ARCHITECTURAL MEDIATORS:

A STUDY OF THE RELATIONSHIP BETWEEN ARCHITECTS AND DEVELOPERS

by

Susan C. Lin
B.Arch. Qinghua University

(1986)

Submitted to the Department of
Architecture in Partial Fulfillment of
the Requirement for the
Degree of

MASTER OF SCIENCE
in Architecture Studies

at the

Massachusetts Institute of Technology

June 1990

Signature of
Author_____
Department of Architecture
May, 1990

Certified
by_____
John de Monchaux
Dean, School of Architecture and Planning

Accepted
by_____
Julian Beinart
Chairman, Departmental Committee on Graduate Studies

ARCHITECTURAL MEDIATORS: A STUDY OF

THE RELATIONSHIP BETWEEN ARCHITECTS AND DEVELOPERS

by

SUSAN C. LIN

Submitted to the Department of Architecture
on May 11, 1990 in partial fulfillment of the
requirements for the Degree of Master of Science
in Architecture Studies.

ABSTRACT

This thesis contains basic understanding of the roles of the architect and the developer in the American real estate industry. The thesis concluded that roles the architect and the developer play in the development process are close related to their incentives for entering the business, their motivation in work and the skills they possess. These elements all together form the architect's and the developer's perceptions of their roles. Based on their own perception, both the architect and the developer redefine their performance in their actual practice. As a result, the actual roles played by most developers and architects are often inconsistent with what is presumed by the real estate industry. In other words, there are discrepancies existing between the expectation and performance.

The thesis proposes that the architectural mediator, as one form of mediators, can facilitate between the developer and the architect in the development process and brings mutual benefits to both parties. Architectural mediators in this thesis refer to those architects who work for developers and are actively involved in the decision making process and the management of the development process. A case study is provided as one example of how such an architectural mediator functions in the development process.

Thesis advisor: John de Monchaux

Title: Dean of School of Architecture and Planning

TO MY PARENTS, QI LIN AND KEZHANG LI

TABLE OF CONTENTS

ACKNOWLEDGEMENT

I owe my gratitude to many people who made the completion of this thesis possible.

First, I thank my thesis advisor, John de Monchaux, for his insightful guidance, patience and encouragement throughout my thesis research. My thanks to Peter Roth and Michael Joroff for their valuable knowledge from their experience and their continuing encouragement.

For their generous help, I thank Michael D. Nugent and Han Hsing Ho, since without them, I could hardly conduct field interviews and case studies. I also owe my thanks to the following individuals who offered their time and help during my field research: Edward M. Polich, J. Michael Tracy, Murray Wolbach,III, Michael J. Lough, John Lahey, Gary L. Klompmaker, Tom Humes, Robert McMahon, John Kenny, Jonnie E. Hachett, and Ning Chang.

I thank the Department of Architecture at Massachusetts Institute of Technology for the scholarship I received in the past two years. I thank Wendell B. Mah and Leova Wolf for their editing effort and general support during my thesis writing.

Special thanks to my parents and other members of the family for their everlasting support and love throughout my study and my life.

INTRODUCTION

THESIS ISSUES

The theme for this work evolved from my own confrontation with the discrepancy between the appearance of architecture in school and architecture as it appeared to be practiced. When I started my first job in a private architectural firm, I was struck by the fact that the reality was so much afar from what was perceived by most architectural students. When students were taught to become masters or star designers, I found that only a extremely small portion of them, after struggling for ten years or more, could reach the point when they might have relatively more chances to fully utilize the design skills that learned in school. The majority of architects that I worked with were talented, hardworking yet displeased with what they were doing. This depression usually came from the situations in which they could not do what they wanted to do as well as in the way they wanted to do.

As I started thinking about the reasons behind this kind of depression, some of the designers I knew left architectural firms and started working for clients. Their job interested me. Speaking with them made me open to a bigger world in which the architectural practice exist---the real estate industry. I felt an urge to learn more about it, and this urge became the initiation of this thesis topic.

This thesis first attempts to answer the following questions:

* How does the real estate industry work?
* How do the developer and the architect fit in the real estate industry?

* How different (or similar) is the business of the developer and the architect by nature? Why?
* What are the problems and how can we improve it?

Then the thesis will introduce the definition of "the architectural mediator", which in this thesis refers to the architects who work for the developer, who are actively involved in the decision making and the management of the design process. The thesis will probe the functions of the architectural mediator in the existing structure of the real estate industry, and their impact on the real estate development process, as well as the architectural profession.

THESIS ASSUMPTIONS

This thesis makes the following assumptions: The nature of the real estate industry defines the different roles and objectives of architects and developers; for both the architect and the developer, there are discrepancies between the roles defined by the industry and the nature of their business and the roles actually performed; architectural mediators who actively participate in the management of the design process will diminish these discrepancies.

THESIS METHODOLOGY

The author has conducted a series of interviews of practitioners both in the development and the architectural fields, and completed a case study on a project managed by an architect-project manager. This first-hand research offers the author the basic understanding of the thesis issues, and helps the author to develop the above thesis assumptions. A great amount of literature on the same topic has been studied and used as evidence in generating the thesis claims.

THESIS PURPOSE

The purpose of this thesis is to help myself and perhaps other architects to understand the nature of our own profession in the context of real estate development and the nature of the relationship with developers. Due to the author's limited experience in architectural practice, this study is mainly from an academic perspective. Although, the thesis suggests the authors' point of view, the validity of the claim itself could only be proved by further research. The present research leads to such a preliminary conclusion that only sets the stage for future directed studies.

THESIS SCOPE

To limit the scope, the thesis excludes situations in which the client is a business corporation, public sector, or individual home owner. This thesis focuses on the clients who are the private real estate developers, including those who act purely as the agent of owners who may be any of those listed above, and those who are also the sole or partial owner of the projects.

To define the scope of "the architect" in this thesis, however, is a little problematic. While half of all the architectural firms in United States are one-person offices, the rest can range in size from two (at least one employee in addition to the principal)to several hundred. According to Robert Gutman, it is these offices that are responding to the changing environment of architectural practice, and set the pace for the development of the profession in the future.[1] However, the behavior of these firms in the practice vary by the

---

[1]Gutman, Robert. "Architectural Practice: A Critical View" Page 4

size of the firm, by the size and the type of the projects they do, and by the client preference and the professional attitudes of each firm. It is the author's personal preference to refer to "the architect" in this thesis to firms that are at least mid-size (around 20 employees), and who perform work on mid-size to large size commercial projects. These firms may have a better defined organizational structure, and have more formally addressed issues of marketing, management, and alternative strategies of practice.

THESIS STRUCTURE

The thesis consists of two sections. Section One includes three chapters, providing an analytical frame work to study the roles of the architect and the developer in the real estate industry and the nature of their business.

Section Two contains four chapters, addressing the author's understanding of the roles of the architectural mediator in the development process. This understanding was based on the study of previous literature and a case study conducted in the field.

SECTION ONE

ANALYTICAL FRAMEWORK

Introduction

The past two decades have been marked by a significant increase in the recognition given to real estate both as a major investment vehicle and as a vital factor in our economy. Real estate development is a major area where the professional services of architects are employed. The American Institute of Architects conducted a survey in 1987, on the practice of its 15,000 member-owned architectural firms (90% of all firms offering architectural service). 1,800 firms responded to the survey, about 12% of all member-owned firms.[1] The result of the survey revealed that the average revenues per firm in 1986 was $381,000, with a 2.2% increase from 1985. Within these revenues, 25.7% came from developer-clients, only slightly lower than the number one source---business, industrial and commercial corporations (26.4%). Government was the third major client type, making up 14.3% of total revenues.

This thesis will only focus on the relationship between architects and their developer-clients. Since the real estate developer is the key player in real estate development, to understand the nature and the dynamics in the interaction of the architect and the developer, one must look into the context behind real estate development. Only with this context in mind, one can further study upon the nature of the architectural profession and its interaction with the developer.

The purpose of Section One is to establish the analytical framework of the thesis issues. The following three chapters describe the basic features of

---

[1] "AIA Firm Study Profiles U.S. Design Market", Building Design and Construction, Nov. 1987. Page 11

the American real estate industry, the role of the developer in the building process, and architecture as a profession.

CHAPTER ONE:
GENERAL BACKGROUND OF REAL ESTATE DEVELOPMENT

This chapter introduces some of the basic structure and features of the American real estate industry and the characteristics of architecture in real estate development. This chapter does not provide a complete picture of the American real estate industry, which perhaps is beyond the author's capability. Rather, it only touches upon the aspects that closely relates to the thesis issues. The description of these aspects help the author as well as the reader to understand the economic and social context of the interaction between the developer and the architect.

1.1 Real Estate Involves Real Property

Physical Features of Real Estate property

Real estate is a business that deals with real property, consisting of physical land plus structures and other improvements that are permanently attached. The real estate asset, physically has the following characteristics: immobility, indestructibility and heterogeneity.[1]

Immobility: Real property can not be moved, in a geographic sense. Some of the characteristics of land---soil, minerals, oil---may be removed and transported, but the geographic location of a site remains fixed.

Indestructibility: Land, as space, can not be destroyed.

---

[1]Ring, Alfred A. and Dasso, Jerome. "Real Estate Principles and Practices", 10th edition. 1985. Page 23

Heterogeneity: Each piece of real property is located on a particular site, in a particular area, and can not be duplicated.

Economic Features of Real Estate Assets

Each piece of real property is not only physically unique, it is also under a specific economical and political influence for a specific area. These features are summarized as the economic features of the real estate asset: scarcity, durability or fixity of investment, independence or modification, and situs.[1]

Scarcity: Because every location is unique, only certain parcels can satisfy the requirements of a particular project or investment. So land for a particular purpose at a particular time and place may be quite scarce.

Durability: Once these projects are built, they normally have long useful lives. It requires a long time to recover costs of a site and its improvements.

Modification: Property value can be significantly modified by the existing or potential future development. It reflects the mutual interaction of uses, improvements and values of parcels.

Situs: Property's interaction with the uses of surrounding land parcels has a great impact on the use and value of the site.

Both physical and economical features of real estate assets determine its close relationship with the market, including the market of geographic location (neighborhood, city, region, national or international) and the market type of real estate (residential, office, hotel, etc.). Each parcel exists in a unique

---

[1]Ring, Alfred A. and Dasso, Jerome. "Real Estate Principles and Practices", 10th edition. 1985. Page 23

market that can not be duplicated.[1] Only those who recognize and respond accurately to the unique demand of a particular market succeed in the real estate business.

1.2 The Real Estate Market Place is Unique in Many Ways

The real estate market place is different from other markets, such as fashion or stocks in the following ways [2]:

1) unit value: Real estate involves a large sum of money. Each piece of real estate property value tends to have great value. Therefore financing almost always plays a crucial role.

2) Government intervention: Government regulations over financial market, federal monetary and fiscal policies, taxation, and land use regulations have a strong impact on real estate. In addition, the range of government intervention has been extended to provide development incentives and involvement in land transference.

3) Perception: Real estate always represents both an investment and an use. Home ownership provides one with shelter, status, and an investment. It is noteworthy that the perception of investment changes over time. In the 1960's and early 1970's, when the tax law greatly encouraged real estate investment, seeking tax shelters was the key concern of investors and developers. The revision in federal taxation in 1986, however, considerably reduced the benefit of real estate as a

---

[1]Wurtzebach, Charles H., "Modern Real Estate" Third Edition, Page 9

[2]Wurtzebach, Charles H. and Miles, Mike E. "Modern Real Estate" Third Edition, Page 11

tax shelter. Consequently, the general perception of real estate investment changed.

4) expectation: The market often involves speculation in advance of a future period of time. When home owners consume the product of the real estate industry, i.e. buildings, they also expect the continued appreciation in real estate values. In this situation, real estate is not only a consumer good, but also a capital good.[1]

4) Psychic income: The ownership of real estate often generates great satisfaction which is expressed as "the pride of ownership". Such utility derived from ownership is called the "psychic income" by Wurtzebach and Miles that the real estate market provides.[2] This feature of the real estate market can be attributed partially to the pursuance of signature architecture---buildings designed by nationally recognized architects in the contemporary real estate market. The rationale behind this phenomenon is similar to a scenario when fashion consumers buy clothing from prestigious designers for a higher price.

The characteristics of the real estate market place thus requires that the participants be extremely sensitive to a change in the market, or a change of governmental regulations. Real estate decision makers have to constantly ask themselves questions like: How will the increased public attention to the quality of the environment affect the review process of a project? How will the changes in tax laws influence the

---

[1]Wurtzebach, Charles H. and Miles, Mike E. "Modern Real Estate" Third Edition, Page 13

[2]Wurtzebach, Charles H., "Modern Real Estate" Third Edition, Page 13

perception of real estate investment? etc. Charles H. Wurtzebach and Mike E. Miles, in their book "Modern Real Estate", pointed out that "the real estate industry is, or can be viewed as, a market-oriented game--a game in the sense that it has players, rules, and a way to determine a winner."[1]

Although using the "game" concept to describe the complex real estate business is a bit trivialized, this concept reflects the fact that all the participants in the real estate industry have to obey certain rules either of the market itself or from governmental policy. These restraints of the real estate market contribute to distinguish itself from that of an ideal market.[2] For example, in an ideal market, products can be transported to capitalize on more lucrative markets. Yet in the real estate market, the location of the land cannot be moved to other places. In an ideal market, Adams Smith's "laissez-faire" concepts prevails[3], but in the real estate market government plays a dominant role in encouraging real estate development through the use of fiscal and monetary tools and by use of other controls, such as zoning, environmental, and health codes.

---

[1]Wurtzebach, Charles H. and Miles, Mike E. "Modern Real Estate" Third Edition, Page 3

[2]Mckenzie, Dennis J. and Betts, Richard M. "The Essentials of Real Estate Economics", Second Edition, 1980. Page 55

[3] Adams Smith, English economist. In his book "the Wealth of Nations", he advocated an economic system based on the concept of private ownership and free competitive markets without government interference. He used the term "laissez-faire" (hands off) to describe the government role.

1.3 The Real Estate Development Process Has Seven Stages

The overall building process includes real property development and property management.[1] Since most activities of the developer and the architect occur during real estate development, the following text will display this phase in detail. In order to understand how the developer and the architect contribute to the decision making process, it is helpful to introduce the seven-stage framework of Wurtzebach and Miles[2] in combination with the four phases framework of Mckenzie and Betts[3]. (See figure 1.1)

The development process begins with the idea inception stage. The developer perceives sees the market need and translates this need into a concept of space. At this stage, the developer generates an idea for a particular type of project and considers what project size might be appropriate for a particular urban area. The developer puts together a financial pro forma, i.e. projections of income and expenses over a long time period which takes into account the needs of the tenants, general construction requirements, and the market rate of projected space.

At the next stage, the developer refines his ideas. The developer must find a specific location within the given area based upon the area's economic

---

[1]Mckenzie, Dennis J. and Betts, Richard M. "The Essentials of Real Estate Economics", Second Edition, 1980. Page 205

[2]Wurtzebach, Charles H. and Miles, Mike E. "Modern Real Estate" Third Edition, Page 611

[3]Mckenzie, Dennis J. and Betts, Richard M. "The Essentials of Real Estate Economics", Second Edition, 1980. Page 207

potential, zoning, and access to major transportation arteries and municipal services. When the location is determined, the developer will seek to "tie up" the site, i.e., to control the ownership of the land so that it will be available when it is needed. The next step is to determine the physical feasibility and prepare the architectural layout. It is at this time that an architect's expertise is employed. The architect determines whether the general type and size of the envisioned project is suitable for the site. At the same time, the developer starts to collect information about local contractors, potential investors and tenants.

The third stage---feasibility stage is one of precommitment. The architect prepares the preliminary drawings, balancing the aesthetic market appeal against the cost of the particular project. The formal feasibility study is completed in this stage based on the costs projected in the preliminary drawings as well as the estimate of market demand for the space. The feasibility study permits a more refined cost and value statement to be developed that will determine the economic viability of the proposed project. Finally, the developer will obtain any building permit or meet other local government requirements. In many cases of urban development, projects have to go through the review and approval process which can be often very time-consuming and can possibly bring about delays and even the termination of the development process.

As the development process proceeds into stage 4---contract negotiations, most of the major decisions that could significantly influence the architectural design have been already made. The architect continues refining the preliminary design according to the economic parameters projected by the feasibility study,

while the developer negotiates written documents with his lenders, general contractor and preleasing tenants. This leads to Stage 5---commitment point which is the end of the preparation phase and the start of the production phase. Within any stage of the preparation phase, the project may be terminated if any of the activities within these stages could not continue. Thus during the preparation stage, the developer's emphasis is to minimize financial risk.

In stage 6, construction starts. By now, the architect has completed the process of translating the developer's idea into a set of working drawings and specifications that will guide the construction workers in building the project. The developer now focuses his energies on reducing the construction time since it is at this time that he experiences the maximum financial risk.

The development process ends with stage 6---the initiation of operation. In this stage, construction is completed, operating personnel are brought on the scene, and advertising and promotion take place. If the developer is seeking short term profit, real estate brokers will be brought in and a sale will be conducted. If the developer's objective is long-term profit, the building process will then step into the service phase in which property maintenance, management and improvement will be major activities.

It should be noted that some development activities can span several different stages, and several activities will be ongoing during any one stage. For example, the marketing and leasing effort may start at the very early stage of the project and continue until the project is finished.

1.4 There Are Numerous Participants in the Real Estate Development Process

The real estate market place gathers a wide range of individuals, institutions and government agencies with various resources, skills and objectives. To understand the role of developers and architects in the development process, it is useful to paint an overall picture in which every participant takes a position based on their function in the real estate industry. Wurtzebach and Miles divided all the participants into the following categories: consumers, suppliers, government, and associated professionals. (See Figure 1.2 and Figure 1.3)

Consumers

Consumers are interpreted as end users by Wurtzebach and Miles.[1] Included in the users group are: tenants and owner-occupants (homeowners, business owners, government agencies, institutions, churches, and other civic groups). They are in the real estate market to seek the satisfaction of their certain demands. Conventionally, these demands are understood as a spacial need to accommodate a certain function (to live, to work, etc.) plus associated services. For users who are owner-occupants, the continuous appreciation of the property is also their demand.

However, the author perceives that there is a another group of consumers. This group contains a large number of people who are neither building owners nor heavy users of them. Rather, this group of consumers includes individuals who like to read about architecture, tour buildings, visit museum exhibitions and discuss architecture. These people are residents,

---

[1]Wurtzebach, Charles H. and Miles, Mike E. "Modern Real Estate" Third Edition, Page 22

visitors, people who work in the area, etc., who are actually the user of the city itself. These group of users desire a personal relationship with the aesthetic dimension of architecture, for the delight and satisfaction it can offer, without having the burden of dealing with the practical problems of buildings. Robert Gutman in his book "Architectural Practice: A critical view" called this group "the consumers of the culture of architecture".[1]

Over the last few decades, according to Gutman, there has been an expansion in the opportunities to consume the culture of architecture. This expansion is characterized by the broad interest that general public expressed on the evaluation of real estate products through the media---museums, galleries, press, television, etc. and the growth of enrollment in architectural education. The demand from the consumers of this group has influenced the behavior of suppliers of real estate. These influences will be further discussed in the following text.

Suppliers

Suppliers satisfy the demands of consumers. This group consists of developers, architects, engineers, construction enterprises, building managers and investors. The Developer is the prime mover of the suppliers during the development process. He is the entrepreneur who puts together the various resources to satisfy the users demand. He organizes the efforts of investors, architects, engineers and contractors in the development process.[2]

---

[1]Gutman, Robert. "Architectural Practice: A Critical View". Page 95

[2]Wurtzebach, Charles H., "Modern Real Estate" Third Edition, Page 24

Wurtzebach and Miles pointed out that in real estate it requires a relatively long lead time for the supply to adjust to the demand.[1] The complicated production process of building---construction, takes a longer time than for other types of products. In addition, many other issues such as weather, material and labor shortage, change in the governmental regulations, etc., could easily delay the response of the supply to the demand.

