

The **BIG** SEVEN QUESTIONS

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To Ask Before Tackling Large Projects

By Tracey Hups

Has your company been steadily growing during the last few years, thanks to the CCTV systems you have been installing for the Mom-and-Pop shops in town and the access control systems for local businesses? Perhaps jobs have even come your way that require badging and security systems for the community college in your area.

Now, are you ready for the next step—handling the demands of large projects with multiple locations? Moving away from the familiarity of bid work and into the realm of negotiated projects can be frightening, but very rewarding.

While bid work usually goes to the company with the lowest proposal, negotiated projects are based not only on cost, but, more importantly, on company merits and the quality of the system design. Since many government projects are required to take the

lowest bid regardless of qualifications, negotiated projects tend to come from large, private companies that need complex, integrated systems.



The control center from one of Peter Barry's large projects.

Darryl Keeler of Tech Systems in Duluth, GA understands the growing pains required to take an integration company to the next level. "When I first started out, I would sell anything to anybody. In bid work, you are only as good as your number and the margins can be low," he says.

"In early 1998, we just went cold turkey off bid work," Keeler recalls. It was very tempting to go back on this decision however, when, according to him, one of the first things that crossed his desk was a \$4 million bid job for a local college.

He stuck to the plan, however, and did not bid on it. "Giving up bid work was the best thing we could have done," Keeler comments. "It has allowed us to focus on developing mutually beneficial relationships with clients."

Moving to larger jobs is a big change. Following are seven questions that will help you decide if your company is ready.

1 Do you have a referral network in place that will provide you with enough large job opportunities?

Reputation is the key to being invited to participate on a large job. Companies successful in the arena of negotiated projects stress the fact that they get the majority of their large projects through referrals. They might come from a consultant, a manufacturer, or an existing customer. Generally, the companies have been in business for a long time and are well known in their market areas. Their reputations are built upon their quality work and customer service.

John Colley of Integrated Security Systems of Danbury, CT, (*Security Dealer's* CCTV Expert), uses his company's position in the industry to secure large job referrals. "Our key personnel have been in the industry 25 to 30 years," says Colley. "We have a built-in reputation for large systems. We find the business through consultants, architects, large construction companies, and manufacturers. When there is a project that is being developed, we usually get a call."

Peter Barry's company, Barry Security Systems of Tewksbury, MA, steadily grew into its reputation for being able to handle large projects. "We started working with a small software company that soon became a large, nationally known company. We grew with them from building to building to building. They then referred us to other companies and, with each additional success,



Darryl Keeler suggests sticking to a plan.



John Colley knows how to get good referrals.

our reputation was secured,” Barry states.

2 Are you disciplined enough to wait for the right opportunity?

Most successful companies are selective in the jobs they agree to do. They make sure the project is something they can succeed at and that the companies they will be working with are reputable and financially stable.

“We look at who’s putting the spec out,” says Colley. “In our state, we have quite a few contractors that we don’t want to do business with.”

He then looks at the financial backing of the people asking for the project. “If it’s a multi-tenant building, we’ll call the managers of the building to get their evaluation of the company’s credit. If it’s a stock company, we can go online to see its payment history,” Colley explains.

“We turn away from projects that are just not well thought out,” says Barry. According to him, the customer is too ambiguous in what they are asking. They are not willing to take design recommendations.

“Their expectations are such that we’re just not going to be able to perform them,” he adds. “We might be able to put together something similar, but it’s not going to be what they think they want.”

3 Are the vendors you are working with able to provide the product and support you need for a large job?

After you have sold a system to a multi-site, large customer you do not want to learn that the manufacturer is out of business or that they are coming out with a new product that does not work with the old one anymore. That is one of the quickest ways to lose a good customer and the next referral, as well.

Colley has a specific approach when it comes to selecting his vendor partners. “First, we evaluate the philosophy of the manufacturer,” says Colley. “Do they practice product evolution or revolution? Do they constantly evolve their product (evolution) or do they continuously bring out new product that doesn’t talk to the old product (revolution)?”

He also looks at scalability. “Scalable product can grow as the customer grows. Plus, it allows you to add in other subsystems like CCTV, intercoms, or alarms as your customer needs them,” he explains.

