

WHY SHOULD WE CARE? BIM to Field Certainty = Increased ROI

Percentage of Contractors Citing Activity as One of Top Three Ways Their Organization Leverages BIM During Construction Phase

Source: McGraw Hill Construction, 2013

Model-Driven Layout in the Field



Percentage of General Contractors Rating Trade Contractors' BIM Skills as High/Very High

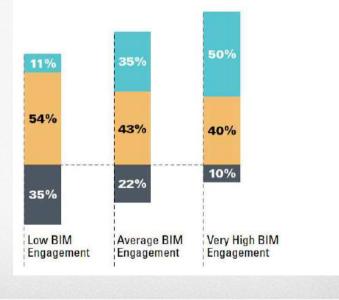
Source: McGraw Hill Construction, 2013

Steel Fabricator/Erector 56% Mechanical/Sheet Metal/Plumbing Contractor 52% Electrical Contractor 35%

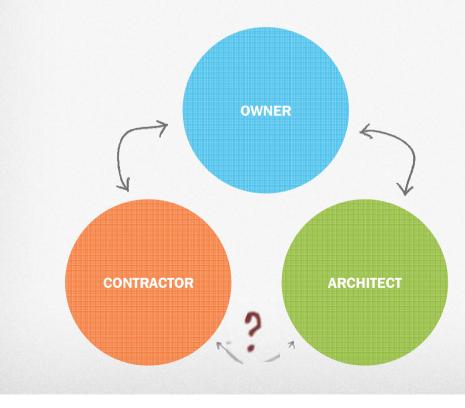
Impact of Contractor's BIM Engagement Level on ROI

Source: McGraw Hill Construction, 2013

Very Positive ROI on BIM (Over 25%)
Moderately Positive ROI on BIM (1% to 25%)
Negative and Break-Even ROI on BIM



