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**FULL SERVICE
DESIGN-BUILD
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Here at Letter Four, our expert Design-Build team is here to guide you through every step of your construction project. Whether residential or commercial, large or small scale, we deliver inspirational and cost-effective design and construction solutions. Our mission is to design and build great spaces with great people.



LETTER FOUR
ARCHITECTURE & CONSTRUCTION



What is the difference?

DESIGN-BUILD

VS.

DESIGN-BID-BUILD

For anyone planning to start a construction project, gathering the information needed and understanding the various approaches to the project process can feel pretty overwhelming. Whether a residential or commercial project, the working relationship between your architectural and construction teams has a significant influence on the success of your project. Contractual agreements between clients, architects, designers, and construction service providers commonly fall into two categories: Design-Build and Design-Bid-Build. But what exactly is the difference between these two approaches?

In this e-book, we'll first outline the difference between Design-Build and Design-Bid-Build, before considering the benefits and risks of each approach and exploring the Design-Build process here at Letter Four.





First things first, what is Design-Build?



Put simply: Design-Build is an approach that allows owners to hire a single entity (the Design-Build firm) to deliver their entire project under one contract. The firm is usually made up of a team of architects, designers and construction managers.

Whilst aspects of the build may be performed by the company themselves or subcontracted to specialist teams, the Design-Build approach allows for high levels of collaboration between architectural design and construction services.

This means that a single entity bears the responsibility and risks for every aspect of a project. From initial estimations to architectural drawings, engineering, construction, and final touches – the Design-Builder will typically manage all contracts and ultimately deliver the finished build.





And, What is Design-Bid-Build?



Design-Bid-Build is a more traditional form of project delivery, where the owner will negotiate separate contracts with both designers and contractors.

The design firm will produce complete design documents before sending those documents out for bids from building contractors. Budget checks through the course of the design process are typically not provided and the architect may not understand the full cost implications of design decisions. This approach means that the designers and contractors bear no contractual obligations to each other, with all associated risks (including cost overruns, delays, or feasibility of plans) lying with the owner. It is unfortunately common for the contractor to cut portions of the design to come in on-budget. This means that some of what the owner spent money on to have designed doesn't make it into the final project, resulting in frustration and disappointment.



What are the benefits of the Design-Build process?

Design-Build is first and foremost a more streamlined approach to architectural design and construction. This model has been rapidly growing in popularity, now delivering almost half of America's building projects.

Unlike Design-Bid-Build, this method brings both design and construction services together to be provided by one team, working as a single entity with the owner. There are many benefits of the Design-Build process for both residential and commercial design and construction. These include:

Efficiency and expertise

It almost goes without saying, but Design-Build firms are experts in just that — architectural design and construction. With everybody on the same team, the common goal is to arrive at a successful project that meets and exceeds expectations.

Greater accountability and communication between the design and construction sides of the project ensure that builds are more likely to finish on time and on budget — a huge win-win!

Communication and collaboration

In our experience, we know that better communication leads to fewer problems. When problems arise on a build, instead of pointing the blame at other parties, a Design-Build firm will work on solutions together.

When designers and contractors work as one team, unified project recommendations are made. This culture of collaboration means that teams can successfully marry the demands of design, practicality, schedule, and budget from the offset – resulting in a smoother process.

Cost savings

Design-build offers better solutions at a better price.

With multiple budget checks and a single responsible entity throughout the project, owner's budgets are constantly monitored and potential cost increases are communicated early on to maintain project feasibility.

With traditional Design-Bid-Build, owners can sometimes be left as arbiters between design and construction teams, resulting in increased costs and project delays. With Design-Build, these risks are virtually eliminated. The entire team works together to produce a defined budget, sound designs, and excellent results.

Innovation

Design-Build encourages collaboration, communication, and creativity. It allows clients to be part of the process from the very start – understanding and trusting each aspect of the project with advice from expert architects, engineers, surveyors, and builders. With greater communication, the best and most innovative solutions are found, leading to faster projects, lower costs, and beautiful buildings.

What are the risks of a Design-Bid-Build process?

It can be nerve-wracking, and requires a lot of trust, for clients to award such a large amount of responsibility to a single company. Because of this, the Design-Bid-Build process usually appeals to owners with more time and expertise to oversee aspects of the project themselves.

Design-Bid-Build is often seen as a way to ensure competitiveness amongst bidding contractors. Owners with this viewpoint are concerned that, if guaranteed construction of the project from the start, the Design-Builder has little incentive to keep their pricing inline with industry standards.

