

THE ACADEMY OF ELECTRICAL CONTRACTING

**Paper Presented by
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Partnering

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Our company (L. K. Comstock) performs contracts as both a prime contractor and as a sub-contractor, as I'm sure most of you do. We believe in the concept of partnering in either situation. Partnering is a relatively new expression to the contracting world, although I believe that if each of us thought back to successful projects we would probably come to the same conclusion—they were those in which there was a spirit of cooperation among all parties involved—an understanding of the problem or problems and a desire to solve them. On the other hand those projects which proved to be less profitable or losers always seemed to be fraught with finger pointing, with no focus on problem solving—a situation that impacted the results to the detriment of all.

Let me give an example of the latter. Recently we started two major projects. In the first, we were the prime contractor. There was a major subcontract that we awarded to a large general contractor who had not worked as a subcontractor before. It was a difficult concept for them to accept, which we proceeded to make worse. At our first meeting we started to make demands and treat them in the same manner as we had been treated for many years before; I guess we were going to make up for past transgressions against us.

As things would have it, shortly thereafter the situation was reversed, and we were awarded a major subcontract by that same company. However, damage had been done on the first project, and unbeknown to both companies at the time, the road to successful project completion was going to be a rocky one. We had no spirit of cooperation; as a matter of fact it was just the opposite. Nevertheless, the projects muddled along and are in the process of being completed. The feelings at the project level were deeper than we realized. As the projects progressed some of the problems surfaced, and upper management attempted to resolve the situation. We were partially successful, but both projects were complex and neither party could afford to make personnel changes. As a result, we muddled through with more top management intervention than should have been required. I believe each of us had profitable projects. It is also my firm belief, however, that had we practiced partnering from the beginning, we could have built a team that would have brought each of us a much higher profit, made for less stressful projects and ended with a better relationship between us. And that's what partnering is all about!!

How do we pursue this concept? Subcontractors, architects, engineers, suppliers and, last but not least, the owner or end user must work together with a common goal: an on time completion that is within budget and provides a fair return on investment for each of the participants.

Partnering is built on trust and teamwork—a covenant among the parties involved. This commitment must come

from the top down. It must be initiated as soon as all participants are in place and continue throughout the project until the last dollar is collected by all.

A committee must be established, consisting of a member or members from each entity. Then specialized teams must be organized in each area where problems may arise or where improvements can be made.

If each of us were to list areas of concern on a project, I believe most of us would arrive at similar ones such as:

- Scheduling,
- coordination,
- material handling,
- punchlist,
- value engineering,
- safety, and
- billing/payment.

For example, scheduling concerns. The position of the electrical subcontractor vying for input into the scheduling loop and/or coordination of the installation of equipment, conduit, duct work, etc. You know what a nightmare it can be. The architect gives the engineer as little space as possible into which he has to fit the mechanical and/or the electrical equipment. The engineer then passes the problem along to the contractors to figure out, and, to be very honest, we don't do the best job of it. We are all, naturally enough, looking out for our own bottom line. Also, in most cases we don't trust each other, let alone trust the architect, engineer or construction manager. Such attitudes are counterproductive for everyone involved, especially in the highly competitive market place of today. In the long run it costs us all bottom line dollars.

I cannot overemphasize the point that all participants must be committed, from the beginning to the conclusion of the project, in their dedication to the team concept—updating, re-evaluating, fluid in their thinking and objectivity.

If an obstacle is encountered, and there will be some, an alternate avenue of resolution should be available, preferably with input from executives of each organization involved. I believe it would be beneficial to have periodic meetings of such a group, perhaps every three months or so, with an option of calling special meetings if so required. Don't fail to hold these meetings, even if the project is proceeding smoothly.

In-House Team Building— Another Aspect Of "Partnering"

At L.K. Comstock, we have set up a team effort within several of our major projects. In two of these, we are the prime contractor and in one we function as a subcontractor. We have set up teams (originally with the assistance of FMI) to review concerns we had within our own organi-

zation which included areas such as purchasing, materials handling, on site fabrication, drawing control, and punch-list procedures. These are basically the same concerns that exist in dealing with all participants in a project.

These teams, comprised of project management, staff and labor, were primarily involved in one of the above activities or some other area of concern—from project manager to office person, from general foreman to apprentice—working together, each having the opportunity to express individual opinions, contribute to the success of the project—and more important—functioning as an integral part of the project. This approach has had the continuing effect of bringing labor and management closer together on these projects. One of the projects has had a very successful conclusion, and the others are heading in that direction. Can a dollar and cents evaluation be placed on such an approach? Not quantitatively; but each person involved in the program seemed to feel better about the project, themselves and the company. Was the investment worth it? (And it is an investment because it took time to

implement, and time is money.) We feel that the answer is yes, and we will expand this to other projects in the future.

This was an experience for us in partnering within our organization, and from this we can see the advantage of partnering for an entire project. We are currently active on one project utilizing the “partnership” scenario, and are pursuing several others based on the “partnering concept.” We see this as the road to success—the win/win approach for all involved.

Les Wuerfl first became associated with NECA in 1960 as an employee of Geeco Electric, a member of the Long Island, NY Chapter. Les is currently President of the New York City Chapter in which he has been active since 1986. He has served on the Executive Committee, the Council on Industrial Relations, and represents the New York City Chapter as a member of the Electri'21 Council. He became an Academy Fellow in 1985 when he was appointed Vice President at Large. He is presently Chairman of L.K. Comstock & Company, Inc. in New York City.