



Welcome

GEI's 2011

Business Development Workshop

Session I

Sales Planning

Strategy for Our Region's work

Purpose:

To vet all perspectives on the future of GEI work in the region
In a way that generates a sales forecast matrix, a sales pyramid,
and a Decision Map for one potential client
So that the management team is unified on the approach.

Agenda:

1. Introduction to Sales Forecasting Matrix
2. Agreeing on parameters for matrix
3. Introduction to Sales Pyramid
 - a. appreciating the scope of what it means
4. Possibility discussions against the Matrix
 - a. description of the growth desired
 - b. Types of clients and work
 - c. risks to GEI
 - d. staffing and talent required
 - e. infrastructure needed
5. Introduction to Decision Mapping
 - a. test process using prospective client

Products

1. Common view of the potential in this region
2. Alignment on strategic beliefs
3. Agreement
4. Preliminary Sales Matrix
5. Action items

Possibility-----Sale-----Plan

Levels of Thought

Deductive



Beliefs
Philosophy
Principles

Concept
Strategy
Design

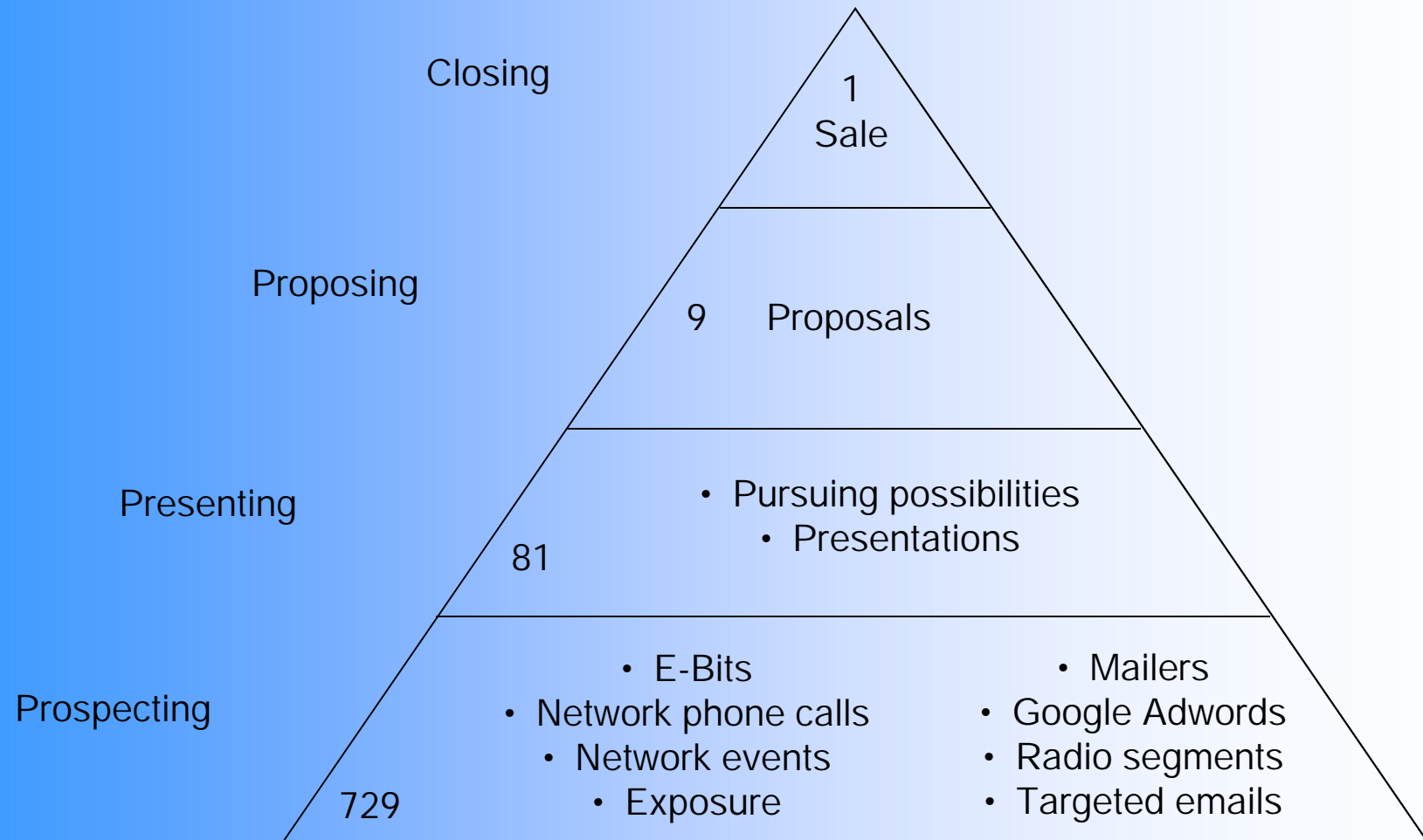
Action
Audit
Evaluate

Inductive

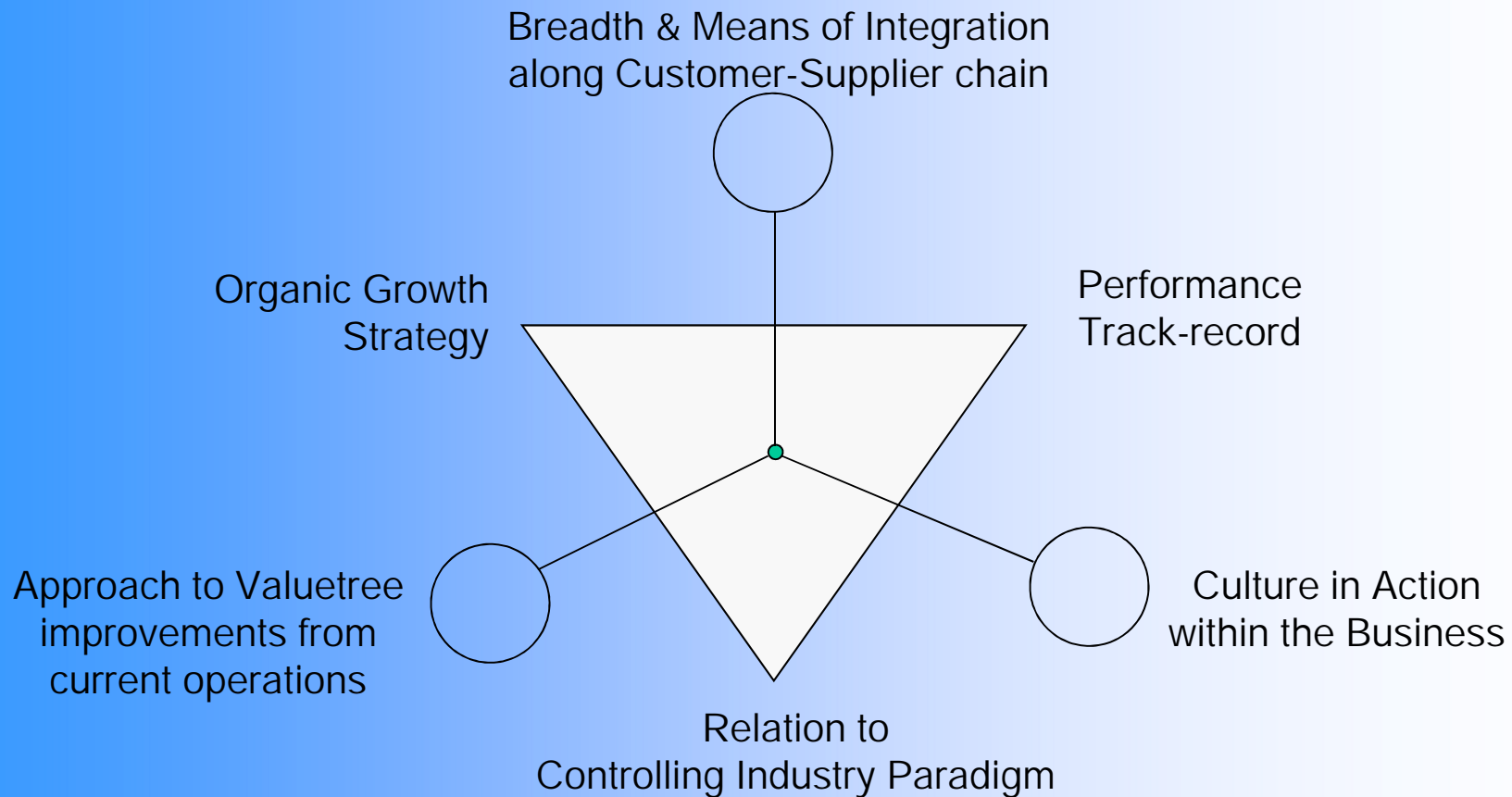


RSM	Standard Customer Name	Part Family	Business Unit	01 RR (\$'s)	02 (\$'s)	Surge (\$'s)	Grand Total (\$'s)
Amie Vance	GE AVIATION MATERIALS LP	JT9DHPTBLADE01ST STAGE	TOS	\$ 771	\$ -		\$ -
		JT9DHPTVANE01ST STAGE	TOS	\$ 76,431	\$ -		\$ -
		JT9DLPTVANE03RD STAGE	TOS	\$ 257	\$ -		\$ -
		JT9DLPTVANE06TH STAGE	TOS	\$ 4,594	\$ -		\$ -
	GE AVIATION MATERIALS LP Total			\$ 82,054	\$ -		\$ -
	GE ENGINE SERVICES - DALLAS, LP	CFM56-2HPTBaffle Seal	TARO	\$ 63,900			\$ -
		JT8DLPTVANE02ND STAGE	DARO	\$ 43	\$ 43		\$ 43
			TARO	\$ -			\$ -
		V2500 A5 1B	NHARO		\$ 82,095		\$ 82,095
		V2500 A5 1V	NHARO		\$ 32,838		\$ 32,838
		V2500 A5 2B	NHARO		\$ 265,185		\$ 265,185
		V2500 A5 2V	NHARO		\$ 87,262		\$ 87,262
	GE ENGINE SERVICES - DALLAS, LP Total			\$ 63,943	\$ 467,424		\$ 467,424
	GE-CELMA	JT8DHPTBLADE01ST STAGE	TARO	\$ 8,126	\$ 28,800		\$ 28,800
			TOS	\$ 29,580	\$ -		\$ -
	GE-CELMA Total			\$ 37,706	\$ 28,800		\$ 28,800
	General Electric Houston	CF6-80C2HPTShroud/Duct Seq01ST STAGE	TARO	\$ 65,618			\$ -
		CF6-80C2HPTShroud/Duct Seq02ND STAGE	TARO	\$ 16,286			\$ -
	General Electric Houston Total			\$ 81,903			\$ -
	Honeywell	331/731 COATING - GARRETT	TARO	\$ -	\$ 540,000		\$ 540,000
	Honeywell Total			\$ -	\$ 540,000		\$ 540,000

Sales Pyramid



Strategic Integration Model



Beliefs, Mt. Laurel

- This area is investible for growth
- Business case drives growth not office size
- Timing is now to cross the river
- We have the customer contacts to cultivate
- Work follows the address
