



AIA Best Practices:

12 goals of effective owner–designer agreements

What every design professional and client should know

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Summary

Owner–Design Professional agreements must address specific issues such as project scope definition, compensation, ownership of documents, and insurance requirements. Ample resources exist that outline required content. Effective agreements go further; they act as catalysts for identifying and achieving important project goals and as tools for team-building.

The 12 goals

When evaluating an agreement, review it for alignment with the following goals:

- The agreement promotes a dialogue about each party’s underlying concerns and expectations.
- The tone of the agreement is positive and collaborative.
- The agreement prompts discussion that educates both parties about the intended design and construction process.
- The agreement identifies the full gamut of services required for the project, stipulates who will provide each of these services (A/E team, owner, owner’s representative, or third party), and defines each party’s roles and responsibilities.
- The agreement provides each party with the authority, responsibility, and means to fulfill their contractual responsibilities and the other party’s expectations.
- A clear and efficient mechanism exists to address disputes. It emphasizes conflict avoidance and easy dispute resolution.
- Contingencies are included to address the unexpected without countless claims for additional services.
- Clear and concise language that has been adequately tested in courts is used.
- The agreement fairly allocates risks and responsibilities, and provides the means to manage the risks assigned to each party.

- The fees are reasonable and commensurate with the level of services the client wants to receive.
- The language is insurable and consistent with each party's legal standard of care.
- The terms are aligned with related documents such as the General Conditions for Construction and the contract between the owner and contractor.

Final thoughts

Impasses during a negotiation often occur because there is no prior agreement about the “rules of the game” and a set of goals against which to measure the agreement. On the other hand, difficult contract issues are easily resolved, if discussed within the context of agreed-upon goals.

Before delving into specific terms, try prefacing your next negotiation by agreeing on the overall goals. Use the 12 goals listed above as a starting point. At various points during the negotiation, step back and evaluate the draft agreement against these goals.

If you reach an impasse, chances are that one or both party's positions are in conflict with at least one of the goals. Once the positions are evaluated against the goals, the spirit of cooperation will prevail and specific terms will be easier to resolve.

About the contributor

Michael Strogoff, FAIA, is a past chair of AIA's Practice Management Knowledge Community (PMKC) Advisory Group. After managing a 40-person architecture practice, Strogoff formed a consulting firm to guide design professionals in ownership transitions, mergers and acquisitions, practice management, strategic planning, and leadership training. His firm, [Strogoff Consulting, Inc.](http://StrogoffConsulting.Inc.), is located in Mill Valley, Calif. Strogoff remains active with various AIA committees and also produces online continuing education courses through www.aecKnowledge.com.

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This article corresponds to:

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