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Maximizing efficiencies within the construction management process

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In today's market, and looking into an uncertain 2009, everyone in the real estate community is looking to hedge their bets while still making progress on long-awaited projects. Getting these projects started more efficiently without sacrificing quality is in everyone's best interest, particularly when considering the tighter fees in today's market.

The owner or owner's representative can facilitate a successful, more streamlined design and budgeting phase by adopting three key principles in their work with the project team. Brokers, building managers and others involved in design or construction procurement can also benefit by helping to foster these simple ideas.

1. Be prepared with specific, clearly quantifiable project goals and parameters.

Owners can have a significant impact on the design and construction processes by developing consensus among project stakeholders in advance and then clearly communicating those goals to the project team at the earliest possible stage. Involving stakeholders in the process prior to design is critical, but not always easy - this is where the services of a program manager can be extremely beneficial.

Engaging stakeholders early on should bring your group to a consensus on the 'basis of design' by answering some key questions: What are the goals for the facility and what are you looking to achieve? What are the schedule constraints? Are there safety or mitigation issues? Have benchmarks or proprietary vendors been established? Establishing a firm basis of design backed by all project stakeholders prior to engaging the construction manager and design team will expedite the entire process, likely resulting in cost and time savings over the life of the project.

2. Establish requirements for document deliverables.

Owners, consultants and the construction manager all may have a slightly different understanding of what the schematic design and design development deliverables should contain. Unfortunately, these requirements are rarely set forth in the owner/architect agreement, which can lead to unnecessary delays throughout the process.

Each team member requires different elements at each design stage to accomplish their tasks and make key decisions. The owner is typically interested in program development, such as how many offices or classrooms are in the building and the adjacencies. The design consultants are preparing documents that represent more of the design intent and coordination, including how the building feels in the spatial environment and how ductwork is hidden behind a curtain wall. Meanwhile, the construction manager, or the team providing budgets at each design phase, is strictly looking for the facts, such as floor-to-floor height. To ensure all parties have the information they need at every design stage, our team at Lee Kennedy Co. developed design deliverable checklists for both the schematic and design development phases. While the scope of deliverables is often negotiated,

these checklists ensure that when the documents are issued everyone on the team knows what to expect.

Our team and our clients have found that discussing what will be included in design deliverable phases is very helpful in reducing the number of requests for information and the need for additional documentation. This reduces the turn-around time for budget preparation and owner approval, moving design swiftly from one phase to the next.

3. Determine budget formats and sorting requirements in advance.

Clearly communicating any special budget presentation or sorting requirements prior to starting the design and budget phase will significantly affect the efficiency of this process. For owners with financing prerequisites that dictate the need for a particular budget format or sorting requirement, such as historic tax credit components or base building core and shell cost vs. tenant improvement fit-out costs, it is important to make that clear up front. Knowing from the outset makes it very simple for the team to format design documents and budgets with these requirements in mind, rather than re-formatting them after the fact.

Owners can take a large role in moving their projects forward by doing their due diligence, building consensus, clearly communicating the deliverables and preparing for the decision making process that is design/ preconstruction. Though these principles will serve owners well at any time, the cost and time savings that can result from a more efficient process may make the difference in getting your project out of the ground during this time of economic uncertainty.

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