

A Best Practices Manual for Partnering

Based on an Analysis of the Maryland Department of Transportation State Highway Administration's Partnering Program and Process



Maryland Department of Transportation



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A Management Best Practices Model for Partnering

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A. Introduction

This “Best Practices Manual for Partnering” is intended to be used by any state agency or private sector organization that wants to alter its decision making practices to include early warning prevention measures through the use of team work and collaborative problem solving. The best practices presented here come from an exhaustive research study and evaluation that was conducted by the authors, on the Maryland State Highway Administration’s (SHA) highly successful partnering program. The discussion for each of the best practices also includes insights from the authors who are experienced partnering program designers, trainers and facilitators.

B. Description of Partnering

Partnering is a management methodology originally conceived to achieve success in business relationships. It is a continuous process of aligning organizations to:

- reach a mutual mission and vision
- improve safety
- build quality teams
- reap economic benefits
- improve working relationships
- prevent litigation

The process is designed to promote an atmosphere for risk-sharing, teamwork, collaborative problem-solving and attaining common goals. In partnering, the parties come together to create a new synergistic bond that directly promotes project success. Partnering starts early and continues throughout the life of the project. Partnering rests on the proposition that the significant stakeholders involved in the project are committed to establishing trust through effective communications and making good faith efforts to sustain these relationships.

In Maryland and throughout the United States there are several leading partnering programs with proven success records of achieving realistic and quantifiable benefits for all stakeholders. The most highly touted benefit of partnering is project completion that is both on time and within budget. Other direct and measurable benefits of partnering include a reduction in claims, expeditious resolution of disputes, improved safety and increased productivity. In addition, there are certain intangible benefits frequently expressed by stakeholders in our study, which are just as important to them as the direct benefits. These include: more innovative and creative solutions to problems; improved quality performance; increased customer satisfaction; enhanced business reputation; improved relationships; greater inclination to work with new partners; increased sense of appreciation, recognition and respect; and an improved working atmosphere.

The combination of tangible and intangible benefits can also be viewed from a contractual and non-contractual perspective. Tangible measurements are often linked to contract elements (e.g., time, funds, and safety), while non contractual elements are often tied to intangible measurements, human interaction (e.g., trust, respect, appreciation, as well as clear and honest communication). Partnering, as a management practice, focuses on both types of benefits. This emphasis on the tangible and intangible parts of working relationships has revolutionized the construction industry and the application of the partnering model can easily be translated into other arenas of public and private decision making such as environmental, public health, transportation and education.

C. History

Early Origins

Partnering in the construction industry has its roots in the 1980s, when the Total Quality Management (TQM) movement was changing the nature of conducting business in the United States and the legal and business communities were concerned about the rapid rise of unresolved claims and litigation in commercial construction cases. At this time, new strategies were being examined to change the traditional adversarial environment that plagued the construction community.¹

Under the TQM movement, the business community started to focus on moving from adversarial business relationships to a new paradigm of cooperation by initiating continuous improvement in process and services, ensuring quality workmanship and addressing customer satisfaction. Business often leads the way in service and performance evolution due to its competitive nature and its need to stay in close contact with client or customer needs. Business models of decision making related to production and services are often innovative, novel and evolve through substantial improvements on prior methods. The private sector must continually work within a competitive and changing economic environment that requires constant evolution in order to survive. The same is not always true of government, which at times is insulated from these market forces and whose programs and services are often a function of politics and budgets created from a stable tax base.

At the same time, the business and legal communities were experiencing the destructive impact of the rising numbers and economic costs associated with litigation and were experimenting with alternative dispute resolution methods such as mediation and mini-trials.²

Construction Industry Institute

In 1987, the Construction Industry Institute (CII) at Texas A&M University formed a task force to explore a process to achieve the goals of TQM and reverse the trend of litigation that was rapidly rising in construction. The task force consisted of 20 academic, construction-company, and federal government representatives.³ The process examined by the task force was referred to as “partnering.” The objective of the CII task force was to identify the risks and benefits of partnering, provide guidelines on the process and to define the relationship between partnering and the construction contract.

¹ Associated General Contractors of America, “Partnering: Changing Attitudes in Construction,” Washington, D.C. *AGC Publication #1225*, October 1995.

² Carr, F., “Partnering in Construction: A Practical Guide to Project Success,” American Bar Association, *Forum on the Construction Industry*, 1999.

³ Construction Industry Institute, “In Search of Partnering Excellence,” Austin, TX: Report of the Partnering Task Force, *Draft Final Report*, February 1991.

The CII task force report was published in July 1991 as a special publication titled “In Search of Partnering Excellence.” In the report, partnering was defined as a “long-term commitment between two or more organizations for the purpose of achieving specific business objectives by maximizing the effectiveness of each participant’s resources.” The report went on to state, “the relationship is based upon trust, dedication to common goals, and an understanding of each other’s individual expectations and values.” The benefits of partnering were described as “improved efficiency and cost effectiveness, increased opportunity for innovation, and the continuous improvement of quality products and services.”⁴

The specific findings and conclusions of the CII task force were also listed in the final report. Several conclusions included: partnering is not a legal “partnership” with its associated joint liabilities; there is a lack of understanding about the meaning and application of partnering; partnering enhances the attainment of Total Quality Management; the partnering process is applicable to both large and small construction projects; and a process for the evaluation and feedback are essential to the success of the relationship.

In the report summary, CII found that partnering was an improved management process for establishing and maintaining cooperative business relationships. It noted that partnering can replace the traditional adversarial business relationships with a new collaborative team approach that can enhance the competitive advantage of the partnering participants. Further, it reported that several organizations in the construction industry were beginning to get involved with partnering.

Initial Construction Partnering

Partnering began in the private sector. The first company to try partnering was DuPont Engineering.⁵ Its use of partnering was as an attempt to be more competitive in the global market. Fluor-Daniel was the first construction company to participate in partnering with DuPont. As a result of their shared experience both companies became strong believers in the partnering process.⁶ A senior manager at Fluor-Daniel noted that partnering is a new environment that nurtures team-building and cooperation and replaces the “we” verse “them” attitude with an “us” mind-set.⁷

Federal Construction Partnering Program: U.S. Army Corps of Engineers

At the forefront of organizations exploring the use of partnering in construction was the U.S. Army Corps of Engineers (Corps of Engineers). A representative from the Corps of Engineers was also on the CII task force. In the late 1980s, the Corps of

⁴ Construction Industry Institute, “In Search of Partnering Excellence,” Austin, TX: Report of the Partnering Task Force, *Special Publication 17-1*, July 1991.

⁵ Casey, T. M., “Partnering: A New Way to Do Business,” *Construction Magazine*, Spring 1992.

⁶ Schriener, J., “Partnering Paying Off on Projects,” *ENR Magazine*, October, 1991.

⁷ Moore, C., Maes, J., and Shearer, R., “Recognizing and Responding to the Vulnerabilities of Partnering,” *PM Network*, September 1995.

Engineers used partnering on two construction projects in two separate engineering districts, Portland and Mobile. These two projects became, for all practical purposes, test case studies for the federal government's use of the partnering process. The first project, in 1988, was the construction of a navigation lock. The second project followed shortly thereafter and also involved construction associated with a navigation lock.⁸ The use of partnering on these two projects was highly acclaimed by the participants, especially the project engineers. The detailed benefits of partnering included: no outstanding claims or litigation at the completion of the project, substantial value engineering savings, no lost-time injuries, completion on schedule, costs within budget and a significant reduction in paperwork.

