers are good at that, and sometimes they're not.

We usually sit through 3-9 presentations in a day, and even our purchasing people, who aren't engineers – it kind of falls out to them, who understands the project and who doesn't – who is prepared and who isn't.

#### **Private Client 1**

"Passion is part of it. Come in and sound excited about it. There is no question that our clients want to hear a presentation that is project specific, with experience in the building type that's relevant to them, and not just a generic presentation off the shelf.

Firms are not that different, so you have to find differentiators. Price clearly plays into it. We always try to get a pre-proposal bidder's meeting, so you can meet with them, and hear what their drivers are. Is there a specific criteria that relates to infrastructure that's important to them – is it a 24/7 operation – is there something about the space that's going to drive your engineering design?

"Creativity has become a factor in more challenging buildings, such as land-marked buildings, where the infrastructure is restricted, and nothing is cookie-cutter. The engineer that won the last job convinced us that they were creative in how they planned to retrofit the equipment within the space, and that won them the job hands down."

#### **Are Large Engineering Jobs Or Small Ones Easier To get ?**

##### **Public Client 1**

"If you're trying to sell your firm as being able to do anything, you're competing with many firms that are much better in any one of those areas. We have over 1000 firms in our database, so that gives you a sense of who your competitors are, from small firms all the way to large firms that can do everything. So pick the niche in which you are most able to succeed.

##### **Public Client 2**

"The best advice I can give is get to know us and the project in advance. It allows you to assess your best opportunities for projects. You don't want to waste your money chasing after jobs that you have a slim chance of getting. You should be going after those that are a good match for you, and if you come in and talk to us, you'll know which is a better match for you.

For example, we'll get 40-50 proposals for a station job. Don't go there, unless you're on a team with someone that has been doing our work, and has a good reputation with us, that's a way in the door, but I would go for the stuff that everybody isn't going after. I absolutely agree that you want to go after the small projects, or IQ contracts are a good way to test-drive one on some task orders.

If we have a task order, how do we know your firm? It's because you've been in and talk to our discipline chief. They're the ones who decide that we need to go outside for services. They will relate back to us that you did a great job for another client, let's bring them in and try them out. So, it's a great way for you to get some exposure."

##### **Public Client 3**

"One of the things engineering firms miss out on is that everybody wants to go after the big job. Nobody wants the little job, but it sometimes gets you in the door, so when the big job happens, you have a greater opportunity for it. Two of the biggest engineering jobs we've had, fell to a firm because they consistently met our needs on smaller projects."

#### **Q. Is there an advantage or disadvantage for engineering firms to joint venture on large projects?**

##### **Public Client 1**

"We only use joint ventures for very large programs, especially where we need a CM."

##### **Public Client 2**

"You can propose joint ventures all you want, but we will still refer to the designers as the lead firm, and everyone else is on the team.

It has to make sense, such as who is out front. One question I always get is whether there should be an architect or engineer as lead, and it depends on who has the better relationship with us, who understands us, who is more comfortable and responsive to our needs, and is better at managing the full

function on a job. Your lead really should be more of a juggler, and be able to handle all the aspects of the job. We want someone that we know is the “go to first.”

### **Public Client 3**

“We know a lot of the players, and see them over and over, so you get a comfort level with them, but we don’t want to see them on 2 different teams, that makes us nervous.”

### **Private Client 1**

“For engineering firms only when it makes sense. If there’s some piece of a project that’s a specialty service or installation, For the most part we don’t condone E/E joint venturing. On the other hand if there’s a partnership between A/E’s we’re split 50/50. As to whether they come with a joint venture team.

In all cases we have the right to have a discussion about their subconsultant separately, as the client would like to have some option. In tenant office buildings, our clients want to have a voice in who is on that team, reserve the right to make a change, and marry the people who we think are the best in the class. It’s extremely important that we know that there’s a prior relationship that exists between the firms. We have better control over the engineering firms when they are contracted directly with us, or to the owner.”

### **Private Client 2**

“Joint venturing is based on who you know, and the personal experience of the partners, and we’ve developed 8 criteria for it. We always think we’ll make the short list, so we’re always worried about how the engineers will do at the interview. Here’s our list.

1. Specialized experience of the engineer, reputation in the field.
2. Put in the effort to help us get the job.
3. Commitment and delivery to us on a timely basis.
4. How presentable they are, clear, focused, that’s very important to us.
5. Exclusive relationship – not on 2 teams at the same time.
6. Engineers have multidisciplinary capabilities, so managing large teams means we’re looking for a one-stop shop.
7. Feasibility studies based on thinking outside the box.
8. Our criteria for actually doing the work is timeliness, continuity, and not changing staff.

### **Q. In the interview process, do you have an example of a good one and a bad one?**

#### **Private Client 2 (Partner, Architectural Firm)**

“A good presentation integrates architects, engineers, and cost estimators. It’s all been planned in advance, they all know what they’re going to say, it’s been rehearsed, it’s a coherent, cogent case that’s built step-by-step. At the end the selection is compelling.

“A bad interview is one where people arrive without an understanding of the project, they cite the same thing that they cited at the previous interviews, because they were on three different teams. It helps you in no way to get the job.”

“I’ve sat on the other side of the table in the selection process. Everyone does pretty much the same thing. What really separates everyone is that you can’t fake it. You really have to have the goods. It can’t be smoke and mirrors. You can’t fake it because those people sitting at the table know who has done the work, and who hasn’t done the work, and it’s important in selecting the team to make sure everyone has the attributes to be selected.”