THE INCENTIVE TO INVEST IN BIM Does Risk = Reward? Depends on the Contract



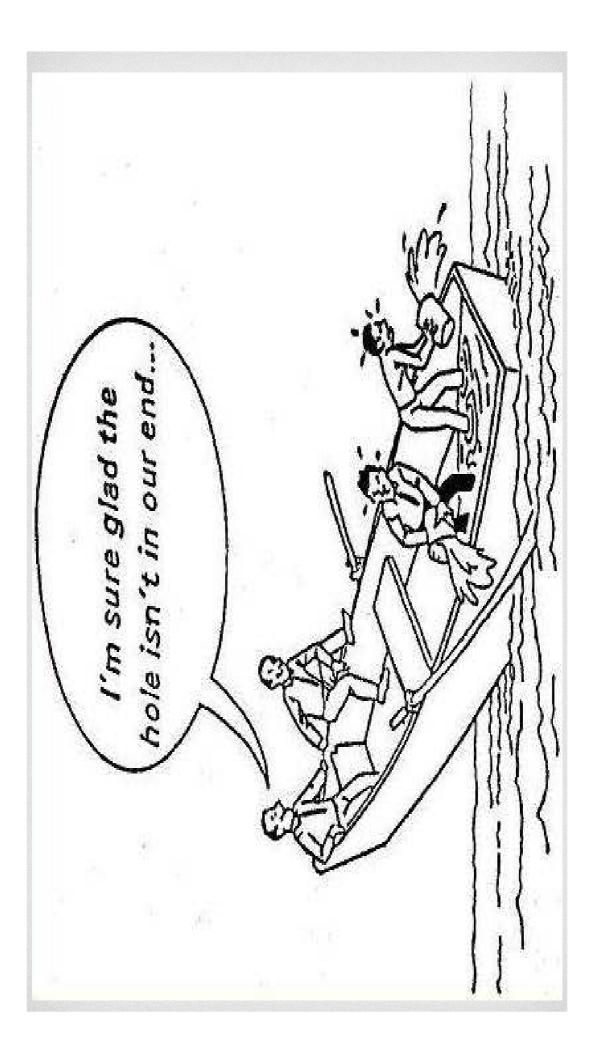


THE STRUGGLE TO FIND SYNERGY Just Follow the Money

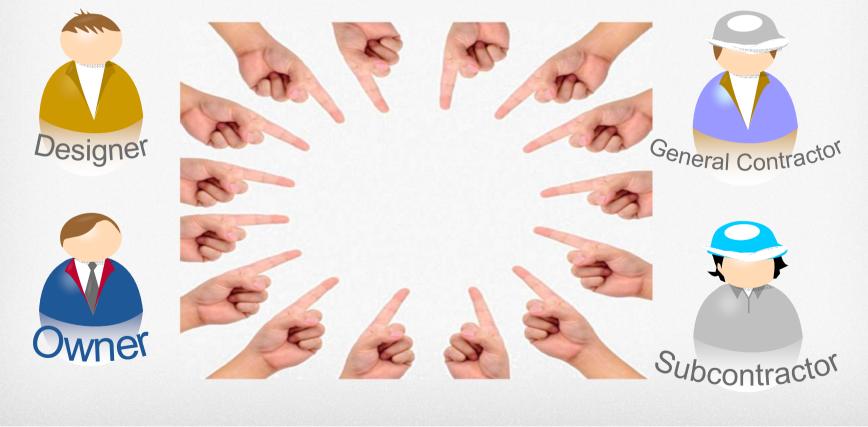
"Virtually everyone in the construction supply chain works on contracts where the incentive is to maximize their gain at the <u>expense of others</u>"

Macomber, John D. 2003 ASCE Report: "Follow the Money: What Really Drives Technology Innovation In Construction"





WHO BENEFITS MOST FROM BIM? A.K.A – Who should pay for it?





THE PRODUCTIVITY IMPERATIVE

MEGAPROJECTS (over \$1 Billion)

- · 98% of projects incur cost overruns or delays.
- The average cost increase is 80% of original value.
- The average slippage is 20 months behind original schedule.

ROOT CAUSES

- Poor organization. Decision-making and procurement processes do not have the speed and scale required.
- Inadequate communication. Inconsistencies in reporting mean that subcontractors, contractors, and owners do not have a common understanding of how the project is faring at any given time.

