

Partnering for Success



**A Blueprint for Promoting
Government-Industry
Communication & Teamwork**

Introduction

“Sharing knowledge through mutual trust and honesty made Partnering the most rewarding experience of my professional career.”

**—Susan Pearson
Contracting Officer,
U.S. Army Communications-Electronics Command**

The goal of the AMC Partnering Program is to promote government-industry communication and teamwork throughout the acquisition process by implementation of a “Model Partnering Process” for AMC. Partnering is an essential component of the AMC Alternative Dispute Resolution Program, aimed at avoiding contract disputes before they impact contract performance. ❖

“Partnering has improved our program by expanding open communication. Changes and improvements have been much easier to incorporate as a result of Partnering.”

**—Bill Reynolds
Lead Contract Manager,
Armored Security Vehicle Program,
Textron Marine & Land Systems**

“Partnering is a natural extension of the Integrated Product Team concept. It provides a flexible framework for government and industry team members to work together to solve problems and informally resolve disputes. This helps reduce program costs and speeds the fielding of Army equipment.

To paraphrase the late, great Vince Lombardi—Partnering isn’t everything; it’s the only thing.”

**—Honorable Gilbert F. Decker
Assistant Secretary of the Army (RDA)**

“Accomplishment of AMC’s mission depends on our ability to work effectively with our partners in industry. Partnering helps us to do this successfully and deliver the very best products to our ultimate customers—the soldiers.

**General Johnnie E. Wilson
Commanding General,
Army Materiel Command**

“I have seen Partnering used successfully in many of our most important procurements. It is an exceptional tool that helps keep complex programs on schedule and within budget.”

**—Dale G. Adams
Principal Deputy for Acquisition,
Army Materiel Command**

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Background & Definition

Too often the acquisition process is undermined by adversarial relationships, suspicion between the government and industry, volumes of paperwork and costly litigation. We can no longer afford to do business in this manner. This Guide provides the acquisition community with a tool that can maximize the potential for achieving contractual objectives. This tool is called Partnering.

Partnering is a commitment between government and industry to improve communications and avoid disputes. It is accomplished through an informal process with the primary goal of providing American soldiers with quality supplies and services, on time, and at a reasonable price.

Partnering has been used successfully for many years in construction contracting by both industry and the U.S. Army Corps of Engineers. The AMC Partnering Program has significantly expanded the application of the Partnering process to research and development, materiel acquisition, base operations, and engineering and support services contracting.

“Through the implementation of the Partnering process, we were able to preclude a recurrence of the performance and schedule problems that we had repeatedly experienced in the past, while also eliminating claims and litigation.”

—James Ott
Director of Public Works,
U.S. Army Communications-
Electronics Command

Partnering constitutes a mutual commitment by the parties on how they will interact during the course of the contract, with the primary objective of facilitating improved contract performance through enhanced communications.

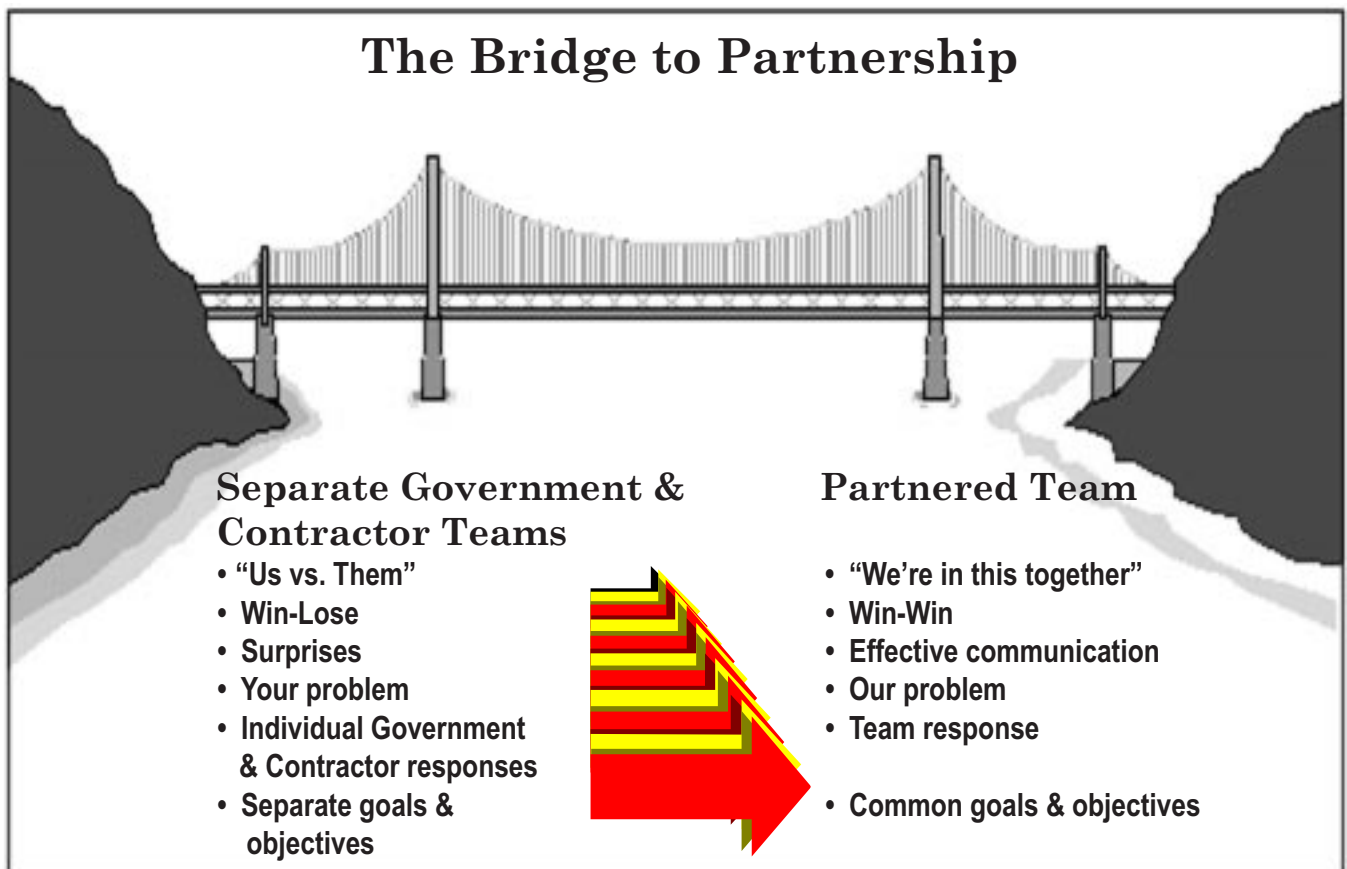
Partnering is primarily an attitude adjustment where the parties to the contract form a relationship of teamwork, cooperation, and good faith performance. Partnering requires the parties to look beyond the strict bounds of the contract to develop this cooperative working relationship which promotes their common goals and objectives.

