



Q3 INFLUENCE: WORLD BUILDING

# Rebuilding the Profession

DesignIntelligence®  
Quarterly



## Rebuilding the Profession

Mark Wight

Chairman and CEO, Wight & Company

Wight & Company's chairman and CEO discusses the firm's culture of collaboration and how its integrated design led-design build model challenges the profession

**DesignIntelligence (DI):** We're talking with Mark Wight, the chairman and CEO of Wight & Company, an 80-year-old, Chicago-based architecture, engineering and construction firm with 200 employees working around the world.

**Our editorial theme for 2022 at DesignIntelligence is influence. For this quarter, our theme is world building. The first question is: How can architects create more influence?**

**Mark Wight (MW):** For starters, architects can be more influential by breaking out of the traditional roles established by architecture schools and the AIA standard form agreements.

I've been lucky enough to lecture at the Notre Dame School of Architecture for many years. In my class, I pose the question of how architects went from being master builders to commoditized service providers in just three generations, yet the profession is thousands of years old.

From my point of view, it was AIA's decision to try to mitigate designers' risk by publishing standard form agreements that essentially divorce design from construction. Although the AIA is a valuable organization, they did a tremendous disservice to their members by creating standards that put architects in a restrictive design box. Within this framework, architects only interact with builders in systematic and contractually dictated ways. How can architects exert more influence? By getting out of that box. At Wight & Company, that's exactly what we're trying to do.

**DI:** You've made a conscious effort to build a firm that's very different from the traditional architectural office. How have you gone about that? You're practicing traditional architecture and engineering, but a major part of what you've done is design led-design build project delivery. When, how and why did that start?

**MW:** It started more than 20 years ago. In my Notre Dame class, I walk students through an example of a \$10 million project. In that project, a typical architect's fee is about 6%, or \$600,000. They probably give \$200,000 of that to HVAC, structural and other specialty consultants. They have a net fee of about \$400,000. If the firm is well run, they make about 10%. So, the architect's profit on a \$10 million project is about \$40,000.

Then, I walk students through the same project from the contractor's side. The profit margin declines from about 10% to 4%, but the contractor is making its 4% on \$10 million, whereas the architect's 10% is on \$400,000. The builder makes \$400,000 while the architect makes \$40,000. The builder earns 10 times more money than the designer. There's something wrong with that picture. A hundred years ago, the architects were on both sides of that equation. It was the architecture schools and the industry's own professional organization that took authority, control, and profitability away from the architect.



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The driving force behind publishing the standard form agreements was to mitigate designers' risk, which it achieves in Contract. But the problem is that architects are almost always sued in Tort for negligence. The contract becomes irrelevant once a designer is sued under a standard of care argument.

Ironically, architects need authority, control and profitability to stay out of trouble, which is precisely what they gave up in the name of mitigating their risk. That's why at Wight & Company, with the design led-design build model, our builders and designers work together on projects from beginning to end.

With this integrated approach, designers are not on the defensive as soon as the drawings are finished because the process remains fluid throughout. In a traditional design build model or with a design-bid-build approach, the first order of business is for the two different organizations to protect themselves. The drawings become fixed. Any time something veers from the drawings, a change order request is made and every meeting becomes a prolonged discussion about who's to blame. This is a fatally flawed system. With the design led-design build model, the drawings aren't fixed. When you see a solution that's better, it can be implemented without the finger-pointing and time-wasting. The owner is part of the decisions. You implement the changes and carry on.

**DI:** You framed the problem clearly: authority, control and profitability. You've made a conscious effort to create an organization that behaves in a different way. What's different in how you built your organization in contrast to an architecture-only firm?

**MW:** Changing the mindset of people who are used to working in a construction company or a design-only firm is hard, but once they experience the benefits of design led-design build,





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they don't want to go back. At Wight & Company, our projects typically save our clients 20% in cost and 20% in time. Plus, it's way more fun when the tension between designer and builder is eliminated.