- Regulations drive our environmental work
- Development drives our water and geotech and enviro work

Beliefs, Ithaca

- We have the customer contacts to cultivate
- Regulations drive our environmental work

Perspectives on Pricing for Growth

- Lower multiplier projects/clients can fuel growth at reasonable profit.
- Reduced BE multiplier
- Reduced BD/acquisition cost
- Utility clients expect 2.7-2.9 multiplier
 - are higher multiplier clients out there?
 - Labor cost different by region
- To grow geographically need to invest in people/offices
- Higher utilization (70%) drives profit
 - Solid base of fee
- New staff and new projects
 - Level and location
- Lower risk/better payment terms
- Less write-offs

DECISION SCOPE PYRAMID

What is the Customer **Decision** we are trying to affect? What's the **Scope**? Who has a **Role** in this decision?

DECISION: to

Strategic Responsibility

DECISION: (How) to

O

E's

DECISION: to

I's

ISSUES:

CUSTOMER DECISION GRID[®]

Where is the Customer in **their Process**? (Map *History*, *Current Status* and *Preferred Future* on grid.)

STAGES OF THE DECISION-MAKING PROCESS						
	RESEARCH	CONCEPT	STRUCTURING	DECISION	IMPLEMENTATION	EVALUATION
OWNER + 0 -						
EVALUATOR + 0 -						
IMPLEMENTER + 0 -						

Time Frame

- - - - -

ISSUES:

FACTORING

What **Factors** need to be managed to affect their decision? (Consider All *Factors*, then select priority focus.)

Customer: _____ Product(s): _____
Time Frame: _____ Application: _____

Decision: _____

CURRENT STATUS	DECISION POINT	PRIORITY
Content for the table body will be placed here		

SALES VOLUME:

\$



ISSUES

PRODUCT MIX: (Penetration, Contribution)

%



ISSUES

STRATEGIC VALUE: (Implications, Positioning)



ISSUES

NEED: (Perceived Value)



ISSUES

FUNDING: \$



ISSUES

BUSINESS COMPATIBILITY: (Plan, Policies, Practices, Pricing)



ISSUES

PRODUCT FIT: (Needs — Feature Compatibility)



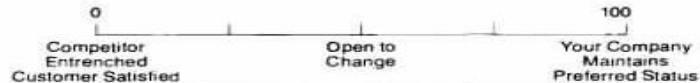
ISSUES

CUSTOMER RELATIONSHIP: (Rapport, Credibility, Trust)



ISSUES

COMPETITION: (Alternatives)



ISSUES

CONDITION

STRATEGY RESOURCES

What **Strategy Resources** are required to manage these Factors?

[illegible]

GAPS
NEGATIVE
POSITIVE

SKILL RESOURCES

What **Skill Resources** are required to manage these Factors?

Personal Resources					Message Design		Communication Skills										
PER.	MFG.	CONT.			FEATURE SELECTION	BENEFIT INTERPRETATION	QUESTIONING	LISTENING	BENEFIT STATEMENT	REIN-FORCING	ASSURING (EVIDENCE)	MANAGING OBJECTIONS	CLOSING				
							MEETING DESIGN										
							Cust.	Q	P	Q	P	Q	P	Q	P	Q	P
							YOU	Q	P	Q	P	Q	P	Q	P	Q	P
							What Actions are required to implement our strategy?										



