THE WELLBEING of ARCHITECTS culture, identity + practice.

in collaboration with Parlour

Risk & Responsibility

A Guide to Wellbeing in Architecture Practice We acknowledge the Traditional Custodians of Country and recognise their continuing connections to land, waters and community.

We recognise that their wisdom, culture, and stewardship have sustained the wellbeing of this place for millennia. We pay deep respect to Elders past, present and emerging, and extend that respect to the Indigenous people who are part of the architectural community.

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Mental Health Australia

Risk & Responsibility: A Guide to Wellbeing in Architecture Practice

The Wellbeing of Architects: Culture, Identity + Practice

thewellbeingofarchitects.org.au

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Research findings

This guide is an outcome of *The Wellbeing of Architects* research project (2020–2024), a groundbreaking study into the wellbeing of Australian architectural practitioners and students.

A key finding is that the overall personal wellbeing of practitioners was notably lower than the general Australian population (and decreasing). This low level of wellbeing was linked with conditions, practices and norms in the architectural workplace.

The project found that, of all the factors affecting wellbeing, issues of risk and responsibility produced the most acute and severe distress. Many are contextual or 'downstream' effects from the construction industry – but there are things practitioners can do to protect their own and others' wellbeing.

Key publications

Tracey Shea, Brian Cooper, Maryam Gusheh, Byron Kinnaird, Naomi Stead, Kirsten Orr, Liz Battiston, Julie Wolfram Cox, *The Wellbeing of Architects: 2021 Practitioner Survey, Primary Report*, (Australia: Monash University, 2022).

Byron Kinnaird, Liz Battiston, Naomi Stead, Maryam Gusheh, Jonathan Robberts, Tracey Shea, Brian Cooper, Kirsten Orr, Julie Wolfram Cox, *The Wellbeing of Architects: Report on Focus Groups with Practitioners*, (Australia: Monash University, 2023).

Tracey Shea, Brian Cooper, Byron Kinnaird, Naomi Stead, Julie Wolfram Cox, Maryam Gusheh, Kirsten Orr, *The Wellbeing of Architects: 2023 Practitioner Survey* (Australia: Monash University, 2024).

Factors affecting wellbeing:

Imbalanced demand and reward The risks and responsibilities involved in providing architectural services are frequently seen to be out of balance with the benefits – including pay or status in the wider industry. They are also a significant and acute source of anxiety and stress.

Procurement practices Focus groups made a strong connection between procurement practices and negative impacts on wellbeing. Concerns included problematic tendering processes, a lack of longevity or security in projects, and the negative effects of value-management.

Time and money Compressed timelines, unrealistic deadlines, and inadequate resourcing of projects (including via low fees) were all identified as having a substantial negative effect on wellbeing at all levels of architectural practice.

Contractual arrangements The practitioner survey found this to be one of the four most significant factors negatively affecting wellbeing (along with timelines, deadlines and fees).

Longevity Focus group respondents noted the strong positive effect of certainty around security and longevity in their role within a project – the difference to wellbeing was significant.

Declining conditions Research participants perceived that the sector has trended towards less satisfactory contractual arrangements and collaborative modes of work, including through the impact of external consultants. This perceived decline in conditions was itself a source of concern.

Role of the architect Many participants believed that the role and value of the architect was poorly understood in both the construction sector and society at large, and/or that it was actively undermined in some quarters. There was a degree of frustration that this sense of being undervalued coincided with an increase in responsibility and risk.

Risk & Responsibility

1. What is the issue?

- 2. Why does it matter?
- 3. What can we do?

Overview

The professional risks and responsibilities facing the architecture profession have a significant impact on wellbeing. Architects are under increasing pressure to take on ever more risk and fulfil a growing list of professional obligations. These include increased risk exposure in certain procurement models, partial services, free advice or pro bono services, and compliance challenges.

At the same time, the role of the architect continues to evolve and architects' fees are being pushed to often unsustainable levels. The increasingly adversarial nature of doing business, including financial stress from disputes and legal challenges, adds to the pressure. Burnout is common. Within this context, poorly managed risk and increased responsibilities are linked with more intense and acute levels of stress and anxiety.

The topic of risk and responsibility is wide-ranging and complex. This guide focuses on factors affecting wellbeing, as identified by the research project – procurement processes, timelines and deadlines, fees and contractual arrangements. It provides ideas for practices, individuals and professional organisations on addressing these issues in a way that benefits all.

It's important to note that this guide is an overview only, with prompts for thought and ideas for consideration.

It is not a substitute for professional or legal advice. Individuals and practices should seek advice regarding particular situations from their legal, insurance, HR or other business adviser. Like the other guides in this series, this does not offer medical opinion, diagnosis or advice. Individuals should consult their health professional as appropriate.

1. What is the issue?

Risk management is increasingly vital in the contemporary construction industry, and there are serious wellbeing consequences for architects who do not adequately identify and manage the many risks associated with their everyday work. Architects often bear a significant amount of responsibility under the Architects Acts and through contractual obligations, which can bring a significant amount of stress and pressure. However, practitioners do not always have the authority and influence required within design and delivery processes to meet all obligations, and fees and remuneration do not always reflect the level of responsibility they are obliged to carry. These mismatches can contribute to increased stress. longer hours, financial pressure, and a rise in disputes.

