

SECTION 3-9: PARTNERING

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3-9-00 POLICY

The purpose of this section is to encourage “Partnering” as a best practice on HHS construction projects for federally-owned real property assets. Each OPDIV shall consider developing and implementing a partnering procedure for all new and renovated facilities that meet or exceed the Capital Investment Review Board threshold.

Partnering is designed to create an agreement between the Government and Contractor to work cooperatively as a team, to identify and resolve problems and to achieve mutually beneficial performance and result goals. The expected benefits are achievement of contract goals, lower contract administrative costs, improved problem solving, and fewer conflicts. Participants in the Partnering process must include the Contracting Officer, project officer, designer (architect / engineer), and contractor; but may also include end user(s), upper management, consultants, and major subcontractors.

Partnering Agreement(s) must be consistent with all applicable FAR requirements and the controlling Government contract. Partnership agreement(s) do not waive the Government’s or the Contractor’s responsibilities under “contract disputes” provision and process required by FAR 33.2 and the HSAR, Subpart 333.2.

3-9-10 PROCEDURES

A. PARTNERING

The Partnering process shall be clearly defined in the solicitation for bids that advertise for the procurement of the Project. This process is based upon the expectation of a mutual commitment between Government and industry to work cooperatively as a team to identify and resolve problems and to facilitate successful contract performance. The process is designed to be mutually beneficial, providing the OPDIV with quality services, on time and at a reasonable price, while allowing the contractor to operate efficiently and earn a fair profit. Partnering requires the parties to look at and to formulate actions that promote their common goals and objectives. It is a relationship that is based upon open and continuous communication, mutual trust and respect, and the replacement of the “us versus them” mentality of the past with a “win-win” philosophy. Partnering also promotes synergy, creative thinking, pride in performance, and the creation of a shared vision for success. Partnering agreements are more than just signatures and handshakes. They represent a willingness and a commitment to resolve differences in a structured and constructive manner. Although formal Partnering is most effective for large construction procurements, the same philosophy and process can be applied successfully on a smaller scale by the OPDIVs.

B. THE FOUR PHASES OF PARTNERING

The four phases of partnering are:

1. Communicating with Industry. The solicitation will contain a clause informing offerors of the

Government's requirement to use partnering on the contract.

2. Making the Commitment to Partner. This requires willingness and support of senior management to empower participants with the required responsibility and authority to make binding decisions. OPDIV Senior Managers should lead the partnering process by reinforcing the team approach to contract administration, breaking down barriers, actively participating in the resolution of issues escalated to their level, and championing the process. There is an initial investment of participant time to make the process work, as well as some cost in conducting the initial workshop.
3. Conducting the Workshop and Developing the Partnering Agreement. The purpose of the workshop is to build a Contractor/Government team and create momentum that will drive the partners toward successful accomplishment of mutual goals and objectives throughout the contract term. Recommended elements of the initial Partnering Workshop include:
 - a. Introduce the partnering concept – share experiences, concerns, etc.
 - b. Build relationships - Team building exercise.
 - c. Set team Goals - What are we jointly trying to achieve through a partnering agreement?
 - d. Establish accountability - How will we accomplish this?
 - e. Establish an evaluation process - What are the issues involved in helping us to realize our goals? What metrics can we track to tell us if the contract is effective and our goals are being met?
 - f. Establish the process to resolve conflicts - How will we resolve disputes to avoid hurting each other?
 - g. What are the specific kinds of disputes that we can think of now?
 - h. Develop a conflict escalation procedure.
 - i. Put it in writing - Develop the Partnering Agreement, signed by all key contractors and contract administration personnel.

All future working meetings are conducted and guided by the principles and procedures established during the workshop and incorporated in the drafting of the initial Partnering Agreement.

4. Making it Happen. After development of the Partnering Agreement, it is critical that all actions taken are consistent with the Partnering Agreement objectives. At the periodic progress meetings, checks can be made to gauge how everyone feels about the value of the partnering agreement. If necessary, a follow up workshop may be held to refocus the team on the process and educate new stakeholders.

3-9-20 GUIDANCE AND INFORMATION

OPDIVS are encouraged to consult the Construction Industry Institute best practice on partnering for developing their own partnering model: SP17-1 In Search of Partnering Excellence RS 102-1 Model for Partnering and IR102-2 Partnering Toolkit.