

TOP 4 MISSED OPPORTUNITIES CONSTRUCTION COMPANIES LOSE WITH TRADITIONAL DELIVERY METHODS

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Pre-construction services and value engineering are steadily increasing in popularity. Yet many owners and developers are not changing their construction methods accordingly, de-prioritizing initial unity between teams and experts in favor of speed and the comfort of how it has always been.

But the winds are shifting direction, and pre-construction professionals want project owners to see what they are missing out on. *Bisnow* spoke with Des Plaines, Ill.-based Peak Construction Corp. president John Reilly on the top four missed opportunities owners face when following traditional methods.

1) A Breadth Of Solutions



The value a company creates as a design builder or as a pre-construction services provider can be much greater if it is involved at the same time as every other player in the project. This includes the architectural and engineering teams, which are traditionally hired by the owner directly before construction. Having the design builder or pre-construction services provider join forces from the start enables each team to bounce off each other, applying their specific expertise to each situation that pops up and tackling the owner's long-term goals at the onset.

2) Project Goal Alignment



It is imperative to be able to evaluate problems and provide alternative solutions while keeping the project owner's goals in mind not just from a budget/schedule standpoint, but from an operational one as well. Even an exit strategy for the ownership of the property, Reilly said, should be hammered out with each team's guidance.

Wise project owners understand that such dedicated collaboration may cost slightly more up front, but generally a rather small amount compared to the overall risk of cost escalation by time or change order. These owners understand

the inherent value of the heightened trust and chemistry with each person involved in building the asset.

3) Trust/Team Chemistry



From a psychological perspective, early involvement lends a greater sense of ownership to each end of the solution. It is a greater benefit for contractors and other employees who are usually slightly removed from the process, and more focused on competitively pricing their services, to focus on goal alignment without the distraction of cost. A mutual understanding of each other's value sparks both a creative and personal trust between project members that is difficult to produce if teams only meet intermittently or further down the delivery timeline.

“If we're involved early on in the process, that immediately indicates that the owner understands the value of working with a company like us,” Reilly said.

4) Strong Partnership With The General Contractor



A focus solely on numbers and hitting deadlines is not unique to general contractors, but is especially important to them. A unification-focused approach between each team member offers the contractor ownership of each decision and the larger project — a goal to achieve outside the numbers.

It is a result far preferable to a contractor simply coming in and bidding on a complete set of documents, encountering issues that result in additional cost requests and confusion of responsibility assumption.

“There is a dotted line or implied partnership between pre-construction firm, design team and construction team,” Reilly said. “It's the kind of relationship you have very little chance of creating in traditional construction delivery processes, because of the constant focus of numbers and pricing.”

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