

The Numbers are In!

Study Proves Performance of Design-Build



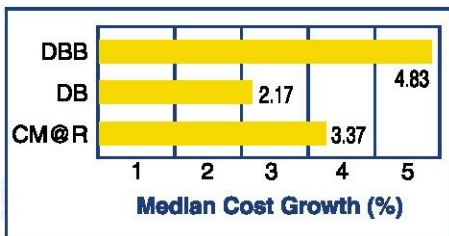
Whether you deliver your projects within a Design-Build format or use a variety of project delivery methods, a recent study by the Construction Industry Institute (CII) brings some much needed empirical evidence to the "best" project delivery debate. At Interstates, we are pleased to offer fully Integrated Design-Build Project Delivery for the electrical segment of our customers' projects. By seamlessly combining our abilities in electrical engineering, construction, instrumentation and factory automation, we strongly believe that Design-Build offers our customers outstanding advantages.

As project delivery professionals, we know that one method can't fit all needs for all projects. Design-Build and its process industry counterpart, Engineer-Procure-Construct (EPC), have grown increasingly popular. Up until this point, the reason was simply that owners got more of what they wanted and told others about it.

But now, courtesy of the Construction Industry Institute (CII) and University of Texas - Austin, the numbers are in! By studying some 350 projects of varying delivery methods and types, key performance metrics prove out what many of us have known for some time.

- Design-Build is faster.
- Design-Build has better cost control.
- Design-Build has better schedule control.
- Design-Build delivers as good, or better, on quality than other delivery methods.
- Design-Build has notable advantages in subjective areas like single source responsibility, team building, and risk management.

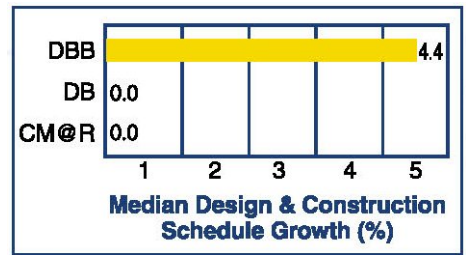
Faster – Using square foot rates and other criteria; Design Build (DB) was determined to produce projects faster than both traditional (design-bid-build) delivery and Construction Management at Risk (CM@R). When the design phase is included, DB produced projects more than twice as fast as traditional DBB.



Source: Construction Industry Institute

Cost Control – The study showed the DB method to be the best for controlling costs while traditional DBB fared the worst. The median cost growth for DB projects was 2.17%, less than half the cost growth of traditionally delivered projects (4.83%).

Schedule Containment – Schedules are crucial for any project. The study found the average traditional DBB project schedule grew 4.4%. DB projects tended to not grow their schedule at all. Their median growth was 0%.



Source: Construction Industry Institute

Quality Performance –

Using a variety of quantifiable factors related to quality, owners ranked each factor on how well the project delivered on their expectations. Elements like callbacks, O&M costs, meeting owner intent, equipment selection and others were examined. From this, each project received a composite quality score. Although the advantages were not as pronounced in this metric, DB had the highest quality rating of the three project delivery methods. DB's score was some 17% higher than traditional DBB. Traditional delivery posted the lowest quality score.

So why isn't everyone using DB? Because one size simply doesn't fit all. And certain projects require a different approach. DB delivery also requires some different owner skills and competencies than traditional delivery.

For more information...

on project delivery and the issues surrounding making Project Delivery choices, contact Dave Crumrine at (800) 827-1662, ext. 153 or e-mail him at dave.crumrine@interstates.com.

This study and summaries of it can be obtained along with other project delivery information from **CII** and at the **Design-Build Institute (DBIA)**.