

# COLLABORATIVE CONSTRUCTION

Lessons Learned for Creating a  
Culture of Partnership

International Partnering Institute



SPECIAL REPORT  
June 2008

**COLLOABORATIVE CONSTRUCTION**  
**Lessons Learned for Creating a Culture of Partnership**  
**TABLE OF CONTENTS**

<b>PART I: NOT BY BIM ALONE .....</b>	<b>1</b>
Changing the Game .....	1
Collaborate or Bust.....	1
Partnering Is The Foundation .....	1
Owners Must Drive a Partnering Culture .....	2
Continuum of Leadership .....	3
The Long-Term Effect.....	4
<b>PART II: LESSONS LEARNED FROM OWNER DRIVEN, CULTURE CHANGING PARTNERING PROGRAMS .....</b>	<b>5</b>
Developing an Integrated, Comprehensive Partnering Program.....	5
Lessons Learned at the Program Level.....	5
1.1 Be Clear on Your Objective(s) .....	5
1.2 Have A Joint Owner / Industry Advisory Team .....	5
1.3 Make Partnering a Top Performance Objective for Senior and Middle Management.....	6
1.4 Staff Your Partnering Effort by Making Leadership and Task Assignments .....	6
1.5 Integrate Partnering Into a Dispute Resolution System.....	6
1.6 Assure Follow Through by Making Partnering Mandatory.....	7
1.7 Develop a Framework for Your Partnering Program .....	7
1.8 Incorporate the Partnering Program into Contracts, Specifications, Manuals, Website, etc. ....	8
1.9 Offer Training in How to Implement Your Program and Partnering Skills .....	8
1.10 Work to Align Internal Organizational Units .....	8
1.11 Develop Strategic Partnerships with Key External Stakeholders that Affect Your Projects .....	9
1.12 Identify Policies and Practices that Don't Support Your Partnering Effort.....	9
1.13 Use Your Facilitators to Help Implement Your Program.....	9
1.14 Capture Lessons Learned and Use Them to Take Your Program to the Next Level.....	10
Lessons Learned at the Project Level .....	10
2.1 You Can't Just Hold a Partnering Workshop .....	10
2.2 Develop a Partnering Agreement/Charter and Hold Each Other Accountable.....	10
2.3 What Gets Measured Improves .....	10
2.4 Rewards and Awards Work.....	11
2.5 Culture Change Takes Work .....	11
2.6 Partnering Can Be Learned.....	11
2.7 Drive Decision Making Down to the Project Level .....	11
2.8 Have a Clear Chain of Command.....	12
2.9 Get Stakeholders to Your Partnering Workshops.....	12
2.10 Don't Let Project Issues Sit Around - Use The Dispute Resolution Processes .....	12
2.11 Weekly Meetings Are an Important Part of Your Partnering Effort.....	13
2.12 Hold a Lessons Learned Workshop at Close Out .....	13
2.13 Recognize Those Who Make a Difference.....	13
2.14 Projects Succeed When The Team Commits to Success .....	13
Best In Class Partnering Results.....	14
<b>CONCLUSION .....</b>	<b>15</b>

## PART I: Not by BIM Alone

### Changing the Game

Inhale deeply and hold it. Keep holding. Your lungs begin to hurt, carbon dioxide is building up. Now exhale and hold it. Keep holding. You begin to crave oxygen and begin to feel dizzy. Now just breathe. Inhaling and exhaling is a great example of “interdependence”. Neither inhaling nor exhaling can “win”. We can not protect the interests of one over the other. We need them both to succeed. The various parties on a construction project exhibit the same interdependence. Yet today much of construction continues to operate under a “war” model. This adversarial model produces the opposite of what we need. When we see each other as adversaries, we are actually working against ourselves (as in the inhaling/exhaling example). We need a new model, a “partnership” model.

### Collaborate or Bust

There is no doubt that the construction industry needs to become more collaborative. We lose billions of dollars each year due to loss of productivity, miscommunication, excess administration and claims. All of these dollars could be used to build things. Worse yet, is that the nature of construction is highly interdependent. Because of our interdependence, no one working on a construction project can just walk away from issues and succeed. We must have the cooperation of the other stakeholders who hold our success in their hands as much as we hold it in our own.

It is logical for a new wave of technologies and techniques to emerge offering “the answer”. These include Building Information Modeling (BIM) , Integrated Project Delivery (IPD) and Lean Construction (LEAN). All of these require high-trust, high functioning teams.

*BIM tools work in a truly collaborative environment with your partners. Sharing information at various times throughout the model life cycle will be critical to success, so make sure you and those you work with can be flexible in collaborating.*

AGC Contractors Guide to BIM

But how do we consistently build high trust, high functioning teams?

