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NAVAL FACILITIES ENGINEERING COMMAND
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NAVFACINST 11013.40A
EOC/OCR

28 December 2004

NAVFAC INSTRUCTION 11013.40A

From: Commander, Naval Facilities Engineering Command

Subj: NAVAL FACILITIES ENGINEERING COMMAND (NAVFAC) PARTNERING POLICY

Encl: (1) NAVFAC Partnering System

1. Purpose: To promulgate policy for the use of partnering on all NAVFAC construction and FSC contracts. This instruction also applies to other types of NAVFAC contracts as deemed appropriate by the Business Line Leader.

2. Cancellation: NAVFACINST 11013.40 is cancelled.

3. Policy: It is the policy of NAVFAC to employ partnering on all NAVFAC contracts per enclosure (1).

4. Discussion: Two major changes have been made to the original partnering policy: a) the requirement to partner all FSC contracts has been added, and b) the monetary thresholds for the three levels of construction partnering have been changed. The NAVFAC team has great influence over the success of individual contracts and the level of Client satisfaction. Our primary goal is to maximize efficiency and to achieve Client success. This is measured by how well our product meets the Client's operational requirements (scope), financial constraints (budget), schedule constraints (time), quality needs (quality), and by how effectively the project team employs the appropriate level of operational risk management (safety). Partnering maximizes the opportunity to accomplish this by capitalizing on the collective strengths of the NAVFAC team and our contractor partners.

5. Policy Guidelines: The enclosed NAVFAC Partnering System is built around the concept that partnering requires the maintenance of the partnering mindset, full commitment of all the parties involved, and execution of a sound process. The process component of partnering is straightforward and well documented in enclosure (1). Commitment of stakeholders requires constant reinforcement to be achieved. I expect all NAVFAC team members to consistently maintain the partnering mindset on all contracts, at all times. We can accomplish this through proactive contract administration, effective communications, honesty, integrity, and by having courage to do the right thing. Partnering is not easy, but the paybacks are well worth it.

6. Action: All NAVFAC field Activities will implement this policy on all contracts per enclosure (1).

M. K. LOOSE

Distribution:
See next page

Subj: NAVAL FACILITIES ENGINEERING COMMAND (NAVFAC) PARTNERING POLICY

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NAVAL FACILITIES ENGINEERING COMMAND

PARTNERING SYSTEM

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1. PARTNERING OVERVIEW AND GOALS

Partnering is a collaborative effort and a long-term commitment between two or more organizations for the purpose of achieving specific business objectives by maximizing the effectiveness of each participant's resources in delivering the Client's requirements. This requires changing traditional "individualized" relationships to a "shared culture" relationship without regard to organizational boundaries. The partnering relationship is based upon trust, dedication to common goals, an understanding of each other's individual expectations and values, and a full commitment to success. Benefits include improved communications, efficiency and cost effectiveness, increased opportunity for innovation, and the continuous improvement of product quality and services.

The NAVFAC Partnering System applies these concepts to the construction and Facilities Support Contracts (FSC) delivery processes. By employing partnering in our contracting, we seek to maximize the opportunity to achieve Client success. Client success is measured by how well the project meets the Client's operational requirements ("scope"), financial constraints ("budget"), schedule constraints ("time"), and quality needs ("quality"), as well as meeting everyone's desires to employ appropriate levels of Operational Risk Management ("safety").

All NAVFAC FSC contracts and construction projects will include a provision for partnering.

2. NAVFAC PARTNERING SYSTEM

PARTNERING = MINDSET + COMMITMENT + PROCESS

The NAVFAC Partnering System involves a mindset, a commitment, and a process. The mindset component of partnering is consistent, regardless of the contract or the project's characteristics. The commitment component ensures that the contract is completed to the Client's requirements. The process component deals with the steps or activities that support the Government-Contractor-Client partnership during performance under the contract. The partnering process will vary depending on the characteristics (e.g. scope, value, complexity, criticality, etc.) and needs unique to the specific procurement. Partnering does not begin or end with the formal partnering sessions. It is a philosophy on how our business is managed through the collaborative efforts of NAVFAC, the Contractor, the Client, the user, and our consultants.

a. Partnering Mindset

"Coming together is a beginning,
keeping together is progress,
working together is success."
-Henry Ford