The Partnering philosophy is not unique. It is similar to picking a partner at the office picnic and entering the three-

legged race. The partners have their legs tied together and know that to win the race they must reach the finish line; however, if they run in different directions, do not start at the same time and on the same leg, or do not hold each other up and keep each other out of potholes on the path to the finish line, neither will finish successfully. Similarly, government and industry must work together, communicate their expectations, agree on common goals and methods of

performance, and identify and resolve problems early on—or risk bringing both partners to the ground.

Eliminating long-standing adversarial attitudes requires more than simply advocating a new philosophy. That is why this Guide provides a model process which should be followed in order to achieve the many substantial benefits which result from Partnering. ❖



Benefits of Partnering

Partnering establishes mutual goals and objectives

This avoids the “us vs. them” mentality that often characterizes government-industry relations. Finding common ground in mutual goals and objectives, the parties soon realize that they’re “in this together” and that success is dependent upon their commitment and ability to work as a team.

Partnering builds trust and encourages open communication

At the beginning of their contractual relationship, the parties establish communication channels designed to promote openness, trust and efficient contract administration.

Partnering helps the parties eliminate surprises

Increased communication on various subjects means that the parties are less likely to be surprised by events that occur during contract performance. Surprises result in schedule delays and additional costs, often leading to disputes and litigation.

Partnering enables the parties to anticipate and resolve problems

The partners proactively anticipate problems and design an Action Plan addressing how those problems will be jointly identified and resolved or avoided. They recognize that problems will occur during contract performance and that the existence of these prob-

“Partnering cuts decision time, which means money, especially to the small contractor.”

—David T. Morgan, Jr.
Vice-President/General Manager,
Valentec Systems, Inc.

lems does not mean that their relationship has failed.

Partnering avoids disputes through informal conflict management procedures

At the outset of the relationship, the parties determine how they will manage any conflicts that might arise. This is often accomplished through a Conflict Escalation Procedure. This procedure identifies the roles and responsibilities of the individuals from both government and industry and provides for the automatic elevation of issues through several organizational levels to avoid inaction and personality conflicts.

Partnering avoids litigation through the use of Alternative Dispute Resolution

The commitment to resolve disputes informally at the earliest opportunity minimizes the necessity for litigation in administrative and judicial forums. Avoiding the considerable expense and delay attributable to litigation frees the Partnering participants to concentrate their efforts on successful and timely contract performance.

Partnering reduces paperwork

When the parties focus on contract performance rather than case building and “documenting the file,” paperwork can be, and has been, significantly reduced.

Partnering reduces the time and cost of contract performance

By establishing open communication as a guiding principle, parties to Partnering arrangements have found that issues are raised, discussed and resolved more expeditiously. This enables the partners to meet or exceed contractual schedule requirements and avoid costly mistakes or rework.

Partnering reduces administration and oversight

With increased communication and empowerment by senior management, the partners find a significant reduction in the need for layers of administration and oversight.

Partnering improves safety

Taking joint responsibility for ensuring a safe work environment for contractor and government employees reduces the risk of hazardous work conditions and avoids workplace accidents.

Partnering improves engineering efforts

Daily engineering activity, as well as the formal value engineering process, are streamlined through the application of Partnering principles.

“Partnering has replaced finger-pointing with teamwork.”

— Dr. Daryl R. Kendrick
Program Director,
Lockheed Martin Ordnance Systems

Partnering improves morale and promotes professionalism in the workforce

The Partnering process empowers the parties to work together towards common goals. This creates a uniquely positive outlook and motivation to personally contribute to the team’s efforts.

Partnering generates harmonious business relations

Enhanced communication, the identification of shared goals and objectives, the recognition that problems will arise, and the agreement to address those problems through a specially-designed procedure will facilitate creating and maintaining harmonious business relations.

Partnering focuses on the mutual interests of the parties

Rather than the parties individually developing positions on issues, Partnering engenders a team-based approach to issue identification and problem resolution, which is focused upon the accomplishment of the parties’ mutual objectives. ❖

Partnering is *Not*:

Mandatory

Although the Partnering process benefits both government and industry, it is not mandatory. The ADR philosophy and the Partnering process require a personal commitment to a different kind of relationship—one that is based on both a cultural adjustment and “outside the box” thinking for which voluntary acceptance is imperative.

A panacea

Partnering will not prevent all problems in every contract. There may be some issues that must be litigated.

A one-way street

Partnering cannot work if both parties continue to adhere to the “us vs. them” mentality or do not approach contract performance as a team. The partners’ focus must be on the achievement of mutual goals and objectives through the creation of a “win-win” relationship.

Successful without total commitment

Senior management within government and industry must truly believe in and become advocates for the Partnering process. Partnering involves hard work and a willingness to accept the risks and uncertainties inherent in trying something new.

A waiver of the parties’ contractual rights

Partnering is not a contractual agreement and does not create, relinquish, or conflict with the legally binding rights or duties of the parties.