### Partnering Is The Foundation

For over 20 years **partnering** has proven to be an effective process for developing collaborative relationships. It only failed when we stopped short of integrating partnering concepts into all

*Great care is taken to establish an IPD team where participants can work together as a collaborative unit. Team formation considers capability, team dynamics, compatibility, communication, trust building and commitment to an integrated process....Once a team is formed, it's important to create a team atmosphere where collaboration and open communication can flourish.*

AIA Integrated Project Delivery: A Guide

aspects of our construction programs. We did not drive partnering throughout each organization’s culture to really make it the way that we work together.

**Partnering** is the underpinning for making BIM, IPD, and Lean Construction work. This is also true for Design/Build, CM at Risk, and Design-Bid-Build. Project and program success lies in knowing how to create, grow and maintain a strong partnership among an

array of stakeholders. This does not happen by “chance” or because the “stars are aligned” for the project team. It happens because the owner integrated partnering into their entire construction program and a *partnering culture* emerged. The ***partnering culture*** naturally supports the collaboration that operates in a high-trust environment.

*People are likely to think the tools create the magic, and not get the message that the tool is only as good as the team that uses it. When the team truly collaborates and applies lean thinking for achievement of the whole, not the interests of its member companies, the benefits will be reaped.*

Target Innovation At Work,  
Collaboration Makes Construction Lean

In the face of adversity we have seen example after example where the circumstances that the project teams faced were not optimal. Team after team worked together, developing high trust relationships, staying together, despite the constraints. We have come to believe that ***it is NOT the issues that determine if a project will succeed or fail, but rather how well the team comes together to resolve those issues.*** This is what we need to focus on: How do we assure that our teams are committed to working together, despite what might happen, whether using a new approach or an old one?

### **Owners Must Drive a Partnering Culture**

If I asked a hundred people to meet me in New York City at noon, with no further direction, the vast majority would meet me on the top of the Empire State Building. If I said Paris, they would be at the Eiffel Tower. This concept is known as the Prominent Outcome. The prominent outcome identifies what is most likely to occur. So, as BIM, IPD, and Lean Construction are implemented, what is the prominent outcome?

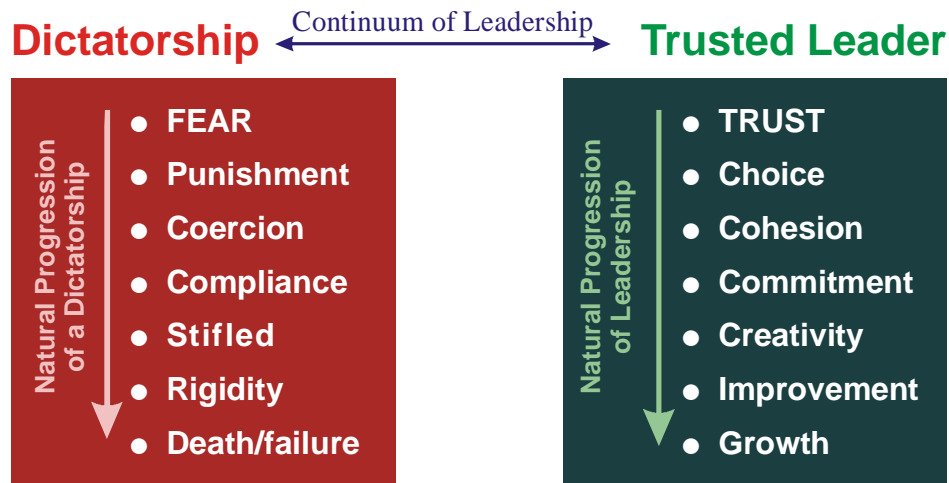
Yes, you are right. Unless we really make partnering the way we work together, we can not achieve the level of collaboration needed to fully utilize these new processes. ***Technology is not going to change the way we work together.*** We must change our culture and this effort must be OWNER Driven.

*The goal of everyone in the industry should be better, faster, more capable project delivery created by fully integrated, collaborative teams. Owners must be the ones to drive this change, by leading the creation or collaborative, cross-functional teams comprised of design, construction, and facility management professionals.*

Construction Users Round Table WP-1202

## Continuum of Leadership

There is a *Continuum of Leadership*. At one end of the spectrum is the trusted leader who develops high trust relationships and builds a high trust atmosphere. At the other end there is the dictator (even a benevolent dictator is still a dictator), who uses fear to drive people. Let's look at what happens within the team under these different leadership styles.



### The Dictator

Our traditional model for a construction leader is the Dictator. Under a dictator people do what the leader wants because they are afraid not to; they fear that they will be punished. As a team member, I feel coerced. If I'm going to be coerced, then I am going to coerce others. The coercion spreads among the team members until they too begin to coerce others. Over time this sense of coercion leads to compliance, where people just go along to get along. They are not going to make waves. Compliance results in stifled communication and decision making. No one is going to tell the leader the truth. No one is going to stick his or her neck out and identify a problem. Over time, the organization and team become rigid, unable to respond to changes. They see the problem(s) however; they just can't respond. Eventually the team fails and, potentially, the organization(s) dies.

