

CO  **GEN** **CE** Alliance
Owners + Architects + Engineers + Contractors

Inspire. Educate. Unite.

Cogent Project Management

12 May 2017



Mission + Purpose

Cogence *(Latin)*

“To drive together” or “Thinking that is well organized”

The purpose of the Alliance is to bring Owners and Developers, Architects and Engineers, Construction Managers and Contractors, and Allied Industry Professionals together to **advocate** and be a **resource** for improved project delivery.

For more information visit us at www.cogence.org

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Cogent Project Management

Agenda

- How are we being Advocates for the Cogence Mission?
- Recap how Project Managers can Empower Team, Make Decisions and Create Workflow in a manner to enhance collaboration?
- Develop collective solutions to top Project Management challenges when working through a CM at Risk delivery.
- Plus/Delta
- General Business Update



Project Management: the Linchpin to Collaboration

Empower Team

1. Owner establishes culture
2. Use your entire team as a **resource**
3. Lead by example
4. **Include** strongest person at the right time

Make Decisions

1. Allow direct connection to the source
2. Entrust your team
3. Respect "the why," understand the impact
4. **Include** appropriate person at the right time
5. Know your team

Create Work Flow

1. Understand your contribution and respect its impact (*Owners too*)
2. Routinely evaluate progress
3. Share **resources**
4. Plan for change
5. Plan/Do/Check/Act

Project Management Challenges during a Construction Management at Risk Delivery



Project Management Challenges – CMR Delivery

Top 3 Challenges: **Owner:**

1.	Getting accurate costs for changes when there is an imbalance between the level of development of the drawing detail at time GMP established, thus creating an adversarial relationship between the CM and Design team
2.	CM over inflating GMP with extra "hold or costs" to cover gaps on plans while Owner needs to value engineering needed items out of project to get construction costs "within budget".
3.	Change management as it relates to inability to comprehensively evaluate impact to schedule and work flow of ongoing operations.



PM Challenge Solutions – CMR

Owner: Accurate costs for project changes:

- Understand the two types of change: *inherent* + owner scope change
- Owner to establish a TEAM culture allowing free flowing communication
 - Engage the right people at the right time during the project
- Deploy a GMP process that will create openness and build trust
 - Collectively review the drawings prior to GMP
 - Understand % complete – balance % complete with accuracy of the estimate
 - Narratives, rendering, sketches to conceptually estimate
 - Allow time to estimate
 - Get subs involved – realize subs numbers are low because they want the job
- Set clear expectations



Project Management Challenges – CMR Delivery

Top 3 Challenges: Architect:

1.	Changes of scope and not changing the deliverable deadline or compensation.
2.	Executing the project within the hours allotted by the fee vs. work required vs. owner level of service expectation.
3.	Timely decisions from Owner and Team which enable the design team to execute to the best of their ability.



PM Challenge Solutions – CMR

Architect: Schedule adjustments and compensation for changes

- End every meeting with a review of anything change the cost/schedule
- Architect to develop a detailed proposal for services which includes:
 - Clearly defined scope of services and project process
 - Document assumptions + qualifications that were assumed when proposal developed
 - Clearly define supplemental service/additional scope items
- Owner to hire architect in stages – program/design/construction administration
- Collectively develop a design phase schedule with the Owner before establishing the fee
- Encourage the Owner to hire CM at right time allowing constructability input to the design
- Put forth real fee amendments not every little things



Project Management Challenges – CMR Delivery

Top 3 Challenges: **Engineer:**

1.	CM at Risk Estimating ends up being overly conservative and then engineer spends a lot of time value engineering when it shouldn't have been necessary.
2.	CM and owner have agreed on an engineering allowance that we had little input on.
3.	GMP takes a long time to resolve; we are needed to resolve and we are in the contract for standard bid numbers.



PM Challenge Solutions – CMR

Engineer: “Value Engineering”:

- Start designing with the detailed estimate
- Clarify % complete of drawings – explain the evolution of design
- Eliminate assumptions by having conversations and page turns of drawings with bidding contractors



Project Management Challenges – CMR Delivery

Top 3 Challenges: **Construction Manager:**

1.	Managing the relationship with the client and delivering bad news...there is always a struggle for PM's as to when you deliver bad news such as a schedule impacts from changes, inquiries on payment status, etc...
2.	Managing design development to remain within the GMP - clearly communicating what is included in the GMP and managing design development either by the design team or at the request for the owner.
3.	Managing Changes-Upstream-Managing the impact when the change has to be implemented before accurate impacts can be forecasted, then the shock when the impacts are finally assembled.



PM Challenge Solutions – CMR

Construction Manager: Relationship Management:

- Bad news has a negative impact to cost/schedule
- Manage the message:
 - Deliver **explanations** with the news + provide propose solutions
 - Deliver news **directly** to the players who are impacted by news
 - Utilize the **entire TEAM to generate** solutions
- Understand the “why” from the Owner and Design team. (Project vision and goals)
- Actively build trust of project team
- Establish a GMP development process 1 + 2 + 3 – TEAM
 - Involve all tears of the team to establish GMP



Project Management Challenges – CMR Delivery

Top 3 Challenges: Trade Contractor

1.	Having limited to no input or impact on the construction schedule.
2.	Having limited to no input or impact on the construction schedule.
3.	Fair compensation for changes in the work. (Cost, fee, schedule)



PM Challenge Solutions – CMR

Trade Contractors: Inclusive Schedule Development

- **Understand** what is driving owners schedule
- Owner and CM to allow time for bidding
- CM to **directly ask** trades for schedule of work
- Owner to allow CM to bring on Trades prior to GMP and compensate them for their contribution
- CM to communicate honestly/accurately to Owner
 - Do not say yes to everything the owner wants
 - Do not undercut the effort just to get the job



PM Challenge Solutions – CMR

Common Themes/Solutions

- Collaborate – Active participation
- Communicate!
- Early involvement
- Comprehension – Educate
- Create reliable expectations
- Use time wisely

Challenge to all: Define these on every job! Measure it!