The NAVFAC team has great influence over the outcome of the contract/project, the level of Client satisfaction, and the success of the Contractor. The team members, who work in the procurement delivery process, must maintain a mindset that is committed to the goals of partnering. This means that the NAVFAC team must take the lead in working with the other partners to remove unnecessary roadblocks that stifle success. To a great degree, this is

accomplished through effective communications, proactive contract administration, mutual trust, honesty, integrity, cooperation, open-mindedness, and the courage to do the right thing. The NAVFAC team has the responsibility to ensure that the contract terms are met, that the Contractor is fairly compensated and evaluated, and that the Client fully participates as a stakeholder in the partnership. All partners must always be treated fairly and with respect. We believe our Contractor partners should make a reasonable profit and be successful so that they can help us achieve Client success now and in the future. Legal and ethical principles are never compromised in the administration of a contract.

b. Partnering Commitment

By preparing and signing the PARTNERING CHARTER at the initial partnering session, the stakeholders commit to the stated, and agreed to, requirements; i.e., delivering a quality product per the contract, delivering on time, staying within the available budget, protecting the environment, minimizing inconvenience to the public, communicating openly and honestly on all issues, trusting each other, building a strong partnership, resolving problems quickly and at the appropriate level, and assuring a safe worksite. A partnering commitment entails a long-term dedication to the partnering principles and processes at all times and on every contract.

c. Partnering Processes

At NAVFAC, all contracts will be done using a partnering process. To accomplish this goal, three distinct partnering process levels, A through C, have been established. A project's characteristics determine the process level to be used. In addition, there are several partnering actions for the entire team that shall be used for all partnerships regardless of the process level. These are: a) meet periodically to review the Contractor's performance of contract requirements; b) assess the Government's performance of its responsibilities; c) provide progress information to the Client; and d) check for any concerns. To increase the likelihood of successful performance of a contract, the Government requires cohesive partnerships with its Contractors. These partnerships draw on each organization's strengths to ensure that contract services are done right the first time, within the contract price, as scheduled, and without any safety mishaps. OCONUS activities have the discretion to adjust the level of partnering to accommodate local situations, customs, available resources, and security requirements. However, as a minimum, Level C partnering will be conducted. Security requirements must always be taken into consideration.

Part I. CONSTRUCTION PROJECTS PARTNERING

(1) Project Partnering Levels

One of the following process levels shall be used based on the characteristics of the project. If the partners have an existing, highly effective relationship, built on recent partnerships, they may agree to use a more appropriate process level.

***Level A**: (Generally, for projects with one or more of these characteristics - high risk, high visibility, compressed performance period, technically complex, over $5M)*
Level A partnering is facilitated by a consultant facilitator, who is paid for by the Contractor per the contract specifications. Different facilitators should be used as frequent use of one particular facilitator, with the same Client and Contractor, may limit the synergy of the partnership due to an over-familiarity with points of view and expectations. The process

consists of an initial session and follow-on sessions; see Initial and Follow-on Partnering Sessions paragraphs for details.

Level B: *(Generally, for projects with average risk and visibility, non-compressed schedule, and a value between $3M and $5M)*
This level of partnering requires an in-house facilitator, at no cost to the Contractor, who is not a member of the ROICC team that will administer the contract. The facilitator could be an employee of NAVFAC, another Government agency, or from a Contractor association. Should an in-house facilitator not be available, a consultant/professional facilitator could be used. A modification to the contract, to reimburse the Contractor for the expense for the consultant facilitator, must be issued. If either the Client or the Contractor is new to NAVFAC, Level A partnering should be considered even though the characteristics of the project may indicate Level B. All project stakeholders will meet for an initial session of sufficient duration for everyone to reach an understanding of the partnering principles, see Partnering Overview and Goals. The initial session can be held in conjunction with the preconstruction conference or as soon as possible after the preconstruction conference but before construction work begins; see Initial and Follow-on Partnering Session paragraphs for details.

Level C: *(Generally, for projects with a value less than $3M; i.e., delivery orders, task orders, work orders, BPAs, and small contracts)*
This level of partnering discusses partnering concepts and benefits. It should become a part of the preconstruction conference. The senior ROICC and senior Contractor persons present will lead the discussion. Brief follow-on sessions should be held, as needed, to discuss issues relevant to the execution of the project, to resolve problems that have surfaced since the last session, and to discuss Contractor performance; see Initial and Follow-on Partnering Sessions paragraphs for details.

(2) Project Partnering Solicitation Provisions

The ROICC must be an active participant on the project planning team and ensure that the requirement for partnering will be in the specifications. See UFGS 01310, Administrative Requirements, latest edition, paragraph 1.15, PARTNERING, and select one of the three paragraphs appropriate for the project.

