

Proactive Communication Adds Value in Public Projects

BY MIKE GRAY AND ANDREW RYAN

The public sector—whether at the federal, state, or municipal level—provides great sources of revenue for businesses in the A/E/C sector. However, as many companies have learned the hard way, public projects offer a unique set of complexities, especially when a crisis arises. These projects often require delicate relationship management, because companies must not only answer to their clients, but when public funds are involved, they end up answering to the general population as well.

The increase in public scrutiny is born from two societal shifts. The first is the continued growth of digital transparency through social media and blogs, which makes public information more easily accessible and provides a larger public platform. Additionally, the Great Recession has changed much of the public's opinion about the use of tax dollars. Citizens are more attuned to spending choices and budgets, particularly as governments work with tighter budgets. Potential disputes and crises can arise with any project, whether labor disputes, design flaws, mismanagement, inaccurate budgets, etc. However, with a public project, the dispute is often magnified and receives a great deal of attention.

Examples abound from across the country. In the Maryland suburbs near DC, the Silver Spring Transit Center has come under intense scrutiny for costly delays and overruns (now costing almost quadruple the initial estimates). The backlash from local officials and the public against the general contractor, architects, and inspector has been fierce as the ongoing crisis continues to damage the reputation of the firms involved. In Cincinnati, OH, there has been a firestorm of criticism from unions about the labor used by developers and construction companies on a public-private partnership to help revitalize part of the city's downtown. A construction company based in Richmond, VA, received bad press when a miscommunication between the city and the public led to the removal of trees from the construction site of the new Washington Redskins summer training facility.

In these examples and countless others over the years, A/E/C firms have been directly or indirectly affected by the public criticism. Sustained and mounting controversies can damage a business reputation easily.

These challenges have become more prevalent with the rise in spending on public construction. The U.S. Commerce Department reported that public construction spending has risen each month thus far in 2013 and more spending is expected, especially as the economy recovers.

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In any crisis situation involving a project with clients, especially one that includes public money, companies should be prepared to protect their name and reputation and be ready to help their client (developer, local government entity, etc.) address questions and concerns about a project.

This second point is especially important. Professional services firms are on the front line of a project and have on-the-ground expertise. Their experience is an added benefit that they can offer to clients, particularly those in the public sector. When questions about the project arise, offer to help answer them. Be visible at public hearings, as needed, to discuss why particular decisions are made and how those decisions benefit a project. Build relationships with current clients by offering to help develop talking points about a project. The goal of any project is to be done well, on time, and under budget. You should help your clients explain why decisions are made or changes are needed. Frame these explanations as what is in the best interest of the project and, ultimately, the locality.

Offering to provide these services and following through proactively sends a powerful message to clients. Assisting clients by helping them respond to criticism is the hallmark of a true partner. It also showcases additional value.

There are a number of ways to handle public criticism and crises, and five key rules follow.

- 1. Be Prepared:** Do not wait until an issue arises before creating a plan. Create one as soon as a contract is signed.
- 2. Act Quickly:** Hesitating to respond can be costly. News organizations and the general public are often quick to point the blame at an entity if no one responds. Have prepared remarks ready and use them.
- 3. Be Honest:** Honesty is always the best policy. The public is actually a lot more forgiving than most companies think.
- 4. Be Accessible:** You must be available to talk to reporters and be at public meetings. Also, make sure your statements are accessible and not weighed down by technical language. Speak to the public in language it understands.
- 5. Defer, but Defend:** It's ok to defer questions to your client, and some clients may prefer to handle inquiries. However, make sure you are ready to defend your company when needed.

There is no easy answer for handling backlash against a project, especially one involving public criticism. Whether it is pushback from a client or a full-blown crisis, developing a proactive and comprehensive communications strategy is essential to navigating the criticism. As with any project, planning ahead is simply good business. **m**

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