Procurement practices

Poor procurement practices have been closely connected to poor wellbeing outcomes for many years. Problematic tendering processes, a lack of longevity or security in projects, fast-tracked programs, unfair contracts, and the effects of 'valuemanagement' or insufficient budgets all compound to apply pressure and stress. There is some evidence that this pressure and stress is increasing, while favourable conditions are decreasing.

One example of this is staged procurement, a longstanding trend that results in shortterm appointments, discontinuity in teams, and a lack of prior knowledge across project stages. This can lead to an environment of stress and uncertainty, with architects frequently required to adjust to new team dynamics, ambiguity in the engagement of their services for future work, and competing project requirements.

"The procurement process in public projects is deeply problematic. In my experience, projects always go to the cheapest tenderer. As a result, graduates are forced to meet ridiculous deadlines, enforced by people who don't know how long things will take, and the human resources that are required."

Project leader in private practice,
6–10 yrs experience, NSW, 2022

Contracts and risk allocation

Contracts can make or break a business and the people within it. The shifting of risk without adequate authority, compensation or protection is an increasing problem for architects, who need to be constantly vigilant about contracts, insurance and unfair risk allocation. Architects can find themselves responsible for matters outside their professional expertise or control, leading to disputes with clients, contractors, subcontractors and other project stakeholders. Disputes may arise over a variety of issues, including project delays, design errors or omissions, cost overruns, or disagreements over scope changes and responsibilities. The ensuing stress can then filter down the line, from principal and manager to architects, graduates and students, with negative impacts on wellbeing, morale and culture across an entire practice.

The Design and Construct (D&C) procurement model can expose architects to substantial legal risk. These contracts are often customised and may include unfair terms that limit the availability of professional indemnity insurance. For example, architects may face the same liquidated damages as contractors for delays in completing a construction project, despite having little influence over the program.

Non-standard contracts and accelerated delivery methods mean architects are often expected to assemble full project teams, meet short deadlines, and accept primary responsibility for all documents, without fees commensurate to this level of responsibility. Frustration, stress and burnout can be the outcome.

The risk and responsibility associated with unfair contractual arrangements is a particular concern for smaller practices. They can suffer an imbalance in bargaining power and may have limited resources to negotiate or contest a contract.

Insurance

Architects are exposed to multiple risks throughout the project lifecycle, including construction defects, property damage, design errors and contractual disputes. Insurance serves as a critical risk management tool to mitigate these risks and safeguard assets, reputation and livelihood. However, rising premiums and exclusions from coverage for certain aspects of architectural services and NCC performance-based solutions can limit the availability of insurance. The financial burden of rising insurance premiums or inadequate insurance cover contributes to increased insecurity and financial stress. If these matters are not actively and successfully managed, they can lead to additional pressure in the work environment, with concomitant negative effects on wellbeing.

Intense competition / compliance issues

Architects face an increasingly competitive market for architectural services, which can drive down project budgets, leading to reduced resources available for thorough research, design development and construction oversight. Architects may feel pressured to accommodate client expectations, even if they conflict with professional standards. This can compromise the quality of the work and increase the risk of non-compliance with building codes, professional standards and other legal requirements, exposing architects to significant legal liability. If a project fails to comply with regulations or results in harm to occupants or the public, architects may face lawsuits, fines, licence revocation, and damage to their professional reputation.

Depletion of authority

Many architects report a depletion of their authority in the contemporary procurement and contractual environment. Architects possess specialised expertise honed through many years of education, a highly regulated registration system, many legal obligations and extensive professional experience. They traditionally serve as stewards of public safety, ensuring that buildings adhere to stringent codes and regulations to mitigate risks associated with structural integrity, fire safety and accessibility. They also often act as advocates for their clients and the building's eventual occupants, ensuring that their needs and preferences are reflected in the final product. They play a crucial role alongside the builder - in maintaining the quality of construction, ensuring that the design intent is followed, and that materials and construction methods meet the required standards. When their authority is diminished, critical aspects of design integrity, building quality and overall project cohesion may be compromised.

The contemporary challenge is for architects to ensure they have appropriate levels of authority in various procurement environments to meet their obligations and responsibilities, and to contribute to the projects' full potential.

"More needs to be done in the industry to educate builders and other architects about the roles and responsibilities around D&C contracts."

> —Associate director in private practice, 6–10 yrs experience, VIC, 2021

The cost of low fees

Inadequate fees can lead to long hours, high stress and extreme risk, with negative impacts on design and documentation quality as well as the wellbeing of everyone in practice. Keeping up with compliance and maintaining quality design outcomes are extremely challenging when fees are low.

Fee-bidding processes that are intended to drive down costs can result in poor design quality and sub-optimal outcomes, with architects at significant risk of legal implications, financial loss and burnout. Fatigue and stress can exacerbate the situation, with the potential for compromised decision-making, costly errors and risky behaviours.

