



The Evolving Role of the CMO

BY MARJANNE PEARSON, JACQUELINE LAVIGNE, AND HOWARD WOLFF, FSMPS

“Because the purpose of business is to create a customer, the business enterprise has two—and only two—basic functions: marketing and innovation. Marketing and innovation produce results; all the rest are costs. Marketing is the distinguishing, unique function of the business.”

—Peter F. Drucker

Today, for a variety of reasons, Chief Marketing Officers (CMOs) are finding themselves in their posts longer than in years past—though still not as long as Chief Executive Officers or Chief Information Officers, who average seven and five years, respectively. In 2006, the average tenure of CMOs across all industries was a mere 23 months. Today, as the U.S. economy has improved, tenure in the CMO position has risen to an all-time high of 45 months, according to a May 2013 survey by executive search consulting firm Spencer Stuart.

In 2005, only four SMPS members carried the CMO title. By Summer 2008, the membership directory listed 21 marketers with CMO on their cards. But we know that quite a few high-profile CMOs in the A/E/C world lost their jobs in the aftermath of the recession. As of January 2014, there were 25 CMOs in the membership directory (although there are undoubtedly more who fulfill the role but with a different title).

While still a small fraction of the SMPS membership, the number of marketers in the C-suite is expanding.

Is the fact that there are more CMOs today—and greater stability and longevity in the position—a factor of a rising economic tide lifting all boats? Or could it be that more companies are recognizing the value a CMO can bring to an organization?

To put the role of the CMO in perspective, we reached out to Randle Pollock, FSMPS. As regional director for HDR in Houston, a past president of SMPS, a Marketing Achievement Award recipient, former editor of *Marketer* (a position in which he served 14 years), and one of the early CMOs in the business, Pollock has been in touch with many in our profession and has witnessed the comings and goings.

According to Pollock, the firms that recognize the strategic value of marketing are still in the minority. The founders and leaders of many organizations are unclear about how a CMO could benefit their business. Instead, they look at a CMO as a cost with a high price tag accompanied by a commensurately big marketing budget. By Pollock's assessment, most A/E/C firms today are still not ready for a CMO. In our observations, A/E/C firms that invest in a CMO often have unrealistic expectations about the time frame in which they expect to see results.

Back in 2004, the article "The Fall and Rise of the CMO"¹ pointed out that, among the 120 companies they surveyed, CMOs experienced short tenures and high churn rates for five main reasons:

1. too little empowerment
2. too high expectations
3. too uncertain a need
4. too much showmanship
5. too little experience

The first three issues highlight the difficulty organizations have in creating an environment of success for the CMO. The last two focus on the ability of the CMO to deliver on those expectations.

A company that is ready for its first CMO needs to be willing to embrace change. A March 2012 survey released by The Korn/Ferry Institute states, "CMOs must move well beyond the longstanding role as 'the voice of the customer' to provide strategic leadership, drive change, and achieve quantifiable business results."² Yet 60 percent of senior executives blame their own organizations for the failure of their CMOs. The study says, "The CMO was brought in to drive change, but the organization was not aligned behind the change agenda."³

A December 2013 article by McKinsey & Company said, "Marketing is in the midst of a performance revolution."⁴ In the A/E/C world, while CMOs have responsibility for enhancing their firm's *overall* position in the marketplace, they may face a challenge when navigating the complexity of the market-focused practice model prevalent in larger professional services firms.

So... How Are We Doing?

To learn more about how CMOs are succeeding in today's A/E/C economic landscape, we went to the source, interviewing three CMOs and their bosses and encouraging two of this article's co-authors to tell their own stories. Among them all, we see consultants and owners, communicators and practice builders, catalysts and collaborators—but perhaps most importantly, they are all strategic leaders.



The CMO as Strategic Link:
Allison Held, Chief Marketing Officer, Perkins+Will

Over the past 15 years, as the A/E/C industry has experienced a high rate of change, Perkins+Will has made the transition from a 300-person firm to a global leader with more than 1,500 people, and it is now a fundamentally different organization.

Thirteen years ago, Bill Viehman, a principal in the firm, became P+W's first CMO (and a pioneer nationally), and the firm's most senior marketing role evolved to be strategic in focus. Viehman retired three years ago, and as the firm's second CMO, Allison Held brought 20 years of marketing leadership with KPF, SOM, and Rockwell Group.

Perkins+Will sees today's market as substantially different from what it was just a few years ago. President and CEO Phil Harrison calls the current market "hyper-competitive"—a greater number of firms chasing fewer opportunities and less revenue. The industry is experiencing significantly longer marketing cycles due to slower decision-making processes, and firms are increasingly spending more money for less potential return.

