- The local associate may be a valuable team member under the right circumstances. The international vice president should decide whether it is appropriate for the associate or your person on the scene—or both of them—to take part in the presentation. If the associate is comfortable with the role, incorporate him into the team and at least introduce your representative at the meeting with the client. It will be a great asset if your associate can be a meaningful member because perhaps no one else speaks the client's language.

Preparing for the interview in a foreign country may seem like a simple task. However, there is much to learn from watching the preparations of a traveling circus or a professional athletic team. The interview team should be self-supporting, except for food and lodging. If there are slide and film presentations, the projectors should be carried along. There should be no doubt about the voltage and frequency of the electric supply or the type of outlets. An emergency kit with European adapters, multiple plugs, tape, fuses, fuse wire, extension cords, flashlights, transformers, extra projection lamps, slide holders (carousels or trays), and basic tools should be assembled. Many good presentations have never been given abroad for lack of a spare projector lamp.

If large photographs, renderings, and sketches are part of your show, some thought should be given to their display. Some international architectural and engineering firms use demountable "wall" made of aluminum pipes and canvas, which can be erected in a presentation room to hold displays and a back projection screen. There is much room for ingenuity and thought in preparing for the interview. No one on the team should need to say, "But I thought you brought the extra projection lamp." All this gear should be packed in metal trunks or wooden boxes for shipment, with due regard to the size of aircraft cargo hatches. Reservations for cargo space, as well as passenger seats, should be confirmed before selecting a carrier.

Slide presentations should be carefully edited to fit the known or estimated attention spans of the prospective client. The program should be structured in ten- or fifteen-minute segments, with the basic program planned to take not more than forty-five minutes. This allows time for questions and discussion. It also gives your client the option of extending the program, rather than subjecting you to demands to "speed up" or to being cut off summarily when the prince has to leave.

Every slide presentation should have a script, listing the numbers and titles of the slides. This script should be packed along with the slides, and a copy given to the presenter and the logistics manager. The reasons are obvious. The slides might best be packed in carry-on luggage so that if things get out of hand, a slide projector may perhaps be borrowed or rented when you get to Mogadishu, Somalia, but your baggage doesn't.

There have been some great presentations made in an impromptu manner by the legendary gurus of the design profession. Having been present at a few of these performances which resulted in contract award is a witness to that fact. But for every such event there may have been twenty poor presentations and several where the unfortunate victims have been summarily chased off the stage. Every presentation should be carefully organized in a thoroughly professional way to project competence and understanding of local culture.

Besides formal presentations of experience and capacity, there is room on the program for a low-key presentation by the team leader about the design philosophy and the approach to

obtaining the input of the client's staff. Some carefully chosen success stories from past experience may serve to convince the review board that yours is the only team they should select. Beware of extemporaneous discussions "off the top" of someone's head. Beware of unwittingly wading into delicate areas in unplanned discussions. Even seemingly innocuous trivialities may turn out to be sensitive politically or culturally. So it is prudent that even "extemporaneous" remarks be prepared and checked by your local associate. The following successful interviews illustrate the preceding points:

