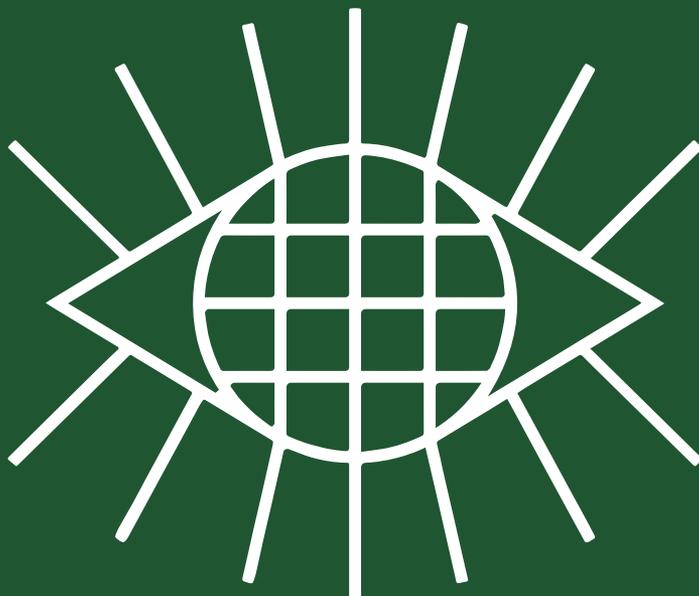


SAJO

SAJO PAPERS



THE QUALIFICATIONS-BASED SELECTION (QBS) PROCUREMENT METHOD

A SAJO PUBLICATION

SAJO PAPERS (3)

SAJO History

SAJO is an integrated project delivery company servicing the North American, European, and International markets. Headquartered in Montreal with branch offices in London (UK), Florence and Miami, SAJO provides turnkey solutions and offers a range of services including design-build, project management, construction management, general contracting and procurement, as well as facility management and maintenance. SAJO's innovation center provides state-of-the-art technology for the built environment, from the conception of projects to their management and execution and offers adaptive solutions to emerging conditions and situations.

SAJO's Educational Initiative

To promote its professional development initiative, SAJO has instituted the practice of publishing a series of papers (*SAJO Papers*) designed to broaden its intellectual horizons, refresh its everyday experiences, and inspire professionals at large.

SAJO Support for QBS

SAJO is committed to best practices and thereby fully endorses and advocates the application of *Qualifications-Based Selection (QBS)* in the procurement of professional and construction management/general contracting services, in both the public and private sectors.

To extend knowledge of QBS and encourage its widespread application, SAJO is proud to provide a brief overview of QBS.

SAJO

The Qualifications-Based Selection (QBS) Procurement Method

A SAJO Publication

Written by Esther Benezra, Ph.D., B.C.L., LL.B. Cert. IoD

October 2020

PROCUREMENT

The procurement of professional services for the planning and execution of construction projects has become, over time, a source of debate in the industry. The selection of engineers, architects, and general contractors/construction managers (AEC) is deemed to have an appreciable impact on the quality, schedule, and cost of construction operations, both in the public and private sector.

Traditionally, procurement options have been of four types: non-competitive sole source (SS) method, competitive lowest price bid (LPB), best value procurement (BVP) based on a combination of qualifications and price, and finally, qualifications-based selection (QBS) where price is negotiated only once the most qualified firm has been selected.

QBS has been gaining traction as the procurement method of choice as both practice and research increasingly demonstrate that it yields more effective timelines, better cost control, and superior quality performance, overall.

DEFINING QBS

QBS originated in the 1972 US federal statute, the Brooks Act (Public Law 92-582), which established that selection of professional architects and engineers for public works contracts was to be driven, first and foremost, by a process based on qualifications. Since that time, QBS has been adopted and implemented by over 47 states, via what is sometimes referred to as “mini-Brooks” acts.

The objective of QBS is to award contracts to the most suitable and qualified provider of professional and construction services, based on competence and qualifications and not price competition. Scope and price are considered and negotiated only after the selection is completed and prior to concluding the terms of the final contract.