For example, recently, Downers Grove High School District 99 chose us to design and execute a massive renovation of its two large high schools. While other construction firms were unable to guarantee a price below \$144 million, we guaranteed a cost of \$122 million. We won the work and ultimately delivered the project for \$109 million. By coming in under budget and a full year ahead of schedule, District 99 was able to add scope and extra technology. Our structural engineer told me, "We would never have been able to build the auditorium if an outside construction firm had been involved." It's remarkable to hear team members providing these kinds of testimonials to the design led-design build delivery system.

Once you get there, it's spectacular; but it's hard to break the cycle. Architecture schools do not talk about architects doing construction. The industry belief that architects can't talk about safety on a job site because of what their contracts say is outrageous. As I tell my students, the business of design and construction isn't about contracts, it's about relationships and communication.

**DI: You talked about the culture challenge of changing long-standing biases. As your firm's visionary, cultural and strategic leader, I'm sure you've spent a lot of time working on that. In attempting to build a different company, have you done anything different in structure or systems? McKinsey & Company's 7-S diagram talks about how structure, staff, skills, style, strategy, systems and shared values are related when you try to change an organization. What's your model?**

**MW:** McKinsey's 7-S diagram is well taken, but for me, it's about one "C": *character*. Years ago, your founder, Jim Cramer, told me about Peter Drucker's philosophy that "culture trumps strategy." Similarly, my assertion is that "character trumps talent." The most important thing a CEO can do to break out of the box is to focus on hiring people who are not only talented, but are honest, trustworthy, transparent, communicative and participatory.

Early on, I learned that if I only hired people with Type A personalities, it created a dysfunctional workplace. Everyone was smart, but they didn't work well together. To help me harness the right culture, I hired a recruitment expert who specializes in aligning the values of the company with the character of the candidate. For the past 30 years, no one has been hired at Wight & Company without first talking to this trusted professional.

Culture is even more important when selecting the core leadership team. Every year, we have a leadership retreat where we create a strategic plan. Although strategy is important, it's not nearly as important as the team's cultural dynamic. For a design-led-build project, the cultural dynamic of the team is integral to its success. How well do they communicate and get along? How committed are they to the project and process? Talent is essential, but culture, character and shared values are nonnegotiable.

**DI:** So, success starts with values and character because you can teach skills, capabilities and processes. But without those other things first, you're not going to get there.

You mentioned architectural education. You're coming at that as someone who did not go through typical architectural education, but we agree that much of what's being taught is misdirected in traditional architectural education. The debate

has raged among academics for years. "All those business and communication skills ... you can get those somewhere else," they say. "What you need to learn here is design — the classical craft of architecture." But when we get out, we don't know how to manage risk or interact with clients. We're missing skills everybody tells us we need. If there is no room to teach all those things in classical architectural curricula, where can we get them?

**MW:** In my judgment, the biggest issue isn't the curriculum itself, but the culture surrounding the curriculum. At Notre Dame, I have observed the way conversations, even those outside of the classroom, support the AIA's interpretation of how design should be. Even though the curriculum is tied to the AIA documents, it would be nice to teach future architects to look outside of the processes dictated by those standard form agreements.

When a student graduates from architecture school, of course it's important they know how to put a set of documents together. But they also need to learn how to reclaim ownership of their own processes so they can fully exercise their potential and create real design impact. It's not the coursework that needs to change, it's the culture that reinforces the autonomy of the AIA documents.

**DI:** That's evidence of a desire by the younger set to see design and construction delivery in new ways. That's encouraging and optimistic. And sustainability is a given. You've been at the helm for 35 years; you've got an 80-year-old company, successful, and working on projects across the world. What is the future telling you? Both the future of your firm and the future of the profession. Can architecture rebuild itself to have more influence, impact and value?

**MW:** Over the last few years, we've finally gotten better at telling our story, collecting the data and teeing up the references about the advantages of design led-design build. Our consistency in showing savings of about 20% in time and money has resulted in doing a lot of large programs, particularly in educational markets.