Welcome

GEI's 2011

Business Development Workshop

Money, Work and Building My Future

Today's Purpose

To gain increasing control over our financial and professional futures

In a way that generates a unified perspective on the economic engine called GEI

So that we will be able to exercise more choice over our daily work habits and increase participation in business development.

Products

- Linking daily work habits to my retirement account
- Plan for turning our contacts into sales
- Decision to get involved in business development
- Personal vision on career growth
- Unified roadmap to revenue growth
- Tutorial on selling, GEI products
- Description of changes to the way we work that will improve customer satisfaction, secure more sales and improve profitability
-
-
-

Why this , why now?

- Thoughts:
- 2020 Vision: Cool and challenging projects that will attract great talent and clients. To do this we show that we are relevant through revenue growth of 10-20% per year.

The future
creates the present
against a backdrop of
the past.

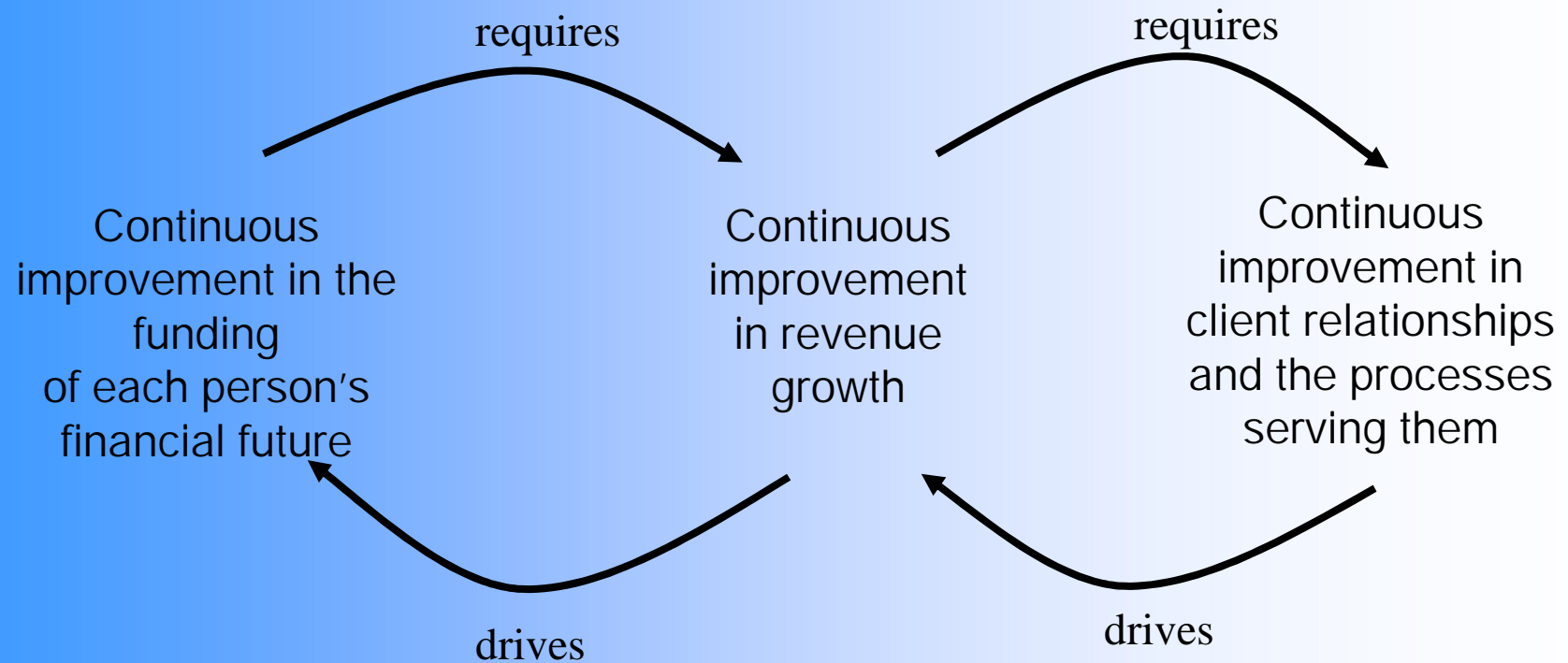
Our Future in Ithaca

Our Future in Monte Claire

Our Future in NJ/PA

- Infrastructure
 - Plotter
 - Expand the NJ office
 - PA office address
 - Acquire senior market talent that would support the case to open the office
- Personnel
 - PM capacity...each current employee steps up
 - Junior staff capacity grow by 7
 - Add geotechnical practice leader 50% pre-loaded
 - More frequent involvement with Atlantic Hdqtrs
 - LSRP person
- Regional expansion
 - DC
 - Maryland
 - Delaware
 - PA

The GEI Financial Engine



Premises

There are no victims at GEI; management is not solely accountable for generating work.

As a collective, we are accountable for generating our salary and our future.

I am accountable for financing my retirement years.

Future work is based on today's reputation earned through current work.

It is possible to have a 30yr. career at GEI and retire with almost \$1M in the bank.

Three Possible Futures

Let's play:

Spend what's earned and bank on Social Security and inheritance

Let's plan:

