

Questions to Ask When Selecting a Project Delivery Method

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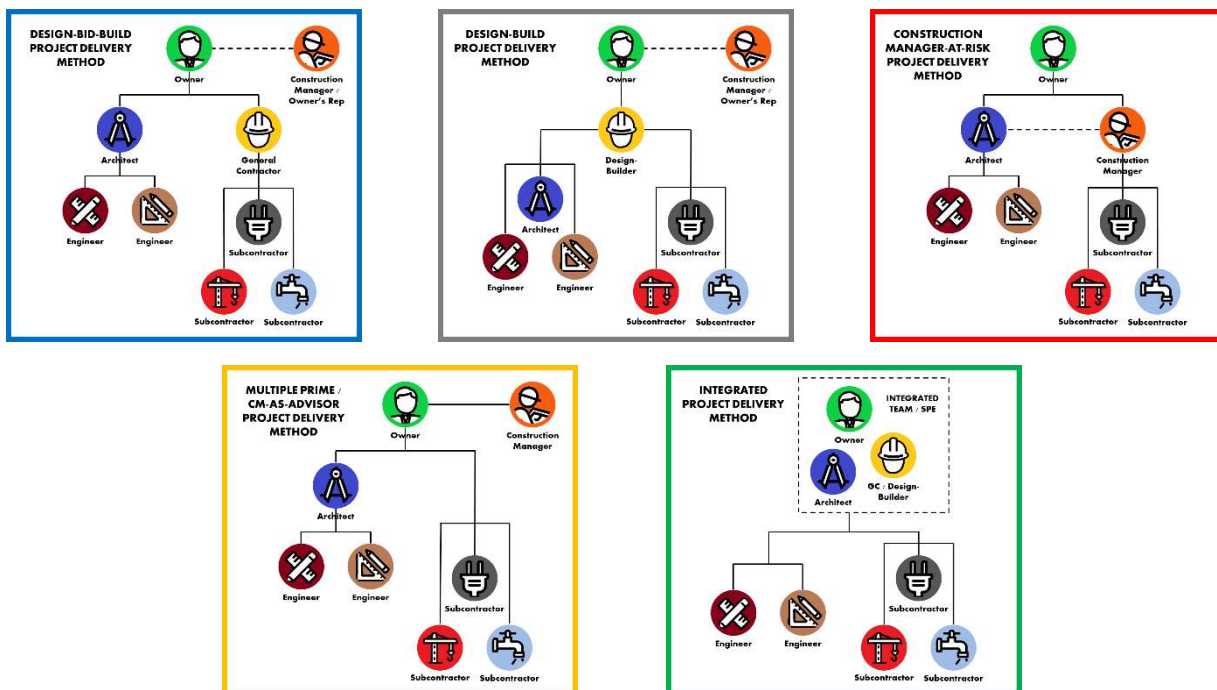
The Toyota Camry has been the world's best-selling car for decades, and if you were to use that fact as the reason to buy one you may be just fine. [Disclosure: I have no interest, good or bad, in the Toyota Camry. That's not the point here.] But what if you were buying the vehicle to plow a parking lot or tow a boat? That "most popular" line of reasoning would have wasted your time and money.

We all know that process should begin with a definition of your needs, goals, expectations and limitations. Do you really need it to plow a parking lot or tow a boat? Or do you need something that fits into small urban parking spaces? Do you need space for three child car seats? Do you use it to pick up business clients? What are your financial limitations? Is gas mileage a priority for you? Resale value? Impressing strangers when you pull up in front of the club?

The same thinking goes for the selection of construction project delivery method. The Design-Bid-Build (DBB) model has been the most familiar, most common structure for construction projects – and does a reasonable job for many types of projects and clients. But there are other delivery methods that you may not be as familiar with, but that may be far more effective for your firm and your project needs.

A brief introduction to the most commonly used construction project delivery methods

No single delivery method will be right for every project. Instead, there are advantages and disadvantages to each that will need to be aligned with each client and situation. The following diagrams offer a snapshot of the team structure for the most commonly used project team structures. We won't go into the details here because that's not the purpose of this post. However, if you are unfamiliar with them, we encourage you to take a brief detour and read our in-depth discussion of the characteristics, advantages and disadvantages of each in our "The Five Most Common Construction Project Delivery Methods" article.



Questions to better prepare you for selecting the right delivery method for your project

You probably already have a basic understanding of what you are building and why you need to build it. The questions below are focused on the means by which the project would be executed by your team and the consultants, designers and contractors you will eventually need to engage.

Having a firm understanding of your expectations, limitations and priorities will help clarify which delivery method will be right for your team and your project. The questions are grouped into five major categories to aid the discussion that follows.

