

Why Design Leadership Matters

*How Owners Can Reduce Risk and Increase
Strategic Control by Structuring Alignment
Early in the Project Planning Process*

A Perspective on Owner Process Leadership
and the Future of Project Planning and Execution

By Tom Richert
RisingTerrain LLC



RisingTerrain | NorthTrack™ Framework

www.risingterrain.com

Contact: tom.richert@risingterrain.com

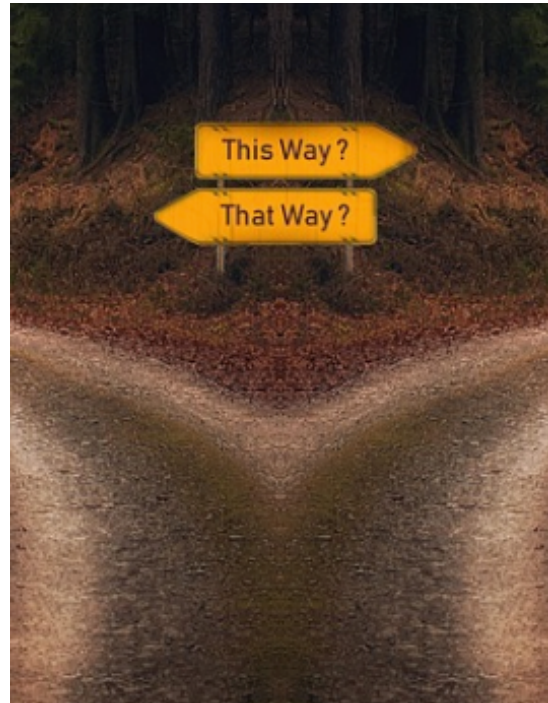
How Owners Can Reduce Risk and Increase Strategic Control by Structuring Alignment Early in the Project Planning Process

From Optimism to Redesign

Too often, building projects start with optimism and end with redesigns.

Teams begin with inspiring ideas and sketches. Budgets are declared. Most team members are quietly hopeful the numbers will hold. A few less optimistic members know they may need to resort to value-engineering the design, losing time and compromising design intent.

A common result is months of work that must be reworked — or abandoned entirely.



This is what happens when teams design to an expectation that transforms into **hope**, rather than the **target**. And in a time of growing complexity, being able to focus on a clear cost target throughout the design process is vitally important.

The Owner's Need to Retain Process Leadership

Most capital project owners have been conditioned to believe they are exercising leadership when they define the budget, identify strategic needs, and hire a capable architect. But this leadership moment can easily be dissipated once the design process begins. The owner's influence can easily become diffused — sometimes lost entirely — as creative momentum takes over and assumptions regarding constructability and costs multiply.

The result? Projects drift.

Not because anyone is acting in bad faith, but because no one is actively leading alignment as the design evolves. Teams prioritize their own domain-specific concerns. Intentions get translated and reinterpreted through layers of documentation, procurement procedures, and tacit compromise. Costs drift upward. Schedules stretch. The built result may still look good — but it no longer functions as intended or delivers the expected return.

Owners rarely intend to cede leadership. But without a structured design leadership function — one that prioritizes owner interests while enabling interdisciplinary alignment — owners often discover late in the design process and even during construction critical decisions made without their direction.

A Changing Landscape of Complexity and Risk

In *Wiring the Winning Organization*, Gene Kim and Steven Spear describe how successful organizations develop “dynamic learning” capabilities that allow leaders to sense problems early, respond rapidly, and adapt as complexity increases. They argue that traditional command-and-control structures cannot keep pace with modern challenges — and that distributed decision-making, real-time feedback, and visible systems are essential.

These lessons translate powerfully to building design.

Capital projects are not “draw-and-build” exercises. They are interdependent systems of architecture, engineering, technology, sustainability, operations, and user experience — all competing for space in a single design. The design phase is not just creative — it is **strategic**. And in this environment, a lack of structured leadership during design is inefficient, and entails significant risk.

