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Selecting Designers: One Client's Way of Auditing an Entire Industry

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SELECTING DESIGNERS:

One Client's Way of Auditing an Entire Industry

THE DESIGN OF A MODERN MEGA-PROJECT—such as an airport—is dependent on input from all manner of outside groups. In this process, having an efficient framework for selecting and managing consultants is essential. Raymond Turner, director of design for BAA, the private company that owns London's major airports, and his team of design leaders have devised a system for categorizing and pre-qualifying suppliers, which he is convinced will improve quality while it permits decentralized project management and saves significant time and money.

By Raymond Turner FCSD

BAA—formerly the British Airports Authority—was privatized in 1988 and is the world's largest privately owned airport company. The firm runs seven airports in the UK, including Heathrow and Gatwick, and has management contracts with airports in Pittsburgh and Indianapolis in the US. BAA is currently building a London-to-Heathrow high-speed express train and designing a fifth terminal at Heathrow, (Figure 1, next page) due to be opened in the early part of the next century.

In an organization with the size and scope of BAA, design is an important and wide-ranging resource. We apply rigorous design standards to the smallest piece of printed material and to the largest elements of our built environments,



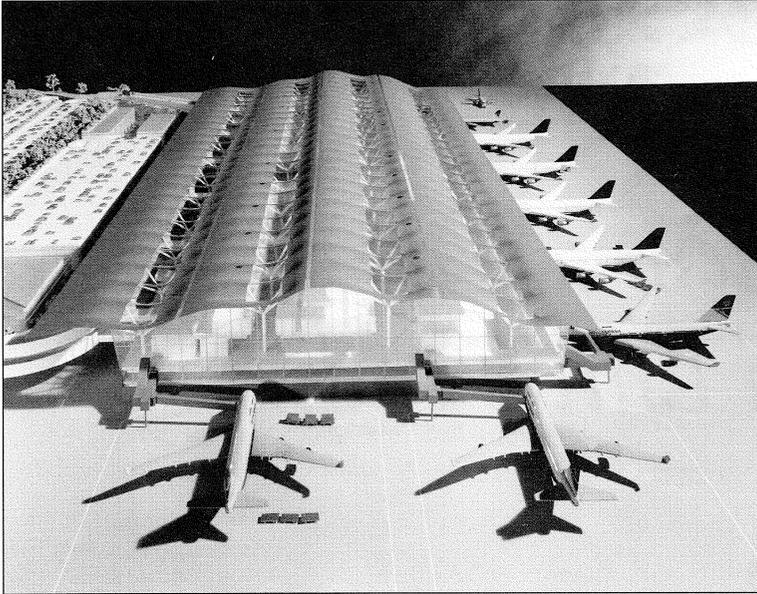
RAYMOND TURNER IS GROUP DESIGN DIRECTOR OF BAA PLC, THE WORLD'S LARGEST PRIVATELY OWNED AIRPORT COMPANY.

from a simple sign to a whole airport, in the UK and, increasingly, worldwide.

This means that we use most of the recognized design disciplines—graphic, communications, environmental, and product design, of course, but also engineering, retail systems, infrastructure, signage and other information systems, architecture, and master planning and transportation design. And when we are spending £400-£500 million every year on infrastructure development alone, that is a lot of design investment to be commissioned, directed, and managed.

We have therefore been working to create a designer selection and procurement process that will ensure the creative and effective use of design throughout our business. Our corporate mission

Figure 1



BAA concept model for new terminal at London's Heathrow Airport.

is to become the world's most successful airport operator. Key to achieving this is BAA's ambition to improve the quality, efficiency of production, and cost of major infrastructure projects. One of the things we are doing to achieve this goal is to manage our outside design consultants better, and to give our project managers more support and information in the process.

Inside vs. Outside

Any organization that uses design to further its business has two or possibly three choices it can make to achieve its aim. It can use a team of in-house design specialists; it can source all its work from external consultants, leaving itself with the management responsibility; or it can combine both approaches.

I have worked with both in-house and external design resources throughout my career and can see a limited number of reasons for having an in-house team and a lot of reasons to use external resources.

Internal design teams come into their own when you are designing something industry-specific. When I was working as design director at London Transport, for example, it made sense to retain a reservoir of specific design talent for those aspects of our infrastructure requiring high levels of technical knowledge based on operational experience—for example, the planning and fitting of escalators. On the other hand, it was less relevant to have our own architects design station structures or interiors, because our experience and levels of creativity were affected by the limited opportunity for change.

There was a time when BAA had a large internal architectural and engineering resource. Today it is much smaller, because we have retained only those people with specific technical knowledge not easily found outside our industry. When we need a highly creative input that benefits from a much wider base of experience than BAA can provide, we use outside design consultants.

Come to think of it, you have to question why a top-quality architect, say, would aim for his or her career to develop within the confines of just one aspect of one industry. But that's what an in-house designer does. He or she runs the risk of having only a narrow band of design experience to draw on. Consultants, on the other hand, are used to confronting a variety of challenges in their work.