### The Trusted Leader

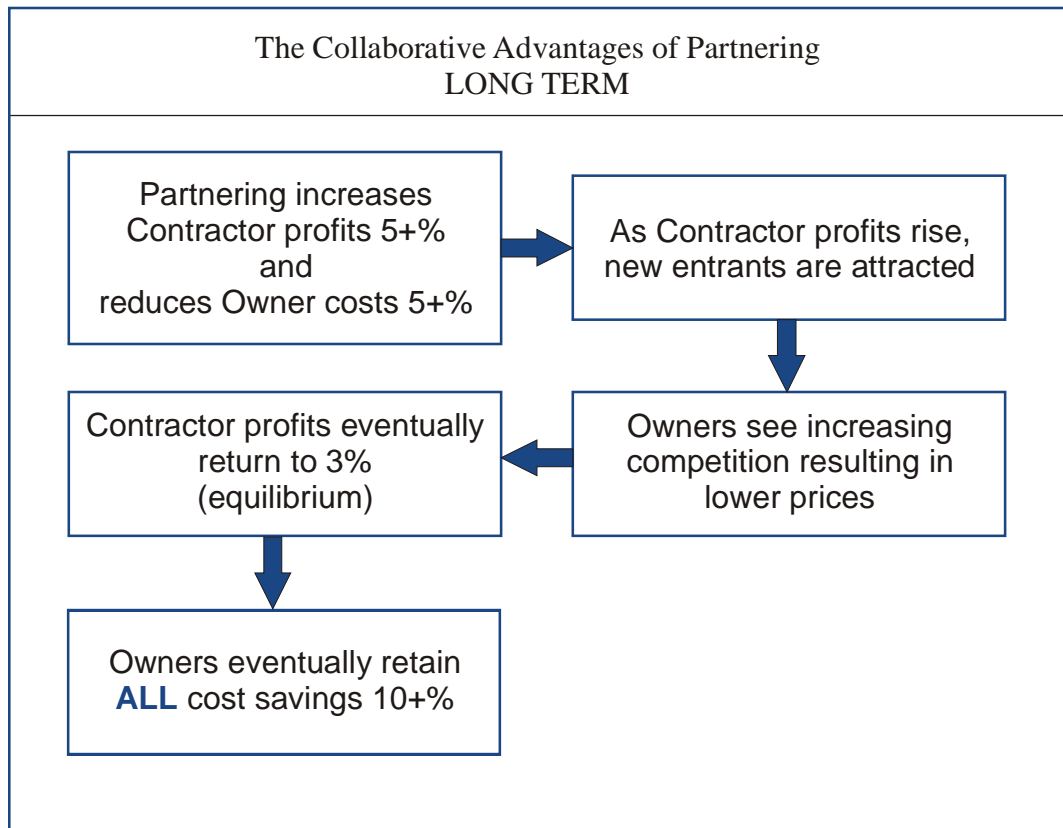
A partnership model has a Trusted Leader. With a trusted leader people are following because they choose to do so. They feel they have a choice. When everyone on the team is there because they chose to be, cohesion begins to develop between the team members. This leads to a sense of commitment to the team, to the leader, and to their mission. From this cohesion creativity begins to emerge. The team finds new ways to do things, leading to improvements. Improvement allows the team and organization(s) to grow and be successful.

We must move toward the trusted leader side of the continuum. Now let's look at the potential effect this move will have for owners.

**The Long-Term Effect**

In creating an **integrated, structured, comprehensive partnering program** that changes the behavioral norms for working together, one that holds people accountable for those changes, owners will ultimately reap all of the benefits. The chart below shows this evolution.

The Collaborative Advantages of Partnering SHORT TERM	
Owner	Saves 5% on <b>TOTAL</b> installed cost
Contractor	Save 5% on <b>TOTAL</b> installed cost Average profit in construction is 3% (equilibrium) TOTAL "Partnered" profit = 8%



It starts with both the contractor and owner sharing a reduction in total installed costs (2-3%) The contractor’s profit is now 5% and we can assume the owner saved 5% (from budgeted cost). This increased profit will attract new entrants into the market. Contractors will bid (negotiate) prices based on the lower cost to remain competitive while making the usual profit. This results in lower prices for the owner. Contractors who are unwilling or unable to work in a partnership manner will be uncompetitive. Eventually the contractors’ profits will return to equilibrium (typically around 3%). Some **Owners** have already taken action to change their culture. Part II will look at the lessons learned so far as this partnering culture change is attempted.

## **PART II: Lessons Learned From Owner Driven, Culture Changing Partnering Programs**

### **Developing an Integrated, Comprehensive Partnering Program**

Some owners are working to integrate partnering into all aspects of construction programs. Some are doing better than others. IPI has been involved in over 200 construction owners' partnering programs. We have identified what we believe to be the most important lessons learned from these different construction owners for the development of an integrated, comprehensive partnering program; one that drives culture change. The lessons learned are divided into two categories: those at the Program level and those at the Project level.

