

## **RESOLVING CONSTRUCTION PROJECT ISSUES IN AN EFFECTIVE AND TIMELY MANNER**

Problem solving and issue resolution are two of the most critical elements in the partnering process. Team members must have the experience, empowerment and desire to help all sides succeed through effective issue resolution. One of the main goals of problem solving and issue resolution is to help each team member gain a better understanding of the issue at hand. This can only be done through an open and honest exchange of information, otherwise known as the Issue Resolution Process.

The Issue Resolution Process in the Partnering Program must include more than just the issue escalation plan (ladder). Team members should focus on opportunities to educate one another on needs, expectations, and approaches to work elements. Taking a proactive approach to understanding work elements helps teams to identify issues earlier, which can lead to fewer project concerns and constraints.

This process will guide project teams to develop more effective, individualized approaches to issue resolution. Additionally, this process provides a method for teams to develop the “lessons learned” and educational opportunities to improve the effectiveness of individual team members. It also describes the development of action plans to address specific issues before the Partnering Workshop as well as during the Partnering Workshop.

Using the elements within this process will help team members’ focus on the following objectives:

- Help the RE’s and the contractor PM’s resolve issues in a timely and effective manner.
- Encourage the DE’s and contractors’ upper management to take a more active role in the issue resolution process.
- Help team members learn how to handle similar issues in the future.
- Help field staff, both ADOT and Contractor understand some of the specific, standard challenges that occur on ADOT projects and how and when to escalate these issues.
- Help all team members better understand the roles and responsibilities at the various escalation levels.

The recommended actions will need to occur in two separate arenas:

- 1) In conjunction with each ADOT project in 3 stages; pre-partnering, partnering and during the project.
- 2) As overall education/training opportunities for ADOT staff, consultant staff and contractor staff.

### **PROJECT ISSUE RESOLUTION PROCESS**

A strong focus is needed to ensure that issues are resolved in the field in a timely and effective manner. A “common sense” approach to resolving issues needs to be applied to

each issue and must include a complete understanding of the issue at hand. A common understanding of the issue needs to occur between the ADOT and/or consultant staff member(s) and the contractor staff member(s). In many cases, field level issues revolve around specifications and contractual obligations. If issues cannot be resolved in the field, there needs to be a quick approach to the resolution process.

There are four phases of the partnering process where different types of issue resolution techniques can and should occur. These phases include:

- 1) Prior to the Partnering Workshop or Project Start
- 2) During the Partnering Workshop
- 3) During the Project
- 4) Upon Close-out of the Project

### **Prior to the Partnering Workshop**

- In an effort for ADOT, consultant staff and the contractor to gain a better understanding of issues surrounding the project, it is recommended that project issues, challenges and concerns be listed from multiple perspectives. Examples of possible project issues include environmental, traffic, quantities, accuracy of the plans, other stakeholder involvement, new means and methods, etc. Identification of these issues provides a number of opportunities to provide information with which to make the decisions on the length of the partnering workshop; getting a preliminary start on resolving the issues before the project even starts; and formulating plans for resolution. This should reduce the number of challenges on the site during the project because everyone already knows and has formulated, at a minimum, a preliminary plan to resolve the issues.
  - It is recommended that this information come from ADOT and/or consultant staff and the contractor, along with their subcontractors.
  - ADOT and consultant personnel need to make sure that they go into this process with the idea of reducing the number of on site issues and not to assume that this effort is being used by the contracting community to “make up their bid.” All stakeholders need to be open, honest and upfront about their project concerns.
  - The role of field level personnel should be clearly defined and their authority (or lack there of) to “make the call” regarding specifications and contractual obligations be understood up front. An agreement to quickly inform the RE/Contractor PM level of such issues without judgment should be in place.
- The industry is experiencing continued challenges with the level of experience of on site staff. This can include ADOT, consultant and contractor staff. It is suggested that if either the contractor or ADOT and/or consultant staff feel they have less experienced staff in the field, the DE for ADOT and the contractor’s upper management are to meet and discuss the potential challenges and opportunities that may be encountered during the job. Then, they should plan on meeting with the Contractor PM and the RE to discuss ways to help each side learn from each other on the project. This will take some very open and honest communication as well as a strong level of trust on all sides. The

focus should be on avoiding some of the less experienced approaches to issue resolution, which usually means a very hard line approach and a very “black and white” view of the plans, specifications and bid documents.