Like many companies on the client side of the design process, BAA is well aware of the value of the skills and advice we get from good consultants. Excepting a very small number of specific in-house services, our entire annual design output, which is enormous, comes from external design consultants. However, we do retain the responsibility to actively manage the results of the design process.

The decision to procure design services from outside BAA rather than from inside was simple enough. There are plenty of excellent general and specialist practices covering the many discipline skills BAA demands. The problem, in fact, has been choosing from so many consultancies; it's an embarrassment of riches. But how do you maintain high design standards across the whole of BAA when there are a lot of suppliers involved? Which consultancy is selected to handle a particular project and why? More important, who is doing the choosing?

The Opportunity

In early 1995, BAA's management committee formalized a process by establishing the Supply Chain Task Force to create "framework agreements" with a limited number of component suppliers, constructors, and specialist consultants. The task before us, clearly, was refining the selection and qualification process to reduce our core design suppliers to a smaller and more manageable base. At the same time, we didn't want to close off our ability to source new creative skills as practices start up or regroup.

As the group responsible for design leadership and management in BAA, we could have dedicated a large team to centrally commissioning designers and managing design on the projects. But that is what we are moving away from. BAA is essentially a project-driven company, using projects, in many instances, to address major business issues. These projects are run by very experienced managers, who

expect the processes they employ and the outputs they produce to be predictable and measurable.

Design is part of that process. Devolved throughout the complex project process, it is guided by corporate design policies and strategies but managed locally by those project people empowered to deliver the final result. And this should inform the way we select our design consultants.

BAA's skills are tangible. We build and manage airports and airport facilities; our projects are infrastructure projects. In fact, the company spends £400-£500 million every year on infrastructure projects. These run the gamut from a new range of check-in desks to a lighting scheme for a car park or the total planning, design, and building of a multibillion-pound international air terminal complete with a high-speed rail interchange. Design has an impact on every project. It must become an integral part of the project process and not be tacked on as an afterthought. This means that project managers must be able to select and manage the design skills they need as they would any other specialization. Again, it's the project managers who are doing the hiring on behalf of the client. However, we must be confident that they are choosing from a list representing the most appropriate consultants for the project.

Until recently, we have had too many suppliers with varying skills and capabilities. Although it might seem liberating to hire and fire consultants at will, it has also been the case that too many changes in design consultants result in a lack of coherence and mismatches in quality of facilities. Managing 100 specialists in one design sector is more complicated than managing 10, and having too many suppliers makes it harder for the people who commission design at the project level to make an informed choice.

We needed to develop an internal regime to select the professional design skills needed by the project managers, and we needed management to be confident that we have a base of designers we can call on for those skills. For project managers to be able to operate without constant reference back to corporate office, management also had to be sure that the consultant designers they choose understand the BAA culture as well as the project requirements and that they can be commissioned within an agreed-upon contract and fee structure.

Designing the Design Crew

We first determined what design skills were needed on a regular basis.

We found that we used eight broad categories of design, which could be broken down into many more subcategories. The list included design brief development; architecture and interior design; in-

frastructure, urban, and environmental planning; retail and leisure (such as casinos, gyms, and baby facilities); product design; structural and building services design; wayfinding; and a range of specialist engineering design skills in which BAA leads the world—for instance, aircraft-pavement design.

But before we reviewed our list of consultants, we had to ask ourselves what exactly we needed them to do for us. What was the business and project context in which they would have to work? What was the company's workload likely to be, now and in the future, in each of the specialist disciplines? We carried out this review with the help of all sectors to ensure that there was a common understanding of where design could add real wealth to the business. Design works in BAA not because it is applied with a trowel, but because the line managers and project managers understand how it can help manifest BAA's strategic objectives through their management of it at an operational and project level.

We now had to set up a process for selecting the right type and number of design consultants for the work at present and in the future—and here we did not have a totally free choice. In the European Union (EU), we have rules to ensure open competition among companies in member countries on projects over a certain value. BAA is one of the companies that has to comply with the EU process. Projects must be advertised openly across Europe with an auditable trail through the selection procedure to demonstrate that any qualified applicant had a chance to be considered equally.

With the number of projects we initiate each year, this process can be onerous if each one has to be advertised and all replies evaluated, shortlisted, and selected. Fortunately the rules do allow for other options, including a preferred supplier list selected from appropriately set criteria.

This is the route we have followed. To avoid constant advertising, as well as the inherent problems of having to develop new relationships over and over again, we decided to set up framework agreements from a rigorously selected preferred supplier base in each design discipline. The only requirement is that we show a clearly auditable trail for fair selection.

Framework agreements allow us to commit BAA to working with a design consultancy for up to five years before that agreement need be re-evaluated. The agreement can be reviewed at any time, but the

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potential benefit is a partnership in which consultants learn with us to design effectively to meet our objectives, reduce costs and waste from constant reinvention of design solutions, and produce a more intuitive working pattern that enables project managers to commission designers knowing that they understand and appreciate BAA's culture.

A secondary objective in creating a closeknit team of suppliers was to introduce a degree of design standardization, a phrase that sends shivers up the spine of some designers who think it means

reducing creativity. That's not the intention. Design standardization means, for example, avoiding using the current 176 different designs of protective buffer to prevent luggage trolleys from damaging walls. That's one design of protective buffer every month for 14 years—and each one had to be designed, tooled, made, paid for, and managed!