Why Design Leadership Matters

A RisingTerrain Special Report

Risk in capital projects comes from:

- Late discovery of cost and constructability issues
- Poor alignment between intent and execution
- Rework caused by siloed decisions
- Unexamined trade-offs between value and feasibility
- Misinterpretation of the owner's core goals

Each of these risks accumulates when there is no one tasked with leading **design impact alignment** — that is, the continuous alignment between design decisions and the project's strategic, financial, and operational goals.

What Design Teams Are Missing

Great teams don't just collaborate — they commit.

And that kind of commitment requires more than goodwill or shared meetings. It requires a leadership process that makes expectations visible, assumptions testable, and trade-offs navigable in real time.

This kind of structured alignment cannot be achieved by simply assigning more scope to the architect or inviting the builder into meetings earlier. While both are helpful, they do not resolve the core challenge: complex design work requires **leadership across domains**, not just within them.



A design team without this leadership often lacks:

- A shared definition of success
- Clarity on which decisions are strategic vs. tactical
- Timely feedback from downstream experts
- The psychological safety to surface concerns early
- A process for converging on cost, performance, and value simultaneously

Leadership alignment provides the backbone for these conditions. It transforms passive coordination into **active convergence**.

Target Value Delivery: A Powerful Framework, Often Incompletely Applied

Target Value Delivery (TVD) offers one of the most promising frameworks for aligning design with value — giving owners a structured way to lead teams toward outcomes that are both aspirational and feasible. At its best, TVD ensures that cost is not a constraint applied after the design, but a force that shapes design from the beginning.

But in practice, few project teams implement TVD with the rigor it demands.

Despite wide adoption of the language, most TVD efforts fall short of their potential. The reasons are not technical — they are cultural and organizational. TVD leadership is a skillset, and one that most architects and preconstruction professionals have not been trained to lead.

Common shortcomings include:

- **Colocation focused on meetings, not collaborative design work** — Time spent together often becomes passive coordination rather than active production.
- **Lack of true continuous estimating** — Cost feedback is sporadic, not continuous, which delays the surfacing of budget issues.
- **Unstructured design workflow** — Teams lack a strategic plan for how design activities should sequence, synchronize, and converge toward decisions.

- **Weak decision-making frameworks** — High-stakes choices are delayed, dominated by the most vocal participants, or revisited repeatedly.

Without skilled leadership, TVD risks becoming a checklist — or worse, a veneer of lean principles applied to a conventional design process.

Owners should understand that TVD is not self-executing. It must be enabled by leadership practices that bring clarity, intention, and rigor to every phase of design. When owners secure Owner Process Leadership support early, TVD can function as intended: not just as a cost-control mechanism, but as a process of shared creativity grounded in shared responsibility.

The Hidden Cost of Design Drift

In capital projects, drift is expensive — but often invisible.

You won't see it in the first month. You may not see it until construction. But its signs are always the same:

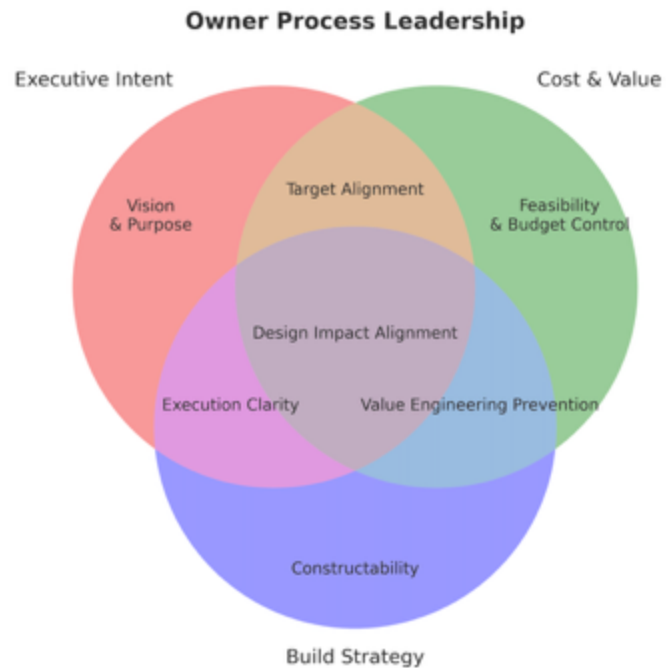
- Meetings that revisit previously “decided” issues
- Growing disconnect between documents and strategy
- Budget gaps that emerge without clear explanation
- Stakeholder confusion about priorities
- Friction between disciplines that slows progress

