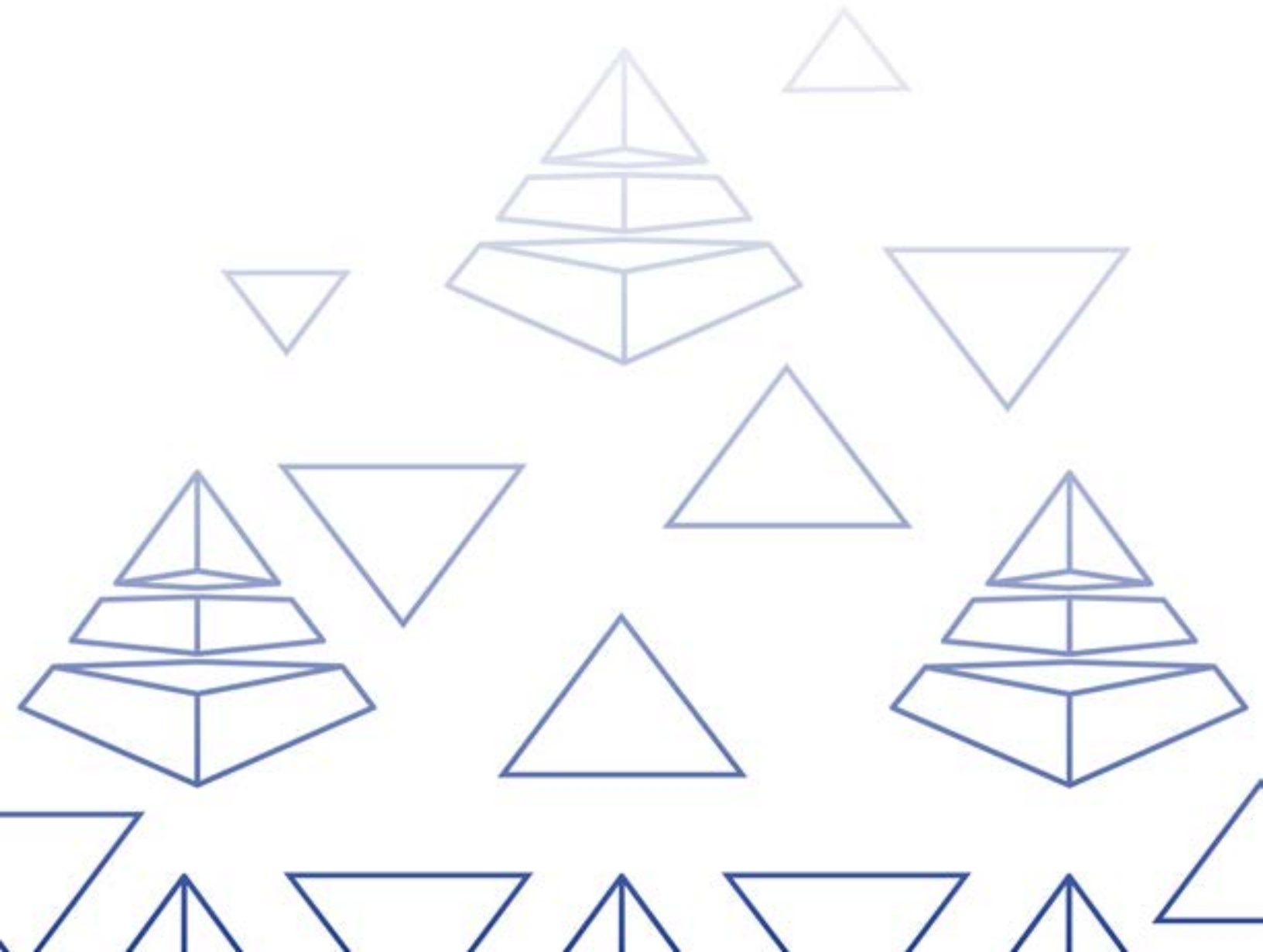


# Design-Build

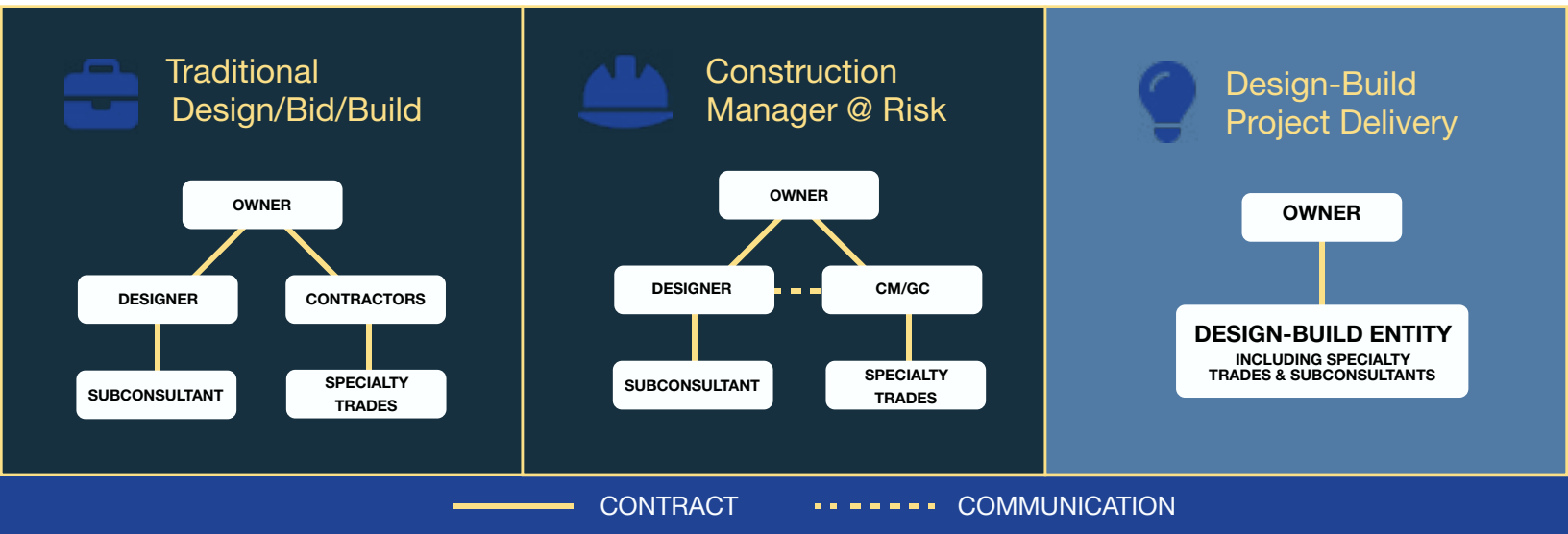
## Data Sourcebook



# Why Design-Build?

Once considered an “alternative” form of project delivery, Design-Build is now the fastest growing and most commonly used project delivery system. Nearly half of all design and construction projects in the U.S. are being delivered using some form of Design-Build. It is widely used for both private and public sector (federal, state and municipal) projects. It is used across all project types, including vertical (building) construction, transportation and water/wastewater markets.

Design-Build saves time and money by encouraging innovation and collaboration. This Design-Build Data Sourcebook highlights some of the advantages compared to other project delivery methods.



## Traditional Project Delivery

The Owner must manage two separate contracts which all-too-often creates an adversarial relationship between the designer and the contractor. If something goes wrong or an unforeseen circumstance requires

changes, the designer and contractor blame one another for the cost overruns or schedule changes, often leading to litigation and delays which add to the project cost.

## Design-Build Project Delivery

The Owner executes one contract with a single point of responsibility. Everybody on the team works together from the beginning of the project. Any changes are addressed by the entire team, including the Owner, driven by collaborative problem-solving and innovation — not excuses or blame-shifting.

While single-source contracting is the fundamental difference between Design-Build

and traditional project delivery, equally important is the culture of collaboration inherent in Design-Build.

Research over decades has consistently shown the innovation and collaboration inherent in Design-Build leads to faster project delivery, with more reliable performance and less cost and schedule growth.