See Guide to Wellbeing: Time & Money.

3. Why does it matter?

Unfair risk allocation, low fees, diminished authority and fragmented services can have serious repercussions for individuals, practices and the profession as a whole. It can impact the quality of architectural work, the reputation and financial viability of businesses, and the wellbeing of all in practice. There can also be wider implications for building users, the public realm and the wellbeing of the wider community.

Building quality

The quality of the work itself can be impaired, with clients and end-users impacted. It can increase project costs and compromise the quality of built outcomes. With reduced influence, the architect loses the ability to maintain the integrity of the design and the quality of the final construction.

Financial impacts

Unfair risk allocation can have significant negative impacts on a practice's financial viability. Practices may feel pressured to accept unfair contract terms for fear of losing work, especially if they don't have enough projects on the books or skills to negotiate better terms.

Unfair terms can increase a practice's liability exposure, including risks associated with project delays, design errors or omissions, construction defects and legal disputes. Higher liability can result in increased insurance costs, legal expenses and potential claims settlements, all of which can impact the practice's financial stability. If a practice is responsible for addressing design changes or rework caused by factors beyond its control, such as inadequate client briefs or contractor errors, it can result in scope creep, additional expenses and reduced project margins. Over time, repeated instances of unfair risk allocation can undermine a practice's profitability and financial performance.

Damage to reputation

Projects marred by disputes, delays or quality issues resulting from unfair risk allocation can damage the reputation and credibility of a practice. Clients may lose confidence in the practice's ability to deliver projects on time, within budget, and to the desired quality standards. This can lead to a loss of business opportunities, difficulty attracting new clients, and negative wordof-mouth referrals.

Lack of growth and innovation

Unfair risk allocation can discourage architectural practices from taking on complex or innovative projects that carry higher risks. Faced with the prospect of bearing disproportionate liability without commensurate rewards, practices may opt for safer, less ambitious projects to mitigate their exposure. This can stifle creativity, innovation and growth opportunities, limiting the practice's ability to diversify its portfolio and expand its market reach.

Workplace stress and burnout

Dealing with high risk allocation and increasing responsibilities, potential legal disputes and litigation can create significant stress and anxiety for everyone within a practice, especially the leadership. The pressure of navigating complex legal issues and potential conflicts and disputes can have extreme impacts on workplace stress and burnout among staff members. This can negatively impact employee morale, productivity and job satisfaction, leading to increased turnover and staff retention difficulties. Sole practitioners, particularly, may struggle with the challenges of navigating projects, clients and contracts alone.

Social impact

The consequences of high risk, limited authority and low fees extend beyond the architectural profession to impact society at large. Architectural projects play a crucial role in shaping the built environment and influencing the wellbeing of communities. When architects are unable to advocate for design excellence, sustainability and social responsibility due to constraints on authority and resources, it can compromise the quality of built environments and negatively impact the quality of life in wider society. "Change the expections of clients as to reasonable deadlines for the amount of work required for each work stage of a project. There will be less stress if remuneration is adequate for workload and timeframes."

- Principal in private practuce, 21–30 yrs experience, VIC, 2021

4. What can we do?

Much can be done by practices, individuals and professional bodies to prioritise risk management, to develop skills and knowledge to better manage risk, to keep everyone up to date with obligations and responsibilities, and ensure a fairer, less stressful working environment for all.

Practices
Individuals
The Profession

Practices

The impact of strong risk management on wellbeing in practice can be profound. Strategic risk management, comprehensive contracts, sound legal advice, strong negotiation and communication skills, internal project review processes and the careful selection of clients, consultants and contractors are critical, with direct impacts on stress levels, morale and wellbeing at every level of the practice.

Choose wisely

Stressful project experiences can drain the energy and enthusiasm out of a practice, affecting office culture, morale and the wellbeing of all. Be selective and discerning about projects, clients and consultant teams. Aim for rewarding projects with people you want to work with, reducing the likelihood of harmful stress, conflict and the risk of negligence claims and legal disputes.

- * Identify clients with shared values and vision, well-defined project goals and objectives, budget compatibility, appreciation for design quality and effective communication skills.
- * Conduct thorough due diligence on potential clients and contractors before accepting a project. Research their reputation, financial stability, track record of project delivery, and adherence to ethical business practices.
- * Seek referrals to help assess the reputation of clients, contractors and consultants in the industry.

- * Ask questions! Does the client have past project experience? Do they have a tolerance for flexibility and risk? Are they committed to following legal and ethical standards? Does the project size and complexity align with the capabilities of your practice?
- * Carefully select the project team and consultants based on their availability and shared commitments to quality and collaboration. Ensure that timelines and professional compatibility align, mitigating the risk of disputes arising from substandard work and communication breakdowns.
- * Be prepared to say no to projects if there are red flags or if the client does not seem a good fit for the practice.
- * Take on projects that align with your expertise and experience. This will help to ensure that your practice can deliver the required scope of work to a high standard. If you do want to develop and stretch your expertise with different projects, be selective and don't take on too many unfamiliar projects at once.
- If your practice is aiming for new types of projects that haven't been tackled before, consider recruiting new staff who have expertise in this area. Consult a mentor or peer advisory group with relevant experience.
- * Set up an internal review process for assessing projects. Collect and analyse data to help inform choices about future projects.
- * Document and record the performance of consultants, clients and contractors on previous projects. Exercise good judgement and be mindful of the risks and benefits involved when considering future projects with them.

