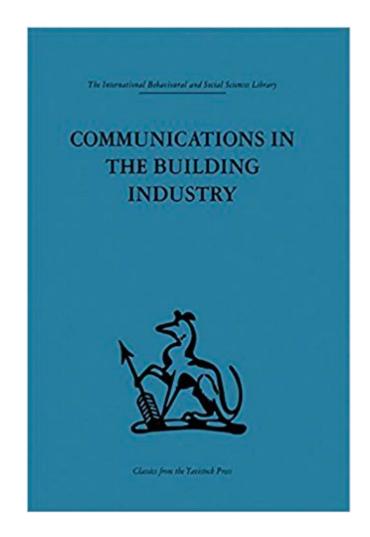


Communications in the Construction Industry (Higgin and Jessop, 1965)

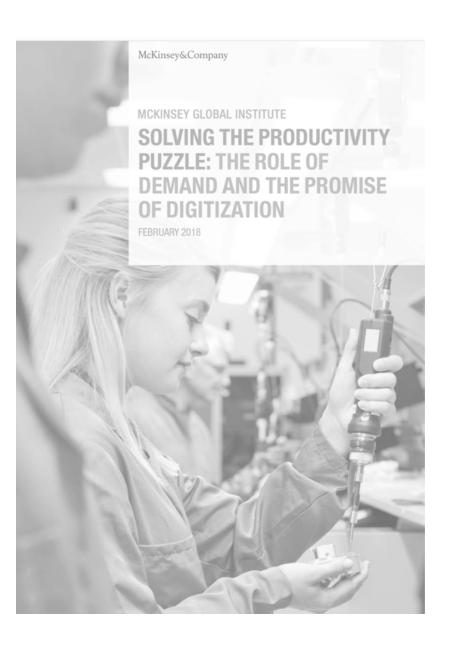
"The basic decisions of construction control are often incomplete or unduly rushed because necessary information is not available sufficiently ahead of time, or is not complete enough. On many occasions members of the construction team could, but do not, ease this problem by supplying the data that would facilitate the preparation of fuller and more useful information by others. Building construction is remarkable among industrial activities for the lack of detailed information about how it proceeds. Until more is known there can be no basis for improvement."

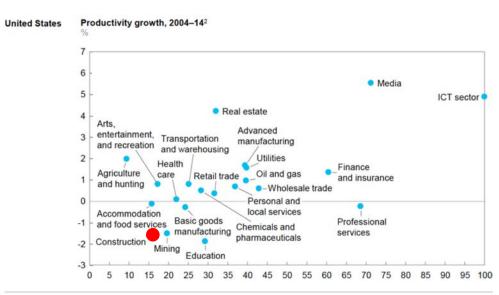


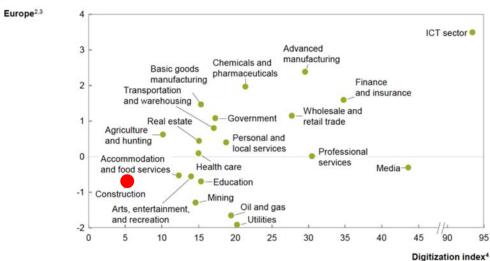
"The Committee concluded that the difficulties experienced in typical construction projects, including those identified by CURT members, are artifacts of a construction process fraught by lack of cooperation and poor information integration. The goal of everyone in the industry should be better, faster, more capable project delivery created by fully integrated, collaborative teams."

CURT WP 1202 (2004)









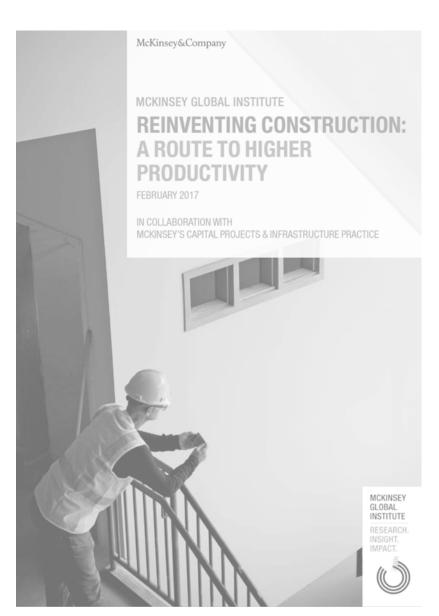
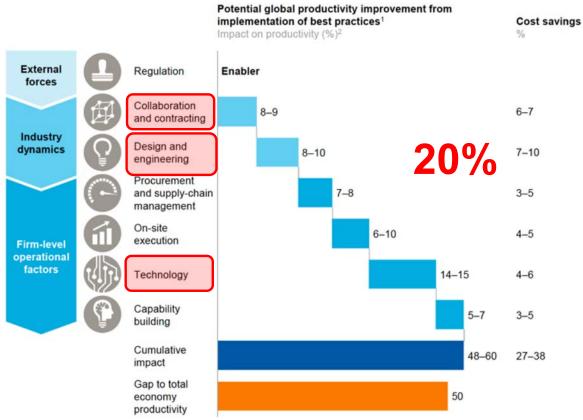