## Impressive Performance

**102%**  
faster

than traditional  
Design/Bid/Build

**61%**  
faster

than traditional  
Design/Bid/Build

**3.8%** less cost growth  
than traditional Design/Bid/Build

Design-Build is anticipated to account for

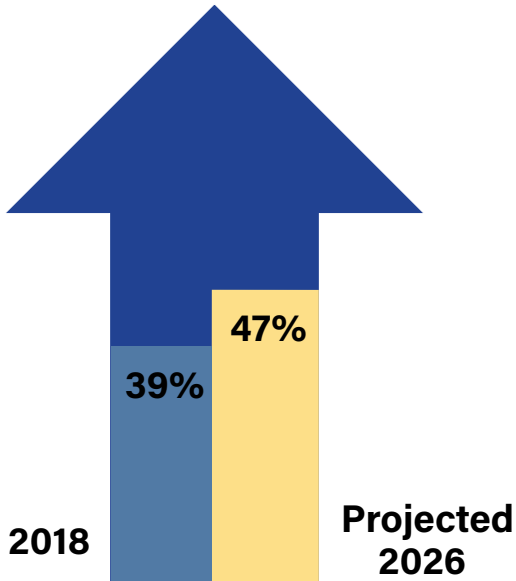
**1,900,000,000,000**  
(that's \$1.9 trillion)

of construction spending over the 2022-2026 forecast period.

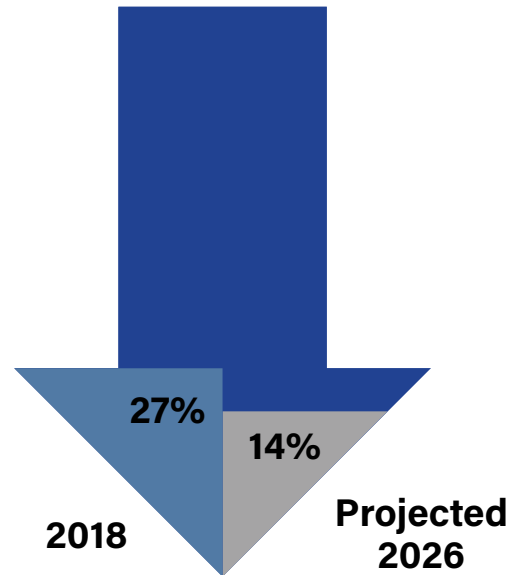
# Impressive Growth

Design-Build is the fastest growing, most popular project delivery method in the nation and will account for nearly half of all construction spending by 2026.