Manage contracts

Practices can manage their contractual obligations and exposure by investing in sound risk management practices. Miscommunication and mismatched expectations are common sources of risk in architecture. This can be mitigated through the use of a comprehensive but appropriate contract. (The below is not an exhaustive list, nor does it constitute formal advice on legal, contractual, insurance or risk management issues – if in doubt, seek professional advice.)

- * Ensure that each project has a carefully drafted contract that clearly defines roles, responsibilities, deliverables, timelines and expectations of all parties involved. Seek clarity and legal advice on any clauses that are unclear.
- * Use industry-approved contracts. Professional bodies, such as the Australian Institute of Architects, the Association of Consulting Architects and ArchiTeam, offer contract templates that have been written by legal experts.
- * Do not sign a contract that unfairly disadvantages the practice.
- * Ensure that contracts explicitly outline what is included in the architectural services and what falls outside the scope, along with processes for managing and costing additional scope.
- * Document all changes to the scope. Clearly record the reasons for changes, the impact on the project timeline and budget, and any adjustments to the contractual agreement. This documentation may help if dispute resolution is needed.
- Actively manage scope change and variations. Develop formats, templates and systems that support tracking, communicating and claiming change. It provides frameworks for staff to be better equipped to manage these changes effectively.

- * Include rates and structures for scope change and variation to the original agreed scope of work in fee offers and contracts.
- * Develop a standard 'Terms and Conditions' proforma to attach to each fee offer. These documents can be invaluable when things get tough on a project and are useful in contract negotiations by raising awareness and creating conversations upfront about inclusions and exclusions.
- Review contract terminology in detail. Watch out for terms like 'fit for purpose', 'warrant' and 'guarantee', which can place more risk on the architect. Seek advice, carefully review, assess and discuss and/or negotiate with the client.
- * Ensure the practice carries all of the legally required insurances and is appropriately covered for the types of project work conducted.
- * Ensure clear, comprehensive project briefs are established with every client and every project to ensure a shared understanding of project goals, scope and expectations.
- * Establish and maintain practice quality control measures. Implement regular audits and peer reviews to ensure the work produced meets high standards of quality and compliance. Note: Quality control measures may be required by insurance providers and/ or prequalification for particular types of work.
- If ever in any doubt about sound risk management practices, contracts and insurance, seek advice from your insurer, lawyer or other appropriate professionals.

Construction administration services

Not knowing which contractor will be awarded the project at the time of accepting the contract offer from the client, is a significant risk for all kinds of project and all practice sizes. This phase of a project is often the least profitable and can be even more time-intensive if an inexperienced, litigious-natured or uncooperative site management team is contracted to deliver the project. These experiences are often out of control from the beginning and can have severe impacts on the wellbeing of architectural staff.

- * Actively engage in conversations with the client at the time of contract acceptance about the risk – and/or re-qualify it at the time of tender review and contractor award.
- * Be specific! Consider including a clause or condition within the clarification section of your offer that specifies the tasks to be completed and qualifies the hours per week allowed to deliver these. If your hours begin to regularly exceed this allocation, note that you reserve the right to negotiate and/or agree on additional fees.
- * Ensure ongoing and consistent communication with the client.
- * Consider proposing and performing contract administration services at an hourly rate each month, which sharply focuses the client and builder on the value of the architects input required.

Prioritise compliance

Prioritise compliance with professional standards obligations to ensure the quality of architectural services is maintained, the reputation of the profession is preserved, and the interests of clients and end-users are protected. Ensure compliance with the National Construction Code (NCC), local building codes, regulations and standards.

- * Understand and forecast what performance solutions are likely to be required on a project. An emerging risk in recent years is the shifting of responsibility for NCC performancesolutions (such as facades) to the architect. Building surveyors are increasingly requesting these on projects of all sizes to satisfy their understanding of compliance, shifting the responsibility of risk. In response, consider identifying the required performance solutions on a project and either pricing these into the fee offer, ensuring consultants are engaged to cover the scope, or detailing this exclusion from your offer.
- * Do your due diligence and ensure that the manufacturer's products you are specifying are suitable code-marked compliant products and are suitably tested and certified to achieve the current regulatory requirements.

Set up a risk management process

Setting up a risk management process involves a systematic approach to identify, assess, prioritise and mitigate potential risks throughout the life cycle of a project. A well-established and well-understood process helps everyone in practice feel supported, with greater certainty, clear processes and improved wellbeing.

- * Set up a risk management plan outlining the overall strategy, objectives, responsibilities and processes for managing risks.
- Identify all project stakeholders, including the client, design team, contractors and other consultants.

Consider their perspectives and interests, and any potential risks that may emerge from these.