Inconsistent with any acquisition-related statute or regulation

There are no statutory or regulatory barriers to adopting the Partnering philosophy or process.

Contrary to the government’s business interests

The goal of the acquisition process is to provide our soldiers with quality supplies and services, on time, and at a reasonable price. Partnering maximizes the potential for meeting that goal. ❖

“Partnering is the cornerstone of AMC’s Alternative Dispute Resolution program. By avoiding costly, time-consuming, and unpredictable litigation, it allows government and industry managers to maintain full control over their business decisions.”

**—Edward J. Korte
Command Counsel,
Army Materiel Command**

“In an era of diminishing resources, Partnering is a smart business strategy. The time that contracting officers and program managers invest in improving communication with their industry partners yields big dividends in better contract performance.”

**—Gary A. Tull
Assistant Deputy Chief of Staff for
Research, Development & Acquisition,
Army Materiel Command**

Important Elements of Partnering

In order to make the Partnering process work, it is imperative that government and industry reduce non-productive effort and focus on improving contract performance. The following elements are critical to this process:

Preparation

The participants must understand what Partnering is and truly believe that the current contracting process can be improved by a new way of doing business. Partnering will only work in organizations that are culturally prepared to accept change. They must recognize that the up-front investment in preparing to partner will yield significant benefits throughout contract performance.

Commitment

Senior managers within both government and industry must be actively involved while clearly and continually demonstrating their support for the process. Additionally, the participants in the Partnering process must have an unwavering commitment to it and the open communication that is its hallmark.

Inclusion of appropriate parties

In order for the Partnering process to work, everyone who can impact the performance of the program must be involved. The partners must carefully choose which organizational elements will be represented as well as which specific individuals should participate.

“The worst that can happen is we end up doing it the way we did it before.”

—Marshall Collins
Chief, Rocket, Mortar &
Pyrotechnics Branch,
U.S. Army Industrial Operations Command

Strong consideration must be given to the participation of major subcontractors, user representatives, and contract administration personnel whose involvement in the Partnering process may be essential to successful contract performance.

Clear definition of roles

Participants in the Partnering process must fully understand and accept their specific roles and responsibilities and be empowered with the requisite decision-making authority in order for the Partnering arrangement to be successful.

Use of the Partnering tools

The partners will establish tools and processes at the Partnering Workshop:

- ✓ The Charter
- ✓ Goals and objectives
- ✓ Mission Statement
- ✓ Problem identification and resolution process
- ✓ Conflict Escalation Procedure
- ✓ ADR approach
- ✓ Evaluation methodology

The partners must utilize and rely on these tools throughout contract performance in order to maintain focus and direction.

Reinforcement and follow-up

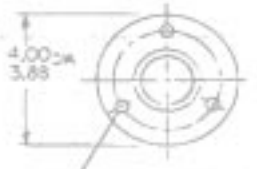
In-process reviews should be held on a regular basis to ensure that program goals and objectives are on track and to measure accomplishments. Momentum will be maintained through the achievement of goals, the celebration of successes and the endorsement of the Partnering process by participants and senior leaders.¹ ❖



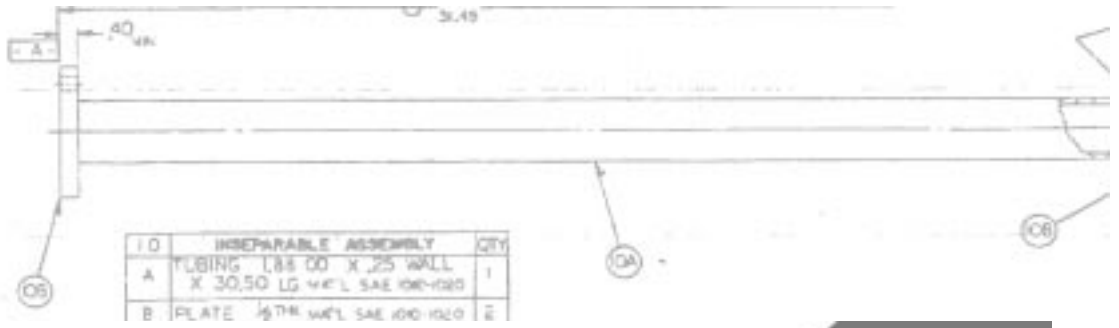
¹ This section is based on an article entitled “Seven Reasons Why Partnering May Fail on Your Project,” written by Partnering facilitators William S. Spragins and Richard D. Dutmer for *The Contractor’s Management Journal*.

Partnering is a Workforce multiplier

The culture within the acquisition community is undergoing dramatic change as a result of the introduction of numerous initiatives designed to streamline acquisition processes. Industry has had to adjust to the realities of the changing global situation with the ending of the Cold War. Both government and contractor employees are facing unprecedented downsizing and reorganization efforts. Accordingly, there is an understandable hesitancy to accept further changes such as Partnering. Unlike many new initiatives, however, the Partnering process is a workforce multiplier, the utilization of which is absolutely essential to our future success.



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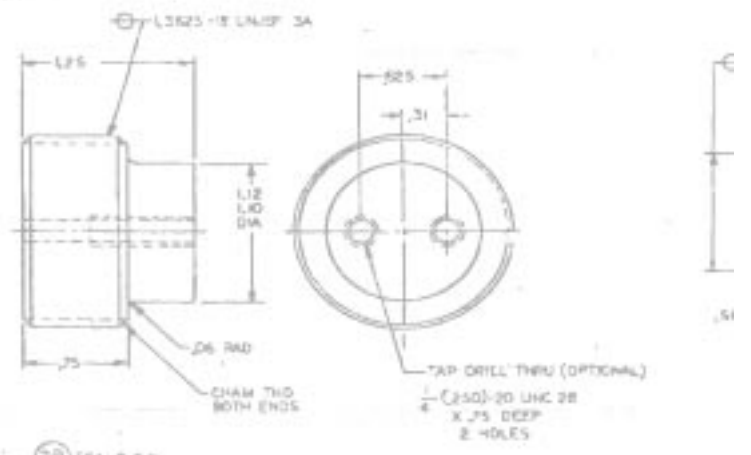
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B	PLATE 1.80 W/PL SAE 106-1020	2



Partnering is an attitude adjustment.