## Design-Build Growth



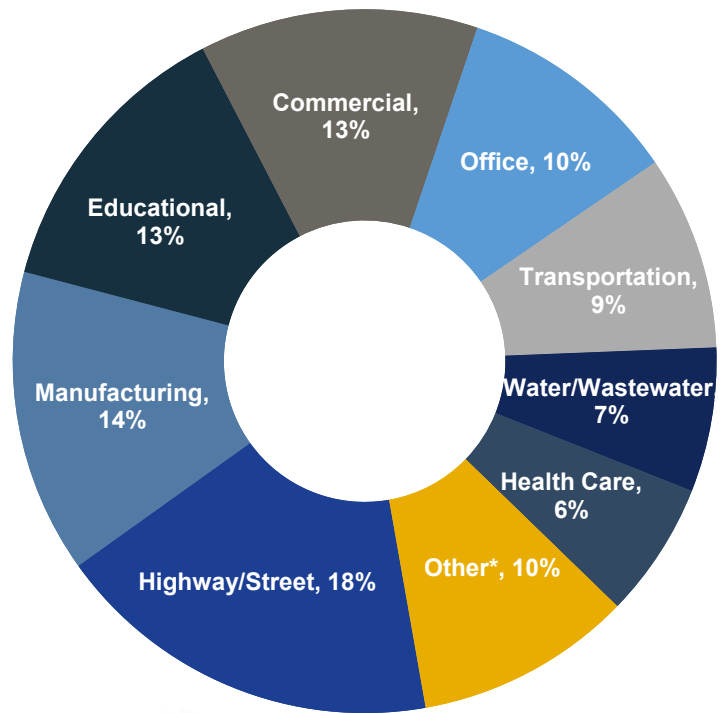
## Design/Bid/Build Decline



## DISTRIBUTION OF FORECAST SPENDING BY SEGMENT

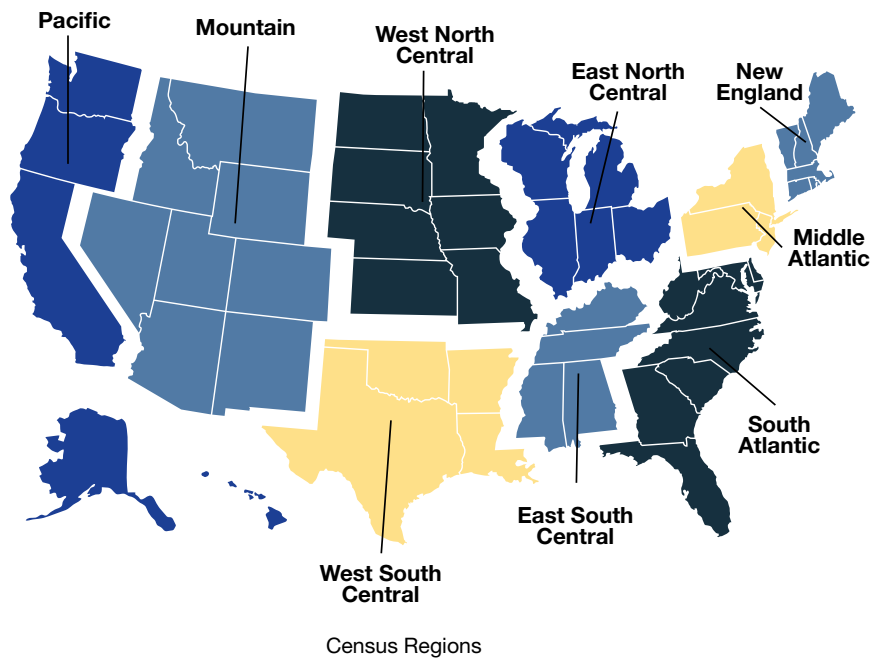
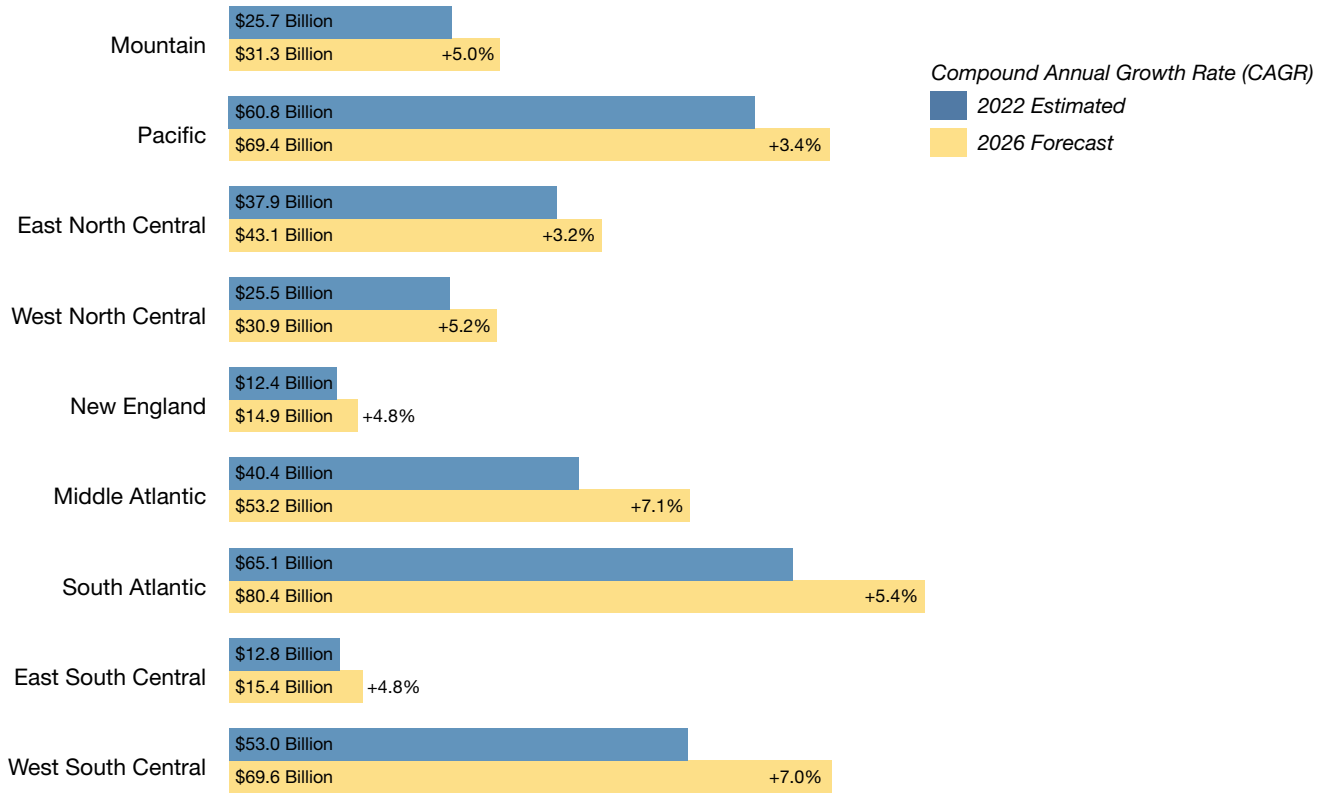
Combined CPiP spending, 2022–2026