- A presentation for planning a mining town in the interior of Colombia called attention to the goal of making the town attractive to the inhabitants and thus reducing employee turnover. The daily routine of the various levels of employee—supervisory, technical, and skilled labor—was set forth in detail, as well as the routine of the families. Amenities popular with the culture were to be provided for in the communities. The local style of architecture was emphasized, and sketches of tropical style housing were presented. Members of the team with experience in planning, building, and living in company towns spoke in an "extemporaneous" manner to the client's group of seasoned international executives. Professional design experience and references were hardly mentioned, because these items had been covered in the pre-qualifications submission. *Result: interview successful.*
- At an interview with a U.S. government agency concerning a military academy in a Middle East location, the architectural and engineering team was led by a senior partner of the architectural firm who was professionally renowned as a designer of educational institutions. This man's enthusiasm for designing the facilities to achieve the client's educational goal was almost boundless. He had selected, a number of slides of completed projects to present to the board. In the process of showing them, however, he got so enthusiastic that he entered into an unplanned question and answer session with the board. Speaking in a conversational tone, this famous architect captivated the audience, including his teammates. The formal program was aborted, and following the architect's portion, the balance was reduced to conclude the presentation within the allotted time. *Result: interview successful.*
- An interview with the Ministry of Public Works of a Latin American country concerning a highway program came about while working on a similar design and construction project in Ecuador, which was being financed by the World Bank. Visiting Bank personnel knew that the a firm might be interested, and suggested that, in view of their performance, the Bank "would probably have no objection to their selection" by the second country for its highway program. In due course, their firm was invited to an interview. The team was small—only one of the senior partners, an environmental engineer who spoke Spanish quite well, and the proposed project manager, not truly bilingual but enthusiastic. The interview with the board of directors of the highway department, all of whom spoke fluent English, was conducted entirely in Spanish. The atmosphere was friendly but formal. The board asked to describe the role of the project manager in Ecuador, background in their country, and how the firm proposed to carry out the project if selected. The presenters were well prepared for this discussion and fortunate to have the background they were seeking, facility with language, and an understanding of the culture and environmental conditions. *Result: interview successful.*

• A Kuwaiti businessman with many interests wanted to talk about doing some design work for his headquarters. Besides being the world's largest Chrysler dealer, this energetic young jet-setter represented over three hundred foreign manufacturers in Kuwait. Meetings were arranged in VIP lounges in Rome, Paris, Zurich, and other places convenient for him on his travels abroad. A representative would "hold court" with ambassadors, jewelers, tailors, lawyers, and others, including consultants summoned to meet him between flights, usually late at night. In true *majlis* (meeting) fashion each conducted business intermittently in the presence of the others. Sometimes presentors felt fortunate to have ten minutes allotted to discuss the scope of design for his latest commercial building, apartment house, or factory. In keeping with Middle East custom, the Kuwaiti client's way of selecting a consultant and a project was based on "free samples." He would ask applicants to prepare (at their expense) a number of schemes, renderings, and scale models until he found what he liked. At that point, he said, he would be prepared to commission the presenting firm for the final design. At one of these midnight interviews, it was decided to give the shaikh the bad news: "When one of your Kuwaiti customers wants to buy a Chrysler Imperial, you let him try it for a while. If the customer doesn't like the car, you put it back in stock and sell it to someone else." A consultant could not put a rejected scheme back in stock to await another client. The effort represents a loss of time and talent, which are the only products a consultant has to offer. "We are sure you will be more interested and involved in your projects," it was pointed out, "if you are charged a fee for our preliminary work. Under these conditions, we will not be wasting each other's time." The jet-setter got the message and agreed to a cost-plus profit arrangement for all preliminary schemes. Once approved, a fixed-price design contract would be negotiated. *Result: interview successful.*

• Libya has been the site of many interesting interviews for selection. Perhaps the most unusual meeting took place when a presentation of the plans and construction estimates was made for various styles of housing designed for a new city. A reconstruction agency was appointed, headed by a former prime minister, to manage the project. The agency board of directors was made up of farmers and merchants, all of whom had lost their homes and shops in an earthquake. The fact that the board members spoke only Arabic and Italian governed the choice of presentation team members: two Arabic-speaking professionals and two who spoke only English and Italian. The presentations were quite elementary, because this group was unfamiliar with architectural drawings. Sketches, renderings, and scale models were used extensively. The board members liked to gather around the displays, engineers and architects would point out and describe the features in a very individual approach. Estimates of cost were shown in large numbers and letters—in Arabic, Italian, and English—in large flip charts, in Libyan pounds, Italian lira, and U.S. dollars. Sometimes even this approach required further simplification. During the presentation of the cost estimate, a heated discussion broke out between the council members. It developed that these farmers and merchants were having trouble relating the cost in local currency to anything of value. "What we really want to know," one of the board members asked, "how many sheep are we talking about?" The common denominator was the value of a sheep, a camel, or perhaps a hectare of farmland. Future presentations to this same group were structured to equate as many items as possible to readily understood units of measure. *Result: interviews successful.*

