

University of Minnesota

Results of Utilizing the XPD™ Approach

ABOUT UMN

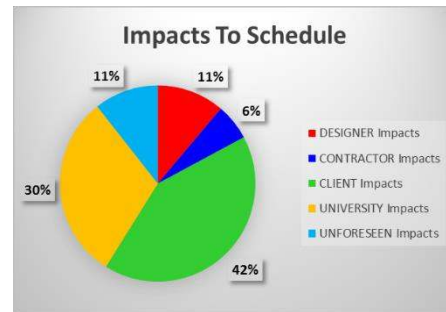
The University of Minnesota is one of the largest Universities in the United States. The University was founded in 1851 and currently serves over 50,000 students. The main campus is over 300 acres and has over 70 buildings and facilities.



SUMMARY OF EFFORT

The University of Minnesota (UMN) implemented the XPD™ approach on capital improvement projects (design and construction services). UMN was the first organization to successfully implement both the pre-award and post-award mechanism of the XPD™ program. The post-award metrics and analytics is what allowed UMN to capture and analyze critical performance information on awarded projects. See sample analytics below:

| SCHEDULE IMPACTS | DAYS | PERCENT |
|--|-------|---------|
| DESIGNER Impacts (Design related issues) | 1,506 | 11% |
| CONTRACTOR Impacts (Contractor and Sub/Supplier) | 812 | 6% |
| CLIENT Impacts (Client & Customer Delays) | 5,628 | 42% |
| UNIVERSITY Impacts (Codes & Permits) | 1,086 | 8% |
| UNIVERSITY Impacts (Energy, Phone, Data, Networking) | 146 | 1% |
| UNIVERSITY Impacts (Health & Safety) | 140 | 1% |
| UNIVERSITY Impacts (Contracts & Payments) | 294 | 2% |
| UNIVERSITY Impacts (Other) | 2,443 | 18% |
| UNFORESEEN IMPACT | 1,434 | 11% |



ACHIEVEMENTS OF THE XPD™ PROCESS

The UMN implemented the best-value XPD™ approach on 355 construction and design-related projects (approximately \$323 Million). This included: roofing, mechanical, electrical, general construction, etc. An important finding of the effort documented that higher quality vendors do not always cost more (7% of awards were made to the contractor with the highest price, and approximately 54% of awarded contractors had the lowest price). UMN documented the following achievements with the best-value XPD™ approach:

- **51% Reduction in Change Order Rate** (10% compared to 21% under traditional approach)
- **8% Reduction in Schedule Delay Rate** (46% compared to 50% under traditional approach)
- **9.5 Average Owner (UMN) Satisfaction of Contractors**
- **65% Decrease in Internal (UMN) Management Requirements** (less effort required to manage the XPD contractors)
- **17% Projects were Awarded to Small & Disadvantaged Businesses** (exceeded the traditional goal of 5%)