Awareness of these conditions is precisely what forced P+W to become focused on marketing effectiveness. They needed to be more proactive, and they wanted their CMO to focus on results. The firm also recognized that the CMO role is different from other executives. At P+W, the CMO must be a change agent, and while the CMO's primary focus is on the big picture, the individual must remain sufficiently connected to day-to-day activity to really drive results.



While she had big shoes to fill, Held sees herself as a “different make and model” of CMO. She appreciates that P+W recognized they wanted to increase strategic marketing; yet, they were very open as to its form.

Her role is essentially two parts. The first is strategy. When an office or market has a particular need, or if there is a push for growth in a specific geographic area, Held can go in, assess the situation, give real-time feedback, and develop a strategy to be implemented locally. The second is focus on direct relationships with the practice leaders to develop market strategies, involving high engagement with clients, as well. She has regular, direct communication with all the firm’s leaders, from the corporate team to the local offices.

Held believes her success is directly attributable to several factors:

- being a trusted advisor within the firm
- addressing the big and complicated issues
- developing important messages
- being accessible
- being a leader

Her love of and intellectual engagement with the design industry and the firm are also significant. In her opinion, few firms have the unique combination of deep knowledge in project types, hybrid thinking, high design, research, AND social purpose, but P+W does. One of the main reasons she loves her position is that P+W sees it as their mission to help clients create a better future.

Ultimately, Held spends a great amount of her time listening but is well known for her ability to take it all in, think on her feet, and “be a human link.” In many ways, as a partner in evolving the practice, Held serves a role similar to her internal clients. She also acknowledges that success in the CMO role would be unachievable without the right team. She leads her team by example and mentorship and is an advocate for career development for marketing staff members around the company to create high-performance teams.

Held has full trust in her team and often encourages the creation of ideas through crowd sourcing. Examples of projects that were incubated in a collaborative, team environment include two award-winning projects—the P+W blog, Ideas + Buildings (blog.perkinswill.com), and an integrated marketing and social media campaign, #2013is.

Harrison selected Held to be the firm’s CMO for many of the expected reasons, but especially because he believed she could forge the necessary relationships and alignment across the firm. Today, he attributes the success of his relationship with Held to the comfort and trust they have working with each other.

Held views it as her job not only to make change but also to get people on board and teach them. It’s not about control, but more about opening up. It’s easy to believe her when Held says her “ego isn’t in this.” She is a firm believer that future leaders must be “servant leaders,” putting the work and the firm first. To achieve this, she needed to figure out how to do it and still have a life, and she makes sure her teams always know that balance enables high performance at work and refreshed, innovative brains and hearts.



The CMO as Chief Story Officer: Jim Kent, Chief Marketing & Communications Officer, Thornton Tomasetti

In 2005, following a strategic planning session, the leadership group at Thornton Tomasetti determined that it needed someone to coordinate the company’s internal and external communications. Jim Kent was recruited as the firm’s first director of communications, bringing with him degrees in geology and journalism plus 20 years of corporate communications experience. Three years later, when the firm’s marketing director was let go, marketing and communications were united under Kent.

His current title, Chief Marketing and Communications Officer, reflects not only his two areas of responsibility but also that he has significant status in the organization as an owner and officer. Kent reports to an advocacy committee that includes the chairman and CEO plus two other top executives.

Kent views his outsider status as a non-engineer to be an asset. So does his boss, chairman and CEO Thomas Z. Scarangelo. He specifically values the fact that Kent can listen “with fresh ears.” In fact, upon joining the firm, Kent listened proactively, interviewing dozens of people within the firm at every level of the organization. Then, with an understanding of the company’s culture and the issues at hand, he presented a communications plan, with a schedule and budget, to the board of directors.

Kent views his job as “chief story officer” and “chief articulator.” He strives to ensure that there is alignment between what is communicated internally and externally. While his first few years were spent building an infrastructure—systems, staffing structure, web site, image database, intranet, etc.—he is now more focused on messaging. His role has expanded beyond marketing and into shaping (together with the rest of the leadership group) the firm’s purpose, values, and its ambitious goals.

Scarangelo points to Kent's ability to be a sounding board for new ideas: "We want him to challenge us." He credits Kent with not only helping to articulate the firm's core values but also with embodying them.

Kent oversees a staff of 16; 12 are devoted to marketing and four to communications. Marketing is responsible for producing all the materials and tools needed for project pursuits. The communications team looks after the intranet, internet, media relations, and marketing collateral and produces an annual report that is shared first with the firm's employees and their families, then with clients, prospects, and business partners.