(3) Project Partnering Administration

The AROICC/AREICC should contact the Contractor, Client, Installation, designer-of-record, and FEC team to discuss implementation of partnering. Compensation to the designer-of-record for participation may be appropriate and the expense therefore should be borne by the party responsible for the project design; i.e. by the Government if the project is Design-Bid-Build (DBB) or by the Contractor if the project is Design-Build (DB). Check with NAVFAC Project Manager (PM) since the fees for participating in partnering may be included as an option to the designer-of-record's contract. When Level A or B partnering is specified, commence discussions with the Contractor to select a facilitator and a location that are acceptable to all partners. The initial session must be scheduled as soon as possible after award of the contract. A partnership agreement, The Charter, should be in place as early as possible so issues arising, even before work begins, can be resolved using the issues resolution process. Replacement of Core Management Team members (stakeholders who attended the initial session and manage the contract work day-to-day) is discouraged since it will disrupt the synergy that has been developed. If replacement of a team member proves to be unavoidable,

a follow-on partnering session must be held to officially turn the responsibilities of the position over to the new member.

(4) Project Partnering Session Attendees

Stakeholders represent NAVFAC and the ROICC Office, the Contractor and major subcontractors, the Client, the Region, the Installation and the Designer-of-Record. If the contract was led by one of NAVFAC's Specialty Centers, representatives of the Center must attend. The Core Management Team must be present during the initial and all follow-on partnering sessions. Individuals considered for attendance include:

Partnering Sessions Attendees for Construction Project Partnering

Level	NAVFAC	Contractor	Client	Region/Installation	Designer of Record
A	OICC **ROICC** **SGE** **AROICC/AREICC** **ET** **PCO** **ACO** **CS** **PM** Construction PLM/C Client Liaison	**President/VP** **KRPM** **Superintendent** **QC Manager** **Safety Manager** SubKR Reps	CO XO **Facility Manager**	RCOM/DRCOM ICO/IXO RE **PWO** **Facility Manager** Tenant's Reps Safety Reps Specialty Reps	**Principal** **AIC/EIC** Consultant's Reps
B	OICC **ROICC** SGE **AROICC/AREICC** **ET** **ACO** **CS** PM Construction PLM/C Client Liaison	**President/VP** **KRPM** **Superintendent** **QC Manager** Safety Manager SubKR Reps	CO XO **Facility Manager**	ICO/IXO PWO **Facility Manager** Tenant's Reps Safety Reps Specialty Reps	Principal **AIC/EIC** Consultant's Reps
C	OICC **ROICC** SGE **AROICC/AREICC** **ET** ACO **CS** PM Construction PLM/C Client Liaison	President/VP **KRPM** **Superintendent** **QC Manager** Safety Manager	CO XO **Facility Manager**	ICO/IXO PWO Facility Manager Tenant's Reps Safety Reps Specialty Reps	Principal **AIC/EIC** Consultant's Reps

Legend:
Bold type "must attend", normal type "recommend attend"
ACO – Administrative Contracting Officer
AIC/EIC – Architect-in-Charge/Engineer-in-Charge

AROICC/AREICC – Assistant Resident Officer/Engineer in Charge of Construction
CO – Commanding Officer
Construction PLM/C – Construction Product Line Manager/Coordinator
CS – Contract Specialist
ET – Engineering Technician
ICO/IXO – Installation Commanding Officer/Installation Executive Officer
KRPM – Contractor Project Manager
OICC - Officer in Charge of Construction
PCO – Procuring Contracting Officer
PM – NAVFAC Project Manager
PWO – Public Works Officer
QC Manager – Quality Control Manager
RCOM/DRCOM – Commander, Navy Region/Dep Commander, Navy Region
RE – Engineer, Navy Region
ROICC - Resident Officer in Charge of Construction
SGE – Supervisory General Engineer
SubKR Reps – Subcontractor Representatives
VP – Vice President
XO – Executive Officer

Part II. FACILITIES SUPPORT CONTRACTS (FSC) PARTNERING

(1) Contract Partnering Levels

All NAVFAC FSC/BOS contracts will include one of the Contract Partnering Levels described below. OCONUS activities have the discretion to adjust the level of partnering to accommodate local situations and customs, available resources, and security requirements. However, as a minimum, Level C partnering will be conducted on every contract with an annual value of less than $3M.

Level A: *(Generally, use this level for contracts with one or more of these characteristics: annual contract value of $10 million or more; first-time BOS contract, high visibility, many Clients, large geographic area, services provided concurrently at multiple activities or for multiple functions, and complex management and coordination issues.)*
Level A partnering is facilitated by a consultant/professional facilitator. The Contractor will pay all costs associated with the partnering effort, including facilitator, meeting room, and other incidental items. All contract stakeholders will meet for an initial session and follow-on sessions. See Initial and Follow-on Partnering Session paragraphs for details.