As a result of these two pioneering partnering projects, the Corps of Engineers in 1991 established the first partnering program in the federal government. The program was established at a special 2-day meeting of all senior managers and leaders of the Corps of Engineers. At the meeting the participants were informed about the success of the two projects, briefed on the partnering process and presented with model partnering guidelines. At the conclusion of the meeting, the participants fully endorsed the partnering concept and made a commitment to use it throughout the Corps of Engineers.⁹

During the 1980's, prior to the use of partnering, the Corps of Engineers was experiencing a high volume of claims valued in the hundreds of millions. This high volume peaked in 1986 with 1103 claims filed at a dollar value of \$366 million. In light of this situation, it is not surprising that the Corps of Engineers began experimenting with partnering in several of their construction projects. Following the establishment of its partnering program in 1991, the Corps of Engineers began experiencing a steady decline in the number of claims. Between 1986 and 2000, the total number of claims filed had dropped by 82%, and the value of these claims had dropped some 55%.¹⁰

Later in 1991, the Corps of Engineers published the first pamphlet on partnering in the construction industry. This 28-page pamphlet described the partnering process, the underlying reasons for using it, the potential benefits of partnering and the Corps of Engineers actual experience with the process. The pamphlet also contained sample forms for initiating partnering. This publication was widely disseminated throughout the construction industry¹¹ and most of the ideas originally developed by the Corps are currently incorporated in many statewide programs.

In February 1992, the Commanding General of the Corps of Engineers issued the first policy statement in the federal government in support of partnering. He noted that the essence of partnering is the promotion of a cooperative attitude among all parties

⁸ Carr, F, "Partnering: Disputes Avoidance the Army Corps of Engineers Way," *The Punchlist*, American Arbitration Association, vol.14, no. 3, 1991.

⁹ U.S. Army Corps of Engineers, "Executive Seminar on Partnering," Atlanta, GA, *Office of Chief Counsel Publication*, October, 1991.

¹⁰ U.S. Army Corps of Engineers, "Office of Chief Counsel Internal Yearly Audit Report," Washington D.C., September 2001.

¹¹ Edelman, L., Carr, F., and Lancaster, C., "Partnering," Washington, DC, U.S. Army Corps of Engineers Publication, *IWR Pamphlet 91-ADR-P*, December 1991.

involved in the project and that partnering can prevent or minimize time consuming and costly disputes. In a strong expression of the Corps of Engineers' support for partnering, he stated: "Therefore, it is the clear policy of the Corps of Engineers to develop, promote and practice partnering on all construction contracts, and to universally apply the concept to all other relationships."¹²

Associated General Contractors of American Leadership

In January 1991, the Associated General Contractors of America (AGC) Quality in Construction Task Force endorsed the Corp of Engineers' partnering concept. This was followed several months later by an announcement by the President of AGC that one of its objectives for the year was building construction quality through partnering.¹³ In a further effort to encourage the use of partnering by its membership, AGC published a pamphlet in September 1991 entitled "Partnering a Concept for Success." The introduction stated that AGC "strongly believes that the time has come for all the parties in the construction process to step forward and work together to take control of this costly and intolerable situation" by using partnering.¹⁴

Another early initiative by AGC to promote partnering among its members was the establishment in 1992 of the Marvin M. Black Excellence in Partnering Award for the construction projects that best epitomized the principles of partnering.¹⁵

Shortly thereafter, the Corps of Engineers and AGC initiated a joint training program on partnering that was conducted across the United States. The training program was designed to clearly describe the partnering process and to build support among the senior management of both organizations.

In the decade that followed the pioneering work of the Corps of Engineers and AGC, numerous other federal government agencies and construction companies began to use partnering and promote its success. These include, among others, the U.S. Air Force, the Naval Facilities Engineering Command, The Army Material Command and the General Services Administration. For instance, the U.S. Air Force and the Corps of Engineers used partnering in 1991-92 on the construction of a large rocket test facility in Alabama. In an article about this project that appeared in *The Military Engineer*, the authors stated that partnering enabled the program to flourish and that "partnering with open trust, communications, and the right people can go a long way to enhancing and ensuring the success of a project."¹⁶

¹² Hatch, LTG H. J., "Partnering," *U.S. Army Corps of Engineers, Commander's Policy Memorandum #16*, February 1992.

¹³ Associated General Contractors of America, "Partnering: Changing Attitudes in Construction," Washington, D.C. *AGC Publication #1225*, October 1995.

¹⁴ Associated General Contractors of America, "Partnering: A Concept for Success," Washington, D.C. *AGC Publication #1205*, September 1991.

¹⁵ Associated General Contractors of America, "Partnering: Changing Attitudes in Construction," Washington, D.C. *AGC Publication #1225*, October 1995.

¹⁶ Demoret, LtC G. W., Root, LtC P. B., Abeln, M. T., Jones Jr., L. F., "Partnering Brings Success," *The Military Engineer*, May-June 1993.

Army Material Command

The Army Material Command (AMC) initiated its partnering program in the mid 1990's with the publication of an undated brochure entitled "Partnering for Success: A Blueprint for Promoting Government-Industry Communication & Teamwork." It introduced partnering as "an essential component of the AMC Alternative Dispute Resolution Program aimed at avoiding contract disputes before they impact contract performance." The brochure contained the AMC model partnering process and a section on the benefits of partnering, which: establishes mutual goals and objectives, builds trust and encourages open communications, helps eliminate surprise, enables the parties to anticipate and resolve problems, avoids disputes and prevents litigation. Also, the brochure had sample partnering charters and an appendix addressing questions and answers about partnering.¹⁷

Naval Facilities Engineering Command

The Naval Facilities Engineering Command (NAVFAC) also began to use partnering on its construction programs in the 1990s.¹⁸ Later, NAVFAC entered into a partnering agreement with AGC on March 9, 2000 "to promote good faith, trust, and communications among all the stakeholders in the construction process through the use of partnering."¹⁹ This agreement was followed in May 2002 with the publication of its "Construction Project Partnering System" handbook. The handbook expresses the NAVFAC command policy on partnering and the command's goals and objectives. The attachments to the handbook included a sample partnering charter, evaluation forms, a partnership rating form and an issue resolution ladder.²⁰

General Services Administration

At the General Services Administration, the Public Buildings Service began to use partnering in 1994 on all new construction projects over one million dollars. On projects smaller than one million dollars partnering was strongly encouraged. Currently, partnering is a standard business practice for the GSA's nationwide design and construction program.²¹

State Level Partnering Construction Programs

At the state level, the Maryland State Highway Administration (SHA) and the Arizona Department of Transportation were developing their programs and assuming a leadership role for themselves in the 1990s. Indeed, both state programs have taken major

¹⁷ U.S. Army Material Command, "Partnering For Success, A Blueprint for Promoting Government-Industry Communications & Teamwork," Alexandria, VA, *AMC Publication*, undated.

¹⁸ Schriener, J., "Partnering Paying Off on Projects," *ENR Magazine*, October, 1991.

¹⁹ Naval Facilities Engineering Command/Associated General Contractors of America, "Partnering Agreement," *MOA*, March 2002.