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Step One: Getting Started

Decision to partner

This first step is critical. Partnering is a process that can be used in any contractual action; however, it is up to the individual activity and the contracting parties to determine whether to use Partnering.

Who can suggest Partnering?

While the decision to partner on a specific project needs the support of senior management, anyone within government or industry can initiate the process by bringing the Partnering concept to the attention of the Procuring Contracting Officer (PCO) and/or the Program Manager (PM).

When is Partnering beneficial?

Partnering is most beneficial when the parties believe that traditional contract administration methods may prove to be ineffective, particularly in a downsizing environment.

Partnering is particularly valuable to organizations committed to DOD acquisition streamlining and cycle time reduction, and for those seeking a process that identifies and resolves problems early and without the need for costly and time consuming litigation.

Selecting the contract to partner

Partnering has been successfully employed on contracts that are technically complex, involve several major players, are for the acquisition of critical items, or anticipate identifiable problems. Excellent candidates for Partnering include acquisitions where prior contract performance has

“Resistance (to Partnering) is based on the attitude ‘I don’t have the time.’ If this is true, you can’t afford not to partner.”

—Pat Martel
Chief, Hydra Rocket Section,
Ammunition Procurement Division,
U.S. Army Industrial Operations Command

been poor or where there has been a history of adversarial relationships between the government and the contractor.

In selecting contracts for Partnering, a contract of two years’ duration or longer is generally preferred. Normally, a contract of less than two years is not long enough in which to maximize the benefits of a Partnering relationship. However, if the parties are familiar with, or have experience in the process, its utilization on shorter contracts can be beneficial.

Making the commitment

To succeed, Partnering needs the total commitment of senior management, as well as everyone with a stake in the relationship—those who will have an impact on contract performance. Periodic meetings will ensure the continued commitment of stakeholders, introduce new participants to the Partnering process, and reinforce team goals.

Senior management

It is important that senior managers within the Partnering organizations

affix their personal stamp of approval on the Partnering effort. Written policy statements from these government and contractor management officials demonstrating their support for and commitment to the Partnering process will greatly assist in creating and maintaining the support of participants.

Program stakeholders

“Stakeholders” are those persons within government and industry who are critical to ensuring program success. They, along with the roles they play, must be clearly identified and well defined. The user of the product or system being acquired is an important stakeholder whose presence at the initial Partnering Workshop to describe the need for the item and its role in supporting the American soldier is crucial to successful orientation and commencement of the Partnering process.

Empowerment of participants

Trust is an essential characteristic of Partnering. Trusting participants and empowering them with the requisite responsibility and authority to make binding decisions within their designated areas is fundamental to the success of the Partnering process.

Designation of “champions”

Senior-level and program-level “champions” should be designated by each partner. The senior-level champions are individuals who play a powerful and influential role in the process and are generally at the PM level. They will oversee the project, reinforce the team approach, overcome resisting forces, participate in resolution of issues escalated to their level, celebrate successes, and maintain a

positive image for the project. They also communicate with senior management officials (e.g., Commander, Program Executive Officer, or Chief Executive Officer) to keep them apprised of Partnering efforts and to solicit their continuing commitment.

The program-level champions are high-profile individuals, generally at the PCO or Contracts Manager level, who are involved in the daily affairs of the program. They provide the leadership to ensure that the Partnering process moves smoothly throughout performance of the contract. They coordinate activities of team members, maintain regular contact with the other partners, provide information to senior-level champions (and others in senior management), and encourage adherence to the Partnering process and compliance with the terms of the Partnership.

Obtaining resources

Part of the commitment of an organization to the Partnering process is the recognition that resources are required in order to achieve success.

Time

Participants will need to have sufficient time to learn about Partnering, to engage in team-building exercises, and to attend scheduled workshops.

Money

Financial requirements for Partnering include the costs of conducting the Partnering Workshop and renting the workshop facilities, as well as travel-related expenses. ❖

Step Two: Communicating with Industry

Extending the invitation to partner

Individuals within both government and industry are strongly encouraged to recommend the use of the Partnering process. Consideration should be given to using the AMC Model Partnering Process in these acquisition programs.

A good opportunity for AMC organizations to highlight their desire to partner is at Advance Planning Briefings for Industry (APBIs) when government representatives describe current and future acquisition programs. It is recommended that a copy of this Partnering Guide be provided to APBI attendees.

Including a provision for Partnering in the solicitation and on the world wide web

The invitation to partner should be extended as early as possible in the acquisition process.

(Appendix A contains a sample Partnering solicitation provision.)

Since your invitation to partner may be the first time that industry has encountered the concept, it is very important to clearly specify what it is that you have in mind by “Partnering.” One way to do this is to augment your solicitation provision by including this AMC Partnering Guide in the solicitation package. It is also recommended that you highlight your desire to partner in the solicitation’s executive summary.