Level B: *(Generally, use this level for contracts with one or more of these characteristics: annual contract value of $3 million but less than $10 million, average risk and visibility, services provided to multiple Clients, services one or more Activities performing one or more functions, average to above average management and coordination issues.)*
This level of partnering requires an in-house facilitator who is not associated with the current contract. The facilitator could be an employee of NAVFAC or another Government agency. The Government will cover the facilitator cost. The Contractor shall pay all other costs associated with the partnering effort, including the meeting room and incidental items. Should an in-house facilitator not be available, a consultant/professional facilitator could be used. All contract stakeholders will meet for an initial session of sufficient duration for everyone to reach an understanding of the partnering principles, see Partnering Overview and Goals paragraph.

The initial session can be held in conjunction with the pre-performance conference or as soon as possible after the pre-performance conference but before contract work begins. See Initial and Follow-on Partnering Session paragraphs for details.

Level C: *(Generally, use this level for contracts with an annual contract value of less than $3 million.)*
This level of partnering is an informal introduction to partnering concepts and benefits and will be held in conjunction with the pre-performance conference. Senior Government and Contractor stakeholders present will lead the discussion. Brief follow-on sessions should be held, as needed, to discuss issues, resolve problems and provide feedback on Contractor performance. See Initial and Follow-on Partnering Sessions paragraphs for details.

(2) Contract Partnering Solicitation Provisions

Based on the Contract Partnering Levels, the active participants on the contract planning team will ensure one of the following contract provisions are in the solicitation.

Lead-in paragraph applicable to each of the three partnering levels paragraphs that follow:
To increase the likelihood of successful performance of this contract, the Government requires cohesive partnerships with its Contractors and subcontractors. Key stakeholders, including the Clients who will receive services, principal individuals from NAVFAC, the performance assessment team, and representative(s) of the Installation(s) will be invited to participate in the partnering process. Key members of the prime and subcontractors teams, including senior management personnel, must participate. The partnership will draw on the strength of each organization in an effort to achieve quality contract services done right the first time, within the contract price, as scheduled, and without any safety mishaps.

Contract Partnering Level A
The initial session will be at least one-day in duration and the follow-on sessions, held at a minimum of once every three months or as agreed to by the partners, will be at least a half-day in duration. The initial partnering session should be held at a neutral location off the installation that is acceptable to the Contractor and to the Government. Follow-on sessions may be held at locations agreed to by both parties. The Contractor shall pay all costs associated with the partnering effort including facilitator, meeting room, and other incidental items. Before the partnering session, the Contractor shall coordinate with the facilitator the requirements for incidental items (audio-visual equipment, computer(s), two easels, flipchart paper, colored markers, note paper, pens/pencils, colored flash cards, etc.) and have these items available at the partnering session. The Contractor will copy documents for distribution to all attendees. The facilitator must be acceptable to both the Contractor and the Government. The participants shall pay their own costs for meals, lodging, and transportation associated with partnering.

Contract Partnering Level B
The initial session will be at least a half-day to a full day in duration and the follow-on sessions, held at a minimum once every six months or as agreed to by the partners, approximately a half-day in duration. The partnering sessions should be held at locations agreeable to the partners. A Government in-house facilitator will facilitate the partnering sessions at no cost to the Contractor. The Contractor shall pay all other costs associated with the partnering effort including meeting room, and other incidental items. Before the partnering session, the Contractor shall coordinate with the in-house facilitator the requirements for incidental items (audio-visual equipment, computer(s), two easels, flipchart paper, colored markers, note paper, pens/pencils, colored flash cards, etc.) and have these items available at the partnering session.

The Contractor will copy documents for distribution to all attendees. The in-house facilitator must be acceptable to both the Contractor and the Government. The participants shall pay their own costs for meals, lodging, and transportation associated with partnering.

Contract Partnering Level C
This level of partnering discusses partnering concepts and benefits and should become a part of the pre-performance conference. The senior Government and Contractor stakeholders present will jointly host the partnering sessions. The partners will determine the frequency of the follow-on sessions. The partnering sessions should be held at locations agreed to by the partners.