Government

Other than the consumer and the supplier groups who are the essential parties in economy, all levels of government also play a significant role in the real estate industry. The government group includes federal, state and local governments. They provide the invisible "guiding hands", through regulatory authority or direct intervention, to ensure that the private entrepreneurs working for their own benefit achieve the best outcome for the public realm.[2] At the same time, they also play a role as a partner to the real estate industry. The Boston Redevelopment Authority (BRA), a quasi-governmental agency, has been actively involved in real estate development in the City of Boston. Through the years, BRA has implemented a series of exclusive development regulations such as those shown in "Waterfront Redevelopment Developer Manual" and "Waterfront Design Guidelines". BRA also owns many properties in the Downtown Boston area and often acts as a partner in the ownership of many major projects. Similar cases can be found in many other U.S. cities

---

[1]Wurtzebach, Charles H., "Modern Real Estate" Third Edition, Page 19

[2]Wurtzebach, Charles H., "Modern Real Estate" Third Edition, Page 6

and States. As a result, the term of "public-private" partnership is no longer new to the development community.

Associated professionals

Working with users, suppliers and the government are a host of professionals who make possible the various activities that occur in the various real estate market. They are called "associated professionals" by Wurtzebach and Miles.[1] This group includes attorneys, land planners, accountants, real estate appraisers, brokers, etc. They provide services which make up an important part of the day-to-day activity in the real estate business.

At each stage of the building process, different participants may be involved. In addition, a specific project type of a specific area, may involve some specific participants into the process. Figure 1.4 provides an example of the many participants and influences in the housing process.

The above description demonstrates that the developer and the architect are only two out of the numerous participants. The developer performs a major function throughout the entire development process. He makes most of the major moves in each stage. The architect, on the other hand, is only involved in certain stages and covers a very small portion of the total development activities. The success or the failure of a project, however, depends on the many functions performed by all the participants, and the communication and the coordination among them. Architectural design is only one factor among the many

---

[1]Wurtzebach, Charles H., "Modern Real Estate" Third Edition, Page 28

crucial factors, such as the precision of the market analysis, financing, the developer's decision making capability, etc.

1.5 The Evaluation of Architecture Requires Multi-criteria

The nature of the product of real estate requires multi-criteria in evaluating the quality of the product. Real estate produces physical structures or a modified environment---the constructed space. In this sense, real estate industry sponsors the production of architecture. Ideally, each piece of architecture should satisfy a certain function and with an appearance that is visually appealing. In other words, architecture has both a building side and an art side. Correspondingly, the production of architecture contains two aspects of activities. Robert Gutman described that these two aspects of activities are: the purposive-rationale, "dealing with calculations and the attainment of instrumental goals" and the aesthetic, that "concerned with expression, emotion and meaning".[1] However, the author proposes that the boundary between these two activities is not clearly defined. The examples of how the signature architecture---building designed by famous architects---succeeded in the real estate market raises the question of "why isn't the aesthetic issue an instrumental goal?"

It is interesting to see that the building side of the architecture which provides use can be easily converted into commodity. Evaluated by the commodity's use-value and exchange-value in the real estate market, architecture performs the function as an investment.

---

[1]Robert Gutman, "Patrons or Clients?", Harvard Architectural Review---Patronage, Page 150

The art side of architecture which represents the aesthetics aspects and artifact in the public realm is often evaluated by other criteria such as qualities of form and style, the building's contribution to the well being of the community, etc.[1] Nevertheless, the value of the art side of architecture can be more or less reflected in the exchange value. Evidence demonstrates that developers charge more rents on the buildings which are generally perceived as having strong images.[2]

These two standards of criteria in evaluating architecture can be employed by different players in real estate based on their own objectives, and thus generate the diverse perception of the level "quality" of products which real estate development should deliver.

1.6 Summary of Chapter One

This chapter provides an overview of the structure and environment of real estate development in which the interaction between the architect and the developer occurs. This overview identified the concept of real estate property, the real estate market, the building process and its participants, the nature of the production of architecture and architecture as a product of real estate. The great impact of real estate on our economic and social life is also discussed. The purpose throughout is to establish a context for the following chapters to understand why architects and developers act the way they do, why there are differences between them, and what are the existing conditions for improving the relationship between them.

---

[1]Robert Gutman, "Patrons or Clients?", Harvard Architectural Review---Patronage, Page 150

[2]"The Economics of Image Building", Building Design and COnstruction, March, 1989. Page 52

CHAPTER TWO
THE ROLES OF THE DEVELOPER IN THE DEVELOPMENT PROCESS ARE BROADER THAN EVER

This chapter and the following chapter will introduce the general roles architects and developers play in real estate development with particular emphasis on the design process.

There are basic functions each party is supposed to perform, or roles assumed to play in the real estate industry. These roles are generated from the position the party is holding in the development process. However, the perception of their roles are related to the original incentives for the party to go into the business and the ideological values each party is holding. That means the roles each party perceives is not necessary same as the roles actually defined by the industry. However, it is based on the perception of their roles in the industry that each party performs their business practice. A discrepancy may exist between what is defined by the industry and what is performed in reality. This thesis argues that this kind of role discrepancies exist between both the developer and the architect; and that the architectural mediator provides one possible solution to reduce the discrepancies.

2.1 The Developer Is the Prime Mover in the Real Estate Industry

As discussed in Chapter One, the consumer's need is satisfied by the supplier through the real estate market. He is the entrepreneur who makes things happen. Wurtzebach called the developer as the "quarterback" of the development process.

The developer is the key player on the supplier side. First, the developer is a source of ideas, translating market needs into a concept of space that will meet these needs.[1] The developer must study the market, probe the demands of the market and develop a feasible program that will lead to the building of a certain physical environment. The perception of the market is the first step, and probably the most important step, that leads to the final achievement of the developer's goal. The developer's perception is correct if his understanding of the market demand is the real demand of the end users. This will be discussed in more depth later in this chapter.

After a need of the market is observed and defined, the developer plays the role of promotor, organizing various inputs and resources of capital, labor, materials and professional services. In accordance with the regulations imposed by government at all levels, he combines these resources and inputs to construct a physical space that meets the demands of the market that he perceived. (see Figure 2.1)

Once the project gets underway, the developer becomes a manager who must coordinate the efforts of all the participants, conducting the development process in such a fashion that it will be on time and cost-effective, and it will deliver a product of projected quality.[2] Throughout the whole development process, the developer directly interacts with the majority of the participants involved. He plays

---

[1]Wurtzebach, Charles H., "Modern Real Estate", The Third Edition, Page 595

[2]Wurtzebach, Charles H., "Modern Real Estate", The Third Edition, Page 595

different roles with different responsibilities in these interactions. (See Figure 2.2) The developer is the coordinator of his contractor, architect, surveyor, land use planner, broker and professionals who provide services like market research, advertising. He collects information from these participants to make decisions. At the same time, the developer is the purchaser (when the land is for sale) or leasee (when the land is for lease) to the land owner. He is the agent of lending institutions and individual investors. He needs to be responsible for the project's conforming to the codes imposed by various regulatory bodies. He has legal obligations to legal institutions such as to a contract or to an insurance company. He is also the seller to consumers, who may or may not be the end users.

2.2 The Developer Is Exposed to a Great Amount of Risk

Before discussing the developer's goal and the incentives in the business, it is necessary to understand the amount of risk the developer is undertaking in the development process. In general, the greater the amount of uncertainty there is, the greater the risk, and the greater the expected return.

First of all, the developer commits his time before being assured that the project will be built. Naturally, the developer seeks to minimize such expenditure. Secondly, the developer has significant financial resources at stake. These resources may include his contributed capital in the deal and the debt he secures from his equity investors and lenders, on which the developer is personally liable. In addition, a certain project cost or a certain initial occupancy level may be guaranteed to the investor or the lender as the primary risk bearer. The developer

has also at stake the magnitude of any guarantees and the likelihood to be called upon.[1] Therefore, the developer is very concerned with the financial outcome of a project. This outcome is determined by how well the project keeps on budget, how the final product fits the market so as to produce sufficient return to satisfy his guarantees and cover the cost.

2.3 Maximum Possible Return with a Minimum Commitment of Time and Money is the Developer's Prime Goal

Real estate development is one of the few remaining places where entrepreneurial skill can bring a big return.[2] As described above, the developer is basically a syndicator of a deal, an organizer of various resources. Although many developers have their own investment in their projects, a developer can still be successful even if he or she has none of his own equity, i.e., cash, in the deal. Usually, the developer's return includes:

1) Development fee which is the stated direct compensation for the time and effort the developer spends on "doing the development";

2) Profits on sale of the project;

3) Long-term equity position. Sometimes, the developer and the investor reach an agreement that the developer has a portion of ownership of the project and therefore shares the profit from the operation of the project. The developer, in this

---

[1]Wurtzebach, Charles H., "Modern Real Estate", The Third Edition, Page 598

[2]Wurtzebach, Charles H., "Modern Real Estate", The Third Edition, Page 593

case, may or may not have any cash in the initial investment.[1]

From the components of the developer's return, one can observe that the developer's return does not only depend on the appreciation of capital which is vital for the investor. Rather the developer achieves success mainly through the capability of making the right decisions and the personal skills in organizing and managing a deal. Donald Trump, the giant New York developer, calls the real estate developer's job as the art of deal making. He measures his success by two elements: his time and money spent on a project and the profit he can make from the project. According to his book, a good developer in the real estate development community is a good deal maker who commits minimum amount of time and money and receives maximum return.[2] To be able to do this, the developer needs to have excellent entrepreneurial skills plus being creative by nature. The developer's track record, assets, and recognition as a successful entrepreneur are in combination the external reward of his career.

The author believes that it is fair to recognize that developers are also motivated by the internal reward---the self-satisfaction obtained from working. Development is a focal point of the real estate industry and the developer is the focal point of the development process.[3] The job of the developer demands

---

[1]Wurtzebach, Charles H., "Modern Real Estate", The Third Edition, Page 596

[2]Trump, Donald and Schwartz, Tony: "Trump: The Art of the Deal"

[3]Wurtzebach, Charles H., "Modern Real Estate", The Third Edition, Page 608

hard-working and tremendous skills to cope with the various problems, most of which are often unpredictable. Meanwhile, the development process is such a creative activity that allows one to leave a mark on the earth. Being able to master such a process offers great self-satisfaction.

Internal motivation can be found especially important in the lower level employees of a developer's company. The author had interviewed a prime development company in a mid-west city. Unlike many other development companies, the project managers in this company did not enjoy "free equity" ---a reward to the manager by the percentage of the total development cost of the project. They were purely salary employees. But they were young and enjoyed taking challenges. Some of them were only in their early twenties and in charge of multi-million-dollar projects. It was the great satisfaction coming from the accomplishment of a difficult task that kept these group of people exceptionally hard-working. It was also to the benefit of the company to amplify this internal motivation by continuously giving them challenges.

2.4 The Developer Needs Design Knowledge While Coordinating

In the development process, the developer needs to organize various inputs and resources. He needs to coordinate the efforts of various specialties so that the investor's money can be most efficiently utilized. To accomplish this task, a certain amount of knowledge on each specialty is required. Within these specialties, the knowledge of architectural design is of special importance.

Design is a process in which the various resources are allocated. From a piece of blank paper, the architect needs to create a design that can be transformed into a physical structure. Along with this creative process, many thoughtful decisions must be made as this determines where the money is spent. For example, the plan layout may determine the structure type. The orientation of the building may affect on the cost of HVAC (heating, ventilation, and air conditioning). The exterior and interior material that the architect chooses greatly influences the construction budget. If the budget is fixed, there is a task to trade off, based on the developer's priority, among building elements. For instance, if the lobby needs to be fancier, then corresponding decisions need to be made to cut down the cost somewhere else---say, by changing the indoor swimming pool to outdoor pool.

Deign needs continuity. Peter Forbes noted in an article for "Developer's Guide" in New England Real Estate Journal that "design is not restricted to a particular segment of the process, but is an integral and essential component from the most preliminary decision making to the ultimate end use of the project.[1] This design continuity requires that the process of designing every aspect of a project, no matter how small, must subtend from the overall conceptual idea, or the clarity and integrity of the project will suffer. An enormous number of decisions are made by the architect during the design process. Literally, every item in the specification can be a

---

[1]Forbes, Peter, "The architect's Role in the Development Process; Part II". New England Real Estate Journal, March 14, 1989. Page dg3-one

major or minor decision. When being informed only of the major objectives of the developer, the architect decides the rest based on the best of his knowledge.

For the above reasons, the developer has to possess sufficient knowledge on design at least to the extent that he is well aware of the various factors in the architectural design that might be crucial to the success of a project. Perhaps more design knowledge is necessary for the developers who are intimately involved in the design process.

However, developers usually come from a wide range of backgrounds and may not necessarily have the education in design or construction. Developers, in general, like to put their priority on the skills that are more entrepreneurial, more related to strategic decision making. This is probably indeed the prime role that the developer plays in the development process. Almost all developer interviewees of the author at least the division director level were holding degrees in economics, finance, and business administration. Most developers learned the process of building design and construction on the job.

Both the architects and the developers interviewed expressed that over the years, developers have become more and more acquainted with the process of building delivery. They are more familiar than before with the building process. However, some developers still felt uncomfortable to discuss design issues with architects. One architect complained that he had to make a model of each alternative to help his developer-client to visualize the design. It seems developer's capability to understand the design and to read drawings quickly still needs to be improved so that efficient coordination can occur.

2.5 Developer's Perception of the Market is not Always the Same as End User's Need

Through the description of Chapter One, one can see that while the developer responds directly to the other groups of players, the architect serves the users' demand indirectly through their service to the developer. Since the developer is not the end user of his products, his sense of the user's demand is reflected by his perception of the market. Yet the market is not equal to the users' demand. The developer's interpretation of the market need may not necessarily indicate the real demand of end users.

Architects, on the other hand, are trained to serve the need of building users and thus are usually better aware of the real need of users. However, the architect is not in the position to make many major decisions on how a project responds to the market. The architect's involvement starts long after issues like the project type, project size and the potential consumer are decided. The architect's job then is no more than giving form to those objectives of the developer. The architect's sensitivity about the need of end users can scarcely be utilized in the key decisions of a project. However, both developer or architect's perception of the user's need can be somewhat intuitive. Personal bias is inevitable.

However, for most of the project, little time and money can be spend on trial and error. Major decisions have to be made by the developer in the early stage to guide the activities later on. These major decisions serve as a framework that limit the alternatives for a design. If such a framework provides restraints to the architect, these restraints are necessary from overall development process point of view. Of course, the

closer the developer's perception of the market is to the real need of end users, the better chances a project has to succeed.

2.6 The Developer Is Responsible for the Constructed Physical Environment

Through its action, real estate, together with other entrepreneurship, promotes American economic prosperity. Adam Smith, an English philosopher-economist of eighteenth century, stated in his book "The Wealth of Nations" that the self-interested dealings of buyers and sellers in the marketplace yield the best overall results for society as a whole.[1] Real estate as an entrepreneurship contributes, within the context of governmental controls and public participation, to shaping the city image and the urban environment in which we live. Although real estate has influence over many other aspects of our life, such as taxation and modes of transportation, its most dramatic contribution is probably to the change of our cities' physical environment is probably the most dramatic.

Whether the consequences of real estate entrepreneurship is positive or negative is still debatable. A key argument is that private entrepreneurs, in their search for profits, have failed to consider the needs of the urban community at large.[2] This failure associates itself with the high social costs that American cities have to pay. Lack of

---

[1]Wurtzebach, Charles H., "Modern Real Estate" Third Edition, Page 6

[2]Mittelbach, Frank G., "Entrepreneurial Influences in Shaping the American City", Page 322-Page 332 in "Essays in Urban Land Economics in Honor of the Sixty-fifth Birthday of Leo Grebler". 1966

affordable housing, heavy public investment for redevelopment and rehabilitation due to the rapid deterioration of many newly constructed facilities, destruction of open space, and lack of concern with the protection of the natural environment are among those arguments leading to the negative evaluation of the private real estate business. Real estate developers are also criticized for their little respect for the past, and their rapid response to the changing technology and economic circumstances caused much of the diversities in cities.

However, these criticisms, on the other hand, provides the evidence of just how much the real estate industry could affect the economical and social life of urban cities.

Federal, state, and local governmental regulations has developed a framework to make sure that private real estate development will yield the best overall result for the public. These regulations and procedures have formed a mechanism to screen out those developments that may conflict with public interest. From another perspective, regulations provide the evidence for just how much real estate development can affect the environmental, economic and social aspects of a city.

The Boston Redevelopment Authority (BRA) has established exclusive procedures to review development proposals for their overall viability and expected benefits to the city. These procedures cover a project's traffic impact, environmental impact, architectural design, reduction in the number of dwelling units, impact on historic resources and infrastructure requirements, etc. The following quote from the introduction to the "Development Review

Procedures" prepared by BRA provides a general picture of the City's concerns over real estate development.

> "Review criteria may vary depending on location, type, and size of the project. Design criteria include specifications for building height, massing, materials, and other guidelines to preserve Boston's history and character. Environmental concerns which are assessed include a project's impacts on sunlight, daylight, wind, groundwater and air and water quality both during construction and upon completion. Effects on surrounding neighborhoods displacement and community participation are also considered in the review process. Transportation review is concerned with the impacts of additional traffic parking and loading and examines proposed changes to rights-of-way or physical changes, encroachments on public space, curb cuts and requirements of the Boston Air Pollution Control Commission if applicable."[1]

Since the developer bears extraordinary responsibility for consequences of real estate development to our physical environment and social life, it is mandatory for the developer to be constantly aware of their roles as one of the chief villains (builders, architects, real estate investors, planners and public officials are the others) have in the urban drama.[2]

The developer, as the prime remover of the supplier side, organizes the financial resource of a project. In this way, he provides sponsorship to the architecture. His sponsorship has the controlling power which is derived from a purely economic base. Because

---

[1]City of Boston, Boston Redevelopment Authority, "Development Review Procedures", Page 1

[2]Mittelbach, Frank G., "Entrepreneurial Influences in Shaping the American City", Page 322-Page 332 in "Essays in Urban Land Economics in Honor of the Sixty-fifth Birthday of Leo Grebler". 1966

economic performance is generally the first concern of the developer, this power may silently absorb the potential for cultural or societal beliefs to help determine the value of architecture. This may cause "architecture to be produced with or without consciousness of or responsibility for its cultural and societal significance".[1] The results can range from Rockefeller Center with its variety of public space that activates and transforms the social fabric, to a development such as Crystal City in Northern Virginia, a huge privatized fragment isolated from its urban surroundings.

2.7 Summary of Chapter Two

This chapter analyzed the role expectations imposed on developers by the nature of the real estate industry and by the nature of the real estate product. The developer as the prime mover in the real estate industry, has to be sensitive to the market, to follow the various governmental regulations. In the development process, he is the entrepreneur, the promoter and the manager.

Discrepancies between the roles defined by the industry as well as the nature of his business, and what is performed by the developer in reality are observed in three aspects: Firstly, the developer's perception may not necessary reflect the real demand of end users. The architect, although has better sense of users' need, often does not in the position to make key decisions. Secondly, when the developer's prime goal is to maximize the profit and minimize the time and money

---

[1]Editorial, "The problem of Patronage". Harvard Architectural Review. "The Patronage". Page 6.

he commits, he is also called on to be responsible for the change of physical environment and for the overall benefit of the public. Lastly, being an efficient coordinator in the modern real estate environment, the developer needs to include in his knowledge that of the architectural design. These discrepancies contribute to the environment for the architectural mediators to emerge and grow as a new version of the architectural profession.