### **Lessons Learned at the Program Level**

The following 14 lessons learned are for the construction program level. They create the foundation that allows the project level partnering to succeed.

#### 1.1 Be Clear on Your Objective(s)

Unfortunately, most owners we have seen have no objective for their partnering program. Many have a partnering program because it is an industry standard, or because it is a "good idea". They have no expectations (objectives) that are an integral part of their program.

Before you start to build your partnering program, it is critical that you know why you are doing so. What is it that you are working toward? For some owners it is to reduce the number of claims. For others, it is to improve productivity. Some see their team members not resolving disputes in the field and they might want to save the interest that is paid when issues are not resolved. Without clear, articulated objectives you won't know what you are working toward and you won't know if or when you get there.

The most successful partnering programs take a concerted effort over a period of years. They create a "stepped" approach with objectives for a two or three year period. When those goals are achieved they add new objectives to take their partnering program to the next level.

#### 1.2 Have A Joint Owner / Industry Advisory Team

The most successful partnering programs have a body (advisory team) that "steers" the program. This steering is done by both the Owner's team and Industry Members. Owners need input and buy-in from contractors and designers for their program to succeed. Together, you can co-create a program that truly achieves the objectives you have established and meets the needs of the stakeholders.

These advisory teams consist of senior level managers from the Owner's team and the CEO level from the industry firms. Most advisory teams range in size from 15-35 people. They meet monthly or bimonthly as they are developing the program. Then they meet as needed during the implementation phase, typically quarterly.

### 1.3 Make Partnering a Top Performance Objective for Senior and Middle Management

When the implementation and success of your partnering program is made a top (it needs to be in the top two or three) performance objective for each manager, amazing things happen. People follow through. They are focused and assure that whatever is needed happens so that the program is successful.

The best programs we have observed are those where the Director had the Partnering Program as a top objective. He then included it in the Chief Engineer's performance objectives, who in turn included it in the Chief of Construction's, Chief of Design's, Chief of Environmental's, and Chief of Project Management's performance objectives. These managers included the objective in their managers' performance objective. When this occurs, you have a congruent, high priority established throughout the organization.

When partnering is established as an objective for senior and middle managers, even those not directly involved know about it. These are the people often called to support the effort (i.e. updating specifications or manuals) because it is of the highest priority.

### 1.4 Staff Your Partnering Effort by Making Leadership and Task Assignments

If this is to be an effort that will change your culture, you have to staff it appropriately. The best programs have a person who is the Partnering Program Manager. They also have staff to help in the implementation. Writing job descriptions for these positions (or adding the partnering tasks to a current position) will allow for a clear identification of role and responsibilities. It also makes partnering real. It is integrated into your organization by having permanent positions.

To be a successful culture changing effort, you must staff the partnering program manager position with a true leader, someone who can help move the effort forward, working both internally and externally. They will be the leader for the Joint Partnering Advisory Board. And finally, they must be empowered so this is a high-level management position.

### 1.5 Integrate Partnering Into a Dispute Resolution System

Many owners use and/or require several dispute resolution processes, such as Notice of Potential Change, Claim, Dispute Review Board, etc. Most often partnering is NOT seen as a part of the dispute resolution system. To be effective, it needs to be integrated into the dispute resolution system as the first step. Partnering is *dispute prevention*, but when there is a dispute, it becomes the first line of dispute resolution.

Some project teams just “go through the motions” of partnering because they don't know how it fits into their dispute resolution system. It is precisely when there is a dispute, that we have the greatest opportunity to change behavior and drive culture change. Your dispute resolution system needs to be clear and it needs to be well understood that partnering is an integral part of your dispute resolution process.