PM Challenge Solutions – CMR

Advantages

Owner: early understanding that the project will be successful – reduction of risk to the owner – clear path of direction for the project

Public Owner: eliminate bid day risk – Disadvantage: Trade contractors take on all the risk and they have not been exposed to the Vision of the project

A/E: Constructability & cost information to inform drawings during design, eliminating rework due to “value engineering” – opportunity to improve quality

CM: Opportunity to create clarity on the reality of the project – reduce surprises facilitate project reality – allowing the Owner’s Project Vision to inform the GMP

Trade: create opportunity for collaboration - help the CM to get the project to go – create work



Plus/Delta

Plus (+)

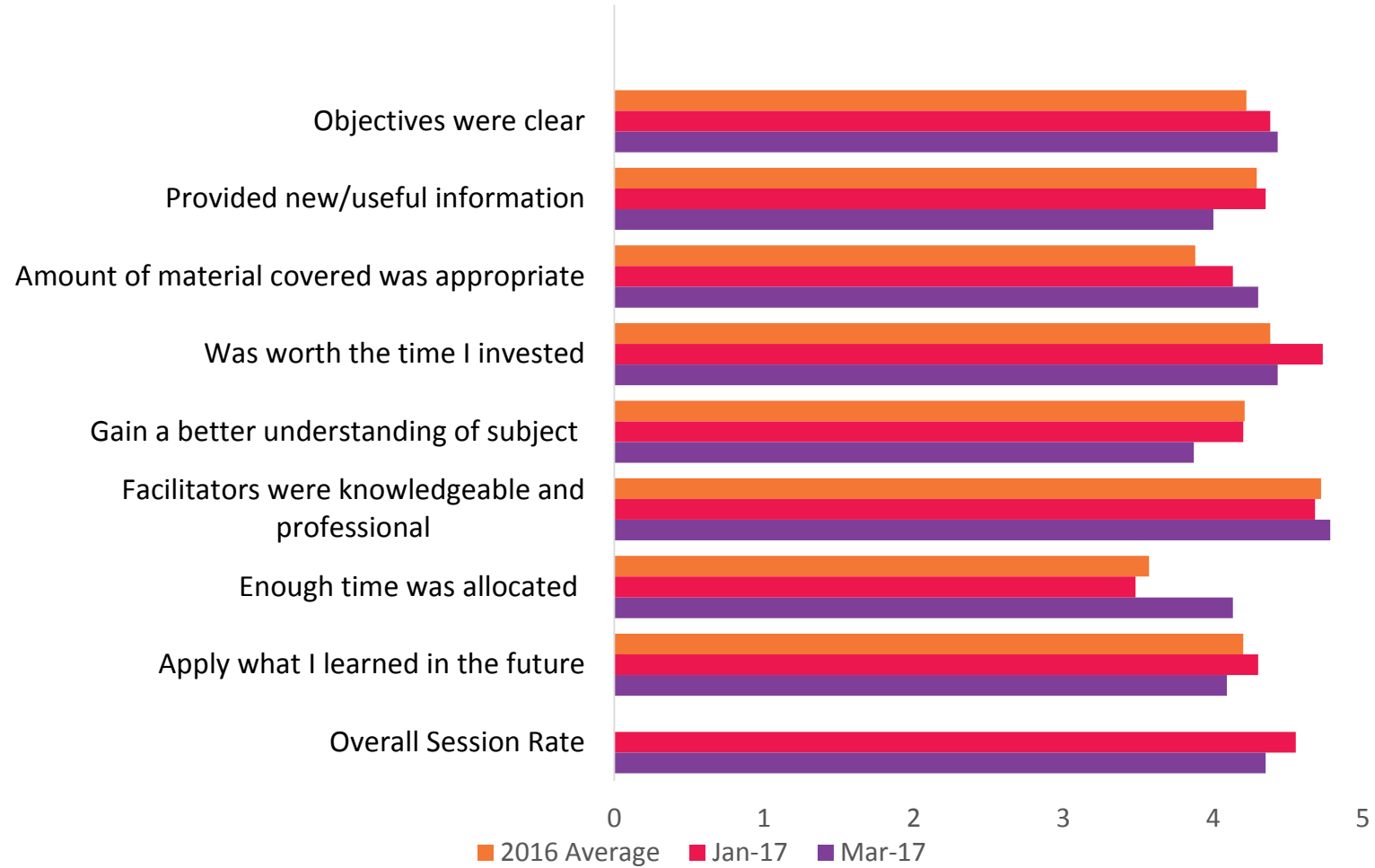
- Table set up
- Candid comments
- Exercise was thought provoking
- Great to see someone else's problem
- New Owners!

Delta (-)

- Keep mixing it up – allow for opportunity to meet other
- 3 minutes to respond not enough
- Late arrivals
- Temperature of room
- Review last meeting Delta's



Program Survey



Engage All. Transform Outcomes. Win Together.

10 November 2017

Global Center for Innovation

Sponsorship Opportunities Available

CO**GENCE** **Award**
Improved Project Delivery

Inspire. Educate. Unite.

Next Program

10 July 2017 @ 4:30

Bring a Guest!