26TH ANNUAL

26TH LCI CONGRESS
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Creating Mutual Benefit: Lessons from a Voyage to IPD

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SURFING THE WAVE OF LEAN DESIGN AND CONSTRUCTION

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Agenda

- Overview of Our Voyage
- Setting Stage for Mutually Beneficial Partnerships
  - Partner Selection
  - Principles and Values Alignment
  - Vision Alignment
- Key Participant Learnings
  - Owner
  - Designer
  - Contractor
- Closing

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Session Description

- During our journey from “partners” to an implementation of a contracted Integrated Project Delivery (IPD), we have learned many lessons and improvements to deliver projects with an optimized beneficial value.
- To assist others beginning or currently on this journey, we will share our learnings that may help others accelerate and fulfill the potential of this type of project delivery.



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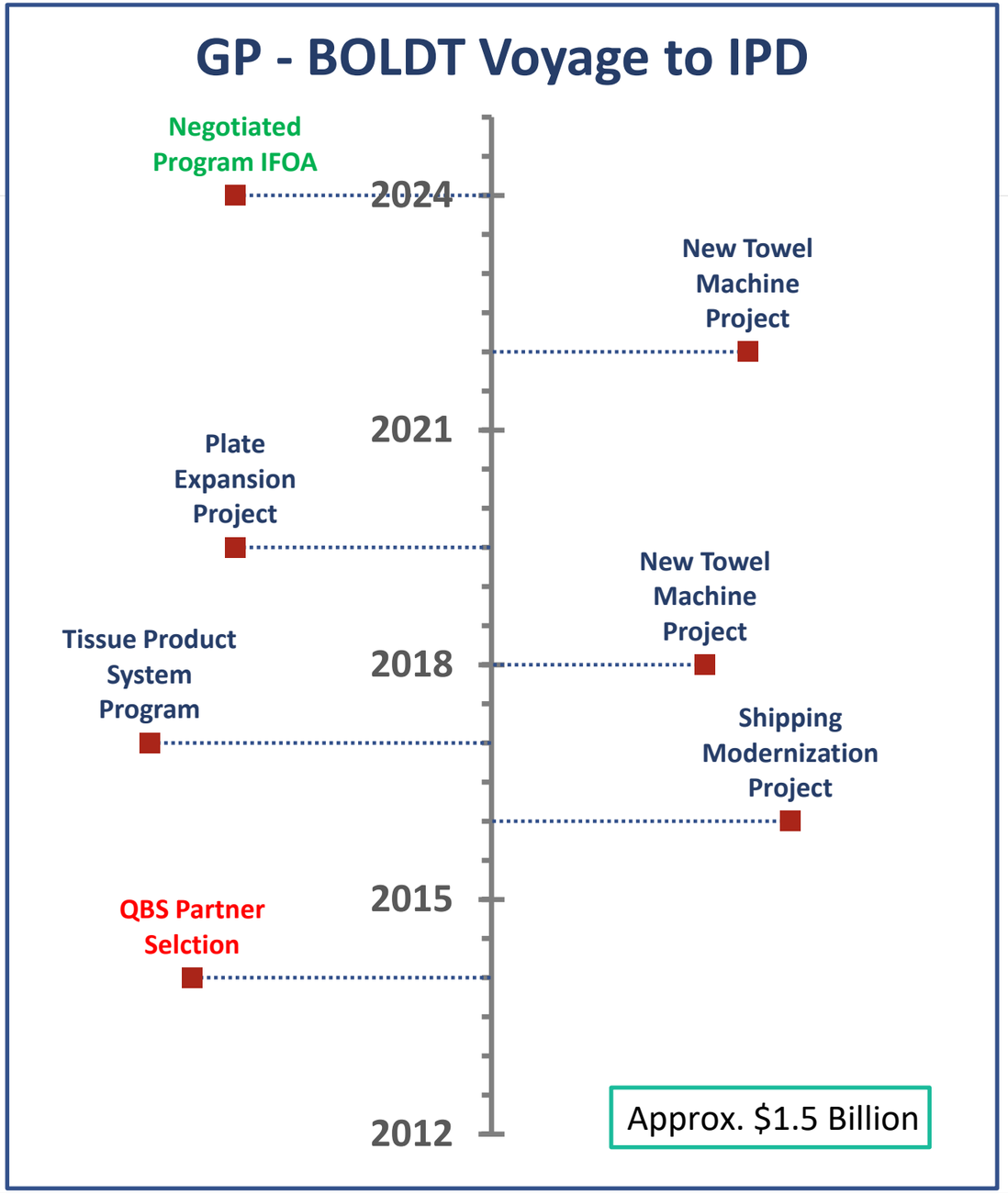
Our Journey