- * Conduct a thorough risk identification process. This may involve workshops and consultations with all involved.
- * Categorise the identified risks into different types, such as design risks, documentation risks, construction risks, financial risks, legal risks and compliance risks (some of these risks may overlap with the Safety in Design Register).
- * Assess the likelihood and potential impact of each identified risk. Prioritise the risks based on their significance.
- * Develop strategies to mitigate or manage each risk.
- * Allocate contingency budgets and timelines to cover potential risks.
- Regularly monitor and review the risk management plan throughout the life cycle of the project. Incorporate new risks as they emerge and adjust the plan accordingly.
- * Include Risk Management as an agenda item at all client and consultant coordination meetings.
- * Develop the Risk Management Plan parallel to the project Safety in Design Register that is required by law in most States and Territories.
- * As well as project-based risk management, ensure practice risk management and business continuity planning is part of the process.

Communicate openly and often

Clear communication is critical. Open and effective communication with clients, team members, consultants and contractors can help to minimise confusion, clarify expectations and avoid the breakdown of professional relationships and the derailing of projects. This includes conversations on budgets, scope of services, timeframes and document coordination. This also includes regular check-ins with staff at every level to promote a culture of wellbeing.

- * Establish clear communication with clients. Take the time at the start of a project to explain the risks and responsibilities associated with the project and ensure that clients understand the implications of decisions. Provide all of this in writing.
- * Provide regular updates to clients on project progress, changes in scope, and potential risks. Ensure all agreements and decisions are confirmed in writing.
- * Maintain accurate, detailed and backedup records of all key project-related communications, decisions and directed actions to help protect the practice in the event of a dispute.
- In a D&C context or non-standard procurement, be proactive in asserting and communicating the rights and regulatory obligations of the architect. Take active steps to ensure that the practice is effectively represented and safeguarded through the negotiation and implementation of such contracts.
- * Set the tone for open and respectful work relationships. Successful negotiation requires a shared understanding of the context in which decisions are being made. Where negotiation with a client, consultant and/or contractor is required, create a courteous environment where all parties can share their perspectives. Ultimately, a constructive negotiation can strengthen relationships while also improving the chances of reaching a mutual agreement.

* Remember to check in regularly with all team members – especially if the project is particularly challenging with a highrisk profile.

See: Trust and Transparency: A Guide to Wellbeing and Parlour Guide: Negotiation.

Plan for every eventuality

It's important to have a Disaster Mitigation and Management Plan in place if something goes wrong – for example, if the project lead gets sick or leaves the practice, staff resourcing is impacted, there is a cyber attack on the practice, a software upgrade goes wrong, there is a pandemic, etc. Looking after everyone in the practice in the most stressful circumstances is part of a culture of supporting wellbeing at all times.

- * Ensure that project information, stakeholder information, contracts, briefs, and documented progress are easily accessible to staff.
- * Use project/file management software, so project details are accessible to all.
- * Ensure that information is stored in a secure location. Protect confidential information.
- * Store information remotely in case there is damage to the physical office.
- * Prioritise cyber security. Employ a specialist to assist.
- * If there is a change in project lead due to illness or departure from the practice, be open and transparent with the client and other stakeholders as soon as possible.
- Develop relationships with other practices and consider sharing staff in secondment arrangements to help balance resourcing issues.
- * Ensure that the practice has a back-up plan for financial obligations. Ensure that information on bank accounts, security pins and keys are protected, but accessible if someone new needs to step in to assist with payroll and processing payments.

* Manage technology, software, and the required licences effectively. If the practice does not have inhouse expertise, seek assistance externally.

Take care when offering free advice or pro bono services

Be aware that offering pro bono services and free advice can leave you liable for any negligence claim. This is applicable to practices across scales, from large practice to sole practitioners.

- * Treat pro bono clients as you would any other client and ensure a formal agreement is in place. Make sure you file records and documentation.
- * Check that the pro bono work does not breach the State or Territories registration board Code of Professional Conduct.
- * Ensure that the client is clear on the scope of services that you will be providing and any exclusions.
- * Check that your professional indemnity insurance policy covers this type of work.

Support registration and training

The process of becoming a registered architect incorporates an understanding of contracts and risk management. Support individuals going through the process and offer additional opportunities to learn about good business practice.

Education is critical in terms of risk, responsibility and contracts. Ensure everyone in practice has access to CPD events that develop skills in risk management, communication, negotiation, client engagement and other aspects of good business practice.

Include early-career staff in contractual meetings involving contract reviews, signing and negotiations, so they are able to familiarise themselves with the risks and responsibilities of the project. This will help them to understand the pressures that more senior staff are negotiating, give greater context for decisions that affect them in the practice, and help develop their skillset for future career progression.

- * Encourage and support early-career staff through architectural registration. This process significantly upskills future architects in the knowledge of legal requirements, contract types, and minimum responsibilities working in the profession.
- * Empower your staff by providing training on communication and negotiating skills involving scope change and variations.

Also see *Parlour Guides: Registration, Negotiation; Guide to Wellbeing: Trust & Transparency.*

Seek support and collaboration

Seek collaboration and knowledge exchange with other professionals, such as engineers, contractors and complementary architecture practices. Learn from others.