The largest Design-Build construction put in place (CPiP) spending will be seen in the highway/street, educational and manufacturing sectors.



\*Other includes public safety, religious, A&R and lodging.

# DESIGN-BUILD WILL CONTINUE TO GROW IN EVERY REGION



**“Design-Build is no longer an alternative method. It is a main part of how we deliver our program.”**

—Public Owner

# Digging Deeper

## PROJECT COST

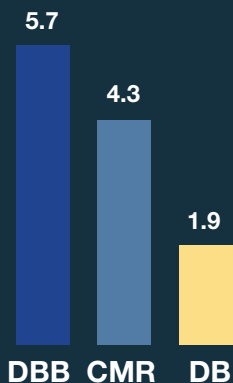
Projects using Design-Build (DB) **cost less** per square foot when compared to Construction Manager at Risk (CMR) and Design/Bid/Build (DBB). Design-Build projects also average **less cost growth** than a comparably scoped project using CMR and DBB.

## PROJECT SCHEDULE

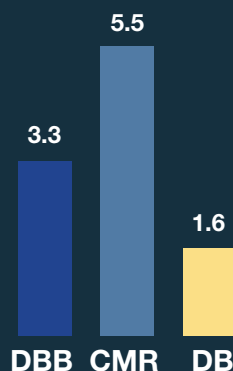
Design-Build was also the **best performing** project delivery system in terms of schedule growth, delivery speed and construction speed.

Performance Measure	DB vs. CMR	CMR vs. DBB	DB vs. DBB
Unit Cost	1.9% less	1.6% more	0.3% less
Cost Growth	2.4% less	1.4% less	3.8% less
Schedule Growth	3.9% less	2.2% more	1.7% less
Construction Speed	13% faster	20% faster	36% faster

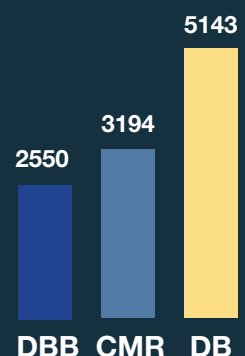
Cost Growth (%)



Schedule Growth (%)



Delivery Speed (ft<sup>2</sup>/mo.)



# Behind the Numbers

These conditions are most influential in delivering both cost and schedule efficient projects.



## LOWER UNIT COST

- Higher team chemistry among the Owner, designer and builder (GC, CM or design-builder)
- Open book contracting terms, such as a cost plus a fee with a guaranteed maximum price (GMP)
- Lower initial contracted unit cost



## LESS COST GROWTH

- Use of a DB project delivery system
- Higher team chemistry among the Owner, designer and builder (GC, CM or design-builder)
- Earlier involvement of the builder



## LESS SCHEDULE GROWTH

- Participation of the designer and builder (GC, CM or design-builder) in project goal-setting
- Earlier involvement of the builder
- Lower project complexity



## FASTER CONSTRUCTION SPEED

- Use of a DB or CMR project delivery system
- Larger gross square footage of the project
- Higher initial contracted unit cost



## FASTER DELIVERY SPEED

- Use of a DB or CMR project delivery system
- Larger gross square footage of the project
- Higher initial contracted unit cost



# The Keys to Success

## BEST PERFORMERS

Across the case studies of the most successful projects, there were two recurring themes:

- The Owner placed a high emphasis on creating a relational project culture
- Repeated use of the same designer and/or builder (GC, CM or Design-Builder)

## WORST PERFORMERS

Across the case studies of the least successful projects, three themes emerged:

- Lack of experience with the project delivery system or project management in general
- Poor communication between the Owner and the builder
- Understaffing or turnover within the Owner, designer or builder's organization

