

For more information  
and to schedule an  
interview, please contact:  
Leo Levinson - 215-545-4600  
leo@grouplevinson.com

FOR IMMEDIATE RELEASE:

## **HAS THE TIME FINALLY COME FOR IPD?**

### **4 Ways The Economy, Technology And The Pandemic Have Created The Perfect Storm For This Construction Project Delivery Method To Gain Traction**

(Philadelphia, PA) In theory, IPD (Integrated Project Delivery), is an ideal project delivery method for the construction industry to use because it collaborates communication, shares risk and enhances efficiency by bringing all parties into the conversation from day one. IPD is a contractual protocol where all parties involved in construction project - owner, designer, builder and others - are integrated into the process, where they contribute to and share in the results.

In spite of IPD's advantages, it is estimated that it is used in as little as 2-3% of total projects. The various design-build and construction manager alternatives continue to dominate the industry as the most common methods for completing construction projects. Although DB, DBB and CM are popular, they are also somewhat inefficient as is evidenced by a number of studies showing that over 90% of the world's infrastructure projects are late, over-budget or both.

E. Mitchell Swann, General Manager at Resolution Management Consultants said, "As unusual as it may sound, inefficiencies have been accommodated and even expected as part of the way construction business has always been done. However during the last few years, the inefficiencies and risk

potential have been magnified to unsustainable new levels. This post-pandemic environment may open the door to more IPD.”

According to The Insurance Journal magazine, the four main challenges facing the construction industry in 2023 are the recession, inflation, labor shortages and supply chain issues. Said Swann, “For the first time, the key threats to successful project efficiency and profitability are outside the control of any of the parties to a construction project. Yet, their potential to influence the outcome by delaying timelines and driving up costs is beyond anything experienced before.”

To properly manage and overcome this post-pandemic risk environment, Swann has identified 4 reasons that IPD project management makes sense now, especially for more complex projects:

**1) Mutual vulnerabilities, shared risks (and rewards) among participants.**

As the inefficiencies and potential threats become greater, due to outside influences, sharing in that risk may lessen the impact on each individual party and provide more “levers” for the project team to pull to mitigate the impact. In addition, collaboration opens the door to stimulating innovative thinking, bringing greater insight and ideas to overcome negative impact on the project. A collaborative reward for problem solving helps keep all parties rowing in the same direction.

As quoted in an article on IPD published in “The Construction Lawyer” magazine, “(there is) heightened incentive for parties to help each other achieve their best collective performance.” An IPD culture enhances the

sharing of ideas, skills and resources to more effectively anticipate and solve problems, leading to maximizing profitability.

2) The continuing evolution of BIM and other technologies.

Thanks to cross-disciplinary, cloud-based collaborative technologies, like BIM, there is greater potential to reduce costs from having a more comprehensive view of the project dynamics all along the way. You can better see what the drawings are saying with a 3D model. Virtual meeting technology has also advanced to make IPD team collaboration easier to accomplish.

3) 3<sup>rd</sup> party threat potential has grown to outweigh IPD front-loaded investment.

Until recently, a major concern in implementing IPD was its upfront cost, compared to DBB or CM protocols. Today, the end-stage threat potential from outside influences on projects has grown to the point where IPD's upfront cost is valued as an investment in protecting ultimate project efficiency and profitability.

4) IPD's potential to reduce disputes and litigation.

The individualistic, and too often adversarial nature of many DB, DBB and CM project contracts exacerbates the likelihood of disputes. Court backlogs created during the pandemic continue to slow dispute resolution. The IPD methodology is designed to minimize and resolve disputes with the potential to speed agreement while promoting more harmonious outcomes.

Said Swann, "In the last few years, the economy, technology and the influence of outside threats have changed dramatically in their impact on construction projects. The collaborative culture of IPD and similar

collaborative approaches may be the best defense against risk by fostering project efficiency and profitability.”

-----

**About Resolution Management Consultants, Inc.**

Resolution Management Consultants, Inc. (RMC) is a nationally recognized consulting firm headquartered in Marlton, NJ. There are two sides to the business: the construction planning and management aspect – helping clients build more successful projects – and the litigation aspect – should matters go to court, providing analysis and testimony as expert witnesses. Founded in 1993 by veterans in the construction, contracting and engineering professions, RMC has assisted numerous private owners, public agencies and contractors in either achieving project goals or resolving cost and time disputes between the contracting parties.

Website: [resmgt.com](http://resmgt.com)

LinkedIn: [/company/ResolutionMgt](https://www.linkedin.com/company/ResolutionMgt)

Twitter: [@ResolutionMgt](https://twitter.com/ResolutionMgt)

Facebook: [@ResolutionMgt](https://www.facebook.com/ResolutionMgt)

# # #