- * Consider collaborating on projects with other architecture practices. When practices share aligned values and goals, collaborative projects can offer support, knowledge sharing and professional growth. Ensure contracts are in place so that all parties are clear on their responsibilities.
- * Build networks and connections with other practices to share knowledge and mutual support in different areas of expertise.
- * Consider joining professional organisations to access CPD webinars and events, and networking opportunities. However, remember that being part of professional organisations is a two-way process. Be prepared to contribute back to the profession, and assist others in their own times of need.

"Whenever possible, I prioritise clients and projects that align with my ethics, interests and aims."

- Director in private practice, 11-20 years experience, VIC, 2021

Individuals

Managing risk and responsibility is a priority for all in practice. Everyone has agency in the delivery of high-quality work, transparent communication and the mitigation of risks. Everyone also has a role to play in supporting a healthy culture of wellbeing, despite the stresses that come with architectural practice.

Embrace opportunities to learn

Be open and engaged when working on projects. Consider the bigger picture as well as your own specific role and tasks.

- * Ask questions of clients, contractors and consultants.
- * Take any opportunity to attend meetings to broaden your understanding.
- * If not included, ask to attend meetings.

Communicate clearly and regularly

Clear communication, understanding the scope of work, and maintaining accurate records are priorities for everyone in practice.

- * Communicate clearly and regularly with colleagues, clients or other stakeholders to ensure everyone is on the same page.
- Ensure you understand the scope of the project you are working on and the tasks required to complete this successfully.
 If you are unsure, raise any concerns or issues with your team leader as soon as they arise.

- * Seek guidance and support. If you are unsure of how to handle a situation or encounter an issue outside your expertise, seek assistance and advice from a trusted colleague.
- # If high-risk projects continue to be stressful, seek support and discuss the impacts on your wellbeing with a trusted colleague and/or manager.
- * Be assertive in advocating for your professional expertise and ensure that your contributions are valued and incorporated. This helps to mitigate risk and to ensure the project meets required standards of quality and compliance.

Get serious about negotiation skills

Negotiation skills are essential for building and maintaining positive relationships with clients, contractors, subcontractors and consultants and help architects effectively manage project risks and liabilities. Architects must negotiate risk allocation, insurance coverage and liability limitations with clients and stakeholders to protect against potential claims and disputes. This can be intimidating, but practice and preparation can assist. Skilled negotiators identify and mitigate risks early in project planning stages, minimising exposure and safeguarding the project and practice.

Effective negotiation and communication can lead to a more streamlined process and better project outcomes, satisfied clients and colleagues, and a healthier, happier working environment.

- * Participate in workshops, seminars and training programs from professional or industry associations, specifically focused on negotiation skills for architects. Topics may include contract negotiation, client management, conflict resolution and risk management.
- Consider learning negotiation through more comprehensive business courses.
 Such programs often provide theoretical frameworks, case studies and practical exercises to develop expertise.

- Enhance knowledge and understanding of negotiation principles and techniques by seeking out books and publications from academics or business experts. There are many excellent resources available in both online and print form.
- * Take up opportunities within practice to gain hands-on experience in realworld negotiation situations. Put your hand up to participate in meetings with clients, contractors, consultants and other stakeholders, learning from both successes and failures along the way.
- * Learn about different personalities, negotiation tactics and communication styles, so you know how best to respond to different behaviours in the negotiation room.
- Practise integrity, authenticity and openness in any negotiation process, whether with a colleague, client or contractor. Remember that your reputation is your most important currency – and people have long memories.

See also Parlour Guide: Negotiation.

"I have negotiated promotions and wage increases to help feel recognised for what I've been doing. I try to focus on providing support and encouragement to younger staff members as this gives me a reason 'why' to do certain things which I may not necessarily want to do. I've taken courses in areas of my skill set where I'm not as comfortable."

> - Associate in private practice, 11-20 yrs experience, NSW, 2021

Prioritise education and training

Education and training are critical in architecture. Upskilling often results in more accurate and effective decisionmaking, and higher levels of quality control. Overall wellbeing can be improved as a result of increasing job satisfaction.

- * Get registered the architectural registration process provides invaluable insights, knowledge and experience on issues relating to responsibility, risk and contracts.
- * Stay up to date with industry standards and regulations in your area of interest and/or expertise. This can help you identify potential risks and ensure that your work meets the required standard.
- * Embrace a culture of continuous improvement. Adopting this mindset and a willingness to learn from mistakes can help you proactively take steps to mitigate future risks.
- * Engage in training on effective communication and negotiation styles, leading to improved relationships with colleagues, clients and other stakeholders.
- * Ensure that you are meeting the national standard of competencies on risk and responsibility. If you don't have access to relevant exposure or training on projects, highlight this with your team leader, making it clear that you are seeking additional experience in this area or access to external training.

See also Parlour Guide: Registration.