AMC organizations can also “post” their desire to partner on their electronic bulletin boards/world wide web home pages and provide their prospective offerors with information about the Partnering process and procedures described in this Guide. The AMC Partnering Guide is available on the internet at <http://www.dtic.dla.mil/amc/>

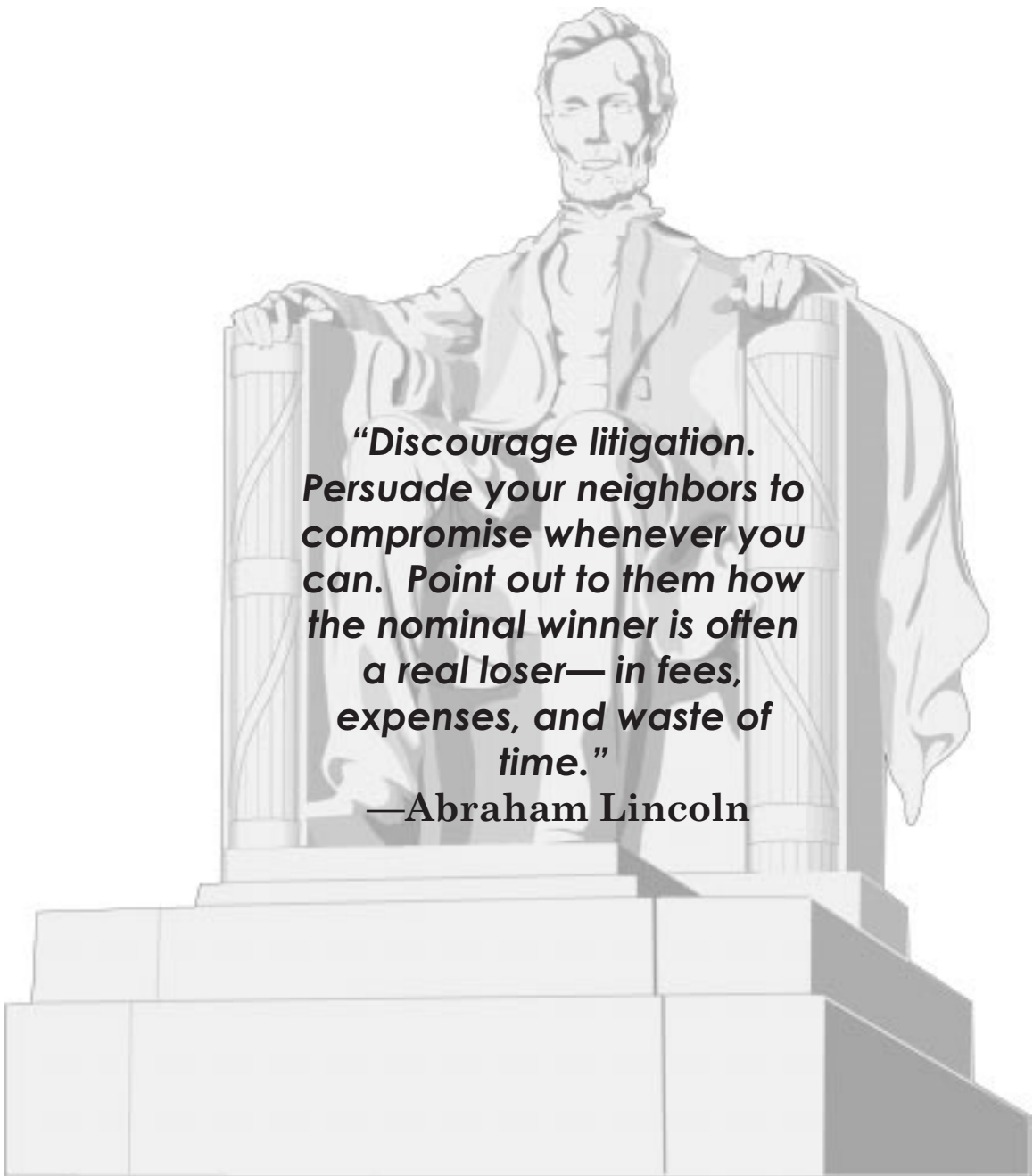
Partnering also needs to be communicated to the subcontractor community, especially those with major roles to play. Encourage offerors to ensure that their major subcontractors are made an integral part of the Partnering effort.

Discussion at the pre-solicitation conference

AMC procuring activities should begin discussing their desire to utilize Partnering with industry at the pre-solicitation conference. The government can explain the Partnering process, concept, and philosophy to prospective offerors, and identify for industry the principal government players. Contractors will be more receptive to and supportive of the Partnering process if they know who within the government will be involved.

Mutual agreement to partner

Implementation of the Partnering process should be discussed with the contractor as soon as possible after the contract is awarded. It is strongly recommended that Partnering be an agenda item for the post-award conference or start-of-work meeting. ❖



***“Discourage litigation.
Persuade your neighbors to
compromise whenever you
can. Point out to them how
the nominal winner is often
a real loser—in fees,
expenses, and waste of
time.”***

—Abraham Lincoln

Step Three: Conducting the Workshop & Developing the Charter

Selecting a facilitator

In most cases, a facilitator-directed Partnering Workshop will accelerate the successful implementation of the Partnering effort.

Role of the facilitator

The facilitator is a neutral person who helps the partners get organized from the outset of the process. The facilitator helps develop and leads the Partnering Workshop and is instrumental in having the parties design their Charter, identify potential problems (“Rocks in the Road”), and develop a Conflict Escalation Procedure.

The facilitator also plays the role of the “honest broker,” deals with any skepticism or bias brought to the workshop, and keeps the team focused on the Partnering process.

Selection of the facilitator

The parties should obtain the services of a facilitator experienced in the Partnering process. For more information, see the Partnering Program’s world wide web site. To access the site, visit AMC’s home page at:

<http://www.dtic.dla.mil/amc/>

- Click on “Headquarters Army Materiel Command”
- Click on “Chief of Staff”
- Click on “Office of Command Counsel”
- Look for the Partnering initiative in the “Teams” section.

Preparing for the workshop

Preparation for the workshop is critical. The more thorough the preparation, the more focused the workshop will be from the beginning, thereby maximizing workshop benefits. The facilitator can assist the parties at this preparatory stage of the process as well.

Selecting participants

The workshop attendees should include those individuals needed to achieve contract success, *i.e.* all those “who can throw a monkey wrench” into the program. Anyone who does not participate in the workshop may not understand the Partnering philosophy and process. Additionally, the attendees’ roles and responsibilities should be discussed internally within both government and industry prior to the workshop.

Reviewing the contract

The partners should carefully review the contract and identify potential problems which may arise during contract performance.

Site of the Partnering Workshop

A neutral site is desirable in that being away from the workplace enhances the team-building process, contributes to a consistent focus on Partnering, and minimizes the potential for participants to be drawn away from the table for other work-related matters.

