

Financial Management: Do Your Marketers Have the Training?

Financial training is a must for your marketing team to succeed in the changing competitive climate

Architects and engineers, whose job it once was to be as billable as possible, find themselves continually thrust into the business development world. Not only are they responsible for the quality of the deliverable, they must be a part in the procurement of work—the “seller-doer” model. The emergence of the dual role of professional service employee is never more prevalent than it is today, as firms have struggled to survive with limited resources in the poor economy.

A new dual role for marketers

As the economy begins to change, marketers will have to evolve their skill set even further, to include finance and accounting, for their firm to effectively procure work. The new role of a professional services marketer will be that of a “fiduciary marketer,” a cross between a left-brained accountant and a right-brained marketer.

In the new professional services ecosystem, gone are the days of marketing making collateral and entertaining clients while increasing overhead costs blindingly. Marketers must adjust their skill set to survive—understanding and monitoring both the hard and soft costs of their initiatives and how it will affect the firm’s financial performance. They must ultimately have a measure of accountability in the firm’s financial well-being.

Knowledge *and* understanding are vital

In good economic times, business is procured mainly through relationships, while in tough times it is acquired through your skill sets. Individuals and firms who cannot articulate to their clients the return on investment by using your firm’s services will not survive in the new ecosystem. Having a prior portfolio will give you credibility, but the ability to speak “numbers” to your client, to foster not only knowledge but understanding, will be the model going forward.

Knowledge and understanding are two completely different animals, and until now, only knowledge was of importance in a marketer. Understanding is the ability to relate that knowledge and customize it to his or her client’s needs. See the difference in the following example:

- **Knowledge:** “Studies show that LEED silver typically will reduce your energy costs by X percent each year. Having solar on the building will help that goal along in the pursuit of LEED silver status. There may also be additional tax benefits as well.”

- **Understanding:** “By going LEED silver on this project, you will reduce your energy costs by X percent. This may increase your upfront cost but reduce the operating costs as a whole. If you intend to hold on to the property for more than 5.2 years, which is the cross over point, then this would be a good investment. Also, by having solar on the building, now you can take advantage of the 30 percent federal grant and some advanced depreciation methods for that portion of the project. This will serve as a depreciation tax shield, saving you money on your interest expense for the next few years and as a good selling point of the building should you choose to sell it off from your portfolio.”

Financial training leads to internal and external success

Having an understanding of finance and accounting will help them both internally and externally with clients. By being able to speak the language of business (accounting and finance) better, marketers will be able to foster a more cohesive relationship with their clients. In addition, they will increase their worth internally through true strategic thinking of how their marketing initiatives will impact the bottom line. Until now, dual roles have been spoken about in regards to technical positions learning marketing. However, now is the time for the emergence of another dual role within the professional services ecosystem—the fiduciary marketer. ■

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