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# COMPLEXITY, AMBIGUITY AND VOLATILITY | LEADING IN THE NEW NORMAL



ENGINEERING & CONSTRUCTION CONTRACTING ASSOCIATION



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# **Staying Aligned! How Owners and Contractors can stay aligned Throughout EPC Execution**

**Warren Kennedy – Facilitator**

**David Senko – Contractor Representative**

**Mike Elliott – Owner Representative**



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## Staying Aligned! Contractor Representative



**David Senko**

Executive Director of Construction, JGC

## David Senko

- Over 35 years industry experience, mostly EPC, mostly site / field, emphasis on construction
- Progressed up through the ranks from craftsman, to supervision, to site management, to project management, to department management, to executive management
- Construction Management degree University of Florida; graduate studies at Portland State University and Executive Studies at Babson College



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## Staying Aligned! Owner Representative



**Mike Elliott**

Senior Shareholder Representative

## Mike Elliott

- Senior Shareholder Representative of Chevron and Phillips, USGC Project
- Licensed Professional Engineer and earned a Master of Business Administration
- Various owner management positions representing; Phillips 66, Chevron, Conoco, DuPont, Citgo, Vista, GSU, ConocoPhillips, PDVSA, QP, and Saudi Aramco.

# Some Thoughts from our Experts

- Alignment Philosophy
- Observations



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# Senko: Alignment Philosophy

- Staying Aligned? First priority is to ensure there is effective alignment
- Not just as entity (owner & contractor) but also commercially, functionally and individually through the ranks
- Beyond routine engagement and activity, have check-up points
- Establish protocol by project, then maintain it
- Pet Peeve – Over-alignment!



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# Elliott: Alignment Philosophy

- “Great projects are built by a strong team of great people working together.”
- Communicate, communicate, communicate; validate a common understanding and then communicate one more time.
- Share the vision, drivers and priorities - engage everyone - and then watch the magic.



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## Group Activity - Round Table Discussion

- Select a scribe
- Discuss a question on the topic – Share thoughts
- Stay on topic – at least for a minute
- Capture a “golden nugget” or two – nothing confidential or proprietary
- Report out to the Audience (when asked)



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# Table Topics

- Team size and configuration (DS)
- Optimize Owner – Contractor Interfaces (ME)
- It's OK to 'just say no' (DS)
- Provide clear direction (ME)
- Third-Party Alignment Facilitation (DS)



## Topic 1 - Team Size and Configuration

- What is the optimum size of the owner's team?
- What are roles unique to the owner?
- What are roles unique to the contractor?
- What is the optimum size for the contractor's team?
- Why do we not staff this way?
- What might we do better?

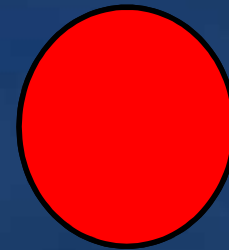


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## Topic 2 - Optimize Owner – Contractor Interfaces

- Which is better (a) communication is through the project managers, (b) communication is at all levels of the project team?
- Distribution Matrices – good or evil?
- Who needs to be involved with what?

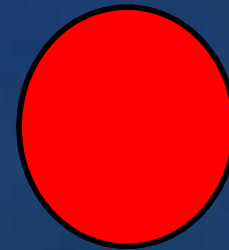


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## Topic 3 - It's OK to "just say no."

- Should Contractors have Backbones?
- Should the Contractor always do what the Owner says to do?
- What to do when the Owner says 'just do it'?

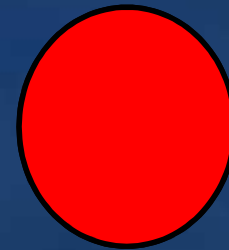


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## Topic 4 - Provide Clear Direction

- How do I do what you want, when it isn't always the same as what you say?
- Isn't the 'direction' spelled out in the contract?
- What really are the Project Objectives? Is there a hierarchy where some are more important than others?

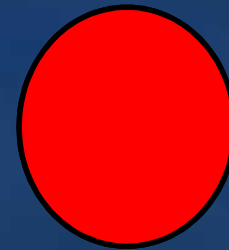


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## Topic 5 - Third-Party Alignment Facilitation

- Who has had a good/bad experience?
- How do you prepare for the facilitated alignment session(s)?
- What is the best way for follow-up (i.e. you can get aligned, but how do you stay aligned)?
- What do you look for when selecting a Third-Party Facilitator?

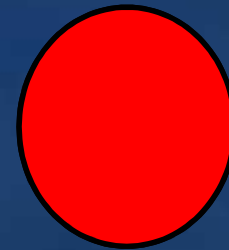


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## Wrap-up / Walk-aways

- Stay focused on the cup
- Don't fight in front of the children
- Be aligned on what 'alignment' is
- Legal "stuff" shouldn't matter – but it does.
- Alignment is never finished; it always needs adjustment



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## Q&A

- What questions do you have for our experts?



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# The End

Thank you for joining us!



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