**THE LIKELIHOOD OF PROJECT DELIVERY SUCCESS CAN BE IMPROVED THROUGH PROCESSES WHICH ARE CENTRAL TO DESIGN-BUILD DONE RIGHT®.**

# 1

Assembling the project team early

# 3

Communicating expectations

# 2

Developing a relational project culture

# 4

Engaging in succession planning







**Ability to fast-track**



**Opportunities to innovate**

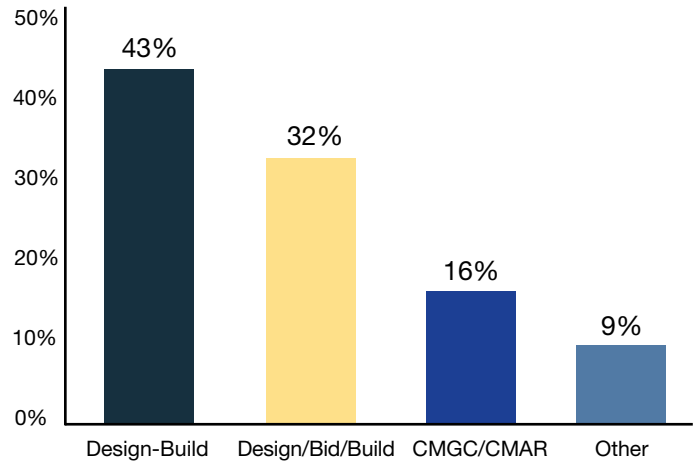


**Increase collaboration**

The ability to fast track, innovate and increase collaboration were listed as top benefits of Design-Build.

### DESIGN-BUILD ENCOURAGES MWDBE PARTICIPATION

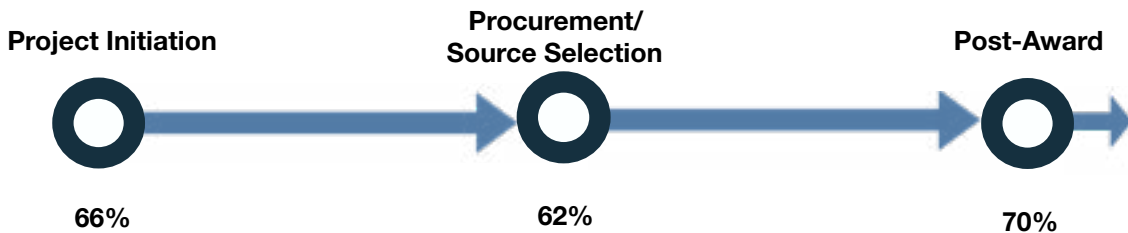
Across participant types, 64% of Owners, 52% of specialty trade contractors, 48% of Owner Advisors, 39% of general contractors/construction managers and 32% of architects selected Design-Build as the delivery method that most encourages participation from Minority, Women and Disadvantaged Business Enterprises (MWDBEs).



**“I think because we utilize Design-Build to deliver our projects, we are fostering more true partnerships with MWDBE firms.”**

### THE MAJORITY OF OWNERS USE OWNER ADVISORS

Owner Advisors are employed across various project phases.



# Design-Build at a Glance

## LOWER UNIT COSTS



**0.3%**

VS DBB

**1.9%**

VS CM@R

## FASTER CONSTRUCTION



**36%**

VS DBB

**13%**

VS CM@R

## LESS COST GROWTH



**3.8%**

VS DBB

**2.4%**

VS CM@R

## LESS SCHEDULE GROWTH



**1.7%**

VS DBB

**3.9%**

VS CM@R

## FASTER DELIVERY SPEED



**102%** VS DBB

**61%** VS CM@R

# Design-Build Resources



[Design-Build Done Right® Best Practices](#)



[Design-Build Projects Database](#)



[Project Delivery Primer](#)



[Design-Build Contracts](#)



[DBIA Design-Build Done Right® Courses](#)



[DBIA Advocacy Resources](#)



[Design-Build Professional Certification](#)



[DBIA Conferences](#)

## Sources

[Revisiting Project Delivery Performance, CII/Pankow, 2018.](#)

[Design-Build Utilization Combined Market Study, FMI 2021, and Mid-Cycle Update Report, FMI 2023](#)





**Design-Build Institute of America**  
1001 Pennsylvania Avenue NW, Suite 410  
Washington, DC 20004  
Telephone: (202) 682-0110  
[www.dbia.org](http://www.dbia.org)

