



## **PARTNERING – IS IT TIME TO PUT IT ON THE SHELF?**

It has been 20 years since a task force for the Construction Industry Institute (CII) developed the method of construction project team-building called “partnering.” Vogues in management come and go; since 20 years certainly exceeds their normal lifetime it seems worthwhile to ask the question, “Is it time to put partnering on the shelf?”

When asked that question, Clare Singleton at the California Department of Transportation (Caltrans) and Jeff Freeman at the Nevada Department of Transportation (NDOT) provided the same short answer, “Absolutely not!”

That response prompts the next question, “Why not?”

Well, partnering continues to provide a unique structured process for team-building that was designed by construction managers and is tailored to benefit construction projects. It has succeeded as the premier team-building method for construction projects. With that track record of successes, it continues to be called for and applied to construction projects.

The interest, growth, and acceptance of this project team-building method can be appreciated by reviewing a short history of the evolution of partnering. In 1988, for construction of the Oliver Lock and Dam, the U.S. Army Corps of Engineers Mobile District and FRUCON engaged in one of the first partnering relationships. In 1989, CII published their task force’s results *Partnering: Meeting the Challenges of the Future.* In 1991, they published their booklet *In Search of Partnering Excellence*, which defined the basic precepts of partnering. Also in 1991, contractors “bought in” when the Associated General Contractors of America (AGC) released training material for their members, creating their booklet *Partnering: A Concept for Success* and their video *AGC’s Partnering: A Concept for Success*.

Agencies such as The Naval Facilities Engineering Command (NAVFAC), the Arizona Department of Transportation (ADOT) and the California Department of Transportation (Caltrans) began using partnering in the early 1990’s. In 1993, the American Institute of Architects (AIA) and the American Council of Engineering Companies (ACEC) brought partnering to the design community by jointly publishing *A Project Partnering Guide for Design Professionals*. Through the 1990’s, improved methods of partnering were recorded in guides and instructions that were published by the U.S. Army, U.S. Navy, NASA, ADOT, Caltrans, and the AGC.

In 1998, a Caltrans Partnering Steering Committee, made up of executive managers from Caltrans Construction and FHWA as well as contractor leaders and construction industry association representatives, convened to expand partnering at Caltrans. The committee developed a more comprehensive partnering program that resulted in the original Field Guide to Partnering on Caltrans Projects and a training video.

Several other organizations and agencies paused to look back at the first 10 years of partnering and reassessed its use. A joint reassessment by the AGC and the U.S. Army Corps of Engineers was an example that was so positive that those two organizations jointly established a *Partnering Best Practices* web site: ([http://www.agc.org/cs/industry\\_topics/additional\\_industry\\_topics/partnering](http://www.agc.org/cs/industry_topics/additional_industry_topics/partnering))

OK, so there were many successes with partnering in the 1990's, but should we still be investing in partnering now in the 21<sup>st</sup> Century? Hard data indicates that it is worth the investment: ADOT has kept detailed records through 2006 on 1788 completed contracts. They credit partnering with 24,677 contract days saved, 12.7% average time saved, \$20.3 million in CE savings, \$9.4 million in VE savings, and only 6 claims with a total value of \$1,275,808 required arbitration or mediation on completed construction projects valued at \$5.5 billion. Contractor and owner organizations continued to advocate and improve partnering. The American Subcontractors Association, Associated General Contractors of America, and American Specialty Contractors published *Guidelines for a Successful Construction Project, 2003*, which includes an excellent guideline on partnering. NAVFAC updated their *Partnering System* in 2004, making partnering mandatory on all projects, and formal workshops required for all projects over \$3 million. The American Association of State Highway and Transportation Officials (AASHTO) Standing Committee on Quality became a strong advocate when their Partnering Subcommittee produced a partnering video and the *AASHTO Partnering Handbook 2005*.

Well, what does the future hold? As one example, Caltrans has been working hard to take partnering to the next level. Clare Singleton is the Partnering Program Manager in Caltrans' Division of Construction, and she is passionate about her work. Caltrans reinstated its Partnering Steering Committee in order to assess and reinvigorate its partnering program. Focusing first on project level partnering, the committee's proposed improvements are now in place. Clare shared the following status for CMAA, "We have a new specification that requires professionally-facilitated partnering on all projects over \$10 million to help increase the number of projects engaging in the process. We have an updated *Field Guide to Partnering on Caltrans Projects*, which emphasizes follow-through and best practices. For the first time, we have a *Partnering Facilitator Standards and Expectations* and facilitator evaluations to improve consistency in implementation statewide. And, there's a lot more! We've done so much, and now we are rolling it all out with a huge training effort, 120 class sessions statewide that went through April 2009. We invited contractors to attend our partnering training for free; the joint participation really made the class worthwhile." You can find out more at the Caltrans Partnering Program website:

<http://www.dot.ca.gov/hq/construc/partnering.html>

Clare reports that the Caltrans Partnering Steering Committee is now focusing on partnering over and above the project level. This is strategic partnering, occurring at the program level in support of projects. It will also monitor the effectiveness of the recent project partnering improvements and continue with program marketing, so the industry and Caltrans' commitment to partnering remains loud and clear.

NDOT provides another example of what the future holds by just this year releasing their new partnering program. It is a structured process to avoid and resolve potential construction related conflicts and delays. Jeff Freeman, NDOT's Partnering Program Manager, reports that NDOT and the AGC worked together to develop this program, knowing it would help both the

State and the contractors on Nevada's roadway projects. He explains that their specifications have been updated so that all projects over \$10 million will utilize mandatory partnering with periodic partnering meetings, joint problem solving, performance measures, and formal dispute resolution procedures. There will also be an annual awards ceremony. Jeff welcomes questions, (775) 888-7460. "This is about creating another avenue of communication to together develop the very best projects for Nevada," AGC Nevada Executive Director John Madole said. "This is our way of doing business."

If partnering were shelved, either another process would be needed for project team-building or perhaps we would do without any project team-building. The investment that the construction industry has made to develop and refine partnering would be hard to replace. It is a powerful technique that construction managers can apply to develop commitments by the project stakeholders to: cooperation; open, honest communication; rapid resolution of issues; and maintaining a set of shared goals for a successful project.

To those of us with memories of construction before partnering, dropping project team-building altogether is frightening. Remember the six ADOT claims worth \$1,275,808 that needed to go to arbitration or mediation over the period of fourteen years between 1993 and 2006? Compare that to their results before partnering. During the two years 1991 and 1992, ADOT and their contractors wrestled with 80 claims worth \$68,300,000. Arguing among ourselves, defensive posturing, case building, claims, and litigation cost us all and are not much fun. Better to spend our energy building quality into our projects.

Reflecting on these results, we should tip our hats to those construction managers who contributed back in the 1980's to the CII Partnering Task Force. The team-building structure, precepts, and processes that they developed and titled Partnering have had real staying power and continue to serve us well. Clare and Jeff are right; partnering is not ready to be shelved.

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