- Started with Georgia-Pacific (GP) Interest to explore IPD
- Partner selection 2015
- Many forms thru the journey to a negotiated IPD with an IFOA on a program of potential future projects
- Continuous learning exchange and development of preferred partnership, not just project tactical based development



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Key Learnings of the Journey

- Alignment of company values as foundation for pursuing virtuous cycles of mutual benefit.
- Establish trusting relationships committed learning and success.
- Assess the organizational readiness of each partner to implement lean project delivery.
- Design a strategy that promotes identifying the right people, right culture, appropriate processes, and continuously learning and improving.
- Embrace a balanced focus on all aspects of the lean construction triangle.





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Developing Mutually Beneficial Partnerships



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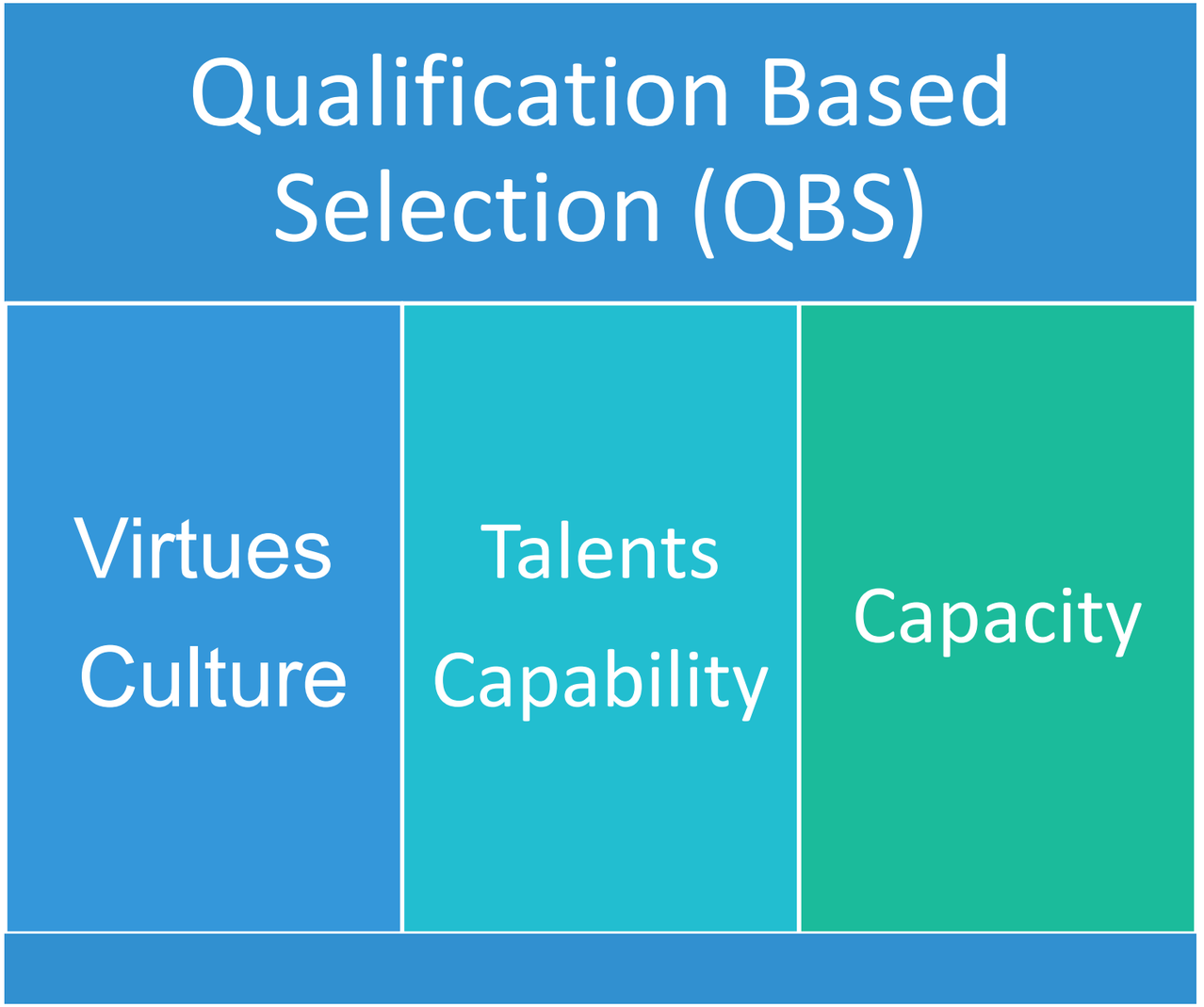
Transforming Partner Selection