CHAPTER THREE

THE NATURE OF THE PROFESSION AND HIS ROLES IN THE REAL ESTATE INDUSTRY DEFINE THE ARCHITECT'S BEHAVIOR

In the previous chapter, the role of the developer in the development process is illustrated. It concludes that there are discrepancies between what is expected from and what is performed by the developer. In parallel, this chapter will discuss the role the architect plays in the real estate development process, the nature of the architectural profession, the challenges to the architect's role and how architects respond to those challenges.

3.1 The Architect's prime role in the design process is that of coordinator

Wurtzebach and Miles defined the role of the architect in the real estate development process as this: "the architect's function is to translate the developer's ideas into working drawings and specifications that guide the constructions workers in building the project."[1] Starting from this definition, the following text contains the author's understanding of the architect's role in real estate development.

Firstly, the idea of a project is from the developer, not from the architect. The description of the development stages in Chapter One shows that the architect is not employed until many major decisions that define the character and scope of a project has been made.

Secondly, the architect is the agent to the developer. He needs to "translate" the developer's idea

---

[1]Wurtzebach, Charles H. and Miles, Mike E."Modern Real Estate". Page 601

into a spacial plan. This translation process requires constant communication between the architect and the developer, constant refining of the design upon the various feedbacks such as that from the developer, the owner, the investor, the cost estimator, the public review, etc. The architect also bears the responsibility to confirm the design with various zoning and building codes.

Thirdly, if the project is feasible, the architect needs to further turn the design into a set of well-prepared construction documents for the contractor to start construction. In this process, the architect has to coordinate with other professionals such as structural, mechanical and electrical engineers, landscape architects, interior designers, etc. The architect may also be involved in the actual construction process---observing the construction process and verifying to the developer, the lender, or both that the work is being done according to the plans and specifications established by the architect.

The architect's role and the responsibilities in the development process is illustrated in Figure 3.1.

3.2 Incentives for Entering the Architectural Profession

Architecture requires hard work and is known as being unrewarding in terms of income. For all but a very few practitioners, the architectural profession is not chosen for financial rewards.[1] The author believes that the architect is mostly motivated by self-satisfaction. All the architects that the author

---

[1] Gutman, Robert "Architectural Practice: A Critical View". Page 80

interviewed had admitted that they became architects for the great feeling of being able to create, for the challenges each project carried to them, and for the immense pride received by meeting the challenges.

The ideology that has been established over years in the architectural community has a strong tendency to promote the individualism and the intrinsic value of the work (versus the profit motive).[1] Time's architecture critic Wolf von Eckardt once spoke in a conference discussing the architect's power, image, and compensation:" architecture is hard, tough, devoid of thanks. And your reward is to do a good building, not to become rich."[2] A survey that AIA did in 1974 also indicated that "quality of design" was named by architecture firms responded as profession's top problem (23.7%), when "adequate compensation" was listed second (16.6%).[3]

3.3 There Are Similarities and Differences Between the Architect's Role and Developer's Role in Real Estate Development

From Figure 3.1 and the above description, one can observe that there are differences and similarities between the architect's role and the developer's role (also see Figure 2.2).

---

[1]Cuff, Dana Charlene, "Negotiating Architecture: A Study of Architects and Clients in Design Practice", Page 58

[2]Capelin, Joan, "Practice: Why Are Architects on the Defensive?", Architectural Record, March 1985, Page 38

[3]Cuff, Dana Charlene, "Negotiating Architecture: A Study of Architects and Clients in Design Practice", Page 58

They both function as coordinators, yet the scope of the coordination that the architect performs is much more limited. They are both decision makers, yet the architect makes decisions mostly upon technical issues, while the developer decides the main direction of the development activities. They both need to be creative and to have excellent problem solving skills in their coordination. While the developer's creativity is more focused on the deal making, the architect mainly concentrates on the form giving and deign process.

They are both liable for the legal obligations such as to contracts and to insurance companies, and to the statutory bodies. In the design process, the developer may delegate some of his responsibilities to professionals who provide services to him. For example, the developer delegates part of his obligation to the statutory bodies to the architect. The architect conforms with zoning and building codes while the developer is responsible for the project to be in accordance with land use regulations.

The architect, however, has to respond to two groups that most developers do not have to. These two groups are the professional community and the user group. The architect as a professional has a commitment to his colleagues within the industry. The professional community of architecture, such as the American Institute of Architects, "formally sets codes of professional behavior, conducts and makes awards for design excellency such as judged by the community itself."[1] This same community also informally demands

---

[1]Derrington, Patrice Anne "Controlling the Quality of Professional Performance in Architectural Practice". Ph.D. Thesis of University of California, Berkeley. Page 17

certain standards of professional behavior and establishes the design fashion of the day. When the developer more or less responds to the development community as a whole, there are no well-defined formal codes to measure the developer's performance unlike architectural community posses on the architect.

In addition to the architectural community, the professional body, and indeed each individual architect, is conscious of the architect's obligation to the users of the buildings and to society as a whole. The architect attempts to provide a comfortable living environment for both the direct inhabitants and the surrounding community. This goal has been formed by architectural education in which the professionals are socialized and enculturated.

3.4 The Architect Engages in the Activities of Both Art and Business

As described in Chapter One, the author assumes that the production of architecture has two characteristics: 1)it is an activity of the creation of art, 2)like production of any other commodities---automobiles, clothing, etc., it is an activity that generates profit which in turn enables the supplier to produce more product. In other words, it is a business activity. Correspondingly, the architect's has both art and business sides.

The art side of the architect's job

The architectural design process is in many ways similar to creative processes in other arts. The art side of architecture distinguishes itself from other service professions such as law, medicine and psychiatry.

However, art alone does not sufficiently characterize the architect's job. The service and business components of the profession distinguishes architects from sculptors, painters and other fine artists.[1]

The business side of the architect's job

The architect is considered as one member of the suppliers in the real estate industry. To be more precise, the architect provides services to the direct suppliers or producers of the building---the developer, the investor and the builder.[2] This shows that the architect is in a service business. Satisfying the clients' needs is the architect's prime business activity. Therefore, maintaining a sufficient clientele is crucial to the success of an architectural firm.

In order to best serve the client's need, the architect has to constantly study the market, to understand the need of the market for the various architectural services. It is based on this understanding of the service market and the architect's personal interest that architectural firms select to specialize in different areas of services, different type of projects and work for different type of clients. Coxe and Maister divided architectural firms into three basic types according to their organizational styles of the profession:

1) Strong-idea firm are organized to deliver singular expertise or innovation on unique

---

[1]Cuff, Dana Charlene, "Negotiating Architecture: A Study of Architects and Clients in Design Practice", Page 106

[2]Gutman, Robert, "Architectural Practice: A Critical View", Page 9

projects. This type of firms has the flexibility to accommodate themselves to the nature of any assignment and often depends on one or a few outstanding experts or "stars" to provide the last word.

2) Strong-service firm are organized to deliver experience and reliability, especially on complex assignments. They provide comprehensive services to clients who want to be closely involved in the process.

3) Strong-delivery firm: are organized to provide highly efficient service on similar or more routine assignments, often to clients who seek more of a product than a service. This type of firms often repeat previous solutions over and over again with highly reliable technical, cost, and schedule compliance.[1]

Besides a service orientation, the architect has to attend to the business administration of profits and losses which is typical to any business entity. These administrative activities of the architect include, for example, setting up a business plan, establishing a realistic fee structure, staying on schedule and within budget, maintaining contacts with prospective clients, acquiring new work, etc.

3.5 The Perception over the Business Side of the Architect's Job is Diverse.

Various perceptions of the business side of the architect's job are observed.

---

[1] Gutman, Robert "Architectural Practice: A Critical View". Page 55

According to Gutman, business aspects of architecture are assumed by some architects to interfere with the "intrinsic value of work" and creativity. Emphasizing the business aspects seems to imply the profession's entrepreneurial deterioration.[1] For example, some practitioners resent the marketing programs of professional architectural firms because "it is the assumed implication that architecture is a business enterprise rather than a profession, and that the business side is taking precedence and guiding the definition of the field.... To many architects, being considered as being good business persons means clients will imagine they place profitability and self-interest ahead of concern for building quality or the well-being of the client." [2]Gutman called these concerns the "hallmark of professionalism" and are what architects use to distinguish themselves from builders, contractors, and other commercial operators in the building industry.

Some developers perceived architects as being unskilled at handling business. Evidenced is found in an article published in "Real Estate Review", discussing issues in negotiating architect contracts. It explicitly informs developers and homeowners that "architects may be wonderful technicians and creative people, but few of them are adept at manipulating real estate developers and homeowners. It is much more likely that a real estate developer or homeowner will

---

[1]Cuff, Dana Charlene, "Negotiating Architecture: A Study of Architects and Clients in Design Practice", Page 107

[2]Gutman, Robert, "Architectural Practice: A Critical View", Page 20

manipulate his architect than vice versa."[1] In view of this situation, AIA has prepared all kinds of standard business forms to protect architects from dealing with their daily business chores, including contracting with owners. This same article commented "AIA forms attempt to give architects a badly needed crutch. If an architect is confused about what he is required to do, help is as close as AIA's Architect's Handbook, which contains forms for all kinds of contracts and instructions on how to fill them out."

However, many architects do not agree with the above criticism. When interviewed by the author, many architects believed that architects have the capability and have been proved to be successful businessman. As the principal of a twenty-one-employee design firm, one architect pointed out the fact that if an architect could run an architectural office which involves many business issues, there are surely plenty good businessmen in architects. The data also demonstrates that one half of the firms owned by AIA members employ less than five people.[2] Considering the intensive competition within the architecture profession, it at least provides the evidence that architects have sufficient skills to manage small businesses.

The above discussion illustrates the diversity of the perception of the architect's job. This diversity is closely related to the nature of the architectural

---

[1]Halper, Emanuel B. "Negotiating Architectural Contracts", Real estate Review, Summer/Fall 1987, Page 66

[2]Gutman, Robert "Architectural Practice: A Critical View" Page 4

profession, and the changes in the architect's role in the real estate industry.

3.6 The Architectural Professional Knowledge Has High Indeterminacy

Magali Sarfatti Larson in "The Rise of Professionalism" pointed out that the distinction between a profession and an occupation lays in a profession's non-rule governed criteria of success or qualification, such as virtue, creativity, persona, talent, or imagination". [1]Moreover, professions separate themselves from other members of society by claiming a particular knowledge territory as distinctly their own. Usually, the knowledge claimed by a profession is to some extent definable and to some extent mysterious.[2] The mysterious character base of their knowledge provides the base for the "architectural myth" which the profession uses to control the evaluation of architecture. (The "architectural myth" will be discussed in the following text.) By claiming this kind of exclusive attitude of the profession and its members, the profession can maintain control of the market of professional services.

Architecture as a profession, claims a territory of professional knowledge which has a high indeterminacy/technicality ratio. In other words, there will be some objective information, but there will be

---

[1]Larson, Magali Sarfatti, "The Rise of Professionalism: A Sociological Analysis", 1977

[2]Cuff, Dana Charlene, "Negotiating Architecture: A Study of Architects and Clients in Design Practice", Page 58

more that cannot explicitly be known.[1] John Portman was perceived by architects as the successful example who upgraded the architect's status by doing development himself. In the book "The Architect as Developer", he gave a perfect example of the indeterminacy of architectural knowledge:

> "It (architecture) requires skillful observation and deduction and an understanding of the importance and relationships of factors that cannot be measured exactly."[2]

This high indeterminacy is partially the result of the nature of architectural problems themselves, which defies a clear definition and solution. Another reason is that architecture has a tendency to be detached from any constitutive skill areas which subsequently become separated professions.[3] Interior design, site planning, landscape architecture are a few examples. These design professionals have equivalent skills to that of architects, and have increasing number of shares in the design service market. The architect's autonomy in design has thus been shaken by those professions' entering competition.

3.7 The architect's Role in the Building Delivery Process Is Being Challenged

As their territory of design is being invaded by other design professions, architects are even more

---

[1]Cuff, Dana Charlene, "Negotiating Architecture: A Study of Architects and Clients in Design Practice", Page 62

[2]Portman, John and Barnett, Jonathan: "The Architect as Developer", Page 149

[3]Cuff, Dana Charlene, "Negotiating Architecture: A Study of Architects and Clients in Design Practice", Page 63

confused about their role in the building industry.

The architect was supposed to be the most eligible to deal with projects involving planning and technical issues and were trained to coordinate the work of specialists. They are expected to have sufficient knowledge and skills in aesthetical and technical issues from planning, design to construction.

AIA official policy is always that firms should offer comprehensive services. R. Clipson Sturgis advocated this view in his presidential address to the AIA convention in 1914:

> "It (architecture) requires a diversity of gifts...Architects who emphasize one of those capabilities are incompletely equipped and render imperfect service of architect."[1]

However, the increased complexity of modern buildings has severely challenged the comprehensiveness of the architect's service in the building delivery process.

First of all, there is an increasing number and diversity of activities involved in the building process. The increased scale of contemporary buildings has been accompanied by the increased complexity in the plan, structure and building operational systems. When single building plans become more complicated, more projects are mixed-use complexes which contain several buildings, covering much larger parcels of land. At the same time, the escalating price of land has promoted high rise buildings. The various technical and environmental control systems, such as HVAC, plumbing, etc., which have to be integrated into the design, now

---

[1]Gutman, Robert. "Architectural Practice: A Critical View", Page 37

can share 24% or more of total budget of an average building.[1]

Secondly, there are an increasing number of disciplines and professions involved in the building process. Besides civil, mechanical, and electrical engineers, there are specialties whose services, architectural firms must be readily to consume. These professions may include landscape, interior, lighting, traffic, parking. They may or may not be derived from the architecture profession, yet they compete with architects in the design process. But the major loss for architects is not in the design realm but in the areas of the building delivery process. Contractors are competing with architects by taking over the role as the owner's representative in construction---a role which architectural firms still regard as their responsibility. As the concept of construction management becomes popular, the contracting firms not only operate as construction managers in the construction process but more frequently act on behalf of owners than architects.

Thirdly, as the labor and service within the building process becomes more specialized, the design and technology splits. The efficiency in the building production and the specialization in the technology have released the architect, who probably are more willing to be artist-architect, from the burden of dealing with technical problems.[2] This division of design and technology further diminishes the

---

[1]Gutman, Robert. "Architectural Practice: A Critical View", Page 33

[2]Gutman, Robert. "Architectural Practice: A Critical View", Page 40

architect's comprehensive role in the building process. This splitting also brings some changes to the conventional relationship the architect has with other engineers. Because developers want to have tighter control over technical issues, instead of having engineers affiliated with the architect which still exists in most cases, some of the developers now prefer to have direct contracts with the major engineering consultants such as structural, mechanical and electrical.

Architects, on the other hand, though they feel the threat of losing control, posses a certain degree of willingness to accept the role they were given which is now similar to other consultants.

First of all, this division of labor also reduces the liability that the architect used to bear. Instead of having the architect carry the liability, the engineers with direct contract with the owner become responsible directly to the owner. The feeling is reciprocated: though they have more liability, the engineering consultants welcome this type of contracting since all of a sudden they have direct a business relationship with developers and owners, which makes them more independent from architects in the market.

Secondly, the division enhances the sole role of artist-architect. According to Gutman's observation, some architects believe that the design impulse flourishes when it is not circumscribed.[1] They assume that too close collaboration with consultants and industrial specialists who are mostly concerned with

---

[1]Gutman, Robert. "Architectural Practice: A Critical View", Page 40

pragmatic problems will limit the creativity of architects. However, Gutman also points out that there is a fantasy element in this approach. Since many architects do not oversee the construction themselves, once the design leaves the architect's hands, the client and the contractor is "situated to introduce modifications that are potentially disruptive to the overall design conception...."

The above description illustrates that the complexity of the modern building is accompanied by a reallocation of responsibility among the participants in the real estate development process. The architect's role in the industry has been severely challenged. As architects can no longer provide comprehensive services to the industry as they expect, they function more as the coordinator of the design process, which is quite similar with the developer's role in the development process.

Some practitioners in the architectural field have a more pessimistic view. They are afraid that architects are increasingly running the risk of being treated as design subcontractors. David Maister, a prominent consultant to many producer service businesses, including architecture, notes that "Rather than being the spouse, many architects are becoming like the household chef, respected for technical and artistic talents, but nevertheless part of the downstairs kitchen staff and paid accordingly."[1] While architects can do little to change the economic position in the industry to upgrade their status, they still have a powerful weapon that is made of myth and

---

[1] Maister, David H. "Lessons in Client-Loving" Page 49

art. This weapon can somewhat protect the architect's autonomy in the design realm if not in the design process.

3.8 "The Architectural Myth" Forms the "Art Defense"

The concept of "the architectural myth" that Dana Cuff developed is particularly useful to understand the ideology of the architecture. Cuff described the architectural myth as the mysterious image architects present, consciously or unconsciously, to outsiders of the architectural community. Cuff vividly portrayed the image of mythical architects: they are "expected to be individualistic, independent, artistic, self-motivated, impractical, and the sole creator and protector of the built form."[1] The architectural myth is built upon the non-rule governed criteria of success or qualification and the indeterminacy of professional knowledge. In other words, it emphasizes the art side of architecture which assumes the artist's role of the architect. Architect's preferring the artist's role invokes what Howard Boughey called "the art defense"---in the role of the artist , the architect has a right to deal in mystery, in subjective truth. He has the artist's right to complete autonomy, to change his mind at whim, and to be free of anyone's judgement.[2]

---

[1]Cuff, Dana Charlene, "Negotiating Architecture: A Study of Architects and Clients in Design Practice", Page 5

[2]Cuff, Dana Charlene, "Negotiating Architecture: A Study of Architects and Clients in Design Practice", Page 61

3.9 The Art Defense Helps to Maintain the Architect's Autonomy in the Design Realm

Art defense is probably the most efficient means of protecting the architect's autonomous role in design. As discussed in the previous text, the architect's role of offering comprehensive service to the building industry has been severely challenged by the growth of other professions. The architectural profession has to face business competition both with other professions and among their own. However, the profession's economic position in the building industry determines that the architect is inevitably dependent upon the client and the collaboration of other professions. When these crises arise, the importance of architectural ideology increases. On one hand, architects distinguish themselves from builders, contractors, and other less imaginative more routine practices, by emphasizing the artist's role of the architect. Architectural professional knowledge has been especially successful in this aspect. As Gutman observed, building industry professionals generally do not compete in the realm of design. On the contrary, managers and specialists in building usually employ trained and licensed architects to handle their design work.[1]

On the other hand, the architect tries to exclude other design professionals, whose skills are somewhat competing with architect's, by emphasizing the comprehensiveness of architecture so as to diminish the increased significance of these professions' work. Evidence can be viewed in the battle for interior

---

[1]Gutman, Robert. "Architectural Practice: A Critical View", Page 67

designers to become a licensed profession and for AIA to have been vigorously oppose. For years the interior designer has become a major competitor of the architect. Though interior design is now an established profession in any case, most of the architects still consider interior design no different from decorators, implying that interior designers lack the comprehensive training that architects obtained in order to be qualified to handle the complex problems in the building design. Architects are also pressing building inspectors not to allow any exceptions to codes requiring an architect's stamp on building permits.[1]

In general, the translation of social and technical ideas into principles of form is the usual method architecture uses to respond to developments in allied disciplines that have an impact on the building process. This strategy does not increase the architect's control over the building process. Ironically, there is seemly less autonomy left for architects than ever. The consequence for equating architecture with the aesthetic aspects of design is that the architect's role is thus more limited to the aesthetics of the building---more or less just the shell or envelop of a building.

