



Palacio Collaborative Paves the Way for Successful Multimillion-Dollar **CONSTRUCTION PROJECTS**

EARLY IN HIS CAREER, MICHAEL D. PALACIO WAS DETERMINED TO BECOME an architect. Along the way, he discovered a related talent that led to the creation of a multimillion-dollar construction cost-estimating firm.

A graduate of the Georgia Institute of Technology, with a major in architecture, Michael initially “fell into” estimating (as he puts it), working as a cost analyst with architects and general contractors on large construction projects. Within two years, he reached a senior level, proving so good at this complex skill that his boss said, “You may not be as good an architect as you are at estimating,” he recalls. “I thought about this and decided he was right.”

MANAGING COSTS FROM START TO FINISH

Now, with more than 20 years of experience in the design and construction industry, he's president of Palacio Collaborative, an Atlanta-based cost and value management firm he founded in 2006. The firm specializes in handling construction projects ranging from \$1 million to more than \$100 million.

Palacio Collaborative's core mission is managing costs from start to finish, preserving the integrity of the design and giving the owner "the most building value the budget will allow."

As a Certified Professional Estimator, Michael and his team have worked on construction projects in a wide array of fields, including medical, municipal, government, K-12, higher education, commercial and historic preservation.

Palacio Collaborative is a certified Minority Business Enterprise and Disadvantaged Business Enterprise, with more than 100 years of combined staff experience. The firm's projects include the Atlanta Metropolitan College Academic Science Building, Georgia Institute of Technology, North Avenue Apartments dining facility, Emmanuel Episcopal Church and the Kennesaw State University Science Laboratory.

A key element of the firm's success lies in its specialized cost modeling system that helps clients more accurately understand, set and reconcile project scope and budget. "This is the critical first step in improving the opportunity for project success," Michael says.

Building on the firm's success, Michael is now in the process of opening two new offices in North Carolina (Raleigh and Charlotte).

GROWTH AND HIRING CHALLENGES

With success and growth come new challenges, particularly in the areas of hiring and business development.

Michael is the first to admit he's "not a natural at this," having had no formal business training. Finding the most qualified people to run his planned expansion sites is a key objective, as is broadening his professional network in order to acquire new clients.



"Basically, up to now, my company's been like a group of friends working together," he says. "With expansion, we're moving well beyond my comfort zone. I've become more of a CEO than an owner/operator and have to learn to rely on others to help guide the way toward further successful growth."

GETTING HELP FROM CEO PEERS

In 2011, Michael joined The Alternative Board (TAB), becoming a Member of a TAB Board headed by Buddy Hull, President and Facilitator for The Alternative Board Atlanta-East. Since joining, he's found enormous benefits from interacting with CEOs and business owners in industries far different than his own.

For example, Michael didn't initially see the benefits of having employees work remotely. Through TAB, he learned that many companies have adopted this policy. "Members helped me see opportunities and options I hadn't considered before."

His TAB Board proved very useful with hiring challenges as well. "I face the issue of recruiting new talent in unfamiliar markets, like North Carolina," he says. "A TAB Member who understands LinkedIn very well explained how creating the right profile for my firm would help attract the interest of qualified job candidates—again, very beneficial advice."

Most small business owners aren't business people, he adds. "We're individuals who are really good at something. I'm a great estimator, but that doesn't mean I know everything about running a business."

At TAB Board Meetings, Michael benefits from the expertise and insights of others who run businesses.

"At the end of the day, we all have issues revolving around our products or services and have the same challenge of making more money than we spend," he says. "TAB helps fill in the blanks in our knowledge—including the things we don't know we don't know."