- GP Selection Process
  - Transformed from Competitive Bid to Qualification Based Partner Selection
    - Virtues
    - Talents
    - Capacity
  - Enable Early Contractor Engagement (ECE)



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Partnership Principles and Values Alignment

- Selected Partners develop relationships through sharing and understanding the each partners
  - Frameworks
  - Principles, and
  - Core Values





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GP's Principle Based Management (PBM)

A business philosophy and framework that enable long term success by creating superior value for others. (Virtuous Cycles of Mutual Benefit)

PRINCIPLE BASED Management™

THE FIVE DIMENSIONS

- ❑ Vision
- ❑ Virtue and Talents
- ❑ Knowledge
- ❑ Comparative Advantage
- ❑ Motivation

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Tenants of Lean Construction Connection to PBM



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BOLDT® Values and Virtues

Why We Exist

- Creating Extraordinary Opportunities
- Culture Focused on People
  - For Our Employees
  - For Our Partners
  - For Our Customers
  - For Our Communities



Our Values

- Honesty
- Fairness
- Hard Work
- Performance
- Love of Construction

Our Virtues

- Humble
- Hungry
- Smart
- Reliable
- Gritty

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From Culture Building to Vision Alignment



Started journey with “Culture Build” process

- Learned build was not the whole value
- Leadership engagement
- Did not follow thru

Transitioned to a “Vision Alignment” Process

- The team developed a vision and "I Will" statements
- Buy-in to create bottom up behaviors
- Team problem solving thru a psychologically safe environment (trust)

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Vision Alignment Engagement Learnings



THE PROJECT CINCO TEAM VISION

"We will set the standard for project excellence and operational performance through partnerships, innovation, planning, and execution."

1. **I WILL STRIVE FOR ZERO INCIDENTS**
   - **Environmental**
   - **Health**
   - **Safety**
     - No one gets killed or significantly injured
     - Maintain a clean and well-organized job site
     - If I see it, I will act on it
     - Keep it in the pipes
2. **I WILL MAKE AND MEET COMMITMENTS**
   - Know what I am responsible for
   - Understand what is expected of me
   - Establish stretch goals
   - Remove constraints
   - Deliver on my commitments
   - Escalate concerns that could impact the delivery of my commitments
   - Have a "yes, if…" attitude
3. **I WILL PROACTIVELY SEEK AND SHARE THE BEST KNOWLEDGE**
   - Solicit input from Subject Matter Experts (SMEs)
   - Use lessons learned (past and current)
   - Mentor others and share knowledge
   - Improve the efficiency of project execution
   - Challenge ideas to find the best way
   - Seek to understand and listen to learn from normal work
   - Assume others are striving to do the right thing
4. **I WILL EMBRACE NEW WAYS OF DOING THINGS AND AVAILABLE TOOLS AND TECHNOLOGY**
   - Schedule work daily, weekly, monthly
   - Provide metrics
   - Report progress to ensure transparency
   - Avoid creating work arounds
5. **I WILL BUILD RELATIONSHIPS WITH TEAM MEMBERS AND SEE THEM AS INDIVIDUALS**
   - Win together as a team
   - Understand what motivates others
   - Treat others with respect
   - Have fun and celebrate together
6. **I WILL FINISH STRONG**

Georgia-Pacific AECOM BAISCH BOLDT Bryden Wood CM Custom Mechanical 2.89 FAITH Foth INFINITY Paper Converting Machine Company tweetarot Valmet Vos Electric Inc.