In his seven years with the firm, Kent has seen it expand from 12 offices and 500 employees to 26 offices and 800 employees. Among the many things he has been able to accomplish, according to his boss, is to "fight the silos" that can inhibit communication between disciplines, departments, and offices. He meets weekly via teleconference with managing principals, regional directors, and practice leaders, and he has played a big role in building a robust knowledge-sharing culture, including producing an intranet that is updated three times a week.

With external communications, Kent continues to be mindful of the organization's larger audience and vigilant about avoiding the overly technical language that makes the work and words of many engineering firms inaccessible.

Challenges? He's had a few. Among the most frequent is the fact that everyone in the firm is an internal client. Kent deals with this by positioning himself and his team as problem-solvers rather than vendors. For example, when someone comes to him saying, "I need a brochure," Kent replies, "Before we pick a solution, let's talk about what you want to achieve. If you can articulate the problem, I can help you with a solution."

What keeps Kent engaged and energized after seven years in this position? "I have great colleagues who share my values." And is there still more to learn and to do? "Plenty. I'm looking to improve the perception of the firm, internally and externally, and to be able to measure our progress. On a personal note, I am always striving to get more comfortable in my position of leadership (I don't consider myself a natural leader), while making myself replaceable. I'm responsible for a talented group of people; I want to help them grow."



The CMO as Empowered Collaborator: Tim Leberecht, Chief Marketing Officer, NBBJ

According to the NBBJ web site, the firm cultivates "a practice of leaders: collaboration among optimistic, empowered experts." Managing Partner Scott Wyatt reinforces that the firm's culture is distinct and strong. He adds, "Change is what we are about. We promise everybody that whatever you see today will be different soon."

For several years, NBBJ had marketing directors who worked closely with the practice leaders to market and sell NBBJ's services. Really great projects were great all around—happy clients, good profits, and design awards—and were characterized by a good fit with the client in terms of shared values and aspirations. Wyatt said that, when he studied the firm's metrics, NBBJ was quite good at selling and closing, but he and the other partners felt their brand had more potential.

The firm's partners wanted to "move marketing to more discovery and less persuasion." They needed someone who could help them get realistic with themselves, determine which clients would be the best match, and position them with those clients, moving the organization "past opportunistic to a truly strategic realm." They wanted marketing to be about the quality of the work—whether their design was getting better because they were working with the right clients—and they determined that they wanted a visionary, strategic-level leader and change-maker in the CMO role.

They interviewed a number of candidates for the CMO position. "Bold ones would say that they could double sales, but we didn't want that if it meant sacrificing design quality," said Wyatt. It was important to NBBJ to find someone who understood the qualitative metrics for its brand.

Wyatt was ready to say that it was a bad idea and look at it differently when he met Tim Leberecht, who was CMO of the Aricent Group and its design/innovation arm, frogdesign. He felt that Leberecht "fit the bill of a guy who sees himself as a change agent, takes his skills and connections, can look at NBBJ, understand aspirations, and then shape the brand in that direction so the brand has integrity."

As CMO, Leberecht is vested with "the responsibility for directing NBBJ's marketing and the firm's vision of enhancing people's lives and improving business performance through design."

According to Leberecht, "Professional services firms know that brand is priceless. Aura and reputation create immeasurable

differential.” He said one of the reasons he was intrigued with NBBJ was the opportunity to build upon a strong legacy, but at the same time have the mandate to innovate. “As a marketer, it’s more interesting to join an organization where there is room to grow, improve, shape. NBBJ has a unique culture. As an industry outsider, my hope is that I can provide a different perspective and challenge some of the industry’s marketing conventions.”

Leberecht said his primary responsibilities are:

1. win the right work—enable NBBJ to work with its best clients, aligned with value, enhancing the portfolio, etc.
2. build a distinctive brand—make the brand more global so the firm is differentiated worldwide
3. help develop the vision for the next-generation NBBJ—identify and connect to trends in the marketplace, as well as social and technology trends, and how they relate to the future of the firm

For now, he wants to create excitement, make connections, and create a new brand platform. Then they will build upon it and sustain it.

The 700+ employees of NBBJ are “the most powerful brand ambassadors.” In the five months that he has been in the role, Leberecht has spent 40 to 50% of his time internally educating colleagues on the value of marketing, creating internal discourse, sharing knowledge, and developing a vibrant culture of conversation. And, most importantly, as he says, “Learning!”

