

**SELECTION OF PROFESSIONAL SERVICES
BASED ON QUALIFICATIONS
(Also known as “Qualification Based Selection” or QBS)**

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The Problem with Low-Priced Bidding:

“Going out for bids” was the common practice in the public sector for a long time. Public officials have always felt they had to guard and preserve the taxpayers’ money. Low-price bidding was viewed as a good way to do this. It still works for some things.

Low-price bidding works for things like purchasing road sand and salt, heating oil or copy paper. It can also be used when there is a well-defined scope of work and engineering design for a project like rebuilding a town road.

It does not work, however, in selecting an architect to design a new school, or an engineer to design a new drinking water treatment plant, or a town attorney or any other professional service.

However, it still goes on today, especially in small towns run by local Boards of Selectmen. You often hear things like: “Let’s get bids from local lawyers to see who has the lowest hourly rate.” “Let’s get bids from civil engineers to design our street project.”

Consider this:

- If you are about to undergo brain or heart surgery, would you want the cheapest doctor you could find, or the best one?
- If you are about to be sued for a lot of money, would you want the cheapest lawyer you could find, or the best one?
- If your town is about to build a new school, would you want an architect with experience in the design of schools, or the architect who submits the lowest price for the job?

The answers to these questions seem obvious.

The Qualification Based Selection Process:

The federal government and many state governments now use a very formal process for the selection of professional services like architecture and engineering based on qualifications rather than bid prices. It's known as QBS...Qualification Based Selection.

The QBS process is used for nearly all Federal building projects. In Maine it is used for all public improvement and public school projects administered by the Maine Bureau of General Services. This process is also recommended by the American Bar Association in its "Model Procurement Code for State and Local Government." It has been a federal law (Brooks Bill) since 1972 and is widely used by most state governments.

The end result of the QBS selection process is the selection of an architect or engineer with the best qualifications for the job at a fair price.

Many of the elements of this very formal procurement process can also be used in the selection of other services such as doctors, lawyers, accountants, insurance brokers and the like.

First let us look at the formal process known as Qualification Based Selection (QBS) as used in the public sector, then we can apply some of these elements to selecting professionals for our own needs.

The QBS Process generally follows these steps:

1. Decide if the project requires competitive selection. If you already have a long-standing and satisfactory relationship with an architect or engineer, there may not be a need to look for another one, unless required by some law.
2. If you decide on a competitive selection, define and describe the project in some detail, e.g. design of a new elementary school, its size, location, amenities, etc.
3. Establish criteria for the selection of the designer, e.g. experience with similar projects, qualified staff, local firm or national firm, good references, etc. etc.
4. Solicit Statements of Qualifications (SOQ) either by using a formal legal advertisement or by inviting a number of qualified firms to submit SOQs. (Note: An SOQ is not a Request for Proposals (RFP)).

5. Set up a committee to review the qualifications received and to establish a shortlist 3 to 5 firms for interviews.
6. Conduct formal interviews of the short-listed firms and rank them. There are many different ways to set up a ranking system. Note that one firm almost always emerges as the favorite one of the committee.
7. Invite the highest ranking firm to begin discussions on a formal scope of services. This would include the owner's goals, the architect's approach, and any alternatives that might be considered.
8. Ask for a fee proposal to carry out the scope of work and begin negotiation. Note that the winning firm has an incentive to propose a fair price because they know they will be thrown out if agreement can not be reached.
9. If the fee is not within your budget, revise the scope and negotiate until you get an agreement.
10. If agreement can not be reached with the top ranked firm, begin the process again with the second-ranked firm.

At the end of this process the result will be the selection of an architect who understands your project, has an approach that you like, has the design experience that you are looking for, and will do the job at a fair price that is within your budget.

Applying QBS Principals for Personal Needs:

Many, **but not all**, of these principals can be used when selecting a professional service that you may need:

- An architect to design a major addition to your house
- A contractor to build the addition
- An engineer to design a new septic system for your country home
- A contractor to build a new driveway
- An accountant to prepare your taxes
- A lawyer to draw up your family will
- A real estate broker to sell your house

Here are two examples from my own personal experience:

Selecting an engineer to design a new septic system:

- Ask around to see who does this kind of work. I asked friends at Wright-Pierce and Woodard & Curran. They both recommended the same firm.
- They said this firm is experienced, well-respected, knows the state regulations, and they'll do a good job.
- No need for a formal process. I hired them for the project.
- Their design served as the Project Description for contractors to do the work.
- To find the names of contractors check the yellow pages and ask friends for a recommendation.
- This resulted in a short list of five firms that seemed to be qualified.
- Each firm was invited to look at the project. They all had a different approach. Some seemed better than others. One was too busy.
- Three were invited to bid the work. Bidding is O.K. when there is a well-defined Scope of Work.
- As a local home-owner you are not bound to select the low bid.
- Select the best bid based on experience, a feeling of confidence in the firm, and their price.

Selecting an accountant for my writing and editing business:

- I wanted a local firm, not too big, and with a good reputation.
- Friends provided the names of some good accountants.
- Several mentioned the same firm and said you would not go wrong with this guy.
- There was no need to go through any formal interview process.
- Met with the recommended firm once, and decided to hire him.

Some final thoughts:

- Be flexible. Don't be slavish to the process.
- Ask knowledgeable people for their recommendations. There will be plenty.
- If interviewing several firms or individuals, try to use the same description of the work, and try to ask them the same questions.
- If all firms are equal, go with your gut feeling...the one that you feel most comfortable with.