²⁰ Naval Facilities Engineering Command, "Construction Project Partnering System," *NAVFAC Booklet*, May 2002.

²¹ U.S. General Services Administration, "Construction Excellence," GSA Website, 2005.

leadership roles nationally and have personnel from both programs in the American Association of State Highway and Transportation Officials (AASHTO) Standing Committee on Quality (SCoQ) Partnering Subcommittee. This committee provides nationwide leadership on new developments in the construction partnering process.

Arizona Department of Transportation

At the Arizona Department of Transportation (ADOT), state construction project teams started using partnering in July 1991.²² In June 1997, ADOT developed and implemented the “Fine-Tuned Partnering Processes” that are currently in use. In 1998, ADOT issued a partnering policy memorandum. In the latest version of the ADOT policy on partnering, it defines partnering as “a process of collaborative teamwork to achieve measurable results through agreements and productive working relationships.” The memorandum goes on to state that partnering is an ADOT business practice and is becoming a part of their work ethic and culture.²³ In 2002, ADOT published the “Building Partnerships Handbook” that clearly defines their program in great detail.²⁴

All highway construction projects in Arizona use the partnering process. This produces the challenge of monitoring and assisting every partnering construction process. To accomplish this task, ADOT has developed an easy to use, online assistance program called Partnership Evaluation Program (PEP). The program automatically monitors key variables of the partnering process, checks on key milestones for each construction project and “flags” (read: sound the alarm) a key indicator if it falls below a tolerable threshold. Using the ADOT secure PEP database, stakeholders can instantaneously gather data on past and current projects.²⁵

Maryland SHA Partnering Program

Today, partnering is a widely used and highly acclaimed process in the construction industry. Both in the private and public sectors, partnering is now a common tool regularly used by experienced stakeholders. In many regards, the Maryland SHA partnering program is one of the best management applications of the partnering process in the United States.

In order to fully appreciate the role and impact of the Maryland SHA’s Partnering Program, it is necessary to recognize the organization within which the program is

²² Arizona Department of Transportation, “Building Partnerships,” *ADOT Partnering Office Publication*, 2002.

²³ Arizona Department of Transportation, “Partnering Advisory Committee Key Accomplishments,” *ADOT Website*, 2005.

²⁴ Arizona Department of Transportation, “Partnering Advisory Committee Key Accomplishments,” (published December 2002) *ADOT Website*, 2005. In it ADOT clearly lays out the necessary definitions as well as discusses partnering: roles, education, planning, models, goals, issue resolution, feedback, evaluation and implementation.

²⁵ Conversation between Brian Polkinghorn (co-principle investigator) and Gary R. Sharp, ADOT Partnering Section Automation & Team Support, (602) 712-7167. January 5, 2006.

housed. The Maryland SHA's mission is to "efficiently provide mobility for our customers through a safe, well-maintained and attractive highway system that enhances Maryland's communities, economy and environment." In order to accomplish this mission, the accompanying vision statement indicates SHA will do so by "providing our customers with a world class highway system." In order to exercise the vision that meets the mission, SHA places value on:

- **Our People:** SHA employees are energetic, loyal and supportive of one another. We encourage each other to reach our highest potential and are committed to gaining the skills, knowledge and training to achieve our goals.
- **Our Work:** As a team, we strive to know the needs of our internal and external customers. We fulfill commitments in a timely and accurate manner, using resources responsibly and observing all legal, moral and ethical standards.
- **Our Relationships:** We value each other's opinions and ideas as well as those of our customers. We earn the respect and trust of our internal and external customers through fairness, honesty, integrity and open communication. We accept responsibility and are accountable for our performance.
- **Our Work Environment:** SHA provides a professional environment that is committed to putting the safety of its people and customers first. We strive to continually improve the workplace by rewarding accomplishments and encouraging employee involvement at all levels of the organization.²⁶

The Partnering Program's mission is "to develop, initiate, and promote partnering which offers opportunities to improve communication and provide structured issue resolution throughout the highway industry."²⁷ An examination of both missions indicates that the partnering process is the active exercise of SHA core values and falls squarely within the mission and vision of the organization.

Maryland SHA turned to partnering in response to the increase in claims and related litigation that plagued the construction industry in the late 1980's and early 1990's. Litigation had become, for many stakeholders, the way to do business for the settlement of claims. Predictably, there were pockets of resistance from those conformable with the status quo, as SHA began to place a greater emphasis on partnering.

The first formal SHA Partnering Project was the Severn River Bridge, entering Annapolis, in the early 1990s. MD 450 over the Severn River, built between 1922 and 1924, was a two lane draw bridge that was receiving many complaints from the traveling public (both motorists and boaters) about lengthy delays due to the opening and closing of the draw span. Due to the deteriorated condition of the existing structure and an

²⁶ Source Maryland Department of Transportation State Highway Administration web page. <http://www.sha.state.md.us/aboutus/orgChart/OC/missionvision.asp> (January 9, 2006.)

²⁷ Source Maryland Quality Initiative (MdQI) "Initiatives in Action Partnerships for Quality" Partnering Subcommittee web page <http://www.mdqi.org/partnering.asp> (January 9, 2006.)

opportunity to replace this drawbridge with a higher level fixed structure, SHA proceeded with plans to replace the existing drawbridge.

Although the completed project was welcomed by the traveling public, the historic community was vehemently opposed to demolishing the seventy year old existing structure. While the bridge was not in the National Register of Historic Places, it had been designed by Joseph B. Strauss, designer of the Golden Gate Bridge, and thus held, for some, national historical significance deserving of preservation. Residents, some calling themselves the Citizens for a Scenic Severn Bridge, responded to the project by launching a major media campaign and lawsuit. During the time the lawsuit was pending, SHA and the contractor, Cianbro Corporation, began construction of the \$34 million dollar new bridge project and completed construction of the 2,835 feet long structure in February 1995.

This project was selected for partnering due to the project's complexity and the anticipated issues with the community. SHA modeled their partnering process after the Army Corps of Engineer's process and used a representative from the project to facilitate the Partnering Workshop.

In April 1991, a two-day Partnering Kick-Off Workshop was held. By all accounts the partnering process went well, and a good objective indicator of success was that there were no unresolved claims at the end of the project. Additionally, through the course of the project, many requests for equitable adjustments (REA) were made and resolved at the project level. Design issues also surfaced, and were also discussed and resolved effectively at the project level. Good communication at the project level provided timely resolutions to issues that involved both internal and external stakeholders. Under normal circumstances, without partnering, some of these issues may easily have resulted in litigation.

Between 1992 and 1994, the Capital Construction Program was extremely small due to the recession. SHA froze advertisements, bid openings, and notices to proceed for the contracts already signed. As the number of construction projects decreased, there was an accompanying decrease in investment in the construction industry. Several contractors went out of business and SHA partnering efforts became stagnate during this time period.

As SHA entered the mid 1990's, the construction program began to increase, and several districts started to use partnering principles to help manage conflict on their projects. At this time, two SHA internal trainers developed an in-house partnering training course that was presented through most of 1995. Even though contractors were invited to participate, the majority of the participants were SHA designers, construction staff and maintenance personnel.

By the mid 1990's, partnering was regularly being utilized throughout SHA in its seven District Offices. But usage was inconsistent at best. The biggest SHA problem, ironically, was the informal approach to partnering used by each of the seven districts.