Exhibit E5

Construction can catch up with total economy productivity by taking action in seven areas

Cascading effect

Regulation changes facilitate shifts in industry dynamics that enable firm-level levers and impact

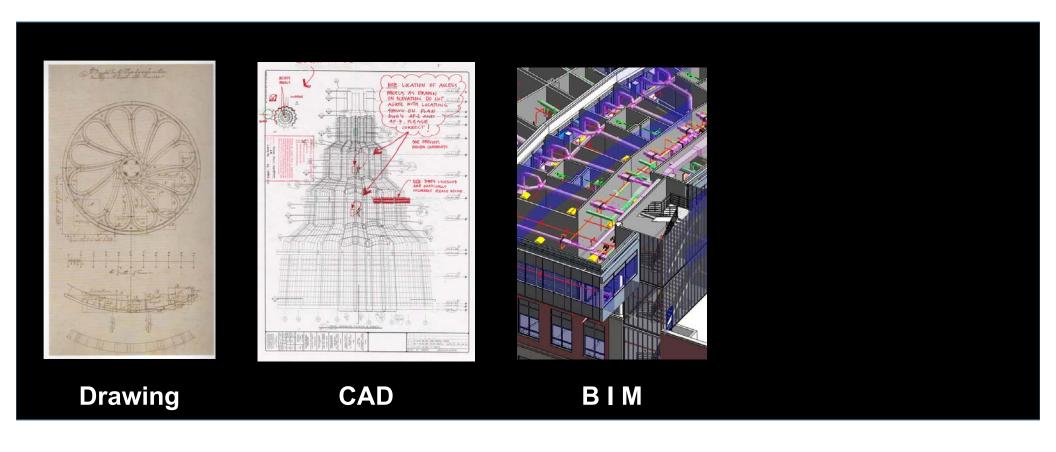


¹ The impact numbers have been scaled down from a best case project number to reflect current levels of adoption and applicability across projects, based on respondents to the MGI Construction Productivity Survey who responded "agree" or "strongly agree" to the questions around implementation of the solutions.