Create the Environment for Bottom Up Buy In



TEAM CINCO

ONE TEAM. ONE VISION. ONE RESULT.

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Shared Team Learning and Best Practices



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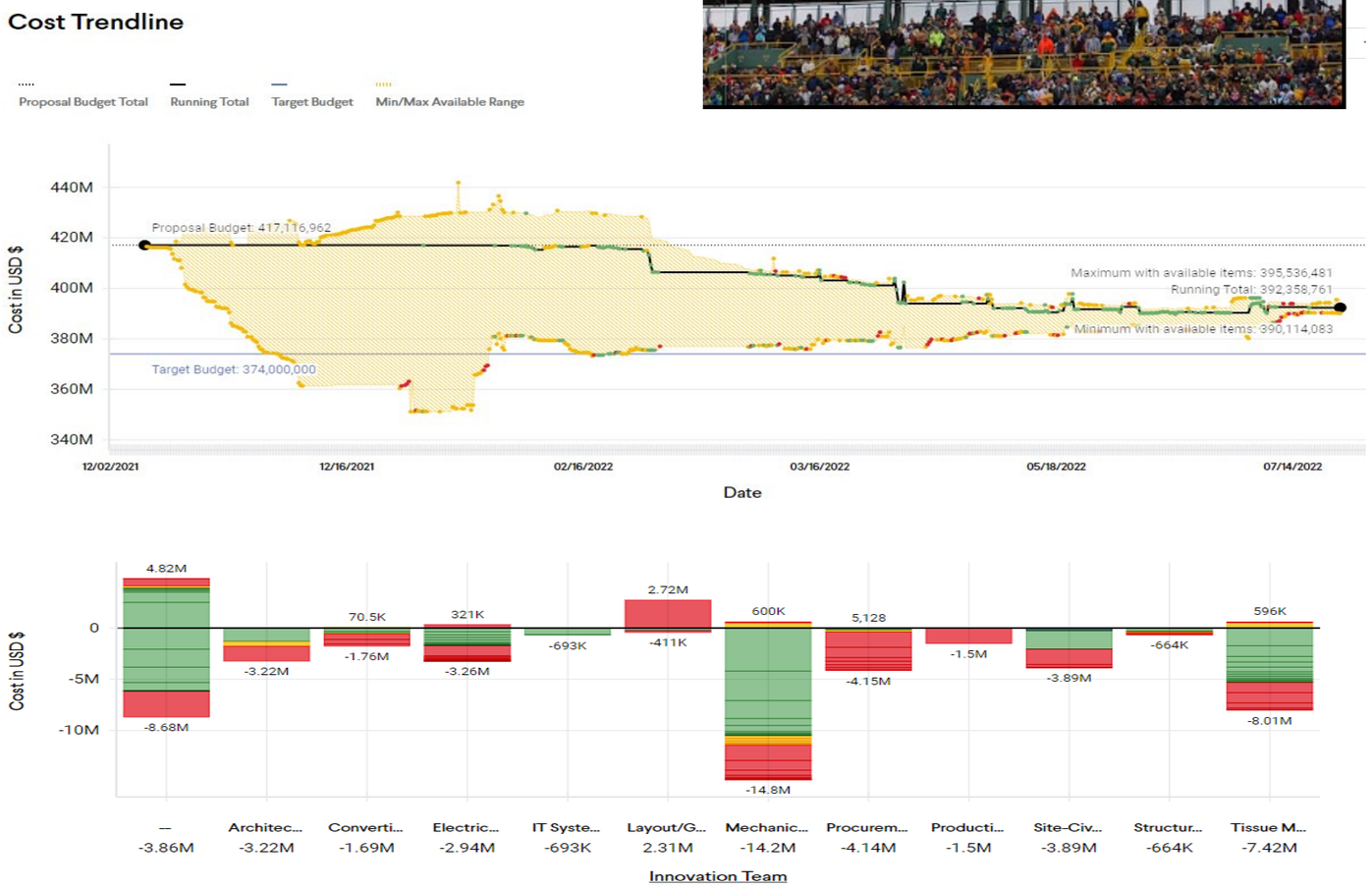
Owner PM Learnings

- Organizational Transformation
  - Innovation Teams / TVD
    - Drive bottom-up participation and innovation.
  - Distributive Leadership
    - Versus historical GP management of siloed groups
  - Internal competition drives overall project success (optimize the whole)
- Real Time Tracking

Project “Packers” SCOREBOARD





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Designer Learnings

- Plan and design project differently
  - Innovation teams
  - Big Room
- Design support path of construction
- Iterative design with trade partners (differently than typical design)
- Key outcomes
  - Reduction of RFIs
  - Reduction of waste - IFC once
  - Construction efficiency (Optimize the Whole)



TEAM CINŌ

ONE TEAM. ONE VISION. ONE RESULT.