It should be also noted that the emergence of a mass public interest in the architecture culture also promotes the misconception of consuming architecture apart from the experience of building. This misconception led to "an excessive emphasis on the scenographic as distinguished from the stereotomic and

---

[1]Gutman, Robert. "Architectural Practice: A Critical View", Page 65

tectonic aspects of architecture".[1] In turn, some critics believe, this reinforces the image of the architect as a decorator.

3.10 Art Defense Protects the Architect's Sole Right in the Evaluation of Architecture

In addition to protecting the architect's role in the design, art defense also gives architects the power to exclude clients or the public in the evaluation of architecture. As Cuff noted, "the ill-defined aspects of a profession's knowledge, skills and talents also provides a basis for the profession to be more self-regulated and self-evaluated".[2]

This aspect has been especially important to the architect. For years, the architectural profession reserves its right to review their peers' work within their own community, by their own standards. Scanning through the annual awards of Progressive Architecture magazine, one may noticed that all the evaluations were from architectural critics, architects with big names. Voices of clients and users were missing. Also, little financial data and economic performance of a certain project was introduced in those nationwide architectural magazines. Since clients and users may not always satisfied with the architect's service and may very likely have different criteria of evaluation, architects shift their values from the concern of lay people, who may be the direct users or sponsors of a

---

[1]Gutman, Robert. "Architectural Practice: A Critical View", Page 95

[2]Cuff, Dana Charlene, "Negotiating Architecture: A Study of Architects and Clients in Design Practice", Page 59

building, to the peer practitioners. This way, architects can maintain those values which they would like to uphold in the mysterious realm of art.

However the author noticed that the invocation of art defense has a side effect. It leads clients to have a certain degree of misconception of architectural service. Some of the real estate developers interviewed by the author expressed the impression that architects are only knowledgeable in a limited area (which is true), specifically to the aesthetical issues of the building exterior (which is not true---the architect has to have comprehensive knowledge in order to coordinate). Comments like "architects were only concerned with the appearance of the building" is quite common with the developer interviewees. Appearing only to be interested in one certain aspect can be easily misunderstood as not knowing anything about the other aspects. A typical criticism about architects from developers is that architects know little about cost. William Marriott, the owner of Marriott corporation, once addressed: "Some firms are very creative and very impractical. They end up costing the developer far more than the developer should be spending. When that happens, the architect may have created an award-winning building, but he'll never get the developer to do another building with him." [1]

Some Architects argue that they do understand the financial concern and they are capable to deal with financial problems of a project. One architect who is now the partner of a mid-size firm, noted that "running

---

[1] Capelin, Joan. "Practice: Why Are Architects on the Defensive?" Architectural Record, March, 1985, Page 39

finances for projects is no different than running a architectural a firm. If we can run a business, surely we can deal with those finances of developers." Some architects also pointed out through interviews that good architects who can be successful in their business understand cost very well. Otherwise, they can not satisfy the clients need and can not keep clients coming back to them, and therefore can not survive in the business.

If the above claims can be proved true, then it is quite clear that there is a misconception of architectural service among clients. Art defense, through its emphasis on aesthetic aspects of design has clients undermine architect's credibility, and thus limit the demand for their services.

3.11 Architectural Education Contributes to the Formation of Art Defense

Architectural education has contributed to the formation of the architectural myth and has enhanced the architectural defense. As the subculture of architectural ideology, architectural institutions regulate, train, enculturate and socialize the would-be professionals. The school's monopoly over the "production of producers" is the primary factor in a profession's unity and autonomy. Academic training defines the common language and the tacit knowledge that distinguish a profession as a whole from the laity. [1]

From Larson's point of view, the tacit knowledge--the unspoken assumptions, interpretations, expectations

---

[1]Larson, Magali Sarfatti. "The Rise of Professionalism: A Sociological Analysis", 1977. Page 45

and conventions can usually be more important in architectural schools than explicit knowledge or skills. As Jencks and Riesman noted: "The primary role of the professional school may thus be socialization, not training."[1] Most of the architects being interviewed by the author admitted that they have experienced various levels of disappointment when they first stepped out of school and started practicing. They pointed out:

1) Many schools had idealized the architectural practice by emphasizing the master role of architect in the whole design drama. Very few studio projects had been designed to have real clients. The collaboration with other engineers was not a training item in the school projects. The professors and instructors criteria became the sole demand for students to concern.

2) Generally, very few courses were offered for students to understand the real picture of practice, the dynamics of development which architectural practice has to follow. As a result, the concept of architecture as a service industry is not often taught to the students.

However, some practitioners and educators support the existing architectural education system. They argue that architecture school is indeed a place to train the designer, not the architect. Because the purpose of schooling is to help individuals to accomplish personal goals. If students come to architectural school to become designers, it is not the schools' responsibility

---

[1]Jencks, Cristopher and Riesman, David "The academic Revolution" New York: Doubleday and Company. 1968. Page 205

to ensure that the students' goal is practical or not.[1] Some architects also believed that the schools should always emphasize on the thought process and logic training, whereas the architectural firms train students to be good architects.[2]

3.12 Summary of Chapter Three

This chapter analyzed the characteristics of architecture as a profession in the building industry from both economic and ideological facets. Economic-wise, the architect only provides a portion of the services needed by building suppliers. He is dependent on the client's sponsorship and other professionals' collaboration. Ideological-wise, in order to survive in competition with other professions, architects invoke the "art defense" by emphasizing the art aspect of their professional knowledge. Although art defense has in a way secured the market for architectural service, it unfortunately limits the architect's role to the aesthetic aspects of the building exterior.

---

[1] Based on an interview with James McKellar, Visiting Professor and Director, Center of Real estate Development at The Massachusetts Institute of Technology.

[2] Based on the interview with Robert Mcmahon of Smith Mcmahon Architects in Washington, D.C.

SECTION TWO

THE ARCHITECTURAL MEDIATOR

Introduction

The first section of the thesis establishes an analytical framework for conducting research on the thesis issues. This framework is presented to examine the environment of the interaction between architects and developers through economic, social and ideological lenses. Using this framework to examine the behavior of developers and architects, one can see that their economic and social positions determine their roles in the building industry. However, their perceptions of these roles often times are influenced by the ideological values they uphold. They may somewhat redefine their roles in their business practice based on their own preferences. Thus, there is a discrepancy between what is expected and what is actually performed.

Based on the study of Section One, this section will inquiry one possible way which has already been found workable by the author in many cases in practice to curtail the problems, and to reduce the discrepancies described above. It is suggested in this section that hiring "architectural mediators" in their business may be mutually beneficial to both architects and developers. While these architectural mediators' function in the industry may vary from case to case, the author believes that there will be in greater demand for their services and that they will have the potential to become a special branch of the profession.

However, this section is not to seek the panacea for the problems that both developers and architects are experiencing, or to challenge their status stratification and perhaps their moral standards. Rather, it only takes a small slice of the whole

structure, to analyze the performance of a small group of players---architectural mediators, which in turn broadens the understanding of architecture as a profession and the business context in which the architectural practice is performed.

Three Chapters will be included in this section. Chapter Four introduces the architectural mediator, and probes how they emerge and their impact on the profession as a whole. Chapter Five examines the various functions architectural mediators may perform in the building process. Chapter Six contributes a case study in which many of the issues being discussed in the previous chapters are presented. The case study only offers one example which, in certain aspects, supports the claim of this thesis, is not used for drawing any generality. It reflects the author's personal perception of the thesis issues.

CHAPTER FOUR
THE ARCHITECTURAL MEDIATOR REFLECTS THE REPROFESSIONALIZATION OF ARCHITECTURE

As discussed in the first three chapters, developers and architects clearly have different roles in the industry. They have different functions to perform and therefore, tend to view a problem from their own perspective. Therefore they often have different objectives to achieve in a design. These objectives reflect how the issues involved in a design are prioritized.

Since both the developer and the architect realize the difference between their own priorities, they tend to exercise their power over the design process, to manipulate the end product by having the other compromise to their own objectives. The developer with its financial leverage has the resources which allow for architecture creativity. The architect, having experience in the actual creative process and also, by the nature of his expertise, has authority over any aesthetic issue. This authority could further develope into "art defense" which was analyzed in Chapter Three. Both financial leverage and art defense have power and can be used so as to overwhelm the other. When this happens, the party at the upper hand can impose its priority on the other creating a product mainly to serve his objectives. There are cases where architects are plainly servants to the developer and design is purely a vehicle to carry out the objectives of the developer. There are also cases, though much fewer, in which the developer is totally manipulated by the architect, willing to pay any price to let architects realize their architectural fantasy. In either case,

architecture as the product fails to carry out its dual function both as an artifact and a commodity to be invested in.

In order to fully demonstrate both the art and the investment aspects of architecture, there ought to be a balance between the power of the developer and that of the architect in the design process. Since each party will be fated to defend their own values, this balance can hardly be achieved by their self-conscious effort. A mediator is therefore needed to facilitate between them. Architectural mediators described in the following text may be one form of mediators who are best fit into this need. The author does not, however, exclude the existence of other forms of mediators, such as engineers, construction managers. The thesis only argues that the architectural mediator is one type of mediator, and illustrates how this type of mediator functions in the development process.

This chapter will introduce the definition and the emergence of architectural mediators, their functions in the building industry, and their impact on the architectural profession.

4.1 The Architectural Mediator facilitates Between the Developer and the Architect

The architectural mediator in this thesis refers to those individuals who possess strong architectural backgrounds, i.e., have formal architectural training, or have practiced as licensed architects, and work mainly on the interaction between architects and clients.Architectural mediators evolved from the architecture profession yet their professional activities differ from what is conventionally perceived. Most of their job is distant from the chore

of design and they act more on the management level. Their function is to make the development and design process easier and smoother.

Architectural mediators may exist in various forms. Architectural mediators may be hired by clients or the architect. When they are employed by architects, they may help the architect to understand the needs of the market and expand the market. They may work in the architectural offices as programmers--- helping clients prepare design programs; or as part of the marketing section, probing the market needs, preparing proposals for projects. Those individuals with excellent presentation skill are also representing the firm in design competitions.

When they are employed by clients, they help clients determine what type of service is needed and how to obtain these services from architects. Architectural mediators (often in-house architects or facility managers) represent the clientele, such as real estate developers, government, colleges and universities, and business organizations. They participate in the development decision making and oversee the development process. Banks and insurance companies and other institutional lenders also enlist architects on their staff to handle construction financing and real estate investment.

There has been a substantial growth in the number of architectural mediators since World War II. For example, between 1960 and 1980, the percentage of architects employed outside private architectural or engineering firms, working for public sectors and industries, increased from 16% to 34% (Attach table). A large portion of this group was working for clients or

client representatives.[1] This thesis will only discuss the function of the architectural mediator in the real estate development company, emphasizing on in-house architects and project managers with architectural backgrounds.

It should be noted that not all the in-house architects hired by developers are eligible to be called as architectural mediators. Based on their functions, architects employed by the developers can be sorted into three types: designers, assistant to the project managers, and project managers. Only the last two groups are performing work as architectural mediators.

In-house Architects Who Work as Designers

According to the author's interviews and observation, some developers use in-house architects mostly for doing design, especially when the project type of the developer is singular and require certain specialty of knowledge. For example, Gutman observes that developers in the housing industry rely more on their in-house architects than any other building type.[2] A survey conducted in 1985 by the editors of "Building Design and Construction" revealed that half of the developers of multifamily housing use in-house architects to design all or most of their projects.[3] In this case, the in-house architects provide similar architectural services as those by the private

---

[1]Gutman, Robert. "Architectural Practice: a Critical View", Page 10

[2] Gutman, Robert. "Architectural Practice: A Critical View", Page 11

[3]Building Design and Construction, December 1985

architectural offices, except they affiliate themselves to the developer and work for his best interest.

In-house Architects Who Work as Assistants to Project Managers

The second group of in-house architects have gone beyond just offering design services to the developer. They participate in the development decision making process when their professional knowledge and expertise are consulted. They aid the developer to decide and analyze the site, the capacity of a project, and help to determine what a project ought to look like eventually. All this thinking results in a design program, i.e., a written document that contains the developer's objectives of the project and the description of the project, which functions as the channel conveying the developer's ideas and perception of a project to his architect. In-house architects who work as assistants to the project managers also participate in the process of choosing the architect if the design is to be completed by an outside architectural firm. They are often given the responsibility to help the project managers to coordinate with architects and consultants in the design. These architects use their expertise in design and perhaps construction to assist the developer not only in making major decisions such as the location of the main entrance, but also in determining details of design (as more developers are willing to be involved) such as exterior material.

The Architects Who Work as Project Managers

Some architects have outstanding communication and interpersonal skills. They have the potential to become

project managers. Some developers like to hire architects to manage the project development process believing that they are familiar with the building process and more detail-oriented. However, these architect-project-managers have to learn more about finance and the real estate business either on the job or in continuing education. Compared to the in-house architects who work as assistants to project managers, the architects who work as project managers have more authority in making decisions and their work become more distant from design. As managers themselves, they have more impact on the design process than any other type of architectural mediators.

However, architects are not the only resource for project managers in the development firm. Many developers hire those with backgrounds in engineering, construction or business administration. The reason for the diversity in the developer's preference of the project managers background is still not clear to the author. There is a whole range of knowledge about the real estate business that needs to be covered in making the transition from an architect, or an engineer to a development project manager. However, a Master in Business Administration, will also lack knowledge in design and construction. The case may be that developers hire project managers largely based on each individual's personal skills, while their background becomes only a reference not necessary a preference.

Meanwhile, the author believes that the client's misconception of architectural service may in a way limit the chances for architects taking the position as project managers. This misconception is a side effect of art defense which has been discussed in the previous chapter. Many developers view the architect's role in

the development process is as narrow as dealing with aesthetic issues. On the other hand, engineers, especially those with strong construction backgrounds, are perceived as having a better sense of costs.

It is worth noting Gutman's observation that despite the increased role played by architects on the client's staff, the general attitude of industry remains that it is more economical to hire specialist consultants from outside.[1] This may be explained in two ways. First, due to their limited skill, in-house architects may create an extra burden on the developer-employer of finding them work to do within the company between projects. Second, consultants have more experience in dealing with specific design and building problems. They are more familiar with the alternative strategies developed by other clients who face similar problems.

The author believes that this attitude of in-house architects might have the following consequences:
1) The number of in-house architects as designers may be reduced. Because developers can always hire architectural firms when there are projects. The developer has less overhead especially when the real estate market is soft and not many projects are going on.
2) Architects working for the developer will have to be utilized more in management level activities in order to secure their position in a development company, e.g. architects work as project managers. Their jobs will concentrate on the decision making process itself rather than just providing information for the decision

---

[1] Gutman, Robert. "Architectural Practice: A Critical View", Page 12

makers. Being architects becomes a plus not a limitation.

3)The Architectural mediator may become detached from the developer or the architect and become an independent consultant.

4.2 The Architectural Mediator Reflects Reprofessionalization

Larson in "The Rise of Professionalism" described one type of client orientation of professions: advocates. They are partisan professionals who advocate clients need and clients participation. Larson explained as following:

> "Partisanship means advocation of organizational change---and social change---in order to better serve the client's needs; it means breaking down the barriers between professionals and laymen, at least enough for the client to express and define his need as he sees it; it means an attempt to seek and elicit the client's active comprehension and even his participation in the rendering of services; it means that professionals can neither expect nor demand trust from lower-class clients whom professions have systematically neglected or failed to respect; it means, finally, attempting to organize the clients for collective action so that they can become their own advocates...."

In short, Larson concluded that advocates in a profession "challenge the division between professions and laity" and represent the reprofessionalization.[1] Larson also noted that these professionals side with their clients against their own colleagues.

Cuff used Larson's conclusion to analyze advocates in architecture. Cuff noted that the advocate in architecture, does more than fill the client's wish

---

[1]Larson, Magali Sarfatti. "The Rise of Professionalism: a Sociological Analysis", 1977. Page 188

list. These advocates, as those who support self-housing, are criticized for leaving no role for the architect. Some architects think that if architects convince clients they can do everything for themselves, architects and other design professionals will not be needed in the building industry. However, these advocates do not consider themselves out of work, calling on their colleagues to accept the role of "facilitator".[1]

Although there are some similarities between the architectural mediators role and the advocates's role as defined by Larson and Cuff, the author feels reluctant to put architectural mediators under the category of advocates. Firstly, the architectural mediator does not advocate that the client can do everything themselves. Rather, they aid the clients to determine what kind of architectural services they need and how to best utilize an architect's expertise.

Secondly, while advocates are criticized for leaving no role for their profession, the architectural mediators bring many benefits to architects such as increase the architect's influence in the decisions made at the early stage of a project, and help to expand the market of architectural services, etc. These benefit will be discuss in detail in the next chapter.

However, architectural mediators exhibit some degree of reprofessionalization. As described above, the job of architectural mediators have evolved from the conventional job description of architects. Although some architectural mediators still design occasionally, a majority of them spend most of their

---

[1]Cuff, Dana. "Negotiating Architecture: A Study of Architects and Clients in Design Practice" 1982. Page 67

time and effort in management activities. Whereas design is perceived by most architects (and also some developers) as the most creative and therefore the most exciting part of the whole process, architectural mediators have to relinquish design for the authority, power and control. They utilize their professional knowledge at a higher level---to influence or educate clients before clients go to an architect. They help clients render architectural services and represent clients by active participating in the design process. In the role as the client's representative, the architectural mediator challenges the division between professionals and laymen.

4.3 Architects Choose to Become Architectural Mediators for Many Reasons

One may ask: why do some architects---who have subjected themselves to the rigorous training in architecture school, who love buildings and who are creative, who are technically competent---decide to leave the traditional practice of the profession? The following are the author's answers to this question.

First of all, the tremendous rate of expansion in the supply of architects has resulted in more intensive competition between architects. The reasons for this expansion are not yet clear, however some of its effects have been observed. Too many qualified architects are working at levels below their talent and training. This is particularly true among those young architects entering the job market in recent years. They have to perform routine drafting jobs that just a few decades ago were done by technicians or individuals with degrees from vocational schools. In fact, this was exactly what the author found when she started her

first job in an architectural firm after her professional degree. She spent much of her time drafting, making models, and blueprinting. Yet what is even more distressing to the author is that many architects who are more experienced than the author are still locked in relatively routine, menial and low-paying jobs. Gutman called these phenomenons as the damage to the morale of the profession caused by the vast supply of architects.[1]

In view of this situation, some architects choose to pursue alternative careers departing from traditional practice. In these alternative careers they find that their talents and skills are better utilized and they receive greater financial rewards. It is noteworthy that when their job crosses two fields--- architecture and development, these architectural mediators do not feel that their job is far removed from architecture. Rather, they continue to consider themselves as members of the architectural community.[2]

When the intensive competition within architectural profession has forced some architects to seek alternatives careers such as architectural mediators, these careers also create chances for architects to discover and develop their talent in fields other than design. The job of the architectural mediator challenges those architects who are strong in communication and management skills to best develop themselves. In the past, the only

---

[1]Gutman, Robert. "Architectural Practice: A Critical View". Page 28

[2]Moreno, Elena Marcheso. "Architects Apart From Architecture: Eight Who Pursue Alternative Careers." Architecture. July 1988. Page 131

recognized career for a graduate of an architecture school was in private architectural practice, particularly in building design. Many students having talents elsewhere were not encouraged, therefore they still followed the path of design.[1] The present situation has changed as non-design skills such as management are valued in architectural offices. This change in the perception of business skills has also encouraged some architects to go out of the design realm and work for clients, where those skills are in more demand.