Coordinating with the facilitator

It is important that the partners coordinate with the facilitator during the preparation stage, especially if they are unfamiliar with the Partnering process. Keeping the facilitator involved maximizes the benefits to the partners by keeping them on the Partnering path and by increasing the facilitator's knowledge of the specific program, contract requirements, and unique contract administration issues.

Conducting the workshop

A good Partnering Workshop is an invaluable team-building experience and an excellent method for initiating the Partnering process. What happens at that workshop will create the momentum that drives the partners in the same direction toward the accomplishment of mutual goals and objectives throughout contract performance.

During the workshop, the essential ingredients of the Partnering arrangement are drafted:

- ✓ The Partnering Charter (mission statement and goals and objectives)
- ✓ Specific program issues and concerns ("Rocks in the Road"), with an Action Plan developed for each
- ✓ Conflict Escalation Procedure
- ✓ Alternative Dispute Resolution (ADR) approach
- ✓ Metrics for the assessment of accomplishments
- ✓ Reinforcement techniques

The Partnering Workshop should not be viewed as one more task on an already full plate, but rather as an up-front investment with substantial long term benefits for the partners.

The length of the workshop will depend on such variables as the complexity of the contract, experience of the participants in Partnering, the number of partners, and the time needed for team-building. The workshop may entail both individual and joint sessions with the facilitator and, generally, will be at least two days in length. The workshop should consist of the following activities:

Team-building

The facilitator brings the parties together to develop inter-organizational team-building skills. The specific skills needed (*e.g.*, communication skills, personality profiling, joint problem resolution skills) will be identified and addressed by the facilitator based upon an assessment of the individual program. This establishes the foundation for the balance of the workshop.

Roles and responsibilities

The roles and responsibilities for each Partnering participant should be identified during the workshop. This assists in establishing and clarifying lines of communication and levels of authority.

The Partnering Charter or Agreement

The Partnering Charter is the focal point of the relationship and the blueprint for success. It is the threshold document in which the parties set forth their mission statement, mutual goals and objectives, and commitment to the Partnering relationship.

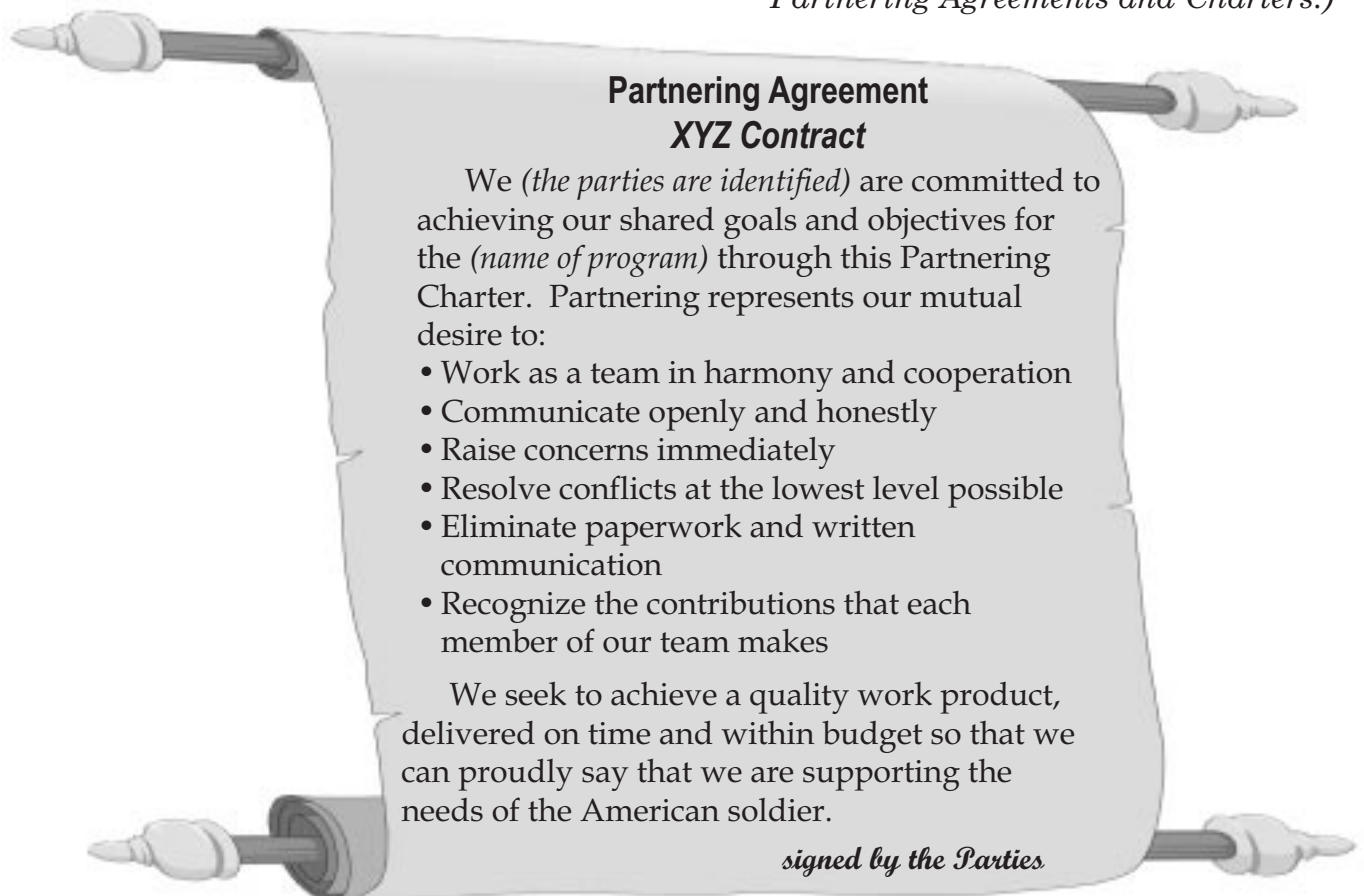
There is no single approach to drafting a Partnering Charter. The Charter should include a mission statement expressing the partners' commitment and agreement to communicate openly and to share information in order to avoid surprises. (*See example below*).

