

Commentary on project management partnering with external bodies¹

By Alan Stretton

INTRODUCTION

Various forms of partnering in the project management context have been practised for a long time – in my personal experience, at least from the early 1960s (as will be further discussed below). Morris 1994:215 reported that “Partnering and teamwork became more accepted and important practices” in project management from the mid-1980s.

Partnering can mean different things to different people. However, Morris 2013:79 describes the most common thread of partnering as follows.

...an emphasis right along the supply chain on achieving mutually agreed objectives, developing trust, implementing joint approaches to work, empowering personnel and stimulating learning.

Morris 2013:79 also elaborated on the widespread use of partnering approaches in project management, as follows.

Partnering has proved immensely popular and has truly revolutionised the basis on which many, though by no means all, projects are engaged.

However, as Morris 2013:180 also says,

“While there is broad agreement about the basic philosophy underpinning partnering – a commitment between firms to cooperate – there are contrasting views about a number of features ... contracts, duration of agreements, need for formal teambuilding”.

In practice, there are evidently multitudes of different ways in which partnering arrangements can be, and evidently are, made. There are also likely to be particular forms of such agreements which are reasonably widely used. However, I have not seen any substantial documentation of these in the project management literature.

In the absence of such documentation, I thought it might be useful to outline an actual operational partnering approach developed and used by Civil & Civic (C&C) from the early 1960s – an approach which worked very well for both C&C and its customers for well over three decades. Furthermore, this approach would appear to be transportable to a wide variety of other contexts in which project management supplier organisations form partnering-type arrangements with other external customers or associated entities.

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The C&C approach centred around a joint governance arrangement which we called a Project Control Group (PCG) – which is the primary subject of this commentary.

THE PROJECT CONTROL GROUP (PCG) AS A PARTNERING FACILITATOR

Civil & Civic developed its own distinctive form of partnering with its design-and-construct services in the Australian building industry, from the early 1960s. Clark 2002:40 described the circumstances leading up to this approach as follows.

....the design planning phase offered perhaps the most potential for reducing costs: 'that's where the savings [are] made', Dusseldorp [Civil & Civic's CEO] would say: 'in the mind and on the drawing board'. The first job of the project team, therefore, was to consider 'alternative ways in which the various problems encountered in the design of a building can be overcome. These alternatives would be mulled over, costed and compared, in conjunction with an assessment of alternative methods of construction, 'to enable the correct solution to be obtained'. The 'correct solution' was the best value solution for the client. With the client actively participating in the project team during the initial design planning they were in a position to reach an informed decision as to which alternatives generated the most value for them.

Active participation by the client in these processes was facilitated by Civil & Civic's insistence on the institution of joint governance arrangements via what was called a Project Control Group (PCG), for each of its design-and-construct projects. The PCG acted as the broad equivalent of a Board of Directors for the project, and comprised senior management and operating people from both Civil & Civic and the client organisation. Core membership of the PCG was typically as follows.

- Client management – the most senior available client decision-maker
- Client representative – the primary contact for day-to-day matters
- Civil & Civic management – a key senior manager, acting as the PCG chair
- Civil & Civic project staff – the project manager, acting as the PCG secretary

These core members would be supplemented by other more specialist appointees, either internal or external to Civil & Civic, typically on a temporary basis, to contribute during phases of the project where their specialisations were most relevant.

A Project Control Group was established as soon as possible after formal project initiation. Meetings were normally held at monthly intervals, but with some flexibility about frequency. The broad objectives of these meetings included the following.

- To provide both the client's and Civil & Civic's top management with an overview of the project's progress, and significant problems/opportunities.
- To provide a high-level decision making forum on major issues, to ensure that appropriate action is agreed, and taken, throughout the life of the project;
- To provide regular and formal communication and interaction between the client's management and Civil & Civic's management;

- To facilitate the development of informal communication lines, and positive people relationships, to complement more formal communications;
- To help resolve major differences where necessary.

In similar fashion to Boards of Directors of public companies, agendas and reports were issued to all attendees well in advance of each meeting, and minutes of the meeting issued ASAP after the meetings. This secretariat-type role was normally the responsibility of the C&C project manager.

In practice, there were two overlapping partnering-type streams facilitated by the PCGs. At an operating level, we had the project manager and the designated client representative(s), whose joint operational interactions were monitored as part of the governance role of the PCG. At the governance level, we had the functions listed above.

Our experience was that even initially reluctant clients soon came to appreciate the benefits of these partnering-type arrangements, and to welcome the opportunities to contribute on an ongoing basis.

Now, a key point about all this was that there was already a separate formal contract between Civil & Civic and its external client in place. The nature of the formal contract varied from client to client, but did not include any specific provisions for partnering.

In this sense the PCG might be described as a semi-formal arrangement, as it did require the active agreement and participation by both parties, in spite of not being formalised by way of a contract document.

