

Just Say No!

by
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Long before Nancy Reagan came on the scene I had a friend who used this phrase. His purpose for the phrase was in the form of a directive to all employees who received survey requests from a certain part of the county that had been thoroughly surveyed by a surveyor who's name will remain anonymous. It seems this surveyor couldn't even retrace his own work let alone an earlier surveyor's work. His inability to survey was compounded by his low prices which naturally led him to perform a high volume of worthless surveys for cost conscious consumers. This surveyor had so thoroughly confused the physical evidence in the area that it was almost impossible to survey in the area without finding problems and losing money -- hence the directive "just say no" to calls from people in this area.

The purpose for telling this story is to introduce some thoughts and possibly elicit some discussion concerning business practices. The way I see it, there are basically two ways to break even or make some money in surveying: (1) Get paid for a lot of surveys that have a small profit margin or (2) get paid for a few surveys that have a large profit margin. I have come to the opinion that most surveyors would like to operate under the second category but for one reason or another are forced to work within the first category. Before I go too far, let me say that I have no doubt that some surveyors prefer the first category because they enjoy surveying so much that they like to do survey work every waking moment and therefore require lots of volume. Then of course there are a few surveyors, bless their souls, that feel that the public deserves inexpensive surveys -- so they set out to provide inexpensive surveys, even if they have to operate at a loss or must cut a few corners. For surveyors that fall under either of these two groups, I can only envy your energy or admire your social conscience -- and say this article is not for you.

For the rest of the surveyors, let me offer some observations and advice based on my limited experience and my work within other professions:

1. The Law of Supply and Demand: My economics course taught me that in times of high demand for surveyors, surveyors should be able to raise their fees until they reach the point where they receive enough work to keep them busy but not overworked. My observations are that surveyors tend to work themselves toward a heart attack rather than raise

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their rates. My advice is that if surveyors feel compelled to ignore the laws of supply and demand, they should do what other professions do: (a) if there are too many practitioners -- raise your rates, (b) if there is not enough practitioners -- raise your rates, (c) if the demand falls -- raise your rates, (d) if the demand increases -- raise your rates, and (e) when in doubt -- raise your rates.

2. Never Say No -- Every Request Can be Met if the Price is Right:

My observations indicate that surveyors, no matter what their age, seem to have experienced something similar to what my father described as they "great depression." They can't stand to turn down a potential survey job. Past economic hardship has given them an overwhelming compulsion to say "yes" to any request for a survey. They visualize the unseen property as a flat sandy desert with slats protruding to mark the corners. As the survey crew uncovers the last original corner marker (found with the metal detector), the client is so overjoyed she pays the inflated price, quoted over the phone, in cash. Given this vision with the psychological urge to accept any job, my advice is to never say "no" to a potential client that requests a service you are competent and able to provide (contrary to the title of this article) -- rather, let the CLIENT SAY NO. What do I mean by this statement? First, consider the fact that you are in business to provide quality work for a profit -- use this goal to govern your services and pricing. If a potential client calls and wants a subdivision plat prepared in two days for a closing, then quote a price that would make you happy to drop everything else and meet this goal. If you have to have pressure, confusion, and overtime payments -- make yourself wealthy and happy doing so. On the other hand, if the potential client turns down your service because the price is too steep, you have the satisfaction of knowing you've said yes to their request and avoided having to agonize over a hasty acceptance -- because you let the client say "no."

3. I Know Therefore I Am: I know there's all kinds of talk about how to be professional covering everything from clothes to education. Who am I to say they're wrong. However, my opinion is that a learned profession charges according to the knowledge it takes to perform a service rather than the time or effort it takes to perform the service. (Depose a doctor for two hours and pay \$1000 for his time and you'll come around to my opinion.) My observations indicate that most surveyors do not place much value on their knowledge. My advice is to heed the example given by the often repeated story of the retired engineer, which I'll repeat for the few who are not acquainted with the story: After a factory owner had

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tried other alternatives to fix a machine and sought several different individuals, a retired engineer who had worked at the factory for thirty years was asked to return to the factory and fix the machine that was malfunctioning. The old engineer entered the factory, went up to the machine, listened and looked for several seconds, then picked up a hammer and struck the machine one time curing its malignancy. Turning around he handed the owner a bill for his services that amounted to \$1000. The owner, knowing the engineer had spent only a few minutes fixing the problem, was outraged and demanded an itemized bill. The retired engineer responded by writing the following: "5 minutes of time....\$1, knowing where to hit.....\$999." The owner paid the full amount.