• Another incident highlights problems with selection interviews in different cultural environments. A consulting firm was engaged to study construction bids for the new city, to recommend the award, and to make a proposal for the supervision of construction. The low bidder for the construction contract was a state-owned Polish company, whose bid was about 30% under the next lowest bidder, a very competent Italian contractor. Analysis concluded that the Polish firm did not understand the project well and that it had no profit or contingencies in its bid. The need for "hard" Libyan currency motivated its low price, a fact which the Polish representatives freely admitted. The reconstruction agency board, used to negotiating for low prices in their daily life, could not resist the bargain. In fact, no matter how much the firm tried to explain their recommendation of the second bidder, the board could not understand why they did not want to take advantage of the low price. Finally the chairman asked, "Are you reluctant, or afraid, to supervise a contractor from a Communist country?" Their reply was that they had no fears, but they estimated that the agency would ultimately pay a price equal to that of the second bidder, because of claims and change orders. The construction contract was awarded to the Polish firm, and the consulting firm was awarded the contract for supervision of construction. *Result: interview successful.*
• Presentations to multinational companies can be difficult. A large architectural, engineering, and planning firm was selected to design some small company towns in the desert. The scope of work was quite explicit, but that did not deter the innovative firm. A very formal presentation was made to the client, with about twenty senior officers in attendance, at a small auditorium at headquarters. The lights were dimmed, the taped music began, and the multi projector slide show started. The presenter said something like "We have studied your needs and desires, and we think what you really need is this innovative solution which we propose." And on he went, describing the detailed changes to the client's proposed project. One by one the audience left the auditorium, and when twenty minutes had passed, there was no one in the room except the presenter and the client's project manager. *Result: no contract.*

Interviews and presentations are important events in the consultant's life. Selection often hinges on the image projected by the team and its leader. "If these people can't organize a good presentation of their own capabilities, how can one expect them to do a good professional job for us?" Clients are cruel—but they have their project at stake, perhaps the largest job ever attempted in their country, and they are looking for assurance.

After planning and design contracts are underway, the continuing success of the architect/engineer often depends on presentations. The examples cited have described successful and inept approaches used to win the client's approval and support.

It may be necessary to make presentations to heads of governments or high authorities in developing countries. Although this happens infrequently, it can be a traumatic experience as these two examples illustrate:

• At Monaco, a consulting firm planned a municipal project containing an auditorium for a symphony orchestra, a school of music and dance, rehearsal rooms, and a grab bag of public facilities (such as public baths) which needed a home. The project had no real scope of work—nothing was fixed except the site, which was too small. Sketch plans, scale models, and

architect's renderings were made and delivered to a person nominated by the prince as an intermediary. The client, or professional representatives, never attended a meeting. The intermediary related what he thought the client wanted and presentations were changes accordingly. After months of changes and waiting, the project was canceled. The client paid the fee, but there was no professional satisfaction in this remote relationship.