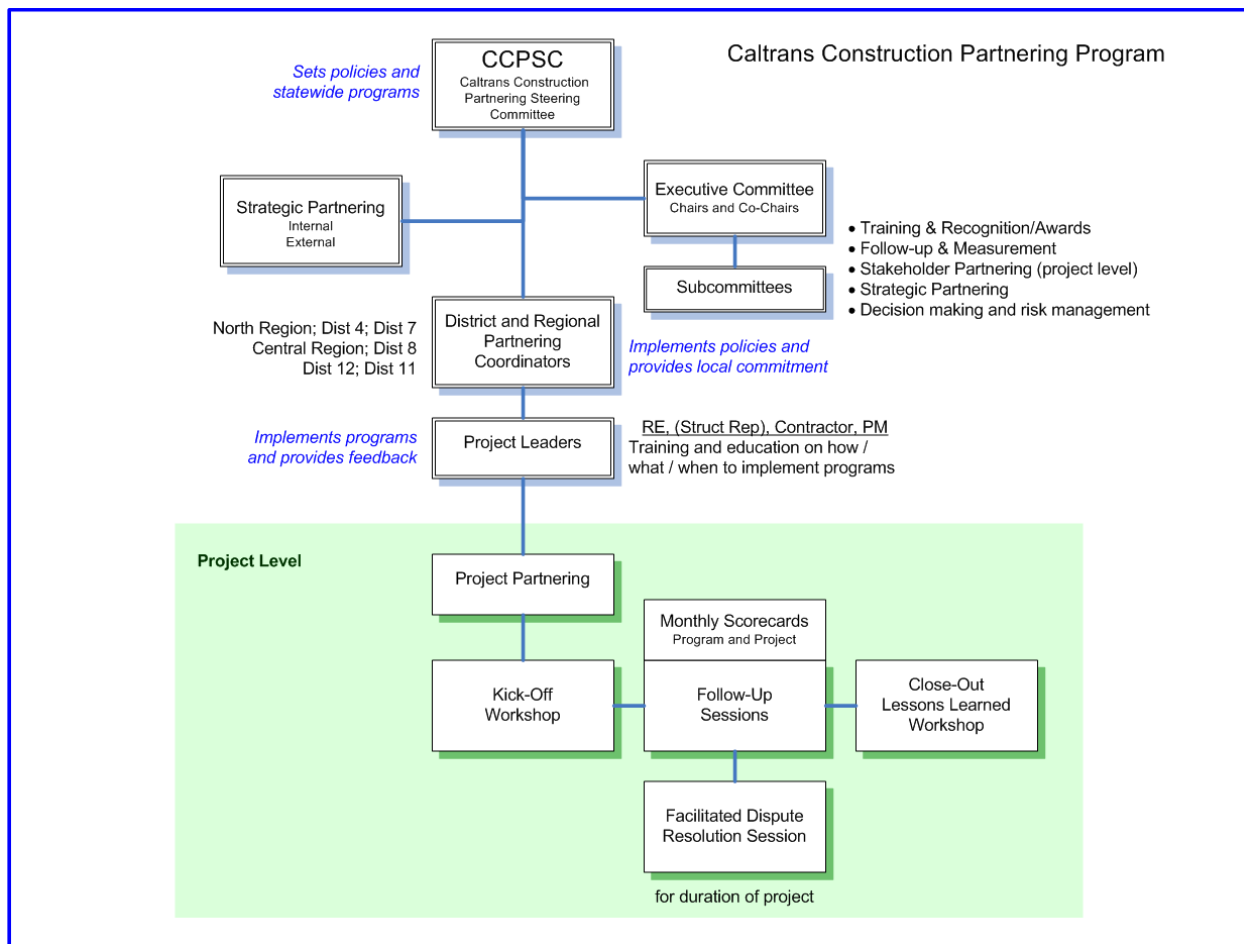
### 1.6 Assure Follow Through by Making Partnering Mandatory

For years we have believed that partnering must be voluntary. We believed the same thing about mediation. Recently courts have been experimenting with mandatory mediation. Low and behold they found that they had the same high percentage of resolved cases whether the parties entered into mediation voluntarily or because it was mandated. The same has shown to be true for partnering.

Many owners mandate partnering at a certain threshold (size, dollar value, complexity, etc.) and require that an offer to partner must be made for all projects. This approach permits your project team members, if they see risk or have concerns, to use the partnering process to help them manage that risk.

### 1.7 Develop a Framework for Your Partnering Program

Your people must know how you're partnering program works. They need to know how they "fit in" and what is expected of them. Below is an example of the framework for Caltrans Partnering Program.



Along with a graphic depiction of how you are structured some owners also have a Partnering Program Manual or Guide that describes the program's objectives, structure, roles and responsibilities and how to implement the program.

Along with an Organization Chart, Partnering Manual some owners have also explained why a formal structure is needed for culture change. Clare Singleton, Partnering Program Manager for Caltrans, developed a graphic (see 1.11) to show the logical progression of partnering toward culture change. This allows her to show senior, middle and project managers why it is so important to have a structured program and why certain elements are critical for success.

### 1.8 Incorporate the Partnering Program into Contracts, Specifications, Manuals, Website, etc.

For your partnering program to “stick” owners will have to change their contracts, specifications, manuals, websites, and budgets to integrate the partnering program. For example, contracts may need to incorporate your partnering dispute resolution process and mandatory partnering. You may need to rewrite several specifications to outline how partnering is going to be integrated and utilized. This of course includes a new partnering specification. Partnering must also be integrated into design and/or construction manuals (if you have them), along with your organization charts and websites. Partnering must fit into all aspects of your construction program.

### 1.9 Offer Training in How to Implement Your Program and Partnering Skills

Many times we throw our teams into the project and let them figure out what is needed. It will be important for owners to develop training on their partnering program for all stakeholders, including their own project teams. This training needs to cover how to implement the partnering program. It is optimal if this training includes your industry partners.

Partnering can be learned. Training can help to build the skills (i.e. the partnering process, effective communication, negotiation, etc.) needed to really make partnering work at the job and within the overall organization. You can't assume your team members have these skills. In fact, you can probably assume that they don't. Joint training develops a common model and vocabulary for the field team to implement on their project.