(3) Contract Partnering Administration

Upon award, the ACO should contact the Contractor, Client(s), Region, and Installation(s) stakeholders, and the performance assessment team to discuss implementation of partnering. When Level A or B partnering will be used, commence discussions with the Contractor to select a facilitator and a location that are acceptable to both partners. The initial session must be scheduled as soon as possible after award of the contract. A partnership agreement, The Charter, should be in place as early as possible so issues arising, even before work begins, can be resolved using the issues resolution process. Replacement of Core Management Team members (stakeholders who attended the initial session and manage the contract work day-to-day) is discouraged since it will disrupt the synergy that has been developed. If replacement of a team member proves to be unavoidable, a follow-on partnering session must be held to officially turn the responsibilities of the position over to the new member.

(4) Contract Partnering Session Attendees

The Core Management Team must be present during the initial and all follow-on partnering sessions.

Partnering Sessions Attendees for FSC Contract Partnering

Level	NAVFAC	Contractor	Client	Region/Installation
A, B	OICC **ROICC** **SPAR/PAR** **FSC PM/L** **PCO** **ACO** **CS** Construction PLM/C Client Liaison	**President/VP** **CM/KRPM** **Supervisor/Superintendent** **QC Manager** **Safety Manager** SubKR Reps	CO XO FSCM **TRCO** **PAR**	RCOM/DRCOM ICO/IXO RE PWO **APWO/DPWO** **Facilities Manager** Tenant's Reps
C	OICC ROICC **SPAR/PAR** FSC PM/L PCO **ACO** **CS** Construction PLM/C Client Liaison	President/VP CM/KRPM **Supervisor/Superintendent** **QC Manager** Safety Manager	CO XO FSCM TRCO **PAR**	ICO/IXO PWO Facilities Manager Tenant's Reps

Legend:
Bold type "must attend", normal type "recommend attend"
ACO – Administrative Contracting Officer
APWO/DPWO – Assistant Public Works Officer/Deputy Public Works Officer
CO – Commanding Officer
Construction PLM/C – Construction Product Line Manager/Coordinator
CM/KRPM – Contract Manager/Contractor Project Manager
CS – Contract Specialist
FSC PM/L – FSC Project Manager/Leader
FSCM – Facility Support Contract Manager
ICO/IXO – Installation Commanding Officer/Installation Executive Officer
OICC - Officer in Charge of Construction
PAR – Performance Assessment Representative
PCO – Procuring Contracting Officer
PWO – Public Works Officer
QC Manager – Quality Control Manager
RCOM/DRCOM – Commander, Navy Region/Dep Commander, Navy Region
RE – Engineer, Navy Region
ROICC - Resident Officer in Charge of Construction
SPAR – Supervisory Performance Assessment Representative
SubKR Reps – Subcontractor Representatives
TRCO – Technical Representative of the Commanding Officer
VP – Vice President
XO – Executive Officer

3. NOTES ON PARTNERING

a. Paying for Partnering

Partnering will ultimately benefit the project and the Client. Therefore, the requirement to partner will be included in the contract. The Contractor must bid this requirement and shall pay all costs associated with the partnering effort including facilitator (Level A only; unless the partners mutually agree to use a consultant, instead of an in-house, facilitator for Level B, which will necessitate a modification to the contract.), and meeting room and other incidental items (Levels A and B). The participants shall bear their own costs for meals, lodging and transportation associated with partnering.

b. Setting Up the Partnering Facility

The meeting room set-up, audio-visual equipment, other accessories, and schedule must be coordinated with the facilitator. The meeting room set-up is very important and must be given thorough consideration. The objective is to enable all participants to partake in the discussions in a comfortable setting that enhances communications and participation.

c. Initial Partnering Session

The initial session should be held prior to the contract start date. All stakeholders are encouraged to attend the initial partnering session; individuals identified, as "**must attend**" on the Partnering Session Attendees lists, shall be present. The initial session should focus on

team building to ensure all stakeholders understand the concept of "we" versus the adversarial concept of "us versus them". A Partnering Charter (see sample outline, Attachment B), which is the foundation of the partnership, will be written during the initial session. The stakeholders present will indicate agreements reached by signing the Charter. Agreements on the use of the partnership evaluation and rating forms (see Attachment C and D), an issue resolution process (ladder) (Attachment E), a plan of action for specific contract problems, and a specific plan for continuing the partnership process, are also reached. For DBB projects, the initial session should be held within 30 calendar days following the preconstruction conference but before physical work begins; for DB projects, the initial session should be held within 30 calendar days following award of the contract but before design work begins. The designer must participate. Initial sessions for contracts with IDQ line items that will be issued via task order should use the partnering level for the projected total annual award amount.