To implement the QBS process, the procuring entity follows six (6) fundamental steps: (1) establishing the *selection criteria* by which AEC firms are to be evaluated; (2) *soliciting* architectural, engineering, and general contracting or construction management services via an advertisement for a Request for Qualifications (RFQ); (3) rating the qualifications of the submitting entities and *short-listing* the most qualified firms ; (4) interviewing and *ranking* the top service providers; (5) *negotiating* with the top ranked firm to establish price, project scope and other contractual terms; (6) concluding a *contract* with the top ranked firm if parties agree or alternatively, with the second-ranked firm and so on until agreement is reached and a contract is concluded. This process

ensures that contracts are awarded to the most qualified provider, based on experience and technical expertise.

RESEARCH

A seminal two-year study on QBS was conducted in 2009 by *Paul S. Chinowsky*, of the University of Colorado and *Gordon A. Kingsley*, of the Georgia Institute of Technology. The study was conducted for the American Public Works Association (APWA) and the American Council of Engineering Companies (ACEC-US). The researchers conducted an extensive survey of predominantly public projects randomly drawn from diverse geographic locations and representing a variety of procurement models. The study provided a comprehensive quantitative analysis of the impact of QBS on project outcomes. Results showed that QBS-based projects were lower than the national average in terms of both cost and schedule growth, had reduced change-order risk, and received consistently high-quality ratings upon project completion. In terms of qualitative indicators, results showed that, as compared to other procurement methods, QBS yielded a high degree of project satisfaction from both owners and professionals, more cohesive and trusting partnerships among interested parties and team members, as well as more manifest concern in addressing societal issues such as sustainability. These positive outcomes, both in terms of key quantitative and qualitative metrics, reflect the enhanced effectiveness of QBS-based projects, and demonstrate, as the researchers conclude, « *the substantial benefits of QBS as the procurement method of choice for contracting entities* ».¹

¹ <http://www.qbs-ky.org/uploads/4/6/1/9/46197111/analysisofissuespertainingtoqbs-uofcolorado-gainstituteoftech.pdf>

ENDORSEMENTS OF QBS

Today QBS is widely endorsed by multiple professional and industry associations in the engineering, architecture, and general contracting fields.

At the international level, some of the major proponent bodies of the QBS process are as follows:

- *Fédération Internationale des Ingénieurs-Conseils (FIDIC)* /International Federation of Consulting Engineers
- *Union Internationale des Architectes (UIA)*/International Union of Architects
- International Academy of Architecture (IAA)
- Association of Architecture Organizations (AAO)
- International Construction Project Management Association (ICPMA)
- *Conseil international du bâtiment (CIB)* / International Council for Research and Innovation in Building and Construction (CIB)
- UN Office for Project Services (UNOPS)

In Europe, QBS is endorsed by the following bodies:

- *Fédération européenne d'associations nationales d'ingénieurs (FEANI)* /European Federation of National Engineering Associations
- *Conseil des Architectes d'Europe (CAE)* /Architects' Council of Europe (ACE)
- American Institute of Architects-Europe (AIA-Europe)
- Commonwealth Association of Architects (CAA)
- Royal Institute of British Architects (RIBA)

In the US, endorsements from professional associations are widespread across the engineering, architecture, and construction fields. These include the following:

- American Council of Engineering Companies (ACEC-US)
- National Society of Professional Engineers (NSPE)
- United States Army Corps of Engineers (USACE)
- American Society of Mechanical Engineers (ASME)
- American Institute of Architects (AIA)
- Design-Build Institute of America (DBIA)
- Council on Federal Procurement of Architectural and Engineering Services (COFPAES)
- Building Commissioning Association (BCA)
- Association of General Contractors of America (AGC)
- American Public Works Association (APWA)
- Construction Management Association of America (CMAA)
- National Institute of Building Sciences (NIBS)

- American Planning Association (APA)
- Association of Researchers in Construction Management (ARCOM)

In Canada, there is growing endorsement for the use of QBS procurement, as indicated by the support of the following associations:

- Engineers Canada (EC)
- Engineering Institute of Canada (EIC)
- Canadian Society for Civil Engineering (CSCE)
- Canadian Society for Engineering Management (CSEM)
- Association of Consulting Engineering Companies (ACEC-Canada)
- Royal Architectural Institute of Canada (RAIC)
- Association of Architects in Private Practice of Quebec (AAPPQ)
- Canadian Construction Association (CCA)
- Public Services and Procurement Canada (PSPC)
- Canadian Public Works Association (CPWA)
- Federation of Canadian Municipalities (FCM)

QBS IN CANADA

In 2008, in a groundbreaking move, Quebec became Canada's first province to mandate QBS by law. Quebec introduced a regulation which required all provincial ministries and agencies to use QBS for the procurement of architectural and engineering services. The use of QBS has spread across all provinces in Canada and continues to increase, albeit not on the basis of legislation but rather on the growing knowledge and experience of the practical benefits of the QBS method.

QBS Canada, a coalition of associations, companies, and professionals, serves as a national advocacy organization for promoting awareness of the benefits of QBS, facilitating its application by procurement professionals across Canada, dispensing educational programs as well as advancing research and procurement policy to establish QBS as best practice in the industry.²

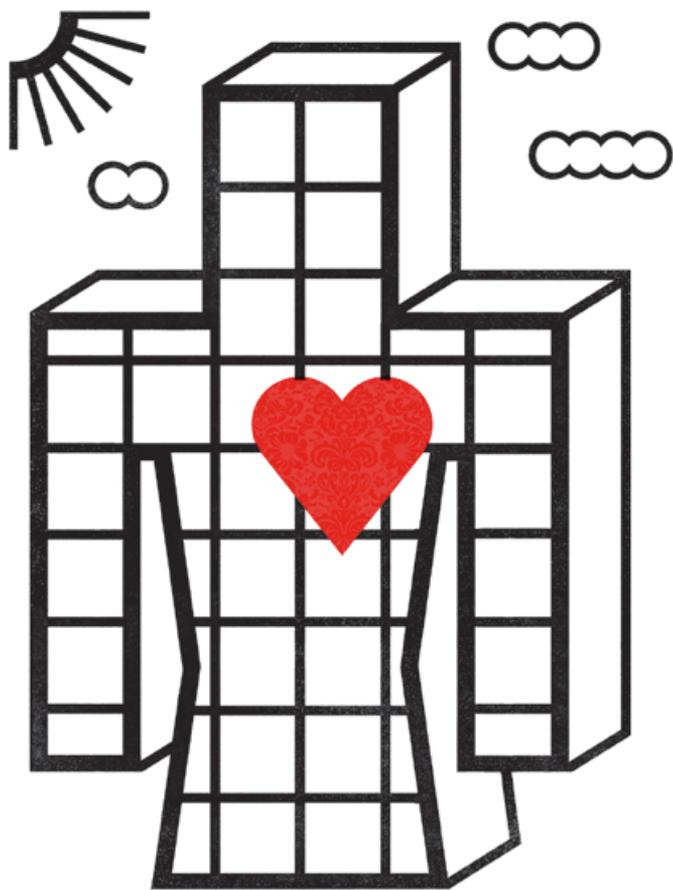
SAJO is proud to be partnering with *QBS Canada* in furthering the promotion and use of QBS across Canada, as well as in extending its application to the private sector and broadening its reach in the procurement of general contracting/construction management services.

To this end, SAJO sponsored a recent *QBS Canada* publication (*Qualifications-Based Selection (QBS): Best Practice for Architecture, Engineering and Construction Management/General Contractor Procurement in Canada*) which offers a comprehensive review of QBS research and practice as well as a detailed description of the Canadian context.³

More recently, SAJO has partnered with *QBS Canada* in its support of a new study by Dr. Chinowsky and Dr. Kingsley, the original researchers, who have undertaken to update their 2009 investigation with contemporary data as well as add Canadian projects to the study. Such research will provide empirical data that will serve to validate the benefits of QBS in the Canadian experience as well as contribute to the growing interest of procuring entities and government bodies on QBS as the method of choice in the industry. SAJO will be pleased to share the results of this study, once completed, and made available.

² <https://www.qbscanada.ca/>

³ <https://www.qbscanada.ca/post/how-to-think-through-problems-efficiently>



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**1320 Graham
Ville Mont-Royal, QC
H3P 3C8 Canada**

sajo.com