

# Montana

# Partnering Field Guide

August 2022



# Partnering – Our Commitment to Collaboration

## Chapter 1

### Our Commitment

#### Partnering Field Guide

This field guide is to promote the formation and success of Partnering relationships on MDT construction projects and related teams. MDT, MCA and the contractors are committed to making Partnering through collaboration the way we do business.

#### What is Partnering?

Partnering is a commitment to set and reach mutual goals by utilizing teamwork and fostering positive relationships.

Partnering is a relationship in which:

- Trust and open communications are encouraged and expected from all participants.
- All parties address and resolve issues and problems promptly and at the lowest possible level.
- All parties have identified common goals for the partnership and at the same time are aware of and respect each other's individual goals and values.
- Partners seek input from each other in effort to find better solutions to the problems and issues at hand. This creates synergy in the relationship that fosters cooperation and improves the productivity of the partnership.

#### Partnering Objectives

The use of Partnering in the public sector has grown significantly in recent years. In 1998 a National Partnering Charter outlined objectives for Partnering. Utilizing that resource, we have adopted the follow objectives:

- Claims avoided
- Safer projects
- Increased job satisfaction
- Reduced delays
- Higher quality
- Reduced total project costs
- Focus on building long-term relationships
- Increased retention for MDT, MCA & contractors
- The job is profitable for the contractors
- Claims mitigated and resolved promptly

Your job is to keep these objectives in mind as you manage and work on the projects. They are the targets for which you are aiming.

## Montana Partnering Values as Determined by the MDT & MCA team

Each project and team has its own culture, its norms or “way of doing business.” The following is a list of the Partnering values and attributes of the way we want to do business as partners. As project team leaders and members, your job is to instill and live by these values on the projects and to identify and resolve any challenges that interfere with their achievement.

The values that we embrace include:

- Promptly Address and Resolve Issues at the Lowest Levels
- Rebuild Trust & Open Communication
- Collaborative Relationships
- Fairness

As your teams come together, it is important to define what each of these values mean to the team. This will promote a positive discussion and a consensus of how you want to work together. This is an important element in developing your team.

### What does this look like?

At the initial Partnering Summit, a contractor recalled a project that he was working on that called for the installation of a “flow dissipator.” He was unfamiliar with the term, as was the MDT EPM. Together they did a quick Internet search and discovered that the term referred to a gravel-filled trench. Together they determined the best size for the trench and the material that should be used in its construction. The issue was quickly resolved at the lowest level through collaborative teamwork and open communication.

### And what this *doesn't* look like:

An Army Corp of Engineers Partnering pamphlet gives a negative example of *non*-Partnering:

The resident engineering watched with arms folded as the contractor’s crew began a complicated concrete pour. He shook his head and said, “*they’ll never make their schedule with that equipment. The bucket is too small, and they’ll need another crane. They’ll spend all of their time fillings buckets instead of pouring concrete.*” He turned and walked back to the management office, mentally preparing to deny the request for a time extension that he knew would be coming.

Why didn’t he let the contractor’s project manager know of his concern? “That’s their responsibility. They’ll find out soon enough.”

- *U.S. Army Corps of Engineers- Pamphlet 91-ADR-P-4*

## Partnering Training Requirements

MDT and MCA realize that Partnering training will help to build a better understanding and commitment to the Partnering culture. A one-day training has been developed specific for the Montana Partnering Initiative. Those required to attend are:

Employees from the MDT that are Civil Engineer Tech III (and above)

Prime Contractor employees (foremen and above)

Subcontractor with 10% or more of a contract equaling or exceeding \$1 million based on the awarded contract value (foreman and above)

Consultants – CEI

Designers (both MDT and consultants, subcontractors, consultants, suppliers, public involvement firms, utility company representatives and local government partners are also encouraged to attend. Those that attend will receive a soon to be required certification which needs to be renewed through training every three years.

## Partnering Through Risk

The goal of Partnering through Risk is the *identification, assessment, analysis, mitigation, ownership, assignment, monitoring and updating of project risks* in a structured and cooperative way. The process should promote creative thinking and leverage team experience and knowledge.

# Chapter 2

## Partnering Meetings

### Level 1 Facilitation vs. Level 2 Facilitation

There are two types of facilitated Partnering meetings, those with external facilitation and those that utilize internal facilitation.

**Level 1 Facilitation:** For larger, longer, complicated projects, or for projects that will severely impact the public, a neutral external facilitator should be selected to organize and facilitate the kick-off Partnering meeting, as well as follow-up with the team and facilitate additional Partnering meetings as needed.

**Level 2 Facilitation:** Other projects should still have an internal Partnering kick-off meeting that will be jointly facilitated by the MDT EPM and the contractor PM. A section of the project's follow-up meetings should be set aside for a Partnering evaluation and discussion.

