

Montana Partnering Field Guide

November 2023



MONTANA CONTRACTORS ASSOC.
THE CONSTRUCTION ASSOCIATION

Partnering – Our Commitment to Collaboration

Chapter 1

Our Commitment

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

What is Partnering?

Partnering is a collaborative commitment to project management and execution within the construction industry. It involves the establishment of a strong and cooperative relationship among all project stakeholders, including owners, contractors, subcontractors, designers, suppliers, as well as external partners such as resource agencies, cities and counties. The main goal of Partnering is to enhance project outcomes by improving communication, fostering teamwork, and promoting mutual trust and respect among all parties involved. This is accomplished with early project involvement, proactive collaboration, setting and reaching mutual goals, sharing risk and reward, and workforce training. The results of Partnering include safer projects, efficient issue resolution, claims avoidance, reduction in project costs, reduction in project delays, and increased job satisfaction.

Partnering is a relationship in which:

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

Partnering Objectives & Values

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:

- Safer projects
- Prompt issue resolution
- Increased job satisfaction
- Reduced delays
- Higher quality
- The job is profitable for the contractor
- Focus on building long-term relationships
- Increased retention for the Department, the MCA & Contractors
- Reduced total project costs

Each project and team has its own culture, its norms or “way of doing business.” Creating this culture by design, rather than it forming by default, is a primary goal of Partnering. As project leaders and members, you are to embrace these values and resolve any challenges that interfere with their achievement.

➤ **Collaboration and Communication**

Communication is facilitated among The Departments personnel, contractors, subcontractors, suppliers, and other stakeholders. This occurs by establishing a platform for open dialogue and exchange of information to enable better decisions and solutions.

➤ **Issue Resolution**

Effective issue resolution occurs at the lowest project level possible—those in the field! It encourages stakeholders to resolve project issues in a timely manner, minimizing the escalation of conflicts and potential disputes. It maintains project timelines, reduces costs, and improves relationships. Partnering is not to be used as a method to avert or ignore project specifications.

➤ **Relationship Building**

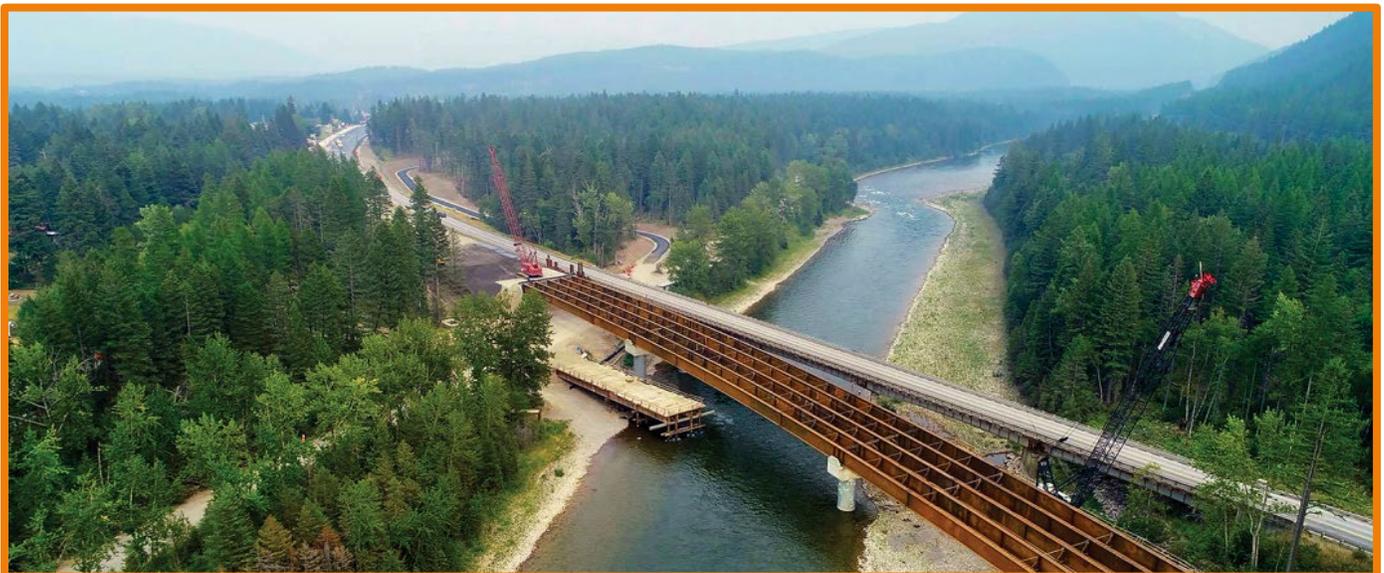
By fostering trust, respect, and understanding, Partnering creates a positive project culture of teamwork. Strong relationships contribute to smoother project execution, improved coordination, and increased job satisfaction.