d. Follow-on Partnering Sessions

A successful partnership depends on maintenance throughout the life of the contract. Follow-on sessions are for maintaining and nurturing the partnership. They are vital and must be attended by the Core Management Team to reinforce team-building skills, address significant issues, assess the health of the partnership, solve issues that have surfaced since the last session, and to discuss Contractor performance. Other stakeholders who participated in the initial partnering session are encouraged to attend. If a facilitator was used for the initial session, the same facilitator should be used for the follow-on session(s). One follow-on session every three months, or as stated otherwise herein, is a good frequency to use. Flexibility is necessary. For DB projects, a follow-on session is required just before start of construction. Management personnel from the Contractor and major subcontractors must attend this session. During the follow-on sessions, the partners should use the attached evaluation form (Attachment C) to rate each other's performance. All ratings will be read and discussed before the end of the session. These periodic ratings will become the foundation for the Contractor's final performance rating. This process will prevent any "surprises" at the end of the project.

e. How to Ensure That Partnering Efforts are Successful

Some key points to help get the most out of Partnering:

1. Find Champions: Each organization in the partnership must have a champion. This person should fully embrace the partnering concept and is responsible for keeping his/her organization in the win-win mind set. Without champions, the partnership may flounder.

2. The Right People: Make sure that only the critical stakeholders attend, no more. Level A or B partnering should rarely exceed 20 people. However, do not turn anybody, who wants to attend, away.

3. Pleasant Environment: Find a location that is suitable for the task. Telephone calls, interruptions, noise, poor temperature control and other distractions are highly undesirable. Many partnerships elect to meet at locations that are remote from each other's places of business so that the partners can stay focused.

4. Strong Facilitator: For Level A and B partnering, a facilitator who has a good track record and is familiar with NAVFAC's business should be selected. Ask others, who have partnered, about their experiences with a potential facilitator. Regardless of the

facilitator's background, a pre-session brief is desirable to familiarize the facilitator with the particulars of our processes. Both the ROICC and the Contractor should present the pre-session brief to the facilitator. Select a variety of facilitators to avoid the appearance of preferential treatment.

5. Follow-on: Once you start the partnering process, you need to keep the ball rolling. Meet regularly and gather insight into the partner's successes and failures for future reference.

6. Observe Standards of Conduct: Although we are trying to develop a better relationship with our Contractors during partnering, we must always observe the bedrock standards of conduct. Do not accept or encourage gifts, gratuities, or fraternize with Contractors in a way that might be viewed by the public as a conflict of interest. Partnering is not a license to break rules. Be particularly sensitive to the selection of the meeting facility and location to avoid the appearance of misuse of funds.

7. Realistic Expectations: Do not expect partnering to be a panacea. Partnering a contract does not mean that the Contractor should be expected to perform anything for free, nor does it mean that every change that the Contractor might suggest will result in additional funding to the contract. Partnering is a tool that is available to help us perform better. Partnering does not replace the contract documents.

8. Buy-in: Make sure that all partnering agreements made by the various sub-groups are submitted to the entire partnering group for adoption and that they conform to the requirements of the contract. Confidential agreements work against trust among the stakeholders.

9. Communicate openly with all stakeholders and ensure that the current status of the partnership is known by all.

10. Review the partnering process at the end of the project and provide feedback to all stakeholders for future improvements (i.e. was the partnering successful or was it merely "lip service").

f. <u>The Benefits of Partnering</u>

There are many benefits that result from partnering, some tangible and some intangible. A few are mentioned here:

1. Reduced costs and exposure to claims
2. Timely delivery due to improved responsiveness and efficient utilization of resources
3. Expedited decision making with issue resolution process
4. Improved safety
5. Reduced rework and improved quality of product
6. Improved responsiveness
7. Joint evaluation process of the partnership
8. Periodic evaluation of all stakeholder's performance of each other
9. A final performance appraisal that is no "surprise"
10. Enhanced Client focus among all members of the project/contract team.

g. Where to Get Help with Partnering

Each NAVFAC field component has a designated point of contact (POC) for partnering. The Assistant Director, Construction and ROICC Support, will be the POC for construction unless someone else has been named. For FSC/BOS contracts, help is also available from the Public Works BL Leader. A library of partnering references and a list of facilitators are available on the web should there be nothing available in the office. Here are a few sites:

http://www.cecos.navy.mil (Moreell Library, Administrative Librarian)
http://www.construction-institute.org
http://www.adr.org

Talk with other people who have participated in partnering to obtain their personal insight.

h. Facilitators Lists on the Intranet

If you are looking for a professional or an in-house facilitator, check the lists posted on the NAVFAC Intranet. The lists are located at http://navfacilitator.navfac.navy.mil/che/enet/coi/construct/Listfacil.xls.

i. How to Change the Document

Recommendation for changes to this document should be addressed to NAVFAC EOC/OCR at (202) 685-9215/9218.

