When the University of Washington decided to install a mass-notification warning system at its Seattle campus as part of an effort to coordinate its emergency response system for fires and public safety threats, the logical choice for the work might have been a company that specializes in high-tech security. After all, the project entailed connecting 140 buildings with alarm systems and video monitoring devices, and integrating the systems to ensure campuswide communications.

Yet the job went to Seattle firm EHS Design, a company that offers full-service strategic consulting as well as design and architecture services. The recently completed project was a big win for EHS, one that “reflects a coming together of the worlds of design and consulting,” says company chief executive Jack Emick. At EHS, “Design and consulting feed into each other and lead to piles of design work. It’s a newfound gold mine,” says Emick.

In addition to security, EHS’s consulting services extend to retail banking, where the firm’s strategic work includes market and competitor analysis, and branch audits. Such specialized services, along with offerings more common to design consultancies—such as corporate space planning—are providing stability for design firms roiled by the latest recession. For small and medium-sized firms, like the 40-person EHS, adding strategic services “was born out of past downturns and this one,” according to Emick. In this context, consulting practices takes up the slack of the more fallow ones. And while the economy may have caused clients to hold back on building out new spaces, many design firms have discovered that these clients still need strategic services to help them resize, relocate, or plan for uncertain futures.

The Design Edge

Meanwhile, many large architecture firms that have offered these services for a while continue to expand their consulting practices, adding more comprehensive services around real estate analysis, change management, and workplace strategy, for example.

These firms can end up competing against specialist consultants, such as McKinsey for management/operations and Jones Long LaSalle for real estate—as well as companies like Knoll and Steelcase for furniture and space planning. However, design firms are able to provide a range from strategy to design services for a project, providing one stop for clients. In so doing, consulting becomes a value-added service while also potentially generating increased revenue.

How are design firms adding consulting services? It varies, but often by hiring staff trained in management consulting, real estate planning, or related fields, and teaming them with designers with strong strategic skills. Frequently,

The Consulting Advantage

Designers who have added consulting to their repertoire believe it substantially enhances their ability to provide effective and creative solutions for clients.
Design Is Strategy

Design solutions come out of a deep understanding of a client’s business, so translating that into consulting services is a logical extension, according to Cole. “A majority of design clients believe that if we just build the right thing, it will fix everything,” Cole says, adding, “But if you have fundamental issues with your business, you won’t solve that if the cultural aspects don’t align.” That’s where consulting comes in. For example, in 2008 BAM was approached by a developer to reposition a 1.3 million-square-foot space in Westchester County that originally housed the Union Carbide headquarters. “They didn’t know what to do with it,” Cole recalls. “It was a blue sky opportunity, not a design project.” BAM analyzed the space, floor plans, infrastructure, and visual appeal and came up with a new vision of a life sciences complex with expanded facilities. It then moved to the design side that was also handled by BAM. “Clients know what they want but not how to coalesce that into a roadmap and goals and concrete action,” Cole says.

Designers who have added consulting to their repertoire believe it substantially enhances their ability to provide effective and creative solutions. Thomas Polucci, IIDA, AIA, director of Interior Design at HOK’s New York office, feels you can make a beautiful space for a corporate client, but you also need to make a functional space that helps attract and retain employees and has the tools to make that business successful. “You’re not just coming to it from the aesthetic understanding but really getting to know what’s systemic to an organization and its culture, where design can fit into the business. This level of knowledge becomes part of the design process.”

Clients Know What They Want But Not How to Coalesce That Into a Roadmap and Goals and Concrete Action.

—Ross Cole, Principal of BAM Studio

Design and consulting can end up being a stand-alone entity, or the consulting side can roll into the design firm. Scott Francisco, director of discovery, Strategic Planning & Consulting at HLW in New York, says about half of consulting work involves design, which can be an integrative process, or a separate project that is the result of a discussion between the teams. Sometimes, a design consultant might get hired by a client that needs a design project handled by a design firm. In that sense, Francisco argues, both sides are “part of the same activity.”

However, in other cases, it’s easier for large firms to tackle consulting and design by developing a separate operating division. At HOK, for example, the consulting unit, Advance Strategies, contributes about 5 percent of the firm’s total revenue and has around 70 staff with multifaceted backgrounds spread over nine offices. “These people have some foot on the dock with design,” notes Leigh Stringer, director of innovation with the unit, but there are also those with training, she says, in business, psychology, organizational behavior, and urban and real estate planning, as well as architecture. Those skills came together for a global financial institution, for example, when the company asked HOK’s Advance Strategies to create a standard design and change management program for its offices and then rolled out the project worldwide. Yet, some clients just require consulting services, such as devising a central database that tracks people and space changes for a global company. In that case, “There can be no design element to it all,” Stringer points out. That doesn’t mean there’s a total separation of consulting and design in a large firm. For small projects, the same person can do design and consulting, but as big projects are the norm at places like HOK, Stringer says, “We build overlap into work streams to ensure that the design team is involved in the programming process, and programmers are involved with the design phases of work.” Maintaining that connection is critical, because much can get lost in translation between teams. “You can’t just throw a document over the fence,” she says. At HLW, a global design, engineering, and consulting firm, there is constant cross-fertilization between the design and consulting teams, according to Francisco. Representatives from both teams are involved from the beginning and every step of the way, she says.

As awareness of the field expands and more firms get into the game—including design consultants, like San Francisco-based IEED—pressure has increased on fees. “We build overlap into work streams to make sure that they have the knowledge becomes part of the design process.”

“We are problem solving, and that might or might not end with a design project.”

—Scott Francisco, Director of Discovery, Strategic Planning & Consulting, HLW

For its part, EHS already had a skilled staff available and respect for a designer’s advisory role can help you form a strong client relationship, where there’s already trust in the process. And companies can move in that direction is by way of big consulting firms. Scott Emick, company president and chief executive of EHS in Los Angeles with a staff of about 20. He says a way design firms can move in that direction is by way of big corporate clients that ask you to participate in that area of work. “Then you build on this side of the business, and it becomes a part of your portfolio,” Klawiter said. Having a strong client relationship, where there’s already trust and understanding of the project, can move a firm in that direction. The role of advisor and project manager and still keeps a hand in design. For example, a project in 2007 for a Seattle real estate developer involved repurposing a 92-acre former microchip factory into office buildings on a site about 48 minutes south of Seattle. Marshall was involved from the start in creating a design vision and utilization plan, and then was client account and project manager with a distinct design role.

Chicken or Egg?

In many cases, strategic consulting acts as a lead-in for design services, but not always. Scott Francisco, director of discovery, Strategic Planning and Consulting at HLW in New York, says about half of consulting clients go on to design projects. However, don’t think of consulting as a loss leader, he recommends, but rather a way to uncover and serve client needs. “You are not doing the work just to get the design project, but you hope you do,” Francisco says. “We are problem solving, and that might or might not end with a design project.” Sometimes, a client first comes seeking design services, and consulting is suggested afterwards as part of a solution. In that sense, Francisco argues, both sides are “part of the design process and an integral part of how we work.”

Of course, it’s easier for large firms to tackle consulting and design by developing a separate operating division. At HOK, for example, the consulting unit, Advance Strategies, contributes about 5 percent of the firm’s total revenue and has around 70 staff with multifaceted backgrounds spread over nine offices. “These people have some foot on the dock with design,” notes Leigh Stringer, director of innovation with the unit, but there are also those with training, she says, in business, psychology, organizational behavior, and urban and real estate planning, as well as architecture. Those skills came together for a global financial institution, for example, when the company asked...