401K, 30yrs., \$60K/yr salary, 8% investment return, company match

3.5-5% of salary company contribution to 401K...based on profit

\$250/bi-weekly withheld

\$6000/yr withheld

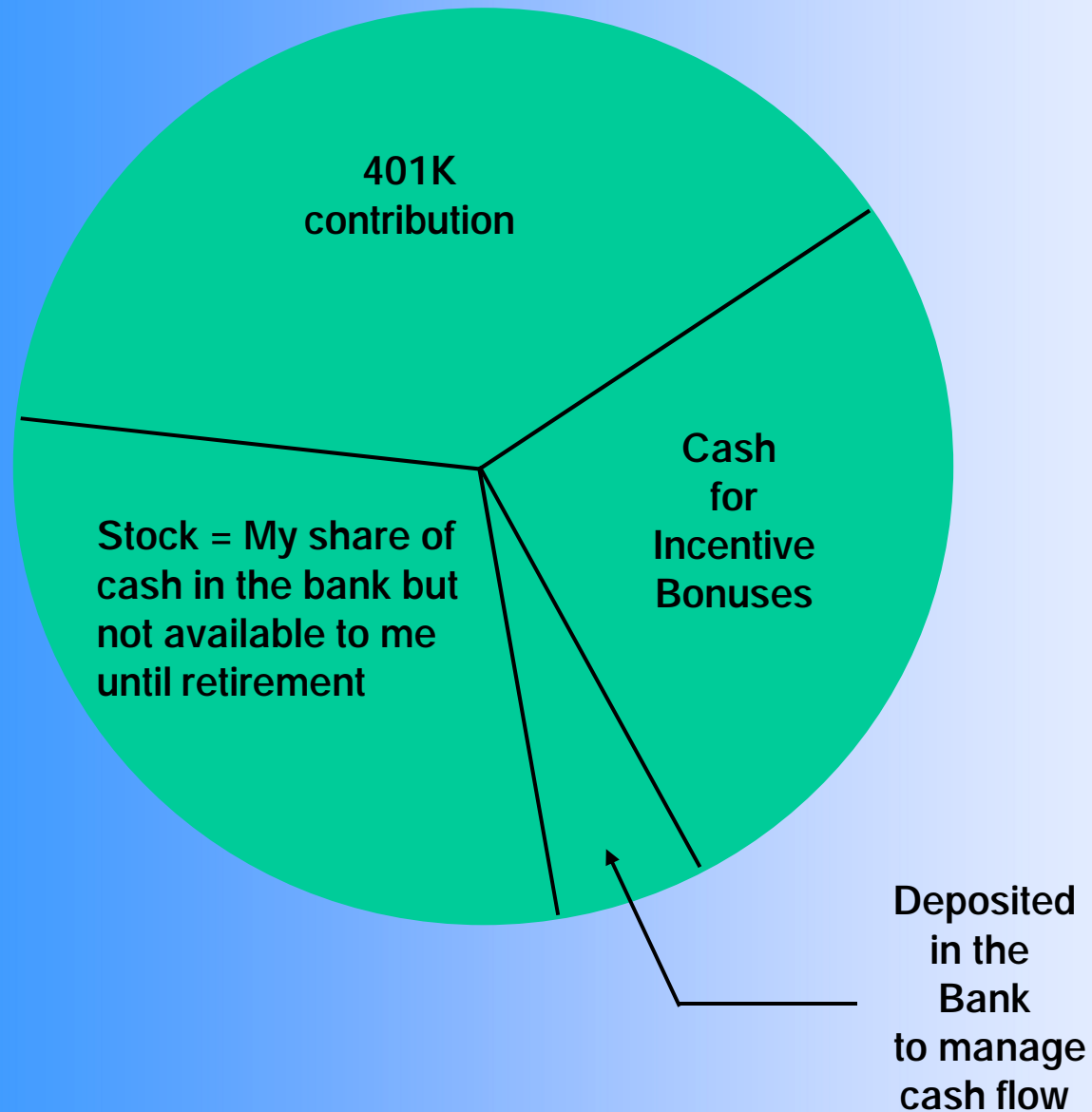
\$2400 company contribution

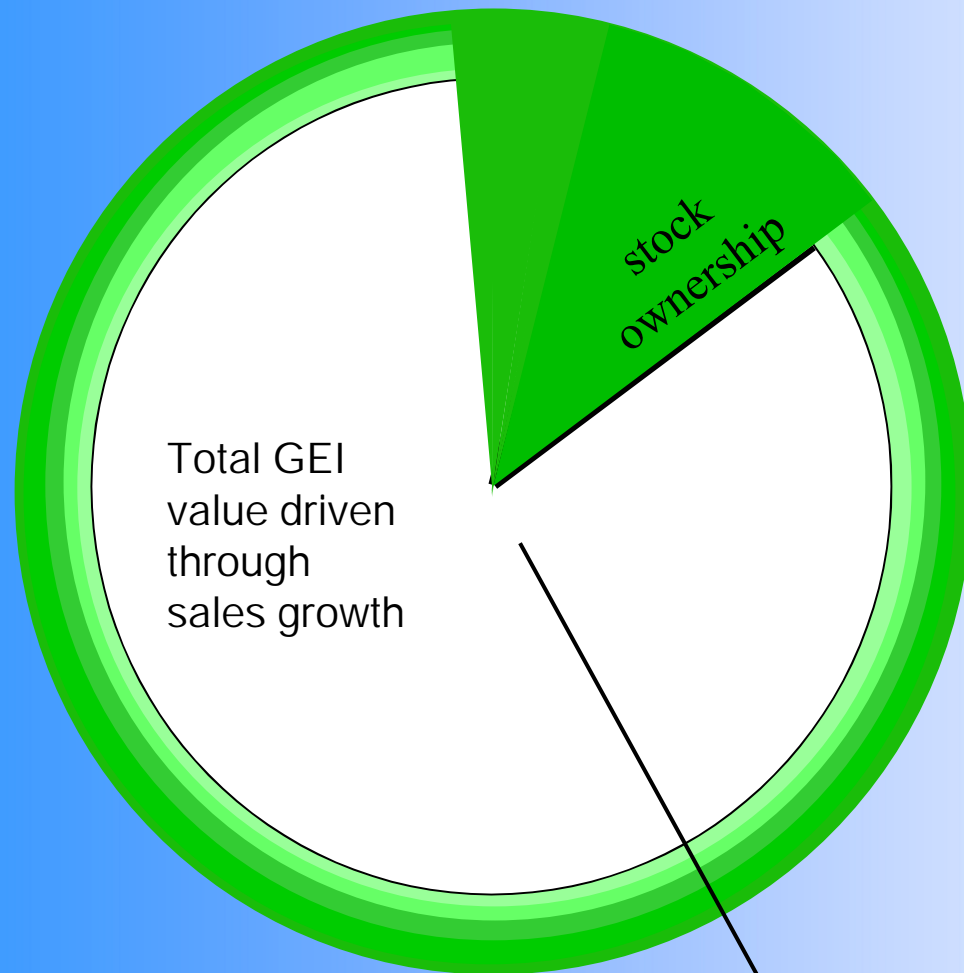
RESULT: \$976,222

Let's charge hard:

Proved myself worthy to be a partner, personally buy
shares in the company and fully contributed to the 401K

What happens to the earnings?





If you choose to be the “planner” or the “charger” your wealth grows as the value of the company grows.

401K increasing contributions

Competencies for Growth

- Experienced in the industry
- Generates business
- Client service & relationships
- Management work
 - Technically recognized
 - Setting tone and direction
 - Advocates the GEI agenda
 - Talent scouting and talent development

