Innovations in Project Delivery Systems

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Typical "New Economy" Project Requirements:

- Meet customer(s)' requirements
 - Service, service & customization of product and process
- Minimize time to market = need for speed
- Zero tolerance for delays
- Demonstrate best value for costs expended
- Expect multiple changes

Changes in Supplier Management

- Select design and construction firms early, based on:
 - Proven experience
 - Demonstrated capability, depth, and knowledge of the project
 - Collaborative skills and team approach
 - Focus on information management
 - Mark-ups on changes
 - Fees, rates, contract terms and conditions

Supplier Contracts:

• Allocation of risk to suppliers: Execution of core competence Producing high quality information • Timely and comprehensive • Understandable by customer decision-maker Accountable to meet cost and schedules they forecast Maintain documentation for full audit Owner is always responsible for defining scope and making decisions

Supplier Contracts, Cont.

- Define deliverables (schedule and content)
- Use incentives (not penalties) to:
 - Motivate performance to meet TEAM objectives
 - Attach to mitigation of foreseeable risks
- Result = Partnership based on:
 - Hi focus on information about the product
 - Hi focus on delivery of the product
 - Lo focus on defensive documentation
 - Lo level of owner management oversight required

Building a Relationship with the Customer

- Understand customer needs and fears
- Understand customer's management hierarchy and authority limits
- Educate customer about project strategy, and risks – AVOID SURPRISES!
- Tailor your services and style to meet the customer's
- Listen for what is said, and what is not
- Set the customer's expectations, and maintain these above all else!

Achieving Customer Satisfaction

- Learn customer's business and their customer's business
- Define stakeholders, authority levels, and information req'mts for each
- Prepare information in format for customer's customer and/or manager
- Leverage suppliers, eliminate layers
- Develop Project Charter (defining primary and secondary objectives, scope schedule and budget, approvals required, clarify barriers, establish approach, define basic roles and responsibilities)

Management Focus and Style

- Drive program scope within schedule and budget, allow latitude in method and approach
- Stay agile and strategic, focus on the chaotic areas, minimize documentation
- Maintain awareness of priorities
- Focus on options, not absolutes
- Create momentum, drive decision-making
- Listen and question, rather than lead and direct
- Praise progress, avoid blame (slackers will drop off)