These issues aren't flaws in the people — they're symptoms of **unstructured decision environments**.

Owner Process Leadership Is a Strategic Investment

Most owners invest heavily in design talent and preconstruction services. In comparison, an investment in **Owner Process Leadership** is relatively modest yet yields big results. This leadership provides the structure that helps the many disciplines supporting building design work together in the owner's interest.

This role enables owner leadership in the following ways:



- **Clarity of Executive Intent** — ensuring the project team understands not just what is being built, but why it matters.
- **Early Feedback Loops** — integrating builder insight before assumptions are locked in, reducing redesign and rework.
- **Risk Surface Mapping** — identifying invisible risks (e.g., scope creep, user misalignment, technical trade-offs) before they become embedded.
- **Strategic Convergence** — creating the conditions for design, construction, and financial goals to reinforce rather than contradict each other.

Owner Process Leadership is not in competition with architects or builders. It supports them — and supports the owner by keeping the project aligned with its intended trajectory. When owners assume alignment will happen organically, they invite risks. When they structure it intentionally — through process leadership — they convert risk into opportunity.

For Owners, Design Process Leadership is Not About Control — It's About Clarity

There's a common misconception that leadership in design requires command and control. Rather, clarity is the most important requirement of design leadership.

When owners bring in a process leadership partner early — ideally when developing the project business case and before hiring the architect — they don't reduce the autonomy of the design team. They **increase its ability to perform** within clear parameters of value, intent, and constructability.

Process leadership gives owners the leverage to shape the project before inertia sets in. It ensures that the people you've hired for their creativity and expertise are all solving the **same problem** — not parallel ones.

From the Beginning

Owners must address a key question—**how** best to structure their leadership of the project.

Structured leadership doesn't mean having all the answers. It means establishing the conditions in which the right answers emerge early, collaboratively, and with accountability.

As a project begins, owners may consider the following questions:

- How early in the project did we establish clarity on what success looks like — from all key stakeholders' perspectives?
- What structure exists to ensure that evolving design decisions stay aligned with our strategic intent?
- If using Target Value Delivery, who is actively and correctly leading the implementation?

Why Design Leadership Matters

A RisingTerrain Special Report

- Who is accountable for maintaining alignment between cost, purpose, and constructability — and do they have the authority and skills to do so?
- How will we know when assumptions are driving design instead of confirmed requirements or constraints?
- Are we depending on individual professionals to self-coordinate, or have we invested in structured leadership of alignment?
- What signals will tell us that drift is happening before it becomes visible in budgets or timelines?
- Have we created the conditions for productive disagreement early, so that we can avoid disruptive conflict later?

These are not abstract questions. They shape the reality of every design process. The earlier they are asked — and answered with intention — the greater a project's ability to deliver on its true purpose.

About RisingTerrain

RisingTerrain provides Owner Process Leadership services that help capital project owners structure and sustain alignment from the earliest stages of development through building occupancy. Our work extends beyond traditional design or construction support to include strategic process leadership at every phase of the project lifecycle — from business case development and team selection to Target Value Delivery and operational readiness.

By focusing on alignment, clarity, and early integration, we reduce risk, accelerate decisionmaking, and improve the ability of architects, builders, and stakeholders to deliver lasting value. Owner Process Leadership protects the project's purpose. This ensures teams don't just design and build correctly — they design and build what the owner truly wants and needs. To learn more about Owner Process Leadership contact Tom Richert at tom.richert@risingterrain.com.