The Opus Advantage: In-house Expertise



Given the steadfast shift in our marketplace from industrial to knowledge-based, the old adage "knowledge is power" has never been more relevant. A study by Talent Growth Advisors recently concluded that 88% of an average company's value is now a direct result of its intellectual capital – the brainpower and capabilities of its people. This shift has affected nearly all industries. In order to compete and succeed, businesses must work smarter and find ways to bring more value to clients.

Opus' founder, Gerry Rauenhorst, was ahead of his time when he pioneered the design-build project delivery method in the 1960s. Having observed disconnects and tension between independent architects and contractors, he knew there was a better way. Rauenhorst, a visionary with unwavering entrepreneurial spirit, understood intellectual capital and empowerment. He devised a design-build process that vertically integrated architects and contractors, making them all employees of the company, resulting in better collaboration and results. In a sense, he made what was independent interdependent. One function could not operate independently of the other, and the whole was greater than the sum of the parts. They were one company, working toward the same goal – delivering the building the client needed.



Today the Opus DB³TM project delivery method takes design-build to the next level. It differs from the traditional design-bid-build process managed by a general contractor by effectively integrating all three stakeholders – client, architect and builder – for meaningful collaboration from the day the project starts until the last detail is finished. Driven by experts in their respective fields, it maximizes quality, efficiency and aesthetics while achieving faster completions, reduced costs and the best total value for clients.



"With all the disciplines in-house at Opus, we can better balance all aspects of projects to meet and exceed client goals," said Dave Bangasser, president and CEO of project management and construction "We have a strong track record of consistently meeting our promises to clients with regard to product, budget and schedule because we are responsible for all of them."

Addressing Pain Points Early

Developing, designing and constructing buildings is a complex process that involves many moving, interrelated parts. For both end-user clients and owner-landlord clients, Opus' unique one-team approach brings significant value and alleviates pain points by anticipating and addressing them early.

Whether issues are technical or aesthetic in nature, the experts at Opus have likely seen them before. For example, floor slab issues can be a major pain point for industrial clients, so Opus engineers and technical experts work closely with clients to understand their operations and alleviate issues by integrating specialized materials and methods of placement. For office clients, lighting and amenities that support an efficient work environment may be concerns. With many years of experience working together as an intergrated team, Opus experts uncover and understand these specialized needs and collaborate with clients early in the process to ensure expectations are met or exceeded.

"The integrated approach to design and construction exhibited by [Opus] is second to none. We appreciate the enormous effort it takes to coordinate architects, interior designers, engineers, subcontractors, construction managers, supplies, local authorities and administrative and support staff. The strong leadership of your staff and emphasis on quality control made this effort appear seamless, and allowed all involved to excel in their respective fields."

Mark L. Thompson, CW4, QM Iowa ARNG Iowa Army National Guard AFRC Complex

What Makes Opus Different

All functions – development, design, architecture and construction – are in-house at Opus. This organizational structure and proximity has advantages that translate to better buildings and happier clients.

Opus' in-house team is comprised of experts with tenures of up to 30 or more years, as well as more junior professionals who bring new perspectives to the mix. This diversity is critical for delivering unique-to-Opus expertise in many areas including:

Development: Opus real estate developers manage complex transactions including everything from site evaluation and navigating government approvals, to securing financing and ensuring the finished product achieves the client's goals and business needs.

Capital Markets & Finance: In addition to extensive experience financing a wide range of project types, Opus capital and finance experts have strong relationships with reputable debt and equity sources, helping clients get the most ideal financing.

Environmental Remediation: While most developers rely on external consultants to manage environmental affairs, Opus employs in-house environmental experts and has developed its own proprietary model to successfully address environmental concerns. Because they understand clients' businesses and risk tolerance, they can better guide decisions to maximize opportunity and minimize risk.

Project Management: Opus simplifies the entire real estate process for clients by offering one single point person, a <u>project manager</u>, as a main contact for all phases of the project from start to finish.

Construction: At every jobsite, Opus superintendents and foremen oversee field operations and self-perform crews to ensure client projects are executed as promised.

Field Coordinators: To ensure job sites run smoothly and projects meet client expectations, field coordinators manage and encourage interaction and cooperation between office and field associates.

Safety: Interwoven in the fabric of the Opus culture, <u>safety</u> is a top priority and critical component of everyday operations. Led by a safety team with more than 75 years of combined experience, Opus' overall and jobsite specific safety record have been recognized by various industry organizations year after year.

Design, Project Architecture & Interior Design: Because design, architecture and interior design teams are in-house, they work closely with Opus project managers and construction experts to better understand the costs and constructibility of their designs.

Structural Engineering: Opus employs <u>structural engineers</u> who work directly on projects, creating schedule efficiencies and safe, sustainable buildings.