At that time, there was not a formalized step-by-step program developed, which resulted in some difficulties for stakeholders who worked with multiple SHA districts.

In 1997, the Maryland Quality Initiative's (MdQI) Steering Committee, which is supported by key highway industry members and made up of six subcommittees, formed the Partnering Subcommittee. The Partnering Subcommittee was created to help the statewide partnering effort on SHA's construction projects. Committee members included SHA construction and design personnel, contractors and consultant designers. The subcommittee's mission is:

To develop, initiate, and promote partnering which offers opportunities to improve communication and provide structured issue resolution throughout the highway industry.

Since the creation of the Partnering Subcommittee, the process has undergone refinement and enhancements through the development of formal guidelines including: 1) rating forms to measure team effectiveness, 2) tracking sheets for timely decision making, 3) training and most importantly 4) in 2000 the appointment of a full-time Statewide Partnering Coordinator. This position is responsible for ensuring uniformity of partnering throughout the state. The Statewide Partnering Coordinator is also responsible for promoting partnering to the highway industry stakeholders, leading the MdQI Partnering Subcommittee, and meeting with the contracting and consulting communities to encourage active participation in partnering of all projects. The establishment of the Statewide Partnering Coordinator position clearly demonstrates SHA's commitment and focus on managing an effective partnering program. Through the use of these actions and the leadership of the Statewide Partnering Coordinator, SHA has institutionalized a consistent state-wide approach to partnering.

Another step in institutionalizing the partnering process was the development of the first SHA *Field Guide to Partnering on SHA Projects* in January 2001. The purpose of the guide is to provide consistency and uniformity throughout SHA. It provides a set of clearly understandable tools and methods, as well as serving the secondary purpose of being a training manual. It wasn't long before the Partnering Subcommittee started receiving suggestions for improvements from the users, in particular SHA Project Engineers (PE) and Contractor's representatives. Based on feedback, the manual was updated and revised in 2002 and can be found at www.mdqi.org.

In an effort to track partnering progress and communication and to assist stakeholders in staying focused, SHA developed a "Partnering Project Rating Form" and the "Partnering Evaluation Tool" (PET) software program. PET is a relatively new software program used to collect and track nine data elements that are used to measure and monitor Partnering on all construction projects.

The rating form provides SHA dynamic data (i.e., measures of key process variables) to monitor how partnering is progressing on individual projects as well as statewide. The

resulting feedback is tracked monthly by PET to reveal trends and to evaluate progress in the following key areas:

- Communication
- Teamwork
- Cooperation and Respect
- Issue Resolution
- Job Progress
- Safety
- Material Clearance
- Maintenance of Traffic
- Erosion and Sediment

Timely resolution of issues is paramount to any project. All stakeholders are impacted if a project is held up, and no one individual has the right to delay a job or cause unnecessary expense. As partnering became more institutionalized throughout Maryland, a means had to be devised to identify and resolve issues before they impacted a project. For Maryland, this was handled through the “Issue Resolution Process.” Major issues are tracked and progress monitored using the “Issue Resolution Chart.” The types of issues that are typically tracked include matters that cause monetary adjustments, time extensions, quality of work, or loss of public use. Not only is the issue brought to light, a settlement at the lowest possible level is expected, including persons responsible and resolution dates, thus reinforcing accountability to the stakeholders in the partnering network. Use of the chart keeps the project moving with timely issue resolution.

As with any new concept or program, training is the key to stakeholder “buy-in” of the process, as well as eventual “ownership” of the finished product. To kick-off the training, SHA had a facilitator from the US Army Corps of Engineers conduct a two day training session for SHA managers, design professionals and field personnel. The Partnering Subcommittee then decided it was necessary to offer partnering training to everyone in the highway industry. Training began in 2000 and by April 2004, over 425 SHA, contractors and consultant personnel had attended partnering training sessions. Training topics included communication, negotiation, personality types and leadership skills. SHA’s goal was to train all of their construction Project Engineers (PE) in this endeavor since they lead the individual projects.

In a series of customer focus meetings held throughout 2001, the SHA Chief Engineer, Statewide Partnering Coordinator and others met with construction personnel from each district office and with the Maryland Highway Contractor’s Association (MHCA) Executive Board. These meetings were held to promote the new partnering vision, receive feedback on the Field Guide and training, emphasize measurement of the partnering performance measures, and to encourage participation in partnered projects.

In early 2002, many SHA senior managers along with contractor CEO’s went on a two day retreat. The purpose of the retreat was to improve how they do business together and create a shared vision on communications and operations in the planning, development and construction of Maryland’s highways. One of the results of the retreat was the

development of a Leadership Council consisting of contractor CEO's and SHA managers in design, construction and operations. The council continues to meet quarterly to discuss and resolve industry issues.

During May 2002, a pilot was conducted on PET partnering database, which would track partnering performance measures (mentioned above in bullet points). By July of that same year, all new project starts were to enter their partnering ratings into the database. The results are then reviewed by the project team monthly to track, evaluate and monitor project and team progress. It also provides statewide ratings for use by the Statewide Partnering Coordinator and others to evaluate performance and identify areas for improvement.

Currently, the SHA partnering program is voluntary, with the exception of Design Build projects. Each district office is responsible for asking the contractor if they are interested in partnering once they have been awarded the project. If the contractor responds affirmatively, then the team proceeds with the Partnering kick-off workshop. Depending on the scope, size, and complexity of the project, there are several options available for the Partnering kick-off workshop. The team also decides if they want an external consultant facilitator or if they want to facilitate the workshop themselves. Many project engineers and contractors' representatives have participated in kick-off workshops with the external facilitators and have had training in partnering, so the majority of Maryland's workshops are now co-facilitated by the project engineer, contractors' representative and the Statewide partnering coordinator. A small group from the team usually prepares for the workshop by gathering the list of attendees, finding a location, developing a draft of the mission and goals statement and putting together the agenda.

The purpose of the kick-off workshop is to provide an opportunity for the stakeholders to meet each other and put a face with a name. The idea is that it is easier to solve issues with someone you know, then with a stranger. The workshop lets the participants work together to find common ground (goals), develop direction (mission) and share issues and/or concerns (action planning, issue resolution ladder). The team leaves the kick-off workshop with knowledge of who the key stakeholders are and a plan on how the project will be accomplished.

After the kick-off workshop, the team meets monthly to continue resolving project issues and planning for upcoming construction activities. During the monthly meetings, the team evaluates the effectiveness of partnering on the project through use of the Partnering Project Rating Forms (mentioned earlier). Each team member completes the form, which is then entered into the statewide database. A summary of the ratings from the month before is then provided to all team members for them to review and discuss.

