

CAGE POSITION STATEMENT ON THE PROCUREMENT OF ENGINEERING SERVICES ON THE BASIS OF QUALIFICATIONS (QUALIFICATIONS-BASED SELECTION)

Qualifications-based selection (QBS) is a negotiated procurement process for selection of services based on the service provider's qualifications and competence in relation to the work to be performed. Engineering services involve the exercise of professional judgment and creativity that are vital to a project's success. Providers of such services must not be treated as commodities to be selected on the basis of lowest price. Qualifications-based selection of geotechnical engineering services allows public and private owners to achieve successful projects, reduces project life-cycle costs, and protects public health and safety.

The use of QBS is a requirement for Architectural and Engineering (A/E) services for federally-funded projects (Brooks act of 1972) and for projects funded by the State of Colorado (mini-Brooks Bill CRS 24-30-1401 et. seq., 1988).

A typical QBS procurement involves:

- Solicitation of qualifications (RFQ) from interested parties,
- Creation of a short list based on evaluation of the received Statements of Qualifications (SOQs)
- Interviews of short-listed parties,
- Ranking of each firm/team, and
- Negotiation of a Scope of Work (SOW) and fee with the most qualified firm/team.

For small projects, the process can be streamlined. In its most basic form, QBS just means selecting the firm or team you think will provide your agency or company with the best value service based on their qualifications and experience. This is most likely not the firm that will propose the lowest fee, but is the firm that best understands your project needs and will provide a design that maximizes the effectiveness of the project and minimizes life cycle costs.

Simply put, in the QBS process, quality, innovation, efficiency, and timeliness are rewarded by fair fees and further opportunities. To the A/E, this results in profitability that pays for higher salaries of quality people who work efficiently. To the client, this results in VALUE by reducing the life-cycle costs of the project. It is a WIN-WIN system.

"An Analysis of Issues Pertaining to Qualifications-Based Selection," by Paul S. Chinowsky, PhD, of the University of Colorado, and Gordon A. Kinsley, PhD, of Georgia Tech University, presented the results of a study designed to quantify the impact QBS has had on projects.

- Overall, the QBS projects used for the study had a typical cost increase as measured by change orders of approximately 3% compared to 10% for non-QBS projects.
- Overall, the QBS projects used for the study experienced an average schedule slippage of 8.7% versus 10% for non-QBS projects. 60% of QBS projects experienced slippage of less than 3%.
- 93% of owners expressed the view that their projects using the QBS process were either highly successful or very highly successful. The professionals on these projects expressed a nearly identical rate of satisfaction.
- QBS projects were reported to be better at addressing societal issues such as sustainability and incorporated stakeholder concerns.

- The QBS process is noted for providing greater innovation and better protecting the intellectual property of the professionals, both of which improved the projects and their perceived success.

CAGE endorses the use of QBS for the procurement of geotechnical engineering services. For Federal- and State-funded projects, QBS procurement of A/E services is mandated, and any procurements not conforming to QBS should be brought to the attention of QBS Colorado or ACEC. CAGE members are encouraged to educate other government and private clients about the benefits of QBS. ACEC and QBS Colorado have educational publications to assist in client education, including a flyer presenting suggestions for QBS procurement for small projects.