

Why Do Surveyors Undervalue and Undersell Their Services?

Greg Jeffries, B.S. M. ASCE, Regional SUE Manager - Texas



For years I have been witness to surveyors undervaluing and underselling their services and I don't understand why. (To be fair, the simple answer is; "Market Conditions" but it goes way beyond simple answers.). I have been in this business sector for 30+ years now and it seems like survey pricing has remained about the same since the 1980's, without even an adjustment for inflation. The profession, for the most part, seems content to sell their services for barely more than what it costs to perform, not counting or calculating what the value of their knowledge and expertise is worth. Further, it seems that many do not take into account what the service is worth to the end user.

With all the technologies available today, collecting a measurement should be a snap and yet, very often it is anything but. Results on-the-fly right? Well, as long as everyone showed up for work, the truck didn't break down, you can access the site, have Right of Entry, good GPS signals and fully charged batteries right?. Even our wisest clients (who know better) will fall prey to the bottom line on occasion. It's always about the money with no thought to the hereafter until ugly manifests. In their minds, a surveyor (real or purported) is a surveyor sanctioned by the State, and, in metropolitan areas there is one on every corner from every part of the country (palpable sarcasm).

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Staff is the make or break element in in our profession. The practice's culture should be motivational in nature so that we can instill skills and caring. In surveying, everything we do is field derived in a team atmosphere and therefore a practicum required. People who do not enjoy being outside should not apply. The theory and practice of surveying is paramount in daily duties and should be preached at every occasion. Pride of practice should be encouraged. Being able to push the right buttons does not equate to a correct measurement. Our business practice demands the correct answer. We face a quandary every day, we can provide our clients with service with three choices, cheap / fast / good, but they can only select tow of the three choices. If they want it cheap and fast, it won't be good, cheap and good, it won't be fast and of course fast and good won't be cheap.

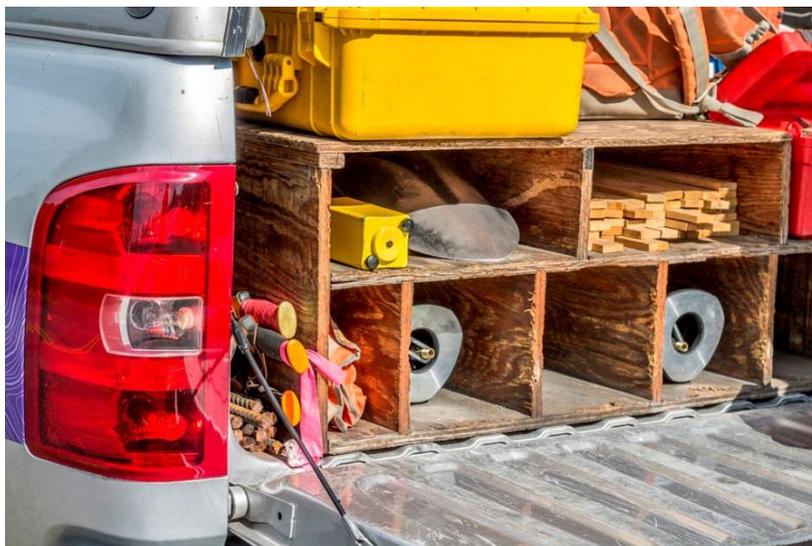
A number of years ago, while working at a previous firm, we were introduced to the GPS world for surveying. The promises of this new technology were immense; tighter, more accurate control, quicker deployment, and easier, more rapid data collection were just a few of the key benefits even before the advent of private CORS and VRS. The acquisition cost for this equipment, at the time, was significant...crazy money even, but the ROI looked fantastic, we could continue to sell survey services at our established conventional rates while benefiting from the efficiencies and expedience of GPS data acquisition. We were an early adopter and I was certain that the efficiencies gained would contribute to the rapid pay off of the acquisition costs. Wishful thinking...