Finally, when more architects are discouraged by their limited control over design and development, the power and authority afforded to them as architectural mediators becomes an enticement. The author interviewed an in-house architect who was currently working for the Marriott corporation. His involvement in a project started from proposing a perspective site, evaluating the project's feasibility, preparing a design program, choosing the architect, and continued by supervising the design process and construction. He commented: "I have practiced over ten years in design firms and I was fed up with running around the developer's little finger. Now I have the chance to influence and control a project from scratch to completion. It is a great feeling when you have power."

4.4 Summary of Chapter Four

Architectural mediators work as liaisons between the architects and developers. Their job departs from

---

[1]Moreno, Elena Marcheso. "Architects Apart From Architecture: Eight Who Pursue Alternative Careers." Architecture. July 1988. Page 131

the traditional definition of architectural service and entails, to a certain degree, a fundamental change in the profession. The expanding supply of architects, the recognition of business skills, the attraction of power, together with the increasing need for this kind of cross-field service in the real estate industry, contribute to the emergence and growth of architectural mediators.

CHAPTER FIVE
THE ARCHITECTURAL MEDIATOR IS BENEFICIAL TO BOTH THE DEVELOPER AND THE ARCHITECT IN THE DEVELOPMENT PROCESS

It is the author's opinion that the architectural mediator has significant impacts on both the decision making process and on the architectural practice. This chapter will examine the architectural mediator's role in the design process which can bring mutual benefits to both the developer and the architect. Since limited literature exists on this topic, the argument and assumptions in this chapter are primarily based on personal interviews and a case study.

5.1 The architectural mediator has a significant impact on the development decision making process

The description of the development process elaborated in Chapter One pointed out that the architect's role does not usually begin until many important decisions have been made about project type, size, location, character, and budget. Yet, these decisions greatly restricted the number of alternatives open to the architect. When these decisions are made, there is only a limited amount of information available to the developer and many assumptions have to be made. According to Portman's observation, many of these assumptions are made without any real understanding of their effect on design as well as the effect of design on the assumptions.[1]

For example, the desirability of a location is an intuitive process akin to the mechanism that the

---

[1]Portman, John and Barnett, Jonathan. "The architect as Developer" 1976. Page 148.

architect arrives at his design concept. "The developer may be unaware that the kind of building he has in mind could be built more economically on a hillside, or that the combination of the narrow site, and the local zoning laws will make the floor areas of the building he proposes too small for certain uses."[1]

The evaluation of a project's marketability is another example that Portman presented. Since market studies are usually done long before there has been a decision to go ahead and design a building, the market analyst must make his own design assumptions. A logical assumption will be that the building will be average---resembles the average of the building type in the same general area over the last few years. As a result, there has been little investigation of the ways that changes in design might affect real estate marketability. Portman believed that "if the architect could participate in these early decisions, they could design better buildings".

However, it is not financially feasible for the developer to involve architecture firms in the early stages of a project, since before the commitment point, the developer's major objective is to minimize the preliminary cost so that he has minimal financial exposure in the event the project does not go forward. Nor does the architect, due to the role of architecture as a profession in the building industry, fully comprehend the various issues in the real estate business other than design. Architectural mediators, hired for their exclusive knowledge often have a better understanding of those issues involved in the real

---

[1]Portman, John. Barnett, Jonathan. "The architect as Developer" 1976. Page 149.

estate decision making. As a employee of the developer, the mediator provides architectural services to the developer much cheaper than consulting a architectural firm. Gutman observed that with the employment of in-house architects, it is common for corporation clients and developers to take projects as far as the schematic design, even when they hire firms to take charge of developing the project further. This is becoming standard procedure for these clients.[1] As an executive of Century Corporation, the large Houston-based developer once revealed: "We have done so many large office buildings, we are able to make 90% of the decisions before the architect draws a line."

Although the author does not have enough evidence to show how architectural mediators improve the quality of development decisions, from interviews with developers who hired architects on their staff, it seems that they benefit from their architects' special contribution to the decision-making process. The architects they employ not only have the chance to participate in making decisions over choosing location, architect and contractor, some of these architects with outstanding management skills have also been promoted to higher levels to oversee the entire development process.

5.2 The architectural mediator reduces the ambiguities in the design process.

Architectural mediators are especially functional in the design process---where developers interact mostly with architects and engineer consultants. The

---

[1]Gutman, Robert "Architectural Practice: A Critical View". Page 54

knowledge that these architectural mediators possess on the design and building process, as well as their communication and interpersonal skills which facilitates a successful design process.

When analyzing the context for the architectural design negotiations, Cuff noted that there are many ambiguities in the design process. These ambiguities include those of expertise, responsibility, authority, role expectations, alliances and procedures. Those ambiguities were regarded by Cuff as hindrances that prevent efficient design negotiation to occur.[1]

Probing their role in the process, the author believes that architectural mediators can function so as to reduce some of those ambiguities, especially that of responsibility and authority. For example, there are many professions involved in the process: structure, landscape, lighting, etc. The boundaries between these expertise are often not clear and the expertise ranges overlap with each other. This overlapping of expertise further induces the ambiguity in terms of responsibility. Although a majority of tasks plainly belongs to a certain expertise, sometimes legally assigned, it is not always clear who should carry out a particular task or who should be responsible for that task.[2] Developers who act as organizers in this whole "show", have the authority to assign, yet often do not have sufficient knowledge to settle grievances over technical issues. Architectural mediators are in a stronger position to assign the responsibility based on

---

[1]Cuff, Dana. "Negotiating Architecture: A Study of Architects and Clients in Design Practice". Page 130

[2]Cuff, Dana. "Negotiating Architecture: A Study of Architects and Clients in Design Practice". Page 132

his knowledge of the design and building process. The ambiguity over responsibility can be further diminished when the developer has direct contracts with professionals providing these expertise. In this case, the architectural mediator on the developer side can keep track of all the consultants, making each of these consultants directly responsible to the developer. When the architect is still the key coordinator among consultants, the architectural mediator only coordinates when there is a conflict of interest between the architect and the engineers that will significantly influence the financial performance of the project.

The architectural mediator also takes over the ambiguity of authority over to his side so that there will be less ambiguity in the design process. As addressed in Chapter One, when the developer is also acting as the agent of the owner, they have to present the owner's interest. Sometimes, there is a conflicting interest in the design between the owner and the developer. The architect will either have to spend his time on elaborating on alternatives, educating the owner, or coordinating and clarifying conflicting directions made by the owner and the developer. Based on the author's observation and interviews, when there are architectural mediators, the role of educating the owner and facilitating between the developer and the owner is taken over by the mediators. Although a similar amount of time is still needed for decision-making, as mediators take over a great portion of the ambiguity of authority on their side, the extra time and effort caused by the conflicting directions to the architect are significantly reduced.

5.3 The Architectural Mediator Performs a Dual Role in the Design Process

Originating from the architectural profession, and perhaps still considering themselves as members of the architectural community, architectural mediators understand the ideological values of the profession. This understanding has two diverse consequences which results in the double roles the mediator plays in the process. On one hand, they are sympathetic to design and are more likely, than their employer, capable of appreciating and willing to promote any innovative design concept. Through personal interviews with architects, the author found that when there are conflicting interests between the developer and the architect on certain design decisions, the architect feels more comfortable to convince the architectural mediators, thus persuading the developer. Since architectural mediators are more aware of the owner's and the developer's primary interests, they can combine the architectural myth with these key concerns and make the art defense even more powerful.

On the other hand, the architectural mediator is hired by the developer to represent the developer's interest in the process. They are constantly aware of their responsibility to their employer. They can only align with architects when this kind of allegiance will not threat on their status as the representative of the developer and the owner. If the architectural mediator do not agree with the architects or feels incapable to convince his boss and the owner, he would have to choose the role as the representative of the owner and the developer in order to be responsible to his employer. Their understanding of architectural culture can make art defense less effective. They are all too

aware of the bottom line of architects and architect's dependence on the developer and the owner. These two characteristics combined endows architectural mediators with tremendous bargaining power in negotiating with architects in design. In this sense, the developer having an architectural mediator on his staff creates a disadvantage to the architect. As one architect interviewed pointed out: "One down side of it (having architectural mediators overlooking design process) is that you can't fool around with your client a little bit, because there is this guy of knowing." Another disadvantage the architects experienced is that since design is the most enjoyable part, some architectural mediators like to "play architects" themselves, leaving the architect at a difficult position to perform his professional service properly.

Architectural mediators also contribute in the management of the design process in terms of best utilizing architectural services and conducting effective communication. As Gutman noted, they are often being chosen to conduct effective negotiations with architects for the developers. They have the "trained-eyes" that can easily visualize the design concept the architect is trying to present. They are in the position to ease the path for the private firms in the endless deliberations that make up the design and building process.[1]

---

[1]Gutman, Robert. "Architectural Practice: A Critical View". Page 12

5.4 The architectural mediator also assists the developer in the relationship with public realm

As discussed in Chapter Two, the developer's significant role in the real estate industry has imposed on the developer exclusive responsibility for the built physical environment. The recognition of this responsibility is urgent and important, since the impacts of development over the city and public welfare has been attracting attention from various interest groups. Government of all levels not only influences real estate through laws and administrative codes regulating architecture production, they also play a role in promoting, fostering, and encouraging interest in the art of architecture and concerns for the aesthetics quality of the built environment.[1] This governmental involvement forces developers to be more sensitive than ever to the social and aesthetic concerns when forming the concept of a project.

In addition, there is a greater interest with respect to questions of environmental quality and good design among the citizenry, the public-at-large. Citizen groups of special interests bring into the project approval process voices of different interests, touching upon issues of public facility, public space, better traffic and parking control, improvement of infrastructure, affordable housing, etc. Developers often find themselves facing all these demands during the project review.

Architectural mediators hired by developers can educate their employers to be more cognizant of the public realm and the consequences of real estate

---

[1]Gutman, Robert. "Architectural Practice: A Critical View". Page 88

development. The architectural ideology has been imposing on architects, responsibility to change the social life with the creation of architecture. Architectural mediators, due to their architectural background, have been trained to be more conscious of the significant social impact of architecture. Even though working for developers, some of the architects the author interviewed indicated that the strong influence from their architectural ideology made them distinguished from other professionals that worked for developers. As one architect who worked for a nation-wide developer said in the interview: "I guess architects with their years of education are just more conscientious than business people."

5.5 Architectural mediators play a role in influencing the market for architectural services.

First of all, architectural mediators contribute to the high employment rates. As elaborated in Chapter Four, there has been an great expansion in the supply of architectural services in the last twenty years. When private practice offices are feeling the burden and the moral damage of this abundant supply, out side opportunities for architects have also increased the volume for demand. According to Gutman, about 15,000 to 20,000 architects are now employed outside of architectural offices. Major areas of job growth are in retail trade, finance, insurance, and the real estate industries.[1] These job opportunities lessen the hazard of potential over-supply of architects.

---

[1]Gutman, Robert. "Architectural Practice: A Critical View"
Page 25

Secondly, architectural mediators contribute to the expansion of the market of architectural services. They can alert developers to the ranges of services that private offices are able to provide. They can make developers aware of the valuable skills of architects and thereby increase the demand of architectural services. Since architectural mediators may function well in many aspects in helping their employers, they stimulate their employers' interest in hiring architectural services. This is called by economists "supplier-induced demand" which has been viewed as a more general phenomenon in many professions. Foley, Shaked and Sutton in their book "The Economics of the Professions" regarded supplier-induced-demand as a unique capacity of professionals and having been especially successful in medicine, where physicians were in a strong position to recommend the amount of professionals services which patients need to consume.[1]

It is worth noting that architectural mediators not only expand the market of architectural service, they also know how to best use these services. Architectural firms interviewed by the author felt that they liked to work for developers who have architectural background or have architects on their staff to consult. These developers usually have a clearer understanding of the nature of an architect's job. They had appropriate control over different period of stage of design and have reasonable proportion of fee for each stage.

---

[1]Patrick Foley, Avner Shaked, and John Sutton. "The economics of the Professions: An introductory Guide to the Literature" Page 11

5.6 Summary of Chapter Five

This chapter examined the role of the architectural mediator in the industry in general and the design process in particular. This chapter illustrated that the architectural mediator brings mutual benefits to these two parties. On one hand, they contribute expanding the market of architectural services, increasing the architect's influence over the development decisions especially in the early stages of a project. On the other hand, their sensitivity to public needs compensates the developer's lack of recognition of development consequences to the public environment. Their knowledge of the building process and their architectural ideological values reinforces the developer's controlling power in the design process. The architectural mediator's involvement in the design process eases the communication paths between the owner/developer and the architect.

CHAPTER SIX

LAKE VIEW TOWER---A CASE STUDY

Characters in the case:

Henry: Project manager of Lakeview Tower, employee of Department of Development Service at Mark and North Inc.(M&N), also a licensed architect.

Ted Worton: Third generation of the worton Family, also Vice President of the Executive Administration Department at M&N.

Tom: Head of Department of Development Service at M&N.

Ken: Project architect of Lakeview Tower., architect at ABC Associates Architects.

Jerry: Senior designer of Lakeview Tower.

Daniel: Junior designer of Lakeview Tower.

Peter: Management Partner of ABC Associates.

Henry was sitting at his desk on the 19th floor at the headquarters of Mark and North Inc., one of the oldest real estate development companies in the Lake City. On the right side wall of his small office cubicle was pinned a color-pencil rendering of a high rise building---Lakeview Tower, a residential project Henry was currently working on as the project manager.

Henry was just informed by the structural engineer of the cost figures for the structure of the four setbacks on the top of the Lakeview Tower. The cost for doing the structure of four setbacks was high. Henry understood that it would cost more to transfer the mechanical ducts around these setbacks. The setbacks had to eliminated or the number of setbacks had to be cut down. However, the architect insisted on keeping all setbacks. Being an architect himself, Henry knew that rather than having a sudden ending with a flat

roof at the top, these setbacks created an elegant top for the tower, enriching the silhouette of the building. The owner of the project---Lakeview Tower Partnership, on one hand wanted everything that made the building spectacular, on the other hand, were cautious, like any investor, with every penny that was spend on the building. Henry realized that he was in a typical situation in which he had to balance among the objectives of the owner, of the architect, of the engineering consultants and of his own which is of an architect working on behalf of the developer.

6.1 The background of the project

The project

Lakeview Tower was a thirty seven story cast-in-place concrete tower, containing 212 luxury apartment units, four and half floors of parking, swimming pool, exercise room, multi-function room and retail space on the street level.

The tower was located at the intersection of Nelson Street and Central Avenue, the main commercial street of Lake City. Along the Central Avenue stood many prestigious stores, such as Garfinkel's, Lord and Tailor, Bloomingdale's and Macy's. In the past five years, as the downtown of Lake City underwent continuous growth, new development started blooming along the avenue. High rise office buildings, hotels, residential buildings were erected one after another. The buildings on this avenue were usually perceived as luxurious and of high quality which implied that high revenues would be generated. The area became a prime location of development. In addition, the site was diagonally across the street form the Stone Castle, the

major landmark of the city. The tower on the site would have a view of the castle as well as a view of the lake that is not far from Central Avenue.

Because of its prime location, Lakeview tower would provide better than market standard luxury apartment units, mostly one bedroom and studio units, with small number of two and three bedroom units. It was also to generate higher than standard rental revenue for the owner of the project.

The initiation of the project

The site was owned by the Worton family and was used as a parking lot. The Worton family had a long history in the real estate business. They had a special relationship with Mark & North Inc.. This relationship had already covered three generations. Ted Worton, a vice president in the Executive Administrative Department, just celebrated his 20 years with M&N. Ted's father also worked for M&N for 40 years and retired as a senior vice president and head of the Mortgage Production Department. Ted's grandfather was acquainted with both Mr. Mark and Mr. North, played a role in bringing them together to found the M&N Inc., and himself served as a member of the Board of Directors at M&N. Ted's grandfather developed many buildings along the avenue and purchased this piece of property.

As the Castle Place, a hotel and shopping mall complex, was accomplished across the street from the site, and was viewed as both architecturally and financially successful, Ted and his father felt that the time and chance was coming. A market analysis expert was soon hired to probe the market of the area. Based on his study, the family decided to build a high

rise, luxury apartment building with parking on the lower level and retail space on the street level. They named the project: "The Lake View Tower". The project was to accomplish the following objectives:

1) The building would provide first class apartment units;

2) The building should not detract from the Stone Castle, rather it should enhance it.

3) The design should maintain and utilize the view to the Stone Castle and Central Avenue.

4) The building should have an exceptionally appealing facade enabling the building to be perceived as a Central avenue building (although it was not exactly on it);

5) The design should also consider the possibility that high rise building would be built on the block across the street from the site.

The owner and the developer of the Lakeview Tower

Due to their relationship with the Worton's, M&N became the first choice for the developer of Lakeview Tower. They were particularly comfortable with the reputation of M&N as a "quality building developer".

Over a century, M&N had grown steadily into one of the biggest developers in the area. However, M&N, now in its third generation, followed with tradition, being conservative in choosing a project. They would only involve themselves when they believe that the scope, the level of quality of a project were within M&N's standard.

" Our philosophy was more like an order taker, waiting for the right opportunities to come."

---Tom, Head of Development Service, M&N

"Typically, M&N would not make any step forward

until it was sure it was ready. Once it decided to do a project, it would assume the full responsibility and often had a equity position in the deal."

----Ted Worton.

In fact, M&N not only shared the ownership of most of its projects, it usually holds them and manages them for a fairly long period of time. Gradually, M&N built up a reputation of being a "quality developer". Although M&N would like to attribute this reputation to their quality pursuing business strategy, its competitor argued that it was because being in the business for so many years, M&N had accumulated enough capital that they could "afford" the quality building.

It took M&N over a year to decide to involve itself in the Lakeview Tower development. After carefully studying the market and the financial feasibility, M&N finally decided to be the developer and also an equity investor of the project. The Worton family, M&N, and a nation-wide pension fund committee, formed the ownership of the project---Lakeview Tower Partnership. The complete development process would be handled by the Development Service of M&N. The Development Service Department of M&N assigned Henry as the project manager of Lakeview Tower.

Development Service Department of M&N

In M&N, all the new development would be managed by the Development Service headed by Tom. Other departments provided corresponding services of construction, leasing, property management, and, in this case, residential management.

When Tom first started in the department 12 years ago, he had two choices: hire older people who had

experience, or, hire young people who did not have much experience but were willing to learn so that they can be molded into managers. He decided to go for the latter alternative. He was particularly interested in young people with architectural or engineering backgrounds, and with good communication and management skills. In his opinion, people from architectural or engineering backgrounds understood the building delivery process better, understood the details of a project better, and they also had better skills of problem analyzing and problem solving. Above all, these people had the best work ethic because they came from professions that required hard work yet with low compensation.

Except for Tom himself, all of the project managers in his department had an architectural education, most had years of practice and were licensed. Tom had a finance background and had accumulated a great deal of experience in land acquisition, financing and project management. He viewed his experience as a resource for his subordinates. Almost none of the project managers in Development Service Department had any training in finance or management. Yet Tom believed that working was also a learning process--"Come in with what you have and we will take care of the rest." After working and learning for a period of time, all of them became completely capable of independently handling finance and management in their daily business.

ABC Associates---the architect of Lakeview Tower

When the Wortons were trying to convince M&N to be the developer of the project, they started to look for an architect of the project. The ideas were to find

someone who had experience in high rise residential building, easy to talk with, and willing to start "playing for free". The reward would be being the architect of Lakeview Tower if the project could proceed.