➤ **Continuous Improvement**

Stakeholders are encouraged to learn from project experiences, identify opportunities for innovation, and implement best practices. By embracing a culture of continuous learning and improvement, project delivery is optimized.

➤ **Stakeholder Engagement**

Involving all relevant parties in the project from the early planning stages is essential. This inclusive approach ensures all perspectives and expertise are considered, leading to more informed decisions. Engaging stakeholders also helps address community concerns, fosters transparency, and builds public trust.



As your team comes together, it is important to define what each of these values mean to the group. 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.

Partnering Training Requirements

The goal of Partnering training is to provide participants with the knowledge, skills, and tools necessary to effectively implement the principles of Partnering in their projects. This training aims to enhance collaboration, communication, issue resolution, and overall project success by equipping participants with the necessary techniques and strategies for successful partnering implementation. Those required to attend are:

- All Department Construction & Pre-Construction Employees
- All Prime Contractor Employees
- All Subcontractor Employees
- Consultants

Partnering training renewal is required every three (3) years. Attendance is composed of 50% The Department and 50% Contractor, with the intention of getting to know one another and learn about a wide range of perspectives. If you are unsure whether you should attend Partnering training, contact the Partnering Program Managers.

Partnering Through Risk

The goal of Partnering through risk is to mitigate uncertainty by promoting creative thinking and leverage team experience/knowledge. The process of accomplishing risk mitigation includes identification, assessment, analysis, ownership, assignment, action, monitoring and updating of project risks in a structured and cooperative way.

Benefits of Partnering

- ✓ The issue resolution ladder is used within the timelines specified
- ✓ Project safety is improved by communication
- ✓ Teamwork becomes routine
- ✓ Risk mitigation is a shared effort by all parties
- ✓ Job is profitable for contractor
- ✓ All parties are honest and trusting
- ✓ Friendships are forming on-site
- ✓ The contract is upheld at all times
- ✓ No adversarial sense between parties
- ✓ Expectations are expressed early
- ✓ Sense of professionalism
- ✓ Agreements are honored



Chapter 2

Partnering Meetings & Evaluation

Level 1 Facilitation vs. Level 2 Facilitation

There are two types of facilitated Partnering meetings:

Level 1 Facilitation: For larger, high risk or complex projects, a neutral facilitator will be selected by the contractor to organize and facilitate the kick-off Partnering workshop. The Facilitator will follow up with the team and assist with additional Partnering meetings as needed.

Level 2 Facilitation: All other projects will have an internal kick-off Partnering meeting, led jointly by the Department and the Contractor or Partnering Program Manager. A section of the project's follow-up meetings are to be set aside for Partnering evaluation and discussion.

Kick-Off Meetings

At a Level 1 Partnering kick-off workshop, the following key topics will be discussed in detail with the leadership of a neutral facilitator:

- 1. Project Overview:** Provide an overview of the project, including its scope, objectives, timeline, and key stakeholders. Ensure that all participants have a clear understanding of the project's goals and expectations.
- 2. Partnering Objectives, Values, and Risk:** Discuss the specific objectives and values of personnel on the project team, emphasizing the importance of collaboration, open communication, and shared responsibility. Establish an understanding of how Partnering will be implemented and the desired outcomes for each stakeholder. Identify and discuss how each party can help mitigate risks to the project.
- 3. Communication and Issue Resolution:** Set expectations for communication channels and protocols, emphasizing the importance of proactive issue identification and resolution. Develop group consensus regarding the use of the Partnering Issue Resolution Ladder and the personnel assigned to the ladder levels for each specific job.

By addressing these topics, the kick-off workshop establishes a common understanding, sets the stage for collaboration, and ensures that all participants are aligned with the partnering process for successful execution of the project. The Partnering Facilitator plays a key role in preparing, coordinating, and leading the large group of participants through discussion of key issues, with the goal of achieving successful project outcomes and maintaining positive working relationships.

At a Level 2 Partnering kick-off meeting, the following key topics will be discussed:

- 1. Partnering Objectives, Values, and Risk:** Discuss the specific objectives and values of personnel on the project team and identify and discuss how each party can help mitigate risks to the project.
- 2. Communication and Issue Resolution Ladder:** Develop group consensus regarding the use of the Partnering Issue Resolution Ladder and the personnel assigned to the ladder levels for each specific job.

By addressing these topics, the kick-off meeting establishes a common understanding, sets the stage for collaboration, and ensures that all participants are aligned with the partnering process for successful execution of the project.

Project Progress Meetings

Project progress Partnering meetings are an essential part of the communication plan. Each meeting builds off the previous gathering, starting from the initial kick-off. 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, meeting items to consider are:

- Hold daily meetings first thing in the morning with the contractor and the inspector
- Hold weekly meetings, all relevant project team members should be invited including subcontractors, utility companies and suppliers.
- Each meeting should include 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, or the project includes multiple seasons
- Team Building Activities: possibilities include sharing a meal together, doing service as a team or spending time doing activities outside of work.