2 Range reflects expected difference in impact between emerging and developed markets.

COLIDOR: Makingar Clabel leather analysis

Evolution of Tools and Technologies

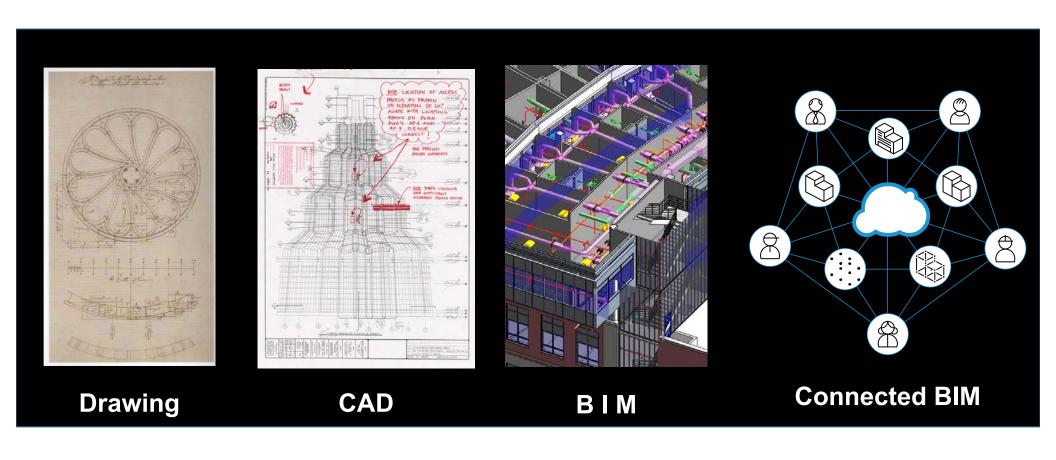








Evolution of Tools and Technologies



Big Data

Computational Design

Simulation / Analysis

Internet of Things

Industrialized Construction

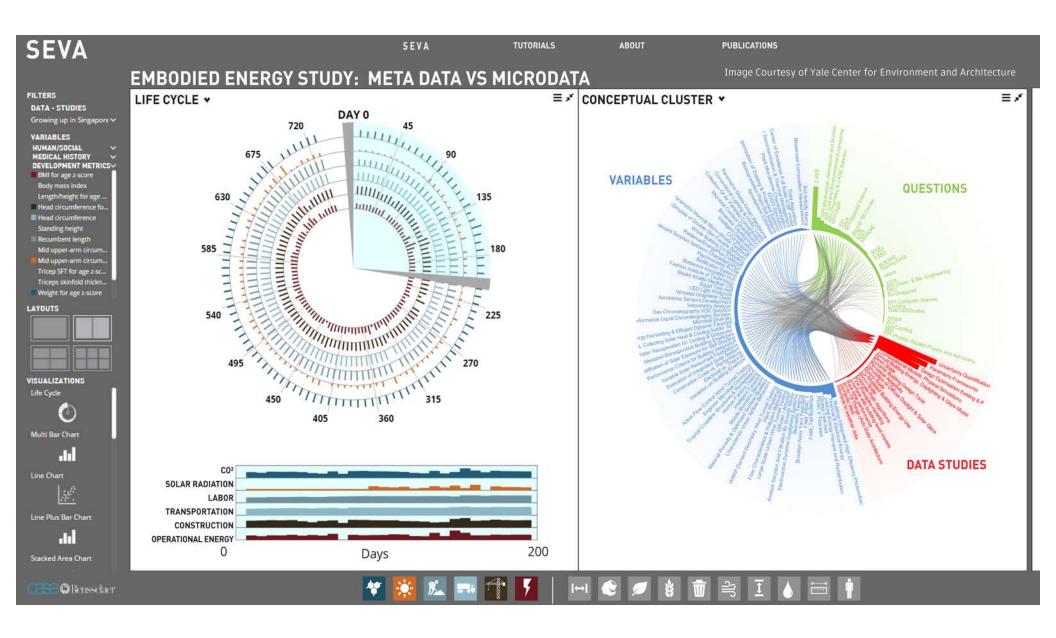
Big Data

Computational Design

Simulation / Analysis

Internet of Things

Industrialized Construction



Big Data

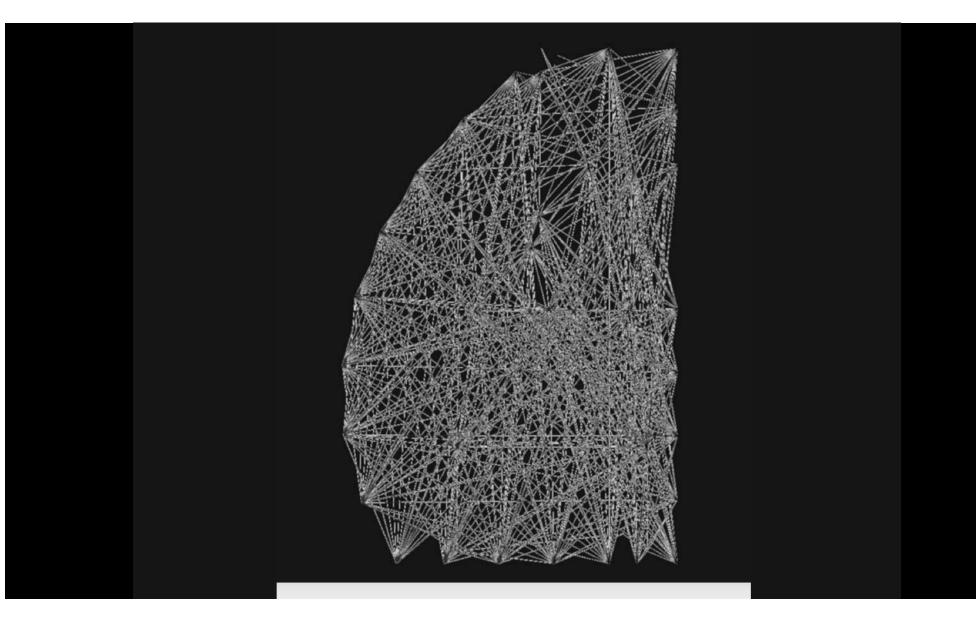
Computational Design

Simulation / Analysis

Internet of Things

Industrialized Construction





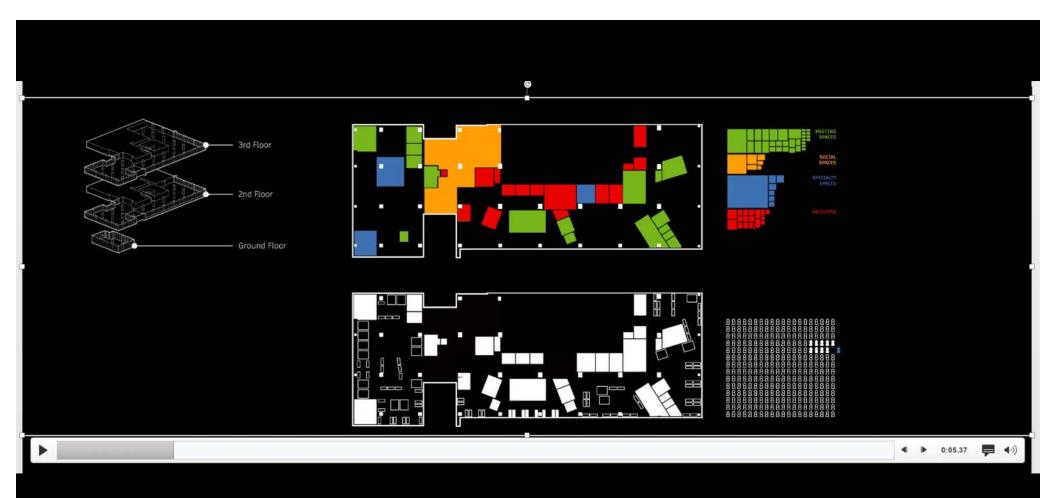
Big Data

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Industrialized Construction



