SUCCESSION INSTITUTE

PARTNERING:

STACKING THE ODDS IN FAVOR OF PROJECT SUCCESS

THE PARTNERING PROCESS — AN OVERVIEW

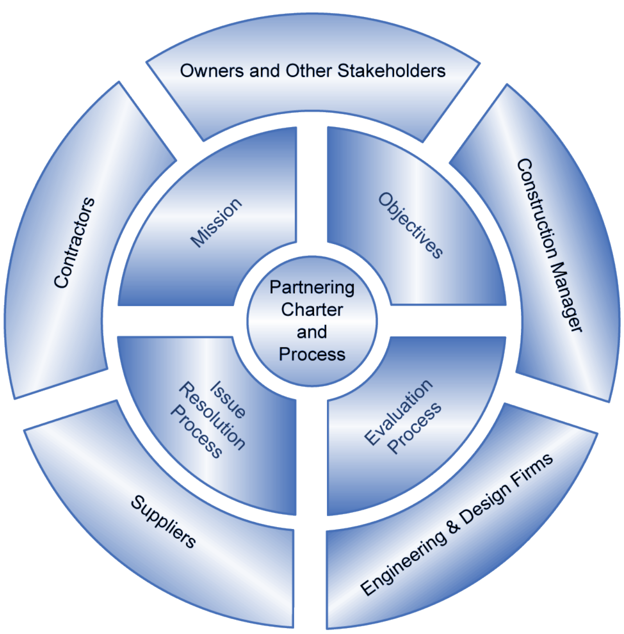
WHAT PARTNERING IS ALL ABOUT

Partnering Description

Partnering allows a project management team to anticipate problems before they arise, and to identify ways to deal constructively with potential conflicts. On partnered projects the emphasis is placed on finding ways to solve problems collaboratively, rather than fixing blame, so all parties to the contract realize success on the project.

Benefits of Partnering

Done correctly, partnering can reduce dysfunctional conflict that would otherwise result in litigated claims. This results in win/win situations for all parties to the contract. Effective partnering requires a commitment from senior management of all parties to the contract to implement and use the partnering process. Partnering is an ongoing *process*—not a one-time event. Partnering (a partnering workshop) that lays the groundwork for the partnering process throughout the life cycle of the project.



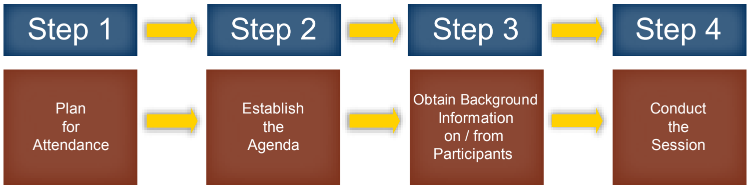
Explanation of the Partnering Process

This overview outlines a one-day partnering charter session and related follow-up activities designed to insure that the process adds value to the project. We customize the approach for each session to meet the specific needs of the project for which partnering is being established. Individual sessions can run from about one-half day to a full day or two, depending on the objectives of the project team. On larger projects, ongoing partnering workshops can be conducted throughout the life of the project.

CHARTER SESSION

Planning for Attendance

We work with management to review guidelines as to whom to invite to the initial session. Generally, we recommend that management invite individuals from top-level executives down to the engineering level. This is because buy-in and agreement is needed at the top, as well as functionally along the way, by the people who deal with one another most often. The owner, the owner's representatives, the AE team, contractor, construction manager and major subcontractors and suppliers typically are included. We try to work around the executives' schedules to select the best date and have management send notification of the session to the invitees. The ideal size of the group normally should not exceed about two dozen people, although we often conduct partnering workshops where participation exceeds that suggested number. One rule here is that the larger the group is, typically, the longer the process will take.



Establishing the Agenda

We meet with management to set the tentative agenda and address specific items that should be addressed at the one-day session. If the team has not worked together before, or if many participants are new to partnering, the time and activities required may need to be expanded to allow participants to become comfortable with the concept.

Objective of a Typical Charter Session

The primary objective of the partnering session is to walk out with a completed project charter. The charter includes a mission statement and a list of individual items, or charter objectives, which serve as behavioral guidelines for the team, as well as the basis for future evaluation of the project and the team's work. Any future evaluation as a result of the partnering work is not directed at any one party to the contract. Rather, it is directed to the cross-functional project team as a whole. The charter can then serve as a "report card" to show how well the team is living up to its commitments to one another.

Just Prior to the Session

In order to help participants get a better understanding of the other team members involved, we may ask each person to fill out background information sheet. These background forms are gathered prior to the session, copied, and then distributed at the session to all members by management. The forms include information about the participants' education, relevant work experience, roles in their firms and roles on the project. We normally make it a point to talk with key personnel from the parties to the contract in advance of the workshop to identify any issues they feel must be addressed during the workshop to ensure project success—project-specific "rocks in the road."

During the Session

The facilitator leads the team through the agenda to help it establish the charter. During some sessions, we recommend that management have an administrative assistant available to take notes, make copies, and handle other meeting details. Meals and snacks are provided during the meeting. The session is held off-site on "neutral ground" to create a relaxed, but business-like atmosphere.

CHARTER DISTRIBUTION

In most partnering workshops, we generate a partnering charter document for all of the participants to sign before they leave. After the session, management usually makes copies of the signed charter to be used as part of a communications package for distribution to anyone working on the project within any organization that is a party to the contract.

ACTIVITIES CONDUCTED AFTER THE CHARTER SESSION

Roll-Out

The management team uses the signed charter document, together with copies of meeting minutes as applicable, to roll out the partnering process to the rest of the organizations and people who will be working on the project. Leaders from the team discuss the partnering expectations they have with their people to generate buy-in for the process.

After the Formal Session: Subgroup Task—Issue Resolution Process

After the formal partnering session, some work may remain to be done by appointed, representative task forces. Although the issue escalation ladder and process normally is developed during the initial partnering