### Kick-Off Partnering Meeting

The Kick-Off Partnering Meeting is an important step in creating the Partnering relationship. The MDT/Contractor Partnering Taskforce developed a model pre-construction letter to improve the effectiveness of the meeting. This letter should be sent out at time of award. The letter includes a questionnaire for the contractor and subcontractors which will assist the EPM & contractor project manager in preparing for the meeting.

The Contractor will invite all subcontractors and suppliers and the EPM will invite all other stakeholders on the project.

This meeting should be different than a traditional pre-construction meeting. The Partnering elements are to be discussed with the help of both the EPM and the Contractor PM as a shared role. When the project is not being professionally facilitated, the EPM and Contractor PM are responsible for documenting the Partnering elements discussed during the meeting, including the values, goals and issue resolution plan. This information should be distributed to all team members.

### Professionally Facilitated Partnering

On projects with a professional facilitator the EPM and Contractor PM are encouraged to still take an active role in rolling out the Partnering for the project. The Partnering facilitator will be paid by the Contractor and 100% of the cost will be reimbursed by MDT. All costs should be pre-approved by the Department before proceeding.

## Deciding Who Should Attend

The following list is provided as a guideline to identify potential workshop attendees. The EPM and Contractor PM need to work together to decide who should be in attendance.

**MDT** – EPM, DCE, DOE, CEIII, Tech IV, Lead Inspector, Reviewer, District Lab Supervisor

**Contractor** – Foremen, Superintendent, Project Manager, Key Subcontractors, Key Suppliers

## Kick-Off Partnering Meeting Includes

- Creation of an agenda and recording minutes
- Establishing common goals
- Creating a Partnering Charter
- Developing a Communication Plan
- Discussion of issues, risks, concerns and special provisions
- Establishing the Issue Resolution Plan
- Filling out a meeting evaluation form

## Interim Partnering Meetings

An important part of the Communication Plan is to establish the meeting schedule for the project. Good communication and planning are critical to a successful project. An effective project meeting can help everyone working on the job understand the schedule, coordinate work, identify and resolve issues and plan the upcoming work. Depending on the project things to consider are:

- Daily “huddle” meetings first thing in the morning with the contractor and the inspector
- Regular (weekly, bi-weekly, monthly) meetings
- Each meeting includes documentation of issues resolved and agreements made
- Follow-up Partnering Sessions should be held if there is significant change of personnel on the projects, issues remain unresolved, the project enters a new phase of work including projects with multiple seasons
- Team Building Activities: possibilities include sharing a meal together, doing service as a team or spending time doing activities outside of work

## Close-Out Partnering Meetings

Close-out Partnering meetings are an important part of the process. At the end of each project, the team will meet to discuss lessons learned, examine ways in which the next project could be improved, and take time to celebrate the project successes. If the team is considering applying for a Partnering award, the close-out session is a perfect time to review the application and to begin creating the application content while the project details are still fresh in the team members’ minds.

At the conclusion of every project, an on-line survey will be sent to each participant to gather data about the level of Partnering success on the project.

# Chapter 3

## Escalation/Issue Resolution Ladder

*“Three-fourths of the misunderstandings in the world will disappear if we step into the shoes of our adversaries and understand their point of view.” – Gandhi*

### What is a Dispute?

When a disagreement continues for a given period of time without any movement toward solution, the two parties are at an impasse. Any party involved in the issue can tell the other party(s) that they feel that the issue has become a dispute and escalate the issue. Basically, this is an agreement to “agree to disagree.”

It is the responsibility of upper management to ensure that a field team can safely and honestly work to resolve problems, and to encourage them to elevate the issue to the next level if they are unable to resolve it themselves. Elevation of an issue is not a sign of failure. A meeting should be held each time an issue is elevated to the next higher level and continue through the process until the issue is resolved.

### Escalation of an Issue

One of the cornerstones of Partnering is the issue resolution ladder. The issue resolution ladder is created during the initial Partnering workshop and lists the two primary parties to the contract, MDT and the contractor. The issue resolution ladder is designed to keep both parties from reaching an impasse.

Although the design team, the MDT structures division and the materials engineer are not listed specifically on the escalation plan, they can be used as a technical resource for MDT as an aid in resolving an issue. Additionally, members of each level may choose to call upon their peers for input in resolving or escalating an issue.

Subcontractors should be brought along with the prime contractor if the issue to be escalated is a subcontractor issue. If either party has a dispute, they are required to resolve the issue through the escalation process and in a timely manner.

Each party to a dispute needs to understand the other side’s position, and to understand it well enough that they can explain it to the other’s satisfaction. The process starts at the lowest level possible for each organization and proceeds up through each side of the hierarchy until the issue is resolved.

An issue is elevated to the next higher level when **1)** an agreement cannot be reached at the current level within the agreed-upon time, or **2)** if the agreed-upon time has been exceeded without a solution, or **3)** by request of one or both of the parties at the current level (after first informing the other party).

Level	Days	MDT	Contractor
1	1	Lead/EPM/Reviewer	Superintendent/Project Manager
2	3	DCE/DCOE	Construction Manager/Project Manager
3	1 week	DA/CE	Owner or General Manager

**Note:** Time durations can be extended by mutual agreement depending on materials issues, test results, etc. Also, resolutions resulting in a change order will follow the designated change order process.