Based on input by GE Board of Directors, edited by OTC

	Junior Associate	Associate	Sr. Associate	Principal	Sr. Principal
GEI Tenure	2 years, possible 6 months to 1 yr for senior recruits.	2-4 years, possible 6 months to 1 yr for senior recruits.	4-6 yrs, possible 6 months-1 yr for senior recruits.	6-8 yrs, possible 6 months-1 yr for senior recruits	10+ yrs, possible 6 months-1 yr for senior recruits
Industry Experience	8-10 yrs	8-10 yrs	13-16 yrs	20-25 yrs	25+ yrs
Responsibility Level	Grade 5/6	Grade 5/6/7	Grade 7/8/9	Grade 8/9	Grade 10
BD Contribution	Provides work to support 1 staff - \$100K - \$200K. Manages small to medium proposals.	Provides work to support 3-4 staff - \$300K - \$500K. Direct client relations. Directs proposals. Source of leads.	Provides work to support 5-6 staff - \$800K - \$800K. Major contributor and key strategist involved in GEI wide planning.	Provides work to support 8-10 staff - \$1.0M - \$1.3M. Responsible for regional/national BD programs or major clients. GEI strategic planner.	Provides work to support 10 - 12 staff - \$1.2M - \$1.5M. Responsible for regional/national BD programs or major clients. GEI strategic planner.
Client service/relationships	Primary service/BD contact for 1-2 existing clients.	Primary service/BD contact for 3-6 existing clients. Secure repeat work and develop some new clients.	Primary service/BD contact for 4-7 existing clients. Secure repeat work and develop new clients. Recognized by client as leader. Industry manager.	Primary service/BD contact for 5-10 existing clients. Develop new clients. Manage large projects and programs. Recognized by client as leader. Industry manager.	Primary service/BD contact for 7-10 existing clients. Develop new clients. Manage large projects and programs. Recognized by client as leader. Industry manager.
Business management contribution	Manages project budgets, schedules, collections, client contacts to meet business unit goals.	Manages project budgets, schedules, collections, and client contacts. Contributes to business unit plans and mgmt. Helps others contribute to business unit and GEI goals.	Manages branch, division, or program. GEI-wide impact and interests.	Branch or company wide operating unit manager supporting overall GEI or manages very large clients.	Branch or company wide operating unit manager supporting overall GEI or manages very large clients.
Recognized for technical leadership in industry	Participates in professional or technical societies. Prepares 1 technical paper/yr.	Working to become tech expert in area valuable to GEI clients. Writes and delivers papers, seminars, and short courses.	Lead local/reg/nat business/tech group. Min 2 presentations/yr to industry or client groups. Invited presenter to industry/client groups.	Recognition by peers and clients. Writes and delivers papers, seminar, short courses.	Recognition by peers and clients. Writes and delivers papers, seminar, short courses.
Leadership	Tech/project leader w/established tech/bus. expertise. Active in division bus planning and implementation.	Tech/project leader w/established tech/bus. expertise. Key leader in division bus planning and implementation.	Recognized leader by staff of several branches. Leads operating unit.	Leads across branches/op units. Recognized company-wide.	Leads across branches/op units. Recognized company-wide.

Criteria to Assess a Consulting Firm

Criteria to assess consultant

Business risk determinants

- Market reputation
- Sector of operation
- Project quality track record
- Human resources quality
- Quality of design systems
- Project composition and size

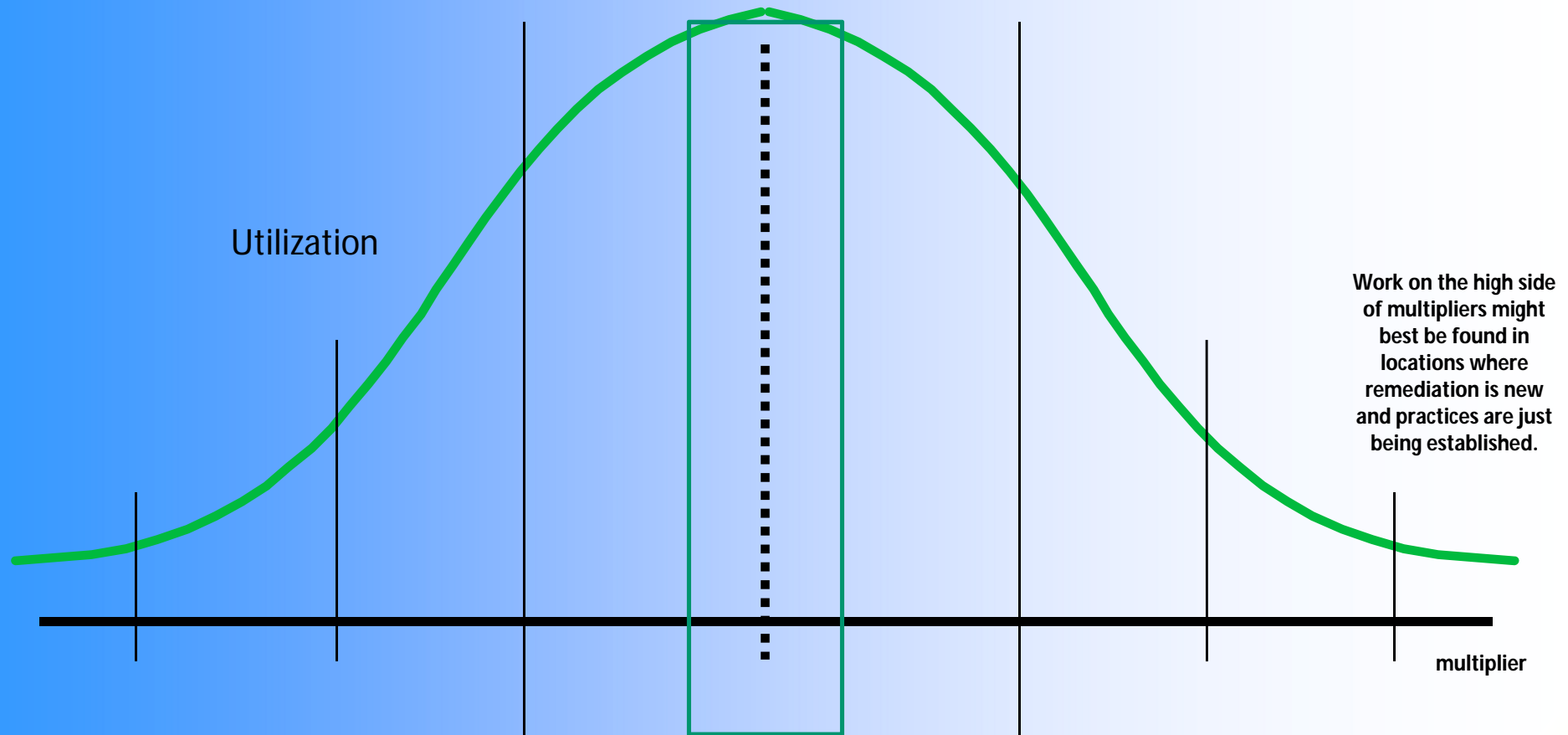
Financial risk determinants

- Financial flexibility
- Liquidated damages exposure
- Insurance cover

Distribution of multipliers

Low to high

3.15 Multiplier → 24.5% profitability



Traditional zone of acceptable multiplier variation

Premise:

- Utility work is shifting to the left
- Utility work is shifting to Master Service Agreements (MSAs)

Our challenge is to put together a balanced portfolio of projects

Profitability

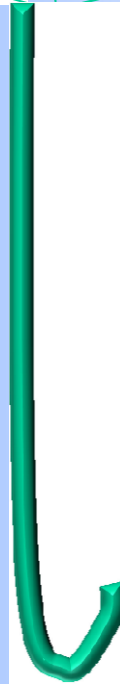
Hourly Rate
(staff mix)

Multiplier
(organization efficiency
+ profit)