### **During the Partnering Workshop**

- Establish the Issue Escalation Plan and discuss the expectations of how and when the plan will be used. This should include an open discussion as to what constitutes a disagreement and at what point do we “agree to disagree”. What is the trigger point?
- Establish maximum time goals at each level for resolving an issue and the rules for meeting or changing the times. More recently, the partnering process has not required that time frames be established, however, more and more issues remain unresolved far too long. This begins to erode working relationships and breaks down the ability to be good partners. It is recommended that timelines be established.

It is a challenge to set time frames for the different levels. Some may use the time as a weapon, by either demanding a quick, unnecessary escalation or by dragging their feet; which can result in actions detrimental to the project/relationship. Consider the following when establishing the rules for time changes: What is the potential cost and schedule impact, how long do you have until schedule is impacted, how long will resolution take (i.e. have all the stakeholders been contacted, is all the information to make a decision available, how much time is needed to assemble, is there a need to perform field investigation, etc.?) For example, if cost is estimated at \$1M, does the RE/Contractor PM level even work on it? Consideration must also be given to the amount of time spent before escalating the issue to give the next level time to resolve it. If there is an immediate project impact, start keeping records and take appropriate mitigation steps.

- If project personnel experience levels are low, or if the project is highly complex and impact on the public is high, it is recommended that the DE and contractor’s upper management establish a process to review the weekly meeting minutes and determine if there are any issues that remain on the “outstanding issues” list for longer than expected. If management determines that issues have been left unresolved for too long, they are to take an active role in determining what should be the next step with their staff to get the issues resolved. It needs to be stated that this is not being suggested as an effort to circumvent the authority of each of the levels, but to help ensure that issues keep moving through the process in a positive manner with no negative impacts to the working relationship between ADOT, consultant and contractor staff.
- Discuss the roles, responsibilities and authority levels at each of the escalation levels for ADOT, consultant, and contractor personnel. If there are additional stakeholders (City, County, etc.) that will be involved in the decision-making process, their roles, responsibilities and authority levels also need to be understood. This will provide an understanding of decision making empowerment for issues involving changes to the plans and specifications, authorization of spending additional money, authorizing additional contract time, authorizing time and material sheets, etc.

- Develop a plan, using the contractor's baseline schedule, of standard and potential special pre-activity meetings. The pre-activity meetings should encourage all of the team members discuss an upcoming project elements. Open and honest discussions make sure there are no surprises or misunderstandings of work to be accomplished, unrealistic expectations of the work, or the inspection of the work. Reviewing the appropriate Inspection Checklists at this time will also help alleviate potential problems during the activity and should reduce the number of issues that arise. It is recommended that once these meetings have been identified, they should be added to the contractor's schedule as an actual scheduled event. This assures that the meeting occurs.

### **During the Project**

- The focus of effective problem solving should always be to learn as much about the issues as possible, which includes getting information from ADOT, design, the contractor, and other key stakeholders. Issue resolution should be used as an opportunity to educate one another, not for taking sides or resorting to adversarial behaviors. The focus should be on asking questions to gain understanding. It is not about questioning one's authority or finding someone to blame.
- Another priority should always be on the timely resolution of any issue. The longer an issue remains unresolved, the more negative the impact it will have on the project. Do not wait to resolve issues or allow them to pile up. Each issue should stand on its own merit.
- The DE and the RE should walk/drive the project as often as needed to discuss project issues and concerns and should focus on finding "common sense" approaches to issue resolution. The frequency will vary depending on RE's experience level and knowledge of specific construction activities. A "lessons learned" activity should be conducted between the DE and RE on all issues that have been encountered at approximately the halfway point in the project, or as deemed appropriate by the DE.
- The contractor's project management staff and upper management should also walk/drive the project as often as needed to discuss project issues and concerns and should focus on finding "common sense" approaches to issue resolution. The frequency will vary depending on the contractor PM's experience level and knowledge of specific construction activities. A "lessons learned" activity should be conducted between the contractor's PM and upper management on all issues that have been encountered at approximately the halfway point in the project, or as deemed appropriate by the contractor's upper management.
- When issues arise at any specific level, that level is responsible for identifying whether or not they have the authority to resolve the issue. Which means, "are they empowered to make the decision?" If they are not empowered to make the decision, the issue should be escalated immediately and jointly by both parties.
- Once an issue is escalated, it is incumbent upon the next level to meet as soon as possible; this is critical to the resolution process. It is the responsibility of the person scheduling the meeting to contact all of those involved, including inspectors and project supervisors. The RE and contractor PM must agree on this approach during the partnering workshop before the project begins.