Upon the recommendation from M&N, the family decided to approach a local architect firm---ABC associates, with whom M&N had worked with before. The architect not only satisfied all the criteria, but also had a reputation of being able to obtain the maximum amount of useful square footage out of a given area.

A mid-size architectural firm, ABC became very active in Lake City in the past few years. Although their project types ranged widely from office buildings to retail and churches, they were especially known for designing high rise residential buildings. ABC and M&N had worked together on many projects. In fact, they built some of the most popular apartment towers in the city.

The strategy of ABC's practice was to keep clients coming back by delivering excellent professional service, regardless the size of the project. For example, they once participated in a competition held by a developer for a project of $4 million dollars. The firm put on its best people and prepared a package which won ABC the project. By the completion of the project, the developer was so satisfied with the quality of their service and the quality of their relationship that they offered them much larger projects.

> "Most of our clients were repeat clients. We do not have an established marketing staff. How we make clients come back is that we do a good job all the way through. We establish the relationship

with clients in the process, and if they are happy, they will ask us back."

---Ken, Project manager of ABC.

The structure of the development team.

Henry, the project manager, acted as the owners' representative. His job was to monitor the project on a day to day basis, through zoning, financing, design and construction. He was responsible for carrying out the owners' objectives, to finish the project on budget, on time, and to the required quality. He was the primary contact of the architect. Henry reported to Tom, the person who oversaw all the projects his department was handling.

Tom chose Henry with many reasons: First, although Henry had never worked with ABC before, Henry was the strongest in design among his project managers. Considering the personality and specialty of the ABC's designer Jerry, Henry had the best chemistry for him. Secondly, Henry had excellent interpersonal skills which would be of special importance since the ownership of this project was complicated.

Ted Worton was one of the owners, yet also one member of the development team of M&N. Therefore his role was always double-sided. On one side, he recognized Henry's full authority in representing the owners. On the other side, Lakeview Tower meant so much to him and his family that he could not help being emotionally involved.

ABC's design team of Lakeview tower

In a casual occasion, Worton family was introduced to Jerry, designer of ABC Associates, who saw the great potential of the project and agreed to start sketching

for the Worton without charge. Weeks later, Jerry came back with four preliminary schemes. Ted immediately fell in love with one of the schemes which had a very handsome facade. Instead of being parallel with Nelson street, the design located the tower in an angle, on an axis toward the Stone Castle, with tower's front facing Central Avenue. Jerry was told to concentrate on this particular scheme.

On the team, Jerry was the design partner who was the first one involved in the project. Daniel, a young architect just graduated with a master degree in architecture, helped Jerry in generating design schemes, studying design details. A management partner, Peter, was involved in the contracting process. As the project moving ahead into Design Development and Construction Document stages, a project architect, Ken, was assigned to oversee the management of the project.

6.2 Different objectives of the Project

As the project manager, Henry felt most of his job was to manage the relationship among the participants in the project. He had to utilize his interpersonal and communication skills to balance the different interests of parties. Henry clearly viewed that among all these objectives, quality, budget and schedule could never be separated and they were of same importance in this project. His job was to find the "happy medium" in terms what was wanted and what could be afforded.

The Owner's objectives:

For the family, it was not just an real estate investment, it was also an endeavor to build a monument that the family could be proud of and that could honor their contributions to the real estate business of Lake City over three generations. They believed the location

of the site demanded the building to be attractive from the outside, to have luxury units that matched the character of "Central Avenue Building", to offer excellent amenities and ample parking spaces. In other words, everything ought be special and of the highest quality.

> "This building is not something that architect builds the building in the way that M&N wanted to develop or what we wanted to develop, but is something above average, which is also what this particular piece of property calls for."
>
> ---Ted Worton

At the same time, as the whole entity of ownership, M&N and the pension fund committee shared the expectation with the Worton family in most aspects, expecting the design to take the greatest advantage of its location and create the "prestigious building" image that would, in turn, create a higher revenue. However, as investors, they were more concerned about the amount of investment and the rate of return of their money than the ego.

M&N's:

M&N clearly realized its role as a developer who organized the various resources in the deal. To serve owner's interest as well as maintaining their reputation, they need to care about the cost and time table, as well as the quality of design and construction.

> "Our job is to build a better product in a more timely fashion and in a more cost effective manner. In other words: quality, budget, and schedule."
>
> ---Tom, Head of Development Service, M&N

ABC's:

As an architectural firm, ABC expected to reinforce their business relationship with the developer M&N, and at the same time, certainly like to maintain the relationship with the Worton family. They also found that the location, the size, and type of the project were very attractive. At that time, Jerry had designed some projects and started to look for opportunity that he could be in charge of. Daniel was just out of Graduate School and started in this office. Both treated this project as a chance to exercise a little freedom of design. To Jerry and Daniel, Worton's desire for a really special building was something more than just the physical location, it was a indication of the clients' interest in a design of good quality and uniqueness.

Henry's

His objectives was no more than to do a good job. Receiving his professional degree from one of the best architectural schools of the country, Henry had been practicing in private architectural offices for five years before he was hired by M&N. He found his job in the development company not only gave him a chance to influence the architectural design from the very early stages of the project, but also bring him great challenges with tremendous responsibility. Besides, he found that working for the development company he obtained better financial rewards than for architectural firms. However, compared with project managers working for other development companies, Henry and his fellow workers in the Development Service Department did not enjoy the so called "free equity return"---a percentage of total project cost as an award to the hardworking of the project managers, as in

most of the development companies. As a pure salary employee, Henry still worked at average of 55 hours per week, and up to 70 hours at peak time.

> "They love their job. They feel that this is an exciting opportunities for them. The company keep them motivated by giving them challenges, letting them do what they are interested."
>
> ---Tom

6.3 Managing the process of design decision making

Along the design process, various decisions needed to be made, where the skill of balancing different objectives was employed. The process of choosing the final scheme was a good example.

The preliminary design that Jerry projected had undergone a period of enriching and improving before the involvement of Development Service and the assignment of Henry. When Henry was on the job, he immediately realized that the design direction needed to be changed from "building a family monument" into concentrating on what was "practical and buildable".

> "The first rendering Henry and I saw looked fantastic, but you knew it was more of architects' desire than anything else. These is just no way to build it with the budget we were given. We needed something practical."
>
> ----Tom

Continuing with the original design would inevitably result in the project's exceeding budget. The first step that Henry took after his assignment to be the project manager was to pull the process back to the preliminary concept stage so that the concept could be started with a solid base that the financial capacity supported. His architectural knowledge told

him that there was always a better solution to compromise with different objectives. Maintaining the same design concept, Jerry and Daniel spent a great deal amount of time studying the alternative plans and the shapes of tower, in order to find the best possible solution.

The problem was that Ted Worton was still in love with the first scheme. He was especially attracted by the scheme's appearance. Henry pointed out to Ted that the scheme would be too expensive to build, for example, the projected windows with sharp edge towards street would cost too much labor to construct and the layout of units was not as efficient. He persuaded Ted to believe in the architect's talent and skill to create better alternatives. To help Ted and other partners of the ownership, for each alternatives, there was a model of the tower to fit into the model of the site, so that the idea of each could easily visualized. Sufficient Data, such as number of units, area of each unit, floor efficiency, etc. was also provided by the architects for comparison. As the process went on, some of the alternatives revealed shortcomings and eventually were excluded.

When the alternatives were narrowed down to two or three, the architect and the developer went over each of the alternatives together by comparing how each alternatives satisfied the objectives set forth by the owner and the developer. Based on the information and the recommendation provided by the architect, the decision would be made inside the development team.

Henry created a evaluation matrix that contained a list of major concerns and a list of alternatives. These concerns included the utilization of the site, function, efficiency, aesthetic, constructability,

marketability, etc.. Each concern was given a rank by its importance to the project, and each member of the team was asked to give scores to each alternative by its response to each concern. By multiplying the rank number each concern was prioritized and the score of each scheme obtained, the matrix generated overall evaluation of all the alternatives.

As an architect himself, Henry could not be more clear about how subjective the evaluation of architectural aesthetics could be. In his opinion, "architects are the people who are most qualified to judge the aesthetics of architecture". While aesthetics had to be one of the considerations in evaluating alternatives, Henry was very careful to give "aesthetics" higher rank in the evaluation matrix. Further more, by having both aesthetics and marketability as two independent concerns, the evaluation matrix implied a difference between the issues of how a building looked and how this look sold in the market.

After the evaluation of all the alternatives, both design and development teams liked one of the schemes. The chosen one was oval in plan with engaged two octagonal bays at diagonally opposite ends of the floor plate. It maintained the close relationship with the Stone castle and Central avenue and also had a more efficient units layout. As the project moved into the Design and Development process and Construction document, more people were put on the team. Many changes in the plan and the facade details occurred. Yet the main idea of the design carried through to the end.

6.4 Managing the Relationship with architects and other consultants

Henry established a collaborative atmosphere within the relationship with the architect. This atmosphere was based upon the trust of each other's alliance and the confidence of each other's professional performance.

> "They (the architects) have the confidence that I will back them up, and I have the confidence that they will do a decent job."
>
> ---Henry

The collaborative atmosphere was also perceived as the concept of "team work". M&N had the tradition of being careful in choosing members for the development and design team.

> "We consider the whole development process as a team project."
>
> ---Tom

> "The architects that I work with on this job are the best I have ever worked with. They really worked hard. When I worked an average of 55 to 65 hours per week, they worked the same amount if not more. Because they know we are in a team."
>
> ---Henry

However, Henry was constantly aware of his role as the representative of the owner who consumed architectural services. On one hand, he was understanding to the architects, on the other he was also the one who oversaw the quality of these services and always ready to pick on mistakes.

> "We are trying to be sympathetic of design, to be fair and helpful, but we also ask for the professional perfection and quality services. If

there is not (such perfection), we either pay them less or use other kind of punishment."

---Henry

While managing to have both coalition and distance with the architect, M&N also structured a unique relationship with major engineering consultants on the project. Unlike the situation in most other cases, M&N had direct contractual relationship with structural, mechanical, and electrical engineers. At the same time, M&N and ABC had an agreement that despite M&N's legal relationship with these consultants, ABC was responsible for the coordination work among the consultants.

Within this structure, the typical communication path would also remain: from consultants to architect, then from architect to developer, from developer to owner, and vice versa. However, because the consultants became directly responsible to the owner, when there was conflicting interest between an engineering consultant and the architect, the consultant could directly contact Henry. Henry could also collect information from consultants when it was necessary.

This structure opened the channel from consultants to the developer/owner and therefore allowed M&N to have more controlling power over the design decision. This structure was as well welcomed by engineering consultants because instead of being tied to one architect, they could have a direct business relationship with developer and owner. Architects, although they felt that they lost a portion of the controlling power, believed that they also benefited from it in terms of its limiting their liability to the developer.

"Although I personally preferred to have contractual relationship with engineers, the structure we have in LakeView Tower has its benefit....There was a clear division of who did what and whose responsibility it was. M&N had all the records. They keep track with every body's work. If something goes wrong with a engineer, we can still keep our hands clean."

----Ken, Project manager

6.5 Managing the communication---Progress Meetings

Both M&N and ABC believed that sufficient and effective communication was fundamental to keeping all the parties actively involved in the design process and therefore to generate successful design. The communication could be conducted in formal meetings, telephone conversations, over dinner or on golf course. In most cases, progress meeting was the basic form of communication between development team and design team.

The intervals between meetings varied from time to time. Although schematic design was only 15% of overall work, Henry believed that the schematic design was the most important stage, for this stage contained the most major design decisions that set the directions for later design activities. Henry decided to have progress meetings at least twice a week during the schematic Design stage. During the design development and construction document stages, ABC had the freedom to decide the progress schedule and the interval of meetings, because Henry felt once the major decisions were made, there wasn't a very clear boundary between the work for Design Development Phase and Construction Document Phase. M&N only specified the deadline for the final document of construction.

In most cases, progress meetings were held by Henry. His strong architectural background enabled him to be able to prepare the discussion agenda of each meeting. He or a secretary took the meeting minutes. Copies of meeting minutes would be sent to the attenders and related personnel for confirmation. There were times when the architect initiated the meetings and wrote the minutes. The meetings were conducted in the fashion that each party has the chance to cover his or her agenda---one by one, starting with M&N's, architect, structural, mechanical, and electrical, and miscellaneous items. At the later stage of the construction document, Henry's meeting agenda contained a punch list of drawings and specifications for architect and consultant to indicate the status of completion. The meeting also covered items in the specifications of material and selected manufacture---toilets/urinals, lavatories, kitchen sinks, showers, faucets,etc.

Ted and his father attended most of the process meetings, so that they could have direct input to the design. They could give instructions directly to the architect. There were times, however, when these instructions were in conflict with the final decision from the progress meeting and extra time had to be spent on clarifying direction or correcting what had done incorrectly. Going through a design process was also a learning experience for Ted. Both Ted and Henry felt that their cooperation became smoother and their perception of certain problems became closer as the process went along.

Despite the fact that major consultants were affiliated to M&N, Henry insisted on not giving direct instructions to engineers.

"If some of the information is not discussed in the process meetings, the architect is always informed. It is also the respect to the architect's role in the design process".

---Henry

The respect is mutual. On the other end of the spectrum, the architects of ABC tried to understand the dynamics of the relation within the building industry. They kept themselves open to the various opinions so that they could make their design satisfy the various requirement.

"I think we had the proper Dialogue. If one side do not think and express their thought, That will be no way for the other to understand.

---Peter, Management Partner of ABC

"It is like work on any other human relationship, we keep ourselves open, put our thoughts on the table, get the different reaction from different people and figure out what we should do, what problems are if we do it different way...But there ought be mutual respect. Without it both sides are losing interest."

---Jerry, Design Partner of ABC

The result of the communication was pleasing. None of the participants seemed to feel that they were dealt at arms-length. The close relationship of the participants, plus ABC's familiarity with the project type, made it possible to cultivate and improve the design along the process. In addition, the close relationship among parties made them motivated by each other and supported each other.

6.6 The solution to the setbacks

Jerry and Daniel still felt that the four setbacks at the top were necessary to maintain the facade of the project. They argued that not only did these set backs contributed to a better appearance of the tower, but also that the set backs provided balconies that could be a plus to the value of the units. To prove that the dimension of each setbacks could be big enough to become a useful balcony, the architects built a real size model of the balcony with chairs on it. Ted was convinced and became the advocate for the four-setbacks scheme. For Henry, he liked the top with setbacks as well as the idea of balconies. But the extra dollar cost to build these things might conflict with his other major objective---to keep the project within budget. He had to have both design and budget compromised in order to an reach agreement.

Henry collected information provided by the structural engineer and the mechanical engineer, and discussed these numbers with Jerry. The architect insisted on keeping all these setbacks or he would not continue the design. Being an architect himself, Henry understood that no architect would only like a bunch of beautiful drawings rather than have them built. He pointed out that no matter how good it looked on paper, the building could be built if it financially could worked out.

> "The chances are the architect will always want the project to get built, maybe a little less spectacular than he wanted, rather than nothing at all."
>
> ---Henry

When the architect finally agreed to cut down the number of setbacks from four to three, Henry went back

to Worton, explaining that since the budget was limited, "we have to give up some of the setbacks, or the extra cost for the setbacks would have to be taken from some other places and make it less attractive." For the other owners, Henry used the architect's argument to prove that the setbacks were necessary for achieving a better image of the tower and to the marketability of the project, convincing them to accept certain adjustment to the budget.

The agreement was finally reached when three set backs remained with one devoted to mechanical rooms which solved the problem of lacking mechanical spaces. The decision was made before the architects and other engineer consultants spent more time on it.

6.7 The evaluation of the design process

While the project was still under construction during the preparation of this case, the design process was already perceived by most of the participants as successful and pleasant.

> "The relationship with the architects on Lakeview Tower is the best one I have ever had."
>
> ----Henry, project manager of M&N
>
> "M&N is a very good client. They have a very good sense of balancing and so easy to talk with."
>
> ----Jerry, Design Partner of ABC
>
> "It is a long process, but I definitely consider it as a very successful process."
>
> ----Ted Worton of Worton Family
>
> "I would say, we all walk away with great satisfaction."
>
> ----Tom, head of Development Service of M&N

CHAPTER SEVEN
CASE ANALYSIS

The case in the previous chapter presents one example of how an architectural mediator was employed by the developer in the design process. While the case in many ways provides evidence for the assumptions made in the first five chapters, it does not provide sufficient proof to support these claims as truth.

What should be made clear is that if the design process of the Lakeview Tower is successful, this success should be attributed to many factors. The author perceived that there were three key factors noteworthy here.

Firstly, the familiarity between the architect and the developer establishes a solid foundation for a healthy architect/client relationship. M&N and ABC had worked together on many projects before Lakeview Tower. Both the architect and the developer were acquainted with each other's working style. Therefore, it was much easier to establish a rapport between them.

Secondly, the close relationship between the owner and the developer was also an advantage. The Worton family had been involved with M&N for three generations. The Worton's not only had a business relationship with M&N, they actually worked as M&N's employees. This kind of close relationship between the developer and the owner is not often present in most projects. It enhances the sufficient communication and reduces many possible conflicts between the owner and the developer in the development process.

Thirdly, the architect was very experienced in the building type. ABC had designed many high rise residential buildings in the area. They also had

accumulated enormous amount of experience on how to obtain the most useful square footage out of a given area. Even though there was not a written program for them to start, the abundant experience of ABC's architects enable them to respond quickly to either Worton's or M&N's demands. In addition, the talent and deign capability of the architects on the project was also a factor that should not be neglected.

Because of the above factors, plus Henry's architectural background and excellent interpersonal skills that the design process could go along smoothly. Henry, the architectural mediator, was only one small portion of the ingredients that made the successful design process possible.

The case served as an anecdote in which a project manager who was an architect did a good job in project management. However, the case illustrated some of the functions that an architectural mediator could perform successfully in the design process. The author would like to make a few points upon the case material.

7.1 The Architectural Mediator Functioned to Manage the Different Objectives in the Design Process

The case illustrates that there was much diversity in the objectives set forth by each party to achieve in the project. These objectives could be reflected in every design decision. Since the diversity of objectives might lead to different decisions, the project manager had to facilitate among parties. In this sense, the design decision making process, becomes a process managing the different objectives.

In the case of Lakeview Tower, Henry as project manager needed to recognize the different objectives of the owner, M&N and ABC. From a developer's point of

view, this management of objectives can be viewed as finding the "happy medium" between what the owner wanted and what he could afford. When ABC'S objectives were involved, Henry's management task was to find the right balance between what ABC wanted the building to look like and what the budget of the project allowed.

However, every time when he came to the point to make a decision, he had to take a certain stand. Which position to take was based on his judgement upon certain values. For example, he had to balance between the economic and the cultural values of the architecture. Since Henry had a formal architectural education and practiced as an architect for years, he understood the architectural values and the consequence of building activities. He worked for the developer, brought his architectural backgrounds to the development decision process, and utilized his appreciation of architecture in design process to promote innovative design ideas. He was in the position to judge the cost and the beneficial return of a good design---how much a good design worth and how much should spent on a good design. Based on his judgement, he would either foster the design, or have the design compromised to the budget.

7.2 The Task of Such an Architectural Mediator was Extensive.

From the case, one can see that Henry's role in the design process could be as simple as "the manager who oversaw the daily progress of the design process", and as extensive as the owner's representative, the developer's representative, the architect's ally, the educator, the mediator, the decision maker, etc. As described in the above text, his main goal was to

maintain a balance between the different objectives. In order to do so, there had to be 1) valid strategies, 2) interpersonal skills of the mediator. The communication structure in the case of the Lakeview Tower represents the managerial strategy M&N put forward to obtain more control over the design process. Added to it was Henry's skills in communication and his extensive knowledge over the building process. It should be noted that M&N's having direct control over engineers could hardly work, if there had not been a mediator like Henry to supervise various technical issues.