Since the Project Engineers were taking the lead in the Kick-off Workshops and monthly meetings, SHA decided it was necessary to conduct "Meeting Bootcamp," classes to help them plan, conduct and evaluate partnering meetings. The content of this

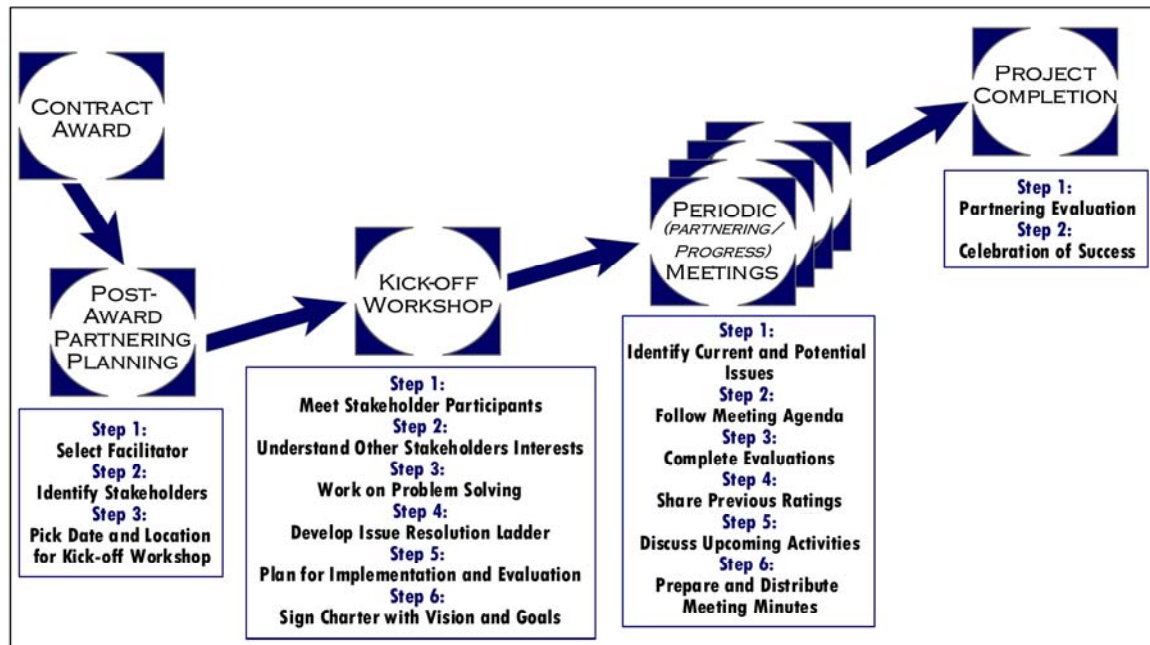
training included preparing agendas, taking minutes, developing action plans, keeping the meeting on track and reviewing key documents needed to manage the process.

Partnering has evolved since its inception in Maryland in the early 1990's. Today, it is arguably the key driving force for the way SHA does business in Maryland. The use of the partnering process, which is straightforward in nature and does not require cutting edge technology, shows that communication and problem solving skills can have the greatest impact on achieving the delivery of successful, high-quality construction projects.

Finally, any history of the Maryland SHA Partnering Program would not be complete without a reference to the tremendous support it receives from the top management officials within SHA, especially during its growth and maturity. This support has been expressed repeatedly, both writing and orally, throughout the State of Maryland. Senior management official Neil J. Pedersen, SHA Administrator, is an ardent and very vocal supporter of partnering. He has acknowledged publicly the cultural change partnering has had on SHA and the benefits it has produced for Maryland, SHA, contractors and the public. Others such as Douglas R. Rose, SHA Deputy Administrator/Chief Engineer for Operations, and Bridgid Seering, Statewide Partnering Coordinator, are the key champions of partnering and provide the energy and zeal to make it all happen.

D. The Partnering Process Step-by-Step

THE PARTNERING PROCESS



The partnering process begins after two or more organizations reach an agreement or sign a contract to work together on a project. The best time to initiate the partnering process is immediately after the award is made; however, partnering can be initiated at any time during the project. The benefit to an early start in partnering is to create a set of expectations that instill good communications, teamwork and collaborative problem solving from the start of the relationship.

The partnering process can be separated into several distinct steps for clarity and understanding. These steps are: Contract Award, Post-Award Partnering Planning, Kick-Off Workshop, Periodic Partnering/Progress Meetings and Project Completion.



Contract Award

The contract between the two parties may contain a provision that encourages or requires partnering. If the contract does not have a partnering provision, then the parties can voluntarily initiate partnering at any time in the project.



Post-Award Partnering Planning

1. Select Facilitator

The facilitator is selected during the planning phase because he or she needs to begin working closely with the key stakeholders early in the process to plan the content and agenda for the kick-off

workshop. This is to ensure that the specific needs of the project team are met as quickly and efficiently as possible.

2. Identify Stakeholders

The primary stakeholders, or those directly impacted by the terms of the contract and the outcome of the project, must be identified early on to determine who needs to take part in the partnering process and at what level. These may include, among others, the design firms, subcontractors, suppliers, public utilities and the end user of the project.

3. Pick the Date and Location for Kick-Off Workshop

The final planning activity is to pick a date, time and place for the kick-off workshop that is acceptable and convenient to the stakeholders. The location is often at a neutral site such as a hotel meeting room.



Kick-Off Workshop

1. Meet Stakeholder Participants

At the kick-off workshop the (stakeholder) participants have the chance to meet each other, put a face to specific names (and their respective roles) and otherwise become familiar with the people they will be working with throughout the length of the project. For many participants, this is the first time that they have the opportunity to meet in person.

2. Understand Other Stakeholders Interests

During the discussions, participants will learn additional information that will help bring to light agendas or issues that they didn't anticipate arising during the project. Many of the discussions are typically structured to focus on the participants' project interests such as goals, priorities, problems and issue resolution. Orchestrating the discussions around these topics assists all participants in grasping how their organization's interests, issues and needs fit into the larger scheme.

3. Work on Problem Solving

After the participants identify most problems they expect to confront on the project now or in the future, they select the most critical problems and jointly develop a plan to resolve them.

4. Develop Issue Resolution Ladder

An issue resolution ladder is a device that participants develop and use to address issues as they arise. Each rung of the ladder (sometimes called step) identifies the key personnel from the

appropriate partnering organizations and outlines the time frame available to address the issue. At the lowest rung, issues are quickly addressed face-to-face in an interest based format – often on-site. As issues become more complex and impact more partners, the issue progresses one rung at a time further up until it reaches the appropriate partnering organizations to be resolved at the more appropriate level. At the highest level of the ladder it is possible that issues may take several days or more to resolve.

5. Plan for Implementation and Evaluation

A final workshop activity is to create an implementation plan for meeting the partnering mission, vision and goals reached at the workshop that will be undertaken during contract performance. This plan usually includes scheduling periodic partnering meetings to follow-up on the workshop and having the stakeholders evaluate in written or oral forms how well the relationship is working.

6. Sign Charter with Vision and Goals

At the end of the workshop, the stakeholders prepare a written Charter as a visual reminder of their mutual commitment to the partnering vision, goals and relationship. It is usually a one-page document detailing key collective ideas and is signed by all the participants at the end of the workshop



Periodic Partnering/Progress Meetings

1. Identify Current and Potential Issues

A core action at the periodic meetings is to identify and check on the issues that are still pending and to address new issues that may soon arise. As a result, action plans developed at the kick-off workshop may be reviewed and, if necessary, modified and new action plans for problems just arising may be developed.