"What I didn't have an appreciation for in the beginning was that a true design-build like we did with Opus is an iterative kind of collaborative process going back and forth. Design-build actually worked out really well because we learned from the last [building] that you just can't turn the project over to an architect. There literally has to be this collaborative effort back and forth."

Dave Bozich Vice President Operations Renishaw North America North American Headquarters

Clients & Partners Recognize the Benefits

Opus' unique process is a one-stop shop for clients and partners that manages everything required for the project – from initial permits and city approvals, to design and construction, to helping coordinate move-in logistics when the building is complete. While every project is different and unique, this multidisciplinary one-team approach results in several key benefits.

First and foremost is certainty of outcome. In addition to looking and functioning as promised, the building is delivered to the client on time and within budget. "Because our fully-integrated team oversees the project, schedule and cost, we have a strong track record of consistently meeting our promises for high-quality buildings with enduring value that are functional, efficient and aesthetically pleasing," said Bangasser.

With all capabilities under one roof and the flexibility to realign, redesign or re-plan aspects of the project, Opus is better equipped to understand, articulate and deliver client requirements and a better product that's functional and sound.

Risk is also managed for clients. Because all disciplines are collectively responsible to the client, they are focused on optimizing solutions, not on transferring risk to each discipline.

Additionally, clients benefit by getting a guaranteed maximum price (GMP) sooner – during the design and development process – rather than after designs are locked and contractors are bidding specs. With guaranteed costs established sooner, financing, contracts and construction can commence earlier and projects can be completed sooner.

Opus DB³ vs. Other Traditional Approaches

The Opus DB³ delivery method is driven by experts. All stakeholders collaborate closely throughout the entire project. Unlike the traditional design-bid-build process, there are no hand-offs from one party to another.



"The design-bid-build system requires a lot more time and expense in going back and forth between designers, contractors and client," said Dean Newins, senior vice president of architecture. "At Opus, our construction professionals take our designers' drawings and easily collaborate directly with us throughout the project. And we are all aligned to the same common goal – the client's success – rather than individual interests."

Opus' design-build process brings more incremental value to clients by delivering better quality buildings faster while minimizing costs. For example, Iowa State University saw the value when they selected Opus to design and construct Geoffroy Residence Hall. With a long list of requirements, a finite budget and an overriding priority to maximize bed count, ISU needed a partner who could deliver the most value for every dollar. Opus delivered a design solution that gave ISU everything they wanted and more – 84 more beds than the 700 bed minimum for up to 45% less cost per bed than other similar public university residence halls.

With a lower cost per bed - and more beds than requested - ISU can recover their investment sooner than other comparable projects while providing a high-quality, unique and vibrant student living experience.

	Opus DB³	Other Traditional Approaches		
	ISU's Geoffroy Hall	Rose Avenue Residences	West Campus University of Iowa	17th Ave Residences Hall Universtiy of MN
# of Beds	784	540	501	585
Cost Per Bed	\$49,681	\$64,049	\$68,332	\$91,100
Total Project Cost	\$39 Million	\$28.8 Million	\$53 Million	\$53.3 Million
GSF	193,061	155,000	NA	230,000
Project Delivery Method	Opus DB³ Design-Build	Design with CM at Risk	Design-Bid-Build	Design with CM at Risk

The bottom line? The combination of Opus expertise with the Opus design-build approach equals the best outcome for clients. Projects are managed collectively by a unified in-house Opus team, aligned to a common goal, rather than by separate entities with various goals and interests, which results in speed, cost efficiency and better **overall value.** This kind of customer-centric process is part of the Opus culture and has been embedded into Opus' work since the very beginning.

"The Opus design-build delivery method allows us to balance and manage all aspects of projects, including the price," said Bangasser. "Often competitors commit to a price, and there's a delay before the builder gets involved. At that point, there are often unforeseen issues and the squeezing of the budget starts in order to retain the original promised price to the client. In these situations, compromises can come in the form of lesser quality building materials or methods of installation, which will ultimately affect the long-term performance of the building. But not at Opus. Opus involves our self-perform construction experts from the start to mitigate the risk of this happening, and if there's a budget challenge identified along the way, we rectify it right away."

Taking ownership of the entire process from start to finish also enables Opus to better control timelines. Because all functions are in-house, certain project phases are able to overlap or happen in parallel, for greater speed. Along the way, issues are corrected sooner, which also contributes to faster delivery and ultimately a better quality end product.

"It's the same concept as a leaky faucet in your house," said Bangasser. "If you can stop the leak early, you'll save frustration and money on your water bill. In many of our markets, subcontractors bid our projects lower because they know once they get on an Opus jobsite, things will run smoothly. Our operation is extremely efficient and just keeps feeding itself with additional efficiencies that ultimately benefit the client."

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