



An open letter to clients of Professional Consulting Engineering Firms:

The American Council of Engineering Companies of Indiana (ACEC Indiana), a professional trade association of Indiana's premier consulting engineering firms, encourages you to use Qualifications Based Selection (QBS) when soliciting engineering services. ACEC Indiana, along with virtually every national engineering, architectural, and construction organization, supports the concept of QBS for the procurement of professional services. The federal government, by law, requires that engineers for public projects be selected based on qualifications rather than low price. Forty-one states have similar laws. While the engineering design of a project is usually only a small fraction of the total project cost, it nearly always has a profound effect on the construction and operating costs of the project.

QBS is a negotiated procurement process that is based on qualifications and competence in relation to the work to be performed. The QBS process insures that an engineer is selected on the basis of technical qualifications, experience with similar projects, reputation with other clients and the capability to meet the project time schedule. Typically, qualification statements are solicited from a number of firms and, perhaps, several of them are interviewed before making a selection. Once the most qualified engineer is selected, then a detailed scope of work and fee can be negotiated with the engineer. If a reasonable fee cannot be agreed upon with the most qualified engineer, negotiations can be terminated and discussions begun with the second most qualified engineer. This insures that the owner will not pay an excessive fee for the negotiated scope of work. However, because high quality work is not usually compatible with the lowest possible fee, cost should become a factor only after the most qualified professional has been identified. The value to the project of the firm's qualifications to perform the work, not the amount of the fee, should be the determining factor.

It is sometimes tempting to get prices from a list of firms that are considered to be qualified. However, even though several firms may have minimal qualifications, all are not equally qualified for a given project. Even if they were, comparing prices to perform an unclear scope of work forces all of the firms into "bare bones" pricing and work performance. Price-based selection (i.e., "bidding") denies the owner of the best creative technical knowledge of the engineer. When a firm is forced to accept work for an inadequate fee, it tends to put its own interests ahead of those of the client. "Bargain basement" engineering is never in the best interests of a project owner. It frequently limits the profession's resources to undertake a detailed analysis of the problem and to search for innovative solutions. In the short run you, the client, may save a few dollars on design costs; however, this process may carry a huge price tag, including the often-hidden cost to public health, safety and welfare.

While the owner or client may appear to save a small amount on up-front costs by selecting professionals based on price, the result will be a significant increase in the cost of the project and the long-term costs of operation and maintenance.

We hope that you will see the benefits of using QBS and will use this process when soliciting engineering services. If you have any questions concerning the use of QBS, please do not hesitate to call the QBS office at (317) 637-3316 or visit the Indiana QBS Coalition website at www.qbsindiana.org.

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