## **It is important to remember that escalating an issue is not a failure!**

Escalation to the next level in the issue resolution ladder should be done in a separate, face-to-face (when possible) meeting. All individuals involved in the issue should sit down with the individuals at the next level of the escalation ladder and discuss the issue.

For example, the contractor project manager and the EPM sit down with the Construction Manager and the DCE and discuss the information that has led to this issue. This allows the next level the opportunity to ask questions of both sides to gain a thorough understanding of the issue before attempting to resolve it at their level. Once the issue has been elevated, representatives at the next level are to meet as soon as possible to try and negotiate a resolution.

Any levels that have previously escalated the issue must be kept informed of the progress of the resolution and the reasoning behind any decisions made. It is important that any resolutions that have been made are communicated down to the previous levels, including the reasons behind the decisions. It is important to hold a separate meeting to address disputes (don't try to do it, for example, in the middle of the weekly project meeting).

If the issue is elevated to the top of the ladder without resolution, you may choose to submit a notice of claim. This process works if you use it. Given the complexities of our projects, it is natural that there will be disputes. What is unacceptable is to ignore a dispute to the detriment of a project.

Let the process work for you; it will preserve relationships and resolve disputes in a more timely and effective manner.



## Chapter 4

### Partnering Awards

Recognizing and awarding successfully Partnered projects will help to promote the Partnering culture in Montana. One “**Excellence Award in Partnering**” should be awarded for the top project in the state. Additional projects in each district should receive District Excellence awards, as awarded by the Partnering Steering Committee.

Criteria for the awards could include the following items:

- Did the project come in at or under budget?
- Was the project completed on or under the original schedule?
- Were there any lost-time injuries on the project?
- How well did the project accomplish the original project goals?
- Give specific examples of how Partnering saved the project time or money
- Give specific examples of how the Partnering process was used to resolve issues
- Give specific examples of how the Partnering process reduced impacts to the public
- How did the construction team celebrate team success?
- How many facilitated Partnering meetings were held?
- How was Partnering discussed / evaluated during weekly construction or safety meetings?
- Did the team hold a close-out meeting? What lessons learned could be applied to future projects?
- Give specific examples of innovation or creativity that were developed through the Partnering process

The awards will be awarded in an MDT/MCA celebration and may be awarded by the Governor. Winning projects should be recognized in press releases and highlighted on the MDT and MCA websites.

In addition to state recognition, top projects should also be submitted to the national AGC (Marvin M. Black Partnering Excellence Award) and the International Partnering Institute (IPI Partnered Project of the Year).

## Chapter 5

### Accountability and Responsibility

The MDT and MCA recommitment to Partnering will require significant adoption and buy-in throughout the state. The initial members of the 2019 Partnering Summit will need to carry the momentum and information to the districts and organizations throughout Montana. Some skeptics will remember the previous attempt at adopting Partnering and will be doubtful of the success of the renewed commitment.

Simply discussing Partnering principles will likely not win over the skeptics. What will stand the best chance of winning them over is a firm commitment to the creation of the Partnering culture, followed by the demonstrated success and benefits of projects that successfully followed Partnering principles.

In a national Partnering symposium, William H. Choquette identified the following benefits of Partnering:

#### Benefits to the owner:

- Greater control of schedule and cost through close communication and regular evaluation of project progress.
- Higher quality through focusing on mutual goals by team members who are not sidetracked into adversarial relationships.
- The potential for a totally claim free project which can be achieved through partnering. Lower administration costs can be achieved by the avoidance of case building and use of outside counsel.
- Greater innovation through open communication and trust particularly in the area of value engineering and constructability reviews.
- Higher profit potential for all participants resulting in a more efficient project delivery process.

#### Benefits to the construction manager and general contractor

- Reduced risk of delays and cost overruns by early and active involvement in issue resolution.
- Increased productivity by the elimination of adversarial relationships and case building. Reduced exposure to claims litigation through early low level project resolution of problem issues.
- Greater profit potential.

#### Benefits to architect/engineering consultants

- Greatly reduced exposure to liability for document deficiencies through early review.
- Cooperative effort to resolve problems early to reduce exposure to claims and litigation resulting in reduced administrative costs and increased profit potential.

#### Benefits to subcontractors and suppliers

- Improved cash flow due to elimination of, or reduction in, disputes resulting in withheld payments. Greater involvement in the decision-making process as an active team member in the project.
- Reduced exposure to, or elimination of, claims and litigation through early project dispute resolution. And finally, increased profit potential through a “win-win” attitude.

## Contact Us!

### Montana's Partnering Program Managers

The Partnering Program Managers offer Level 1 facilitation, Level 2 support, Partnering trainings, and project documentation tools. Visit the Partnering Program website at ([Partnering Program | Montana Department of Transportation \(MDT\) \(mt.gov\)](#)) for more information and resources.

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