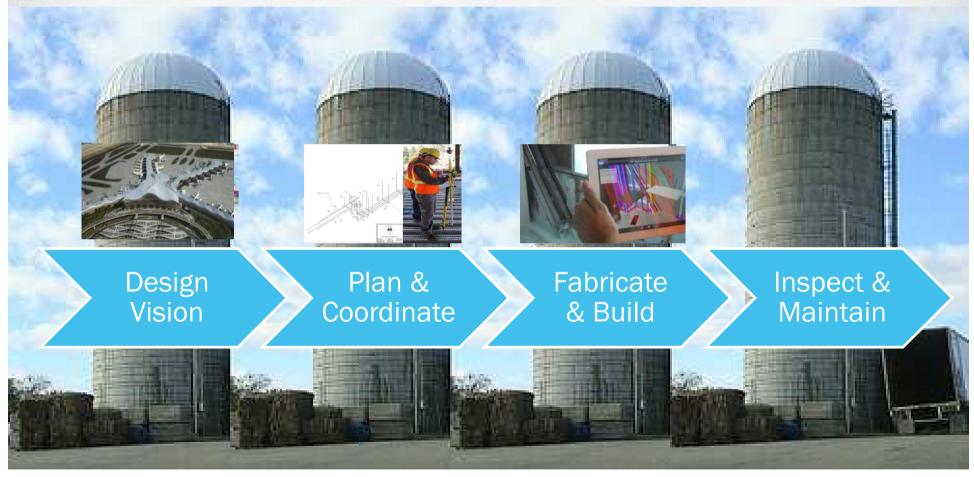
McKinsey&Company

The construction productivity imperative

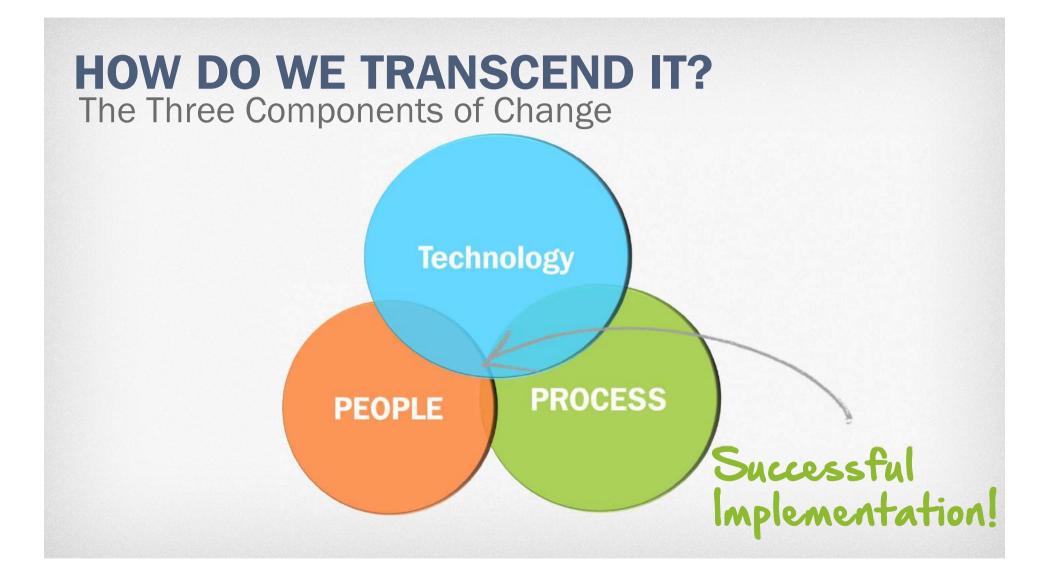
AcKinsey Productivity Sciences Center June 201

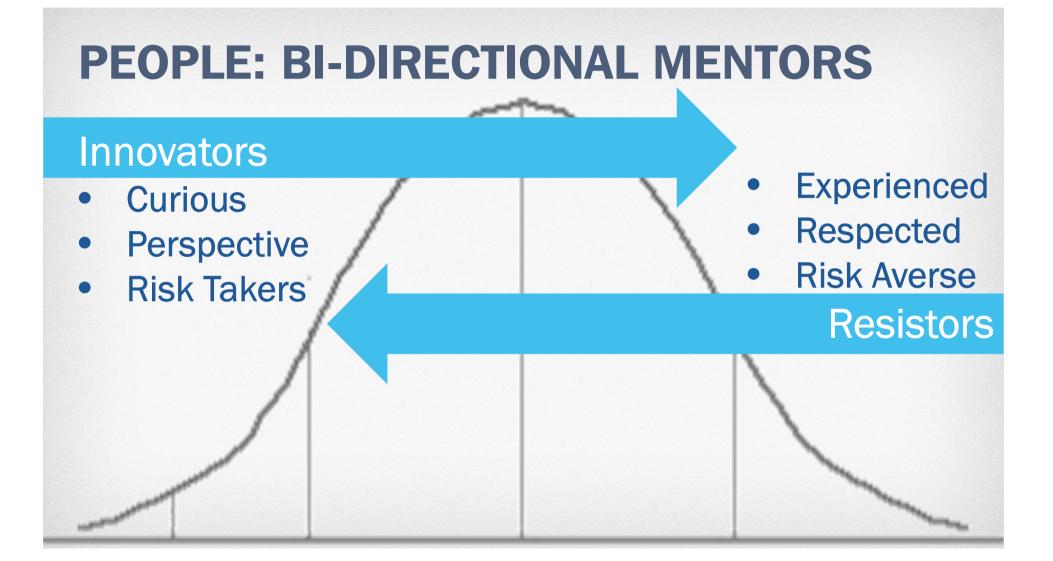


ROOT CAUSE: POOR INFORMATION HANDOFF









PEOPLE: A BIM USER CERTIFICATION?

