TEAM PARTNER SELECTION

1.0 Why

Lean/IPD project teams produce better results when they work with a broad spectrum of specialists and builders early in the design process. This broadens the team knowledge, amplifies the ability to identify risk and mitigation strategies, and delivers better constructability outcomes. When a project team works with a variety of specialists, the team also will have an early understanding of costs—thus empowering the owner/operator with improved Value decision-making capability.

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The typical process of selecting team members is broken and laden with wasted effort. Hundreds of pages in an RFP response are never read; the Vice President of Business Development never delivers on his promises; or only the least expensive initial prices are selected.

When assembling Lean/IPD project teams, it is crucial to use a different approach and select team members who will deliver the right project for the best cost, as determined by assessing the delivered cost against the bid or first cost.

Effective Lean/IPD teams:

• Use conceptual estimating (specifically Target Value Design);

• Collaborate well;

• Have effective team chemistry;

• Innovate; and,

• Are comfortable in a learning environment.

The RFP and assessment process should therefore seek to determine these effective team traits.

Assumptions:

• Application can be open to any team member, from designer to GC/CM to trade partners to consultants, etc.

• Application is intended for one team for a specific project, but with the intent of forming a long-term healthy relationship.

Trust is developed when transparency goes both ways.

2.0 Who

What makes a high-performing team member? The following assumes the potential partners have met some level of pre-qualification to ensure technical capability and financial soundness.

Factors and criteria:

Ability to affect the final project Conditions of Satisfaction: The intent of the factors listed below should be considered in the light of how this team member can affect the final overall project outcome, not just the member's "legacy responsibilities.

Name on the truck or the person: (Company alignment is good; personal alignment is better).

- The company culture and values should align with the team and their goals.

- The proposed team members should have the support of the company leadership.

- The importance should lie on the connection of the team to the proposed individuals from those companies.

- The selection should ensure that the proposed team members are aligned with team values and culture that support the team goals.

   Note: This can be managed as a two-phased approach of qualifying the company and then interviewing individuals for the right fit.

Chemistry: (More comfort with personality fit is better; do they fill a strength gap?)

- Do the proposed team members have a natural chemistry with the current team?

- The selection process should illuminate individuals' natural strengths and weaknesses.

- This is similar to the interview process of hiring an employee for your company. Do the proposed team members fit in, and how will they function in this team environment?

Innovation: (More innovative nature is good, more evidence of innovation is even better.)

- Do the proposed team members challenge themselves, their company, and/or the industry to try new things?

- Where have they innovated within their own organization?

- Where have they innovated on recent projects?

Learning and Continuous Improvement: (More learning attitude is good; more examples of continuous improvement is better.)

- Are the proposed team members humble enough to admit there is always room to learn and improve, yet confident in their skill sets and knowledge?

- Can the proposed team members provide examples of their humility and confidence?

Commercial Terms: (Clear and concise documentation of terms is good; comfort with an Integrated Form of Agreement (IFOA) is better.)

- While this should not be a major focus for selection, it is prudent to understand a company's terms for doing business and their endorsement of the team's contractual arrangement.

- Have these items on hand during the selection process:

  - Profit – especially if the delivery method will involve IFOA, the company needs to state what profit they would be willing to place at risk. This is typically and initially based as a percentage of the company's work responsibility.

  - Overhead – what amount keeps the lights on in the home office? This is also typically based on a percentage of the company's work.

  - Personnel Rates – what is the billable rate for salaried personnel and the rates for direct labor + burdens?

  - Define the difference between Direct Cost and Indirect Cost.

  Note: More information can be requested, but understand that you should attempt to establish a level of trust and transparency—even at this earliest stage. If a potential team member perceives that you are "case building," then the team is already pointed in the wrong direction. Trust is developed when transparency goes both ways.

  When using an IFOA the terms are full open-book accounting. It is imperative that all team members are open and willing to share the details of their costs and how they get assigned to a project. While it is understood that firms have different accounting methods, this sharing is necessary to insure no costs are doubled up.

Desired Skillset: (Stronger and more effective skills are better.)

- Conceptual estimating – can the proposed team members effectively forecast the direction of the project cost and clearly relay that information to the team? Can they envision the project that answers the Conditions of Satisfaction and illustrate those costs?

- Speak up and Speak out – can the team members function in a group and challenge each other in a respectful and non-disruptive manner?

- Forecasting – can the team members understand the anticipated effort to accomplish the team goals and forecast the time and costs that support that accurately?

- Transparent – are the proposed team members comfortable sharing all of their detail that supports their estimating and forecasts?

- Self-Awareness – can they recognize when additional resources are necessary and ask for help?

