



## **Richard's Big Idea Letter: Bad Hair Lady's 'Rules Of The Road'**

*Dear Friend,*

Okay, the client is ready to sign off on your contract. Do you bring out your contract and get the business closed? NO. Hold off a second, because if you just bring out the contract, you are missing a MAJOR opportunity for an easier life.

From now on, before the contract, you will also get them to sign and initial your "Rules of the Road." This one small step that might take 3 minutes to explain and initial will (if designed well) eliminate 80% of your future client misconception, misunderstandings, false expectations, and irritations and ensure your client is well behaved during the entire project.

What a huge promise to make. I don't call this the BIG IDEA LETTER for nothing.

### **Part 1. Theory**

Last week, I rented a new 4WD Toyota from Avis to drive to Rotorua to run sales training for a government agency. That in itself is funny. However, while renting the car, I discovered a solution to a problem that almost all architects suffer from.

It would be rude not to share, so here goes ...

Have you ever had an issue with a client that you knew was covered in your contract, or you had verbally covered, or was just plain common sense? Of course!

Maybe a "change request" where the client asked for extra bells and whistles but was "shocked" when the cost increased? Or maybe payment terms where you want payment upfront and they decide they want to hold some back?

*Ye gods, the audacity!*

Here's how a rental company solved their frequent client frustrations with one sheet of paper.

### **Step 1.**

The lady behind the counter with a bad hair-do gets me to sign an eight-page rental contract. Which of course I did without reading the fine print because ... who does?

So did Bad Hair Lady hand me the car keys? Nooooooooooooo.

### **Step 2.**

Bad Hair Lady then gets me to initial and sign a one-page summary. My assumption was these were the items that most frequently cause issues between clients and the company. Annoying frustrating issues that nobody likes and that are probably already covered in their contract but people still do them and waste everyone's time trying to fix them.

Now research tells us that on a factory production line 80% of the faults occur at 20% of the choke points. Well, it's probably the same with rental cars and architects.

Rental car companies still have "issues" even though their contracts are tighter than a python wrapped around its prey. Legally, I doubt this one page added anything BUT there is something very humbling about trying to argue your point knowing "they" have a piece of paper sitting in the office with your initial right beside the line that says...

***"I agree not to drive this car on the beach or into the sea."***

So the lady with the bad hair quickly explained each of the five items and pointed to where I had to initial "RP." I needed their car, and so duly initialed. Talk about the "Fun Police" ruining a good road trip.

### **Step 3.**

Only now does Bad Hair Lady hand me the large keys, and it was good they were so large because apart from the keys to hide behind, she had stripped me naked of any excuses. She knew it and I knew it.

Imagine this ... Me: *"Oh, I did not know I was not allowed to drive into the surf, it must have been hidden in your sneaky fine print."*

Her: *"But Mr. Petrie. you initialed this line here!"*

Me: *"D'oh!"*

Bad Hair Lady has me in Houdini's straitjacket. No wriggle room or air for excuses. So what did I do? Well, I was REALLY careful and I drove as if I had no excuses.

Now, I could have rules that remove painful issues I hate dealing with or I could have rules that get my clients better results. So I thought about how I could create rules that generate better performance from my clients.

"Yes, Richard, I agree to email you my action list within 48 hours of our call" Initial HERE \_\_\_\_

"Yes, Richard, I agree to pay monthly in advance" Initial HERE \_\_\_\_

"Yes, Richard, I agree to watch the relevant video or complete the relevant action sheet PRIOR to our meeting" Initial HERE \_\_\_\_

"Yes, Richard, I agree to set aside 3 hours per week on my calendar for marketing implementation (which I cannot remove)" Initial HERE \_\_\_\_

By following these rules (and a couple of others), my clients are bullied into getting better results, which makes them happier and leads them to stay longer. That makes me happier. They are accountable because they agreed UPFRONT to the rules. And can I hold them to the rules because they initialed a document saying I could?

Now the word "upfront" is essential.

