

# WWRGD Architecture Design Risk Scoring Matrix

WWRGD

Worldwide Retail Growth & Development

ARCHITECTURE & DESIGN VENDOR RISK SCORING MATRIX

Quantitative Risk Evaluation Framework for Architecture & Design Vendors

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Classification

WWRGD-RSM-AD-001

v1.0

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CONFIDENTIAL

## SCOPE & PURPOSE

This matrix provides a standardized, quantitative framework for evaluating Architecture & Design vendor risk. It applies to all A&D firms bidding on or engaged in architectural design, interior design, store planning, MEP engineering, structural engineering, sustainability consulting, and construction documentation services for WWRGD. The 400-point scoring system, six weighted risk categories, and four-tier risk classification enable consistent, defensible, and comparable vendor assessments across the WWRGD project portfolio. This document is the companion scoring guide to the WWRGD Architecture & Design Vendor RFI (WWRGD\_Architecture\_Design\_Vendor\_RFI.xlsx).

## SECTION A: Critical Risk Indicators (Automatic Disqualification)

A "Fail" on any indicator requires immediate escalation to VP/Executive level before proceeding with scoring.

#

Critical Risk Indicator

Threshold / Disqualifying Condition

Status

1

Active Litigation

Pending or active litigation exceeding \$5,000,000

& Pass / & Fail

2

Regulatory / Professional Board Violations

Willful or repeat violations; professional license revocation or suspension; building code violations resulting in injury or structural failure

& Pass / & Fail

3

Financial Distress

Negative operating cash flow for 2+ consecutive years; covenant violations; bankruptcy filing

& Pass / & Fail

4

## Debarment Status

Any active federal, state, or local debarment or exclusion

& Pass / & Fail

5

## Safety Metrics

EMR > 1.2 or TRIR > 3.0 (for firms with site/field operations)

& Pass / & Fail

6

## E&O / Insurance Capacity

Professional liability (E&O) or general liability insurance insufficient for engagement scope

& Pass / & Fail

7

## License Status

Expired, suspended, or revoked professional licenses (RA, PE, AIA) required for project work

& Pass / & Fail

## SECTION B: Weighted Risk Categories

### Risk Category

Weight

Max Score

Rationale

### Financial Stability

25%

100 pts

Highest impact on project completion ability and long-term firm viability; E&O insurance capacity critical for design liability

### Safety Performance

20%

80 pts

Site safety during field surveys and construction observation; workplace safety; professional liability exposure

### Quality / Performance History

20%

80 pts

Design quality, code compliance track record, construction document accuracy, client satisfaction, and project delivery performance

### Operational Capacity

15%

60 pts

Staff depth in licensed professionals, concurrent project capacity, scalability, and key-person dependency risk

### Compliance Record

10%

40 pts

Professional licensing compliance, building code expertise, ADA compliance, regulatory history, and third-party certifications

Technology Capabilities

10%

40 pts

BIM/Revit proficiency, 3D visualization, VR/AR, sustainability modeling, collaboration platforms, and cybersecurity posture

TOTAL

100%

400 pts

Maximum Composite Score

### SECTION C: Detailed Scoring Rubrics (1–4 Scale)

#### C1. Financial Stability — 25% Weight

Score

Level

Criteria

4

Excellent

D/E ratio < 0.5; strong positive cash flow all 3 years; E&O insurance >150% of engagement value; audited financials with clean opinion; diversified client base (no single client >25% of revenue); consistent revenue growth

3

Good

D/E ratio 0.5–1.0; adequate positive cash flow; E&O insurance meets engagement requirements; audited or reviewed financials with minor findings; stable revenue

2

Fair

D/E ratio 1.0–2.0; inconsistent cash flow; E&O coverage meets minimums but limited headroom; some financial concerns; flat or declining revenue

1

Poor

D/E ratio > 2.0; negative cash flow; E&O insurance gaps; significant financial stress; declining revenue; adverse audit findings

#### C2. Safety Performance — 20% Weight

Score

Level

Criteria

4

Excellent

Zero workplace incidents in 3 years; comprehensive site safety protocols for field surveys and construction observation; documented safety training program; proactive safety culture; zero professional liability claims in 5 years

3

Good

Rare workplace incidents; documented site safety procedures; regular safety training; minor professional liability claims resolved without adverse findings

2

Fair

Occasional incidents; basic safety compliance; limited site safety documentation; some professional liability claims with moderate settlements

1

Poor

Pattern of workplace incidents; inadequate safety program; significant professional liability claims or malpractice findings; OSHA violations

### C3. Quality / Performance History — 20% Weight

Score

Level

Criteria

4

Excellent

On-time delivery >95%; CD error/omission rate <2%; design revision rate <3 major revisions per project; client retention >90%; CPI >0.95; SPI >0.95; industry design awards; zero code compliance failures

3

Good

On-time delivery 90–95%; CD error rate 2–5%; 3–5 major revisions per project; client retention 75–90%; CPI 0.90–0.95; positive references; documented QA/QC process

2

Fair

On-time delivery 80–90%; CD error rate 5–10%; frequent revisions; client retention 60–75%; CPI 0.85–0.90; mixed references; basic quality processes

1

Poor

On-time delivery <80%; CD error rate >10%; excessive revisions causing project delays; client retention <60%; terminated contracts; code compliance failures; no formal QA/QC

### C4. Operational Capacity — 15% Weight

Score

Level

Criteria

4

Excellent

Capacity utilization <70%; deep bench of licensed architects and engineers; proven scalability; multiple office locations; documented succession planning; low staff turnover (<15%)

