AIA Best Practices:
Emerging risks in practice

Contributed by Victor Insurance Managers and CAN

Summary

To keep up with today's market trends, architects should be aware of emerging risks associated with service delivery methods, project confidentiality, and digital capabilities.

Blending or unbundling of services

Most professional liability insurers attempt to track the changing demands of firms so that coverage can be adapted to meet policyholder needs. Now more than ever, professionals are experiencing a transformation in how professional services are defined and delivered.

Some clients' demand for cost efficiency has created a change in project delivery methods. Clients see the separation of design and construction in the typical design/bid/build process as inefficient.

Despite efforts by state regulators to section off specific services for licensed professionals, clients often demand the blending of responsibilities. They see feasibility, design, and operations as one continuous process to be managed by one firm. As a result, many design firms cannot adapt and have found their roles reduced, while other firms adapt and learn to package projects. This new kind of client has forced architects to become project managers.

In contrast to those clients who want to blend design and construction services, other clients separate out—or unbundle—traditional design services. This can challenge the ability of professionals to provide services in a coordinated manner. As projects become more complex, many clients ignore the value of having an integrated design team that is able to develop interprofessional relationships.

Confidentiality and security

Client security and confidentiality needs have increased recently. Government agencies, led by the Department of Homeland Security and the Department of Transportation, have developed guidelines to protect security-sensitive information. The importance of security is not limited to infrastructure projects or public clients. Many private clients, ranging from corporations to residential clients, may want to impose a governmental-style approach to the use of design information.

The practice of limiting access to and dissemination of client information during the design process may impede the collaborative design process. Bidding may be reshaped as security-sensitive plans and specifications are kept from many prospective contractors.

Controls are established to monitor and record the use of the documents. All involved, from architects to construction workers, may have to meet job-specific security clearance requirements. Even award programs that indicate floor plans, structural systems, or mechanical equipment may be constrained by privacy and security concerns.

Digital practice

Building information modeling (BIM) will foster the integration of the design process. A model-based technology linked to a database of project information presents opportunities and creates challenges for design firms. As sophisticated private and government clients demand such integration, the profession will have to respond. Professionals will either have to segregate services into limited areas of design or expand their services to become project information integrators that control the overall process and create the database of design, procurement, and construction information that is either provided to or managed on behalf of the client.

The evolution to a consolidated digital practice challenges many of the principles that have guided design firms. Questions about information ownership, liability for design decisions, and compensation for professional services all need to be addressed. During this time of rapid change, construction-related professionals must reassess their preferred roles in design and construction.

About the contributor

Victor Insurance Managers and CNA work with the AIA Trust to offer AIA members quality risk management coverage through the AIA Trust's Professional Liability Insurance Program, Business Owners Plan, and Cyber Liability Insurance Program to address the challenges that architects face today and in the future. Detailed information about both these programs may be found on the AIA Trust website.

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AIA Best Practices is a collection of relevant, experience-based knowledge and expert advice on firm management, project delivery, contracts and more, aligned with the *Architect's Handbook of Professional Practice, 15th edition*. See the full AIA Best Practices collection at aia.org/aia-best-practices.

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