I have four rental properties. The tenancy starts with the tenant signing a tenancy agreement. What I have learned is, when they want the property, often because there are others also wanting the property, they will sign any of my "Rules of the Road" — even the tough ones like *'You will clean the property thoroughly before leaving and if you don't I can hire cleaners at \$40 per hour to do the job.'*

Upfront, tenants will sign their life away. The cleaning is 12 months away. But if I were to try to add tough clauses later — FORGET IT. Mild-mannered, wimpy students suddenly become amateur lawyers and point to any shortcomings in our contract. Heaven forbid they should have to clean up as they depart.

## Okay, so let's bring this home.

If you were allowed 5 to 8 points you wanted your clients to initial and sign as part of your “Rules of the Road” what would they be?

- Paying of fees?
- Changes to the brief
- Communication between parties
- Relationship between parties
- Roles and responsibilities
- Timeframes
- ?Delays by client

Imagine you had one page where your clients had to initial 5 to 8 things that overtly covered 80% of the issues you now have that cause disputes. Your one page states that they have READ and UNDERSTOOD and AGREE to abide by these rules, so that you all get the best results before you start to work your magic. Think about the sleepless nights you could remove.

Don't thank me, thank Bad Hair Lady. Yes, I see the irony in me talking about hair.

## Part 2. Examples

When I first wrote this article, I asked readers to come up with what they would include in their one-page “Rules of the Road.” Here are some responses.

### Make decisions in a timely manner

*#1 I understand that my decisions affect the estimated cost for construction. I expect “tough love” discussions with my architect about the estimated cost for construction, and agree to either modify my budget or modify my design goals if we exceed my budget.*

*#2 I understand design takes time. I want my design consultants to complete their work following the sequence of steps that ensures the best designed and best coordinated set of construction documents. I understand that rushing may cause delays as work done out of sequence will need to be addressed later and other decisions may need to be re-done.*

*#3 I understand that completing a drawing is not as easy as pushing a button, and I agree to allow my Design Team adequate time to complete their work.*

*-- Rachel Burton*

## **RP – “Tough love” !!!**

### **Client Responsibility**

*#1 If the client takes more time than the allotted to review any phase, that extra time will also be given to the architect in the next phase if it is needed by the architect. OR*

*#2 If the client takes more time than the allotted, the architect will continue with other projects and reschedule the client's project when possible in the office workflow. (Since there is more than one project in the office at any given time, the office schedule would need to be redone because of the client time extension.)*

*#3 Any and all extra work will require extra fees paid by the client.*

*-- Angel*

## **RP – Awesome clause!**

*The client shall, prior to the commencement of any design work, fill out a complete architectural brief. If at any time the client delays or stalls (or places the project on hold) the project for more than one week, there will be a \$500 restart fee added to their account.*

*-- Christopher L Colby, AIA, LEED AP*

## **RP - I like this one!**

*Richard, love your work. Here are my two best architectural Rules of the Road:*

*\_\_\_\_\_ I will pay extra for field measurement and drawing an existing space in CAD format.*

*\_\_\_\_\_ I will pay extra for exploring design concepts with sketch and precedent studies.?*

*-- Steve Hall*

*Design changes after "x" milestone will cost "x."*

*-- Enoch Sears*

## **RP – That's the way, Enoch — cut the B.S.**

*#1 Any changes requested by the client after designs are completed will result in additional fees. ☐*

*#2 Client will pay all bills within 30 days.*

*☐#3 An advance is required before the commencement of each phase of the project.*

*#4 Client agrees to allow the architect to photograph the project at completion.*

*-- Brian Lewis*

**RP – Yeah, slap that in there! Gee, you do all this work, you want to be able to promote it without having to beg at the end. This way you have a right.**

*I find that, with most of my clients, they do not pay on time. It can take up to two months or more. As we all know, cash flow is king. My suggestion is to include on the tick box list, that a discount offered only comes into effect, if payment is effected within, say, 14 days from invoice issued. The benefits swing both ways. The client gets a discount and you get cash flow and you save all the time on phone calls, emotional stress, uncertainty, etc.*