Attachment A: Sample Agenda for Partnering Sessions

1. Introductions, getting to know one another, developing relationships, and becoming aware of individual job duties and responsibilities.

2. Discussion of the intent of partnering to ensure all parties have the same expectations and develop mission statement using goals and objectives
   a. Common sense communications
   b. Negotiation and conflict resolution

3. Overview of contract/project requirements by personnel to include as applicable:
   a. Basis of design
   b. Requirements in the contract/RFP
   c. Critical items to ensure a successful contract/project
   d. Performance Assessment Program
   e. Contract Incentives
   f. Performance Evaluation Process

4. Identify significant events, problems, issues, and opportunities by soliciting input from each stakeholder
   a. Prioritize significant events, problems, issues, and opportunities
   b. Discuss and resolve, or
   c. Develop action plan
      (1) Significant event, problem, issue, opportunity
      (2) Responsibility for solution
      (3) Date solution needed

5. Develop problem resolution/escalation process
   a. Identify lateral authority levels
   b. Establish vertical authority levels
   c. Development of ground rules (Five rules:)
      (1) Resolve problems at the lowest level
      (2) Either party escalates unresolved problems upward in a timely manner before impact to performance of contract work or delay to the project
      (3) No jumping levels of authority
      (4) Ignoring the problem or "no decision" is not acceptable
      (5) Don't make a decision you're uncomfortable with, escalate upward

6. Identify the Core Contract/Project Management Team

7. Develop evaluation factors and process

8. Sign charter

9. Establish time and place for follow-on session(s)

Attachment B: Sample Partnering Charter

The mutual goals and objectives of the stakeholders form the partnering charter. The charter for each contract/project, therefore, will be unique to that contract/project. The charter may be a simple statement about communications and cooperation in all matters affecting the contract/project and resolution of conflicts at the lowest level. The following sample provides an idea of objectives that might be included in a charter.

The Charter for (Contract / Project)

We are a team dedicated to providing a quality product per the contract. We are committed to honest and open communications, trusting each other, building of a strong partnership, resolving problem issues quickly and at the lowest level, a safe work site, producing a quality product, timely completion, protection of the environment, and minimizing inconvenience to the public.

1. COMMUNICATIONS OBJECTIVES

   We intend to deal with each other in a fair, reasonable, trusting, and professional manner including:

   a. Communicate and resolve problems within the terms of the contract
   b. Decision making at lowest possible level
   c. Open, honest communications
   d. Treat each other with mutual respect, resolve personal conflicts immediately, and avoid personal attacks
   e. Timely notification of future meetings
   f. Support of all meetings
   g. Not allowing grudges to interfere with professionalism

2. CONFLICT RESOLUTION SYSTEM

   Step 1. When conflict is not resolved at the originating/lowest level within a set number of days, it will be taken to the next level of supervision.

   Step 2. When conflict is not resolved at this level within the set number of days, it will be taken to the next higher level of supervision.

   Step 3. This process continues to the highest level in the organizations (ROICC/ACO and President/VP) for resolution within a set number of days. If the conflict can't be resolved at this level, then it will be handled per contract provisions.

3. PERFORMANCE OBJECTIVES

   a. Complete the contract without litigation
   b. Utilize cost reduction incentive proposals
   c. Finish contract on time
   d. No delays in delivering the product
   e. No safety mishaps
   f. Promote positive public relations
   g. Make contract site(s) enjoyable to work at
   h. Administer the contract so that all parties are treated fairly

Attachment B (Page 2 of 2)

We, the undersigned, agree to make a good faith effort to undertake and implement the above as applicable to each of us.

The Partners

Attachment C: Sample Evaluation Form

Partnering Status Evaluator (Form to be filled out by the core management team at the beginning of each follow-on session. Completed evaluation forms are reviewed and discussed as the last agenda item of the session.)

