



## ***BorgWarner and Studio B Architects***

*A lesson in successful collaboration*

***Business Week*** and ***Architectural Record*** magazines hold an annual competition in search of architects that truly and uniquely improved their client's business success. This case study evolved from our Studio B Architects, Inc./BorgWarner entry to the 2003 competition.

- It is a compelling story of success on every level of business and architecture. More importantly, it is a celebration of the collaboration and trust capable of producing such success.
- It provides keen insights to the purpose and value of the broad spectrum of architectural services and methodologies.
- Finally, it illustrates results and specific successes for the completed facility, for BorgWarner and, most importantly, the people who use it.

**Partnership:** ...an association formed often to share risk or expertise (American Heritage Dictionary)

Our business is to make our client's business better. At Studio B Architects collaboration with the owner is the chief tool in delivering to our clients facility solutions that improve their bottom line. Every facility program is the offspring of our client's strategic plan. Embracing that plan with a facility strategy makes each more powerful and successful.

**Studio B Architects, Inc.**, presents this case study of a very unique partnership between owner and architect that culminated in a highly successful research and development center in Auburn Hills, Michigan. The success of the **BorgWarner Powertrain Technical Center** and the success of the **BorgWarner** business strategy are testimony to understanding, trust, and empowerment forged between owner and architect.

BorgWarner was engaged in a traditional design path in which they were attempting to house three distinct divisions in a single facility. Studio B was brought on board to challenge traditional methods and develop innovative solutions. Their business and growth strategy inspired us to ask, "who do you want to be?" instead of "who are you?" As a new partner, Studio B quickly embarked on **a new mission, to first design and create an entirely new corporate culture** --one that would enhance their business strategy and radically change expectations for the new facility. The new culture was designed to be one of innovation, interaction, knowledge sharing and flexibility. A key element of the culture was to embrace the corporate Employee Value Proposition -- give people the tools they need, the authority to create, the responsibility to perform and the dignity to do it all with pride.

Our design process itself was an innovation, brought to the team by Studio B Architects, Inc. For a culture to succeed, the people themselves have to help shape it, mold it, define it, and ultimately embrace it. We used the programming and design process to engage every employee in the cultural shift. We formed participative teams at every level of the organization to explore, test, challenge, define, and create the new culture. Embracing the resulting culture was natural as every person was a part of making it. One team (with the Business Innovation Council, Baltimore, MD) benchmarked innovative environments throughout Corporate America. Another benchmarked tier-one automotive technical centers for cost, value, content, image, amenities and other qualities. Several others began independently programming the "labs" and "offices". Still others compiled the myriad technologies that could support the possible building solutions. Meanwhile, corporate teams of HR and financial experts evaluated ways to blend the disparate policies and methods employed by the merging business units. All of these actions were under the auspices of the Steering Committee, which was the visible partnership between Studio B and the highest element of corporate leadership at BorgWarner. The Steering Committee became the vehicle for synthesizing team results through budgetary and other "reality" filters. Studio B then disseminated the results and new challenges in the next level of programming and design. Our presence on the Steering Committee spoke volumes of the **value and trust** that the owner placed in our input and decision-making as a partner. The process brought ownership of the culture to all participants to the point where cultural "shifts" began even before we purchased a final building site.

**Benefits of the initial *Strategic Partnership* activities:**

<u><b>Strategic Services and Tasks</b></u>	<u><b>Results</b></u>
<ul style="list-style-type: none"><li>• Cultural Programming</li><li>• Downsizing, Efficiencies, &amp; Consolidation</li><li>• Short vs. Long Term Needs</li><li>• Integrate BOD strategy with IT and Facility Strategies</li><li>• Site Search, evaluations, yields, FARs</li><li>• Facility Audits</li><li>• Business Plan coordination and Lease/Purchase decisions</li><li>• Schedules/Critical Paths and determination of Needs vs. Wants</li></ul>	<ul style="list-style-type: none"><li>• Clear Corporate Direction ...<b>No Confusion</b></li><li>• Buy-in by all Team members and employees...<b>No Excuses</b></li><li>• Benchmark for all future value-based revisions...<b>No Gray Areas</b></li><li>• Actual accounting of project criteria and requirements...<b>No Wish Lists</b></li><li>• Clear understanding of how big, how much...<b>No Guesses</b></li><li>• Contingencies IN the budget ...<b>No Surprises</b></li><li>• Test Value vs. Funding ...<b>No Undercapitalization</b></li><li>• Ownership by all responsible parties...<b>No Hiding</b></li></ul>