Big Data

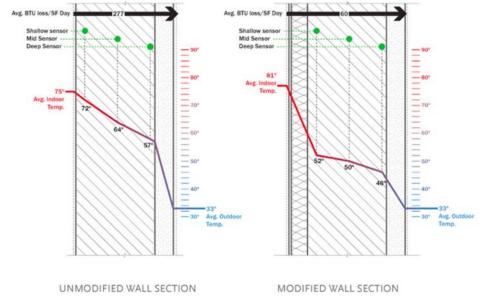
Computational Design

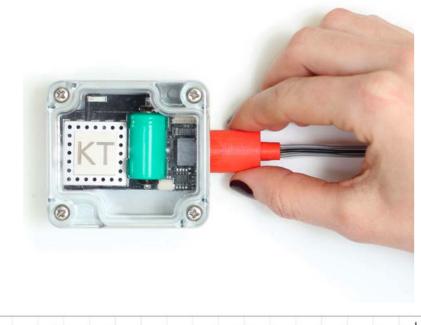
Simulation / Analysis

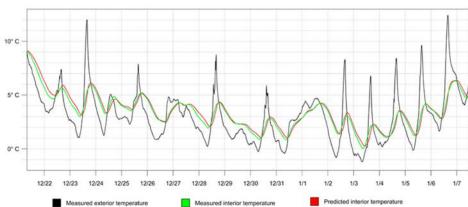
Internet of Things

Industrialized Construction

KIERAN TIMBERLAKE







Big Data

Computational Design

Simulation / Analysis

Internet of Things

Industrialized Construction



Big Data

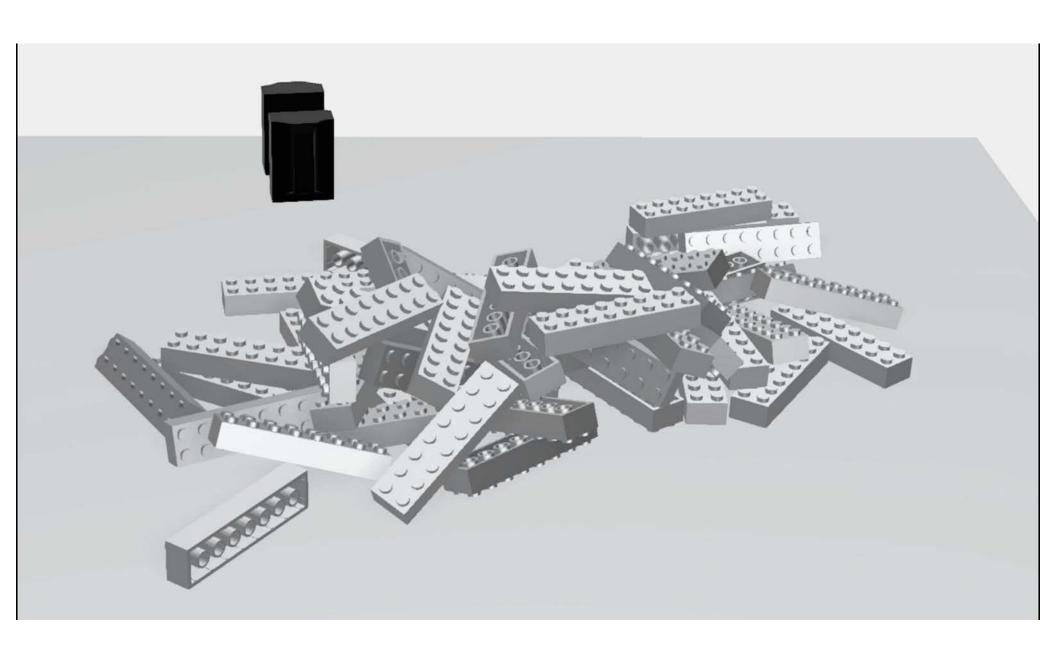
Computational Design

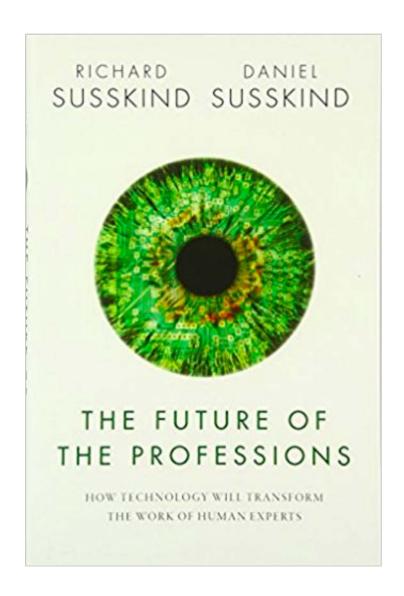
Simulation / Analysis

Internet of Things

Industrialized Construction







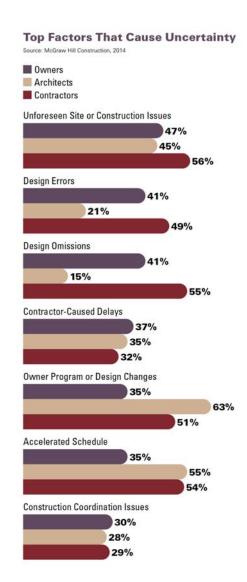
" (W)e are on the brink of a period of fundamental and irreversible change in the way that the expertise of specialists is made available in society. Technology will be the main driver of this change. And in the long run, we will neither need nor want professionals to work in the way that they did in the twentieth century and before."

Top Causes of Overall Uncertainty for Owners, Architects and Contractors

Source: McGraw Hill Construction, 2014

	Ranking of Causes by Player								
Causes of Uncertainty	Owners	Architects	Contractors						
Unforeseen Site or Construction Issues	1	3	1						
Design Errors	2(tie)	6	5						
Design Omissions	2(tie)	7	2						
Contractor-Caused Delays	4	4	6						
Owner-Driven Changes	5 (tie)	1	4						
Accelerated Schedule	5 (tie)	2	3						
Construction Coordination Issues	7	5	7						

Source: McGraw Hill Construction "Managing Uncertainty in Building Design and Construction" Smart Market Report 2014