DESIGN: What the project will look like, how it will function and who will help you optimize it

- How complex is the project?
- Do you have a developed vision or concept?
- How much control do you want over design?
- Is innovation important to you?
- How much expertise can your team bring to the process?

SCHEDULE: The timetable for design, construction, move-in and financial outlays

- How quickly do you need your project?
- Are there particular deadlines? Better or worse windows for move-in?
- How sensitive are you to changes in the schedule?
- Are there financial or real estate drivers or limitations?

BUDGET: How much you want to spend, how much you should spend and how much you can spend

- Do you have financial constraints?
- Do you need budget certainty?
- Do you have funding or financing in place?
- How sensitive are you to cost escalations?

RISK: What resources you have to manage risk and how much risk you're willing to accept

- What level of expertise exists in your team?
- How much of your team's time do you plan to contribute?
- What level of contractual risk are you comfortable with?
- Do you have resources to handle and/or mitigate risk?

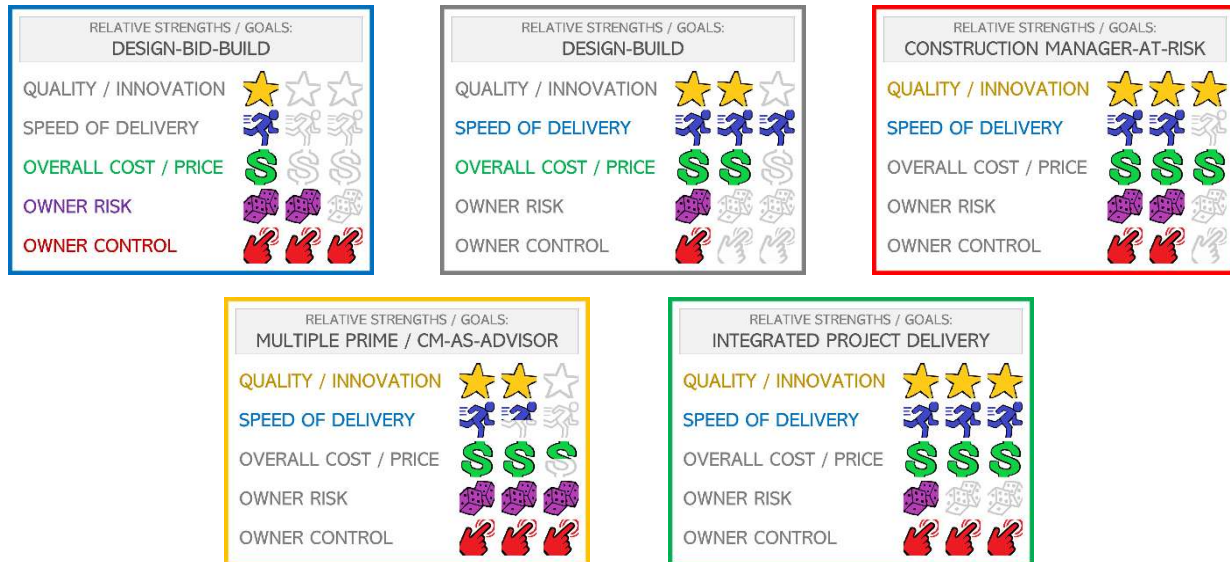
CONTROL: Your firm and staff expertise and how much you expect to manage the process

- Do you have the experience and technical capability to manage the process?
- How involved to you want to be in the management, design and/or construction?
- How much staff, time and resources can you dedicate to the project?
- Will you be able to make timely decisions?

Aligning your needs, goals, expectations, limitations and priorities with the delivery methods

As with many important choices, the choice of project delivery method involves balancing risk with reward and making trade-offs between competing priorities.

The final step in the delivery method selection process is to – using your answers to the questions above – rank your needs, goals, objectives and challenges and match them to the strengths and attributes of the various project delivery methods. The figures below summarize how each of the primary methods address and/or prioritize each of the categories.



Taking the proper next steps to successfully execute your plan

Once the project delivery method is selected, it's important that you take the appropriate follow-up steps to enforce the decision and maximize the effectiveness of your choice:

- Make sure all project team members – designers, consultants, contractors – understand the goals, objectives and issues that drove the selection of the delivery system.
- Engage experienced legal assistance to ensure that all contracts and reflect and enforce the project goals, objectives and expectations.
- Commit to providing the physical and financial resources, active and engaged participation, and timely and informed decision-making required to execute the chosen delivery method and support the design and construction team.

We can't say there won't be challenges over the course of your project – there almost always are, despite our best plans and efforts – but structuring the team in the most effective way, and making sure that model is properly implemented, will provide the best opportunity for success.

Looking for more articles and discussion on the topic of construction project delivery methods?

See our article, **"The 5 Most Common Construction Project Delivery Methods"** and visit JJH3group.com.

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