We now move on to discuss three types of project management services/relationships with external bodies, mainly in the context of associated actual or potential partnering-type arrangements. These are:

- Traditional project management services to external clients
- Extended project-related services to external clients
- Partnering arrangements with societal-focused and other not-for-profit bodies

MANY TYPICAL PM SERVICES ARE UNDERTAKEN IN PARTNERING-TYPE MODE

As noted in many previous articles in this journal, most recently in Stretton 2024j, conventional project management services can be placed into the following two groups.

- Project execution/delivery-only, and
- Project development + execution/delivery

We now look at each of these in turn.

Project execution/delivery-only: Some projects are undertaken in partnering- type modes – but in practice many become adversarial

In some ways, it would be nice to think that project execution/delivery-only services were habitually undertaken in partnering-type modes. Indeed, some are. However, in many traditional competitive tendering environments, such as in the construction industry, the mode all too often turns out to be adversarial, for a variety of reasons, some of which I discussed in Stretton 2024g.

But, a key reason this happens so often is that given by Morris 2013:179, as follows.

Since Plutarch's day or before, contractors have been selected typically on the basis of the cheapest bid, ... This leads readily to bidders under-quoting with the hope of making their money on variations. Which in turn leads often to adversarial relations.

However, when we move to the project development + execution/delivery group, there are stronger incentives for developing partnering-type approaches.

Project development + execution/delivery: Projects for external customers are often undertaken with partnering-type arrangements

The previous major section of this commentary described how Civil & Civic developed the Project Control Group (PCG) as a joint governance body to facilitate close partnering arrangements with its clients.

It is not known to what extent other suppliers of this type of service use partnering arrangements along similar lines to the PCG. However, in a somewhat parallel, albeit different, domain, Agile and similar approaches are undertaken with close and ongoing interactions between the project service provider and the customer. Morris 2013:91 describes such close interactions as 'coupling', as follows:

Agile is based on the premise that because it is so difficult to specify requirements using traditional methods, it would be better if they were specified through close interactions ('coupling') between the user and the software developer;

In this context, 'coupling' is clearly a type of partnering arrangement. This tends to be reinforced by the following items from the Agile Manifesto (Morris 2013:90)

- Business people and developers must work together daily throughout the project
- Face-to-face conversations improve efficiency and effectiveness

Although formal Agile approaches appeared some years later, in the mid-1980s Civil & Civic partnered with the US company Digital to develop an expert system ("Predict"), for which the processes involved were very similar indeed to Agile approaches. Because much of the action took place in the USA, prior to modern instant communication facilities, the PCG for this project took a somewhat modified form.

However, the PCG was still a significant contributor to a successful outcome, and would also appear to be eminently well suited to Agile approaches.

We now go on to look at some extended project-related services in the context of partnering arrangements.

SOME EXTENDED PM SERVICES ARE ALSO UNDERTAKEN IN PARTNERING-TYPE MODES

Civil & Civic's Client Needs Determination (CND) and allied services also included joint governance arrangements with customers via PCGs

Stretton 2022k described processes we developed in Civil & Civic for helping some customers/users clarify and confirm their basic business or equivalent needs, before helping them specify the project/ product requirements to best help satisfy these needs. We described these as Client Needs Determination (CND) services.

Civil & Civic certainly saw these CND processes as a kind of partnership. In practice, this was greatly facilitated by having a Project Control Group (PCG) in place, providing overall joint governance of the CND progress, and its outputs.

This also applied to other related services, not only in early planning stages, but also in helping the customer bed things down in early operational phases.

One example, which combines both, comes from the Civil & Civic experience in the healthcare sector in the 1970s and 1980s. In designing new hospital facilities, or extensions to existing facilities, the C&C teams often found it a very challenging task indeed to try and help reconcile different needs of various specialisations, and to come up with design solutions which were the most satisfactory for all parties. Subsequently, after delivery of the new facilities, the C&C team was also often engaged to further assist in helping a hospital achieve effective integration within its new environment.

PCGs were an invaluable help in promoting effective partnering arrangements which were so essential to success in these contexts.

Front End Loading (FEL) and pre-FEL services by many EPC (Engineering, Procurement, Construction) organisations typically involve de facto partnering

In the very different major project context, many EPC (Engineering, Procurement, Construction) organisations have long been engaged in helping customers achieve their strategic objectives, via particular focus on relevant Front End Loading (FEL) activities. Morris 2013:60 describes FEL as follows:

IPA [Independent Project Analysis], the oil, gas and minerals project benchmarking company, coined the useful term 'Front-End Loading': ...(FEL) is a tool for determining which is the "right" project to meet the needs of business. The FEL tool assesses the

level of definition of a number of critical items that are used to determine what, if any, asset should be built to meet a particular business need.