- In Saudi Arabia a consulting firm was short-listed for a classified (security) project, along with three other firms. All communications concerning the project took place in person and usually in the presence of the competing firms, which were given the scope of work and asked to compete for selection. Preliminary plans, sketches, and a scale model of the buildings and the entire site were to be presented to the client in Riyadh. Each consultant was given a separate room to install his exhibit, and on the appointed day each made a presentation to the client's project manager. These presentations completed, the client waited for a few days before he announced that a selection board including several princes was being formed and that competing firms would be notified of the final presentation. After several more days of delay, the firm was advised that it was scheduled for a 2 A.M. presentation to the jury of princes. At the appointed hour the jury and retinue appeared, complete with incense pot, two princes, and several generals. The presentation was programmed for about forty-five minutes. The meeting started with no introductions but an announcement that the princes had a very full schedule (at three o'clock in the morning) and that the presentation should be cut to about twenty minutes. The firm started its slide show, with architect presenting the project in English. Very soon a general seemed to become nervous, and he gave the "double-time" signal to speed up the program. At the conclusion of the slide show, the jury was invited up to the site model for a guided tour of the project. It then turned out that the site was across the highway from the palace of one of the princes, and the jury got very interested. They spent almost an hour talking about the site. There was an unlabeled facility directly across from the palace, and the architect made an instant revision to the project. Instead of being a "wastewater treatment" plant, the unlabeled installation became a "water treatment" plant. The firm never did get introduced to the jury and have no way of knowing if they had been told its identity. Shortly after the consultant returned, the firm was advised that the project was indefinitely postponed. *Great experience; unsuccessful presentation.*

A competition is another kind of presentation that is very popular in Europe. A consulting firm was entered into two contests and won a prize in each. The first competition was for a headquarters building for Saudi, the Saudi Arabia national airline, in Jidda. There were first and second prizes in cash, with the first-prize winner also winning the commission to design the building. In addition, pre-qualified entrants were given two first-class round-trip air tickets from their home office to Jidda.

The terms of the contest were well defined. The type, number, and size of drawings were spelled out, as well as the scales to be used. There was to be a design analysis in English and Arabic and a scale model whose maximum dimensions were given. The firm estimated costs to enter and decided to take a chance. A competition team was selected, comprised of the project architect with experience in design of structures for the Moslem culture and an Arabic-speaking engineer. A respectable entry was designed, and renderings and display drawings completed. A beautiful scale model, with shipping case, was built by the Italian model makers. The firm

representatives embarked for Jidda full of pride and confidence. The first shock occurred when they assembled at the Beirut airport. About twenty teams, identifiable by tubes of drawings and model cases, were waiting for the Jidda flight! Many were old friends or acquaintances, and the representatives soon met all the competition who were on the flight. It appeared that many of the prestigious architectural and engineering firms in the world would be represented.

In Jidda, it was found that the exhibition of the entries would be in a new airport terminal not yet in use and that each entrant had been assigned about 60 square meters of floor in which to arrange drawings and model. After a week on the scene, the firm's entry was awarded second place, tied with another American firm. The first-place winner, a small Italian architectural office, had submitted an entry that was a model in gamesmanship. Practically complete working drawings for the curtain walls of glass and asbestos cement panels, the doors and windows, and the interiors were displayed. These drawings, apparently furnished by suppliers, were complete with specifications. It appeared that the project could be built from the documents on display. It was learned much from this competition. The money, from tying for second, may have paid 25% of outlay. *Presentation unsuccessful, but great lessons learned.*

There are special clients in the international market who follow stereotyped forms of selection interviews. These include the U.S. Navy Facilities Engineering Command and the U.S. Army Corps of Engineers. The Navy selection board process is quite formal and may have all of the trappings of a court-martial. Pre-selection methods are normal, the same as is used for domestic contracts. The short list is formed from a study of experience, organization, and previous performance. The selection board is usually headed by a contracting officer of command rank, which is heartening because this person can make decisions without leaving the room to consult higher authority. Because the Navy has a great interest in methodology, its selection boards normally include civilian engineers with design backgrounds.

Presentations to this sort of client must be well planned. Experience on similar projects should be well documented, usually the project has a well-defined scope of work. If the scope is indefinite, there may be an item in the RFP for a design study to finalize the scope. The presentation should be carefully timed and orchestrated, and 20% of the scheduled interview should be left open for questions. Since foreign projects are being discussed, there will often be a person on the selection board from the site. Determine who this person is early on, and address that individual to ensure that knowledge of the environment is conveyed to the selection board. The formal courtroom atmosphere is sometimes an advantage to a well-prepared consultant who is not intimidated by the proceedings.

