

Partnering Delivers ... Results

Maryland State Highway Administration Transforms Construction Culture with Partnering

\$600,000

Annual dollars saved on average claims settlements by MD SHA since 2000

1991-99 \$1.73M/year average

2000-11 \$1.07M/year average

\$153 Million

Increase in the average annual budget for Maryland SHA Construction since 2000

1991-99 \$405M/year average

2000-11 \$558M/year average

48% Reduction

Annual average reduction in claims made since 2000

1991-99: \$7.99M/year average

2000-11: \$3.85M/year average

37% Reduction

Annual reduction in average claims settlements of MD SHA since 2000

1991-99: \$1.7M/year average

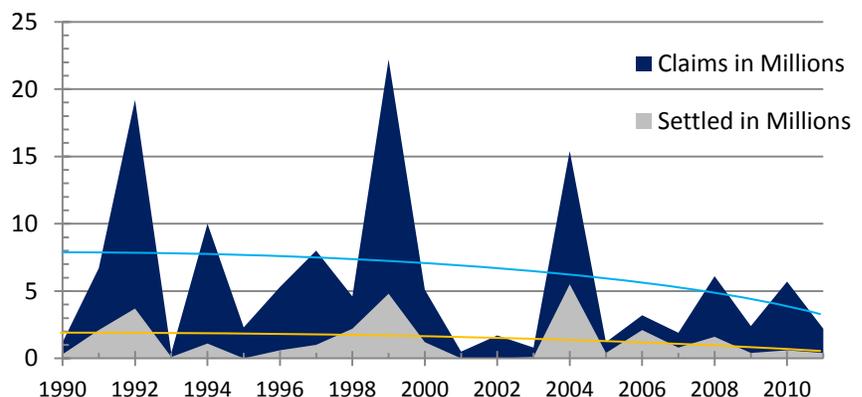
2000-11: \$1.09M/year average

Effective Partnering Reduces Claims and Litigation for Owners

Facing a steady increase in claim disputes and settlements in the nineties, IPI Member Maryland State Highway Administration (MD SHA) focused on Partnering as a way to improve project performance. Since first introducing Partnering in 1991, they have developed into a model for the industry. The results on this page include findings identified in a 2006 study on the effectiveness of the MD SHA program conducted by Salisbury University (led by IPI Members Brian Polkinghorn and Frank Carr).

MD SHA has increased average construction expenditures by 138% since 1999 and yet reduced the size of claims made against them by 48% and reduced settlements by 37%. They are saving on average \$600,000 per year on claims and the trend is continuing towards zero!

MD SHA Litigated Claims and Settled Amounts (1990 – present)



IPI Congratulates MD SHA for its outstanding work in Partnering!

Maryland SHA's Partnering Program incorporates many of IPI's recommended Best Practices including:

- Partnering Program sponsored by organization top leadership and pushed down to the construction teams;
- A Steering Committee comprised of owner and industry members (the Maryland Quality Initiative Partnering Subcommittee);
- An established Partnering Coordinator position in owner organization
- Formal training on Partnering; and
- An awards recognition program

International Partnering Institute (IPI)

International Partnering Institute was founded in 1996 and is a 501(c)3 non-profit charity. IPI does research to capture partnering concepts and techniques that develop high trust relationships and organizational cultures for the delivery of construction projects, and provides education and certification in those concepts and techniques. IPI is funded by revenue generated from member contributions, seminars and educational resources. Please call or visit www.partneringinstitute.org for more information on how to join and support collaboration in construction.