Leberecht has made a series of “quick wins,” executing new programs to sharpen and deepen the brand and see that change is adding value, including a series of hosted events on the future of the workplace, the nbX blog (www.meanstheworld.co), membership in the World Economic Forum (as one of the few design firms), and a partnership with the New Cities Foundation. NBBJ is also gathering its own thought leaders for “labs,” to create strong ties and incubate the idea of thought leadership.

Leberecht believes in “lighting small fires”—finding like-minded colleagues who are interested in trying new things, from managing partners to young designers who haven’t been with the firm for a long time. He wants to create a dialogue, engage, and enable the next generation of leaders. “Marketing has the ability and responsibility to give them a public platform.”

He believes that there has never been a more challenging or exciting time for marketers. “In our hyper-connected world, we deal with an enormous amount of information. The CMO can serve as a synthesizer and interface, facilitating between the inside and the outside of an organization.”



The CMO as Practice Builder

By Jacqueline Lavigne,
Chief Marketing Officer,
Pepper Construction

When I was in design school, I can honestly say the thought of a future in marketing never occurred to me. In a manner very similar to my decision to study architecture, I got to where I am today through a rational progression of what I consider very fortunate events.

Like most design students, I entered architecture school thinking I would become a designer. A few years later, I pursued my masters in architecture knowing I would work in the design industry but also fairly confident I would not be designing. Conversely, I had many questions about what role I would take on within the industry.

In 2001, I joined HOK in what was known as its Facilities Consulting practice, which was developed to help clients solve their strategic workplace and portfolio-related issues. This practice later merged with CRS’s well-known Advanced Planning Group or programming practice. My years delivering pre- and post-design services with world-renowned consultants are perhaps the most relevant experiences that led to my career in marketing. After a decade delivering strategic consulting services, I realized my interest had evolved beyond the next project and toward the next relationship. What excited me most was less related to building structures but more about strategy and issues and the challenge of building business.

Today, I see both experiences—my design education as well as my consulting background—leading me to be a Chief Marketing Officer. In my first CMO position (also the first for the organization), I found myself spending a significant amount of effort validating the new role, in addition to generating results. After telling myself I would *never* repeat the experience of being the first CMO in a firm, I came to my current role as Pepper’s CMO with eyes wide open.

What excites me most about my role as a CMO is the idea of being a practice builder. At Pepper, the CMO role is not limited solely to marketing issues. I work closely with company and practice leaders on making us a better, more successful practice. I wouldn’t know how to do my job without spending time thinking about talent—both what we have and, more importantly, what might be missing. Positioning the company for new opportunities is clearly key, but I also believe it is my responsibility to anticipate emerging trends and begin setting the stage for how we might respond. I consider this the more proactive aspect of the role.



I was attracted to the opportunity at Pepper because every day I am given the opportunity to test my abilities by partnering with unparalleled experts in the A/E/C industry—people who have extensive experience, have seen a lot of change in the business, and are very open to new ways to take our business in new directions. Most importantly, I was looking for a company that “walks the talk” when they tell clients and prospective clients what they value most is their relationships.

It is also exciting to have the opportunity to elevate the topic of marketing to the highest level of leadership within the company.

I never get frustrated by not knowing what might happen next in our industry; I truly enjoy the unknown and the opportunity to attack a new problem. What gives me the confidence to generate results is singular: the people with whom I have the opportunity to work. I set high goals for myself every day and push myself to uncover new ways to perform to my colleagues’ standards.

My father, a retired career military pilot, has given me a lot of advice. I often reflect on this piece: The strongest leaders surround themselves with people who are decidedly better than they themselves were at a comparable point in their career. I can honestly say that many of the people with whom I have had the opportunity to work have taught me so very much.



The CMO as Consultant and Board Member

By Howard Wolff, FSMPS, Most Senior Person, Full-Height Advice

A little over one year ago, an opportunity arose for me to meet with the CEO and senior executives of a design firm headquartered in Singapore. Today, Space Matrix is my biggest client.

First, a little background. After two decades as a CMO (helping to grow WATG from a regional architectural practice to one of the world’s leading destination design firms), I ventured off on my own in 2011. In my new consulting role, I found that my greatest rewards came not from assisting firms with a one-off assignment (creating a winning proposal, a kick-ass presentation, or an informative client survey) but rather from engagements that allowed me to have a broader and deeper impact. While it was flattering to be paid for my advice, I also wanted to ensure that something came of my recommendations. So, I hit upon the notion of offering my services as a part-time or interim Chief Marketing Officer, which I call “Rent-a-CMO.”

The concept makes sense for firms in a transition or laying the groundwork for change. Space Matrix was ripe for the opportunity.