The Profession

Interventions from professional organisations can often have wide-ranging positive impacts. Several organisations are already doing great work in this space. We encourage them to continue supporting practices and individuals in managing their risks and responsibilities; advocating to government and business for fair and adequate compensation and risk allocation; educating about sustainable risk management approaches, particularly around procurement and contracts; and providing updated CPD programs and resources for graduates and architects trying to navigate a very challenging terrain.

Advocate to government

Poor procurement practices can have devastating impacts on businesses and individuals trying to keep up with unreasonable deadlines, low fees, long hours and high stress. Unfortunately, governments can often be repeat offenders when it comes to poor procurement processes that impact wellbeing. Professional bodies have an important role to play in advocating to government about improving procurement processes and workplace conditions, and modelling good behaviour for the private sector.

* Lobby the public sector to take the lead with fair, sustainable procurement, fees and tendering processes.

- * Consider collaborating and developing 'best practice' procurement models for and with government clients. Work on brief development to help reduce scope creep and budget alignment issues.
- * Continue advocacy efforts to address the issue of unfair contract terms to reduce the exposure of architects to excessive risk. This work is important and ongoing.
- * Coordinate with other professional organisations in architecture and allied fields to advocate with one consolidated voice. Organise meetings with key government figures and develop relationships with decision makers.
- * Communicate clear messaging regarding procurement and wellbeing through traditional and social media channels. Support the campaigns of other groups, such as Consult Australia's End of Year Tender Campaign.
- * Learn from the advocacy of successful professional organisations in other fields.
- Share advocacy efforts and successes with the wider profession, so they're aware of the work and can support wherever possible.

Educate and inform

Professional bodies can help build awareness and educate both practices and individuals in risk management and legal compliance.

- Introduce and maintain CPD courses on identified areas of concern – risk management, contracts, financial management, negotiation, workplace wellbeing practices, practice management, leadership.
- * Provide up-to-date CPD courses on legal compliance in a dynamic, ever-changing regulatory environment, covering Australian standards, the National Construction Code (NCC), State and territory building acts and regulations, local government planning schemes, and other regulations.

- * Provide targeted support and education to architects on PI exclusions if not Deemed-to-Satisfy under the NCC, and the effects this can have on innovation and manufacturer codemarked compliance requirements in the current regulatory environment. Provide advocacy and support on NCC performance-based solutions that leave architects open to significant risk and are uninsurable.
- * Develop resources on topics of concern: legal compliance, contracts, client management, etc.
- Facilitate networking opportunities for architects to connect with peers and share experiences and knowledge on risk management.
- Develop case studies demonstrating how architects work effectively within different non-traditional procurement models. Educate practitioners about how to negotiate contracts and fees in a broad range of procurement contexts.
- Consider the development of short online modules (15 minutes) with video links and related questions on 'bite-sized' risk topics that allow individuals to work through them at their own pace in quiet times or while commuting.

Provide support to architects

Professional bodies can play an important role in supporting architects as they navigate the challenges associated with unfair contracts and Design and Construct procurement. This can include addressing issues such as unfair risk exposure and the appropriate allocation of risk in contracts. Professional organisations in Australia are already providing contract and risk management guidance, including resources and webinars, but it's an ongoing project and there's always more to do.

* Facilitate advice by experienced practitioners or legal experts.

- * Offer networking opportunities so people can come together to share stories and insights on common challenges, and offer mutual support.
- Provide events and meetings with experienced architects, industry professionals and mentors, who can share best practice examples for risk management, contract negotiations and client management.
- Develop and circulate templates and 'how-to' guides for setting up risk management processes, disaster mitigation and management plans, and safety in design registers that practices (especially small ones) can utilise.
- * Develop education and online templates that help small and large practices navigate the complex NCC performance solutions and risk-shifting environment.

Rights & responsibilities

It's important for individuals, practices and institutions to understand the legal context within which they work, and their associated rights and responsibilities. We encourage readers to investigate and understand relevant workplace legislation and required insurances in your context.

This section outlines key rights and responsibilities enshrined in Australian law at the time of writing. This is offered as an overview only. Readers are reminded that legislation changes regularly, and are advised to check current legislation to stay up to date.

Professional Indemnity Insurance is a requirement by law in most states and territories of Australia. Registration boards also require proof of current Pl insurance when architects register each year. This provides coverage for claims arising from professional services, including errors, omissions or negligence.

Workers' Compensation Insurance is a legal requirement for practices that have employees, and helps provide financial support for medical expenses and lost wages for employees who suffer work-related injuries or illnesses.

Public Liability Insurance covers thirdparty bodily injury or property damage claims that may arise during the course of the practice's operations.

Property Insurance protects the physical assets of an architecture practice, including office space, equipment and other property.

Management Liability covers directors and officers of the firm against personal losses in case of legal action for alleged wrongful acts in managing the business. It may also cover the firm itself for certain liabilities.

Architects in Australia are required to be registered with the relevant architectural registration board in their state or territory.

Architects should familiarise themselves with the relevant code of conduct that forms part of the legal requirements with which they must comply in their state or territory. Adherence to the code exists primarily to protect consumers, but also provides a degree of protection to architects by complying with the regulations in their jurisdiction's legislation.