The Partnering Charter should also include specific, identifiable and measurable overriding goals and objectives, such as:

- ✓ Deliver the product/service (xx) days ahead of schedule
- ✓ Identify problems at the first opportunity
- ✓ Jointly resolve problems at the lowest possible level
- ✓ Seek fair treatment for all participants
- ✓ Limit cost growth to less than (xx) %
- ✓ Pass First Article Testing the first time
- ✓ Eliminate litigation through the use of ADR procedures

When the parties establish their overriding goals and objectives, they must ensure they are mutually agreed upon so that everyone will be actively focused on achieving them.

(See Appendix B for examples of Partnering Agreements and Charters.)



Overarching Partnering Agreements

Consideration may also be given to the use of Overarching Partnering Agreements in which senior management from the government and industry formalize their commitment to utilize the Partnering process in the performance and administration of each of their subsequent contractual efforts. Individually designed and tailored Partnering Agreements would be developed for each of those contracts.

(Appendix C is an example of an Overarching Partnering Agreement.)

Problem resolution

Throughout the Partnering process, the partners will be encouraged to identify problems at the earliest stage and to work together to solve them. Don't wait for your partners to find the "hidden traps" themselves. Identifying problems early, particularly those about which only you are aware, is the best way of demonstrating to your partner your commitment, openness, honesty, and desire to work together as a synergistic team. Remember, the occurrence of a problem does not mean that the Partnering arrangement has failed.

"Rocks in the Road"

"Rocks in the Road" is a phrase that describes the potential problems that the partners may encounter during contract performance. The "Rocks in the Road" process means that the parties mutually agree to avoid surprises, to communicate problems to

each other immediately, and to work together as a team to expeditiously solve problems as they occur. For each "Rock in the Road," the parties develop an Action Plan for addressing the problem and identify the team members empowered to resolve the problem.

(Appendix D is an example of a "Rock in the Road" identification/Action Plan that has been used successfully.)

Conflict Escalation

Rather than race to the courthouse when a conflict arises during contract performance, the partners will turn to the Conflict Escalation Procedure they designed during their workshop. Any issue not resolved at the working level within the established time frames will be elevated automatically to the next identified level.

The parties agree to attempt to resolve every issue at the lowest level possible with specifically named individuals. The partners agree not to elevate the issue to the next higher level prematurely or unilaterally and to follow the Conflict Escalation Procedure developed at the workshop. This process avoids "leap-frogging" and keeps problems from festering.

Lastly, it is imperative that the individuals identified in the Conflict Escalation Procedure not delegate their responsibilities and personally that they perform the role(s) agreed to at the workshop.

(Appendix E contains examples of Conflict Escalation Procedures—also referred to as Issue Resolution—developed during Partnering Workshops.)

Alternative Dispute Resolution

Partnering is an integral part of the AMC ADR Program. Within the Partnering framework, the partners design a dispute resolution approach to be used in the event that an issue cannot be resolved through the Conflict Escalation Procedure.

ADR is not a single process or procedure. It is an inclusive term that describes a variety of joint problem-solving techniques that present

options in lieu of litigation. ADR encourages the consideration of creative solutions to disputes that are unavailable in traditional dispute resolution forums. It encourages communication between the parties and focuses on the parties' real interests, rather than on their positions or demands, enabling them to address the real concerns underlying the conflict.

Using ADR

Benefits of ADR

- ✓ Reduces the cost of litigation
- ✓ Avoids program delays occasioned by protracted litigation
- ✓ Recognizes the need to maintain a harmonious business relationship
- ✓ Shifts the focus of decision-making from a legal to a business perspective

The ADR process selected by the partners should be documented in a Protocol Agreement jointly signed by the partners.

This Agreement should specify:

- ✓ The steps to be used
- ✓ The specific individuals who will participate in the ADR procedure
- ✓ The role of each participant
- ✓ A well-defined time structure

- ✓ A confidentiality clause that prevents the parties from disclosing dispute resolution communications in subsequent proceedings, in the event the dispute cannot be resolved through ADR.

(Appendix F is an example of an ADR Protocol Agreement)

(Appendix G identifies the various ADR techniques that have been successfully used in AMC and elsewhere. It also describes the characteristics of ADR.)

Partnering is one of four AMC ADR acquisition initiatives.

(Appendix H discusses the other three programs: the AMC-Level Protest, Debriefing, and Contract Dispute Resolution Programs.)

“Through these Partnering Agreements, we’ve eliminated bureaucracy, increased flexibility, decreased lead times, and built better relationships with our contractors. Most importantly, the agreements will improve readiness by speeding deliveries to our ultimate customer, the soldier in the field.”

— Jimmy Morgan
Director,
Armament and Chemical Acquisition & Logistics Activity

Measuring success

During the Partnering Workshop, the facilitator will assist the partners in determining how success will be measured through the development of a baseline and assessment criteria which will be utilized during periodic follow-up meetings to determine if goals and objectives are on track.

The partners should draft a Partnering Performance Survey to measure the team’s progress towards the accomplishment of identified objectives. An initial survey should be done at the workshop to measure perceptions and views at the outset of

program performance. Thereafter, results of in-process surveys of government, contractor and subcontractor personnel, asking the same or similar questions, can be compared to the original responses to assess progress and to determine the extent to which the Partnering objectives have been accomplished.

(Appendix I contains an example of a Partnering Performance Survey.) ❖

Step Four: Making it Happen

Although the Partnering process gets a “jump-start” during the Partnering Workshop, the newly learned technique of conducting business as partners must be vigilantly reinforced throughout contract performance. If the Partnering process is not utilized back at the office or if you do not act differently in your day-to-day dealings with your partners, you will fail to capture the significant advantages for your program which will result from the Partnering process. The following paragraphs discuss some ways to ensure that the benefits of Partnering are achieved.