4. It Costs More In Court: Rumor has it that someone has stumbled onto an alternative funding source to clean up chemical waste sites? The answer is: Pay a surveyor \$50 and have the surveyor do a mortgage survey for the site. After the surveyor signs the appropriate form (i.e. survey report) saying there are no visible encroachments or clouds on the title, then sue the surveyor for damages sufficient to clean the site. My observations are that many surveyors, for a paltry sum, will thoughtlessly put an all encompassing certificate on their plat or certify a "mortgage" survey without any investigation into physical encroachments that may effect the title. My advice is to carefully review what you are certifying and charge according to the liability involved -- you don't make money going to court.

5. Competing by Price is Cheating: My observation is that surveyors can generally be counted on to help each other out -- going out of their way to extend professional courtesy -- but will practically starve their family trying to under bid each other for work. So what does that tell me? Surveyors are friendly guys and gals who enjoy competition. My advice to surveyors is that if you need some friendly competition among the local surveyors, then compete for the most innovative way to bill a client, best prepared plats, most durable or visible corner markers, most complete survey report, happiest survey crew, most qualified principal of a firm, best educated survey party, best looking office, most continuing education credits per field crew member, fastest service, most profits without sacrificing quality, firm that has the newest equipment, and so on. Surveyors should leave pricing out of the competition so you can take the family out to dinner when you win -- or lose.

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6. **The Tower of Babble:** Go into your office and ask your employees to get a piece of paper and pencil. Ask them to: "draw five circles connected" -- then compare. Chances are you'll get a slightly different drawing from each employee even if the instruction is stated in these simple terms. This minor exercise should give you the reason for using contracts. Contract documents have little to do with trust, they're used to foster understanding and prevent misunderstanding.

7. **The Litmus Test:** Surveyors are such trusting souls. They frequently do all the work for the client then wait and wait for payment and in some cases never receive it. My advice is to ask for a retainer to test the client's sincerity. If they balk at paying a retainer or don't have the money at the time, there is probably a very good chance the same excuses or comments will occur when the final bill is tendered.

8. **Invest in Your Spouse:** Surveyors lament about how difficult it is to get good help at a reasonable price. After you invest all the time in training good help, they get their license and leave. As a result, many surveyors are forced to use their spouse in the office or field. My advice, as I indicated in another article on the subject, is to send the spouse to college. Even if he or she doesn't particularly like surveying, imagine the help a two- or four-year degree in business management, accounting, civil engineering, or computer science would provide. If they do eventually become licensed as surveyors, imagine the relief you'll have if you get sick or want to go back to school yourself.

9. **You Done Good:** I apologize for the improper English but I ask you to remember the point. Pay is not the only thing that matters to an employee. We're all human and need some encouragement. My advice is to make a point of offering compliments for good work. For a good job, get a gift certificate and send the employee and their spouse to supper after work sometime.

10. **Those that seek knowledge are knowledgeable:** My experience has been that the best employees are the ones that are always willing to learn, to spend extra time at the office writing a computer program or learn a new technique on the equipment. Consider encouraging these and all employees to attend seminars and schools. If you don't have enough money to support seminar attendance, then consider paying them an extra hour every week to sit down and study surveying at the office or give in-house training sessions on a regular basis and time.

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These observations and advice are what I refer to as my ten commandments of business practice. (It has such an authoritative ring when I use ten of them.) While there is some jest in these comments, they have provided some good guidance for me over the years. Perhaps some of them may help you.

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