### 1.10 Work to Align Internal Organizational Units

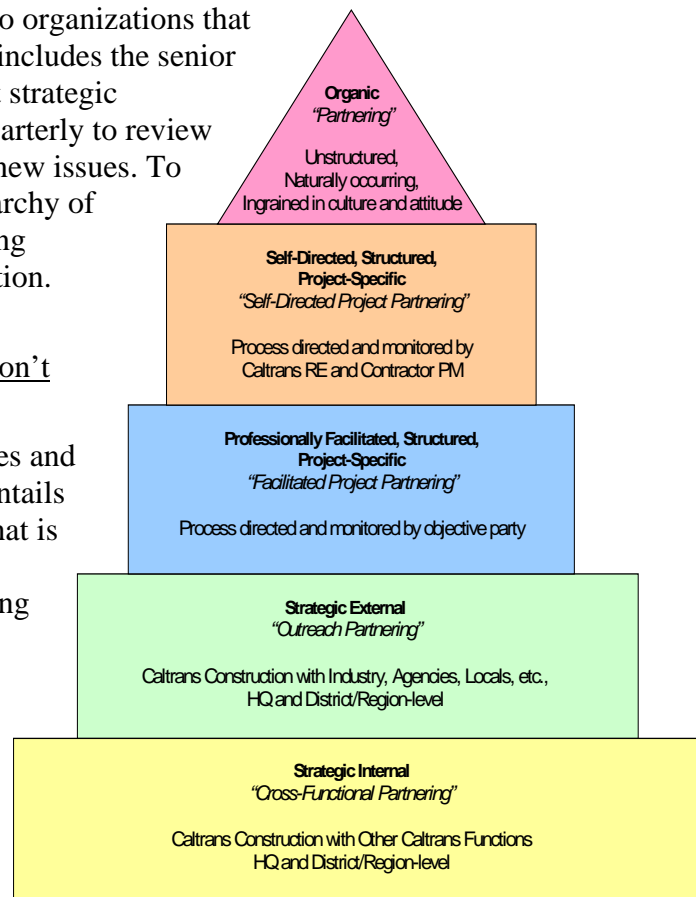
Many owner organizations work against themselves. We see environmental, design, project management, facilities, and other units work in direct opposition to the construction team. Because of this “us versus them” culture, you may need to include aligning the sub-units within your organization as a part of your partnering program.

Partnering between these units sets goals, commitments, and accountability to ensure everyone follows through on what is needed to support the project team and the partnering program.

### 1.11 Develop Strategic Partnerships with Key External Stakeholders that Affect Your Projects

No project is an island. Many outside forces can influence your projects and work against a successful project. Owners that develop Strategic Partnering as a part of their partnering program utilize this process to get agreement and alignment between organizations.

Strategic Partnering is usually between two organizations that wish/need to work together. Participation includes the senior most people from each organization. Most strategic partnerships last several years, meeting quarterly to review progress on commitments and to identify new issues. To the right is a graphic depiction of the hierarchy of partnering. It shows that strategic partnering internally and externally are at the foundation.



### 1.12 Identify Policies and Practices that Don't Support Your Partnering Effort

Culture change will fail if you have policies and practices that work against it. This often entails policies that require staff to act in a way that is the opposite of "partnering". This incongruence will neutralize your partnering culture change.

Owners that identify and alter policies that work against partnering objectives find that they gain momentum toward real change. Owners that fail to address the policies/practices that seem inconsistent with what the teams are told, lose credibility. Your partnering program can become seen as insincere. You will, of course, lose commitment from your own team.

### 1.13 Use Your Facilitators to Help Implement Your Program

The professional facilitators can help you monitor and implement your partnering program. Their neutral status will offer you and the project teams feedback on how things are progressing. More important is that they can assure consistency across all projects. They can distribute information and help to implement project partnering components such as monthly partnering surveys, follow-up sessions, development of partnering dispute resolution plans, along with other actions that need to occur across all projects.

To accomplish this the owner will need a training and/or guide or manual to spell out what is expected from a partnering facilitator and what their role is to be. Some owners have "certification" for facilitators doing work on their projects.

### 1.14 Capture Lessons Learned and Use Them to Take Your Program to the Next Level

As owners implement their partnering program they will learn what works and what does not work as well as expected. These lessons can help “steer” the program toward its objectives.

Your Advisory Board can take these lessons learned and develop the objectives and implementation steps for the next two to three years. This will start the process of taking your partnering program to the next level – driving toward a partnering culture.

### **Lessons Learned at the Project Level**

Supported at the program level, here are 14 lessons learned for successfully implementing your partnering program at the project level.

#### 2.1 You Can’t Just Hold a Partnering Workshop

Most owners implement partnering at the start of construction. Most partnering programs consisted of holding a (one) partnering workshop. One workshop is not going to assure that your project team works in partnership. We found that owners who require quarterly follow up sessions were far more likely to see the team as a cohesive unit that worked together well over the life of their project.