Following agreed upon procedures

Trust the product of your workshop. Frequently refer to the Partnering Charter, the mission statement, the goals and objectives, the Action Plan developed for each “Rock in the Road,” the Conflict Escalation Procedure and the ADR approach you designed.

Adhering to these procedures will significantly decrease the time and cost spent in identifying issues and resolving problems. Following your Partnering approach avoids the scenario of having to repeatedly search for the “right” person with whom you can discuss an issue and resolve a problem. More importantly, however, deviating from the workshop procedures may create the belief among your partners that you do not trust them and are not committed to the Partnering process.

Active champion involvement

The champions are more than figure-heads. They must play a vital role in initiating and energizing the Partnering process for those on the team and implementing the tools developed at the Partnering Workshop.

Continuous communication

Adhere to the principle of open and honest communication. Without this foundation, your Partnership cannot succeed. Communication builds trust which is a critical component of the process. Remember, when the going gets tough or unanticipated problems arise, Partnering becomes more important than ever. Only through open and honest communication among the partners can these obstacles be successfully overcome.

Although face-to-face meetings are most conducive to open communication, time and budgetary constraints may limit the feasibility of this approach. Any media available (VTC, e-mail, teleconferences, desk-top videos) should be used to maintain continuous communication among the partners. Additional workshops should be considered if the primary participants change during contract performance.

Identification of problems and joint problem-solving

Throughout the Partnering relationship, the partners must be vigilant in identifying potential pitfalls and obstacles and work together to expeditiously resolve these issues.

Joint problem-solving

- ✓ A positive attitude is essential
- ✓ Avoid blame
- ✓ Avoid surprises
- ✓ Seek mutual accountability for problem resolution
- ✓ Embrace change

The immediate identification of a problem is crucial because *bad news does not get better with time*. The Conflict Escalation Procedure designed by the partners envisions early recognition of problems. Use it!

Through open and honest communication and joint problem-solving, the partners create a proactive relationship based upon managed risk-taking which encourages creative “outside the box” ideas and solutions.

Periodic reviews

The Partnering Workshop is a starting point. The necessity for adjustments in the process and the relationship should be anticipated. Without an accurate assessment of the successes to date, valuable corrections cannot be made. The fact that adjustments are considered necessary is not indicative of failure or error; it only recognizes the need for change or reinforcement.

Periodic reviews at regular intervals are critical to success. Do not adopt the view that the partners should *review the bidding only* when problems demand action. Periodic reviews are important to effective management and may involve the entire team or a portion of the team, and can address single or multiple issues. Periodic reviews can involve any of the following three activities:

Assessment of the partnering relationship

When the partners interact they should discuss the Partnering process and actively listen to the comments from their counterparts. Periodic surveys measuring the partners’ ongoing relationship will help the parties assess the effectiveness of the Partnering arrangement and the tools created at the workshop. The champions should then take the lead to facilitate necessary adjustments, reinforce the Partnering process, keep the parties focused, and ensure that the actions taken are consistent with Charter objectives.

Follow-up workshops

One reason why it is beneficial to keep the facilitator informed during contract performance is to enhance his or her involvement in follow-up workshops if they are required. Follow-up workshops should be considered when major players in the Partnering process are replaced in order to ensure that new participants are knowledgeable about and committed to the process.

Follow-up workshops should also be considered if there is a breach of the Charter or Conflict Escalation Procedure, or if there is some other indication that it is necessary to reaffirm the process and remind participants of the need for their consistent commitment.

Metrics

The measurement phase of the Partnering process is crucial in order to determine whether the process is working, what strengths and weaknesses are present, and what revisions will make the Partnering process better.

(Appendix J addresses the different criteria which government and contractor partners may wish to use in developing a specific measurement apparatus.)

Measuring and celebrating success

When interim goals or objectives are achieved, or when problems are successfully resolved, celebrating those successes will provide momentum for the team. The celebration can consist of T-shirts or caps worn by team members, certificates, awards, statues, or a picnic. The celebration can be a joint one for all partners, or it can be internal for the government or contractor participants. Celebrating achievements builds on those successes, creates confidence in the Partnering process, and contributes to further team-building.

Always return to the Charter and to its recitation of goals and objectives. The most accurate measure of success in the Partnering process is whether these are being met. Analyze the results achieved against those you forecast in the Partnering Performance Survey developed at the workshop.
For example:

- ✓ Were the originally identified time lines achieved?
- ✓ Are deliveries/services completed on or ahead of time?
- ✓ Are testing requirements satisfied the first time?
- ✓ Has litigation been avoided?
- ✓ Has paperwork been reduced?
- ✓ Was the money spent commensurate with the performance?

Reinforcement

No matter how well the Partnering process is working, it periodically must be reinforced. Senior management should be briefed by the champions and asked to encourage Partnering to the workforce generally, and to the team participants, specifically. Recognize successful efforts by publicizing them through such means as the installation newspaper, command briefings to the workforce and at command staff meetings. One benefit of reinforcement is that it demonstrates to other employees that engaging in the Partnering process will be worth their time and effort and, most importantly, will benefit the American soldier.

When the contract is complete, the partners should review what occurred, do a final comparison against the goals set forth in the Partnering Charter, and develop a lessons learned/after-action report, to be used as a guide for future Partnering efforts. ❖



Conclusion

This “Model” has been used successfully by several AMC procuring activities. When using the Partnering process, the participants are free to tailor this methodology as necessary to achieve the objectives of their particular program. However, each basic step of the process is important and should not be overlooked.

Questions

When individuals are first introduced to the Partnering philosophy and process, they often have numerous questions.

(Appendix K provides responses to frequently asked questions and will provide important information to those considering the use of the AMC Model Partnering Process.)

For more information

For more information on AMC's Partnering Program, and to discuss how you can utilize the procedure for your contracting actions, please contact any of the members of the AMC Partnering Team.

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