- Technical Skills – are the proposed team members highly capable in core work product responsibilities?

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3.0 How

What is the process to get the right team members at the right time for a project?

Self-Selection:

- The team grows organically. For example, the Client selects Team Member A, the Client and Team Member A select Team Member B, the Client and Team Members A and B select Team Member C, and so on.

- This type of team assimilation helps ensure trust and value-based selections, and aids in faster team synergy.

Risk Based Selection: (not mutually exclusive with Self Selection):

- What are the greatest risks and/or decisions facing this specific project? Which experts can best mitigate that risk or inform those decisions?

- Mapping out the decisions and their placement on the project timeline should inform when the team members are selected and onboarded.

- This keeps the early project development spend in check and forces the team to understand the risks and decisions that need to be addressed.

The Invitation:

- The request for proposal (RFP) should set the stage for the type of environment you are attempting to create. It should also focus on the key aspects. Is the ask lengthy, wordy, and loaded with legalese that attempts to paint a member into a financial corner, or is it efficient and direct? Does it explain the nature of the project, explain why the team member is being asked to the table, and highlight what the team is specifically looking for in a new team member?

- It is helpful to include the meeting agenda.

- Some teams have been successful in using the A3 format for both the RFP and the expected response. They also request résumés for all proposed team members.

- Allow responders enough time to develop a response. For an A3 response, two-to-three weeks has proven enough to frame and develop the response. The RFP should be built to suit each project.

Note: As soon as a need is known, reach out to potential team members and give them time to ensure appropriate team members can be made available for upcoming projects.

The Meeting:

- The actual meeting is best framed as a conversation interview, and not a prepared presentation. Think about how you would interact with a potential employee.

- Facilitation – the meeting led by the right person helps ensure successful outcomes.

Interviewers should:

- Understand and reach consensus on the selection criteria.

- Ask the team what has made a good team member in the past, and what questions can illuminate that trait in the proposed partner.

- Assign those questions to individuals to ensure that those traits surface during the interview.

- Address questions to specific proposed team members, and hold them accountable to respond to the interviewer. Try to avoid the proposed team members from passing the question to their desired responder.

The Room:

- If possible, use a round table; it will best facilitate direct conversations.

- Strategically and sporadically place empty seats around the table to force the proposed team members to spread out among the current team. This seating arrangement avoids the Us vs. Them scenario and facilitates better conversations.

- Allow enough time for conversation. Have a dedicated person manage the clock. Interviews lasting from 45 to 90 minutes have proven to be appropriate.

- Allow enough time between interviews to discuss and document the findings.

Note: Teams have experimented with different types of interview styles—including problem resolution in a team atmosphere and work site visits. The goal is to allow enough time to analyze and understand the proposed team member and assess his or her ability to problem solve, mitigate risk and add value.

Who comes to the meeting?

- For the team, anyone who has a stake in the project and considers the selection of this team member critical to their performance, or anyone who has specific knowledge of the deliverables this participant will provide.

- For the proposed team member, the attendees should include the lead personnel who will be doing the work (designer, estimator, project manager, supervisor, etc.), and someone that can speak for the company and make a commitment on the company's behalf.

- The meeting should not include business development people and superfluous executives.

The Decision:

- Make the decision quickly. Successful teams have had the interviews over a day or two day period and made the decision at the conclusion of the meetings. This establishes an atmosphere of an action-oriented team focused on results and advancement. The more time that expires between the interview and the decision, the more details fade and memories fail.

Note: this is an opportunity to display and establish the desired culture of trust.

- Tool: teams have been successful using Choosing by Advantages to organize, gain consensus, make the decision, and document the process and information.

The Follow-Up:

- A quick retrospective with the successful new team members has proven beneficial.

  - Why were they chosen?

  - Where could they improve their process?

  - What were the concerns of the team, and how can they be addressed?

  - What about the process from the point of view of the interviewee could be improved?

  - What concerns does the newest team member have, and how can they be addressed?

- Dive deep with unsuccessful invitees providing a transparent glimpse into how and why others were selected. Ask questions similar to those above.

- It is valuable to the invitees to hear back from the interview committee. This is an opportunity to learn. Take interview notes and share the decision-making outcome to help those who did not win improve. Be candid and fair. It is also valuable for the winning partners to understand why they were selected. This can help establish expectations.

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Quick Reference

For additional readings and information, please see the below information.

CHAPTER 21 – TEAM PARTNER SELECTION

Additional Readings

[Contract or Co-Operation Insights from Beyond Construction Collaboration - The Honda Experience](#)

[Integrated agreement on one page](#)

[Last Planner and Integrated Project Delivery](#)