Presentations conducted by the U.S. Army Corps of Engineers are sometimes similar in format to Navy proceedings but are not as predictable. The Corps' philosophy seems to imply that its civilian engineers take a greater role in selection and that the contracting officer is only concerned with budgets, schedules, and legal procedures. Selection interviews tend to be less formal than those of other government organizations and are at the same time more inquisitive. In this age of litigation, the board frequently wants to know whether there are any lawsuits pending in which your firm is a defendant. Since large consultants always seem to be defendants against nuisance and accident claims, these questions sometimes tend to disrupt an interview. Be prepared for them, and let your lawyer talk to theirs, if necessary. Again, careful preparation and execution of the interview proceedings will pay dividends. Board members selected by the corps

probably attend more interviews than any other similar group, and they tend to have a low threshold for lack of candor. Keep the interview factual and emphasize past performance on similar corps' projects.

The proposed project manager should be on the interview team and should have a grasp of the special requirements for design and construction in the host country. If the interview is held in the Frankfurt, Germany office of the Corps, lack of familiarity with German design and construction practice will surface early in the interview. The team should be prepared to address this subject.

Interviews with the Navy and the U.S. Army Corps of Engineers for foreign projects require very thorough preparation because competition is so tough. The fact that one has reached the final selection interview is in itself a sign that the board thinks your firm can do the job. In fact, the letter of invitation to the interview frequently says, "Your firm has been selected as one which is capable of performing the services described," so the interview is the final stage and it should be regarded with respect. The board is really looking not for a reason to select as much as for one to reject your firm. Tread lightly on comedy, arguments, and defensive attitudes. Radiate professional competence and integrity. Stick to the program, allow time for questions, and get off the stage when your act is finished. Do not engage in sales efforts at these meetings. If another firm is selected, the good impression you have made may pay off in the next selection. Remember, if you are selected, there may not be another job for a long time, because Congress wants the work passed around to all its qualified constituents.

The following situation-tested guidelines, drawn from experiences, are for the reader who wants to maximize the success of presentations and interviews:

- Presentation techniques are changing rapidly with the development of new 3-D computer graphics, animation, and multimedia.
- Videotaping, teleconferencing, specially prepared films, and exotic scale models will be used by your competition. Consider updating your presentation technique for appropriate prospective clients.
- Concentrate on methodology. The client wants to know what to expect if you are selected.
- Introduce the project manager (PM), who should play a meaningful role in the meetings. The client's acceptance or rejection of the PM will have a large bearing on your selection.
- If your firm has experience in the culture and environment, emphasize this knowledge. If experience is lacking, show how you propose to acquire it, before the question is asked.
- Do plan the presentation very carefully.
- Don't engage in sales campaigns at interviews.
- Do use the best graphics your budget will permit.
- Don't "talk down" to the client's staff.
- Do involve your local associate as a member of your team.
- Don't leave the project manager at home.
- Do radiate professional competence, awareness of cultural differences, and integrity.

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Chapter 13

SUCCESSFUL NEGOTIATIONS AND STRATEGIES

Along with airplanes, computers, and communications satellites, consulting professionals have "discovered" negotiations and negotiating strategy. Every business-oriented publication has an article about courses one can enroll in to learn how to negotiate through to instant success.

Modern professionals seem to be ambivalent regarding the existence and extent of negotiation. If you were entering the engineering profession during America's Great Depression, about the only option open to negotiation in an employment interview was the date for reporting to work. Negotiating was something reserved for labor unions. Consulting engineers did not negotiate. Their proposals referred to fee scales set by the learned societies, and (theoretically) every consultant used the same scale. It was agreed that consultants would refuse to bid on engineering contracts. This position proved to be untenable in the export market. U.S. consultants were bidding openly in the international market for design projects financed by international banks while trying to hold to a domestic system involving selection first, followed by fee negotiation between the selected bidder and the client. The ethical standards of the profession have been restructured—with "help" from the Department of Justice—to accommodate these developments. The laws of many cities, states, and countries now require that contracts financed by public funds be awarded to the lowest bidder.