The University of Chicago wanted to consolidate much of their healthcare into one building, and they wanted it done quickly. Wight & Company shaved two years off the timeline and \$1.5 million off the budget. Their building and grounds director, who manages all of their construction, said he would stand on a mountaintop to tell the world about the success of the project. Testimonials like that are beyond meaningful. We can start to convince clients who have \$100 million projects that we can give them dramatically more scope than what an outside construction manager could provide. That's powerful.

Wight & Company has a strong leadership team with shared values. We all believe in the design led-design build model, and we have the data that supports the benefits it affords. Incrementally, relationship by relationship, we will continue to grow that side of the business. That's the future of Wight & Company.

As to the industry, I think architecture is in a bit of trouble. It's important to build relationships and try to hold onto clients, especially those that have the potential for future projects. That's one reason we've focused on school districts. But it's a hard model in an industry that's progressively becoming more commoditized.

Part of the reason the future of architecture is in trouble is because today, property managers are jumping into the mix. They make way more profit than architects do and have very sophis-

ticated sales and marketing forces. Since they manage the lease negotiations, they establish a relationship with the client before the designer does. They're now telling clients that they're better equipped to do the program than the architect, and then they'll manage the architect selection.

That's a terribly flawed way to go about designing and building. An architect that is handed a program won't perform as well as one who was able to create the program and build the relationship required to be successful with the owner.

I still believe our industry is relationship driven. When people ask me about Wight & Company, I say, "We are in a relentless pursuit of long-term relationships." That's the foundation of the company and of our future.

The other thing that worries me is the construction community. Remember, contractors make 10 times more profit than designers. They have a lot of money, and they're often involved with clients before the architects. The clients start to build a relationship with the contractor and then rely on them to help choose the architect. They continue to rely on the contractor throughout the process instead of building a relationship with the designer, who ultimately is the essence of a successful project. Design led-design build is going to grow, but I'm concerned it will be dominated by the construction community rather than the design community, and a lot of architects are going to end up working for construction managers and contractors.

**DI: Your message is compelling: Tell a story, collect the data, share the references, to demonstrate your own value and differentiate yourselves. Many firms don't do that. That bodes well for your future. I agree with your industry outlook. Things are changing. We can suggest that firms be conscious**

**about trying to create their own futures. They can no longer sit in their offices and hope clients will come to their doors**

**MW:** When I start my class, I always ask students a few questions. First, I ask, “How many of you want your own practice?” All the hands go up. These students *all* intend to go out and have their own businesses. Most of them won’t, but even if they do, they’ll be challenged to be successful because architecture is such a bad business model.

When it comes to giving future architects advice, the message is: If you’re an architect and you want to start your own business, your best partner is not another architect. Change the model. Build a different kind of world. That’s what we’ve done. That’s what it takes.

*Mark Wight is the chairman and chief executive officer of Wight & Company, a top-tier architecture, engineering and construction firm headquartered in Chicago. His pioneering vision to offer design led-design build services for the public sector has grown the company’s construction value to exceed US \$1 billion annually.*

*His passion for enriching the human experience through world-class design has distinguished Wight & Company as an innovator of ideas, technologies and responsible solutions. Under his more than 30 years of leadership, the firm has grown to become a vibrant and visionary family of more than 200 design, engineering and construction specialists, each dedicated to creating meaningful impact in the world. While Wight & Company receives many prestigious awards, Mark’s greatest reward is witnessing how their work elevates the spirit of the people and communities they touch. Mark’s lifelong dedication to quality and excellence extends beyond the built environment to serving the greater community. He is a trustee and past chairman of Glenwood Academy, a board member of the University of Notre Dame School of Architecture, and a member of several corporate boards. As a founder and former chairman of the YPO Gold EuroChapter and a member of the Chief Executives Organization, Mark actively shares his passion for leadership with professional enrichment organizations. In addition to having written and published numerous articles, he is a regular lecturer at business and educational forums throughout the country. He is honored to be a senior fellow of the Design Futures Council. Mark received a Bachelor of Arts from Reed College and a Juris Doctor from the University of Notre Dame.*