Comparison of Delivery Sequence and Key Decisions

Delivery Typology	Option	Sch	edule	of De	sign (Compo	nents	, Key	Deci	sions															
Design - Bid - Build	Standard	PD		SD			DD				CD							PR		С	sc	(\$)	CA		
	Negotiated Select Team	PD		SD			С	DD				¢D.						PR		sc	\$	CA			-
	Cost Plus Fixed Fee	PD		SD			С	DD				CD						PR		sc	CA			(§)
Construction Management	CM - Advisor	СМ	PD		SD			DD				СД							PR		sc	(\$)	CA		
	CM - Agent	СМ	PĐ		SD			DD				CD							PR		sc	(\$)	CA]
	CM - Constructor	СМ	PD		SD			DD				(3)	CD -	Pkg 1	sc	(\$)	CA								
												GMP		CD-	Pkg 2	sc	(\$)	CA							
															CD -	Pkg:3	sc	(\$)	CA						
Design Build	Standard	С	sc	(\$	PD		S.D.			DD				CD							CA				
	Bridged Design Build	PD		SD			DD				(3)	С	sc	CD							CA				

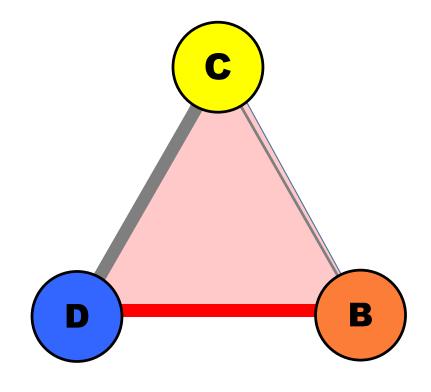
Key
S Cost of Construction Determined
Constructor Contract Determined
Sub-Contractors Selected
CM Selected
PD Design Element