3

Good

Capacity utilization 70–85%; adequate licensed staff for proposed work; some scalability demonstrated; key-person backup plans in place

2

Fair

Capacity utilization 85–95%; limited licensed staff depth; key-person dependency risk; limited scalability; staff turnover concerns

1

Poor

Capacity utilization >95%; critical shortage of licensed professionals; single points of failure; high staff turnover (>30%); overextended across projects

C5. Compliance Record — 10% Weight

Score

Level

Criteria

4

Excellent

Zero regulatory violations in 5 years; all professional licenses current across all jurisdictions; proactive compliance program; ADA compliance expertise documented; third-party certifications (ISO, LEED, WELL)

3

Good

Minor violations only with prompt remediation; all licenses current; documented compliance program; regular ADA training; some third-party certifications

2

Fair

Some violations with remediation in progress; occasional license lapses (corrected); basic compliance meeting minimum requirements; limited ADA expertise

1

Poor

Significant violations; professional board disciplinary actions; license suspensions; inadequate compliance program; ADA compliance failures on past projects

C6. Technology Capabilities — 10% Weight

Score

Level

Criteria

4

Excellent

Advanced BIM (Revit LOD 400+); photorealistic 3D rendering; VR/AR design review capabilities; energy modeling (EnergyPlus/eQUEST); SOC 2 or ISO 27001 certified; Procore/BIM 360 proficiency; digital twin deliverables; clash detection expertise

3

Good

Standard BIM (Revit LOD 300); quality 3D visualization; basic energy modeling; documented cybersecurity policies;

standard collaboration platforms; adequate reporting

2

Fair

Limited BIM adoption (LOD 200 or below); basic 3D capabilities; no energy modeling; minimal cybersecurity measures; fragmented collaboration tools

1

Poor

2D CAD only; no BIM capability; no 3D visualization; no sustainability modeling tools; no cybersecurity program; paper-based document management

#### SECTION D: Risk Level Definitions

Composite Score

Risk Level

Color

Decision Framework

320–400 pts (80–100%)

LOW RISK

☑ GREEN

APPROVE — Category Manager / L6/L6 authorization; standard MSA terms; routine monitoring

240–319 pts (60–79%)

MEDIUM RISK

☑ YELLOW

CONDITIONAL APPROVAL — Executive Leader/L7 authorization; enhanced monitoring; quarterly reviews

160–239 pts (40–59%)

HIGH RISK

☑ ORANGE

EXECUTIVE REVIEW REQUIRED — Director/L8 authorization; weekly reporting; dedicated oversight

< 160 pts (< 40%)

CRITICAL RISK

☑ RED

NOT RECOMMENDED — Disqualify; formal rejection letter; 12-month waiting period for re-application

#### SECTION E: Calculation Methodology

Step

Description

Step 1

Screen for Critical Risk Indicators — Review all 7 indicators in Section A. Any single Fail triggers automatic escalation. Do not proceed with scoring until Section A is complete.

Step 2

Score Each Category (1–4 Scale) — Using rubrics in Section C, assign a score for each of the 6 risk categories. Document evidence basis.

Step 3

Apply Category Weights — Multiply each category score by its weight percentage × 100 to calculate weighted score.

Step 4

Calculate Composite Score — Sum all 6 weighted scores. Maximum achievable is 400 points.

Step 5

Map to Risk Level — Using Section D thresholds, identify risk tier and apply decision framework from Section F.

WORKED EXAMPLE — Architecture & Design Firm Evaluation

Scenario: WWRGD is evaluating DesignCo Architects, a mid-market architecture firm, for a retail store design program. Section A Result: All 7 CRIs passed.

Risk Category

Score (1–4)

Weight

Weighted Score

Score Basis

Financial Stability

3

25%

75 pts

D/E ratio 0.6; E&O coverage adequate; reviewed financials; stable revenue

Safety Performance

4

20%

80 pts

Zero incidents 3 years; comprehensive site safety; zero liability claims

Quality / Performance

3

20%

60 pts

On-time 92%; CD error rate 4%; client retention 85%; CPI 0.93

Operational Capacity

3

15%

45 pts

Utilization 75%; 8 licensed architects; adequate bench strength

Compliance Record

4

10%

40 pts

Zero violations; all licenses current; LEED AP on staff; ISO certified

Technology Capabilities

3

10%

30 pts

Revit LOD 300; good 3D viz; basic energy modeling; Procore proficient

COMPOSITE TOTAL

100%

330 pts

LOW RISK — Green Tier

RESULT: DesignCo scores 330/400 (82.5%), placing it in the LOW RISK (Green) tier. Category Manager / L6 may approve under standard MSA terms.

SECTION F: Decision-Making Framework

Risk Level

Approval Authority

Required Actions

Contract Enhancements

LOW RISK 320–400 pts

Category Manager / L6

Standard due diligence; annual re-scoring; quarterly business reviews

Standard MSA terms; standard E&O requirements

MEDIUM RISK 240–319 pts

Executive Leader / L7

Enhanced monitoring; quarterly reviews; semi-annual re-scoring

Performance guarantees; enhanced E&O requirements; milestone-based payments

HIGH RISK 160–239 pts

Director / L8

Weekly reporting; dedicated oversight; monthly re-scoring

Increased retainage; reduced scope; mandatory peer review of all deliverables; enhanced E&O

CRITICAL RISK < 160 pts

DISQUALIFY

Issue formal rejection letter; document basis; 12-month waiting period

N/A — No engagement permitted

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