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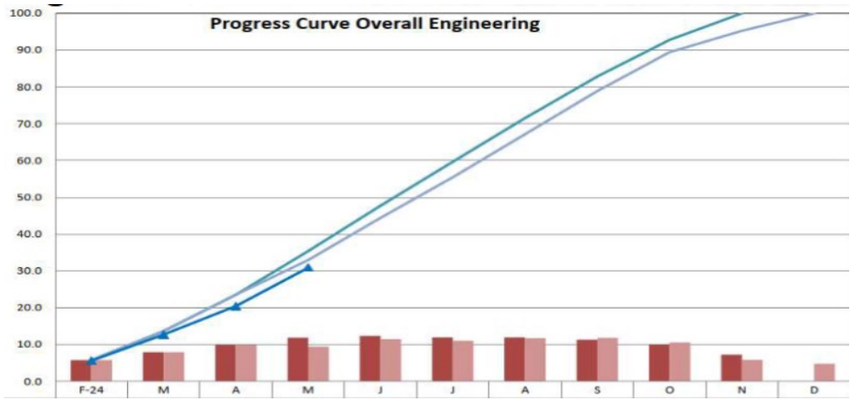
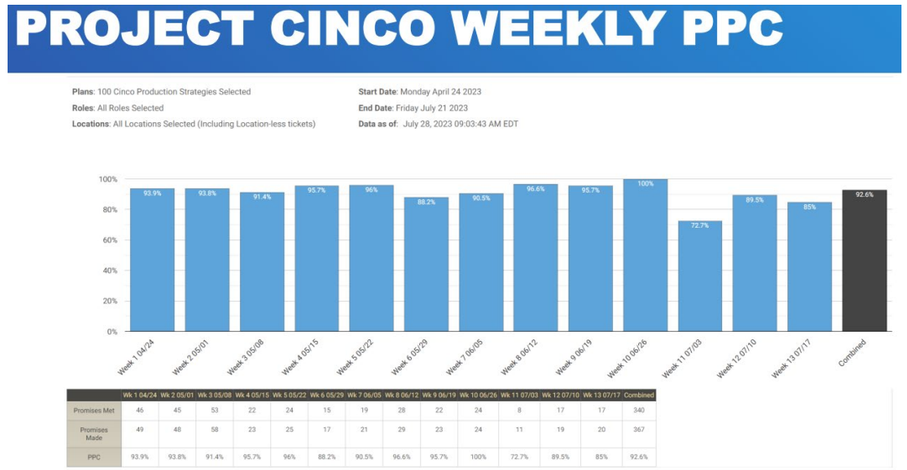
Problem Solving in a Psychologically Safe Environment

- Conventional engineering design schedule
- Change mid-project to design by area - Path of Construction (PoC)
- Engineering team had doubts
  - Not enough time / schedule / budget
  - Trust and try it; see what happens
- Report time - Uh-oh!! not great earned value
  - Partners had our back (win together as a team)
  - Client trusted the team to try something different (challenge ideas to find the best way – trust)
- Each team member will have doubts

From



To



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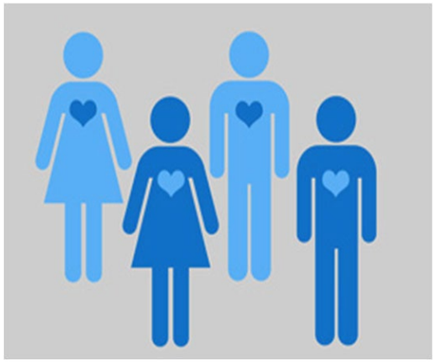
General Contractor Learnings – Contract Strategy

- Key to success
  - Shared risk
  - Win together or lose together
- Everyone on **One Team**
- Vision alignment guided us on how to act and behave. **One Vision**
- Decisions were based on optimizing the project and not the individual. **One Result**
- Witnessed different behaviors from other companies outside of the agreement.