Date _____

ITEMS	***EVALUATIONS***			
	Contractor	ROICC	Client	Others
1. Quality of work				
2. Timeliness Meeting schedule RFIs Invoices Submittals				
3. Resolution of jobsite issues				
4. Communications Progress meetings Correspondence Oral (face-to-face)				
5. Safety program				
6. Partnership relations				

Attachment D: Sample Partnership Rating Form
(To be used at every follow-on session)

Date _____

(Contract number, project title)

Ratings:

1 - Adversarial, forcing, avoidance, self interest
2 – Barely cooperating, still one-sided interests
3 - Accommodating, compromising, moderate positions
4 – Pulling together, exchanging information, open communications
5 - Synergistic, collaborative, win-win, team interest

PARTNERING FACTORS	RATING
1. Communications	
a. Open, honest, timely	_____
b. Active, empathetic, timely	_____
c. Number and tone of letters	_____
2. Problem solving	
a. Win-win synergistic	_____
b. Solved at lowest level	_____
c. Immediate escalation when not responsible	_____
3. Overall trust / candor	_____
4. Progress on goals	_____
OVERALL RATING	_____

Key issues:

_____
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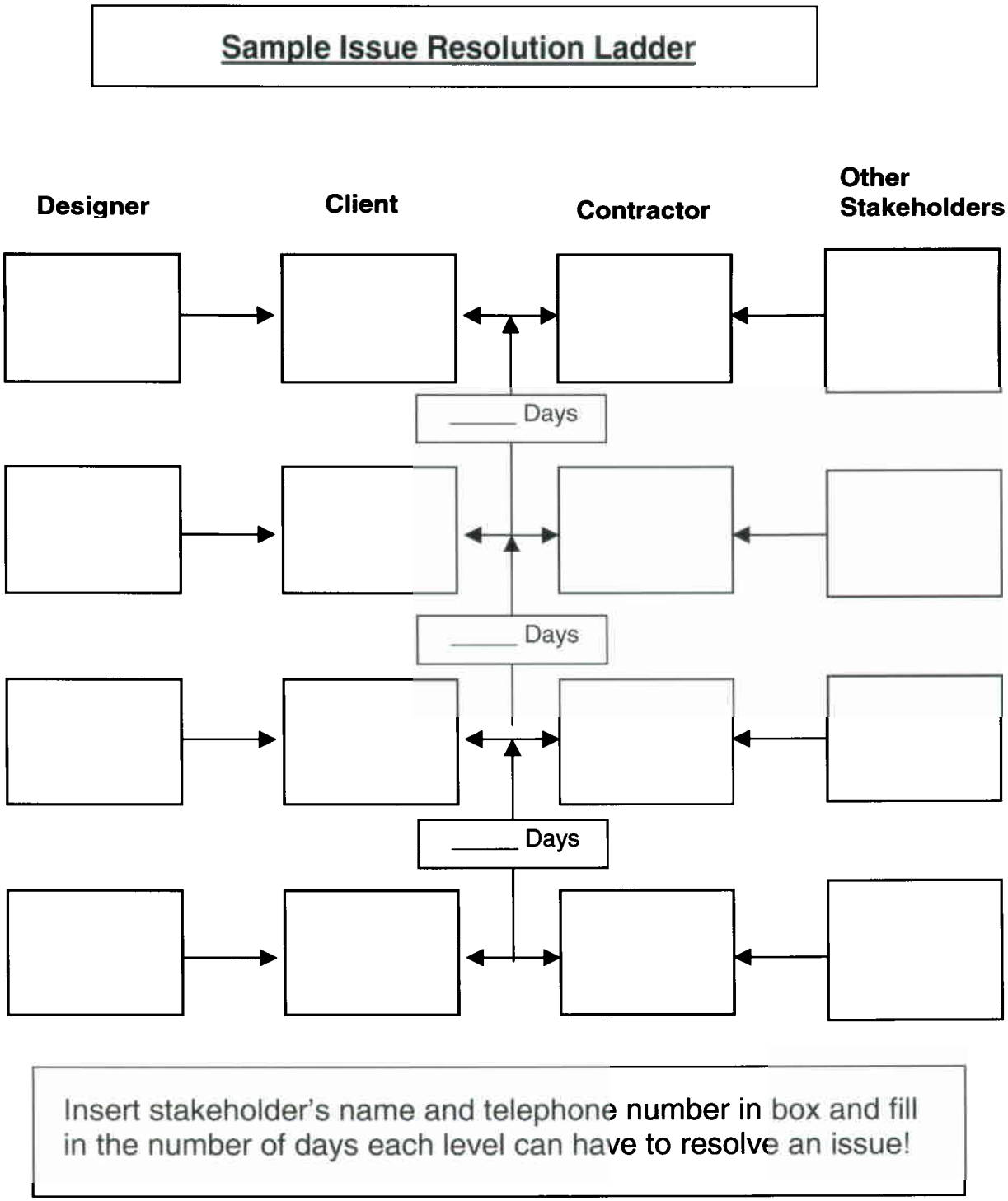
Attachment D

Attachment E: Sample Issue Resolution Ladder