Quantifying the Vision: Building the Case for Project Collaboration in the Construction Industry

An Executive White Paper by Aberdeen Group, Inc.

The lack of accurate and timely information has long been an inhibitor to the successful, profitable operation of construction projects. Barriers that block access to, or degrade the distribution of, project information are major factors that cause a project's cost to vary or schedule to slip. The ensuing unbudgeted costs and additional resource expenditures touch every stakeholder in the construction project value chain — owners, construction managers, architects, engineers, contractors, and other suppliers of goods and services.

The speed and accuracy of communicating project data, information requests, change orders, and other data has traditionally been a paperbound process of fax and overnight delivery, frequently buttressed by dogged phone calls. This time-honored process is fraught with delays, errors, and redundant, non-value-added resource consumption. Communication errors lead to delays and inappropriate build-outs — resultant rework stretches out the project and accumulates unnecessary costs.

The devil is indeed in the details. Given the fragmented, geographically dispersed nature of the AEC (architecture, engineering, and construction) industry, improving the movement of information presents many opportunities to reduce project management costs. As Intel's Tom Kepper at commented, "In the past, project communications involved a 50-person team to manage handwritten notes and the fax — frequently resulting in lost or misdirected information."

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