7.3 The Architect and the Developer Relationship was Like Any Other Human Relationship

Another point the case illustrated was that the architect/developer relationship was like any other human relationship, where there ought to be mutual trust, confidence and respect.

When Henry dealt with architects of Lakeview Tower, he was constantly conscious about establishing a solid alliance, a rapport with architects. He emphasized the "team" concept in the relationship. He managed the design process to be a collaboration in which both parties contributed ideas and nurtured the ideas into a feasible design. As stated in the case, this collaboration could only built upon mutual trust and confidence.

Mutual respect was also important. Although the contractual relationships and the communication structure among the participants allowed the developer to have greater control over the design process, Henry tried to maintain as much freedom as possible for the architect. There was always a clear division in terms of work and responsibility between M&N and ABC. The

architect was given credit for producing most of the design ideas. Henry also insisted on not giving direct instructions to engineers without informing the architects. Because he, as an architect himself, understood how to pay the respect that the individuals in his profession felt they deserved.

7.4 It Might Be Possible to Produce the Architectural Mediators from Architectural Profession.

Many developers and some architects believed that most architects lack business and management skills. However, this case presented how the developers of M&N Inc. used to their advantage the architects' exclusive knowledge over the building process by equipping them with necessary knowledge required by their job. Moreover, the case illustrated just how much potential those architects whom M&N hired as project managers had. They represented examples of architect-managers, which was perhaps very encouraging to many of the architectural practitioners who have similar interest.

Other than the personal skills these architects had, the architectural training they obtained might be another factor that contributed to the architects' having the potential to be managers. Architectural education was criticized in previous chapters as having focused excessively on the design aspect whereas other knowledge and skills were less emphasized. However, when the design and form-giving process often involved many issues at one time, architectural students were intensively trained to have strong skills in sorting, analyzing and solving the problems. These skills endowed architects with the quality that project managers must possess. If it is much easier to teach a person with problem-solving skills the knowledge of

business than the other way around, it is conceivable that developers like M&N would rather prefer to mold architects into project managers than people from other fields.

In this sense, architects have many qualities making them capable to get involved in management activities. Yet it should also be noted that being a project manager and an architectural mediator in general require many other qualities or skills, such as that of communication, presentation and decision making. Many individuals in the architectural profession have these skills and therefore have great potential to become managers in the development process. The case of the Lakeview Tower exemplifies how a project manager from the architectural profession could be fully qualified for their job.

7.5 Summary of Chapter Seven

This chapter contains an analysis for the case of Lakeview Tower. It uses the case to illustrate the consequences of the emergence of architectural mediators and their involvement in the design process. It also analyzes some of the factors that make the design process of the Lakeview Tower successful. It argues that since architectural education provides architects with excellent training in problem solving, it may be feasible to produce architectural mediators from the architectural profession.

CONCLUSION

The preceding pages describe the various facets that affect the interaction between architects and developers. The description is deprived from the literature pertinent to the real estate industry, architectural practice, and the observation from this study.

Based on the elaboration of the previous text, the thesis draws the following conclusions:

1. The developer and the architect are only two of the numerous actors in the real estate drama. They play very different roles in the industry as well as in the building delivery process---The developer is the entrepreneur who organizes various resources, while the architect is the professional who provides professional services to the developer. They are both coordinators and managers functioning at different level.

2. The roles the architect and the developer play in the development process define their incentives of entering the business, their motivation in work and the skills they possess. These elements all together form the architect's and the developer's perceptions of their roles. Based on these perceptions, they more or less redefine their performance in their business practices. As a result, the actual roles played by most developers and architects often are inconsistent with what is defined by the industry and the nature of their business. In other words, there are discrepancies exist between the roles that are expected and the roles that are performed.

3. Discrepancies existing in the Developer's roles are shown in the following aspects:

a) As the key player of supply side in the real estate industry, the developer's understanding of the end user's needs mainly depends on the developer's perception of the market. When the real estate market is much different from an ideal market and is much more difficult to predict, it is possible that the developer failed to respond to the real needs of end users.

b) Design is a process in which all the resources are allocated. Design needs continuity from the very beginning to the completion of a project. In order to manage the design process, the developer ought to have certain design knowledge. While the developer usually emphasizes his entrepreneurial skills, his design and construction knowledge is often insufficient.

c) The real estate industry has significant impact on the cities's economic and social life. The developer is also the individual most responsible for the constructed physical environment. As a private entrepreneur, the developer are often not conscious enough about the consequences of real estate development.

4. The discrepancies existing in the architect's role are shown as follows:

a) The architect, although he is trained to serve the building users and the society as a whole, is often not involved in making major decisions at the early stages of the project.

b) The architect's job has a business side and an art side. There is diversity in perception of the nature of the architectural profession, especially about the its business side.

c) The many consequences of the increasing complexity of buildings challenges the possibility of architects to provide comprehensive service to the building process. These challenges, in turn, affect the architect's and his clients' perception of the architect's role. The architect, on one hand performs more coordination, and on the other hand, invokes art defense to protect his autonomy in the design realm. Rather than protect the autonomy of the architect in the building process, art defense limits the range of architectural services, and to some extent, leads clients to the misconception of architectural services.

5. The architectural mediator facilitates between the developer and the architect in order to improve the design process and thus benefit both parties. These benefits include:

a) The architectural mediator increases the architect's impact on making major decisions in the early stage of a project. He contributes his architectural knowledge to assist the developer in many aspects, such as understanding the users' needs, making proper design assumptions, etc.

b) The architectural mediator is especially functional in design process management. He reduces the ambiguities in the design process, eases the communication path between the developer and the architect. In many ways, the architectural mediators enforces the controlling power of the developer in the design process.

c) The architectural mediator assists the developer in the public relationship.

d) The architectural mediator also helps in expanding the market of architectural services.

The author believes that, in a great deal, the above conclusion answer the questions that are raised in the Introduction of this thesis. However, the concept of the architectural mediator has never been defined in existing literature. This work is the first step to bringing into focus the existence of architectural mediators, their potential and their impact over the design process, the architect-client relationship, and the development of the architectural profession. This examination of the architectural mediator's facilitation between the architects and developers sets the stage for future research.

In some sense, this work conveys no more than one person's perception of the relationship between the architectural profession and the real estate industry. Yet I discovered during my interviews with practitioners affirmation in these perceptions. The present study, by its qualitative nature, perhaps asked more questions than it answered. However, I would make a proposal here for further study.

Future Research

Numerous directions for future studies can be prompted from this thesis.

First, more research on the roles of the real estate developer in contemporary economic and social context should be conducted. Case studies are needed for developers of different project type like affordable housing, hotel chains, and corporation headquarters. In these cases, the involvement of public sectors, corporation bureaucracies make the developer's role even more complicated. Their rationale to hire in-house architects may be different than the others.

Secondly, information on architects hired by developers needs to be collected. A survey as comprehensive as possible may be conducted through sending out inquiries to development companies. The survey may include information on the size of the company, the size and value range of the projects completed by the company, the total number of employees, number of employees with architectural background, description of their architectural background (degree, licensed or not), their position in the company, their job description and annual salary, etc. This survey aims to probe that under what situation a developer would hire in-house architects, and how these architects are used. More personal interviews with these architects are especially helpful to explore why these architects decided to work for developers, and how they are satisfied or dissatisfied with their job.

Thirdly, further study on the impact of the involvement of these architects in the design process are necessary. A similar inquiry described above can be produced and sent to the architecture firms who had experience working with their client's architects. The inquiry should be designed to explore both the positive and negative impacts on the design process and the quality of design. Case studies are needed for those design processes which failed to carry out the projected objectives.

Fourthly, whereas this thesis only touches upon the cases of architectural mediators that are employed by developers, further studies ought to be carried on the role and function of architects working for nation-wide hotel chains, restaurant franchises and retail trade, construction companies, business corporations, universities, financial institutions and government of

all levels. These architects, to various degrees, participate in the development decision making, and present clients in the interaction with the architect.

Another category of architectural mediators work right inside the private architectural firms. Depending on the size and the structure of a firm, the architectural mediator can be one of the partners who is in charge of maintaining the relationship with certain clients of the firm, or an individual specialized in programming, communication or marketing. The mediator from the architectural firms is involved in the design process as much as the architectural mediator from the client side. The interaction between these mediators would be interesting to explore.

Lastly, since this study only discusses the situation when architects served as mediators, future research can probe the function of mediators from other fields, particularly those with engineering background. A comparative study between the architectural mediators and other background mediators would be constructive. In fact, during the research for this thesis, many practitioners and educators questioned the author about the similarity and difference between the functions of the project managers who are architects and those who are engineers.

There is far more stories than these pages can contain. These stories are like pieces of a puzzle, the more fractions of it are to be completed, the clearer the whole picture will appear. This study only assembles together pieces to build up a preliminary framework. The rest is left to the readers as well as the author for future exploration.

TABLES AND FIGURES

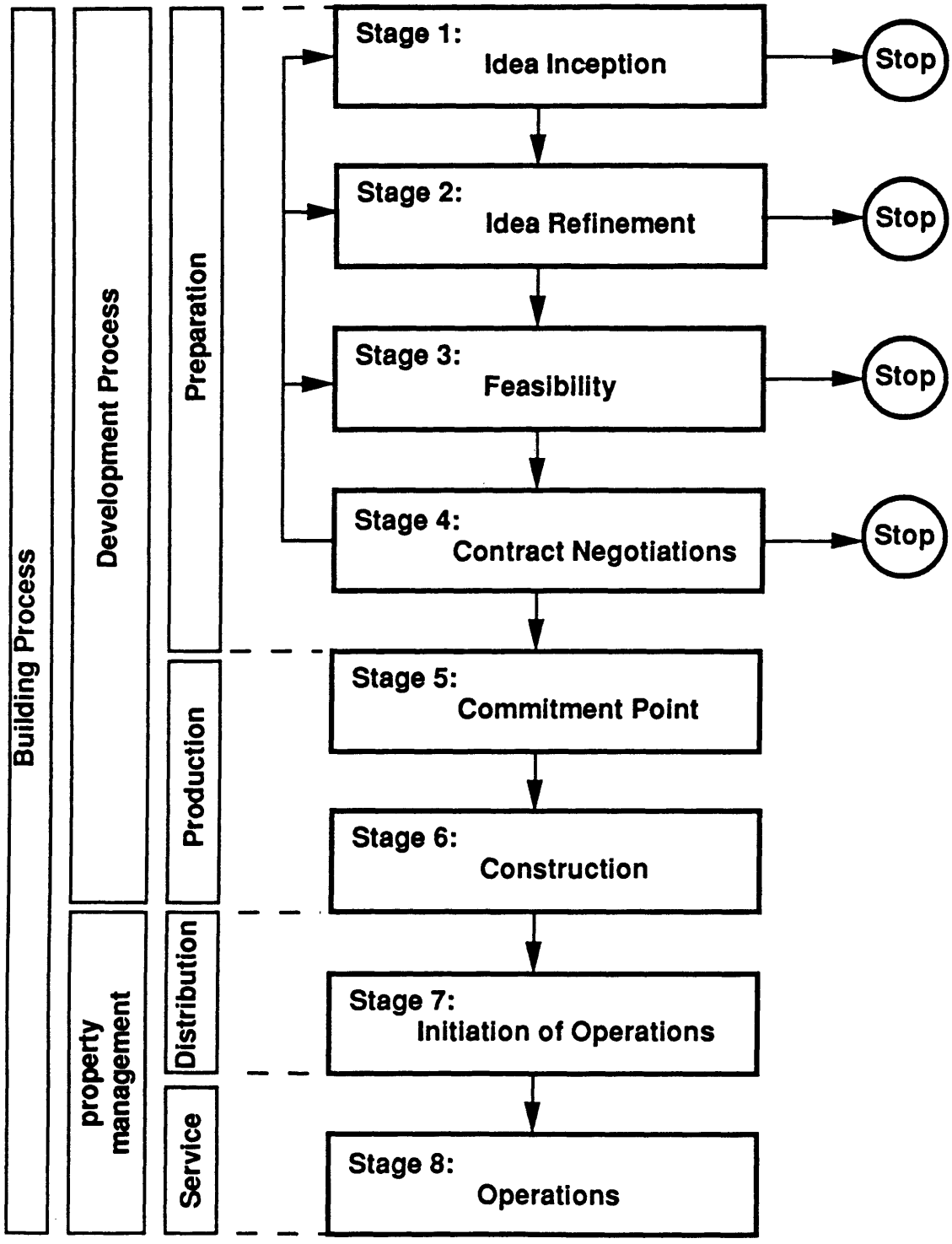


Figure 1.1 The Building Process

Reference: Modern Real Estate, by Charles Wurtzebach, Page 611

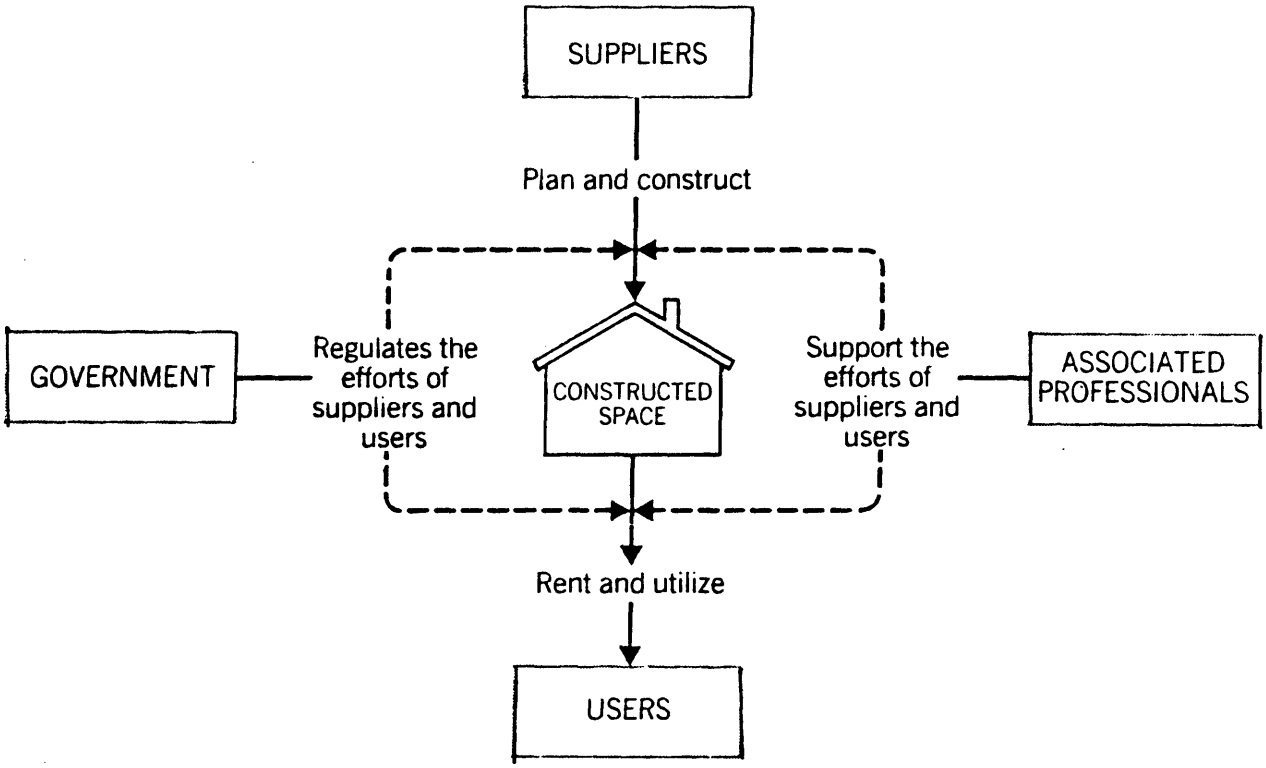


Figure 1.2 The Participants in the Real Estate Industry

Source: Modern Real Estate , by Charles Wurtzebach, Page 21

CONSUMER	SUPPLIER	GOVERNMENT	ASSOCIATED PROFESSIONALS
owners tenants visitors	developers architects engineers surveyors lending institutions contractors subcontractors craftsmen & their unions material manufactors manufactors' distributors maintenance staff property managers utility companies repairmen	building codes officials local zoning officials local building officials	lawyers real estate brokers title examiners land planners insurance companies tax assessors

Figure 1.3 The Participants in the Real Estate Industry

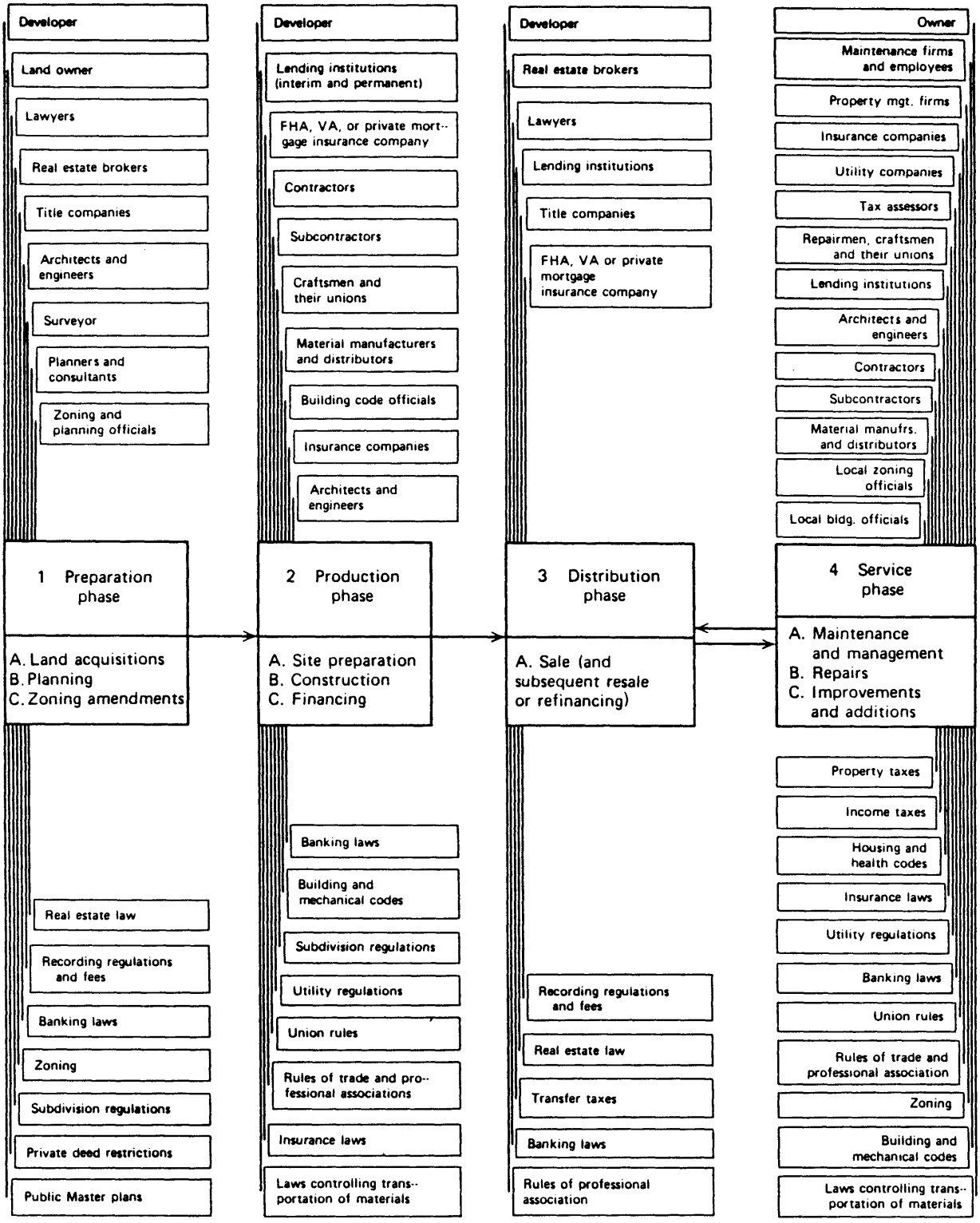


Figure 1.4 The Numerous Participants in a Housing Project

Source: The president's committee on urban Housing, A Decent Home, Washinton, D.C. Government Printing Office, December 1968, Page 115