**Value:** ...the life-giving power of anything (John Ruskin)

Studio B brought value to the partnership. With parameters of the new culture clearly defined and programming needs evolving from the extensive interviews and workshops, it was time to find a site. Working closely with guidance from BorgWarner’s Corporate Controller, we pursued possible site acquisitions with our client’s identity in total anonymity. This was crucial towards obtaining a signature parcel of land at the best possible price without incurring the costs of realtors and other go-betweens. This value service alone saved our client close to a million dollars.

Value provided by Studio B in this owner/architect partnership and in any other partnership can be measured in the services provided against the results and savings realized when we ultimately turn over the keys. In this case study, the value services we provided our partner included:

<u>Value Services</u>	<u>Results</u>
<ul style="list-style-type: none"> <li>• Headcount, adjacencies and area calculations</li> <li>• Mission Statement development</li> <li>• Activities matrix</li> <li>• Business Plan criteria determining Goals, Facts, Needs and Wants</li> <li>• Master Project Schedule and critical path</li> <li>• Accountability, Task Lists and subtasks</li> <li>• Milestones, Deadlines and funding dates</li> <li>• Identify total project costs—not just building construction</li> <li>• Costs of options and choices along the way</li> <li>• Value engineering, historical databases, and bid expectations</li> <li>• Due diligence on site purchase</li> <li>• Lead project through myriad government approvals</li> <li>• Prequalify bidders</li> <li>• Assess bids, negotiate and administer contracts</li> </ul>	<ul style="list-style-type: none"> <li>• Clear understanding of how big and how much...<b>No Guesses</b></li> <li>• Buy-in by all team members and employees ...<b>No Excuses</b></li> <li>• Benchmark for all future value-based revisions ...<b>No Gray Areas</b></li> <li>• Actual accounting of project criteria and requirements... <b>No Wish Lists</b></li> <li>• Validate move-in and other critical dates ... <b>No Tardiness</b></li> <li>• Ownership by all responsible parties ... <b>No Hiding</b></li> <li>• Reality check for unrealistic claims ... <b>No Misleading Statements</b></li> <li>• Proper requisitions for funds...<b>No Returning to the Board</b></li> <li>• Measure program criteria against costs ...<b>No Buy-Now-Pay-Later</b></li> <li>• Continuous test of values vs. total funding...<b>No Undercapitalization</b></li> <li>• Know all the facts re codes, regulations and other financial impacts before buying the land ...<b>No Surprises</b></li> <li>• Smooth approvals in a timely manner... <b>No Delays</b></li> <li>• Get what you pay for... <b>No Cost Overruns</b></li> <li>• Solid contractual responsibilities ... <b>No Finger pointing</b></li> </ul>

***Success is the child of audacity (Benjamin Disraeli)***

At Studio B we **dare to be bold**. We dare to evoke emotion from our clients and partners. We challenge them to think beyond the way they may be accustomed to thinking. We are more than architects. We are business partners. Because of this our projects exceed simple success. They help our partner's business succeed. Success is not a goal, it is a result of the values we bring to the partnership.

As you scan this case study of our recent success story, watch how the tech center became an offspring of the bold partnership that never lost sight of the program objectives. As a result, we provided the owner with both planned for and even unexpected successes:

- **A stronger singular Corporate image in the marketplace**
- **A stronger singular Corporate image within employees**
- **Empowerment of employees within the culture**
- **A building as a powerful marketing tool**
- **A building that enables the culture to thrive**
- **Stronger employee pride and morale**
- **Cost reductions due to consolidated and shared services**
- **Cost reductions from shared resources and test cells**
- **Expanded capabilities and expertise**
- **Expanded cross-business opportunities**
- **New business opportunities**
- **Expanded knowledge-sharing**
- **New patents and innovations**