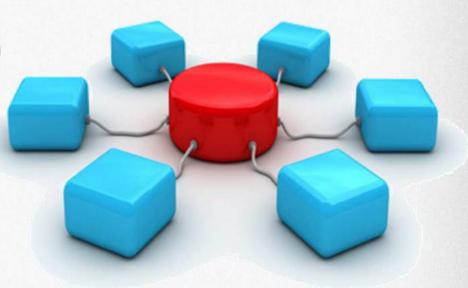
- Benefits of Broad User Certification
 - Level Playing Field
 - Baseline Measurement
 - Collect Meaningful Data
- We Need a "LEED AP for BIM"
 - www.VirtualBuilders.com





PROCESS: CONTRACT LANGUAGE

- Relational Contracts
 - (IPD, Design/Build, PPP)
- Data Transparency
 - Measure....Everything
- Shifting the Paradigm
 - Collaboration Coaching
 - 'Comfortable with Uncomfortable'



PROCESS: IS DISRUPTION GOOD?!?

What Disruptive Changes are Necessary?

"It's more likely...that new firms with new business models and new areas of focus will leverage the financial and technological innovations that will <u>change the nature of competition</u>"

-Clayton Christensen, 1997

"Innovation is driven by technologies that enable the rise of disruptive business models"

-Bower and Christensen, 2000

PROCESS: STANDARDIZATION

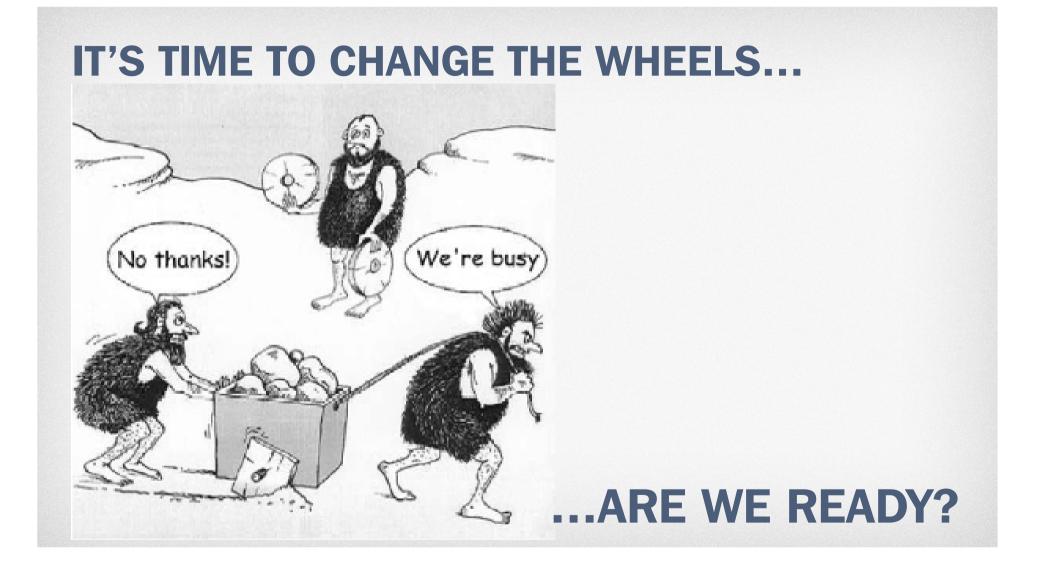
UPC

CONSTRUCTION

View the Guideline

- Standard Types, Not Tools
 - IFC, BCF, XML, PDF
- Industry Guidelines
 - Template Style
 - Filled out Collaboratively
- Project Standards
 - Decided Collaboratively
 - Team Buy-In & Understanding





THANK YOU! QUESTIONS?

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CONSTRUCTION