2. Follow Meeting Agenda

On complex projects it is critical to literally monitor all decision making processes. It is also essential that the person running the process follow a clear and predictable agenda for the sake of everyone involved. The Project Manager (sometimes referred to as the Project Engineer or the “Champion” for the project) will schedule the periodic partnering meetings that follow the kick-off workshop and will draft an agenda for the meeting. These meetings are attended by stakeholder participants that have an interest in the topics on the meeting agenda; however, the meetings are often open to all participants to attend.

3. Complete Evaluations

At times during contract performance, there is a need to check on whether the stakeholders are meeting the partnering goals and other objectives specified in the Charter. This evaluation is usually accomplished by the use of a printed evaluation form with space for comments and is completed by the stakeholder participants.

4. Share Previous Ratings

After the evaluation forms are collected, the Project Manager should tabulate the results and distribute the results as soon as possible to the stakeholders. Poor ratings and written comments are usually addressed at the meeting.

5. Discuss Upcoming Activities

A final item on the meeting agenda is to discuss upcoming activities. These activities are generally partnering or project related and can circumvent possible future issues before they hinder the project's progress.

6. Prepare and Distribute Meeting Minutes

The last activity for the Project Manager is to prepare a summary of the discussions and agreements reached at the meeting. These are usually distributed to all stakeholders and provide an excellent record of the progress of both the partnering process and the project.



Project Completion

1. Partnering Evaluation

When the project is complete, the stakeholders can use final evaluation forms to measure whether the project goals were met and what was accomplished by partnering. Partners can also highlight what may have hindered progress.

2. Celebration of Success

To bring closure to the partnering effort, the project leaders may want to schedule an activity for the stakeholder participants. The activity is often a lunch or dinner that invites all the stakeholders involved in the project.

E. Partnering Success

The results from construction projects using the partnering process are extremely impressive. As documented by federal, state, and private organizations that use partnering, they report it has produced substantial tangible and intangible benefits.

Tangible

The most commonly referenced benefit of partnering is that it brings projects in on time and within budget. Other frequently quoted tangible benefits of partnering are safety with no lost-time accidents, reduction in paperwork, continuous improvement of quality products and services, a more pleasant working environment, substantial value engineering savings, expedited issue resolution, improved efficiency, cost effectiveness, and a lack of litigation.

Intangible

Partnering is also reported to produce many intangible benefits for the stakeholders. These include: increasing the opportunity for innovation; nurturing a team-building and a cooperative environment; building trust; encouraging open communications; eliminating surprise; enabling the parties to anticipate and resolve problems; getting requests for equitable adjustments resolved at the project level; preventing disputes; sustaining relationships; and preventing litigation.

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F. Best Practices

I. Getting Started

1. Develop Consistent Partnering Guidelines (Partnering Business Plan)

Description:

Partnering guidelines should be developed to insure uniform procedures and practical implementation across all facets of the organization. Partnering is a management methodology that can greatly benefit any organization. In order to maximize the benefits of partnering, an organization should institutionalize its practice. However, since partnering represents a cultural change for many organizations in their business process, there is a need to carefully craft a business plan to make it happen.

Discussion:

In any organization, changing business practices requires hard work, commitment, and a detailed plan as the vehicle for change. Planning starts with a clear vision of the partnering concept and an understanding of the process changes that are required and the people involved in the transition. Often the planning process for the partnering program begins with the meticulous selection of a planning team. This process can be assisted by an experienced partnering facilitator. The planning team should have representation from various functional areas of the organization, and needs to consider the following: the organization's partnering goals; the mindset of internal and external parties impacted by the change; awareness training in partnering; the process and organizational procedures needed for change; and a means to publicize and promote the partnering program.

2. Secure Top Management Support

Description:

Individuals within any organization need to know that the partnering concept is fully supported by top management prior to the individuals making any changes in their conduct in dealing with other organizations. Since change involves individual risk, management support is essential.

Discussion:

Top management support from the highest level down is essential to establishing an effective partnering program. Without senior management's support there is inconsistent and sometimes non-existence partnering participation because individuals need to know that the risk they are taking will not result in punishment if they fail. Top management support can be visibly demonstrated by attending training sessions and participating at kick-off workshops. Another way to demonstrate senior management support for

partnering is to establish an organizational partnering committee that is active and periodically reports to senior management officials. Also, change requires resources that only top management can commit to the partnering program. In order to secure top management support, these senior managers must fully appreciate what partnering can achieve for their organization.

3. Develop Partnering Materials

Description:

The availability of partnering materials is absolutely necessary to establish a partnering program. These materials are valuable to: establishing a uniform and consistent organizational standard for partnering; clarifying any administrative requirements; discussing the value and benefits of partnering; and promoting an accurate understanding of the organization's partnering program.

Discussion:

Written materials are an excellent means for informing other stakeholders and individuals about the partnering concept and the organization's partnering program and procedures. These materials should provide a clear, concise, and complete explanation of the partnering concept, the organization's procedures, and the possible benefits of participating. The materials can be pamphlets, field guides or training manuals. Another example of a creative means to provide partnering information is through the development of a partnering website.

4. Conduct Outreach to External Stakeholders

Description:

In a partnering program wherein participation by other stakeholders is voluntary, the organization that promotes partnering needs to present a clear portrait of partnering to encourage other stakeholder's participation.

Discussion:

An organization with a robust partnering program should not assume that external organizations understand the partnering concept or process. In fact, many organizations and individuals that have not participated in partnering have negative pre-conceptions of partnering. As one participant said, "the people who don't show up to the partnering cause the problems." All stakeholders need to develop an understanding of how partnering can be beneficial and of value to them individually and to their organization. Voluntary participation in partnering increases when stakeholders reach this type of understanding. There are numerous means to reach out to these other stakeholders, such as: conducting joint training sessions, speaking at industry conferences, forming partnering committees with other stakeholders and having clear materials describing the partnering concept and procedures.

5. Conduct Internal Partnering Training

Description:

A corporation or government entity that wants to establish a partnering program should conduct training within the organization at the start of the program.

Discussion:

An organization that decides to use partnering as a quality management practice can use internal partnering training to: promote awareness of the partnering concept and process; clarify the organization's interests in the use of partnering; demonstrate management support; and facilitate acceptance at all strategic levels within the organization. The training should include a mix of operational and management employees from all impacted levels within the organization. The duration of the training session can be 1-2 days; however, it must be meaningfully tailored and not just motivational. Topics may include communication skills, such as active listening, and problem solving skills, such as action planning. The trainer should have a good grasp of conflict analysis and resolution skills, ideally be experienced with the partnering process, understand the organization's partnering program and be able to communicate effectively with the participants. Finally, an organization should consider conducting a "refresher" training program after several years to accommodate for internal personnel and procedural changes.

II. Partnering Process

1. Hold an Early Partnering Kick-Off Workshop

Description:

As soon as two or more organizations agree to work together under a contract on a project or program, the partnering process should start by holding a kick-off workshop. When partnering is delayed, too often the parties engage in old adversarial tactics and partnering intervention becomes a more difficult undertaking.

Discussion:

The kick-off workshop is most effective when it is held soon after the project or program is started and includes participants from all key stakeholders. This early start maximizes benefits from the partnering process, such as developing better communications, planning for issue resolution, solving problems and achieving common goals. Developing better communications can be as simple as "putting a face to a name" and understanding the roles and responsibilities of other stakeholders with respect to the project or program. Planning for issue resolution includes the development of an "issue resolution ladder." Solving problems by having the right individuals at the workshop is emphasized by numerous participants as an essential ingredient of the workshop. Achieving

common goals is facilitated by the discussion of each stakeholder's individual goals and the recognition of those goals commonly held. Facilitators at kick-off workshops should use the workshop time wisely, and tailor the agenda to specifically meet the needs and level of partnering experience of the participants. The facilitator also needs to be assured that all participants have a clear understanding of partnering. Finally, consider that food and snacks are usually provided to keep the participants from being distracted.

