

Collaboration – the key to winning and delivering on major infrastructure projects

Kym Williams, BRS

The collaborative approach to winning and delivering major infrastructure projects has become increasingly popular in the last decade, and for good reason - outcomes using this approach have been groundbreaking and have raised the bar for high performance. More and more, both owners and providers are seeing the financial and overall benefits of adopting a collaborative approach for major infrastructure projects.

The traditional method of negotiating contracts on major infrastructure projects has been the master-servant approach, where the owner and provider both attempt to play “I win, you lose” to achieve an outcome that benefits themselves but disadvantages the other party. The cost of this method is the adversarial relationship it breeds, limiting collaboration and openness on key issues and opportunities, and promoting a culture of blame. This gave rise to the collaborative approach to contracting, where the focus is building constructive relationships and satisfying all parties. This approach has gained traction as it is superior for handling complexity and uncertainty - a key issue for major infrastructure projects.

While the traditional approach plants the seeds for conflict, the collaborative approach recognises that effective relationships are achieved through mutual beneficial outcomes and aligned expectations and objectives. It relies on all parties sharing what they think, feel and want upfront, this is critical to build the trust required to deliver the project successfully. Benefits and risk are shared or allocated upfront, collective responsibility for performance is taken and the emphasis is on solutions, not blame.

The benefits of taking a collaborative approach to contract design are numerous. Project owners gain greater value for money, reduced contracting costs, a lower risk profile, and the achievement of stakeholder outcomes. Providers receive greater profit certainty, reduced contracting costs, less risk, and the opportunity to earn repeat work and long term opportunities.

Collaboration and winning major infrastructure projects

Collaborative contracting is about the “how” of winning and delivering major infrastructure projects as well - how will the providers and contractors work together to win the bid and deliver the project successfully. One of the major shifts is that owners are increasingly looking for consortiums (such as those comprising designers, constructors and sub-alliances) to demonstrate



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the collaborative practices in place for collaborating both within the consortium and with the owner. This is now regularly included in the evaluation criteria and can prove the difference between winning and losing major bids.

Collaboration and high performance

Adopting a collaborative approach sets the foundation for high performance throughout the delivery stage of major infrastructure projects. Trust equals speed - especially where providers from multiple organisations have come together to deliver the work. In building a culture of trust and genuine collaboration, it starts at the top with a united leadership team.

United leadership teams are aligned not only on what they want to achieve, but around *how* they want to work together. Egos must be left at the door, and there needs to be a commitment to working honestly yet respectfully, not having superficially “nice” relationships where discontent breeds beneath the surface. It is about creating the environment where issues can be aired and discussed, and where purely “best for project” decisions are made. Planning is absolutely critical. Key questions for leadership teams to address upfront are: “What are our intended outcomes and expectations of one another?”, “What are the significant issues and challenges we will face?”, and finally “How can we look to work through these so that they do not cause significant challenges, delays or disputes during or at the end of the project?”.

Leadership teams need to be perfectly aligned around the exact nature of the high performance culture they want across the project. Typically, leadership groups fail to get clear enough in this area. The nature of the aspirational culture has major implications for how the project is set up, including the establishment of united leadership practices and the design of key result areas, systems and processes, and leadership development and training initiatives. Truly collaborative cultures are built on the following foundations that grow trust:

- > Open and honest communication both internally and with the owner
- > Clarity around expectations
- > Collective accountability for performance and a shared commitment to high performance
- > “Best for project” decision making
- > Role clarity
- > Collaboration across functions / departments where required
- > A focus on solutions, not blame



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Once, the leadership is clear on what their aspirational culture looks like, a high performance plan is critical for mapping out how it will be achieved. A collaborative one team culture is difficult to achieve, and requires significant planning and a committed leadership group to drive the right behaviours across the team. The board and management team need to take accountability for the delivery of the high performance plan across all levels of the project.

Acting now for future opportunities

The importance of adopting a collaborative approach to win and deliver major infrastructure projects will only increase as project owners become increasingly convinced of its value. Experience in the infrastructure industry has shown that the best relationships are established over a long period of time - they cannot be simply “flicked on” when the need arises. Demonstrating that your organisation’s commitment to a collaborative approach existed long before a tender opportunity presented itself can be a crucial advantage in winning work. The message here is to start now: begin to look for mutually beneficial outcomes on contracts, embark on strategic collaborative opportunities with like-minded organisations, and embed collaborative practices within your own team. There is significant value in getting ahead of the game - and gaining traction can be very difficult if you don’t.



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