



**Founder/CEO
Westney Consulting
Group**

Why Do Good Engineers & Constructors Have Bad Projects?

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... and what can we do about it?



> FUTURE Shock

Shaping the future of the Capital Projects Business

Do We Have “Bad” Projects?

Our industry consistently plans & executes projects:

- 1. Extremely well**
- 2. Very well**
- 3. Satisfactorily**
- 4. Not very well**
- 5. Poorly**



Do We Have “Good” Engineers & Constructors?

Our **OWNER** teams are generally:

1. Extremely good
2. Very good
3. Satisfactory
4. Not very good
5. Poor



Do We Have “Good” Engineers & Constructors?

Our **CONTRACTOR** teams are generally:

1. Extremely good
2. Very good
3. Satisfactory
4. Not very good
5. Poor



What Characterizes “Good” Owner – Contractor Project Teams?

Survey:

- Open, timely, trusted **communication**
- **Alignment**
- Appropriate allocation of **risks**
- **People** appropriate to the task
- Effective **work processes & tools**



Do We Really Have “Good” Owner – Contractor Project Teams?

Our teams are characterized by open, timely, trusted **communication**

1. Strongly agree
2. Agree
3. Neutral
4. Disagree
5. Strongly disagree



Do We Really Have “Good” Owner – Contractor Project Teams?

Our teams are characterized by open, timely, trusted **communication**

Survey:

“Engineers & constructors are optimistic, they wait too long to communicate bad news, they believe they can fix it.”



Do We Really Have “Good” Owner – Contractor Project Teams?

Our owner & contractor teams are well –
aligned

1. Strongly agree
2. Agree
3. Neutral
4. Disagree
5. Strongly disagree

Alignment:

- Realistic, agreed cost & schedule targets
- Understanding / appreciation of each party’s objectives, work processes & constraints



Do We Really Have “Good” Owner – Contractor Project Teams?

Our owner & contractor teams are well –
aligned

Survey:

***Ill-defined owner business objectives
are a leading cause of bad projects ...
all agree contractors must be
successful for owners to succeed***



Do We Really Have “Good” Owner – Contractor Project Teams?

The project **risks** are appropriately allocated between owner and contractor

1. Strongly agree
2. Agree
3. Neutral
4. Disagree
5. Strongly disagree

Allocation to the party that can:

- Control the risk
- Finance the risk



Do We Really Have “Good” Owner – Contractor Project Teams?

The project **risks** are appropriately allocated between owner and contractor

Survey:

“Clients are forcing more risk onto the contractor without a commensurate increase in profit.”



Do We Really Have “Good” Owner – Contractor Project Teams?

Owner and contractor project teams have the **people** needed to accomplish the task

1. Strongly agree
2. Agree
3. Neutral
4. Disagree
5. Strongly disagree

People who have:

- Experience
- Technical skills
- All functions represented



Do We Really Have “Good” Owner – Contractor Project Teams?

Owner and contractor project teams have the **people** needed to accomplish the task

Survey said:

People are the overwhelming contributor to successful projects, yet a continuing shortage & depletion of experienced personnel is expected



Do We Really Have “Good” Owner – Contractor Project Teams?

Owner and contractor project teams have the **work processes & tools** needed to accomplish the task

1. Strongly agree
2. Agree
3. Neutral
4. Disagree
5. Strongly disagree



Do We Really Have “Good” Owner – Contractor Project Teams?

Owner and contractor project teams have the **work processes & tools** needed to accomplish the task

Survey said:

Work processes & tools are important and receive considerable emphasis & support – leading area for performance improvement



Our Program

- **Plenary Session**
 - Framing the Issue
- **Forum – Breakout Sessions (am + pm)**
 - Developing Solutions
- **Friday Plenary Session**
 - Presenting Solutions & Path Forward