Utilization

$$3.15 \times 0.65 = 2.04$$

$$2.9 \times 0.70 = 2.03$$



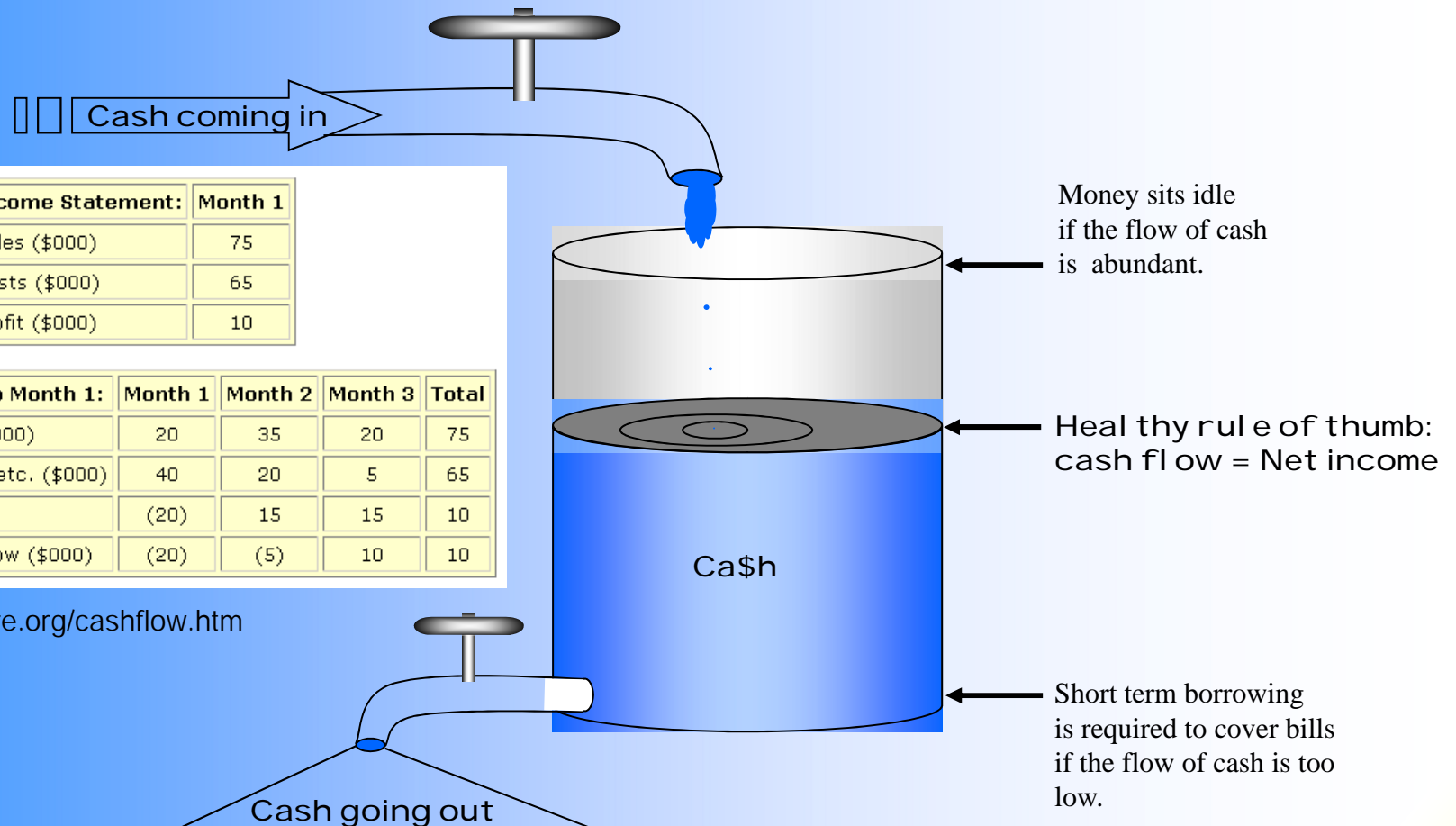
Premises:

- Continue quality service to existing clients to maintain and harvest additional work (AGL, JCP&L, and SJG)
- Identify top 3-4 existing client contacts and actively pursue new work (NiSource, Liberty Properties, WCD, Cozen)
- Find senior consultant looking to join GEI and create PA expansion
- Continue and grow our outreach and GEI exposure at conference, business groups, etc.
- Schedule current and potential client meetings and track progress
- Development of NJ regulation educational sessions (internal and subsequently external) to address major changes forthcoming
- Sediments are in our future; this is the natural evolution of the work.
- Clients are better served when we manage them as a portfolio of projects with a consistent approach vs. individual projects with varied approaches.
- Client contracts are moving to look like National Grid with converged contractors.
- Clients with established procurement groups and long history are moving toward MSA's with competition based on rates/multipliers.
- Winning MSA's with large utility companies is a consultant annuity!
- Growing beyond where we are today will require some changes in our current patterns of behavior (culture).
- "One face to the customer" requires individual office practices to merge into one GEI practice.
- When we say growth, it means increased people...either from new hires or improved utilization.
- While current large clients with sales >\$3M target ~ 2.9 and 68%, clients <\$3M may require 2.8 and 69% and entry into new clients may require 2.8 or less.

Financial Mantras

- Don't borrow to cover buy-outs or operating expenses.
- All headwind is offset
- No sales without earnings
- No earnings without cash