Whilst there are certainly potential benefits to bear in mind, there are significant risks involved in the Design-Bid-Build process too. These can include:

Communication breakdown

Design-Bid-Build can result in a disconnect between architects, designers, construction teams, and homeowners. Construction teams can sometimes stray away from design documentation and cut corners to save cost at the expense of important design details.

It is incredibly important for your architect to stay on board through the course of construction, especially with Design-Bid-Build projects. Your architect will need to keep lines of communication open with your contractor to answer their questions and ensure that what you've designed is what the contractor is building. This takes a lot of time and can add a significant amount of cost to the project. In addition, fixing errors due to miscommunication or lack of communication can often result in increased construction costs, schedule delays, and even litigation.





Increased client risks

Design-Bid-Build can encourage designers and contractors to work more as individual units, rather than two essential sides of one cohesive project.

For example, contractors will only bid on what is contained in design documentation. If key details have been left out or are not clearly communicated, this can result in financial disputes and costly changes to both designs and the built product. And, unfortunately, these risks ultimately lie with the owner, who is left to negotiate between two different entities in a dispute.

At Letter Four, as experts in Design-Build, we work tirelessly to ensure these issues don't occur. With the Design-Build process, we close the gaps and make sure that projects are delivered exactly to design specifications, on time, and on budget.

We are flexible to your needs

Design-Bid-Build is also possible with Letter Four. We can design the project (offering Architecture services only) before bidding on the construction portion of the project alongside other licensed general contractors. In this scenario, designs are produced first with full budgeting taking place at a later stage. Whilst this does not carry the additional benefits of cost savings, budget checks, and shorter timeframes – it does allow flexibility for owners to build their project, their way.



How does the Letter Four Design-Build process work?



Letter Four is a full service architectural design and construction firm. We offer Design-Build services with the seamless integration of licensed architectural and general contracting services, creating inspiring, original spaces.

To meet and exceed the goals of our clients, the Design-Build process works as follows:

1. Research and Due Diligence

We always start projects with an information-gathering phase. This is crucial to evaluating the goals, challenges, and opportunities involved in a project. We'll look at timelines, the client's budget and ambitions, city requirements, and much more.

2. Conceptual Design

This creative phase involves the formation of floor plans, interior, and exterior features. It's the time that we build the big idea and create the overall character and vision for the project. As part of this stage, we will produce hand sketches and imagery for your comment and approval.

3. Pricing

With designs in place, we prepare preliminary pricing for the project. This includes pricing for each requested option and phasing where appropriate. Preliminary pricing is based on a range from historical data from our past and current projects, often based on the combination of cost per square foot and for site specifics.

4. Schematic Design

This stage builds on the conceptual design phase, presenting clients with 2D drawings and 3D model views of the approved hand sketches. These will include floor plans, site plans, and exterior elevations to ensure that clients have a full and rounded understanding of the project. If required for budgeting, signing on consults such as the structural engineer may also happen during this phase.

5. Design Development

With designs endorsed and budgets understood, this is amore technical phase of the project. Documentation is produced to allow us to coordinate with engineers, submit for plan check to the Department of Building and Safety and secure full client satisfaction and approval.

6. Construction Documents

After the design drawings and documentation are created, we get to work again! In this phase, we develop construction drawings and project documentation needed for the build. This phase allows us to finalize our construction bid and includes details such as lighting and power plans.

7. Permitting and Approvals

In this stage, we guarantee your project gets the stamp of approval. We liaise with agencies, planning departments, and design review boards to secure the required permits and approvals on your behalf. For retail and commercial clients, we also secure landlord and brand-level approvals before seeking building permits.

8. Interior Design and Finish and Fixture Selections

At Letter Four, interior design focuses on creating beautiful, functional, and inspiring spaces. Rather than just concentrating on furniture and accessories, we focus on key features such as tile, flooring, cabinetry, countertops, statement lighting, and plumbing fixtures. We'll help budget and track client selections with every stage of the project accounted for – from purchase to delivery, through to final installation.

9. Construction Administration

Letter Four provides a seamless experience from start to finish. With the build underway, our design team will be out in the field, aiding our trades to interpret drawings, making decisions in the field with a design eye, and ensuring that the project is staying on brief, budget, and schedule. If we are acting as architect-only, we will liaise with our client's contractor, similarly reviewing questions and changes and keeping the project on track.