Practice Taking Charge

With management consulting firms expanding into real estate and design issues, architects could be squeezed out.

By Michael Maynard

Architects have watched fretfully in recent years as major chunks of their business slip away to other professions. But now some practitioners are trying to win back full project control by selling their expertise as a broader array of consulting services: from aiding with real estate decisions to troubleshooting and improving the workflow among employees in clients’ operations. Whether firms view these expanded services as a more holistic, client-driven approach to architecture or simply imaginative ways to keep busy, the fact is that consulting can be very profitable.

It is also quite competitive, especially as architects begin to overlap with big-name management consulting firms in meeting clients’ needs. Consulting also creates an identity question for architects who want to keep their franchise in design, but see the earnings potential of moving beyond it as well.

Many forward-thinking firms are dropping the architecture, planning, and engineering tag lines, says Mark Zweig of Zweig, White & Associates, a Natick, Massachusetts-based consulting firm. “They’re saying, ‘We’ll consider any service we can make a profit on that doesn’t detract from our image as architects.”

Knowing the client

Both design firms and management consultants are competing in a business climate where flexibility is the operative word. “The client demands people that understand their business,” observes Zweig. For example, an architect with a pharmaceutical client should be keeping up to date on healthcare issues.

When principals of Washington, D.C.-based Greenwell Goetz Architects saw an opportunity in the early 1990s to go beyond design work to serve clients in new ways, such as managing a corporate reorganization, they concentrated on learning a client’s business. Today, the 55-person firm, which specializes in corporate interior architecture, puts together teams of programmers, human resources specialists, or other types of facilitators for clients who want to change their workplaces, whether it’s to create a better image or to enhance efficiency. Drawing on the recommendations of the consultants it brings aboard, Greenwell Goetz will implement a design that incorporates the client’s goals.

Such an approach, suggests Principal Lewis J. Goetz, is “integrated.” That is, the architect addresses multiple issues related to how a business functions instead of merely creating an attractive environment. When Greenwell Goetz redesigned the Marriott Corporation’s headquarters in Bethesda, Maryland, it brought in Watson Wyatt, a human resources firm, to help transform the building from private offices to an open plan. In developing a building for Manor Care, a healthcare organization, the firm chose to work with the client’s human resources staff to implement the new floor plans.

But just as Greenwell Goetz wields its design credentials to overhaul the workplaces of clients, large, well-established management and accounting firms are using their business credentials to establish inroads into the design world. Such worldwide consultants as Booz-Allen & Hamilton and Arthur Andersen have established dedicated facilities planning and management divisions to program, design, and manage properties for their corporate clients.

At Booz-Allen & Hamilton, a management consulting firm based in McLean, Virginia, a “facilities and infrastructure management team” advertises its ability to “provide preliminary space-plan concepts, facility designs, construction documents, design management, [and] construction management and scheduling.” It sounds like a line from an architecture firm’s marketing brochure. Increasingly, these management consultants have been making the case that, rather than architecture firms, they are better equipped to meet their clients’ needs.

The real issue is “behavioral,” says Peter Miscovich, who trained as an architect and engineer and now heads the “workplace transition group” in New York City for Arthur Andersen, the worldwide consulting firm. Miscovich contends that architectural solutions alone do not solve a client’s workplace problems.

Miscovich argues that Andersen, with a cadre of architects, interior designers, workplace strategists, and an organizational psychologist in the workplace transition group, can address a host of sophisticated client
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Consulting opportunities for architects span the entire life cycle of a project or series of projects, from management and facility planning to construction and building operation.

Challenges that integrate technology, layout or floor plans, and employee dynamics. Looking at the situation architecturally would be limiting, he says. With a consulting firm, “we’re taking this to another level.”

Booz-Allen & Hamilton, too, counts as its strength a diversity of employees who can analyze client needs. “To do this correctly, you need a real breadth of skill sets,” asserts Mike Craig, a principal in the company’s facilities strategies and operations team. Booz-Allen employs only a “token” number of designers because its interior design services represent a small subset of its work. “We’re really focused heavily in that longer piece of the facilities life cycle, which is to operate and maintain clients’ buildings.

Still, architecture firms with a specialty, be it retail, management, or educational facilities, see themselves as equally if not more qualified to do this work. That was the view of principals at Bergmeyer Associates of Boston, which was established as an architecture firm in 1973, but developed a new mission statement in the early 1990s when the principals broadened their perspective. “In the mission statement was a key phrase that said we’re a consulting firm that specializes in architecture and design,” remarks Principal Joseph P. Nevin. Such flexibility has allowed the firm to pursue opportunities such as pulling together consumer research, and retaining marketing consultants and graphic designers to advise on ways to increase amenities for museum visitors. “One part of what we do is bring a team together that’s tailored to the specific needs of the client and the project,” Nevin says. With this strategy, Bergmeyer’s retail division has become specialized in marketing and merchandising as well as design.

Selling business smarts
Architectural giant HOK recognized in the early 1980s that a consulting arm could be a valuable asset to its design work, in terms of both dollars and prestige. The work of HOK Consulting (HOKC) evolved from the predesign services that the firm provided its corporate clients. “That work has continued to expand as clients redefine what the workplace should be,” Steve Parshall, HOKC’s practice director. As customers asked for more services, “conventional answers to office spaces, research, and design weren’t valid anymore,” he says.

Industry analysts say that HOK had the foresight to forge new paths