Architects must comply with the National Construction Code (NCC), which includes the Building Code of Australia (BCA). These codes set out the minimum requirements for the design and construction of buildings to ensure safety, health, amenity and sustainability.

Architectural practitioners should have clear and comprehensive contracts with their clients. These contracts typically outline the scope of work, responsibilities, fees, and other terms and conditions of the architectural services.

Further resources

There are many resources available to support improved business practices and thereby improved wellbeing.

Systemic risks in the Australian Architecture Sector

ARBV and NSW ARB Joint Research Report October 2022

This report is the product of a research project undertaken jointly by the ARBV and NSW ARB to identify current and future systemic compliance issues and associated risks affecting regulation of the architecture profession in Australia. It offers a summary of the main issues and suggestions on how to deal with them for a range of stakeholders.

<u>Common Risks for Architects</u> Acumen Practice Notes Australian Institute of Architects (paywall)

This practice note highlights the many common risks that can leave architects liable. It offers strategies for different situations and scenarios for mitigating such risks.

Procurement Policy Campaign & Resources Australian Institute of Architects

These resources are an outcome of research that explored best practice methods for Expression of Interest (EOI) and Request for Tender (RFT) processes that engage architects for public or education sector projects. Resources include Code of Novation, Deed of Novation and the National Novation Survey Report.

<u>Code of Novation</u> Australian Institute of Architects

The Code of Novation reports on specific problems for architects with novated design and D&C procurement models.

Procuring Architectural Services: An Industry Discussion Paper ACA April 2017

The ACA WA Industry Discussion Paper on Procuring Architectural Services aims to provoke conversation and thought about the role procurement plays in the development of cities and communities. It includes step by step advice on the successful procurement of an architectural project, plus information on how to achieve project success, from effective risk management to design quality, policies and programs, setting realistic budgets and using an effective procurement model.

<u>Risk, Liability and Insurance</u> VicGov

This chapter is within the ARBV and NSW ARB Joint Research Report to identify current and future systemic compliance issues and associated risks affecting regulation of the architecture profession in Australia. It offers a summary of the key issues and recommendations relating to risk, liability and insurance.

Business Continuity & Disaster Planning ACA and Australian Institute of Architects (shared resource, paywall)

This guidance note discusses business continuity for practices in the case of the sudden loss of a director as well as disaster planning (for risks such as fire and accidents, system failures and cyberattacks, health crises and pandemics). It covers internal and external communication, project delivery, finance, insurance and succession planning.

<u>Government as 'smart client', Chapter 5</u> <u>Procurement of Buildings and Infrastructure</u> OVGA

In this chapter, the OVGA explores different procurement methods commonly adopted and their potential negative influence the design of a project. It proposes strategies to improve and positively impact design options.

Handling Work-Related Stress: Headway VicGov

The Victorian Government initiative Headway is a comprehensive wellbeing initiative targeting small business. It includes a number of free services including business advice, financial counselling, and mental wellbeing support for people running small businesses.

Further reading

Bring Back the Clerk of Works Michael Hegarty

ACA, January 2019

In the wake of the Opal Tower incident, Michael Hegarty discusses the responsibility of the Clerk of Works. He advocates for the reinstatement of this important project role on Australian construction sites to address quality control issues in the industry.

Defragging Procurement Stephen Pearse ACA, February 2019

Stephen Pearse looks into the history of procurement in Australia, identifying the 1980s as the time when the role of the architect began to evolve and new delivery systems were introduced.

Common Claims and How to Avoid Them Kerrie McLeish

ACA, March 2018

Kerrie McLeish, an experienced Planned Cover Claims Manager, highlights a number of negligence claims common in architecture practice and provides valuable advice on how to avoid such claims.

Managing Risk 101 Robert Peake ACA, March 2019

Robert Peake details the important link between effective risk management and practice management. In his analysis, he covers important topics including business structures, employment contracts, insurance, client fee agreements, and fee negotiation.

Unfair Contract Changes Wendy Poulton ACA, November 2023

Unfair contracts legislation ("UCL") was amended in Australia in late 2023, expanding the reach of UCL. Wendy Poulton of informed by Planned Cover provides an explainer on the changes, with answers to the following questions: Who does the new unfair contracts legislation apply to? When is a contract term unfair? What happens if it is unfair? And how does this help you?

Getting to Yes: Negotiating Agreement Without Giving In

Roger Fisher and William Ury Houghton Mifflin, 1st edition 1981

This longstanding bestseller provides practical negotiation advice for multiple contexts – from work to education and personal relationships. It highlights principled, non-adversarial negotiation and explores strategies for cultivating good professional relationships while navigating complex situations.

Negotiation Genius

Deepak Malhotra and Max Bazerman Bantam Dell, 2009

Drawing from extensive behavioural research and real-world experiences, this book seeks to empower individuals with effective strategies for negotiation. It promises to show readers how to: negotiate successfully from a position of weakness; defuse threats, ultimatums, lies, and other hardball tactics; negotiate ethically and create trusting relationships along with great deals; and recognise when the best move is to walk away.

Research partners





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You are welcome to contact the research team via the project website:

thewellbeingofarchitects.org.au

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