FROM	TO
Transactional	Relational
	
Professional	Friendly
Self interest	Mutual Interest
What you get	What you give
Stay in touch	Keep informed
Authoritative	Collaborative
Replace	Resolve
Service	Knowledge

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Wrap Up



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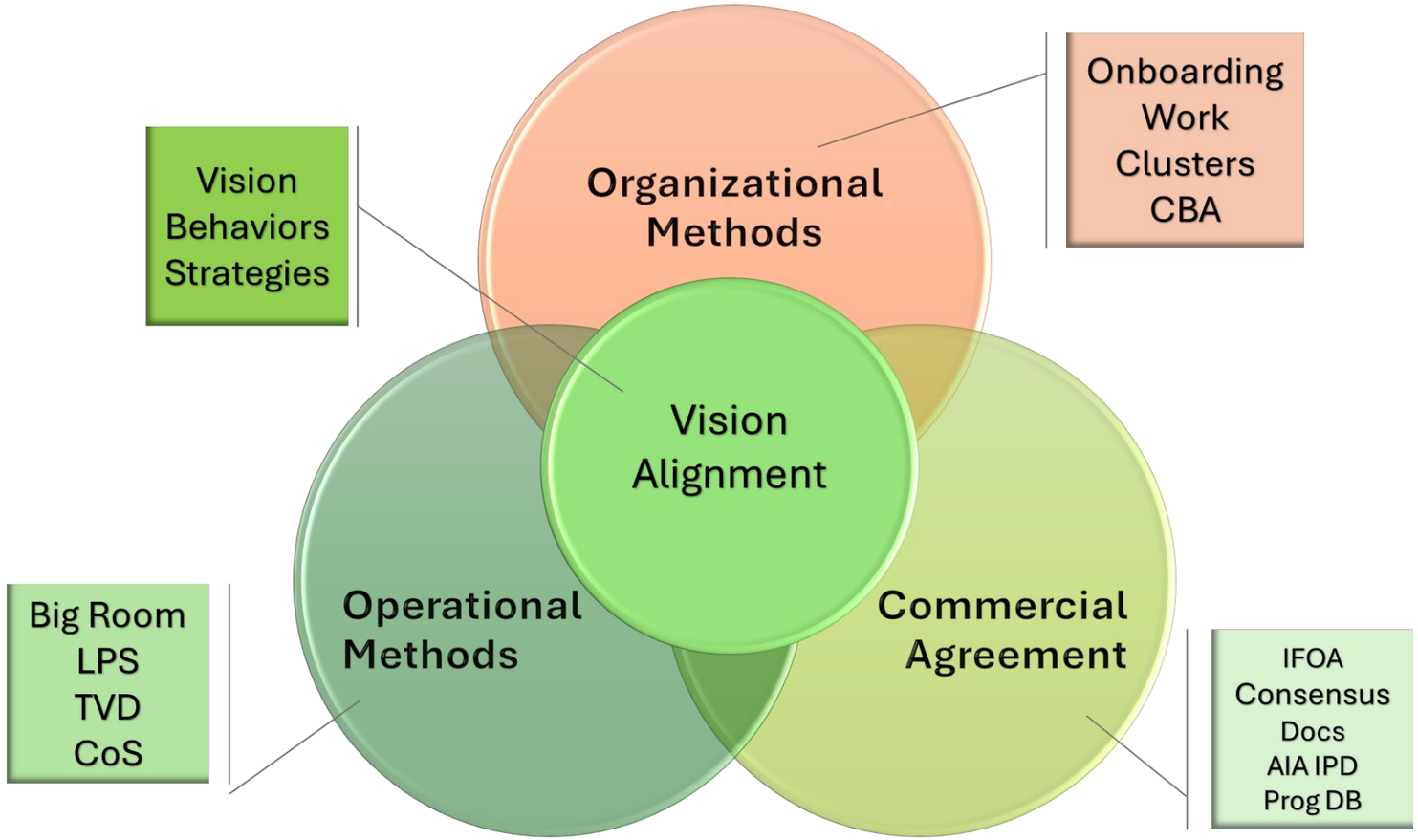
Our Next Steps