Many EPC organisations also become involved in pre-FEL activities, which are directly concerned with helping client organisations establish/ re-establish and/or shape their overall strategic objectives. In Archibald et al 2012, Prieto notes that,

In today's large capital projects, the FEL phases ... are preceded by an extensive "Conception" period during which extensive and often time-consuming activities are undertaken.

Prieto 2009 describes the involvement of an EPC organisation in helping the owner organisation in these processes as partnering arrangements, as follows.

Most importantly, the owner requires a partner that can help it translate its programmatic vision and broad objectives into a well defined set of specific business objectives that underpin an actionable and implementable strategic plan for the "giga" program [super-large mega-programs/project].

Clearly, at least some EPC organisations providing FEL and pre-FEL services to external customers believe they can only do so effectively via appropriate partnering arrangements.

I do not have any information about what types of operating arrangements were actually put in place. However, as was the case with Civil & Civic, whatever partnering-type arrangement they use are evidently put in place irrespective of the nature of the formal contracts between these EPC organisations and their customers/clients.

OTHER TYPES OF PARTNERING ARRANGEMENTS WITH EXTERNAL BODIES

There are many types of bodies with which project management can, and does, undertake partnering-type initiatives. I will briefly discuss two of the more prominent of these.

With not-for-profit and similar societal-focused bodies

Deanna Landers (in Khelifi 2024) recently discussed the mission of Project Managers Without Borders (PMWB), which was acquired by PMI in early 2024, as follows.

Project Managers Without Borders (PMWB) connects project professionals with not-for-profit organisations to help them achieve their missions more efficiently and effectively, by improving their project management maturity.

When those of us in the project management profession share our skills, knowledge, tools, and techniques with those organizations that are supporting the United Nations Sustainable Development Goals, we amplify the positive impact they have in the world.

These types of collaborations where project management helps by sharing its know-how with such organisations are essentially partnering arrangements. For example, Pierre Le Manh, President and CEO of the Project Management Institute (PMI) used the term “partnerships” directly in discussing project management in the broad context of sustainability, as follows (in Khelifi 2023).

.... we have partnerships with specialized organizations like The Green Project Management or with the United Nations.

There are undoubtedly a large number of similar types of partnering-type arrangements between project management institutes/associations and bodies which are concerned with helping other organisations resolve broad social, economic, environmental and similar issues. For example, Pells 2021 lists many of these in his four-part editorial headed “Project management needs a higher purpose!”

Pells 2021 also discusses some similar initiatives by individual project management organisations, and by individual or groups of project managers. One suspects that there have been, and are, countless numbers of such initiatives undertaken around the world.

So, not only do we have multitudinous partnering arrangements between project management and societal-oriented bodies, but undoubtedly a multitude of types of such arrangements. However, if not already in place, PCG-type governance arrangements could well be appropriate mechanisms for enhancing operational aspects of many of these types of partnering initiatives.

With disaster-response and allied bodies

The main differences between partnering with disaster-response bodies and with societal-focused bodies appear to be time related. Most disasters tend to be in the unexpected category, and when they happen, urgent action is normally required. Unlike the situation with societal-focused bodies, disasters rarely allow time to develop and consolidate partnering arrangements. So, initiating appropriate partnering arrangements requires corresponding urgency.

Additionally, there are likely to be several entities with direct interest and/or involvement in appropriate responses to disasters. In these circumstances, a PCG-type governance arrangement with all the entities represented would appear to be particularly appropriate, to help ensure coordinated decisions and actions. Meetings of governance bodies would also need to be frequent enough to adequately cover the pace and/or uncertainties involved in responding to disasters.

SUMMARY/DISCUSSION

This commentary has been concerned with viewing project management initiatives with external customers and other bodies as partnering arrangements. The latter are evidently widely practiced, but details of the actual nature of such partnering arrangements are scarce. There are also likely to be particular forms of such

agreements which are reasonably widely used – but which do not appear to have been collated and published.

In these circumstances I have submitted this commentary to outline the primary features of the PCG approach developed and used by Civil & Civic (which was set down in detail in many internal company documents – e.g. in Civil & Civic 1980).

Furthermore, this approach would appear to be transportable to a wide variety of other contexts in which project management supplier organisations form partnering-type arrangements with other external customers or associated entities.

After describing C&C's PCG approach to facilitating partnership arrangements, I briefly discussed three types of project management service relationships with external bodies. These covered both traditional and extended project-related services to external clients, and partnering arrangements with societal-focused and other not-for-profit bodies. We identified many instances where a PCG-type approach would be appear to be particularly appropriate to facilitate partnering arrangements in these contexts, irrespective of the type, or absence, of any formal contracts.

In the apparent absence of substantive published materials on this topic, it is hoped that this commentary, which outlines a tried and proven approach to facilitating partnering activities in practice, may help fill in this gap in the project management literature.

PS. It has also occurred to me that perhaps a more partnering-oriented descriptor such as Partnering Governance Group might be more appropriate than PCG.

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