It may appear that this capsule treatment of such a complicated subject covering a fifty-year period is pretentious. Surely the matter merits wider and deeper discussion. But this text is not the proper forum. The goal is to provide guidance to professionals dealing with other cultures and changing conditions. Survival in the international marketplace depends on understanding business practices and the motivation of clients and associates. No programmed operation plan exists for every situation that will be confronted when exporting professional services. By provoking original thought, this book should, as previously stated, eliminate the "gee-whiz" factor, reduce surprise, and prepare an international consultant to succeed. At home, negotiations are all around us. Sports figures, politicians, entertainers, and professional employees negotiate for salary, position, and perquisites. Yet when you cross over into other cultures, the discovery that negotiation is so important tends to come as a shock. Cultural differences have been described as "the things we don't understand about the other side." Be prepared to acknowledge that negotiation will be of prime importance in developing countries. It would be safe to say that the need for negotiating increases in direct relation to the distance from the home office. In the Arab culture, for example, compromise and negotiation are fundamental. Moslems are in a constant state of negotiating their status and fair treatment. In stores and markets, nothing may have a price, tag-prices are open to discussion. In Latin America and southern Europe, shopping is

bargaining. Even the most elegant lady will close her chat with a shopkeeper by asking for "a little discount." Will something be thrown into the bargain to sweeten the deal? Sometimes the negotiating seems to be more an art form than an actual desire to lower the price or raise the quality significantly. If you don't ask, you don't get it, so why not ask? The consulting engineer entering new markets should be alert to the importance of a good negotiating position.

When foreign advisers are involved in consultant selection, the situation becomes more complex. In the Persian Gulf States, for example, it is not uncommon for clients to have Egyptian, British, American, and Palestinian technical and financial advisers. Added to the mix are usually native engineers, recent graduates of prestigious universities, who are actually in training to become high government officials. Such a team will present a tough challenge to a consultant who underestimates the importance of preparation for negotiating sessions. Besides their native experience in such dealings, these people are motivated by a need to prove their worth to their employer. Since they know what the client considers important in the project scope, these advisers and technicians are apt to discount a consultant's emphasis in certain areas of design. In this case, it will be very helpful to arrange a discussion of the scope of services before discussing the financial details of the proposal.

When a proposal has been made on an indefinite scope of work, the consultant should be well prepared for negotiation. A detailed execution plan and methodology statement should be taken to the bargaining table, and in every area of disagreement, the intended scope of work should be justified. If the effort is not desired by the client and can be eliminated or reduced without jeopardy to the quality of the professional effort, there may be a way to reduce effort and fee without losing face.

The negotiation format will vary widely between classes of clients, as outlined in the following paragraphs.

- Private contracts will require almost continuous negotiation before good levels of trust and confidence are established. Cost reimbursable arrangements are much preferred until the concept of the project has been developed and a tight scope of work established. Since there is not much doubt that the client has an innate right to a change of mind, this sort of reimbursement is fair to both sides. In addition, there may well be a higher authority lurking in the wings, such as an older brother, a prince, a wife, or a trusted adviser. Be prepared for this when the client says, in a moment of good fellowship, "By the way, my friend, how about adding a two-story penthouse?"

- Self-financed contracts with governments will, of necessity, be negotiated. Being the lowest-acceptable bidder means only that one has been awarded the right to compromise. There have been cases where the consultant was able to increase the scope of work and the price at such a negotiation, but that rarely happens. The proper approach is to restudy the scope of work to justify design effort or to agree on a decreased number of working-hours. But if the client is not equipped to handle these details for lack of technical staff, negotiation will be difficult. It is important to remember that one does not reduce price without reducing effort, unless there has been a misunderstanding in the original estimate.