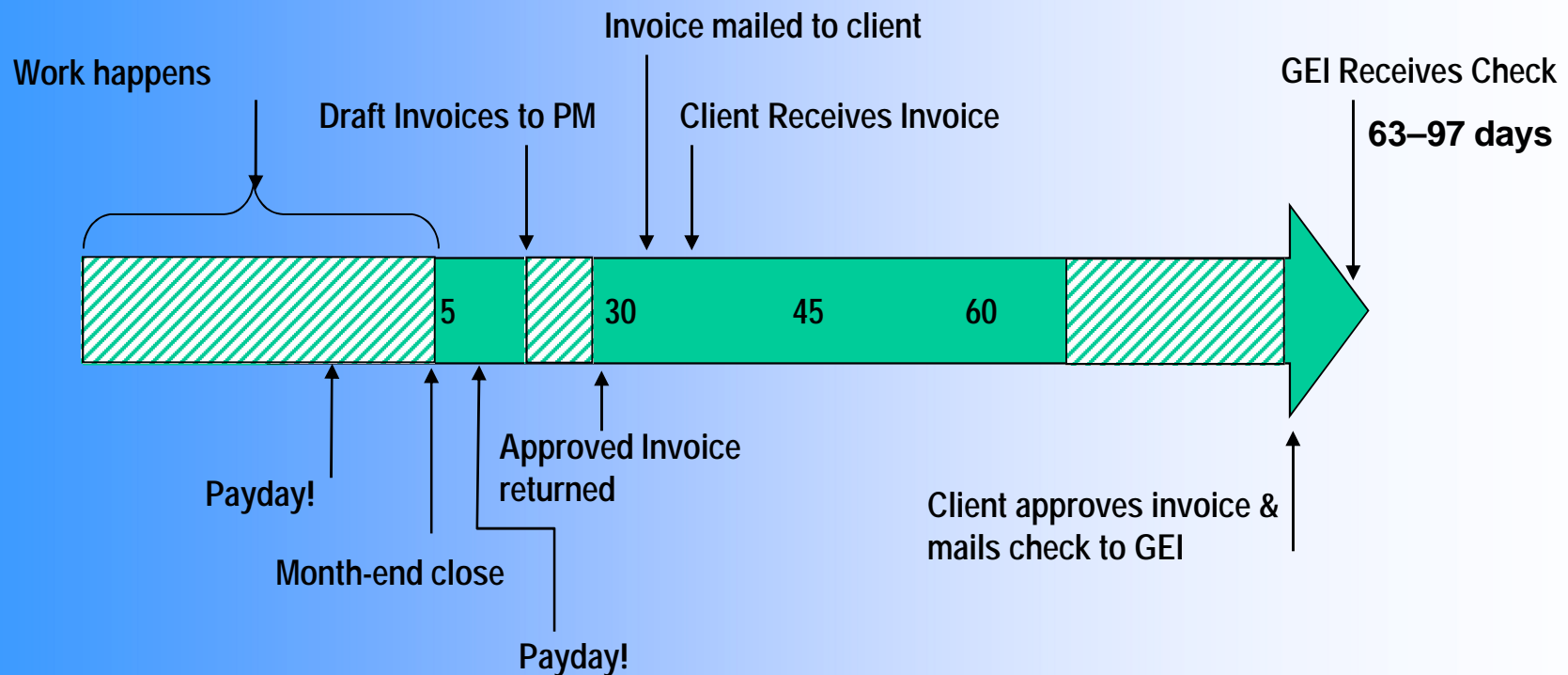
Getting Money in the Store...Cash Flow



<http://www.planware.org/cashflow.htm>

GEI Project Financial Metrics Related to Cash Flow

How long does it take for your time to be converted to cash?



Implications of “what I need to sell”

- To drive the multiplier down we must increase the utilization rate.
- Increased utilization rate results in:
 - Changing the staff mix
 - More lower level people at a higher utilization rate
 - Stable higher grade level utilization
 - Need high volume of work to keep lower level staff highly utilized

Question

What is the current
paradigm around
sales accountability?

Selling

DO YOU NEED A PERSONALITY TO SELL?



- Know why you are unique. Claim
- Know your heritage of great projects. Brag
- Know the sweet-spot of project size. Scope
- Know how to stay current. Relevant

Bragging Rights

- Excavation stabilization for the US Capitol's Visitor Center
- Re-lining The All American Canal
- Big Dig in Boston, tunnel jacks as seen on Discovery Channel
- World Trade Center, vibration monitoring of adjacent buildings and secant walls
- Bay Shore O^2 and O^3 treatment system
- Listed as a Top-10 water resource engineering company

Bragging Rights

- Queen of Brownfields: Sue
- King of Levies: Ray
- Emperor of Deep Foundations: Bill Walton
- King of MGP: Dennis
- The Nose: Roy Derochers
- Pavement Prince: Ron Palmieri
- Vicar of Vibration: Peter Heynen
- Guru of ground improvement: Mike Walker
- Duke of Dams: Steve Verigin
- Pharaoh of flood control: Naser
- Wizard of Water Resource Planning: Naser

Claim: We know the critical success factors to be successful and it is more than straight engineering and technical knowledge.

Selling Survey

BELIEFS ABOUT SALES PROFESSIONALS

Belief	Living to the fullest?			
	25%	50	75	100
1. My potential is limited only by my imagination.				
2. There are more opportunities for good salespeople today than ever before.				
3. Selling today is based on relationships. It is more mental and emotional than technical.				
4. Top salespeople are ambitious...they see themselves capable of being the best.				
5. Top salespeople are courageous...they face the fears that hold most people back.				
6. They are totally committed to their work...to their companies, their customers, and to themselves.				
7. They are professional...they see themselves as consultants and advisors to their customers.				
8. They are prepared...they review every detail before every sales meeting.				
9. They are lifelong learners...continually reading, listening and taking additional training.				
10. They are responsible...they see themselves as the President's of their own professional sales corporations.				

Beliefs about Selling

- Customers need to buy from knowledgeable people and the knowledge needs to be given-out in user friendly manners.
- Customers want help from knowledgeable people but buy based on other criteria.
- Good data increases forecasting accuracy (ours and theirs).
- We bring value to the customer through our knowledge and data when it is brought to bear to improve their processes.
- Understanding the customer comes first, product knowledge comes second (buying process takes precedent over selling process).
- Professional selling is about helping the customer meet their “bottom line” needs.
- Commitment (expectation management) + performance = trust. Joint creation of expectations and performance...
- Proving performance before the “buy” is a selling strategy which allows an easier paradigm shift.
- Personal and corporate credibility model...
- A direct correlation exists between relationships and sales.
- Listening to the customer takes precedent over talking.
- We do business with people not companies.
- Without differentiation we become a commodity product.

36 Biggest Mistakes of Salespeople

Robert Kahn

- 1
- 2 Coming back with the same old pitch
- 3 Ignoring the customer's customer
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13 Selling without customer knowledge
- 14
- 15
- 16
- 17
- 18
- 19 Running with the pack
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27 Underestimating sales training
- 28
- 29 Crying instead of creating
- 30
- 31 Selling technology instead of benefits
- 32
- 33 Not using the "you" element
- 34
- 35 Ignoring customer goodwill
- 36 use presentation aids

A.D.'s Philosophy about Selling

Purpose of Selling:

To optimize matching the customer's requirements with your company's capabilities

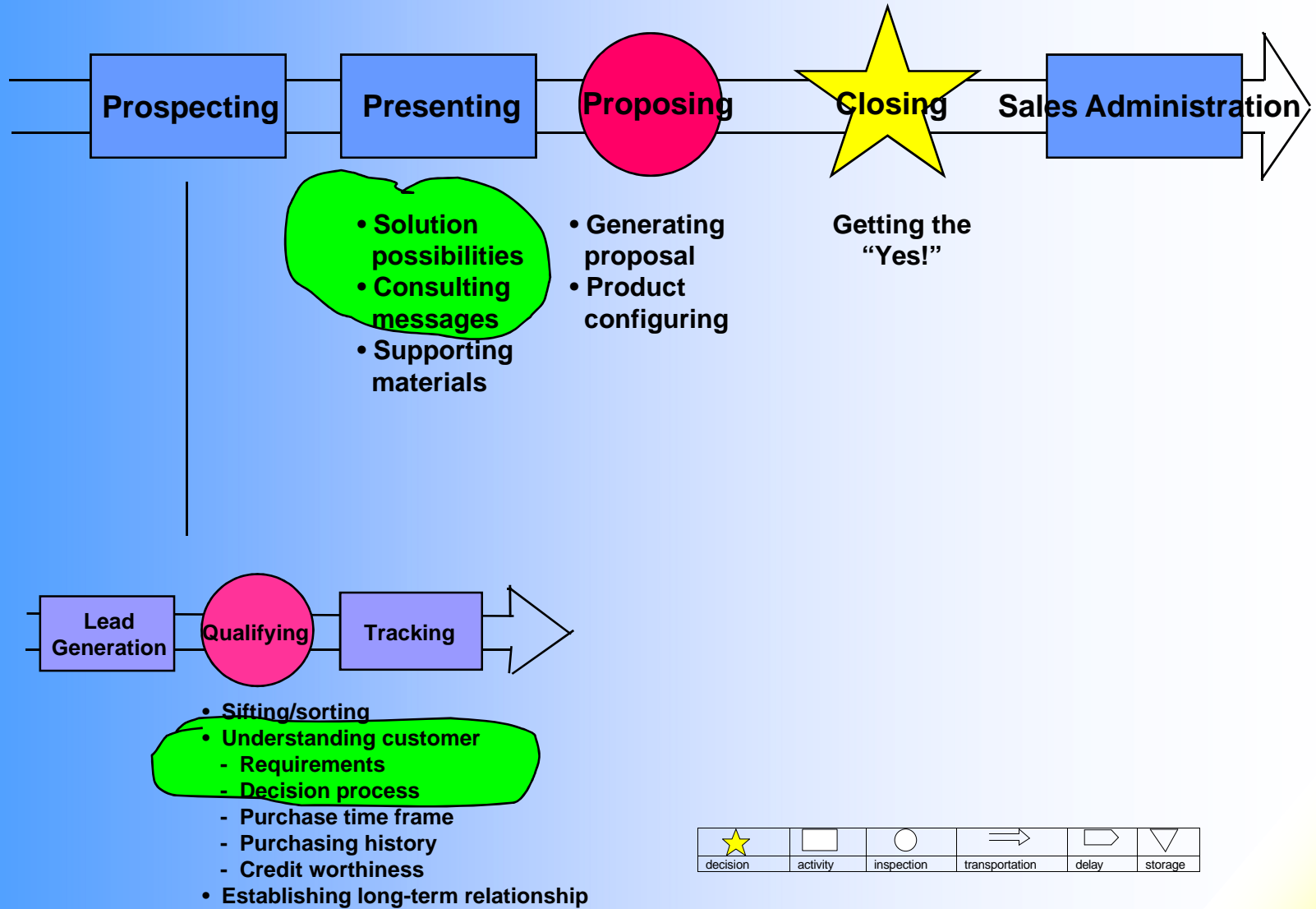
In a way that gets the "Yes!"

