

External  
management

# Listen and learn

Contractor clients want better relationships with architects, finds Matt Thompson in the first of a series of the RIBA's round table discussions to harness the lessons of recession

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## Matt Thompson

For architects, contractors are a significant client body. According to the most recent RIBA Business Benchmarking survey of chartered practices, nearly a fifth of architects' fees come from contractor clients. This reflects the confirmed popularity of design-build contracts as the procurement route of choice: over half of all private contracts and 40% of all public contracts are design-build.

The 2013 Building White Paper on Client Intelligence found that head clients (in this context, contractors' paymasters) retain a ruthless focus on cost and efficiency when they buy construction work, and transfer project risk by predominantly using lump-sum design-build contracts. The reasons for this are simply about supply and demand. In the current market, where there are too

many suppliers chasing too few jobs, head clients hold the balance of power.

On top of this, head clients see build quality as the most important factor when selecting a contractor, still widely enforced with the use of crippling retention payments. This places enormous commercial and technical pressures on contractors, who remain jittery about the prospects of economic recovery and who as a sector have endured a spate of firms going to the wall. The net result is that they are looking to share the strain with – and extract more value than ever from – their supply chain and their architects.

The RIBA's round table discussions and subsequent filmed interviews with contractor clients have confirmed this trend, with an emphasis on the critical role architects can play in efficient delivery, cost-effectiveness, cost savings and risk reduction.

Not surprisingly, the discussions con-

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## TOP TIPS FROM CONTRACTOR CLIENTS

- 1. Listen** to contractor clients to make sure you understand their key objectives and deliver value.
- 2. Collaborate** fully with the project team and proactively facilitate optimum design solutions.
- 3. Immerse** yourself in issues of buildability, risk and commercial viability.
- 4. Repossess** the design management role, saving contractor clients the cost of hiring design managers.
- 5. Acknowledge** the cultural shift needed to work as equal partners in contractor clients' project teams.

**Right** Once on site the flow of information is critical, as contractor clients understand better than most.

firmed the traditional divide between the two parties. Architects are still characterised as a group that could improve its design management skills and that needs to understand the contractors' priorities of buildability, risk and commercial viability. Unfortunately as this stereotype is, the fact that it persists and is still highlighted by contractors, particularly in this forum, is instructive.

In contrast, architects and architecture are highly valued by contractors, enabling them to differentiate themselves in the market. Steve McGuckin, managing director at Turner & Townsend, recognises their vital contribution: 'Contractors look for creativity, problem-solving and delivery from their architects, ultimately giving the head client something they didn't even realise they wanted.'

However, they also believe that architects could improve their performance by giving more weight to contractors' commercial priorities. Mark Wakeford, managing director of Stepnell, tries to contextualise the issue: 'Once we're on site and chasing design details to deliver the project to what is often a very tight programme and, in the current climate, very tight cost constraints, having a design that is both late and poor or insufficient is a very expensive luxury that we cannot afford.'

Contractors acknowledge that architects' fees are structured to reflect their upfront investment in briefing and design. None-

theless, contractors would like them to find ways to remain engaged all the way through to practical completion and beyond. Colin Tedder, technical director for Bouygues UK, says: 'Far too often architects dismiss the importance of the delivery phase and their fees are front-ended so there's no fee to deal with that latter stage.' John Frankiewicz, chief executive of Willmott Dixon Capital Works, agrees: 'Their interest does wane. It's frustrating for us and totally disappointing for the client.'

This call to stay engaged is part of a wider entreaty for architects to listen harder and understand contractors' drivers, stresses and strains. For many, the concern is about design management and risk mitigation. As well as form, function and beauty, contractors need cost-effective, buildable and timely designs produced in collaboration with the supply chain.

Contractors find that they cannot always rely on architectural practices to manage the design process adequately, despite a wish that things were otherwise. Paul Chandler, executive vice president of Skanska UK, employs 150 design managers – many of them architects – to ensure that the flow of information is correct, timely, and gets to the right people. 'In an ideal world, we wouldn't have to do this,' he says, 'but we find it is the only way to de-risk a project.'

There is a sense that this is connected to architects' loss of leadership in the

## THE PRESIDENT'S VIEW

Twenty years ago we were emerging from recession. Sir Michael Latham had written 'Constructing the Team'. Under the presidency of Frank Duffy, the RIBA published a 'Strategic Study of the Profession', an investigative report on the changing role of the architect. A series of sector analyses were published bimonthly in the RIBA Journal, distilling messages from a two-way dialogue; the profession listening but also suggesting where it adds value.

