

# Capturing E-Business Opportunity

Though a lot of visibility has been given to the collapse of the dot-com companies, productive use of the Internet and the World Wide Web as business tools has been growing at an exponential rate:



- As of May 2001, 90 percent of large businesses and 60 percent of small businesses had a website.
- As of April 2001, the number of web pages reached 4 billion, up from 1 billion in January 2000—an annual growth rate of 225 percent.
- In 2000 an estimated 380,000 new domain names were registered each week, and by March 2001 of an approximate total of 28 million domain names, about 76 percent were business oriented.

While proceeding a bit slower in embracing e-business solutions, the engineering consulting and construction industry is moving in that direction. A survey conducted by KPMG in 2000 found that:

- 85 percent of respondents thought the Internet was impacting the speed, innovation and new value creation in the C&E (Consulting and Engineering) business;
- 70 percent acknowledged that they had seen the Internet shorten a project delivery cycle;
- 73 percent said it had caused them to restructure a business relationship; and
- 60 percent had received direct pressure from clients to become more internet-savvy.

Against this backdrop there is considerable confusion within engineering firms how to sort out solutions that can pay dividends from those that are just "nice" for technology sake. For many companies without access to expertise that integrates business acumen with technology know-how, it can feel like being a deer caught in the headlights.

One popular misconception is that a company needs to be large to afford and gain benefit from Internet-based business applications. In truth, many smaller firms have effective, cutting-edge websites that

deliver significant business value in marketing, project management, employee communications and recruiting. In fact, across all industries, the Internet reduces the impact of size and geography as competitive advantages.

## Website Stages

### Stage 1: Passive Web Presence

Most companies start down the road of e-business with e-mail and a passive website that is basically a brochure on line. Typically these sites are created using template solutions or by student/intern level help. They are not very interesting to look at (especially more than once), and do not contain much functionality. Often they do not work well with many browsers and are not recognized by a wide variety of search engines. These sites do not deliver much business value, and e-business skeptics use that fact as evidence that no more money should be spent in this area. There is comfort in just knowing "we have a website address that we can put on our business cards." The e-business posture of most engineering consulting and construction firms currently falls in this early stage.



### Stage 2: Interactive Websites

Moving beyond the passive stage means designing a website that will attract visitors and deliver interactive value to those who visit. The interactive value can include things ranging from a simple contact form, to a searchable catalog of services and products, to an on-line research library with relevant white papers and detailed case studies. In some significant way, the site invites visitors to interact with the company through the website.



Attracting visitors requires that the site be well indexed under the key phrases people use when seeking information on the web. Failure to know and tend to these details is a common shortcoming of many

engineering firm websites. This requires that a site be well promoted initially and periodically re-promoted to each major search engine. Unfortunately, people usually only visit sites contained within the top returns of a search, and such positioning requires the application of specialized tools and expert knowledge. Canned or inexpensive submission programs and services just do not do the trick. In fact, a poorly executed site promotion can actually hurt your site placement. Specialized tools and expert services are available to help in this regard.

### Stage 3: Collaborative Sites

Collaborative sites are a tool for facilitating communications between team members.



### Project-specific sites:

Project-specific sites are a type of collaborative site. They are especially suited to long-term projects involving participants from many companies and/or locations. The collaborative website becomes a place where all project reports and records can be accessed on a need to know basis. If placed in a searchable database, records such as meeting minutes can be easily searched and the website becomes an invaluable tool in reconstructing decisions and project timelines. Such sites are also a great tool for keeping clients and everyone else updated on progress, changes, and other pertinent information.

**Intranets:** Intranets are separate websites or password protected areas of public websites that are restricted to employees' use only. They are a great productivity enhancer for companies that have people working in multiple locations. Instead of sending mountains of e-mail on company business matters, information is put into a searchable database where it can be retrieved on an as needed basis. All types of announcements, company policy manuals, operating procedures, benefits information (i.e., status of medical benefit claims,

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401-K plans, etc.) and relevant business/industry news can be in one place for easy reference.

### Internet Marketing

While media hype in the last year surrounding the Internet has been largely negative, 2001 has seen the emergence of some very powerful tools that can help a company leap frog the competition in terms of visibility to potential customers.

The newest development in promoting activity on your website is the so-called "pay for performance" approach. Many search engines will now let you pay to guarantee that for a given set of key words your site will be listed among the top three sites served up to someone doing a search. Given the vast number of sites and web pages that are competing for eyeballs, such tools can be worth their rather modest price.

One way to attract the attention of search engines is to add relevant links in your site to other informative sites related to your business. The trick is to keep them relevant to your business. If the search engine reviewer finds links that they judge not to be relevant, they may elect not to register your site at all.

Similarly, another way to attract traf-



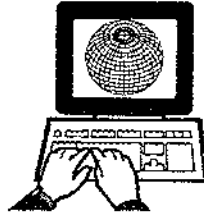
fic to your site is to arrange for your site to be a link on as many other noncompetitive sites in your industry as possible. This just creates other doorways to your site. It's a numbers game – the more doorways the more traffic.

There are many ways for even a small firm to attract visitors and get dozens of qualified new business leads every month, but to do so requires an investment in complete and expert site promotion.

### Snapshot of Central Ohio Firms

Interactive Ink, Inc., conducted an in-house assessment of the websites of 25 engineering firms that operate in Central Ohio. The firms included a mix of local, single office firms and national firms with operations in Central Ohio. Highlights of the study include the following findings:

- Effective websites are not just the purview of large firms; effective designs and techniques are employed by some relatively small firms. The Internet and the worldwide web are indeed creating a new competitive landscape where geography and size no longer confer the competitive advantage that they once did.
- The full business potential of websites and the Internet are far from being ef-



fectively exploited by the firms surveyed, suggesting there may be gaps between client expectations and the incorporation of e-technologies.

- The websites of most firms are not effectively promoted to search engines, thereby being, in effect, "billboards in the desert." This suggests that many firms may be unknowingly spending valuable sales and marketing dollars with little chance of significant return.

### Summary

In summary it may be said that the Internet is just emerging as a business tool for engineering firms. One driving force is the self-interest of firms in gaining competitive advantage.

Another is expectations of clients who have seen the benefit of web-enabled business communications and transactions and want to extend those benefits to as many aspects of their business as possible.

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