2. Use an Experienced Partnering Facilitator

Description:

At the kick-off workshop, the meeting is most effective when the facilitator has an understanding of both the partnering concept and the organization's business.

Discussion:

The partnering participants expect the kick-off workshop to be productive, focusing on project goals and issues rather than just another time-consuming motivational session. The facilitator has a significant impact on the success of the kick-off workshop in meeting the participants' expectations. An experienced partnering facilitator will prepare the kick-off workshop agenda and the list of participants in collaboration with designated managers from the key stakeholders to achieve an interesting and beneficial workshop. At the workshop, an experienced partnering facilitator can: tailor the process, recognizing subtle construction problems and assist in designing creative problem solving techniques; identify communication problems and provide training to remove them; and assist the stakeholders in realizing their common goals and the means to achieve them. Finally, the facilitator may be from within the organization or a private outside facilitator. In either case, the facilitator must be perceived as neutral, or professionally distant, by all stakeholders.

3. Identify the Key Internal and External Stakeholders

Description:

The partnering process works best by getting the right people to the table from within the organization and among the other external stakeholder organizations.

Discussion:

In most projects or programs there are usually two primary stakeholders; however, there often are many other organizations that can impact the success of the project or program. In partnering, all of these stakeholder organizations are invited to participate in the process. These other stakeholders may include third party organizations such as the ultimate users of the project or program and suppliers of essential parts or services. Additionally, partnering includes the individuals in each organization that are essential to executing the project or

program. These may include operational, managerial and contractual participants. The partnering facilitator should assist the key stakeholders in identifying the internal and external participants, and assure that the participants are from similar management levels within each organization. This balance is important in order to begin building good communications by bringing participants “face-to-face” with their counterparts.

4. Establish Effective Communication

Description:

Partnering requires effective communications among the stakeholders at all levels to manage conflict and achieve project goals.

Discussion:

One of the biggest benefits of partnering is that it should greatly enhance communications among the stakeholders. The partnering process is designed to facilitate improved communications from the start of a project to its completion. It begins by bringing the stakeholders together at the kick-off workshop to discuss, face-to-face, their expectations, issues (existing or potential) and goals in a friendly, non-confrontational atmosphere. Further, establishing effective communications begins to build trust among the stakeholders. This allows issues to be raised in a timely fashion and allows conduct which adversely impacts project goals to be openly discussed.. Also, it is wise to discuss misperceptions of partnering, such as it being a “one-way street” or a means for one stakeholder to take advantage of other stakeholders. Finally, although most “experienced partnering participants” want to get directly to the business of meeting the people that will work on the project or program and addressing issues, there may be a need at times to conduct some specific training in communication skills and working with difficult personalities.

5. Discuss Problem Solving and Issue Resolution

Description:

Participants at the kick-off workshop come with the intent and desire to identify and discuss project issues. During the workshop, participants should develop action plans to resolve critical issues and design the means to resolve other issues as they arise.

Discussion:

The identification of project or program issues and the use of joint problem solving techniques across organizational boundaries is a significant task for the kick-off workshop. It is both highly productive and builds trust among the stakeholders. At the workshop, the participants are asked to identify issues that exist or may arise, and then to develop a plan to overcome the most critical of them. This often requires the development of an action plan with clear timelines and the identification of responsible individuals. Another significant task is the development of an “issue resolution ladder” with the names of

responsible individuals at each level within an organization to address issues as they arise. Knowing who to contact is an excellent way to get issues resolved quickly. The issue resolution ladder typically starts at the lowest level; after a specified period of time, the issue moves up the ladder to the next level and continues moving up the ladder until the issue is resolved. Both joint problem solving and issue resolution ladders are excellent dispute prevention techniques. On mega-projects, there are often long discussions on other forms of dispute resolution, such as mediation and dispute review boards.

6. Draft a Simple Partnering “Charter”

Description:

The Charter is a written document drafted by the stakeholders at the kick-off workshop. This Charter creates a visual reminder of their mutual commitment to the partnering vision and how they wish to work together during the project. It is usually a one-page document signed by all participants at the workshop and often displays the key stakeholder organizations’ logos.

Discussion:

Drafting the Charter at the kick-off workshop makes the task easier and should be a simple document to draft near the end of the workshop. While the value of the Charter remains the subject of participant debate, the drafting process can be facilitated by having sample Charters available and by only having a few workshop participants, who represent each group, draft it. Another approach to drafting the Charter is to provide more details on the steps to achieving the project goals. This may make the Charter more meaningful to the stakeholders. Finally, at the end of the workshop, all the participants should sign the Charter.

7. Hold Informal Periodic Partnering Progress Meetings

Description:

Partnering progress meetings are held periodically after the kick-off workshop to implement and evaluate the process and to continuously address changes to the project or program.

Discussion:

The use of periodic partnering progress meetings are a good means to keep the partnering process going. These meetings do not require the involvement of all the participants from the kick-off workshop. Rather, these meetings are usually scheduled by a senior manager (sometimes referred to as the Project Manager, Project Engineer or “Project Champion”) for the project and are attended by those individuals involved in the issues on the agenda. These meetings are a good place to get the right stakeholders to the table to focus on resolving issues that are current or are due to occur. When a periodic partnering meeting is scheduled, the participants should be provided an agenda for the

meeting to ensure that stakeholders are able to make an informed decision as to whether or not they need to attend. Further, after these periodic meetings a meeting summary should be written and distributed to all stakeholders.

8. Develop Meaningful Partnering Measurements

Description:

Meaningful measurement tools are necessary to get accurate feedback on the effectiveness of partnering during the performance of the project or program and after its completion.

Discussion:

Partnering is a continuous process for improving the relationship among the stakeholders and achieving mutually beneficial goals. At strategic times during a project and at its completion stakeholders need to know how well partnering is working and whether an adjustment/intervention is necessary to increase its effectiveness. Organizations can develop standardized measurement tools that rate certain partnering, project, and/or Charter elements. During the project, these partnering measurements can be collected and analyzed, alerting stakeholders to problems which are being avoided and can adversely impact the relationship if not resolved. When a problem develops, it can be put on the agenda for the periodic workshop to alert all stakeholders. If the problems are significant, stakeholders may want to use a facilitator to assist them. Also, at the completion of the project, these process measurements can provide valuable information on how to modify the process for future projects.

■. Program Design

1. Identify Partnering Champions

Description:

The Partnering Champion is a person(s) from a stakeholder organization that agrees to monitor the partnering relationship and actively seek means for improving it from the kick-off workshop to project completion.