“Our customers trust us to provide reliable information and solutions,” Keeler says. “That relationship gives us the freedom to align ourselves with manufacturers we can rely on. Though cost is something we have to take into consideration, we tend to focus more on quality than price.”

4 Does your company have the engineering skills to handle the pre-installation design work required for a large job?

Large jobs require careful design and engineering work up front. Keeler says, “We invest a lot of time in the front end of design and planning with a lot of ‘pre-construction’ here at our corporate office or in one of our branches. We do as much programming and testing as possible before beginning any installation.”

Colley agrees. “Once the right solution and the right product have been selected, our engineering services group puts together schematics for floor drawings and then actual schematics on how to wire the system,” he says. “Documentation is essential.”

After the initial design work is completed, Barry recommends that all persons involved in the project—the customer, the salesperson, and the project manager—meet before the start of any work. “Everybody who is going to be involved in the project needs the opportunity to get together and discuss the job,” he says, emphasizing the importance of communication.

“This pre-installation meeting is critical,” comments Barry. “It will make the difference between a smooth project and one that has all sorts of bumps.”

5 Does your company have enough trained personnel in the right areas to provide the design, installation, and support of a large job?

Prepared employees are trained employees. Technicians need to know the product and software they are installing and servicing. Manufacturer reps can supply some training and your experienced technicians can train newer techs.

In addition, limiting the number of manufacturers you work with enables your technicians to offer better support because they have fewer products to learn. Be flexible, however. A new vendor may be the answer to a customer's problem. As members of PSA Security Network, Keeler, Colley, and Barry have access to over 250 vendors. They get good pricing and support even from vendors they do not use very often.

With large jobs, it's vital that someone in your company oversees the project from beginning to end. The project manager is responsible for getting the project done on time. Of course, project managers need training, as well, so you may need to put your project managers through a certification course.

But, since so many employees are involved in the project, you should think about expanding training to all levels of your company. For instance, Keeler dedicates 8% of his company's budget to training and sets aside a week of every employee's time for training. Barry's team meets once a month for training where the employees, based on the issues they face in the field, select the training topics.

6 Do you have a network of integrators that you can rely on to meet the requirements of multiple locations?

In addition to handling a large customer's multiple sites—whether in one town or several, an integrator typically oversees at least four subcontractors. "We're contracted to both manage the project financially and choose the subcontractors for the projects," says Colley. "We must manage the subcontractors, as well as our own people, to make sure the project stays in line with the budget." Documentation is critical as the job progresses.

"Before you can handle the management of a large job," Keeler states, "you must have your own house in order. Prior to 1998, a large job for us was \$150,000 – \$200,000. Now a large job is over \$1,000,000. We could not have made that transition successfully if we had not developed our own 200-page operations manual. We have process and procedure for every step that we do. It's literally a flight guide; we're working off a set of instructions."

Barry recommends weekly meetings throughout the course of the job with the project manager, crew chiefs, sales person and the customer representatives to track the progress of the job and make new decisions.

Colley provides closeout documents as part of the original engineering services. Throughout the course of the job, every input has been documented and signed off on by the customer. Every modification made to the build documents as the job progresses are changed on the original drawings and presented to the customer as as-built documents.

The client is able to see the integrated system exactly as it is installed.

Keeler, Colley and Barry use their membership in PSA Security Network as a tool to help them manage large jobs with multiple sites. It gives them access to qualified systems integrators across the country whom they can rely on to service locations outside of their primary market area.

7 Will you be able to handle the demands of a large customer once installation is complete?

The large job has been completed. In order for it to be a success in the customer's eyes, you must be able to provide the type of support they expect for the big investment they have made in the new system. Barry offers this customer service advice: "We have a customer support manager who meets with the project manager as we near the end of the job (around 95% complete). The support manager goes over the status of the project, reviews all the paperwork and meets the customer. He helps the project manager finish the project, increasing his familiarity with the customer and the job. The client now has a relationship with the person who is technically responsible to take over the system when it's completed."

With the client satisfied, it brings you full circle to getting referrals and beginning a new project. If you can answer yes to every question, then your company may be ready for the next step.

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