Owners also need to start the partnering effort during design (and for some projects during planning). It is at this point that we have the opportunity to most influence the overall cost and success of the project. BIM, IPD and Lean all strive to build a team. There is emphasis on bringing the contractor in early so they are a part of the design process. This process should not just be left to happen on its own. A comprehensive partnering program must include partnering workshops with the stakeholders at each phase.

#### 2.2 Develop a Partnering Agreement/Charter and Hold Each Other Accountable

The project Partnering Agreement or Charter outlines the commitments made by the project team and includes (1) commitments to work together as partners, (2) project goals, (3) how the project team will manage key project challenges, (4) a dispute resolution plan, and (5) a follow-up and measurement commitment.

Follow-up partnering sessions are recommended quarterly. A monthly partnering survey is also recommended. Owners with this level of commitment have assured accountability that the team will follow through on their commitments.

#### 2.3 What Gets Measured Improves

The monthly partnering survey has proven to provide accountability and important feedback to the project team. With this feedback the team can make course corrections, identify emerging issues and work together towards the good of the project. A review of 13 projects that implemented monthly scorecards (surveys) over a two-year period showed that 12 of the projects

had scores that improved over the life of the project. The 13<sup>th</sup> project remained unchanged, but had many unforeseen problems that the team successfully addressed.

It has been the experience of most owners and team members that very few teams have the resources to follow through with a monthly survey and compile it into a report that can be used by the team. The monthly survey is best done by your partnering facilitator. They are neutral, so no one need fear telling the truth.

#### 2.4 Rewards and Awards Work

If you want partnering to be your culture, then you must recognize those who are doing a great job at it. This needs to be a public acknowledgement. Some owners have Partnering Awards. Some have monetary bonuses. Owners that make promotions based on the person's ability to successfully partner are truly driving a partnering culture.

Plaques, certificates, hats, hard hat stickers, and of course money, can serve as a part of your reward/award process.

#### 2.5 Culture Change Takes Work

Culture change hasn't occurred until behavior at the project level has changed. To change the culture of any organization takes a long-term, on-going, concerted effort. It is not easy. Many owners give up. Some never try. Yes, this will be a daunting task. It will take several years. But if you keep at it, it will eventually begin to change.

By measuring your results you can help your project team keep moving forward. You will also have to help the other stakeholders change their culture. The most benefit comes when everyone is focused and in alignment toward the success of the project.

#### 2.6 Partnering Can Be Learned

The best news is that partnering can be learned. With a well-structured partnering program your people can learn what they need to do to implement your program at the project level. Team members can also learn new skills for assuring that their project partnering is successful. These include negotiation, facilitation, communication, dealing with change, leadership, etc.

The best partnering programs have a training curriculum for their project teams. They require and reward training in partnering skills at the project level.

#### 2.7 Drive Decision Making Down to the Project Level

The best decisions, those that are best for the project, occur closest to the problem/issue. We need to empower our field teams to take ownership of problems and to work to resolve them. Many owners do not empower their field teams; they have no authority and must ask others for answers.

This diminishes the team's ability to form and create great solutions on the project. We understand that not all owner representatives are created equally, but if they are running your project they need to have some level of authority, or you have the wrong person in place.

## 2.8 Have a Clear Chain of Command

Confusion always creates chaos. It is very important that there is a clear chain of command and well understood roles and responsibilities. When there is an issue, and the field team disagrees, and they don't know where to take the issue for resolution, they get stuck. It does not take too long for the working relationships to become strained.

Owners that require the development of a Dispute Resolution Ladder help the team to be very clear on the chain of command and how issues will flow.

Example Dispute Resolution Ladder					
		Design/Surveys/Lab	Subs/Suppliers		
DRL	Level	Owner	Great Construction, Inc.	Time to Elevate	
	I	Barry Allen - Inspector	Oliver Queen - Super	1 day	
	II	Linda Danvers - RE	Britt Reed - PM	1 week	
	III	Viren Bhatnagar - CE	Robert B. Banner - AM	1 week	
	IV	Steve Rogers - Office Chief	Al Simmons - Ops Mgr	2 weeks	
	V	Sue Rodriguez - Div Chief	Jefferson Pierce - Pres	2 weeks	
ADR	VI	Facilitated Dispute Resolution			
	VII	Informal Dispute Review Board (DRA)			
	VIII	Formal Dispute Review Board (DRB)			

## 2.9 Get Stakeholders to Your Partnering Workshops

At the project level it is important to invite third parties to your partnering workshops. These third parties are those who can potentially have a negative affect your project. The objective is to have them become a part of your team, so they work with, not against, you. Many owners who have developed a good strategic level relationship are finding that, at the project level, more third party organizations willing to participate in the partnering.

It is important to note, that for some owners, the third parties causing the most heartburn are from their own organizations. So look inside as well as outside for those stakeholders you need to bring along with you.

