

## Can a Transit Project 'Failure' Really be a Success ?

Written by Jim Eisenhart, President, Ventura Consulting Group

What might sound like a silly question invariably becomes more complex when you stop labeling things and probe a little deeper. Sure, Boston's Dig was a failure, but at what point did it go wrong? Why?



Who's really to blame? For how much? Questions like these will keep squads of attorneys happily busy for many years, and if there are any real answers, they will be discovered long after they would have been of value to anyone involved with the project. What's far more productive is to think about and discuss how stakeholders in a project define 'success and failure' before construction gets underway or, if not then, given the current reality of the project.

The Los Angeles Metro Gold Line Eastside Extension at \$898+ million is one of the major transit projects currently underway in Southern California. Over the past 3 years, construction of this 6-mile long light rail transit project has had a major impact on the Little Tokyo/Arts District, Boyle Heights and East Los Angeles.

The partners on this project have gone to their Disputes Resolution Review Board three times to resolve issues they could not settle among themselves. Some might

argue this means the partnership/project was/is unsuccessful. But let's look a little bit closer. The project is very complex, involving tunneling and various other technical, third party/regulatory and community issues that ignorant partnering facilitators like me can't begin to understand. Capable, well-intentioned experts will disagree-it happens and will continue to happen in our business as construction projects become even more complex and with more and more vocal stakeholders and constituents.

How they dealt with those disputes is what really distinguishes success from failure on this project. Once an issue is identified, Washington Group (now URS), it's JV and the Metropolitan Transportation Authority (Metro) verbally 'agree to disagree' if they are unable to resolve the issue at the field level. They then quickly elevate the dispute up their partnering resolution ladder. If still unable to resolve, they continue to disagree amicably, with mutual respect and no personal rancor. They abide by the decision of the DRB. Meanwhile they keep the rest of the job moving and retain a commitment to their partnership goals- one of which is 'no litigation'. This, in my opinion, is an example of a very mature and professional partnering effort. They mutually consider themselves a 'high performance team'.

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Washington Group Project Executive Mike Aparicio puts it this way: "You can elevate up the resolution ladder and have that be a failure. With healthy partnering, it's possible to set disagreements aside and still move forward. At the same time, agreeing to disagree is not always an attribute. I have been involved in some projects where the group would not work as hard to come to agreement in the lower levels of the escalation ladder because they could go up, up, up and let the DRB make the decision. This can allow the partnering process to atrophy, because you're not solving problems. When we had success settling things at lower levels, it was hard work and time consuming negotiations that enabled each of us to see our counterpart's viewpoint".

Metro Executive Officer and Project Director Dennis Mori states that "from Metro's perspective, our successful partnering relationship on the project can be attributed to executive management's hands off approach and willingness to empower the lower levels of the escalation ladder to arrive at solutions without second guessing their decisions. At the same time our executive management, including Metro's CEO, insist on being kept apprised of major issues and don't mind being approached to become personally involved in removing obstacles."

As Dennis and Mike suggest, it's important to acknowledge at the outset of a project that there will be disputes/issues and then jointly create a process that seeks a balance between lower level resolution and senior management involvement which expedites resolution.

### AGC Calls for Entries To Partnering Awards

Friday, November is the deadline for entries to AGC of California's annual Excellence in Partnering Awards program.

The purpose of the program is to identify excellence in partnering, celebrate successful projects, honor the stakeholders, maintain the momentum for partnering and duplicate the process. Any project completed by an AGC member in good standing in 2007 is eligible to enter the competition.

Winners of the Partnering Awards program will be honored in conjunction with the AGC of California Constructor Awards banquet on April 5, 2008 at the Fairmont Hotel in San Francisco. For complete details or to enter visit AGC online at [www.agc-ca.org](http://www.agc-ca.org) or call (916) 371-2422

The lesson is that when and how a project team defines 'the game' ultimately determines a project's failure or success and also determines how they will play the game. To be successful, the criteria for

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failure or success must acknowledge current project realities and contractual obligations; be measurable, be mutually agreed upon and be truly committed to by all partners and backed up by senior management. About 30% of the Ventura Consulting Group's work is on projects that are currently under way and that are not meeting the expectations of one or more of the major stakeholders. What do we do about it?

1) Get all the 'old baggage' (the good, the bad and the ugly), disputes, claims and potential claims out, and have everyone agree to set them aside for the day. 2) Create a set of common goals for the project going forward from the day of the workshop, as well as a specific way of working together toward those goals that calls for nothing less than **world-class** performance and **world-class** teamwork. 3) Get members of the team into action with personal commitments towards these goals. Have them create a process that monitors their performance towards those goals as a team and provides both a forum to adjust goals and improve performance. The result? The 'old baggage' will get resolved on its own track one way or another. Meanwhile, the team now has the

opportunity to succeed or fail based upon new, mutually agreed upon criteria that acknowledges, but is not tainted by, past experience.

Some key lessons: 1) Don't let what you and your partners cannot do interfere with what you can do going forward. Define your success on the basis of what you can control and/or influence as a team. 2) Things turn out best for people who make the best out of the way things turn out (with thanks to John Wooden). When your circumstances (weather, site conditions, owner initiated changes, third party changes) change, reset your goals and continue working as a high performance team.

Paradoxically, we've seen some of the strongest and most successful project teams emerge from what initially appear to be the most adverse project circumstances. The parties involved realized they had to cooperate.

*Jim Eisenhart is president of Ventura Consulting Group, which specializes in facilitating partnering workshops. His firm has worked on more than 900 projects worldwide. He has conducted workshops for clients that include NASA, Genentech, Stanford University, the Pentagon & hundreds of municipalities.*