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Almost immediately, our survey department managers began quoting projects based on the newly expected efficiencies gained from the deployment of the GPS systems instead of maintaining, what was theoretically, the higher cost conventional pricing formula. Survey prices dropped overnight! What had not dropped were all the other costs associated with doing business; labor, benefits, vehicles, fuel, maintenance, rent, utilities and insurance. Okay, computer technology costs dropped a bit, but those costs were easily offset by the purchase of new and more complicated software to keep up with the new GPS capabilities, so let's call that a wash.

Next came VRS and a private CORS Station on top of our office building. Welcome to RTK and further efficiencies. These newly implemented systems would virtually eliminate the need to localize, now our survey crew could hop out of the truck, fire up the GPS and start working. What do you think happened to survey prices? You guessed it, they went down again! Our survey group was bound and determined to exploit these new efficiencies by further reducing the time billed for performing the work and, instead of realizing the gains in additional revenue, margins and bottom line performance, they factored these reduced costs directly into their proposals and the prices went down again. Frank and terse discussions ensued, the survey department was again reminded that the costs of doing business were not going down and, in fact they were going up even more so with the costs of operating and maintaining a CORS station and subscriptions to VRS systems and updated GPS receivers and cellular modems and new, improved software.



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So, while volume of work increased, we could now complete more survey work in less time, income from these services remained flat. Operational costs increased; more technicians to process the field work, more licensed surveyors to review and certify the end product, more training to keep up with the latest development in hardware and software. We had to invest in new, more robust computers capable of running ever more complex software so that we could continue to take advantage of the capabilities all this new technology provided. All of the training and advances created a much more knowledgeable and valuable surveyor and those costs increased, but the fees did not increase commensurate with the costs, instead margins narrowed further. To think our firm was the only one experiencing these issues would be crazy, every firm was complicit in the stagnation of prices. Many firms were downright responsible for lowering fees to the point where no one could make a profit. Everyone had bills to pay, had to keep the doors open, lights on and staff employed on top of paying for all the new technology so undercutting was the name of the game. Keep the work coming in, we're robbing Peter to pay Paul, but hey, at least everyone is employed right?

Along the way, surveyors seem to have forgotten that what they do is valuable, extremely valuable. Land cannot be sold, buildings cannot be built and highways cannot be constructed without a survey. It is the very foundation of everything we do in this industry, why is it not revered as such? The path to licensure gets a little tougher each year. Education requirements increase, gone are the days when practical knowledge would let you sit for the exam, today a four-year degree is required. More areas of specialization have developed, Aerial surveying, UAV/UAS, LiDAR, photogrammetry and GIS are prevalent and all require special skill sets and knowledge. These are all worth something. The skill and expertise it takes to perform a proper survey, verify its accuracy and transform it into a deliverable that meets the needs of the client are all worth something...something more than they are being sold for. We need to recognize that and stop calculating the value of a survey project on what it costs, we need to price our services for what they are worth.

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Bio:

30-year industry veteran with extensive experience in Subsurface Utility Engineering, Utility Location, Utility Mapping, 3D Utility Mapping, Utility Construction and Surveying, Mr. Jeffries is a licensed contractor specializing in underground utilities.

Mr. Jeffries attended Miami-Dade College and Oklahoma State University for a degree in Geomatics Engineering. Mr. Jeffries has been involved with industry issues, legislative issues and best practices at many levels. He has served in various capacities with NULCA since 2001, starting as an At-Large Board member and then serving as Secretary, Vice President and as the organization's President through March of 2016. Mr. Jeffries is now the Immediate Past-President of NULCA and continues to serve on the NULCA Executive Board. Mr. Jeffries is active with ASCE and the recently formed Utility Engineering & Surveying Institute (UESI). He is also involved with Damage Prevention and One Call Legislative efforts with several One Call Centers. Mr. Jeffries is active on numerous committees and industry groups including; APWA, CGA Best Practices, CGA Stakeholder Advocacy, CGA Technology and Local Damage Prevention Councils. Mr. Jeffries has been a guest speaker at GITA, Trenchless Technology, Common Ground Alliance, PHMSA, DPC, Midwest Damage Prevention, OSPE, TSPE and others. Mr. Jeffries is a multi-state licensed contractor and is a frequent contributor to industry publications and is often called upon for expert testimony in utility damage incidents.