## 2.10 Don't Let Project Issues Sit Around - Use The Dispute Resolution Processes

Far too often project leaders and senior leaders fail to resolve a problem before it has a negative impact on the project. This is a failure of the team. Mostly this is the owner's failure. The owner

must drive the norm that issues must be resolved, optimally by the team, but if necessary, using the dispute processes previously agreed upon.

Many owners are silent on this. Or, they allow disputes to go on for months and months. It is not unusual for disputes to begin to pile up. Teams are left with unresolved issues, which creates fear about how they will ultimately be resolved. Fear and trust can not coexist, so your partnership is jeopardized.

### 2.11 Weekly Meetings Are an Important Part of Your Partnering Effort

A weekly partnering/progress meeting is needed for the team to stay on track. This meeting serves to keep the team moving together in a coordinated manner, it helps align expectations, identifies outstanding issues and evaluates how the partnership is proceeding.

We still come upon projects that are using email and voicemail instead of a weekly meeting, or cutting back their weekly meeting to bi-weekly or monthly. A team must act like a team and that is a critical element of the weekly meeting. It also offers a place for third parties to participant, and a place for the team to evaluate their monthly partnering survey.

### 2.12 Hold a Lessons Learned Workshop at Close Out

Holding a Lessons Learned partnering workshop at project closeout is a very powerful reinforcement tool for your partnering culture change. The team works to identify what lessons they learned and what advice they would pass on to other teams based on their lessons learned.

At this point the project is complete. The team can share openly what worked and why, and what didn't work, and why. Then they co-create advice to be shared with the other teams working on the owner's projects. The team members learn a great deal from this exercise; the younger folks learn from the seasoned folks. This is a very good means for transferring know-how.

### 2.13 Recognize Those Who Make a Difference

Those owners who acknowledge the people who are leading their partnering effort at the project level find that more and more people jump on board and want to win a partnering award and to take on a roll as a Partnering Coordinator. Field leaders too can drive this by recognizing the MVP for their project.

### 2.14 Projects Succeed When The Team Commits to Success

Partnering takes commitment. To change a culture from "adversarial" to "partnership" takes a great deal of effort. We need the owner to be committed. We need each team to commit to working together in partnership. All of the elements in the owner's partnering program are designed to get the project team to commit to working together as partners.

Teams that do commit to be partners will come upon project problems, address them, and figure out how to get back on track. Teams that are adversarial, or use conflict, go back to their corner and come out fighting, using the issues to prove that you can't trust "the other side". These

adversarial teams shift into a protection mode and this leads to a loss for the project. It is not the issues that determines success or failure, but how the team works together to resolve the issues!

**Best In Class Partnering Results**

A Construction Industry Institute (University of Texas at Austin) research team has determined that while many organizations have made progress in increasing their competitive advantage through partnering there is still a tremendous opportunity for even greater results. The results of their study show the following “best in class” results:

COST	
Area	Results
Total Project Cost (TPC)	10% reduction
Construction Administration	24% reduction
Marketing	50% reduction
Engineering	\$10/hr reduction
Value Engineering	337% increase
Claims (%TPC)	87% reduction
Profitability	25% increase

SCHEDULE	
Area	Results
Overall Project	20% reduction
Schedule Changes	48% reduction
Schedule Compliance	Increased from 85% to 100%

SAFETY	
Area	Results
Hours without lost time accident	4 million vs. 48,000 industry standard
Lost work days	0 vs. 6.8 industry standard
Number of doctor cases	74% reduction
Safety rating	5% of national average

QUALITY	
Area	Results
Rework	50% reduction
Change orders	80% reduction
Direct work rate	42% increase

OTHER	
Area	Results
Job Satisfaction	30% increase

CLAIMS	
Area	Results
Number of claims	83% reduction
Projects with claims	68% reduction

While these results are impressive, some partners have committed to even more impressive goals - in one case the goal was to achieve a reduction in total project costs of 20% within the next 4 years.



## Conclusion

We hope that construction owners will use these lessons-learned to help develop an integrated, comprehensive partnering program for their program and projects. Ultimately it is up to the construction owners. It is not easy. It is not free. And, it is in the owners' best interest.

### QUICK START FOR OWNERS

#### Integrated Partnering Program Elements

1. Establish a formal partnering program and structure
2. Follow-up and measure progress
3. Assure decision making and risk management
4. Get stakeholders to participate and buy-in
5. Partner internally and externally at the strategic level
6. Train to develop understanding and skills
7. Recognize those who are making a difference (awards/recognition)

So take a deep breath and take the plunge.

*Sue Dyer is founder and CEO of the International Partnering Institute (IPI). IPI is a not-for-profit corporation whose mission is to capture lessons learned and best practices for **partnering concepts and techniques**, ones that develop high trust relationships and organizational cultures for the successful delivery of construction projects, and then provides education and certification in those concepts and techniques.*

International Partnering Institute  
291 McLeod Street  
Livermore, CA 94550  
925 449-7100  
[www.PartneringInstitute.org](http://www.PartneringInstitute.org)

©2008, Sue Dyer