



Network your way to a **GLOBAL FOOTPRINT**

By MARK KATCHEN, CIH

Consider this scenario: Your firm has just completed a project that involved assessing your client's status with regard to OSHA's Voluntary Protection Program (VPP) and making recommendations to close its gaps.

The good news? Your client is so pleased with the outcome that they have asked you to repeat the project, within the next 60 days, for all their U.S. facilities.

The challenge? Your relatively small, and definitely local, health and safety staff is overscheduled for the next two months and can't possibly travel to all locations to conduct the gap assessments.

The Challenge: Small firm, complex or geographically diverse project.

One of the issues facing small to medium-sized EHS consulting firms is that while their staff may be technically and geographically limited, some of their clients have complex projects that span multiple geographies. How can a local or regional EHS firm compete with the large international organizations for these projects? How can they continue to be the trusted, "go-to" EHS and/or SR (social responsibility) resource for their local clients who have out-of-state or out-of-country facilities?

Meet the challenge, extending your reach: Small- to medium-sized firms have a couple of competitive advantages that are critical to their success. Typically, overhead costs for such firms are lower than for the larger, international organizations. Clients also appreciate that senior staff from smaller

firms most often are quite involved in performing the technical work, not just in negotiating contracts for such work. A small to medium-sized firm that is able to network to other, similarly sized firms, across technical specialties and across different regions of the globe, has a "larger footprint" than it otherwise would on its own. Networking can allow this firm to provide its clients with the benefit of lower costs and senior technical expertise — even for the client's most complex, global projects.

Keys to effective networking

Sourcing: An effective network provides small- to medium-sized firms with another competitive advantage. They can now offer to help their clients by eliminating the hours and days their clients would spend to track and locate the appropriate expertise, in the global region required for their project. The client can simply go to the EHS consulting firm they already trust; this firm can readily reach out and tap the appropriate technical resource, pre-qualified and available in its network database.

As one firm engaged in such a network describes it, "It's like having satellite offices around the world... but only when you need them."

Quality: Networking can only provide its advantages if firms are confident in the quality of other firms in the network. A strong vetting process is essential to the success of the network. The Phylmar Group is an organization that has an established network of more than 500 environmental, health, safety and social responsibility consulting

firms in more than 50 countries around the globe. These firms have applied to become a part of the network and have been vetted by the Phylmar Group, which received an award from the Environmental Business Journal in 2005 for this innovative business model. Phylmar pre-qualifies each network affiliate and then guarantees the quality of the affiliate's work with its clients.

Continuing to grow and extend its model, the Phylmar Group recently established an "Inner Circle" membership, in which qualified, participating network affiliates (now Inner Circle members) have access to the entire Phylmar network.

As one member put it, "The Phylmar business model allows us to have the geographic and technical reach of large global firms at a fraction of the cost."

Phylmar staff are available to help members choose appropriate network affiliates for their projects.

Phylmar's vision is that the Inner Circle might be viewed an indicator of high quality EHS and sustainability consulting work, similar to the "Good Housekeeping" seal of approval. Firms can trust that Inner Circle members have been pre-qualified, follow the same set of contracting rules, and are guaranteed to perform work to their client's satisfaction.

Contract and invoice management: For a network to be successful, it's important to minimize

A RED FLAG:

Only 13 CIHs practicing in China

Due to a severe lack of environmental health and safety (EHS) talent throughout the developing world, the American Industrial Hygiene Association (AIHA) has partnered with General Electric and The Phylmar Group to present a course that was successfully completed in Shanghai this month.

Twenty-five employees from major multinational corporations, including Converse, Nike, ITT and GE, completed the course, which was directed by Mark Katchen, managing principal of The Phylmar Group and a former Chair of the AIHA's International Affairs Committee.

The course is part of a new international initiative designed to rapidly train EHS technologists in developing regions where there is currently little EHS expertise. Demonstrating the importance of such a course in China, Yu Jie, Vice Secretary General of the China Occupational Safety and Health Association, flew from Beijing to attend the inaugural course.

"With only 13 certified industrial hygienists in all of China, it is practically an international emergency that we train and recruit more professionals in the field of environmental health and safety," said Mark Katchen, who directed "The Measurement of Hazardous Substances" in Shanghai June 28-July 2, 2010. The course is the first of seven training modules that are part of an international program to quickly train EHS personnel in industrial hygiene.

"The need to build global professional capacity through education and training is vitally important to the EHS field at a time when corporations worldwide are recognizing the need to adhere to higher corporate social responsibility and safety standards," said Carol Tobin of the AIHA. "We are pleased with the overwhelmingly positive response to this first course and are proud to partner with The Phylmar Group and GE in this effort."

These courses will enable the rapid training of individuals with scientific backgrounds to the level of an occupational hygiene technologist and may be accepted at some universities as credit toward a master's degree.

the logistics (like contracting and invoicing) involved in large, complex projects that may span several geographies. Here, the networking solution allows small- to medium-sized firms to add another advantage — they can keep things simple by relieving the client of the administrative burden of managing multiple vendor contracts and invoices.

For a network to be successful, it's important to minimize the logistics involved in large, complex projects that may span several geographies.

In the networking model, the hiring consulting firm has a master consulting agreement in place with its client, and then all invoices from network affiliates to the hiring firm are consolidated into one invoice to the client. The client does not have to deal with multiple vendor contracts or invoices.

The hiring contractor knows the client's needs and expectations and is best equipped to manage project milestones and review the work performed by network affiliates. Outside the hiring firm's geographic area and/or area of technical expertise, the network affiliates perform the actual work and are contractually prohibited from competing with the hiring contractor for work with that particular client. In the Inner Circle model, Phylmar Group enforces this "non-compete" provision as a membership requirement.

As those who use it have seen, networking can create value for small to medium-sized firms. It allows them to say "yes" to projects they would otherwise have to turn down, and do so with confidence that the work will be performed to their client's satisfaction. This not only creates new business opportunities, but strengthens these firms' relationships with existing clients.

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