staff and has a fee income of over $150 million. At the bottom of the list are 17 firms that employ no more than 10 interior designers and whose annual income is mostly less than $5 million. U.S. firms take the top seven rankings worldwide. There are 55 U.S. firms in the top-100 list and 25 UK firms. No other country can boast more than 3.

Unlike accountants and management consultants—the top firms in these professions are household names, notorious for their ubiquity—and unlike even advertising agencies and product designers, the vast majority of interior designers and architects really do still seem to prefer to work locally. Perhaps they find it difficult to transcend the tight boundaries of national contractual and regulatory frameworks, of local building practices and materials, in order to deliver architectural and design services intercontinentally to clients, many of whom in this era of mergers and acquisitions, are rapidly globalizing. It takes a very particular kind of design practice to succeed internationally and an even more particular kind of practice to combine international reach with substantial, in-depth, local capability.

This chapter addresses the changes that must be made in the delivery of architectural and interior design if the emerging demands of international clients are to be met. The experience described in this chapter is entirely of office design, but the same conclusions apply, *mutatis mutandis*—with the suitable or necessary changes—to other great areas of potential growth for international design, such as retail and sports facilities.

HOW INTERNATIONAL CORPORATE REAL ESTATE HAS DEVELOPED

In the 1950s, office architecture was already being used by certain globalizing businesses to establish their brands internationally. Interior design was being used, even more frequently, for the same purpose. International organizations also frequently used design standards for internal reasons—e.g., to reinforce corporate values in order to buttress corporate discipline. These were the two commercial motives that, from the 1950s right through the 1970s, shaped the classic design programs of such exemplary commissioners of international design services as IBM and Olivetti. Corporate real estate centers imposed the highest design standards on acquiescent, international

branch offices, standards that were vetted by designers of the caliber of Eliot Noyes and Ettore Sottsas, and maintained by elite teams of highly skilled, in-house project managers.

Such enlightened design programs, of course, were always exceptional in office design. Cost control and variety reduction, following a logistical, quasi-military model, were much more frequent determinants of the quality of international corporate real estate. The chief instrument by which these more humdrum objectives of international corporate control were achieved was by imposing so-called corporate standards, volumes of rules, specifications and procedures, written, as it were, randomly in diverse locals and rolled out, it has to be said, without much discrimination or local sensitivity, everywhere from China to Peru. Since the beginning of the 1980s, corporate standards have tended to become ever more functional and cost driven. The growing bias toward distancing corporate real estate from strategic business considerations has been encouraged over the last two decades by the increasing professionalization of facilities management and, even more recently, by the ever more popular corporate habit of outsourcing all noncore service functions, including real estate and facilities management. This is the entirely logical, and probably inevitable, consequence of stripping property assets off company balance sheets in order to concentrate capital on what were thought to be essential business objectives.

The Linkage Between Design and Corporate Strategy

Design is likely to become more rather than less important to international business. Today, at the beginning of the knowledge-based economy, real estate, buildings and interiors, can be used more powerfully than ever before as instruments of technological and cultural change. Office design is becoming, at least in a growing number of leading businesses, intimately related to corporate strategy. The paradox is that, as the working environment becomes potentially more and more useful and central to business at the highest level, the operational day-to-day practice of corporate management of real estate has become ever more detached from strategic intent. In many organizations the use of design for strategic business purposes has effectively been ruled out by formulaic cost-cutting procedures. For example, outsourcing corporate real estate, however attractive for short-term financial and administrative reasons, more or less completely divorces it from direct managerial control—and sometimes blots it totally out of managerial awareness,