

FIND THE **LOST DOLLARS**

AEC BUSINESS MANAGEMENT TRAINING PROGRAM

COURSE OFFERINGS AND DESCRIPTIONS

CULTURE TRAPS THAT AFFECT FIRM PROFITABILITY

The first step in the process to increase profits in your firm is to gain awareness of problems and issues that are causing your firm to lose money on projects. This course will help Project Managers (PMs) and firm leaders better appreciate the importance of making a profit and the impact those belief systems can have on their firm's bottom line. This course will help you recognize the mindset that exists in your firm and how it has formed the daily behavior of your employees, and even your clients. You will learn the top 10 culture traps faced by most firms in the A&E industry, identify where your firm might have similar obstacles, and discover ways to address the problem areas.

NINE AREAS WHERE FIRMS LOSE MONEY

This course will uncover the nine areas where most firms lose money due to the culture traps learned in the first course, as well as from ineffective people, processes, and technology. We will calculate the impact of just 1% of lost revenues or excessive costs to the profitability of the firm, and start to develop an understanding of where money is lost on projects. This course will provide an overall framework for the rest of the Find the Lost Dollars training to get firm leaders and PMs focused on the issues surrounding business management success, and how to impact the profitability of the projects they manage.

EFFECTIVE FINANCIAL MANAGEMENT FOR THE AEC FIRM

Business and financial management subjects are not taught in A&E college curriculum, and most architects and engineers are not skilled at reading financial reports and evaluating firm performance. In order to develop project managers into business leaders they need to have a strong foundation in overall company financial management. In this course, you will learn basic financial management concepts and how they apply to the health of your firm. You will understand the purpose of standard accounting reports and financial statements, as well as the key performance indicators that are used to measure past performance and forecast future pipeline, backlog, revenue, and labor requirements. This course will provide A&E professionals with the ability to understand what goes into the financial planning for your firm and better analyze and forecast firm performance.

MARKETING, BUSINESS DEVELOPMENT, AND SALES EFFECTIVENESS (WIN RATE)

This course is designed to help seller-doers to be more effective in their business development and sales roles. You will be able to distinguish between marketing, business development, and sales, and learn the factors that affect your win rates. Understand the importance of the Go / No-go process and how company resources are wasted in poor proposal decisions. Find more money in your sales process by evaluating your opportunity management and proposal processes, and identifying bottlenecks in these areas. Learn how a Client Relationship Management (CRM) system, and organizing project and employee qualifications data, can improve your proposal process and win rate. Learn ways to differentiate your firm through branding and inbound marketing, including blogs, social media, and content marketing.

PROJECT FINANCIAL MANAGEMENT: CONTRACT TYPES, PROJECT COSTS AND ESTIMATING

Project estimates are the foundation for a successful project, and the contract type and scope can have a huge impact on project profitability. In this course you will learn about the two main types of contracts - fixed amounts and cost-based - and the impact they have on profitability and challenges in managing projects. We will review the calculation of billing rates, and provide best practices for analyzing labor, direct expenses, consultant costs, and overhead when you are calculating profitability for each contract type. We will then review the risks associated with project estimating, including common process issues and best practices for developing and automating project estimates.

PROJECT FINANCIAL MANAGEMENT: BUDGETING AND RESOURCE MANAGEMENT

Project budgets are the foundation for a successful project because they provide the guidelines for what employees should be working on each day and how long it should take. In this course you will learn the components of an effective budget, budget process recommendations, and budget monitoring best practices. You will learn to identify areas where projects lose money, and understand how your project profit margin is impacted by scope creep, time management issues, contingencies, and meetings. Managing your resources in order to maximize the value of each employee's efforts is critical to profitable business management. You will gain an understanding of the relationship between utilization and project profitability, and how to put practices in place to ensure they are balanced. You will appreciate the importance of ensuring that your resources are being utilized as effectively as possible and learn best practices for managing employee schedules, and forecasting labor requirements in order to achieve target utilization rates.

PROJECT FINANCIAL MANAGEMENT: SCOPE CREEP AND RECOVERING EXTRA SERVICES

Many AEC firms lose money because of scope creep. The project team sometimes fails to stick to the original project scope or performs services outside of the scope without getting agreement from the client to bill them as extra services. Adequate processes must be put in place to educate the project team about the scope and create an understanding of the impact that scope creep has on project profitability. In this course, you will learn to recognize scope creep in your projects and understand the negative impact it has on project profits. You will also identify communication and contract issues that can lead to scope creep, and learn some best practices for putting systems and processes in place to minimize scope creep, and enable you to charge for extra services.

TIME IS MONEY

In a professional services business, the expression “time is money” is truly accurate. In this course you will learn best practices for implementing timesheet policies, enforcing these policies, and controlling and improving employee behavior. You will also gain an understanding of the role that leadership and approval processes play in effective time management, and the financial impact that timesheet processes have on billing accuracy, job cost reporting, cash flow, and employee performance analysis.

CASH IS KING

Without careful monitoring of cash balances, a company may not remain solvent for long. In this course, you will learn business management, billing, and accounts receivable (AR) collections best practices that will successfully improve cash flow. The benefits of these processes go beyond having cash for operations, including increased accuracy, more efficient billing, a shorter invoice cycle, more successful collections efforts, and better client relationships.

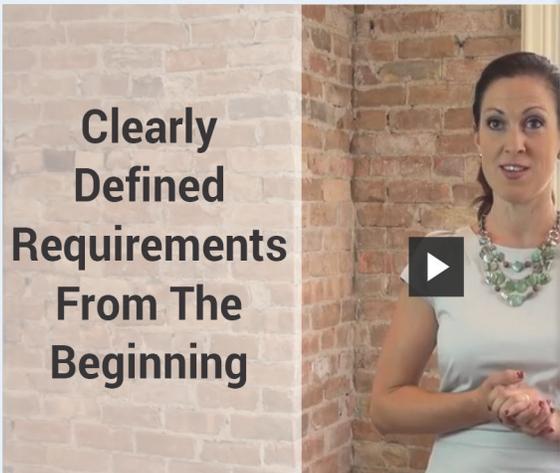
MANAGING CLIENT RELATIONSHIPS

It is universally important to AEC firm owners and executives to protect and improve their relationships with clients. In this course, you will learn best practices for keeping clients engaged and loyal as well as suggestions for how to categorize your clients to help you focus on the ones that really need and deserve your attention. You will identify criteria to use to categorize your clients and put client feedback and retention programs in place to ensure your best and most profitable clients are getting the most attention. You will also learn the importance of using technology to help automate and manage these relationships.

The Many Faces of Scope Creep

In this lesson you will learn what scope creep looks like. Have you ever seen...

Clearly Defined Requirements From The Beginning



00:12 / 01:41

Exercise: What will YOU do?

Now that you know how to spot Scope Creep, what will you do when you see it? Move your mouse over the image below to find 3 different Scope Creep scenarios. Then type your response to the scenario. After you have completed your response, check your response against the scenario recommendations, and see if you want to make any improvements to your response.

“Balancing Quality and Budget”



00:10 / 00:21

“Hey, I’m glad you stopped by. I’ve got a brilliant design for the Cooper project. Seriously, I’m already making room on the shelf for the Innovations award, because this design is going to blow their minds. Now I’ve got a really good feeling this could be my best portfolio piece, well so far anyway.”

Write your reply here:

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