

Think Big and Act Smart

The intrigue of international
practice

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...Transcending boundaries, literally and figuratively.

Architects like to think big, and they should. The designer's job is to create solutions that reach beyond the conventional; to imagine things that have not been done before and then coax them into being. Indeed, the notion of thinking "outside the box" is so common that it has become a cliché in the profession. This may be a big part of why international practice is so intriguing for design firms; working in different countries and cultures provides a great incentive (as well as permission) to go transcend boundaries, both literally and figuratively.

International commissions tend to be large, complex projects that require extraordinary skill and experience to execute successfully (otherwise, they could easily be handled by local firms). Many are awarded by design competition, which adds a dash of glamour to the selection process and extra cachet for the winner. To capture the attention of the jury, entries must offer strong visual imagery and tell a compelling story. As a result, sometimes the more mundane or pragmatic aspects of a proposal are relegated to the back seat (or ignored altogether).

As intriguing as international work may be, it poses a number of challenges that require different ways of thinking about marketing, management, design, and finance.

Responsible professionals will understand that great graphics and great buildings are not the same thing. Firms that approach international work with the same mindset as domestic projects run a very real risk of running into problems.

Let's start with the simplest and most obvious point: international work requires a great deal of personal commitment. Overseas, face time really matters. Significant investment is required to develop and sustain key relationships, and this takes both time and money. Marketing costs for international work often far exceed those for domestic projects, especially since a great deal of up-front design work is generally required to secure the commission. (Sometimes, the cost of competing is actually exceeds the potential profit margin of the project!) There is also opportunity cost, since while the overseas marketing effort is underway, there is a very real risk that attention will be diverted from ongoing work back home, which sometimes get short shrift when principals are out of town for extended periods of time. So lesson number one is that when you are reaching for the brass ring in Shanghai or Qatar, don't take the troops (or the clients!) back home for granted.

The second point is that it's very important to thoroughly understand the actual scope of work and the required deliverables. Remember that these are based on local, not United States standards, and they can differ significantly from what is considered "normal" back home. Building codes and standards vary widely, as do approvals processes, inspections, and enforcement protocols. It's extremely critical to make sure that the design documents are consistent with what can actually be delivered by local contractors, both in terms of available materials and quality workmanship.

It's not uncommon that what passes for design development documents in the United States would be considered construction documents overseas. Hence, lesson number two: know what's expected, know what's possible, and produce accordingly.

The third key point is to understand the prevailing business culture, which varies from country to country. It goes without saying that contract law overseas is not the same as in the United States. Agreements, even when committed to writing, are frequently "reinterpreted" as the project proceeds. Approvals may or may not be final. Extra work is often expected to be done for free, even when the project scope is changed considerably. Bills can be hard to collect, and there is really no enforcement mechanism if a client challenges invoices or simply refuses to pay. Add to this the effect of shifting currency values and the complexities of different tax laws (which may prevent a portion of the earnings from being transmitted back to the U.S.), and it's easy to see that what looks like a great deal on paper may be just that...a great deal on paper. Regardless of how wonderful the design may be, if it cannot be built properly or the firm cannot get compensated, it's wasted effort. Simply put: Pay as much attention to basic business as to design.

And speaking of design, this is one of the key reasons why firms like to pursue international work in the first place: It offers a chance to do things that are simply not possible in the U.S. Currently most of the world's tallest buildings, biggest airports, and largest scale urban design projects are being built overseas. There is a tremendous opportunity for designers to make a huge difference, especially in emerging economies. The market for U.S. expertise is quite real, particularly for the more complex and technically driven building types, and it's nice to be invited to the dance. That said, we may be experiencing a limited window of opportunity, as foreign firms are fast catching up, and some could make a convincing case that they are just as capable as their U.S.-based counterparts. In fact, foreign firms could easily become formidable competitors in the United States. We may have as much to learn from our international colleagues as they do from us. In this context, it helps to be humble.

While it may seem that the path to successful international practice is paved with potholes and pitfalls, the amount of work being done by U.S.-based firms overseas has increased dramatically over the past decade, and has become the fastest growing revenue source for many firms.

During the recent recession, overseas work kept many architects in business. Despite the obvious risks, they found ways to prosper. Some formed strategic partnerships or affiliations abroad, some set up outsourcing agreements, and others established their own branch offices, often stocked with local talent. Labor costs are still relatively low compared to the U.S. (though they have been rising fast in recent years).

Still, it's important not to be seduced by the glamour factor of working abroad. Flying to Hong Kong or Mumbai on a regular basis may sound like fun, but it can quickly wear thin. In reality, more time spent is spent in the air than doing productive work on the ground, and the stress factor both at the office and at home can be quite high.

None of this is to suggest that international practice is a bad idea. Quite the contrary...it's a great way to explore new horizons, to become exposed to different ways of thinking about design, and it can be a powerful attractor of young talent to a firm. International work brings prestige to an office, and because the firm's responsibilities are frequently limited to the schematic design and design development phases, it can be quite profitable, adding fee volume without taking on the risk of construction documents and construction administration, which are most often handled by local firms. For those with a clearly defined brand and a proven track record in certain building types, it can be a terrific way to expand your reach.

Success overseas requires patience, deep pockets, and disciplined approach to management.
Bottom line: think big, but act smart.

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