The report made recommendations for a developing profession, including:

- Architects should educate themselves in cost control
- They should be constantly aware of time
- They should listen to what the client wants
- They should strive to understand the business or personal needs that have resulted in the project
- The profession should make training in management, economic and financial aspects of business a central plank of professional training
- It must appreciate that the building process is a team game

We operate in a different world now but the parallels are intriguing for my presidential term as we emerge from the deepest recession in living memory.

We are now three years into the RIBA's five year strategy, 'Leading Architecture'. The first of its five objectives is headed Clients: 'We will stimulate demand for architecture that delivers economic, social and environmental value.'

'RIBA for Clients' seeks to deliver this agenda with the institute looking out, listening to our clients, and generating opportunities for architects. It embraces a competitions review (see page 38), and a re-invigorated 'Find an Architect' service. It also seeks a re-evaluation of the Strategic Study, not only to assess how much the profession has responded to the recommendations, but also to provide members with researched insights into changing needs of major categories of clients so they can shape their services to better support client needs.

The RIBA has now had round table discussions in the three growth areas of contractor-led procurement, housing, and re-use/retro-fit. We are still in debate as to how our research might be a lasting resource for architects, but in seeking to emulate previous research, we are publishing the early findings from the contractor-led procurement sector on these pages.

Stephen Hodder, RIBA



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design-build environment and their struggle to adjust to their position as one link in the supply chain. 'Architects have been used to sitting at the head whereas in a collaborative process it's a very flat structure,' says Chandler. 'Some have yet to make the cultural shift to even the playing field, to realise that we're all battling for the same team.'

With this shift comes a reassignment of responsibility for design quality. Although it is traditionally regarded as the architect's responsibility, contractors are much more likely to view it as shared with the whole supply chain, with themselves as overall custodians. Inevitably, this has redefined quality away from the grand 'iconic' aesthetic vision towards the 'grunt and grind' of buildability and delivery. It has also reinforced the perception that there are two types of architect – those who are good designers and those who are meticulous detailers – and that they are not always found together in one practice.

Contractors really want to work with architects who will listen carefully and understand their needs, work collaboratively, and supply better solutions. What's missing is the competence to extend their undoubt-

ed creativity to meet practical commercial imperatives. Mark Wakeford again: 'We'd love to see the ability to identify costs, cost savings or cost wastage, and work within the team to mitigate those risks and reduce that wastage.'

Paul Morrell, for three years the government's chief construction advisor, warns against losing sight of value, which he argues is fundamentally generated on drawing boards, not building sites. In what he calls an integrated industry, individual contributions are equally respected, and that respect is never given at the expense of anyone else's. As he puts it, 'If designers and constructors get their relationship right to deliver what clients want, everybody else will fall in.'

With developments in procurement heading towards a one-stop-shop for head clients, and technological advances in BIM and design for manufacture favouring increased collaboration, the number of contractor clients is likely to grow. The lesson for architects is clear: know your client, understand their priorities, and listen carefully. ●

For 60 second clips of the one-to-one interviews go to [www.architecture.com](http://www.architecture.com)

#### RIBA CLIENT ENGAGEMENT PROGRAMME

At the start of his presidency, Stephen Hodder set up a client liaison group to find out more about clients' views and needs, chaired by Nigel Ostime from whiteroom architecture. The group includes Paul Morrell, the government's former chief construction adviser and an honorary fellow of the institute.

Working with Linda Stevens, the RIBA's head of client services, the group identified three growth sectors: contractor-led procurement, housing and retrofit. Round table discussions began in January to listen, to understand external perceptions of the profession and the value architects bring to the project team, and ultimately to identify the tools needed to promote architectural services in these sectors.

With two discussions to come in September and October, four have taken place so far:

- Contractors: attended by the heads of some of the UK's leading contracting firms.
- Housing: attended by house builders, social landlords and government representatives.
- Local government: attended by regeneration and development heads, at MIPIM in Cannes.
- Retrofit: attended by a mix of clients, with a focus on sustainability.

Clients were asked questions such as:

- How do you view architects and architecture?
- Where can architects add greatest value?
- Where does responsibility for design quality sit?
- What roles do you see your architects performing?
- How will forms of procurement develop in future?
- Do architects' fees reflect value?

The RIBA is recording one-to-one interviews with clients to articulate the feedback from each sector. 'This is a genuine effort to learn where architects add value and where they could improve', said Ostime. 'We ask clients to express their views freely but also say what they think architects already do well. We are reporting back to members by sector via the RIBA website, email and the RIBA Journal, and plan interactive events at the end of the year to review feedback and discuss what tools are needed. This important exercise will have been a success if we can give architects information that will improve their offer and lead to increased market share. However, for this to happen, the profession must listen to what its clients are saying.'