Deciding Who Should Attend

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

The Department – Lead Inspector(s), Project Manager, DCE/DCOE, Materials, Designers, other Supportive Staff, etc.

Contractor – Foremen, Superintendent, Construction Manager, Subcontractors, key Suppliers, etc.

Utility Reps – if conflicts exist.

Closeout Meetings

Closeout Partnering meetings take place after project finalization. This provides project teams the opportunity to reflect, learn, and take pride in their experiences together. If the team is considering applying for a Partnering award, the closeout 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. These are encouraged on all projects.

Evaluations

Partnering survey evaluations should be used with each Level 1 Partnering project with a weekly, monthly, or bi-monthly frequency. The Partnering Program Managers will generally be responsible for initiating and compiling surveys from the owner, prime contractor, and subcontractor crews. This may be achieved by email, on-site computers, or with paper handouts. Additionally, a project closeout survey will be utilized to gather data regarding the team's entire project experience.

Partnering surveys are recommended for Level 2 Partnering projects with a monthly or bi-monthly frequency. The project managers, with the help of the Partnering Program Managers, will be responsible for initiating and compiling surveys from the owner, prime contractor, and subcontractor crews. This may be achieved by email, on-site computers, or with paper handouts. The managers will aid in the discussion of areas of achievement and concern regarding project partnering, with the objective of improved teamwork and job satisfaction.

Chapter 3

Escalation/Issue Resolution Ladder

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 escalate the issue to the next level if they are unable to resolve it themselves. Escalation of an issue is not a sign of failure. A meeting should be held each time an issue is escalated 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 kick-off Partnering meeting and lists the two primary parties to the contract. The ladder is designed to keep both parties from reaching an impasse. The intent of this ladder is to solve and advert the need to file a notice of claim.

Members of each level may choose to call upon their peers for input in resolving or escalating an issue.

Subcontractors should participate 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, **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).

The contractor may choose to submit a notice of claim once the final level on the ladder has not reached a resolution. Therefore, the day of disagreement is determined by the final level in writing to the Contractor.

See Standard Specification 105.16.1.

Level	Days	MDT	Contractor
1	1	Lead Inspector	Foreman
2	1	Project Manager	Superintendent
3	2	DCE/DCOE	Construction Manager
4	5	DA/CE	Owner or General Manager

Note: Time durations and levels can be adjusted by mutual agreement. Resolutions resulting in a change order will follow the designated change order process.

How to Escalate

It is important to remember that escalating an issue is not a failure, it is a move beyond impasse towards timely resolution. Escalation to the next level in the issue resolution ladder should be done in a face-to-face meeting.

Steps to Escalation:

1. Agree an impasse has been met with your corresponding level.
2. Inform your next level of the issue.
3. Once an issue has been escalated to you, reach out to your corresponding level the same day to either discuss (or schedule a meeting to discuss) within your level's timeframe.
4. Document and communicate your discussions/resolutions with the entire project team.

For example, the foreman and the lead inspector sit down with the Project Manager and the Superintendent to discuss all information that led to the issue. This allows the next level the opportunity to ask questions from both sides to gain a thorough understanding before attempting to resolve the issue. Once this has occurred, the Superintendent and Project Manager are able to meet as soon as possible to try and negotiate a resolution.

It is critical to communicate all resolutions to the previous levels, **including the reasons behind the decisions**. At the time of escalation, the lower levels are no longer intended to be in conflict and should resume working together normally. It is important to hold a separate meeting to address disputes (for example, don't try to do it in the middle of the weekly project meeting).

This process works if you use it. Given the complexities of highway projects, it is natural that there will be disputes. What is unacceptable is to ignore a dispute to the detriment of a project.



Chapter 4

Partnering Awards

Recognizing and awarding successfully Partnered projects will help to promote the Partnering culture in Montana. The *MCA-MDT Excellence in Partnering Award* will be presented for projects that showcase the most successfully partnered projects each year. Additional projects in each district may receive *District Excellence Awards*, decided by the MCA-MDT Partnering Steering Committee.

Criteria for the awards could include the following items:

- Did the project finish on or under budget?
- Was the project completed on or ahead of the baseline schedule?
- What aspects of the project challenged the project schedule?
- How well did the project team 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 presented annually at the MDT-MCA Partnering Summit and the MCA Conference. Winning projects will be recognized in press releases and highlighted on the MDT and MCA websites. In addition to state recognition, top projects will also be submitted to the national AGC and the International Partnering Institute.



2022 >\$5M Winners: Butte Crew 2181 with Schellinger Construction
Wisdom West/Trail Creek Structures



Chapter 5

Accountability and Responsibility

The dedication of both the Department and the MCA requires commitment and uniformity across the state.

In the 1994 FCC Consulting Committee on Architecture and Architectural Engineering 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 and Level 2 support and facilitation, Partnering training, 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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