

# Select Best Bid By Qualifications

BY DWIGHT D. BENOY, PE

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**W**ould you select a surgeon to perform open heart surgery based on him having the lowest price or would you want the best-qualified heart surgeon around? Maybe selecting an engineer or architect is not as personal a choice as a surgeon, but the choice could have as significant an impact on life and health, if not more.

Projects designed by engineers and architects directly affect the quality of the water we drink and the food we eat, the safety of our buildings, highways and bridges, the quality of the environment in which we work, etc. Yet more and more, engineers and architects are being selected for these types of projects based on the lowest price for their services.

Most projects start as problems or opportunities in need of solutions. Engineers and architects have the expertise to develop viable solutions for projects but not all engineers or architects are alike.

You wouldn't want a gynecologist performing your open heart surgery and you wouldn't want your surgeon delivering your child. Some are better qualified than others to provide expertise for particular projects. Wouldn't you want the best-qualified engineer or architect to design your project?

What if you decide to select an engineer or architect based on the price of his services? Put yourself in the position of the engineer or architect. How would you price your services on a project that, typically in the initial stages, is poorly defined? Owners rely on these design professionals to help them define the scope of the project and services. Once that is done, the design professional can develop a fee based on this scope. Without this scope definition, the design professional is guessing at the fee needed to provide the viable solutions.

What if you had heart surgeons bid on your surgery? The low bidder is figuring on doing a double bypass. She opens you up and finds that you actually should have a triple bypass. She only

does the double because that's what she bid. The surgery would be lower in cost, but not many would consider it a good value.

So how do you go about getting the best-qualified design professionals? There is a process that has been in use for decades called Qualification Based Selection (QBS). For whatever reasons in recent years, this process has been used less and less and is being replaced by bidding. QBS is a well-defined and documented process endorsed by the federal government in nearly 40 states as the procedure to use for the selection of design professionals.

The QBS process involves three steps:

- Selection;
- Definition of the scope of the project;
- Retention of the design professional.

The objective of Step 1 is to select the most qualified design professional for the project. This step would include the owner's preparation of a preliminary scope of work, along with selection criteria for the design professional. Qualification statements would be requested from potential design professional firms. The statements would be evaluated and a short list of the best-qualified firms would be developed from this initial appraisal.

Firms on the short list would be interviewed individually and their references investigated. Based on the information gathered, the firms would be ranked, with the top-ranked firm being asked to go on to Step 2.

In Step 2, the highest-ranked design professional firm works with the owner to determine the scope of the project, the services required, and the terms of the contract. This joint effort provides great value to the owner by allowing for an open dialogue to discuss the project thoroughly. This results in a mutual understanding of the expecta-

tions and type of work required, along with building a trusting relationship.

This might be like meeting with your heart surgeon to discuss the pending operation. She thinks you'll need a double bypass, but during the surgery, there is a chance you'll require a triple bypass. You would trust her to use her best judgment and she would expect extra compensation for any additional work.

The third step's objective is to retain the design professional on the basis of an acceptable fee proposal. The fee can now be negotiated since there is a well-defined scope of services.

If an agreement is not reached, the parties can return to Step 2 to renegotiate the project scope and services as a basis for a new fee proposal. If an agreement still cannot be reached with the highest-ranked firm, negotiations are terminated and the owner initiates negotiations with the second-ranked firm.

It can be argued that this process takes more time than a straight bidding process. This is true up front, but the QBS process can actually save time in the long run because the def-

inition of scope already is completed in the initial stages of the project, and a trusting relationship is developed.

In the analogy of the low bid heart surgeon, a lot of time and fee, as well as pain and anxiety, could be saved by not requiring a second surgery to do the third bypass.

The QBS process also provides better value to the owner. The owner is involved right from the start in decisions that affect cost. This is not just the initial cost, but costs related to long-term operation and maintenance which, on some projects, can have much greater significance than the initial project cost.

If an owner already has a trusting relationship with a qualified design professional, Step 1 can be skipped and the scope definition can start immediately. Because

the QBS process facilitates developing trusting relationships, time can be saved in the future, resulting in projects of best value for the owner.

*Dwight D. Benoy, PE, is executive vice president of Inspec Inc. in Minneapolis, Minnesota.*

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