In the last three years, Space Matrix has grown from 250 to 450 employees—in 12 offices throughout Asia—doing workplace interiors, hospitality design, multi-family housing, and mixed-use projects for high-end developers and multi-national corporate clients.

According to Dhruv Prakash, chair of the executive board, Space Matrix had previously hired a business executive from outside the A/E/C industry and vested him with the CMO responsibility... without the desired results. When he left, rather than just filling the role, they decided to step back and take a closer look at what the firm needed most: a proven leader with relevant industry experience who could not only advise them on strategic matters but also assist them with implementation. Finding that person—and finding that person in Asia—was not going to be easy, so opting for an interim, part-time CMO looked like a good way to go.

Functioning as Space Matrix’s CMO—and commuting between my office in Honolulu and theirs in Asia—has its challenges. But it’s been a mutually rewarding arrangement. “Space Matrix gets to benefit from the perspective of an industry veteran who also is willing to get his hands dirty,” says CEO Anurag Srivastava. “Howard brings us the strategic thinking of a consultant coupled with the follow-through.”

They are investing in me, and I am investing in them. Putting me on their executive board is illustrative of our mutual confidence. As a result, over the last year, I’ve been able to help the firm accelerate its initiatives and zero in on goals that are actionable. I am working with each of the firm’s four business units to enhance their brand identity and develop market-related strategies, while building systems that need to be in place and bringing marketing staff up to speed.

At Space Matrix, I have six smart (yet relatively inexperienced) 20-somethings reporting to me, all of whom are eager to learn and grow. I take my role as mentor, coach, and teacher quite seriously. While, in many cases, it would be easier to tackle a task myself, I delegate, while offering guidance and support (and lots of editing)

along the way. Throughout the company, my colleagues are both good at what they do and refreshingly receptive to feedback.

Singapore is my home-away-from-home. On a typical visit, I begin and end there and take shorter trips within Asia to go to Bangkok, Delhi, or Bangalore where I spend time with staff, conduct in-office training with marketers and seller-doers, and facilitate panel discussions with clients.

Whether in Asia (in person) or back home (via Google Hangout), I have a weekly two-hour meeting with the firm's dynamic CEO. What's exciting to me (and refreshing compared to more traditional, bureaucracy-laden firms) is when I offer a recommendation that Anurag likes, he'll respond, "OK, let's do it." (Not, "Let's study it, let's form a committee, and then let's bring it before the executive board.")

The dynamic nature of the environment, the entrepreneurial atmosphere, the multi-cultural offices all provide an opportunity to learn, to grow, to give back, and to see the results. I'm lovin' it.

The Last Word

Dana Birkes, APR, FSMPS, CPSM, is a Fellow of the Public Relations Society of America and a recipient of SMPS's Weld Coxé Marketing Achievement Award. She was selected by ExecRank as one of the top five Private Company CMOs in the country.

Today, as Chief Marketing Officer at Clifford Power Systems, Inc., she is working to make change happen.

We asked Birkes what makes a CMO successful. She said that it's less about the individual than the commitment of the organization to the role. She believes that, in the next decade, "There will need to be significant change to have more people in the true CMO role, and the companies that commit to change will be more successful."

"CMOs are visionaries, and to be effective, they must know how the company operates," noted Birkes. "People must have faith in your background and history." She armed herself with the tools to be a CMO—choosing opportunities to get holistic experience in the built environment, from architecture, to construction, to a product-side contractor. She also developed an understanding of financial fundamentals and overall operations and built relationships with people she admired in both of those areas. [m](#)



About the Authors

Contributing editor Marjanne Pearson is recognized as an industry pioneer in talent and business strategies for architecture and design. Her most recent article for *Marketer*—written in collaboration with Nancy Egan, FSMPS—was "The Hinge: Talent and Leadership in the Business Cycle" in the December 2013 issue. She can be reached at mp@nextmoon.com or on Twitter @nextmoon.

Jacqueline Lavigne is the Chief Marketing Officer for Pepper Construction (www.pepperconstruction.com), based in Chicago. Educated as an architect, she is currently in her second CMO position, where she tests her abilities every day, working closely with company leadership and practice leaders to create a better, more successful future for their firm. She can be reached at jlavigne@pepperconstruction.com.

Howard Wolff, FSMPS, is the founder of and Most Senior Person at Full-Height Advice (www.howardwolff.com), offering strategic marketing consulting services. A recipient of SMPS's Weld Coxé Marketing Achievement Award, Howard can be reached at 808.683.2600 or howard@howardwolff.com. He wrote the cover story "David Slays Goliath: How Firms Are Winning Against All Odds (Or How the Underdog Became the Top Dog)" for the December 2011 *Marketer*.

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