



**Tier One**

# What Makes a Good Design Firm?

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How to select and what to avoid

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## EXECUTIVE SUMMARY

Establishing new supplier relationships is an expensive investment activity. The selection process itself does virtually nothing to increase profitability, and yet the choices involved can ultimately be fraught with risk. The key to maximizing productivity during this selection process is to set about it with the right criteria.

First, you need to ensure that the supplier is viable as a business over the long term. Your supplier should also be good at being in business – not just at engineering. Regardless how impressive their design skills, any firm that fails to demonstrate business savvy is unlikely to be viable over the long term. A business that is no longer there can't serve you.

Secondly, you need to make sure that the engineering skills of the supplier actually add up to *capabilities* that actually produce results. An analogy is useful here. When dining at a restaurant, the skill of the chef is certainly important. That skill goes to waste, however, if the hostess seats you in the wrong section, the wait staff garbles your order, and the air conditioner stops working while you wait. This analogy of performance capability is just as true for a design services business as it is for any other.

Finally, you should be certain that the capabilities of the design services supplier you select go *beyond* the present needs of your business. It is unlikely that a business plan requiring design services calls for stagnant product lines, flat sales, and no changes over time.

This paper addresses the right criteria to select a design firm. Applied properly, this approach will help you to reduce short term risks in working with a new supplier, and maximize the investment of your time spent with that supplier.

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*For the full text of this paper, contact Tier One today by sending an email request to [sales@tieronedesign.com](mailto:sales@tieronedesign.com), or by calling (678) 270-4030.*