Commodity

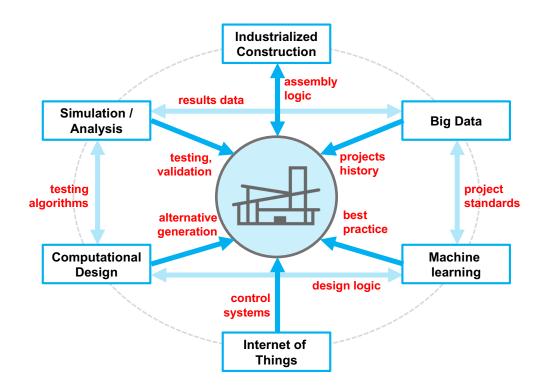
Risk

Standard of care

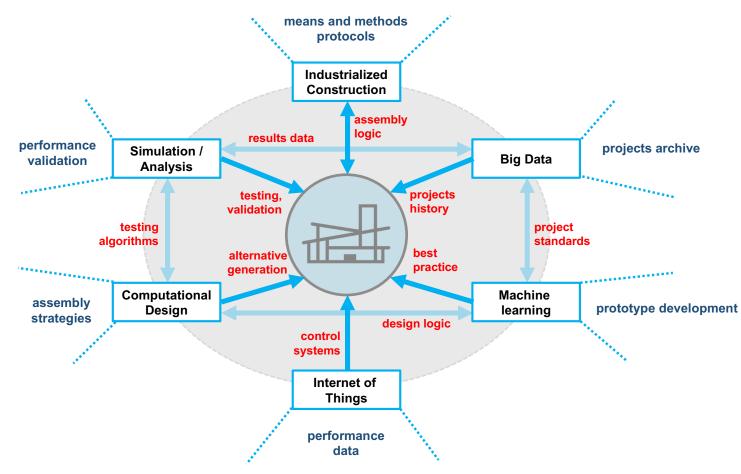
Design ←→ Making



Design and Construction



Asset Operation

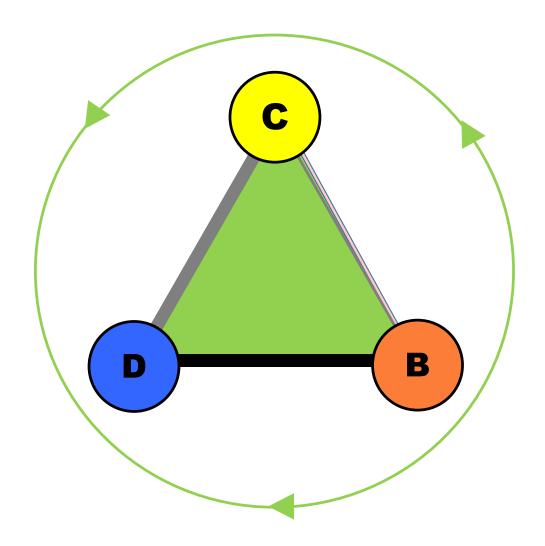


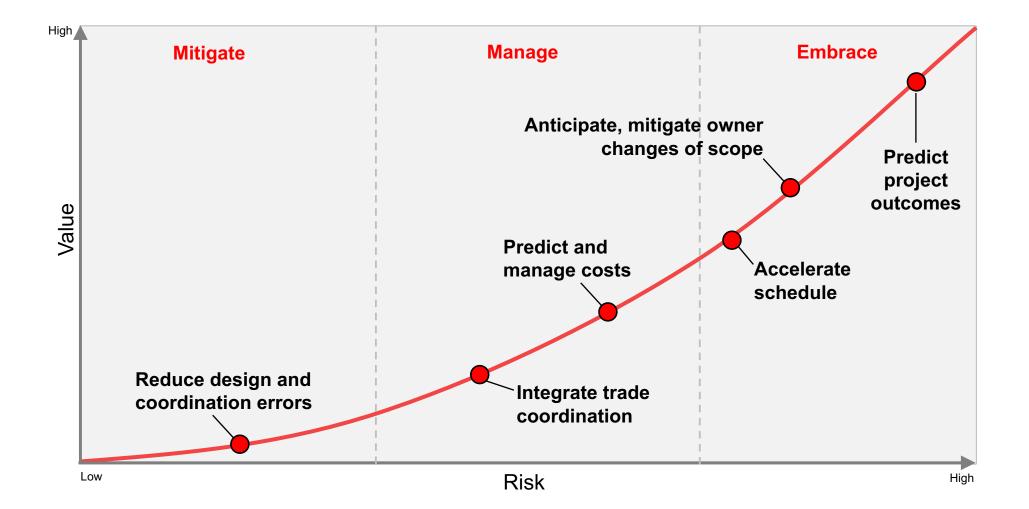
Measurement

Validation

Performance outcomes

Design → **Making**

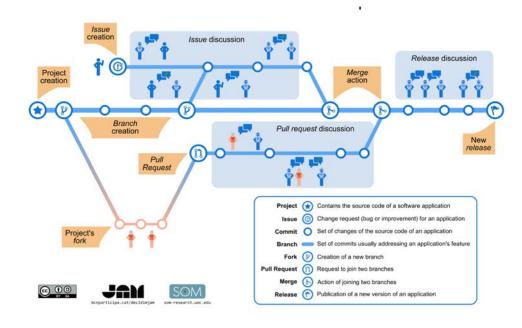


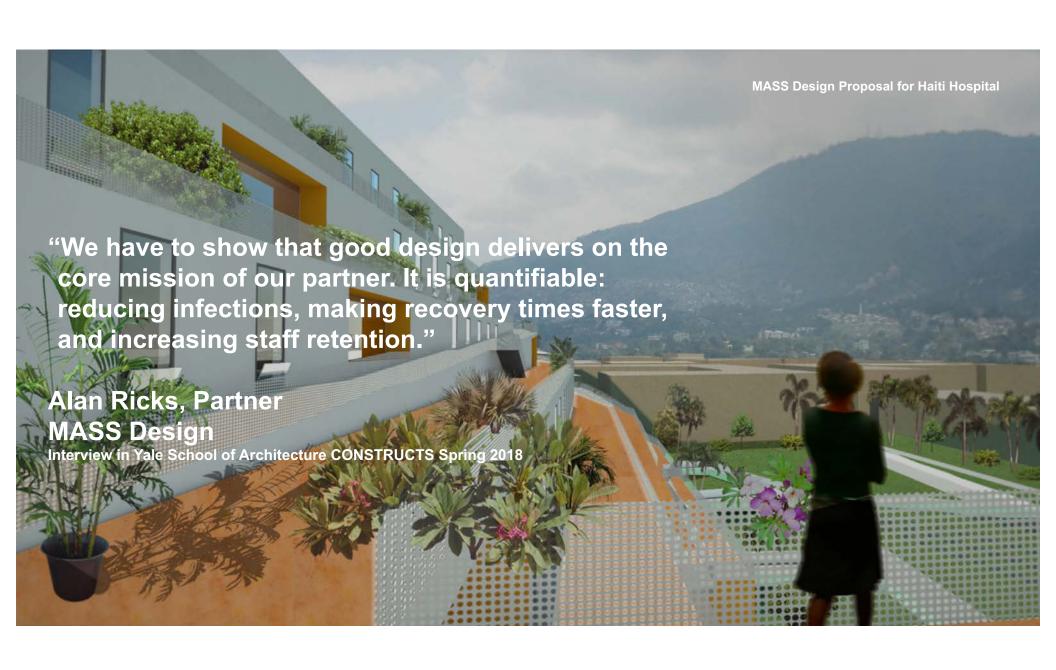


Agile → scrum design

Sprint 2-4 weeks Product Backlog Sprint Backlog Iteration Potentially shippable product increment

Github content management



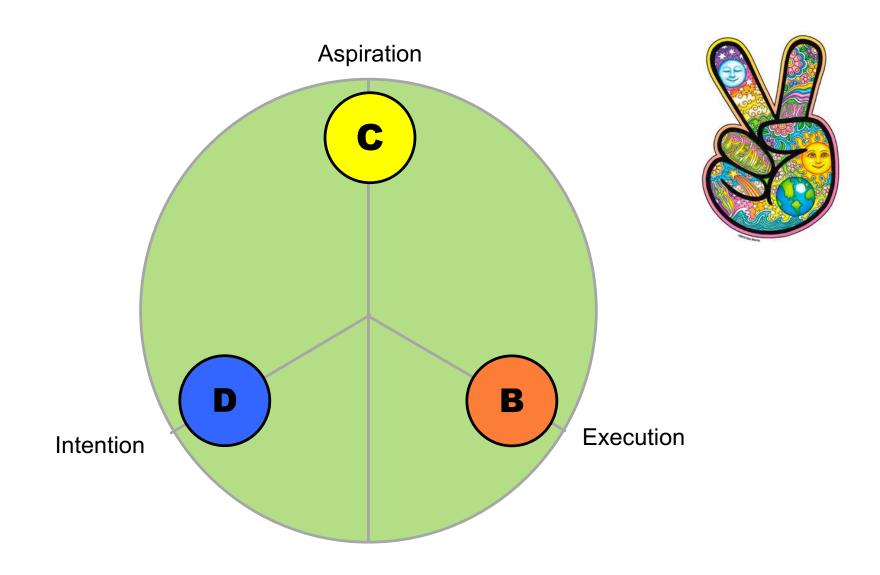


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"Design is the major risk...end users create the most change on a project." (Anna Franz)
"People are more important than contracts." (Christian Stohler)
"Trust, accountability and collaboration are more important than BIM, collocation or technology." (Laura Stagner)
"We need challenge-driven project delivery where outcomes create value." (Barbara Jackson)
"Delivery models don't matter, but outcomes and process do. Culture drives delivery." (Patrick Duke)
"CM at Risk really isn't very collaborative." (Ed Hansel) but "CM at Risk can be collaborative." (James Apodaco)
"Are owners picking the best team or the best proposal? Hopefully it's both." (Craig Unger)
"Every team member gets one sacred cow." (William Thompson)
"We know exactly what we're building when we build from a model. We're designing to manufacture." (Jim Patee)
"ILPD offers better outcomes than traditional delivery methods." (Andy Rhodes)
"The rigor of our model mitigates our risk. It's a trust issue." (Cory Brugger)
"Don't forget about design, because without the stylist, nobody buys the cars." (James Coleman)
"With BIM we're creating a lot of paper, but have we improved the deliverables?" (Robert Otani)
"With 30% precision, there's no sense in making cost estimates." (Ari Pennanen)
"Team cohesion and integration are more important to project success than delivery model." (Keith Molenaar)
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"Project delivery systems can create bad behavior." (Bevan Mace)

The Final Take-Aways

- 1. Construction may finally be entering an age of innovation.
- Design and construction are integrating in various ways but culture is still a problem.
- 3. Technology is opportunistic, but not deterministic.
- 4. More collaboration and cooperation is better than less.
- 5. No single delivery model fits all, and we need to be smarter in choosing them...
- 6. ...but delivery models are constantly evolving, so try to keep up.
- 7. Design is about iteration, construction is about optimization. Can they cohabitate?
- 8. We need more data on actual results (help us GSA!).
- Outcomes are more valuable than commodities, but AEC is primarily transactional.
- 10. New methodologies need to be socialized across the industry.



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