Discussion:

Too often stakeholders assume that once a successful kick-off workshop is over the partnering relationship will continue to flourish on its own with no further nurturing. This is a false sense of comfort and a recipe for disaster. Partnering at this time needs someone to step forward and be responsible for the implementation of the relationship at the project level. This is a role for a champion that understands the partnering concept and believes in its value. The partnering champion needs to be conscious of the vision, goals, and attitudes of the stakeholders. When partnering begins to slip, the champion needs to get it back on track; and when partnering is working, the champion needs to encourage its use even more. In this role, the champion should always be

monitoring the “pulse” of the relationship, and should work closely with stakeholders through all steps of the partnering process. This especially includes preparing the agendas for periodic meetings and developing and reviewing all partnering evaluation forms. Additionally, there is a role for champions at all levels of partnering – from senior management in individual stakeholder organizations, to the state level. These champions promote a broad environment where partnering can succeed. Champions working together to promote partnering from the specifics of each individual job to the State level are necessary to ensure that partnering not only thrives in that project, but also in future projects.

2. Provide for Recognition

Description:

A partnering program should acknowledge the efforts of individuals who made the process work, and recognize quality projects that partnering has contributed in creating.

Discussion:

Recognition is always appreciated by both individuals and project managers, and tends to act as a form of motivation. The form of such recognition can take various and diverse shapes. It can be as simple as a public “thank you” and a sincere handshake or as formal as an award ceremony with the presentation of a plaque or other memento. Another means of recognition is acknowledgement in a press release in the organization’s internal news medium. Whatever means are chosen to recognize individual success it must be sincere, meaningful and match the level of energy that the person earning it put into the project.

G. Glossary of Terminology

Active or Reflective Listening – is a critical interpersonal communication skill that emphasizes the not only the substantive content but affective messages of the speaker in order to capture the *meaning* behind his or her intended communication. Active or reflective listening is absolutely critical for effective communications in partnering as it is the core building block of all problem solving and decision making. A common statement that emphasizes the importance of active or reflective listening is – “if you are doing more than one thing at a time then you are not listening.”

Alternative Dispute Resolution (ADR), also known as dispute settlement, dispute resolution or conflict intervention – refers to a continuum or series of dispute intervention processes such as negotiation, mediation or arbitration that are used by parties to resolve or settle disputes, most often in lieu of, or in comparison to, litigation.

Action Plans – are specific written guides or procedures developed to overcome “rocks in the road” (see below). The development and execution of an action plan requires the impacted stakeholders work in a collaborative manner.

Boot-Camp Training – is the basic training used by Maryland SHA to assist individuals who lead the partnering meetings to plan, conduct and evaluate them.

Champion, also known as a “project” “process” or “program” champion– is a dedicated person or persons that either volunteer to or as a part of their job, agree to monitor the partnering relationship and actively seek means for improving it from the kick-off workshop to project completion. All projects need a project champion.

Change Order – is a modification to the contract made in accordance with the contract terms by a person authorized to approve the change.

Charter – is a written statement by the stakeholders constructed at the kick-off workshop, which creates a visual reminder of their mutual commitment to the partnering mission, vision and their relationship. It is usually a one-page document signed by all the participants at the end of the workshop.

Claim – is a request by a contractor for the payment of money, an adjustment of the contract terms, granting of a time extension or other relief relating to the contract.

Collaborative Problem Solving – is a process where stakeholders can meet in 1) a face-to-face real time context, 2) take advantage of their collective skills and talents to, and 3) build a creative, long lasting solution to a shared problem.

Core Elements – are the five human factor elements periodically measured with the evaluation forms (see below) and entered into the SHA Partnering Evaluation Tool (see below). These core elements reflect the essential attributes of partnering: establishing

effective **communication**, creating an atmosphere for **teamwork**, building **cooperation and respect**, facilitating **issue resolution**, and achieving quality **job progress**.

Evaluation Forms – are periodically completed by stakeholders to measure nine specific elements of the partnering process (see Partnering Evaluation Tool or PET below). These forms serve multiple purposes, and can be used to monitor the following: progress on specific projects, useful to prepare for periodic meetings; the partnering program statewide; and to a lesser extent, stakeholders commitment to the partnering relationship and their desire to achieve the mutual goals (see below) set out in the Charter (see above.)

Facilitator – is a third party process specialist who assists stakeholders in designing and conducting the kick-off workshop. The facilitator brings communication and problem solving skills to the workshop and is often experienced in or knowledgeable about the field they are facilitating. The facilitator may also assist in periodic follow-up meetings.

Guiding Principles – are written expressions of underlying constructive behaviors (conduct) on the project site that the stakeholders have agreed to uphold. They are sometimes found in the Charter (see above).

Implementation Strategy – is a proactive planning tool for nurturing and evaluating the partnering relationship during the life of the project, with the additional intent of continuously improving the process.

Issue Resolution Ladder – is a problem solving procedure, developed by the stakeholders, to identify issues in a timely manner and have the right people resolve them quickly in order to prevent destructive conflicts. Ideally, the procedure starts at the lowest level in the chain of command, with face-to-face interest-based discussion, sometimes at the construction site. Barring resolution, the issue rises up through the partners' organizations to the appropriate level for resolution.

Kick-Off Workshop – is a facilitated meeting where stakeholders develop their partnering team and establish a network relationship. It is scheduled to occur early in the project, often just after the contract award. Generally speaking, it is desirable to hold the kick-off workshop as early as possible in order to take advantage of the strategic planning, teamwork and collaborative problem solving benefits that are established during the workshop.

Meeting Leader – is typically a Maryland SHA person other than a facilitator who conducts an informal, content-oriented kick-off workshop.

Mutual Goals – are the commonly agreed upon outcomes that the stakeholders have developed in the kick-off workshop. Mutual or shared goals act as an end point in the partnering process.

Network Organization – is a term used sparingly, to describe the relationship between various organizations (e.g. contractors, subcontractors, utilities, SHA) that, on their own, can't complete a project using only their own skills and resources, but who realize that by joining in an affiliation and using collaborative processes such as partnering, can achieve individual and collective goals. It is related to Organizational Structure (see below).

Organizational Structure – is the hierarchy of decision making for each organization/stakeholder taking part the partnering process. Understanding another stakeholder's organizational structure allows the partnering team to more fully appreciate the strengths and weaknesses each stakeholder brings to the process, thus allowing the partnering process to focus on the early identification of potential challenges, problems or conflicts.

Partnering – is a management methodology used to achieve quality project outcomes by use of effective communication, teamwork, collaborative problem solving and strategic planning. It acts as a preventative process and early warning system for the stakeholders as they network together to attain individual and mutual goals that they could not otherwise achieve on their own.

Partnering Evaluation Tool (PET) – is a software program developed and piloted in 2001 by the Maryland SHA to collect and monitor nine specific types of data measuring key elements of the partnering process. Since July 2002 partnering projects have been monitored using PET.

Periodic or Progress Meetings – are meetings usually held after the kick-off workshop to reinforce the partnering relationship and to address project issues. These meetings are often held by the project leader and may include the entire partnering team or just those members of the team necessary to address a specific issue. These meetings ideally form the core of the partnering process.

Team Building – is a multifaceted process that evolves over time, bringing individual stakeholders together within a cooperative relationship and network that emphasizes mutual gains through collaborative problem solving.

Total Quality Management (TQM) – is a project management process that uses an integrated approach to improving project quality by focusing on customer satisfaction, seeking continuous improvement and fully involving the workforce.

Vision – is an expression of what all stakeholders ideally want to accomplish as a result of the project. It is what the “mission” is intent on accomplishing.