*-- Mark Gouws*

**RP - Brilliant!**

*One of the paragraphs talks about how, during the bidding process, that contractors will hack and tear at the architecture and details, trying to cheapen it, motivated by the client's desire to save money, while not understanding the negative impact of his or her actions. And what the agreement indicates is that the architect will not be required to modify his or her design or specifications or details, simply because some contractor says he can cheapen the project by eliminating good things from the job.*

*You'd be surprised at how demanding some clients can become, when fixated on cost reduction, without realizing that such changes will make their home weaker in a storm or earthquake, less durable or more likely to leak. But the architect is expected to agree to such cheapening efforts. I don't think so. One of my clauses makes this demand unenforceable and strictly forbidden. And that's just one. Hope you are doing well, my friend.*

*-- Rand Soellner*

**RP - I like this one, too. That's the point of this exercise, cut the B.S. off before the pass!**

*#1 The client and the architect shall work together in a spirit of mutual trust and co-operation to ensure satisfactory progress through all stages of the development of the design and other services provided by the architect.❏*

*#2 It is recognized that any natural materials selected for a project may change in appearance or dimension following exposure to use or climatic conditions and this is normal behavior for such materials.*

*-- Peter Hill*

*#1 The client commits to working with us through to the end of construction as this is where we can add great value to a project. We find that owners often think they can finish up easier and cheaper with just the contractor's advice and not ours.*

*#2 The client agrees to allow adequate time for the design phase and not rush to start building. More time spent upfront results in a better building in the end.*

*-- Daniel Hall, B.Arch, O.A.A.❏*

## **RP – That's it, spell it out upfront.**

*#1 I REALIZE it is not a perfect world.*

*#2 I EXPECT to pay for commensurate value that you deliver.*

*-- Steve Nickel*

## **Dispute resolution**

*#1 The Client cannot sue you. It's not permitted in our agreement, which is a legal provision. The worst that can happen is binding arbitration, and only that, after sincere efforts (at least 3) to discuss any issues and resolve them, and then, only after a 3rd party architect provides a written affidavit documenting any wrongdoing of the architect, per the Architectural Practice Act in that state's jurisdiction. (Which isn't likely to happen; In other words, the ArCH agreement pretty much bulletproofs your practice and lets you focus on doing a great job.)*

*#2 There is a 12-month term after you perform your last service in which the client can decide to take any actions against you (such as arbitration) and that is a legal provision as well (so you don't have any ticking bombs out there, waiting to explode decades after you have finished a project). These are just a few of the goodies that protect your practice and define the responsibilities of your client and the architect, so that there are no misunderstandings later.*

*-- Rand Soellner*

**RP – Rand is a pro and seems to have all his bases covered.**

## **Relationship and roles**

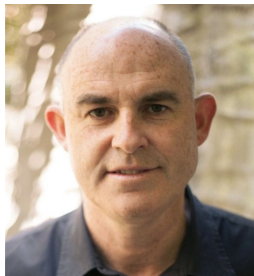
*#1 This project is a collaboration between the client and designer and both parties will complete assigned tasks to their best effort by the dates assigned. (If a client has ownership and is actively engaged, I find they are not only more pleasant to work with but also are willing to trust professional judgment more than if kept in the dark or constantly told, "Don't worry, I'm an expert," which is probably the scariest sentence someone can ever mutter to you.)*

*#2 All important communication is to be done face-to-face or by phone call, if pressing.*

*#3 When an issue arises, timely notification will be made to parties involved or affected, 48 hours before a project meeting minimum if possible (I find this allows meetings that could get bogged down in talking about problems to revolve more around solutions so, instead of finger-pointing, which is poisonous, the project team can operate more as a -- well -- team).*

*P.S. Those of us whose immense brain power has weakened the follicle base may make any comments about hairstyles we want. God knows they were probably directed at us during a "mullet phase" of earlier years.☹*

*-- Dru McKeown*



**RP – Never had a mullet, Dru! We are not country singers Down Under.**

*Richard Petrie*

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