## PROJECT SUMMARY

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<tr>
<th>Project, Location</th>
<th>Target Price</th>
<th>Delivery</th>
<th>Project Team Execution Rating</th>
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<td>Confidential</td>
<td>September 2013 to May 2016</td>
<td>90%</td>
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<tr>
<td>Project Model</td>
<td>Final Price</td>
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<td>13% Below Target Price</td>
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## PROJECT TEAM

**TD Lego**

- **Christine Penney**
  - Vice-President of Planning, Strategy and Innovation
- **Kevin Greene**
  - Manager of Project Management

## IPD ELEMENTS

- Extensive pre-planning with all levels of leadership
- An agreement between the partners not to litigate
- Transparency in scheduling, delivery and billing
- A shared pool of risk/reward to stimulate innovation
- 11 Floors of renovation
- Completed over 6 phases

## THE IPD JOURNEY

**THE CLIENT’S PERSPECTIVE**

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## TD BIOGRAPHIES

**Kevin Greene**

- Vice-President of Planning, Strategy and Innovation

**Christine Penney**

- Manager of Project Management
Two factors make Kevin Greene’s evolution from IPD skeptic to convert especially noteworthy.

First, his title. As TD’s Vice President of Planning, Strategy and Innovation for enterprise real estate, he is in the business of finding new and better ways to build. But Kevin saw little need for IPD. His projects ran on time and on budget. Why fix what he didn’t view as broken?

“I’ve done projects across the country and this was the number one project in my career.”

Christine Penney

“I thought this was crazy. I have to admit, I was very closed-minded. I thought we had already figured it out. We had a very sharp team, very tight drawings, a great bidding process. I was a fixed-sum guy.”

Kevin had no trouble with the notion of bolstering the culture between partners.

“I had experienced the philosophy that spoke to the cultural element in different models. I had been part of design builds. I had been on construction management team. I understood that integrating a team together to the greatest degree you could made a lot of sense earlier in the process.”

What he did not see was how an IPD project on a relatively small-scale project could justify the front-end costs that come with involving top-level people in planning and problem-solving.

“I didn’t think there was enough scope of work to really find innovation and the savings that process-change required. I think that was my naivety, period. But remember, we had been building interiors at TD for 20 years. The standards were refined each time. We had continuous improvement. We were a finely-tuned machine.”

His view of IPD’s potential began to change early in the process.

“We talked in the visioning sessions about our values and what we were targeting. Seeing the value that these folks around the table could bring was very important. We started to engage as a team.”
“The best part of the session was when the facilitator asked, ‘What are your fears?’ Mine was, ‘Is this going to work?’ But hearing everybody’s fears and allowing people to voice them and then coming up with a value statement against fear was a great thing.”

Christine Penney, TD’s Manager of Project Management, said her doubts about the efficacy of IPD began melting away in those early sessions. “One of the most exciting meetings I’ve ever had was when we had decided on the team. Senior management from EllisDon, HOK, TD and other groups were determining what contractors to bring in,” she said. “I was so impressed with the level of knowledge, their spirit of collaboration and their experience, I thought if this is going to start at the senior level it’s going to be even better as we go forward.”

Transparency and collaboration are the twin pillars of an IPD build. The Big Room, an on-site office, was home to the white board, a project schedule that showed every member what the other was doing.

“There were many moments of doubt along the way... I would say we had to get about halfway through the project before we got over that hill.”

Kevin Greene

“If I was coming in behind Contractor A, I wanted to help him get his work done so I could get my work done,” Christine said. “It was never peer pressure in the negative form. It was a positive peer pressure to keep the momentum going.”

Since everyone works from a common pot, each partner’s billings were open to scrutiny. Imagining a new way of doing business was bumpy in the beginning. Doubts crept back in
during initial delays as the planning became more expensive without any visible return. “There were many moments of doubt along the way,” Kevin said. “A great proportion of time and a lot of money are spent in the early stage of the process. As you go through that, you find people beginning to question: ‘why am I spending all this time on this? Are we going to see any of the results?’” “I would say we had to get about halfway through the project before we got over that hill.”

TD’s legal staff also faced an adjustment. The rubber meets the road in an IPD when partners agree not to sue each other. Said Kevin: “If it was a challenge for anyone, it was a leap for our legal team but we were able to say: ‘we’ve been spending a lot of time transferring risk. This is exactly the same. It’s not transference in the usual way - a point-to-point transference - this is a kind of group transference. “I would say it’s more effective because there is actually more on the line for everybody.”

Soon, savings mitigated the early expenses.

“I think it was the hardest thing about this; learning new behaviours, creating new processes, learning to trust each other to a new degree.”

Kevin Greene

“As we got more involved and invested in it we could see the benefits and how it would roll,” Christine said. “We knew we could do it better the next round. It was just beautiful.”

The values discussed in the early visioning meetings, trust, collaboration, bloomed as the project evolved.

“Joe Day from EllisDon characterized it best. Coming from a contractor’s side of the world, contractors, sub-contractors and sub-consultants probably have the biggest learning curve because they probably didn’t have past experience in these kinds of formats.” “He said ‘every morning I had to wake up, take my brain out and put it in the other way.’ He said: ‘I have to characterize it as a reverse change order.’

“What I and my team had to understand is the less I scope, the more I make,” Kevin said. “It’s a phenomenal change, a difficult change.”
The takeaway was the efficiency and financial rewards of the system…but don't ignore the advantages in morale, Kevin said. “I hate to be a little fluffy here but we actually had fun. To me, it’s such a win/win on all fronts. I think we found a lot of uptake in the quality of the build; it was a very high quality build. We saved a hell of a lot of time in delivery. Floors were ready weeks in advance of where they would ordinarily be so we had time saved.”

“I am so happy to hear there were others who really enjoyed it. Someone said to me: ‘everyone in their lives should do one of these concepts.’ I agree wholeheartedly.”

“I've done projects across the country and this was the number one project in my career,” Christine said.

“At LEGO, we’ve got 1,200 employees who are happy. They are reaping the benefits of the new design, the cleanliness, the new technology they never had before. I’m very, very happy for them.”

Christine Penney