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NEWS LETTER NO. 58

PARTNERING

In yester years, when the world was young, the world was good, the Construction world was both good and happy.

Those were the Days of the Master Builder who converted the vision of the owner into reality.

But in the last 60 to 70 years, Construction world has become more and more complex, many disciplines have come into work along with many specialized vendors.

It is now a good world for the phenomenal jump in value with so many adding to the comfort of the end users

But this also ushered the malaise of adversarial relations between the different players of the project which drove up costs ,time of construction, and quality going for a toss. Performance became a distinct casualty.

More often the construction work drove Owner into despair

The industry became headed to an industry of claims, litigation even trailing the project for years after the project was completed.

A change of mindset was the need and this ushered in “Partnering”

Definition of Partnering

Best Defined by US Army Corps of Engineers

“Partnering is the creation of a relationship between the owner ,contractors and other players that promotes mutual and beneficial goals.It is non contractual but formally structured agreement between the parties leading to an attitude that fosters risk sharing.The central objective of Partnering is to encourage contracting parties to change their traditional relationships to a more cooperative,team based approach.”

History of Partnering

The disappearance of Master Builder brought the Industry to be beset with acrimonious and inimical relationship between the players. This brought in a big drop of performance in time, costs and quality.

The Industry was fragmented, inefficient and adversarial

There was continuous demand from owners for improved performance

The Governments of many advanced countries and various organizations sought to enlighten the industry to mitigate or remove this unnecessary drain.

- UK Latham Report 1994 spoke of more than 30 % as waste and the solution “Partnering”
- UK Egan report (UK)1998 spoke of better performance by bringing better practices of Manufacturing to Construction
- USA Construction and Building Sub Committee Report 1995 (USA) spoke of improvement of performance by 50% within 2003
- Singapore Construction Report 21 Report spoke of integrated approach of designers consultants, construction companies-synergic partnerships
- Canadian Construction Research Board Report 2002 spoke of more integrated process between the different parties
- Australian Building and Construction Industries Supply Chain Project 2001 spoke of the high level of fragmentation of the Australian construction Industry and the correction by effective supply chain management

All over the world speak of the lack of relationship between the players and the resultant abject poor performance

And the present buzz word for improvement “PARTNERSHIP”

To be continued in Next News letter- Objective of Partnering, Benefits, way forward

ANNOUNCEMENT.....

ILCE has great Happiness to bring Knowledge of Partnership and how to practice it by Mr. Rob Reaugh, Executive Director, International Partnering Institute (USA)

Workshop “Collaborative Partnering” at Delhi, Chennai, Goa, Mumbai on 7th,9th,11th,14th October 2013

Do reserve the date for attendance and know all about Partnership from a world expert