# MCX



**Member Communication Experience** 

## Six Advantages of Integrated Project Delivery

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Designing and building complex projects is really hard work. Owners are seeking delivery methods that eliminate waste, reduce conflicts, minimize errors, and infuse their projects with higher quality, greater cost savings, and innovative solutions that meet schedule and budget. An ideal approach in response is integrated project delivery (IPD), which can neutralize many undesirable elements of traditional processes while increasing the value proposition.

With IPD, joint decision-making and collaboration between people, systems, business structures, and practices ushers in a culture of value creation. The talents and insights of a cross-disciplinary team are harnessed, and the exchange of ideas is encouraged. The risk of errors that are often rooted in miscommunication are minimized, and optimal efficiency throughout all phases of design, fabrication, and construction is realized. When fully implemented, IPD aligns all parties' interests around the shared goal of delivering a facility with a project first mentality while achieving higher performance measures.

Here are six advantages to delivering a project under an IPD structure:

### 1. ONE INTEGRATED TEAM PROMOTES ONE MINDSET

When we step back and look at the value of IPD in the aggregate, the act of co-creation through the integration of



multiple partners and the creative output from an immersive delivery mindset is at the core of its most impressive results. The client, designer, builder, trade partners, and associated consultants function as a collaborative team under a governance structure agreed to by the parties. Company boundaries are set aside to focus on achieving a shared goal, which not only builds trust among team members, but also transcends it. Expertise and knowledge are shared and relationships are forged that lead to high-performing teams capable of greater innovation within a target value delivery environment.

## 2. PERFORMANCE-BASED CONTRACT STEERS FOCUS ON OUTCOMES

Members of the IPD team sign a prime agreement, where they typically place 100% of their profit at risk until key performance indicators are achieved. This means everyone either fails together or succeeds together, steering the partners' attitudes toward a focus on outcomes and sharing responsibility for each decision that is made through design and construction.

## 3. COLLABORATION SUPPORTS AN ENHANCED SCHEDULE

An enhanced schedule is frequently cited as key to the business case for deployment of IPD. This is supported by data that demonstrates projects are three times more likely to be completed ahead of schedule versus other procurement methods. When all partners are working together, they understand one another's needs to complete their aspect of the project and collaborate to schedule in the best possible way to accomplish their collective goals and stay on course.

## 4. TARGET VALUE DELIVERY CREATES BUDGETARY BENEFITS

A key process component of IPD, target value delivery, is supported by data that demonstrates projects are twice as likely to be completed under budget versus other procurement methods. Every party that signs on to the IPD agreement is incentivized to achieve a final cost lower than the Target Value Price. This mutual "skin in the game" ethos drives innovation, teamwork, and a project first focus. For example, designers can make material choices based on both quality and constructability by working in tandem with contractors and trades as one team with a singular budgetary goal.

#### 5. INNOVATION IS REWARDED

Incentivizing team members to explore and implement opportunities in advancing lean methodologies that optimize design and construction outcomes leads to deep collaboration on integrated project teams. When working together, the best ideas are brought to the forefront and analyzed from multiple perspectives to discover new ways to design and build that are within budget while meeting client needs for novel solutions.

## **6. GREATEST VALUE GOES TO THE PROJECT**

Goals and objectives are achieved when agreeing to a project-first mentality and abiding by the tenets of trust, teamwork, and transparency. Our experience working within IPD teams has shown that teams grow and evolve by empathizing with each team member's unique role and having the humility to keep an open mind toward any situation. The result is most often a high-performing team of experts who can confidently approach any challenge imposed.



#### **About the Author**

Mike Doiel, AIA, RA, Project Delivery Director, HDR, has experience in all aspects of planning, design, and management with an emphasis on ambulatory care facilities and specialty centers of excellence. He currently leads strategic program activities related to integrated lean project delivery, public-private partnerships, and design-build. Mike has been responsible for leading and directing many classified, highly-complex command and control, joint operations centers and headquarters facilities over the last decade. He served as project director for the most robust and sophisticated weapon system in the Department of Defense, the new U.S. Strategic Command facility. He can be reached at <a href="mailto:mike.doiel@hdrinc.com">mike.doiel@hdrinc.com</a>.

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