- *Fully executed IFOA for our next project working together, exemplifying balance of the lean construction triangle reinforced with our vision alignment process.*
  - Organizational
  - Operational
  - Contractual



Our Key Learnings Review

- ✓Align partner values as foundation for pursuing virtuous cycles of mutual benefit.
- ✓Establish trusting relationships, committed learning and success.
- ✓Assess readiness of each partner to implement lean project delivery.
- ✓Design a strategy that promotes identifying the right people, right culture, appropriate processes, and continuously learning and improving.
- ✓Embrace a balanced focus on all aspects of the lean construction triangle.



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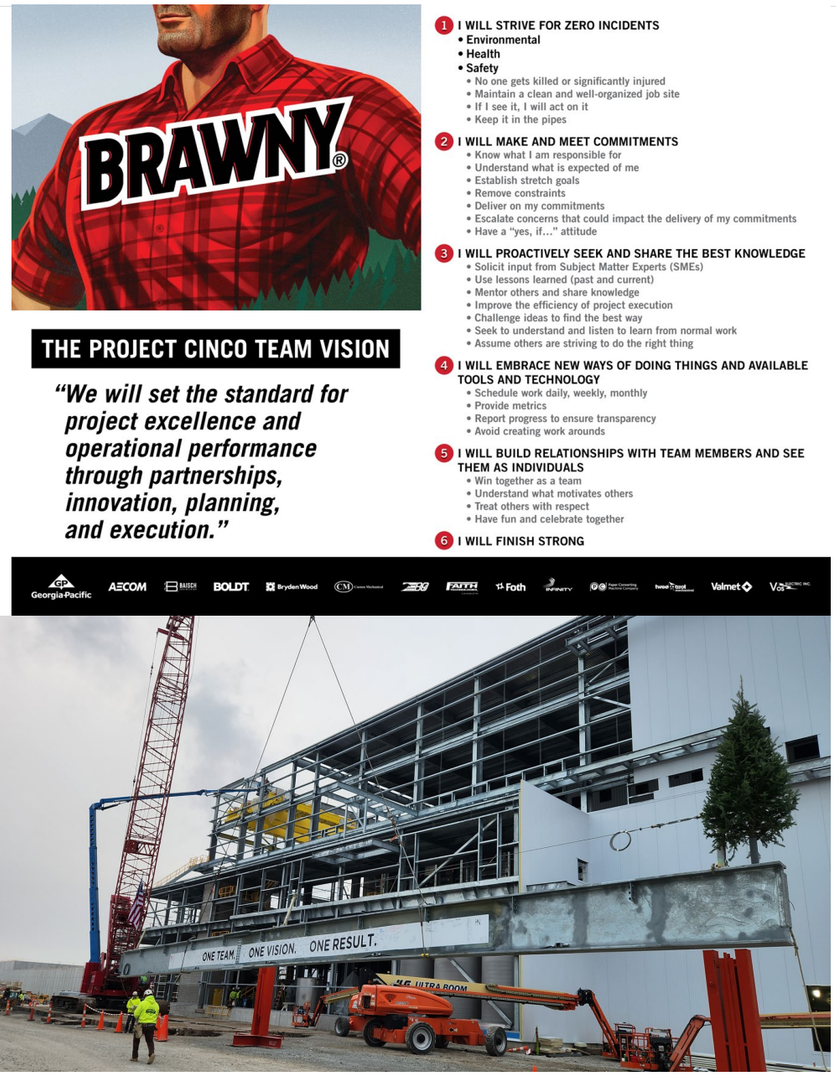
How can you apply this tomorrow?

- Spend your energy to develop aligned vision and behaviors and grow your culture.
- Create a "band of brothers"… a caring about people mentality.
- Build psychological safety among the team to open up people's ideas for the project.
- Give yourself and the team the opportunity to try new things.
- The **project** should be first priority over self and company.
- Have fun! Celebrate accomplishments!



Questions



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In the spirit of continuous improvement, we would like to remind you to complete this session's survey! We look forward to receiving your feedback.

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Thank you for attending this presentation. Enjoy the rest of the 26th Annual LCI Congress!



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