So that the customer ends-up happily involved with your product.

Products:

1. A sale
2. The customer as a client
3. Mutual understanding
4. Benefits realized by customer

Flowmap: Selling

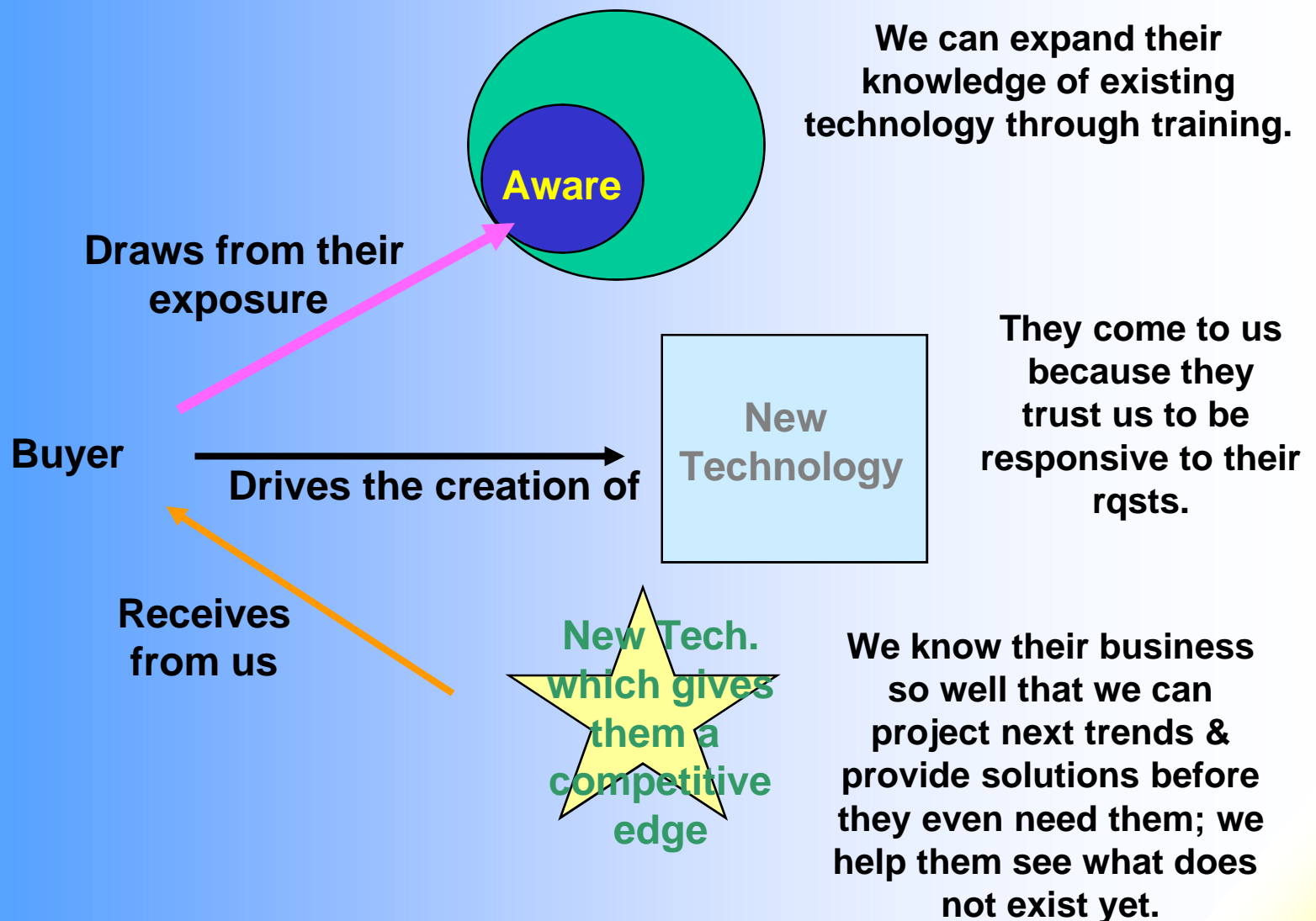


7 Laws of Expectations

-Bob Miller

1. When expectations are not matched, someone is in a losing situation.
2. Nothing does more to misalign than assuming "the customer is always right."
3. The customer always expects us to do what we say or imply.
4. Exceeding expectations only can be accomplished after you do everything promised or implied.
5. Exceeding expectations is doing something the customer is not expecting you to do.
6. Exceeding expectations can be a +/- situation; if the 1st law is broken, expectations must be realigned.
7. What a customer can anticipate, they will come to expect.

The Buyer's World



Political savy
Politic: Greek, citizen

Sagacious in promoting a policy; ingenious in statecraft; also, of measure, plans, etc. shrewdly contrived, esp. with regard to self-interest. Artful in address of procedure; worldly-wise

Sagacious: keen in sense perception, esp. in scenting;
Of keen penetration and judgment; discerning and farsighted in judging men, motives and means;
shrewd

30 Second Impression

Image Management

Target Audience	Image Desired	Why?	Metrics of Success	Current Perception	5-Why's to Root Cause	Messages We Must Send	"Medium" to Send Messages	Actionable Items

The Power of Reframing

From

What is YOUR “if only”? Reframe it!

To

‘If only I had enough money.’

‘I haven’t figured out how to find new sources of money.’

‘If only I had business cards.’

‘I haven’t made getting cards a priority yet.’

‘If only my goal was achievable’

‘I don’t have my goal broken into doable steps yet.’

‘If only I had enough resources’

‘Given my commitment, I need to adjust how I spend my resources.’

What is our product?
What am I supposed to sell?
How much do I sell?

**Drive on to
Excellence**