- Each stakeholder should come prepared for the escalation meeting. A checklist has been included (See Attachment) to help gather the appropriate information that should be brought to and included with the meeting. The escalation meeting is a great opportunity for each member to practice his/her listening, problem solving and negotiation skills. In order for any negotiation to be effective, preparedness is absolutely critical. Resolutions must be substantiated with facts, i.e. plans, specifications, testing results, costs, etc.
- It is recommended that each level be asked to attend the next level's escalation meeting. However, the previous level members will not take part in the discussion unless asked a specific question. Their role is to observe the process, understand approaches and hear the resolution. This is especially critical if there is a reversal in a decision. This provides an opportunity for all levels to learn that there are different ways to approach project issues. The meeting should be scheduled so that those on each of the levels can attend.
- A "lessons learned" meeting with all levels of ADOT staff needs to be scheduled after the successful conclusion of an escalation meeting and should include open discussion by the level that resolved the issue. The contractor should schedule a similar meeting or both ADOT and the contractor's staff meet together to conduct the "lessons learned" meeting. The meeting may occur immediately after the escalation meeting while all appropriate staff members are still there. If resolution was at the DE and contractor's Upper Management level, the DE and contractor's upper management are responsible to schedule time to educate the team as to the reasons for the decision and to provide more details. The discussion should include the merit and facts of the issue, the nature of the disagreement, the responsibilities of each stakeholder has committed to.
- Over the years, ADOT developed successful relationships with the contracting community and those relationships are critical to our continued success. All team members need to follow the issue resolution process as developed. Team members should not leapfrog on the escalation ladder. If an issue is not being resolved to your satisfaction, then a formal escalation should be requested. "I would like to formally escalate this issue" needs to be stated to the partner on your level. This is not up for debate, if an escalation is requested, it must be escalated to the next level.
- It is the next level's responsibility to ensure that the appropriate effort has been made to resolve the issue at the prior level. If it is determined that an issue was escalated too soon, it is the next level's responsibility to de-escalate the issue and coach the previous level through the resolution process, not to resolve it for them. However, there are times that it is better to escalate an issue because of potential personality or relationship issues. Each level needs to understand this and have a discussion to find out "why" the escalation has been requested.
- Appropriate escalation forms need to be completed. These forms must be completed at the RE and contractor's PM level if the issue is going to be escalated to the DE level. It is imperative that the issue and the reasons for escalation are documented. Signatures from both the RE and the contractor's PM must be on the forms.
- Once the forms are complete, they must be forwarded, per the instructions for that level, to all designated recipients. This form will help identify the types of issues that are being escalated, which may help ADOT identify additional training that may be required, specification changes that need to occur, and process improvements that may be needed.

- Throughout the project conduct brown-bag training sessions on specific types of issues and the issue resolution process. Include ADOT and/or consultant staff and contractor staff and invite them all to provide topics for training.

### **Close-out the Project**

The Close-out Workshop, whether it is formally facilitated or not, is the team's opportunity to review "lessons learned" and identify opportunities for future projects within the District or statewide. The workshop should include as many stakeholders as possible and include a discussion of the issue resolution process and the issue escalation ladder. Discuss what worked, what didn't work and what can be done differently the next time to improve the process.

### **IN CONCLUSION**

Since partnering is the way ADOT does business, commitment to the proper use of the issue resolution process is critical to our success. Mentoring new comers and monitoring the process at every level requires this commitment be held from the very top of each stakeholder's organization. When administered correctly, the issue resolution process can minimize stress, create empowerment, build and strengthen relationships through open and honest communication, and maximize program delivery.