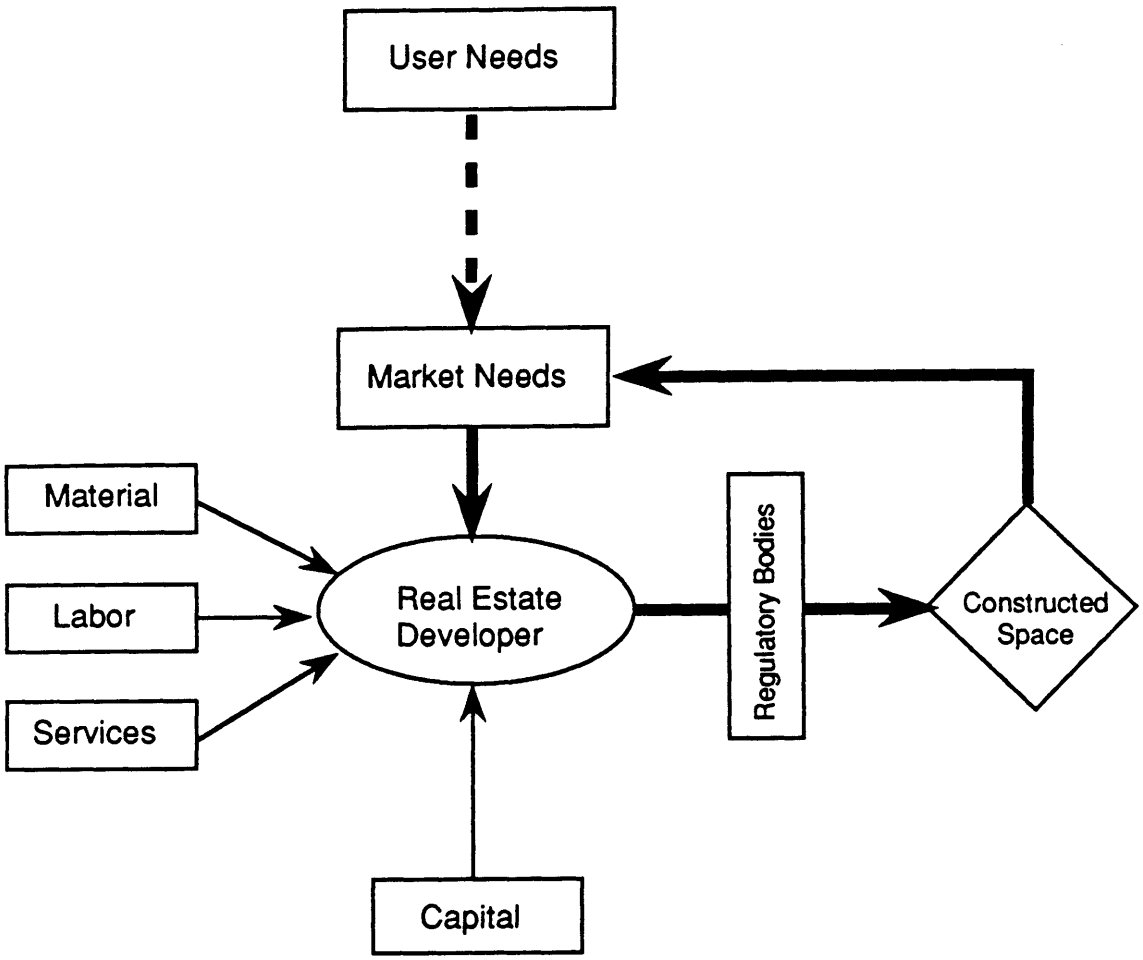


Figure 2.1 The Developer's Role in the Rea Estate Industry

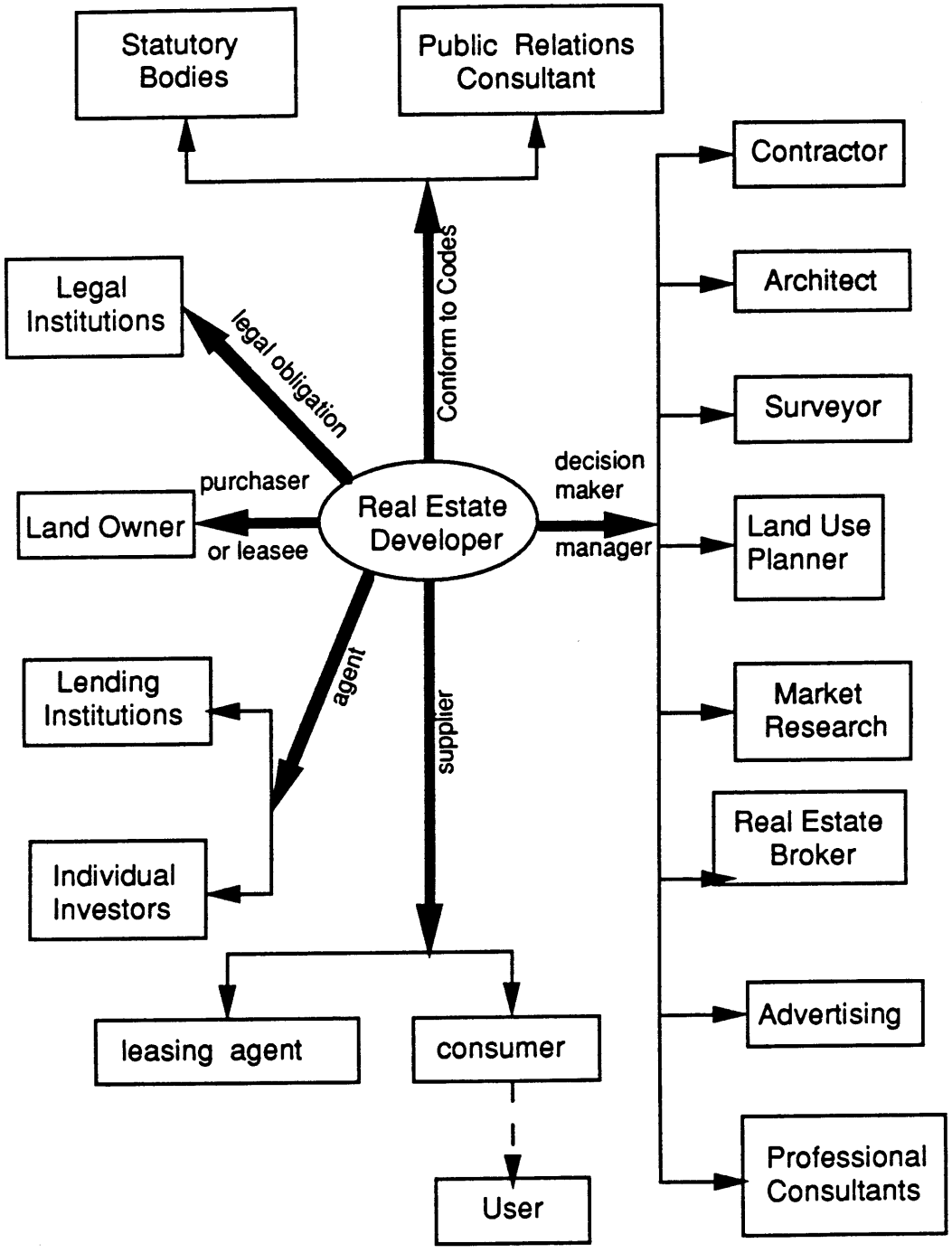
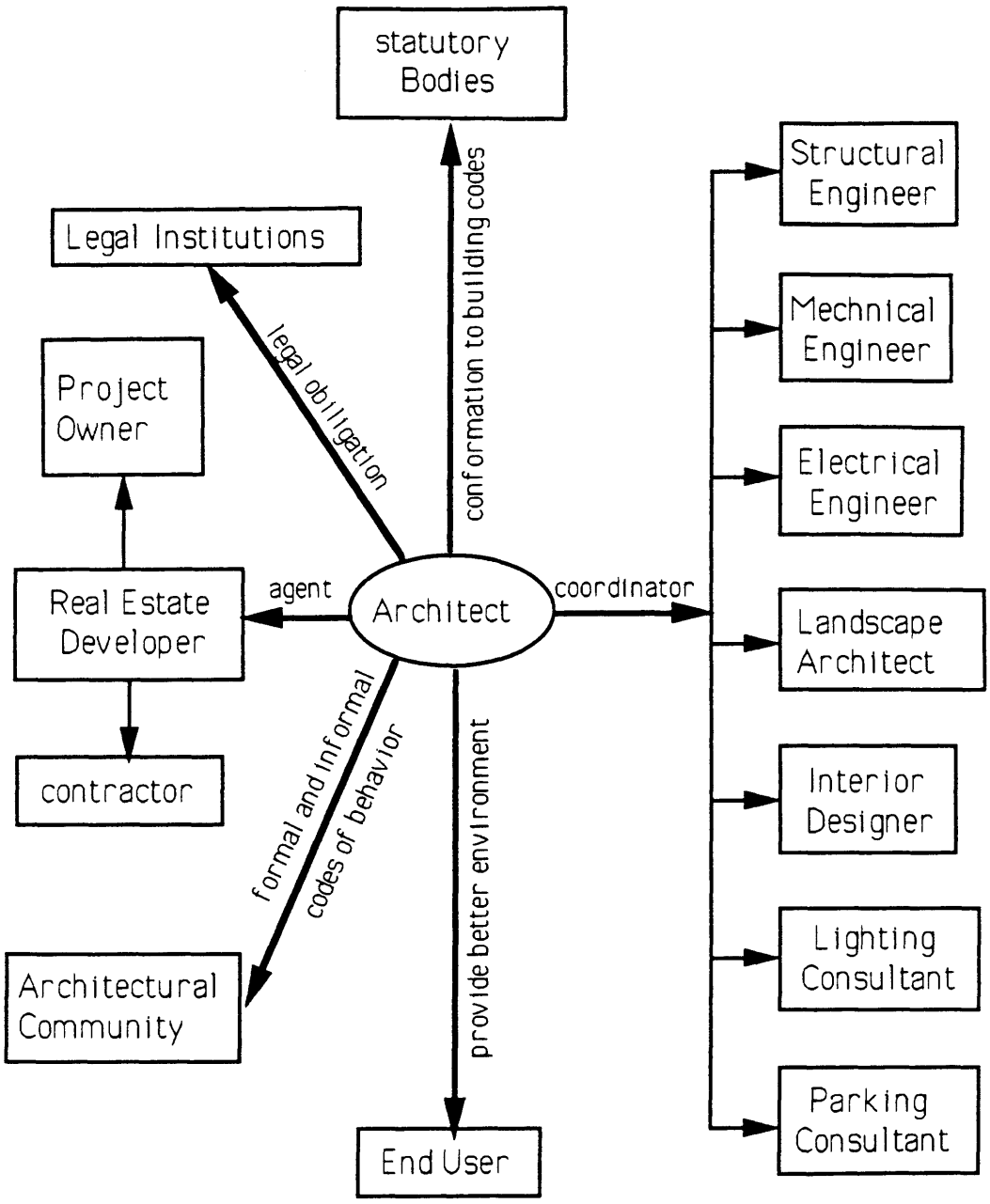


Figure 2.2 The Developer's Role in the Development Process



Figue 3.1 Architect's Role in the Real Estate Development Process

BIBLIOGRAPHY

BOOKS:

City of Cambridge, MA: EAST CAMBRIDGE RIVERFRONT PLAN. Cambridge City Council, May 1978.

City of Boston, Boston Redevelopment Authority: DEVELOPMENT REVIEW PROCEDURES

Coxe, Weld: MANAGING ARCHITECTURAL AND ENGINEERING PRACTICE. Van Nostrand Reinhold Company, 1980.

Cuff, Dana Charlene: NEGOTIATING ARCHITECTURE: A STUDY OF ARCHITECTS AND CLIENTS IN DESIGN PRACTICE. Berkeley: University of California, 1982

Derrington, Patrice: CONTROLLING QUALITY OF PROFESSIONAL PERFORMANCE IN ARCHITECTURAL PRACTICE. Berkeley: University of California, Ph.D. thesis, 1981

Foley, Patrick, Shaked, Avener and Sutton, John: THE ECONOMICS OF THE PROFESSIONS: AN INTRODUCTORY GUIDE TO THE LITERATURE

Gutman, Robert: ARCHITECTURAL PRACTICE: A CRITICAL VIEW. Princeton Architectural Press, 1988

Gutman, Robert: THE DESIGN OF AMERICAN HOUSING, A REAPPRAISAL OF THE ARCHITECT'S ROLE. Publishing Center for Cultural Resources, 1985

Harvard University: HARVARD ARCHITECTURE REVIEW - 6. Cambridge: Harvard University, Graduate School of Design, 1987

Hines, Mary Alice: PRINCIPLES AND PRACTICE OF REAL ESTATE. Richard D. Irwin, Inc. 1976

Jencks, Christopher and Riesman, David: THE ACADEMIC REVOLUTION. Doubleday and Company, 1968

Kidder, Tracy: HOUSE. Boston: Houghton Mifflin Company, 1985

Larson, Magli Sarfatti: THE RISE OF PROFESSIONALISM: A SOCIOLOGICAL ANALYSIS. Berkeley: University of California Press, 1977

Maister, David H.: LESSONS IN CLIENT-LOVING

McKenzie, Dennis J. and Betts, Richard M.: THE ESSENTIALS OF REAL ESTATE ECONOMICS. second edition. John Wiley & Sons Inc. 1980

MIT, CRED: THE HAHN LECTURE SERIES. MIT, CRED, 1986.

Portman, John & Barnett, Jonathan: THE ARCHITECT AS DEVELOPER. Mcgraw-Hill Book Company, 1976.

Reid, Esmond: UNDERSTANDING BUILDING, A MULTI-DISCIPLINARY APPROACH. The MIT Press, 1984

Ring, Alfred A. and Dasso, Jerome: REAL ESTATE PRINCIPLES AND PRACTICES. 10th edition. Prentio-Hall, Inc. 1985.

Sagalyn, Lynne and Gordon, Jacques N.: HORTON, SAN DIEGO, A CASE STUDY OF PRIVATE AND PUBLIC DEVELOPMENT. MIT, CRED thesis, 1985

Shenkel, Willam M.: MODERN REAL ESTATE PRINCIPLES. Business Publications, Inc. 1977

Smith, Adams: THE WEALTH OF NATIONS

Trump, Donald and Schwautz, Tony: TRUMP: THE ART OF THE DEAL. New York: Random House, 1988

Turner, Hamilton H.: ARCHITECTURAL PRACTICE AND PROCEDURE, A MANUAL FOR STUDENTS AND PRACTITIONERS. Six edition, B T Batsford Limited, 1974

Walton, Thomas: ARCHITECTURE AND THE CORPORATION, THE CREATIVE INTERSECTION. Macmillan Publishing Company,1988

Wurtzebach, Charles H. and Miles, Mike E.: MODERN REAL ESTATE. third edition. John Wiley & Sons, Inc. 1987.

PERIODICALS:

"AIA Firm Study Profiles U.S. Design Market" Building Design and Construction Nov. 1987

"AIA Survey of Compensation Levels for Architects" Architecture Oct. 1987

"Architects apart from Architecture (eight who pursue alternative careers)" Architecture July 1988

"Architect's Panel Say They Share Developer's Goals" National Real Estate Investor, March 1985

"Architects: what kind of people?" Progressive Architecture December 1985

"Award winning ideas for training in practice" Architecture August 1988

"Buildup---Chicago Booms with High-rise Construction and PRoposals for More" Inland Architect, Jan/Feb 1990

"BUS--Making sociology work for Architects (Building Use Studies Ltd)" RIBA Journal (Overseas Edition) Aug. 1984

"Collecting Your Dues" The Canadian Architect Jan. 1988

"Corporate Architecture" Progressive Architecture, June 1988

"Developers and Architecture" Progressive Architecture, July 1985

"Developers Should Broad Their Job Description" Nation Real Estate Investor, Dec. 1987

"Editorial: the best way to get fees, and salaries, up is to keep talking about it-- and working at it" Architectural Record Jan. 1985

"Entrepreneurial Influences in Shaping the American City" Essays in Urban land Economics in Honor of the Sixty-fifth Birthday of Leo Grebler 1966

"Free lance employees the wave of the future? " Architectural Record May 1988

"Good Design Pays, But What Is Good Design?" National Real Estate Investor, June 1984

"How to Make Client Interviews Successful (excerpts from Marketing for the small design firm)" Architectural Record Feb. 1985

"Incentive Programs will Improve Your firm's Performance" Architectural Record Oct. 1986

"J. Irwin Miller: Patron, Client, but Always a Businessman" Architecture June 1984

"Law: The Architect/Client Relationship" Progressive Architecture July 1986

"Management: the market for architects" Progressive Architecture July 1986

"Marketing Strategy may Compromise Professional Goals" Architectural Record Aug. 1988

"Mixed Feeling Over CAS Plans (Client Advisory service)" RIBA Journal (Oversee Edition) July 1985

"Negotiating Architect contract" Real Estate Review, Summer 1987, Fall 1987

"New Architecture Style Challenges Developers" National Real Estate Investor Feb. 1985

"Olivetti: a study in patronage" The Harvard Architecture Review 6 1987

"Owner Sues Architect on Building's High Cost" Engineering News Record July 1983

"Patronage (papers and dialogue from four seminars sponsored by H.A.R. in 1983-1984, 16 article anthology)" Harvard Architecture Review 6 1987

"P/A practice: can design leadership be managed?" Progressive Architecture July 1984

"P/A Reader Poll:Compensation" Progressive Architecture Oct. 1986

"P/A reader poll: career satisfaction" Progressive Architecture Feb. 1987

"Practice: Clients are the Angels of Invention", Architecture Record Aug. 1986

"Practice: why are architects on the defensive (AIA practice conference, Dallas)" Architectural Record March 1985

"Prospects for the profession (the AIA's Vision 2000 program)" Progressive Architecture Sep. 1988

"Quality Control in a Professional Firm" Management Review, Sep. 1986

"RIBA Spotlight the Clients' Advisory Service" Architect (Royal Institute of British Architects) Sep. 1987

"So you want to be an architect" Progressive Architecture June 1984

"The Architect's Role in the Development Process, Part II" New England Real Estate Journal March 14, 1989

"The changing world of architectural practice (P/A award in applied research)" Progressive Architecture Jan. 1988

"The Economics of Image Building" Building Design and Construction March 1989

"The Evolution of Architectural Practice" Architecture, Dec. 1987

"The Importance of Predesign (Avoiding design in a situation where most of the critical decisions have already been made)" The Canadian Architect, May 1987

"The Presentable Architect (Presentation Manner and Techniques)" The Canadian Architect April 1988

"Vision 2000: The architectural Profession's Outlook on the Future " Architecture Sep. 1988

"What are we going to do about profitability (1984 Financial performance surveys)" Architectural Record Dec. 1984

"What your client can do for you (Building owner's obligation to provide designer with complete information)" The Canadian Architect Sep. 1988