I see a point where we can use more than 50% of standard components in any new

building—without sacrificing the creative originality that has been the hallmark of our major projects over many years.

But to return to the selection of consultants.

Concentrating the Search

We divided the process into six key stages.

1. Having identified the types of service required, we advertise them under the EU rules, which permit any company anywhere in the world to respond. And we welcome smaller firms, as well as the large ones; in fact, we consider any consultancy that employs at least two professionals. We are looking for talent, not necessarily size.
2. We then begin the first evaluation stage, which is based on a detailed questionnaire asking for frank information about the company—financial status, technological investment, staffing, training policies, project and design management processes, quality assurance procedures, and so on.
3. The responses to stage 2 are then rated by a multidisciplinary group of people from across BAA to narrow down the applicant base for each service skill, from perhaps 500 to 50.
4. This is still a large number, when our aim is to work with perhaps 5 to 15 consultancies, depending on the discipline. So stage 4 involves a two-stage interview process to assess the candidates' creative, technical, and process manage-

ment skills. It also includes a half day with up to 20 of the most likely applicants on their own premises.

5. From this we select our list of approved suppliers and negotiate framework agreements. These will take into account negotiated rates for work, efficiency of operation, and availability of key staff. It is far from a question of buying on price alone. We also take great care at this stage to issue only the number of framework agreements that we can honor.
6. We can now begin to work with our selected consultants, starting with an induction into BAA's business objectives, design policies, and project methodology to ensure that their creative input works at a strategic and project level.

The interview and selection process involves all key users of design consultants at every stage. This facilitates complete "buy-in" at the end of the day.

We have developed a *Project Handbook* of working practices for both consultants and project managers who will be commissioning design. It follows a schematic of seven events in the planning and commissioning of a project and eight management functions—including design management—used to complete the project, with detailed guidelines for each phase.

Having affirmed an approved supplier list and established framework agreements, line managers and project managers can be confident about the quality of the final selection.

Structure, Not Straitjacket

This may sound like a heavy, system-based process that might militate against new and lively creative solutions. However, this is not the case. As long as the design practice can handle the size of the job, any size of business will be considered.

It's also the case that not every job falls into the new framework agreement structure. Specialized jobs can still be commissioned individually. However, up to 80% of our design work will be commissioned under the new procurement process.

It is not perfect, of course. It will need adjustment. We must prevent ourselves from being too comfortable, losing that intellectual challenge. And we must ensure that we do not miss out on new design thinking and talent by identifying special one-off-type projects that might benefit from a nonconventional approach.

Developing this six-stage selection process has taught me a lot. I must admit I was surprised that some consultancies that should be working with us did not respond to the initial application. In some cases, I made a point of discussing our plans with these. A few of them decided to continue with the

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process, but some felt uncomfortable with it, and so we missed establishing a framework agreement with them. I was also surprised at how the initial questionnaires revealed the true character of some companies—to a degree that meant we did not consider them for a framework agreement because, for example, they considered it to be financially restrictive or their attitude was not conducive to long-term partnering.

However, we do have a large pool of other brilliant designers to choose from.

Where Do We Go From Here?

So where will this leave us once the process is finished?

Well, my small nucleus of specialist design leaders will be free to consider the long term and work on planning that will support and help to drive the current and future objectives of the business. We have, for example, already started a process of defining a vision of the aspirations and standards of our future airports. This vision will help us outline the design requirements of future projects and determine where they take us as a business.

We will also need to keep communicating this vision and objectives as part of a continuing review and dialogue with suppliers, consultants, and our own managers. This we see as a two-way process—we tell them what we are trying to achieve through the use of design, and they tell us how it is working in practice on current projects.

The plan is for an extensive program of workshops with our design consultants and suppliers in order to capitalize on our collective experience and creativity. This program will include an annual conference of all our framework design consultants to

exchange views and ideas about how design can be used more effectively to achieve BAA's corporate objectives. Consultants and key contractors will interact at the conference, exchanging ideas about improving the quality of service to our passengers.

The prize is a supplier base of people we want to work with and who value their contribution to BAA as part of its—and their own—success. On a much larger scale, this approach to the design and construction of major facilities will help ensure that much more efficient processes are developed, which will produce more cost-effective, better-quality facilities for our customers. The next stage will be for BAA and its consultants and contractors to develop criteria to measure the effectiveness of the design investment at the project level.

At BAA, we firmly believe that in order to attain and maintain the high ground implicit in our mission to be the best airport operator in the world, we must manage the quality of customer experience better than our rivals. We also believe that the use of design can help us achieve this above almost anything else.

This is why it is so important that the designers we use are selected for their total collective ability to contribute to this aim.

For a corporation the size of BAA, this selection process will be a long and complicated one. The next few years will show how well we have succeeded in choosing people who can work together with us to produce a quality of service that sets new worldwide benchmarks.

In practice, you could say that what we are undertaking is an audit of an entire industry—the design industry—and it has been both sobering and exhilarating. ♦ *(Reprint #9672TUR61)*